

iSoftStone

2024 ESG REPORT



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About the Report

Report Entity

This is the third Environmental, Social, and Governance (ESG) report released by iSoftStone Information Technology (Group) Co., Ltd.

Terminology Note

For ease of reading, "iSoftStone Information Technology (Group) Co., Ltd." is referred to in this report as "iSoftStone", "the Company", or "we".

Reporting Period

From January 1, 2024, to December 31, 2024. Certain information may be extended to preceding or subsequent years as appropriate. This is an annual report.

Reporting Scope

This report primarily discloses key information and performance metrics related to iSoftStone and its subsidiaries in fulfilling their economic, social, and environmental responsibilities in 2024.

Purpose of the Report

With an open and transparent approach, the Company aims to disclose its philosophy, practices, and key performance in sustainable development to stakeholders, addressing key issues of concern.

Reliability Assurance

The Company confirms that this report contains no false records, misleading statements, or material omissions. We bear responsibility for the truthfulness, accuracy, and completeness of its contents. This report has been reviewed and approved by the Board of Directors and is publicly released.

Information Sources

All data and information presented in this report are derived from the Company's official documents, statistical and financial reports, as well as sustainability practice information compiled by the ESG Committee and reviewed by the Board of Directors. Unless otherwise specified, all monetary amounts in this report are denominated in Renminbi (RMB).

Basis of Preparation

Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 17–Sustainability Report (Trial); Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 3–Preparation of Sustainability Reports; GRI Sustainability Reporting Standards (GRI Standards 2021) issued by the Global Sustainability Standards Board; United Nations Sustainable Development Goals (SDGs).

Access

This report is available in both printed and PDF formats. The electronic version can be accessed via the iSoftStone official website: <http://www.isoftstone.com>. We welcome your feedback and suggestions to help us continuously improve our reporting practices. For any questions or comments regarding this report, please contact us at: Email: esg@isoftstone.com or contact@isoftstone.com, Phone: +86 10 5874 9000.

Message from the Chairman



Liu Tianwen
Chairman and CEO of iSoftStone

It is my pleasure to present to you the latest edition of our *Environmental, Social, and Governance (ESG) Report*. In this report, we share iSoftStone's ambitions, actions, and achievements in the field of sustainable development.

In 2024, the global economic imbalance intensified, and the domestic economy faced multiple headwinds and disruptions, posing significant challenges for enterprises. Amid these challenges, iSoftStone embraced innovation and transformation, actively promoting strategic upgrades and management reforms. We developed a development blueprint aligned with current economic conditions and industrial policies, stayed anchored on customer needs, and strategically optimized our products and services. We consistently increased our business share in high value-added sectors. With an "AI-first" approach and an innovation-driven mindset, we prioritized intelligent development, integrated superior resources across the industrial chain, and continuously translated technological advancements into commercial value. In the process of building a new development framework for the company, we have demonstrated exceptional resilience and strength, showcasing the spirit of a tech enterprise to our customers, partners, and the public.

Over the past year, we further integrated sustainability into our corporate strategy and operations, striving to generate positive environmental and social impact. While continuing to enhance our carbon management and develop low-carbon, eco-friendly products, iSoftStone focused on leveraging its full-stack intelligent

product and service capabilities, seamlessly blending software and hardware, to embed green, low-carbon development into the core of our business. We have fully leveraged our deep expertise in industrial intelligence, AI-driven automation, and robotics to empower various industries in improving production efficiency and advancing toward green transformation. By actively deploying cutting-edge technologies such as the Internet of Things (IoT), big data, and artificial intelligence, iSoftStone has developed customized energy management and intelligent manufacturing solutions for clients, helping them significantly reduce energy consumption, optimize resource utilization, and lower carbon emissions. In doing so, we extend the value of green and low-carbon development throughout the entire industrial chain.

At iSoftStone, technology should serve the greater good, and we are committed to keeping human warmth at the heart of our development. We actively fulfill our corporate social responsibilities, working with partners to promote public education support, volunteer services, and rural revitalization. Meanwhile, we place great emphasis on cultural development and employee experience. We have enhanced programs related to holistic health, lifelong learning, and mutual care to build resilience and motivation for long-term employee growth. To realize the full potential of our workforce, we have established diverse career development platforms and pathways. These include the ongoing implementation of programs such as NGL, HiPo+, CTO, and KA Bootcamp. We have also standardized role qualification systems and launched initiatives such

as the Spring Bud Program, New Wings Program, and New Employee Intensive Training Camp, creating reciprocal growth opportunities between the Company and its employees.

Thanks to our outstanding performance, iSoftStone has received numerous honors over the past year, including: "Top 500 Chinese New Economy Enterprises", "Outstanding Contributor to China's Software Industry in the Past 40 Years", "No.1 in China's IT Service Market (2023)", "Top 100 Enterprises in the Software and Information Technology Services Competitiveness Index (2024, ranked 17th)", "Top 100 High-Quality Development Software Enterprises in China (2024, ranked 19th)", "Top 100 Xinchuang Enterprises in China (2023)", "Second Prize, Hebei Province Science and Technology Progress Award (2024)", "Star of the Future Information Industry-Listed Company of the Year (2024)", Shenzhen Stock Exchange's CNI Index ESG Highest AAA Rating". These recognitions serve as a powerful encouragement for us to continue exploring and innovating on the path of high-quality development.

Looking ahead, iSoftStone will remain steadfast in our philosophy of "People-Centered, Technology-Driven, ESG-Led Sustainable Development". We will stay in step with the times and collaborate with all stakeholders to enhance our sustainable development capabilities and drive the creation of a resilient industrial ecosystem. We firmly believe that when digital innovation is infused with a commitment to sustainability, we can create a cleaner, fairer, and better future.

About Us

Company Overview

iSoftStone Information Technology (Group) Co., Ltd. (hereinafter referred to as "iSoftStone") is a leading provider of full-stack intelligent products and services in China. Founded in Beijing in 2005, the company has continuously driven innovation with the ambition of becoming a globally influential technology enterprise. iSoftStone offers a comprehensive portfolio including software and digital technology services, computing products and intelligent electronics, digital energy and intelligent computing services, as well as globalized solutions. Currently, iSoftStone serves more than 2,600 domestic and international clients across over 10 key industries. Among these clients, more than 230 are Global or China Fortune 500 enterprises. The company has approximately 90,000 employees.

iSoftStone operates under several business sub-brands, including iSoftStone Consulting, iSoftStone FinTech, iSoftStone Industrial Internet, MECHREVO, and iSoftStone Huafang. With operations in over 60 cities worldwide, the company has established four international delivery centers (covering Europe & North America, Japan & South Korea, Asia-Pacific & Middle East), and two intelligent manufacturing bases located in Tongzhou, Beijing and Wuxi, Jiangsu. The company has also made forward-looking investments in intelligent manufacturing, ICT software and hardware capabilities, and productivity-enhancing intelligent products, aiming to create a closed-loop industrial chain.

iSoftStone has established 30 competency centers and possesses 1 national engineering laboratory, 6 engineering and technology labs or R&D centers recognized by provincial or municipal governments, and 1 postdoctoral research station. It maintains an ecosystem of 50+ technical partners and continues to explore the vast commercial potential of frontier technologies. The company also operates its own education brand, iSoftStone Education, which includes a full-time undergraduate institution: the Digital Technology School of Sias University in Zhengzhou. It partners with more than 600 universities nationwide and has established over 70 university-enterprise joint talent training bases, aiming to cultivate high-quality, application-oriented professionals through collaborative education models.

iSoftStone has been recognized with numerous industry honors, including: "No. 1 in China's IT Service Market (2023)", "Top 500 New Economy Enterprises (2024)", "Top 100 Software and IT Service Competitiveness Enterprises in China (2024)", "Top 100 Xinchuang Enterprises in China (2023)", "AA Rating in Wind ESG Ratings (2024)-Ranked No. 1 in the IT Service Industry ESG Composite Score". In addition, iSoftStone holds multiple professional certifications, such as: CMMI V2.0 Level 5 (the highest maturity level in global software engineering), National Level 3 Capability Maturity Model Certification for R&D and Operations Integration (DevOps), Level 1 Certification in IT Service Standards (ITSS) for Operations and Maintenance Capability. These qualifications support the company's ability to deliver high-quality services.

Company Positioning

China's Leading Full-Stack
Intelligent Products and
Services Provider

Core Value

Quality, Innovation,
Learning, Openness, and
Value Creation

Vision

Continuous innovation,
committed to becoming
a globally influential
technology enterprise

Mission

Enhancing Customer
Value with Digital
Technology



• **230+**
Global/China Fortune
500 clients

• Established **2**
intelligent manufacturing
factories

• **4**
international delivery
centers

10
domestic service
delivery bases

• Global business coverage
Over **60** cities

12 strategic cities

20+ emerging cities

Our 2024 Achievements



Direct Greenhouse Gas (GHG)
Emissions (Scope 1)

4,472.70 tons CO₂e

Indirect GHG
Emissions (Scope 2)

24,197.00 tons CO₂e

Other Indirect
GHG Emissions (Scope 3)

3,265.40
tons CO₂e

GHG Emission
Intensity

0.0102

tons CO₂e per RMB 10,000 revenue

Year-over-Year Decrease in GHG
Emission Intensity

0.00346

tons CO₂e per RMB 10,000 revenue



Achieving a

100%
employee training coverage

Average Training Hours
per Employee:

37.2 hours

Female Representation in
Senior Management:

29%

Parental Leave
Return Rate:

Over **95**%

Employee Communication and
Inquiry Resolution Rate:

100%



Anti-Corruption Training Coverage Rate:

100%

Customer Satisfaction Score:

93.8

Achieved

100%

coverage in information security
training for employees

**ISO 27701
Certification**

Achieved

Cash Dividend Distributed:

RMB **171.53** million (tax included)

Annual Honors

Brand Recognition



2024 China Top 100 Competitive Enterprises in Software and Information Technology Services

China Information Technology Industry Federation, CITIF



Top 10 Leading Digital Service Enterprises 2024

China Council for International Investment Promotion



Ranked No. 1 in China's IT Services Market Share in 2023 and No. 1 among Domestic IT Consulting Vendors

CCID



Top 500 New Economy Enterprises 2024

China Enterprise Evaluation Association



Ranked No. 2 in China's PC Shipment Market Share in Q4 2024

Canalys

ESG Awards



Top 100 Best ESG Practices by Chinese Listed Companies and Best Practice (for two consecutive years)

Wind Information



Featured in the 2024 China Corporate ESG Blue Book Case Study

People's Daily Overseas Edition and China Environmental Protection Foundation



Top 3 Innovative Contribution Award for ESG Exemplary Cases at the first GreenLight ESG Conference

China Energy News, China Energy Economics Research Institute, GreenLight Climate Academy



Recognized at the 2024 CSO Global Sustainability Development Forum as a Chief Sustainability Officer

Syntao Consulting and National Business Daily



Named a 2024 Outstanding Sustainable Development Practice Enterprise by the China Association for Public Companies

China Association for Public Companies, CAPCO



Included in the "2023-2024 Smart Zero-Carbon Achievements Showcase" List

Xinhua News Agency



Included in Carbon Road to Sustainability: Corporate Dual-Carbon Action Observation and Case Collection (2024)

Southern Weekly



Honored as a 2024 Good Enterprise

China Social Enterprise and Impact Investment Forum, Xiangguang Future, and China Business Journal

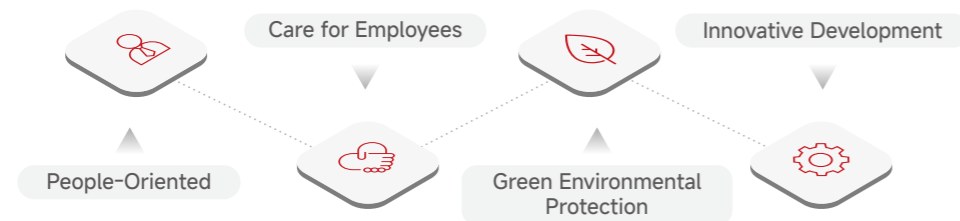


AAA-level Corporate Social Responsibility Governance for Software and Information Services Industry in Beijing (consecutively awarded)

Beijing Software and Information Service Industry Association

Sustainable Development Governance

ESG Philosophy



ESG Governance Structure

Under the oversight and guidance of the Board of Directors, iSoftStone has established an ESG Committee chaired by the Chairman and CEO. The ESG Committee is responsible for approving ESG strategies and working mechanisms aligned with the company's actual conditions, managing key ESG issues, and setting ESG targets. The ESG Working Group implements the decisions of the ESG Committee by coordinating cross-departmental resources, collecting and consolidating ESG data, providing information needed for decision-making, and promoting the execution of ESG initiatives throughout the organization. It reports regularly to the ESG Committee on the progress of major projects and goal achievements.

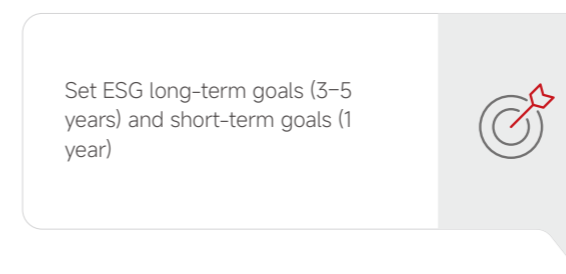
iSoftStone has built a comprehensive and systematic ESG governance framework across decision-making, management, and execution levels, ensuring an efficient ESG management mechanism. The Board of Directors receives regular updates on sustainable development progress from the ESG Committee each year to ensure that ESG strategies are fully integrated into day-to-day operations. In 2024, iSoftStone continued to uphold its ESG philosophy, further refined its ESG management system, and enhanced company-wide ESG participation and governance capabilities through its effective ESG framework.

Decision-Making Level	Board of Directors <ul style="list-style-type: none"> Participates in the deliberation and decision-making of major ESG matters Receives annual reports on the progress of sustainable development from the ESG Committee
↑	<i>Reporting Method: Strategic Committee Meetings of the Board of Directors</i> <i>Reporting Frequency: At least once per year (once in 2024)</i>
Management Team	ESG Committee (Held two full-member meetings in 2024) <ul style="list-style-type: none"> Plans and sets short-, medium-, and long-term ESG goals Establishes a routine reporting mechanism based on the progress of the ESG action plan; regularly summarizes ESG progress and monitors completion
↑	<i>Reporting Method: Regular work meetings</i> <i>Reporting Frequency: As needed, reported on a non-scheduled basis</i>
Executive Level	ESG Working Group <ul style="list-style-type: none"> Promotes the implementation of ESG indicators, designates responsible departments and individuals, and reviews the ESG plan based on progress for continuation or adjustment Communicates with peer companies and professional ESG research institutions to learn from best practices and enhance ESG management capability

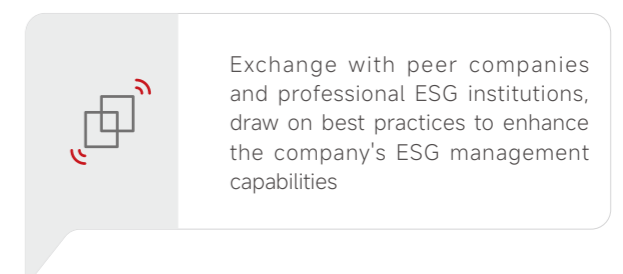
Management System



ESG Goals Planning



Carry out ESG communication and cooperation

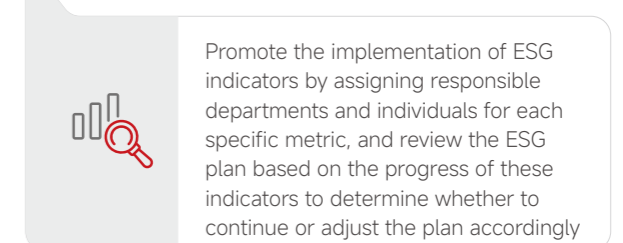


Primary Responsibility

Develop ESG action plans



Set ESG Performance Indicators



The ESG Committee convened two full-member meetings in 2024, during which it reviewed the following matters:

- 1

ESG Committee organizational structure and operational mechanism.
- 2

Implementation effectiveness of the ESG strategy since the company's listing.
- 3

Identification and alignment of key ESG performance indicators (KPIs) for 2024.
- 4

Annual work results of the ESG Committee, including: Enhancement of 26 out of 37 annual ESG KPIs; Results of mainstream ESG ratings; 12 key honors received in ecosystem development; Accelerated revamp of the ESG section on the company's official website.
- 5

Implementation of various special initiatives, including: Upgrading environmental protection efforts; Launching systematic DEI development; Strengthening talent development systems; Expanding talent acquisition channels and enhancing diversity; Systematic implementation of public welfare practices; Promoting business ethics and anti-corruption initiatives; Enhancing business continuity management; Improving corporate governance, and ensuring strict information disclosure.
- 6

Review and approval of documents such as *iSoftStone DEI Management System*.

ESG Capability Building

In 2024, iSoftStone placed strong emphasis on ESG capability building. To further enhance ESG management and performance, the company held its annual ESG review and training session. This session comprehensively reviewed the achievements and areas for improvement in ESG throughout the year and explored the latest ESG trends and developments. Members of the Board of Directors, the ESG Committee, and key members of the ESG Working Group attended the session. They participated in multiple rounds of in-depth discussions and specialized training on key ESG topics, including but not limited to climate change, information security, and corporate governance, significantly enhancing the professional ESG competencies of the core team. In addition, to ensure the effective and continuous improvement of the ESG management system, the ESG Working Group actively collaborated with various functional departments to optimize the ESG issue management system and refine the design and management mechanism of ESG KPIs, laying a solid foundation for the successful achievement of ESG goals.

While strengthening internal ESG capabilities, iSoftStone also actively participated in external ESG exchanges and cooperation activities to absorb best practices and broaden its ESG perspective, further demonstrating the company's commitment and proactive stance in the field of sustainable development. In 2024, iSoftStone participated in drafting the *ESG Information Disclosure Guidelines for Software and Information Technology Service Enterprises*, a standard initiated by the Beijing Software and Information Service Industry Association, scheduled for release in 2025. This initiative aims to contribute insights and experience toward the sustainable development of the industry. The company also contributed to the *Blue Book on Carbon Peaking and Carbon Neutrality (2025)*, jointly compiled by the Carbon Peaking and Carbon Neutrality Working Group of the Alliance of Industrial Internet and the Network Green Development Committee of the Internet Society of China. iSoftStone played an active role in drafting several core chapters of the Blue Book, focusing on scenario-based technological innovation for low-carbon transformation and industrial transitions. The company contributed innovative ideas and industry insights on key topics such as digital-green coordinated transformation and product carbon footprint management. The person responsible for ESG planning and implementation at iSoftStone is a committee member and think tank expert of the ESG Professional Committee of the All-China Environment Federation, as well as a senior expert in power saving and carbon reduction with the China Energy Conservation Association. In 2024, this expert was honored with the "21st Century ESG Personal Pioneer Contribution Award" by Southern Finance Omnimedia Corp and 21st Century Business Herald, recognizing their professional contributions to ESG advancement and promotion within the company.



Stakeholder Communication

Stakeholder	Expectations & Requirements	Communication Mode	Responses & Actions
Shareholders & Investors	<ul style="list-style-type: none">Strong ProfitabilityStable OperationsInformation Transparency & Openness	<ul style="list-style-type: none">General Meeting of ShareholdersInformation DisclosureRoadshowsPerformance Releases	<ul style="list-style-type: none">Improve Business PerformanceRegularly Publish Announcements
Government & Regulators	<ul style="list-style-type: none">Compliance with Law and RegulationsLegal Compliance & Tax ContributionsDrive EmploymentSupport for peak carbon dioxide emissions and carbon neutrality goals and rural revitalization	<ul style="list-style-type: none">Regular ReportingGuidance & InspectionsField Visits	<ul style="list-style-type: none">Operate legallyPay taxes fullyProvide jobsDevelop green business & conduct green operationsTo promote rural revitalization
Customer	<ul style="list-style-type: none">Product QualityHigh-quality servicePrivacy Security	<ul style="list-style-type: none">Marketing CampaignMulti-channel Customer ServiceCustomer Satisfaction Surveys	<ul style="list-style-type: none">Improve quality management systemsEnhance service qualityProtect consumer rights and interestsSafeguard customer information security
Employee	<ul style="list-style-type: none">Compensation & BenefitsDevelopment & TrainingHealth & SafetySmooth Communication	<ul style="list-style-type: none">Labor UnionsInternal EmailSymposiumStaff Events	<ul style="list-style-type: none">Safeguard Employee's Rights & InterestsFair PromotionCapability DevelopmentEnhance Occupational Health and Safety Management Systems
Supplier	<ul style="list-style-type: none">Fair & Honest CooperationJoint Development	<ul style="list-style-type: none">Regular CommunicationDaily ExchangesOn-site Inspections	<ul style="list-style-type: none">Contract ComplianceLegal ProcurementBuild Strong Partnerships
Community & the Public	<ul style="list-style-type: none">Social ContributionSupport for Social Progress	<ul style="list-style-type: none">DonationsVolunteering	<ul style="list-style-type: none">Charitable DonationsVolunteer WorkFoster Community Harmony

ESG Topic Management

iSoftStone continues to make steady progress on its sustainable development journey, improving the precision and effectiveness of ESG management. In 2024, the company conducted its first ESG topic assessment based on the "double materiality" principle, systematically identifying and analyzing ESG topics that are crucial to both the company and its stakeholders. This assessment laid a solid foundation for ESG strategy formulation and information disclosure.

Materiality Assessment Process



step 1

Stakeholder Identification and ESG Topic Pool Development

The assessment process begins with identifying internal and external stakeholders directly or indirectly related to iSoftStone's business operations. These include employees, customers, shareholders, suppliers, government regulators, industry associations, the public, and media. Based on an in-depth analysis of the company's operations, industry characteristics, and sustainable development trends, combined with insights from stakeholder communications, an initial ESG topic pool was constructed.



step 2

Topic Screening and Preliminary Identification of Material Topics

From the broad ESG topic pool, the company conducted a preliminary screening to exclude topics that are less relevant or of lower significance to its business. iSoftStone focused on external factors such as ESG risk trends in the industry, best practices of peer companies, and regulatory policies, and combined them with its development strategy and business priorities. This approach helped identify potentially material topics for further in-depth evaluation.

2024 Issue Inventory		
Dimensions	Topics	Changes from the Previous Year
Environment	<ul style="list-style-type: none">Address Climate ChangeClean Technology Innovation and Green ProductsEmissions and Waste Management	<ul style="list-style-type: none">"Green Operations" merged into "Climate Change Response""Leveraging Clean Tech Opportunities" revised to "Clean Technology Innovation and Green Products" to enhance disclosure on green product design"Emissions and Waste Management" added due to business expansion, covering emissions related to product manufacturing
Social	<ul style="list-style-type: none">Service and Product QualityInnovative R&DCustomer Service Experience EnhancementProtection of Intellectual Property RightsInformation Security and Privacy ProtectionEmployee Rights ProtectionTalent Development and Career GrowthOccupational Health and SafetyEmployee Care and AssistanceSupply Chain ManagementContributing to Social DevelopmentVolunteerism and Public Welfare	<ul style="list-style-type: none">"Digital Service Innovation" revised to "Product and Service Quality" to expand topic coverage based on business evolution
Governance	<ul style="list-style-type: none">Corporate GovernanceInvestor Rights ProtectionCompliance ManagementAnti-Corruption and Anti-Fraud	<ul style="list-style-type: none">"Supply Chain Management" shifted to the social dimension with increased emphasis on supply chain risk management disclosure



step 3

Double Materiality Assessment

This is the core component of the ESG topic assessment, conducted from two dimensions "financial materiality" and "impact materiality":

Financial Materiality Assessment

iSoftStone attaches great importance to the impact of ESG topics on its financial performance. To assess financial materiality, the company engaged key personnel, including members of Board of Directors, senior executives, and financial department managers, to participate in a detailed evaluation. They analyzed and reviewed how ESG topics might affect the company's financial position, business performance, cash flow, and future outlook, identifying associated risks and opportunities.

Dimension 1: Likelihood of Financial Impact

Evaluates the likelihood that a topic could positively or negatively influence the company's business model, operations, development strategy, financial status, business results, cash flow, and financing methods or costs.

Dimension 2: Degree of Financial Impact

Considers the short/medium/long-term financial implications of the topic for the company.

Impact Materiality Assessment

Alongside the financial materiality evaluation, iSoftStone also assessed the actual or potential impact of each ESG topic on internal and external stakeholders. To gather broader stakeholder input, the company distributed ESG materiality questionnaires to key internal and external stakeholders to collect their perspectives on the relevance and importance of different ESG topics. To enhance the accuracy of the assessment, iSoftStone extended targeted invitations to a range of external parties, such as government and regulatory representatives, ESG experts, industry association specialists, think tank professionals, academics, senior executives from leading rating and certification bodies, and seasoned media reporters. These external respondents accounted for over 20% of all returned questionnaires. The results from the stakeholder surveys were combined with internal evaluations to form a comprehensive understanding of the impact materiality of each topic.

Dimension 1: Degree of Impact

Assessed based on the intensity/depth of the impact, the breadth of its influence, and the degree of irreversibility.

Dimension 2: Likelihood of Impact

Each topic was scored based on the likelihood of the impact occurring.



step 4

Materiality Matrix Development

Upon completing the double materiality assessment (financial and impact dimensions), iSoftStone consolidated the results to create an ESG Materiality Matrix. This matrix visually maps the significance of each topic across the two dimensions. To ensure objectivity and soundness in the assessment, the ESG Committee held dedicated discussions to review the findings. Additionally, external ESG consulting experts were invited to independently validate the process and outcomes from a professional standpoint, ensuring the scientific rigor and credibility of the conclusions.



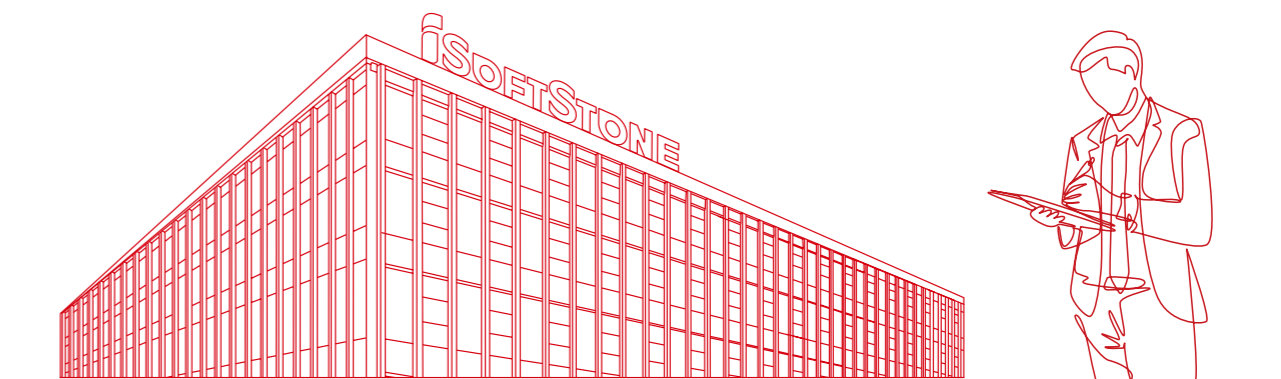
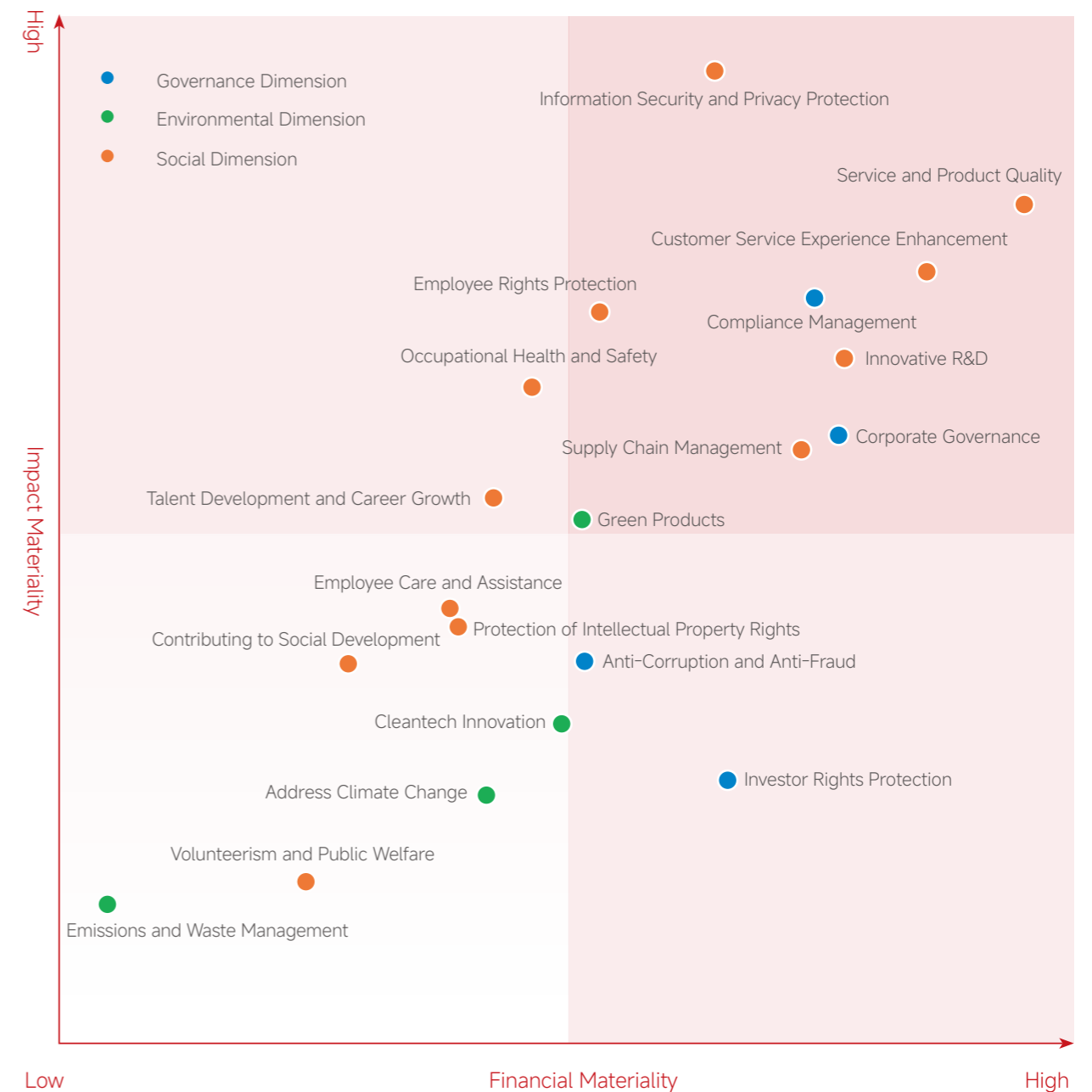
step 5

Identification and Disclosure of Material Topics

Based on the combined results of the financial and impact assessments, reviewed by the ESG Committee and validated by external experts, iSoftStone identified 20 material ESG topics. In this report, topics with high financial materiality, along with the climate change response topic, are disclosed in accordance with the structure: "Governance–Strategy–Impact, Risk and Opportunity Management–Metrics and Targets".

Material Issues Matrix

Double Materiality Level	Topics
Very High (High in both financial and impact materiality)	<ul style="list-style-type: none"> Service and Product Quality Information Security and Privacy Protection Customer Service Experience Enhancement Compliance Management Innovative R&D Employee Rights Protection Corporate Governance Supply Chain Management Clean Technology Innovation and Green Products (merged)
High (High in either financial or impact materiality)	<ul style="list-style-type: none"> Investor Rights Protection Anti-Corruption and Anti-Fraud Occupational Health and Safety Talent Development and Career Growth
Moderately High (Moderate materiality in comparison to other topics, but still important)	<ul style="list-style-type: none"> Employee Care and Assistance Protection of Intellectual Property Rights Address Climate Change Contributing to Social Development Volunteerism and Public Welfare Emissions and Waste Management



Material Topic	Impact scope			Risk	Opportunity	Impact Timeframe
	Upstream of Value Chain	Business Operations	Downstream of Value Chain			
Address Climate Change	✓	✓	✓	<ul style="list-style-type: none">Climate change may lead to more frequent extreme weather events, policy shifts, and changes in market preferences, exposing the company to physical and transition risks. For details, refer to the section "Climate Action".	<ul style="list-style-type: none">By improving energy efficiency and optimizing resource use, the company can significantly reduce operating costs, increase profitability, and enhance resilience to climate-related risks.Developing and offering digital solutions and services related to climate change, such as carbon-intelligent management platforms and virtual power plant platforms, can open up new customer and market opportunities.	Medium to Long Term
Clean Technology Innovation and Green Products	✓	✓	✓	<ul style="list-style-type: none">Failing to seize the development trends in clean technology may result in missed market opportunities.As customer demand for green products continues to grow, companies unable to supply such offerings may fall behind in market competition.	<ul style="list-style-type: none">Developing software and hardware products that meet market needs helps build core competitiveness in clean technology and green product sectors.	Medium to Long Term
Emissions & Waste Management		✓	✓	<ul style="list-style-type: none">Improper emissions and waste management could lead to environmental penalties and reputation damage.	<ul style="list-style-type: none">Establishing a comprehensive emissions and waste management system enhances environmental performance, enables more efficient resource use, and reduces environmental discharges, thereby shaping a green and sustainable corporate image.	Short Term
Service and Product Quality	✓	✓	✓	<ul style="list-style-type: none">Failure to meet customer expectations may result in customer attrition, negative word-of-mouth, and loss of market share.	<ul style="list-style-type: none">Building long-term and stable customer relationships, enhancing customer loyalty, and increasing competitiveness.	Medium to Long Term

Material Topic	Impact scope			Risk	Opportunity	Impact Timeframe
	Upstream of Value Chain	Business Operations	Downstream of Value Chain			
Innovative R&D		✓	✓	<ul style="list-style-type: none">High requirements for investment in R&D funding and talent; failure to keep up with technological trends could lead to reduced product and service competitiveness.	<ul style="list-style-type: none">Developing differentiated and competitive products and services facilitates expansion into new market areas, increasing revenue and market share.	Long Term
Customer Service Experience Enhancement		✓	✓	<ul style="list-style-type: none">Poor service experiences may lead to increased customer complaints, negative feedback, and higher customer service costs.	<ul style="list-style-type: none">Improving customer satisfaction and building strong customer relationships can increase customer retention, reduce churn, establish a reputation for excellent service, and enhance brand value.	Medium to Long Term
Protection of Intellectual Property Rights	✓	✓	✓	<ul style="list-style-type: none">Intellectual property leakage or infringement can result in direct economic losses or legal disputes, undermining the return on R&D investment.	<ul style="list-style-type: none">Effectively protecting proprietary innovations and realizing the commercial value of intellectual property through licensing and other means.	Medium to Long Term
Information Security and Privacy Protection	✓	✓	✓	<ul style="list-style-type: none">Data breaches, system failures, or abuse of customer information may lead to direct economic losses, regulatory penalties, and erosion of customer trust.	<ul style="list-style-type: none">Ensuring operational stability and security to build and maintain customer trust.	Short Term
Employee Rights Protection		✓		<ul style="list-style-type: none">Infringement of employee rights can lead to dissatisfaction, reduced productivity, and potential labor disputes.	<ul style="list-style-type: none">Improving employee satisfaction and sense of belonging enhances the employer brand and reduces recruitment costs.	Medium to Long Term

Material Topic	Impact scope			Risk	Opportunity	Impact Timeframe
	Upstream of Value Chain	Business Operations	Downstream of Value Chain			
Talent Development and Career Growth		✓		<ul style="list-style-type: none">Insufficient employee skills may hinder business development, and limited career advancement may result in talent gaps and turnover.	<ul style="list-style-type: none">Enhancing employee skills and efficiency supports talent retention and helps build a high-quality workforce.	Medium to Long Term
Occupational Health and Safety		✓		<ul style="list-style-type: none">Workplace injuries or poor health conditions may lead to lost working hours and compensation costs, causing employee turnover.	<ul style="list-style-type: none">Creating a safe and healthy working environment enhances the employer brand and fosters a stronger sense of belonging among employees.	Medium to Long Term
Employee Care and Assistance		✓		<ul style="list-style-type: none">Increased stress among employees may reduce motivation and decrease team cohesion.	<ul style="list-style-type: none">Fostering a positive and harmonious corporate culture enhances employees' overall well-being.	Long Term
Supply Chain Management	✓	✓		<ul style="list-style-type: none">Supply chain risks may disrupt business continuity, damage corporate reputation, and increase regulatory pressure, thereby raising operating costs.	<ul style="list-style-type: none">Ensuring supplier compliance, stable cooperation, and high-quality, efficient services/ supplies supports the construction of a sustainable supply chain system and enhances sustainability capabilities.	Medium to Long Term
Contributing to Social Development		✓	✓	<ul style="list-style-type: none">A lack of social responsibility may hinder recognition from communities and the public.	<ul style="list-style-type: none">Leveraging core business and technological advantages to help cultivate digital talent contributes to a favorable environment for long-term business development.	Medium to Long Term

Material Topic	Impact scope			Risk	Opportunity	Impact Timeframe
	Upstream of Value Chain	Business Operations	Downstream of Value Chain			
Volunteerism and Public Welfare		✓	✓	<ul style="list-style-type: none">Without sustained manpower, financial investment, and continuity, public welfare and volunteer initiatives may fail to generate lasting impact.	<ul style="list-style-type: none">Building a positive and responsible corporate citizen image enhances brand value.	Long Term
Corporate Governance		✓		<ul style="list-style-type: none">Inadequate governance may increase operational risks, hinder the attraction of long-term investors, and lead to undervaluation of corporate worth.	<ul style="list-style-type: none">Implementing efficient and transparent decision-making enhances operational performance and corporate value.	Medium to Long Term
Investor Rights Protection		✓		<ul style="list-style-type: none">Delayed or inaccurate information disclosure and insufficient investor communication may erode investor trust and reduce financing capability.	<ul style="list-style-type: none">Establishing a sound investor relations management system and actively addressing investor concerns helps gain investor trust and support.	Medium to Long Term
Compliance Management	✓	✓	✓	<ul style="list-style-type: none">Compliance issues increase operational risks and may lead to regulatory investigations and penalties, affecting business operations.	<ul style="list-style-type: none">Ensuring the effective operation of the compliance management system supports sound business operations and lays a solid foundation for long-term sustainable development.	Long Term
Anti-Corruption and Anti-Fraud	✓	✓	✓	<ul style="list-style-type: none">Incidents of corruption or fraud may cause direct financial losses or legal disputes, harming employee morale, customer trust, and corporate reputation.	<ul style="list-style-type: none">Fostering a clean and efficient operational environment and establishing a reputation for integrity protects the company's long-term healthy development.	Long Term

Climate and Environment

Climate is a vital component of the natural environment on which human survival depends and is a critical foundational resource for sustainable economic and social development. Understanding, adapting to, and protecting the climate while pursuing harmonious coexistence between humanity and nature has become a shared global consensus. iSoftStone regards digital technology as a critical engine for addressing climate change and leverages its potential in green and low-carbon fields to provide enterprises with green solutions, harnessing digital power to respond to environmental challenges. At the same time, we are committed to achieving our own carbon reduction goals and working together to create a greener future.

United Nations Sustainable Development Goals (SDGs)



Climate Action

According to the *State of the Global Climate 2024 Report* released by the World Meteorological Organization (WMO), the concentration of greenhouse gases reached record highs in 2023. Levels of carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O) were respectively 51%, 165%, and 24% higher than pre-industrial levels. Real-time data from 2024 indicates that this upward trend continues. A separate report published in 2024 by the United Nations Environment Programme also found that human-induced greenhouse gas emissions in 2023 reached a record 57.1 GtCO₂e, with the annual growth rate significantly exceeding the average level of the past decade. Throughout 2024, many severe and extreme weather events occurred across the globe, including floods, droughts, tropical cyclones, and heatwaves, resulting in casualties and property damage. Building climate resilience has become an essential requirement for sustainable corporate development.

As a leading full-stack intelligent product and service provider in China, iSoftStone continues to monitor the risks and opportunities brought about by climate change. We are steadfast in fulfilling our responsibilities and commitments, striving to achieve a dynamic balance between climate adaptation and business innovation.

Governance

Board of Directors

Provides guidance and approval for overarching climate change objectives and implementation plans. It is responsible for reviewing, guiding, and approving iSoftStone's climate change strategies, policies, and action plans, while also monitoring progress toward climate targets. The Chairman leads the implementation of iSoftStone's climate response initiatives.

ESG Committee

Formulates the strategic direction, targets, and action paths for addressing climate change. It contributes to the development and implementation of ESG and climate strategy management. It reports to the Board of Directors at least once a year on iSoftStone's ESG progress and key performance indicators, including the climate strategy and progress on mitigation targets.

ESG Working Group

Promotes and monitors the implementation of climate-related work across departments. It communicates climate-related risks and provides countermeasures, summarizes ESG and climate-related best practices, and offers reference points for the decisions of the Board of Directors regarding sustainable development opportunities and risks.

Strategy

Based on its emission reduction targets, the company assesses the impact of major climate-related risks and opportunities on business operations and financial conditions. These are identified and discussed across departments, with a focus on short/medium/long-term timeframes. Operational impacts include areas such as strategic direction, product and service offerings, supply chain, customer relations, research and development, and climate actions. Financial impacts may involve changes in revenue, expenditures, financing methods, and associated costs.

Climate Risk and Opportunity Assessment

During the reporting period, iSoftStone conducted climate risk and opportunity identification in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The assessment fully considered external factors such as policy and legal frameworks, technologies, markets, and reputation, while incorporating the company's business characteristics and benchmarking against industry standards. The "impact timeframe" refers to the duration of the effect: Short-term: within 1 year; Medium-term: 1 to 5 years; Long-term: more than 5 years.

Type	Type of Risk/ Opportunity	Description of Risk/Opportunity	Impact Timeframe	Potential Financial Impact	Countermeasures
Physical Risks	Acute Risks	<ul style="list-style-type: none">Increasing frequency and intensity of extreme weather events such as heatwaves, floods, droughts, and severe storms may lead to power outages in data centers, cooling system failures, and supply chain disruptions, directly impacting business continuity.These events may also pose personal safety risks to employees and affect commuting and work efficiency.	Short-term, Medium-term, Long-term	Direct economic losses due to business interruption; rising insurance premiums driven by climate risks, increasing operating costs.	<ul style="list-style-type: none">Develop emergency response plans for different types of extreme weather events. Strengthen the design of critical infrastructure to improve flood, wind, and earthquake resilience. Enhance the capabilities to defend extreme weather events.Establish early warning systems for extreme weather to ensure employee safety.
	Chronic Risks	<ul style="list-style-type: none">Ongoing global temperature rise increases the cooling demand of high-energy-consuming facilities such as data centers, leading to higher energy use and operating costs.	Medium-term, long-term	Long-term increases in heating and cooling costs, compressing profit margins; more complex and costly site selection processes due to climate considerations.	<ul style="list-style-type: none">Monitor scientific developments in climate change. Assess the long-term impact of climate change on operations and develop proactive strategies accordingly.
Transition Risks	Policies and Regulations	<ul style="list-style-type: none">In pursuit of the national "peak carbon dioxide emissions and carbon neutrality" goals, stricter carbon emission regulations and higher energy efficiency standards may be introduced, affecting the operational costs of high-energy infrastructure such as data centers.Regulatory bodies may require more comprehensive climate-related disclosures, increasing compliance costs and exposing the company to non-compliance risks.	Short-term, Medium-term	Additional capital investments required for technological upgrades, emissions monitoring, and reporting.	<ul style="list-style-type: none">Closely track developments in international and domestic environmental and carbon-related laws and policies. Conduct annual carbon accounting.Disclose climate information in accordance with the TCFD framework to enhance transparency and reporting quality.Participate in policy discussions and track regulatory changes through industry associations.
	Market	<ul style="list-style-type: none">Investors are increasingly valuing corporate ESG performance, making low-carbon transition capabilities a key factor in investment decisions.Competitors may launch more attractive green products and services ahead of the curve, gaining market advantage.	Medium-term, long-term	Poor ESG performance may lead to higher financing costs; failure to meet market demand for green solutions may result in declining market share.	<ul style="list-style-type: none">Strengthen ESG management and continuously improve performance.Proactively develop and promote green products and services.Gain deep insights into customer green needs and develop targeted solutions.

(Continued form)

Type	Type of Risk/ Opportunity	Description of Risk/Opportunity	Impact Timeframe	Potential Financial Impact	Countermeasures
Transition Risks	Technology	<ul style="list-style-type: none">Failure to keep up with the rapid development of green and low-carbon technologies may result in technological obsolescence and reduced competitiveness.The training and operation of AI models and the high energy consumption of large data centers may hinder carbon neutrality goals if not optimized.	Short-term, Medium-term	It is necessary to increase R&D investment in low-carbon and energy-saving technologies.	<ul style="list-style-type: none">Stay closely attuned to the latest developments in clean technology and increase R&D investment in low-carbon technologies to lead industry innovation.Reduce carbon intensity in existing operations through technological and managerial innovation, such as optimizing data center efficiency and improving algorithmic energy efficiency.
	Reputation	<ul style="list-style-type: none">Increasingly stringent environmental disclosure requirements have raised compliance costs associated with maintaining or enhancing corporate reputation.	Medium-term	Damage to reputation may directly impact brand value, reduce customer trust, and weaken talent attraction.	<ul style="list-style-type: none">Integrate green and environmental principles into all aspects of corporate operations. Publicly disclose the company's climate actions and performance.
Climate-related Opportunities	Products and Services	<ul style="list-style-type: none">With industries accelerating low-carbon transformation, demand is rapidly growing for green digital solutions such as energy management systems, carbon emission management platforms, environmental monitoring software.AI and cloud computing technologies are key enablers of low-carbon transition and have wide application potential in areas like energy optimization, carbon capture, climate forecasting, and environmental monitoring.Emerging green markets such as carbon trading and renewable energy are expanding rapidly, creating new market opportunities for software and IT service providers.	Short-term, Medium-term	Boost new business growth and revenue streams through the development and sale of green digital solutions.	<ul style="list-style-type: none">Increase R&D investment in green digital solutions targeting energy, environmental protection, and sustainable development to create core competitive products.Proactively explore low-carbon transition markets in key industries such as energy, environmental protection, manufacturing, and transportation to identify new growth opportunities.Actively participate in the formulation of green technology and industry standards to enhance influence within the sector.
	Resource Efficiency	<ul style="list-style-type: none">By improving energy efficiency and optimizing resource use, the company can significantly reduce operating costs, increase profitability, and enhance resilience to climate-related risks.	Short-term, Medium-term	Lower energy expenditures, increased profit margins.	<ul style="list-style-type: none">Apply advanced energy-saving technologies and management practices to reduce energy costs.
	Market	<ul style="list-style-type: none">Proactively responding to climate change policies and seizing clean technology opportunities can attract more customers and market opportunities.	Short-term, Medium-term	Open new business growth avenues.	<ul style="list-style-type: none">Actively pursue international certifications and participate in standard-setting to improve the competitiveness of the company's products in global markets.

Impact, Risk, and Opportunity Management

iSoftStone integrates climate risk identification and control into its ESG management system and ESG impact assessment framework, formulating an ESG development roadmap (including a carbon neutrality implementation plan). The company conducts comprehensive research and analysis of current climate risks while strengthening climate risk management. It completes at least one full climate risk management process per year.

Risk Identification

Preliminary identification of climate-related risks and opportunities is carried out based on the *Shenzhen Stock Exchange Guidelines No. 3 for Sustainable Development Reporting by Listed Companies*, IFRS S2, the CDP Climate Change Questionnaire, etc. This results in a comprehensive list of risks and opportunities, including transition risks (such as policy and regulatory, technological, and market risks) and physical risks (acute and chronic).

Risk Assessment

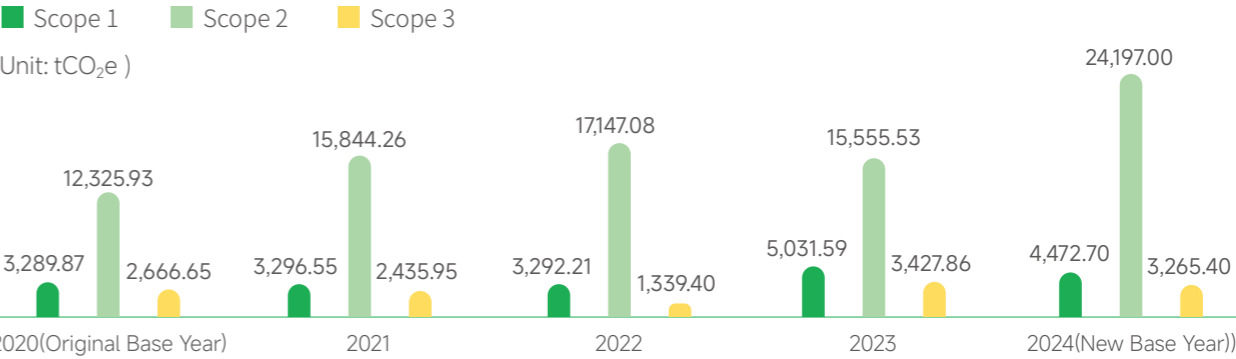
Based on industry research and external consultation, risks and opportunities are assessed in terms of likelihood, magnitude of impact, and materiality.

Risk Response

For material climate-related risks and opportunities, key response strategies are formulated that emphasize both mitigation and adaptation to enhance climate resilience.

Metrics and Targets

In 2024, iSoftStone completed the verification of greenhouse gas emissions in accordance with ISO 14064-1 and the GHG Protocol, covering Scope 1, Scope 2, and (Data coverage: iSoftStone Group and 16 subsidiaries, including newly acquired subsidiaries iSoftStone Computer and Justone International). Emissions data will be updated annually. Due to the acquisitions of iSoftStone Computer and Justone International in 2024, the company's emissions increased significantly, making the original base year data no longer an accurate reflection of the current carbon footprint. According to the GHG Protocol and ISO 14064, when there is a significant change to organizational boundaries, the base year must be reset to ensure data consistency and comparability. Therefore, iSoftStone has adjusted its base year to 2024 in order to align with international standards and ensure the accuracy, consistency, and long-term comparability of its carbon emissions data.



Total GHG Emissions	Greenhouse gas emission intensity	Year-on-Year Decrease in Emissions Intensity
31,935.10	0.0102	0.00346
tCO ₂ e	tCO ₂ e per 10,000 RMB revenue	tCO ₂ e per 10,000 RMB revenue

Climate Goals and Progress



Emissions Reduction Pathway

iSoftStone plans to build a science-based roadmap to carbon neutrality by leveraging its existing ESG practices and green initiatives. The roadmap is structured around Scope 1, 2, and 3 emissions from the *Greenhouse Gas Accounting System* and will focus on green office practices, energy efficiency, low-carbon travel, recycling, and supply chain initiatives. Progress will be disclosed regularly.

- Develop energy-saving and emissions-reduction plans; subsidiaries are required to implement measures such as paperless office operations, LED lighting, and reasonable temperature settings for heating and cooling systems
- Optimize and consolidate office locations nationwide to reduce electricity usage
- Promote campaigns themed around "energy conservation" and "environmental protection" to encourage water and electricity saving, paper recycling, and waste green practices and to enhance employees' green and energy-saving awareness
- iSoftStone Computer, a subsidiary of iSoftStone, is ISO 50001 Energy Management System certified and continues to improve energy efficiency

- Deploy electric shuttle buses based on site needs to reduce commuting emissions
- Encourage green travel means such as walking, cycling, and public transportation
- Reduce and optimize business travel

- Promote waste sorting and recycling
- Regularly recycle electronic waste and consumables
- Allocate fixed assets with a reuse-first principle to improve asset utilization

- Prioritize the procurement of low-carbon products
- Encourage suppliers to use renewable energy

Energy Management

Low-Carbon Travel/Business Travel

Recycling

Supply Chain

Clean Technologies and Green Products

In recent years, iSoftStone has made comprehensive advancements across its four strategic directions: software and digital technology services, computing products and digital infrastructure, digital energy and intelligent computing services, and internationalization. The company continues to deepen its AI capabilities and is committed to providing customers with full-stack Data-AI services that combine services, software and hardware products, and operations. Amid the global trend of green transformation and deep integration with digital technologies, iSoftStone is leveraging its forward-looking vision to seize clean technology opportunities. The company focuses on innovation and breakthroughs in green technologies, products, and business models, aiming to build a high-quality growth path that supports sustainable development through digital innovation.

Management Framework

Governance

iSoftStone's four key business growth strategies, including software and digital technology services, computing products and digital infrastructure, digital energy and intelligent computing services, and international services, are supported by sub-brands like iSoftStone Consulting, iSoftStone FinTech, iSoftStone Industrial Internet, MECHREVO, and iSoftStone Huafang. These sub-brands develop tailored plans for clean technology application and green product production based on their product features, industries, and market needs, jointly helping the company achieve its overall strategies.

Strategy

iSoftStone prioritizes clean technology development and green product R&D and manufacturing. With a "green transformation" vision, it deepens collaborations with local governments and industrial ecosystems in the digital energy and intelligent computing fields to foster new business growth engines. In digital energy, iSoftStone positions itself as a digital transformation service provider for industrial clusters. Through its virtual power plant platform, it cooperates with power grids and energy enterprises in areas such as integrated energy services and source-grid-load-storage integration. In intelligent computing, the company established an Intelligent Computing Headquarters and launched the DenovoX Service Platform. It formed partnerships with iFlytek and Intel and led the founding of the "iSoftStone AI Computing Tianyuan Ecosystem Alliance", promoting innovation in the intelligent computing industry.

Impact, Risk, and Opportunity Management

To better seize clean technology opportunities, iSoftStone leverages its professional strengths and accumulation in software and digital services, actively utilizing IoT, big data, and AI technologies to develop solutions for clients in energy management, intelligent manufacturing, and more, helping them reduce energy use and carbon emissions. In 2024, iSoftStone advanced its industrial layout in intelligent manufacturing and ICT software and hardware infrastructure, combined with intelligent productivity products, to build a closed-loop industrial chain and enhance overall production efficiency. To capture green product opportunities, iSoftStone Computer launched a new generation of general-purpose and Ascend AI server products and, in collaboration with Intel, introduced its first line of green PCs: the "Beyond A7000". Justone International, a subsidiary, pioneered the release of an AI PC high-performance mobile computing solution.

During the manufacturing of green computing products, the main risk lies in the environmental and human health impact of hazardous substances. Justone International implements strict controls throughout procurement and production. Suppliers must ensure materials and components comply with environmental regulations. The company has established robust incoming inspection procedures and reinforced hazardous material management during production to minimize environmental and health risks.

Metrics and Targets

iSoftStone will continue to develop and promote innovative low-carbon solutions to help clients improve resource efficiency and reduce environmental impact across their respective industries;

It is committed to developing green, low-carbon computing products that reduce energy consumption and carbon emissions, while also actively exploring and implementing environmental management practices throughout the product full lifecycle, including optimized packaging and product recycling programs, to reduce electronic waste.

Driving Innovation

Industrial automation is a key part of the clean technology opportunity and plays a vital role in advancing low-carbon and sustainable industrial development. As the core framework for upgrading industrial automation, Data-AI transformation requires artificial intelligence (AI) to play a crucial role, particularly in advancing to higher levels of automation. AI's capabilities in autonomous decision-making and real-time optimization have become central engines for reshaping production processes and achieving significant energy efficiency improvements. iSoftStone has built a full-stack AI engineering system driven by both ecosystem and toolchain approaches to accelerate the large-scale commercialization of AI applications.

Advancing Toward General-Purpose Humanoid Robots

33

Humanoid robots are the preferred carriers for achieving embodied intelligence. With their growing intelligence and generalization capabilities, supported by large models, they are accelerating their adoption across industrial, social, and domestic sectors and showing great application potential. iSoftStone regards humanoid robots as a key strategic direction and will fully integrate its AI strengths to push them toward scalable adoption in real-world industrial and home scenarios.

——Liu Tianwen, Chairman and CEO

Establishing a Specialized Humanoid Robot Laboratory

iSoftStone and Beijing HARIBIT Intelligent Technology Co., Ltd. have jointly established the iSoftStone-Phyxis Specialized Humanoid Robot Laboratory. The signing and unveiling ceremony was held at iSoftStone's Beijing headquarters. Based on this collaboration, the two parties will develop high-performance, high-intelligence special humanoid robots through innovative product development and scenario-based application demonstrations. These robots will empower complex environments and special scenarios, such as firefighting and industrial sectors, safeguarding lives through intelligent robotics and creating a harmonious future of human-machine collaboration.

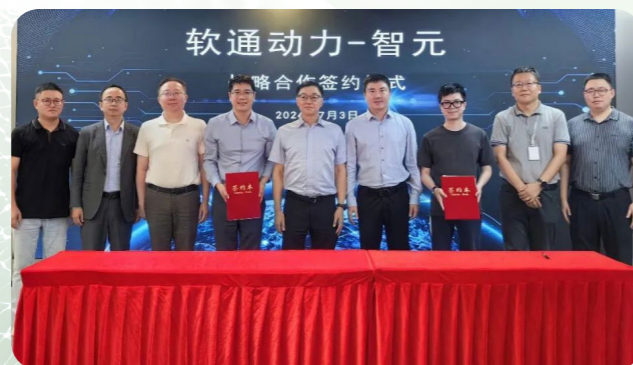


First Application of the Phyxis Surveying and Marking Robot Based on the Beidou System

According to the China Construction Machinery Association, there will be a shortage of over 10 million construction workers over the next decade. The demand for automation and intelligence in the construction industry is becoming increasingly urgent. iSoftStone has launched an intelligent surveying and marking robot based on its embodied intelligence technologies R&D and Beidou navigation and positioning systems. Capable of autonomous path planning, navigation, and surveying, this product has been successfully commercialized through a collaboration with a major enterprise. The iSoftStone surveying and marking robot is rooted in a deep understanding of industry and client needs. It offers four major advantages: high-precision positioning, efficient and accurate measurement, ease of operation, and strong environmental adaptability. By enabling high-precision automated marking, it improves construction efficiency and accuracy, reduces reliance on manual labor, and helps construction companies enhance their competitiveness.

Expanding the Boundaries of Humanoid Robots' "Embodied Intelligence" Capabilities

In July 2024, iSoftStone signed a strategic cooperation agreement with Shanghai Zhiyuan Innovation Technology Co., Ltd. ("AGIBOT"). The signing was witnessed by iSoftStone Chairman and CEO Liu Tianwen and the management team of AGIBOT. The two parties will collaborate in the areas of general-purpose robot product innovation and real-world application demonstrations to jointly drive innovation in humanoid robot technology and expand the boundaries of humanoid robots' "embodied intelligence" capabilities. The goal is to promote the widespread adoption of humanoid robots across more industries and accelerate the development of embodied intelligence to serve thousands of sectors.



Comprehensive Upgrade of AI Strategy to Build Professional AI Service Capabilities

Tianxuan MaaS Platform 2.0 Offers More Choices for Domestic AI Demand

Recently, iSoftStone's Tianxuan MaaS Platform 2.0 completed and passed compatibility testing and certification with Huawei Ascend Atlas 800 training server (model: 9000) and Atlas 800 inference server (model: 3000). As a key component of iSoftStone's integrated AI training and inference platform, Tianxuan MaaS Platform 2.0 connects and integrates mainstream commercial and open-source large models, enabling users to access multiple interactive AI models and providing a convenient, on-demand one-stop service. It also helps users utilize large models more effectively. The integrated AI training and inference platform incorporates Huawei's Ascend AI hardware foundation and integrates the iSoftStone Enterprise OS (ISSEOS), AI middle office, and virtualization platform, supporting one-stop AI development. It features exceptional computing power and energy efficiency, ensuring diversified computing integration and secure boot capabilities.



Tianneng Cloud Platform Integrates DeepSeek-R1 to Boost Efficiency in the Energy-Saving Sector

iSoftStone's Tianneng Cloud Platform has successfully integrated the high-performance domestic AI inference model DeepSeek-R1. Leveraging its cross-industry experience and robust hardware ecosystem, the platform provides secure, reliable, and high-performance AI solutions. In collaboration with the First Affiliated Hospital of Jinzhou Medical University and State Grid Liaoning Integrated Energy Company, the platform achieved additional energy savings, setting a benchmark for intelligent green transformation in the healthcare industry.

Joint Release of Next-Generation Smart Factory Solution

In January 2024, iSoftStone officially signed a strategic cooperation agreement with Ningbo Jetron Technology Co., Ltd. (Jetron Technology) and jointly released a next-generation smart factory solution. This solution is built on iSoftStone's enterprise digital foundation HonPaaS as the core technical platform, combined with Jetron Technology's capabilities in the operational technology layer, including IoT, industrial control networks, automation, and industry-specific expertise. It establishes a comprehensive data governance system, data assets and models, AI algorithms, and standard services. The solution covers factory operations, procurement and supply chain management, warehouse logistics, park facility operations, and energy consumption, empowering digital transformation across various industries.

Participation in MaaS Standards to Facilitate Large Model Adoption and Value Creation

In September 2024, led by the MaaS Working Group of the Artificial Intelligence Industry Alliance (AIIA), iSoftStone participated in drafting and publishing the *MaaS (Model-as-a-Service) Technical and Application Requirements Part 4: Model Service Platform*. By engaging in standard formulation, iSoftStone continues to enhance its top-level design capabilities in the field of AI products and services, improve ecosystem development, and promote the large-scale application and commercialization of AI in the industry through standardization.



Creating Low-Carbon Products

Carbon Intelligence Management Platform

As a leading enterprise in digital technology products and service innovation in China, iSoftStone adheres to the dual-focus approach of "scenario" and "industry", using digital innovation to enable green transformation. Taking carbon management as a key entry point, the company continuously makes technological breakthroughs. Based on the needs of zero-carbon factories and low-carbon parks, iSoftStone provides comprehensive digital and green solutions, forming a relatively complete intelligent model system for the "peak carbon dioxide emissions and carbon neutrality" goals. For scenarios such as carbon emission calculation, carbon potential sensing, green power traceability, and green certificate trading, iSoftStone has integrated factor libraries to build hybrid optimization algorithms like Kaya-LMDI and LEAP-Energy, enabling the identification of key influencing factors. Based on green power supply-demand dynamics, intelligent matching and optimization is carried out to improve transaction efficiency and reduce the cost of green power utilization. By integrating blockchain storage technology, electricity-carbon coupling analysis, and depth-first algorithms, a full-chain holographic topology map of green power flow is constructed, covering generation, grid, load, and storage, as well as production, supply, storage, and sales, achieving end-to-end tracking of green energy. This enables precise quantification across the carbon perception process and comprehensive optimization of carbon emissions management.

To support the national peak carbon dioxide emissions and carbon neutrality strategy and empower the manufacturing industry's digital transformation and green, low-carbon development, iSoftStone has independently developed the iSSMeta-Green Carbon Intelligence Management Platform. In collaboration with BSI and SAP, iSoftStone co-initiated and established a Green Enterprise and Product Certification Center, offering two core products: carbon evaluation and carbon certification, along with an extended "5+6+N" service system to help enterprises accurately quantify and certify carbon data. The iSSMeta-Green platform is designed for use across industrial, enterprise, construction, and provincial-level government platforms, and has been successfully implemented in various fields such as power grids, zero-carbon parks, and zero-carbon stadiums, helping solve challenges in carbon management and building a sustainable future.



Carbon Metaverse

Enables the flow of carbon data at the device level and deeply integrates carbon data with the metaverse to achieve real-time collaborative interaction and generate valuable data assets.



Carbon Strategy Simulation

Predicts future emission trends based on historical data and proposes optimization paths for key processes, facilitating scientifically grounded energy planning aligned with carbon quotas.



2 Core Advantages



6 Key Functions



Carbon Panorama



Carbon Accounting



Carbon Reporting



Carbon Ledger



Carbon Analysis



Carbon Trading



iSSMeta-Green Carbon Intelligence Platform



2023-2024 智能零碳项目成果
INTELLIGENT ZERO CARBON DEMONSTRATION ACHIEVEMENTS
软通动力 ESG 和双碳科技创新实践：自主研发打造 iSSMeta-Green 碳智能管理平台
软通动力信息技术（集团）股份有限公司
二〇二四年十一月



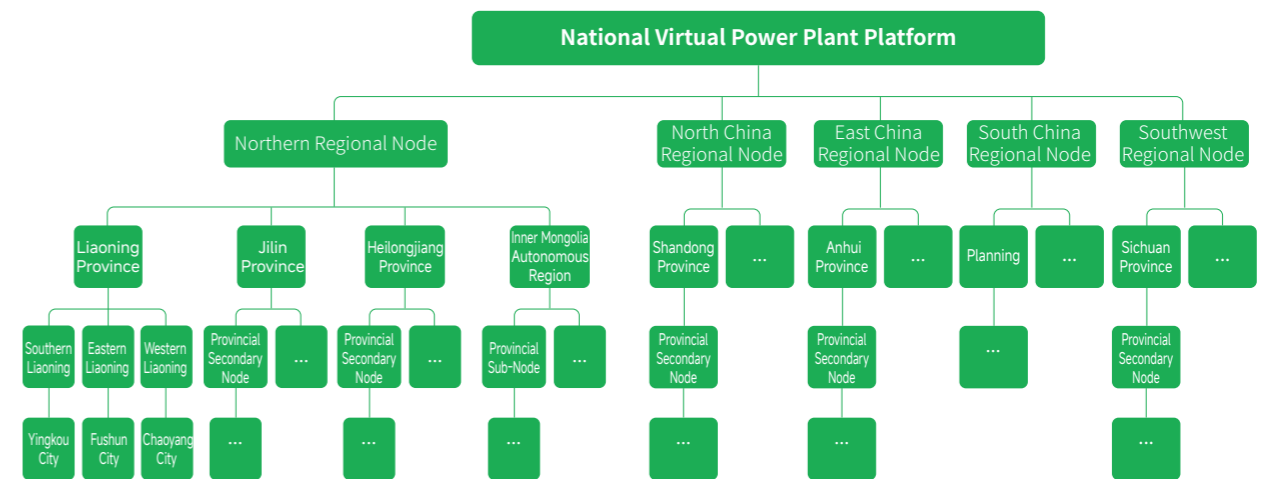
AWARDED THE 1ST GREEN SUSTAINABLE ESG CASE INNOVATION CONTRIBUTION AWARD
2024
典范创新贡献案例 TOP10
软通动力加快双碳科技创新 打造 iSSMeta-Green 碳智能管理平台的实践
软通动力信息技术（集团）股份有限公司
中国ESG100榜单
2024年度榜单
中国ESG100榜单
2024年度榜单

Virtual Power Plant Platform

Based on national and local government policies and the strategic importance of energy conservation and carbon reduction, iSoftStone has planned to implement its virtual power plant strategy in collaboration with ecosystem partners and align it with target cities across the country, offering diversified services to both power generation and consumption sectors. In terms of virtual power plant development, iSoftStone plans to build a five-level interconnected virtual power plant system at the national, regional, provincial, sub-provincial, and municipal levels. This system will provide diversified services, such as integrated energy services, to grid operators, power generation companies, and power consumers. Relying on a self-circulating business model, it will foster a virtuous cycle to support the national goal of aggregating and regulating green power resources and achieving full regional grid coverage.

Did You Know? What Is a Virtual Power Plant?

iSoftStone uses advanced information and intelligent control technologies to aggregate distributed energy resources, storage devices, and controllable loads within the grid into a unified control unit. This improves the flexibility of grid operations. This not only enhances system efficiency but also increases the utilization rate of renewable energy, reduces peak loads on the grid, and demonstrates strong capabilities in both technological innovation and market operations.



Through the integration of the DeepSeek-R1 model, iSoftStone has further optimized its virtual power plant platform, leveraging its deep cross-industry expertise and robust hardware ecosystem to provide secure, reliable, and high-performance AI solutions. In the field of energy conservation, DeepSeek-R1 leverages intelligent algorithm optimization to enable accurate prediction and dynamic management of energy consumption.

iSoftStone's wholly owned subsidiary, Liaoning iSoftStone Smart Energy Technology Co., Ltd., has officially established operations in Liaoning Province and reached strategic cooperation agreements with multiple partners, including State Grid Liaoning Electric Power Company, State Grid Liaoning Integrated Energy Service Co., Ltd., Liaoning Posts and Telecommunications Planning and Design Institute, China Datang Corporation, XCMG Group, and ENN Group. The provincial-level virtual power plant platform for Liaoning has been completed, and energy-saving and carbon-reduction services have already been implemented, such as in the Jinzhou Affiliated Hospital. Through intelligent energy consumption monitoring and optimization, energy efficiency has been improved by 71%.



During a visit to the 2024 Global Industrial Internet Conference, then-Governor of Liaoning Province, Li Lecheng, spoke highly of iSoftStone's virtual power plant initiative and encouraged the company to increase its investment in Liaoning to further support the province's intelligent industrial development. In addition, iSoftStone's project titled "Industry-Based Provincial-Level Digital Virtual Power Plant" was selected as a model case in the "2024 Data-Driven Software Application Model Cases" collection activity at the 2024 Global Digital Economy Conference.

Dual-Use Energy Storage and Battery Swap Stations

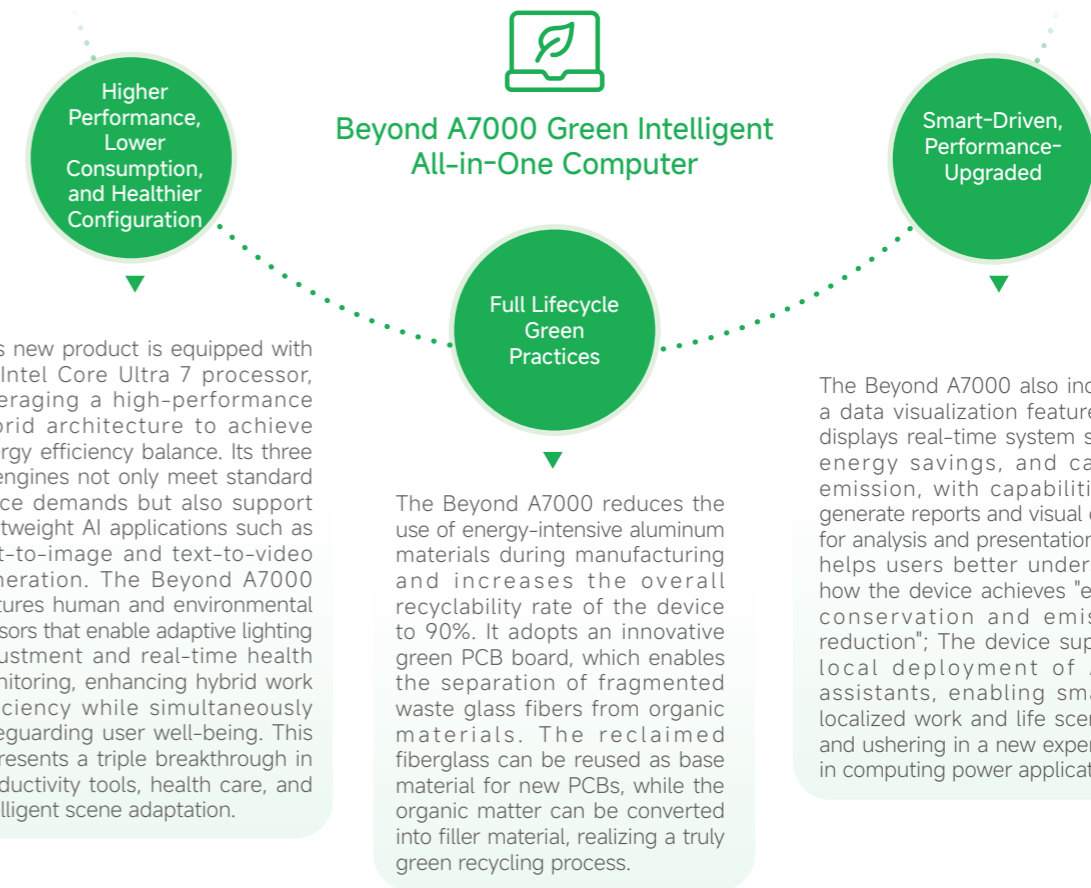
As a major energy-consuming province, Liaoning plans to build more than 17,000 charging piles and 639 charging and battery swap stations during the "14th Five-Year Plan" period to support the operation of 100,000 pure electric vehicles. Through an S2B2C model, iSoftStone has developed an intelligent virtual power plant platform that now supports over 400 passenger EV charging and battery swap facilities, serving more than 70,000 operational vehicles. By the end of 2024, iSoftStone had built 10 battery swap stations in Liaoning with operational capabilities, including 7 officially operational stations, providing energy replenishment services for up to 1,500 pure electric taxis and ride-hailing vehicles. In 2025, a province-wide battery swap network centered on Shenyang will be gradually established.

Integrated Management System for LNG Receiving Stations

The Huaying LNG Receiving Terminal, located in Guangdong, is Sinopec's first LNG project in the province and a key national, provincial, and municipal energy infrastructure project. The integrated management system at the LNG terminal is Huaying's first digital and intelligent transformation initiative. It brings reform and innovation across corporate strategy, business operations, safety production, service assurance, and digital construction. As a key support for the national energy transition and green development strategy, the system improves operational efficiency by more than 20% and reduces energy consumption by approximately 15%. The Digital Twin Operation Management Platform of the LNG terminal won the "2024 Outstanding Case of Comprehensive Digital Transformation" award at the Global Digital Economy Conference.

Low-Carbon Computer Products

iSoftStone Computers actively practices green, low-carbon principles, embedding sustainability throughout the full lifecycle of its commercial PC products to create more eco-friendly and energy-efficient computing solutions. In 2024, the Chinese Institute of Electronics officially released the *Green Evaluation Standards and Implementation Guidelines for Desktop Microcomputers and All-in-One PCs (T/CIE 221-2024)*, providing authoritative standards for reference and implementation for the green computer industry. iSoftStone Computers, as an early adopter of the standard, collaborated with Intel to launch the first compliant green PC model, the "Beyond A7000", which received the Green Computer Evaluation Certificate. This new product not only delivers outstanding performance but also embodies a commitment to the harmonious coexistence of technology and the environment, leading the way into a new era of "high-performance, low-carbon" office computing.



Reduction of Hazardous Substances

Against the backdrop of the global trend toward greener electronics and the continuous tightening of environmental regulations such as the EU RoHS and REACH directives, Justone International regards Hazardous Substance Free (HSF) management as a key component of its environmental management system. Through institutional and standardized approaches, the company works to reduce environmental risks throughout the product life cycle. Justone International has developed and regularly updates its *Green Product Hazardous Substance Management Measures*, which align with the latest regulatory updates from laws such as the *Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)*, the *RoHS Directives (2011/65/EU and 2015/863/EU)*, the *Waste Electrical and Electronic Equipment Directive (WEEE 2002/96/EC)*, the *California Safe Drinking Water and Toxic Enforcement Act of 1986 (CA 65)*, and China's Standards and Requirements for Volatile Organic Compounds (VOCs), as well as customer-specific product requirements and evolving hazardous chemical control trends. These measures define clear usage standards for chemical substances in materials, components, parts, and packaging. Through a three-pronged approach, e.g. source substitution, production optimization, and supply chain collaboration, the company effectively blocks the infiltration of hazardous substances into the environment. HSF requirements are also deeply integrated into the supplier management process to ensure compliance with relevant international regulations and corporate standards.

Case | Building a Green-Oriented Supplier Management System

Justone International has established a supplier entry screening mechanism by developing a *Qualified Supplier List*, and conducts dynamic annual evaluations and audits of suppliers to ensure continuous compliance with environmental protection and social responsibility standards. Justone International requires its suppliers to provide RoHS test reports, RoHS declarations, REACH declarations, MSDS (Green BOM), and non-conflict minerals declarations to manage risks related to hazardous substances and ethical sourcing from the source. To enhance management efficiency, Justone International has established an HSF product supply chain management system and a GPM (Green Product Management) system. Through data monitoring, process control, and documentation retention, the company enforces strict supplier oversight.

Co-Creating a Low-Carbon Ecosystem

Joint Establishment of New Energy Fusion Innovation Laboratory with Ming Yang Smart Energy Group

In October 2024, the New Energy Fusion Innovation Laboratory was officially launched, co-founded by Ming Yang Smart Energy Group Limited and iSoftStone. The lab aims to deepen strategic cooperation between the two parties in AI and digital energy, jointly exploring the innovative application and development potential of AI in fields such as weather foundation models, intelligent wind farms, and elastic computing power networks. It seeks to drive the intelligent and digital transformation of new energy technologies and make meaningful contributions to optimizing the global energy structure and advancing sustainable development.



Strategic Cooperation Agreement with State Grid Liaoning Integrated Energy Services

iSoftStone officially signed a strategic cooperation agreement with State Grid Liaoning Integrated Energy Services Co., Ltd. (hereinafter referred to as "State Grid Liaoning Integrated Energy"). This marks a solid first step toward strategic cooperation between iSoftStone and the State Grid Corporation of China, playing an important role in advancing the development of the national integrated energy services industry. The two parties will collaborate under a "1+1>2" model, fully leveraging the leadership role of the integrated energy services industry. They will focus on refining and specializing in digital energy, energy conservation and environmental protection, and new energy storage, while exploring R&D and application of new technologies, products, and business models.

Jointly Shaping the Green Energy Development Blueprint with Liaoning Institute of Telecommunications Planning and Design and Liaoning Shuneng Science and Technology

iSoftStone signed strategic cooperation agreements in Beijing with Liaoning Institute of Telecommunications Planning and Design Co., Ltd. and Liaoning Shuneng Science and Technology Development Co., Ltd. The three parties will collaborate in areas including digital energy, industrial internet, industry-education integration, low-carbon parks, and energy-saving retrofits. Looking ahead, the collaboration will center on Liaoning province and gradually expand nationwide. Relying on the virtual power plant platform, the parties will deepen cooperation in integrated energy services and source-grid-load-storage integration, effectively promoting renewable energy consumption, advancing the high-quality development of the national new power system, and accelerating the green and low-carbon transformation of the energy industry.

Environmental Compliance Management

iSoftStone strictly adheres to the *Environmental Protection Law of the People's Republic of China*, the *Environmental Impact Assessment Law of the People's Republic of China*, and other relevant national laws and regulations, as well as those applicable in overseas regions where it operates. The company has formulated a series of policy documents, including the *Environmental Monitoring and Measurement Management Procedures*, *Exhaust Emission Control Measures*, *Wastewater Discharge Control Measures*, and *Hazardous Materials Management Regulations*. Built upon the ISO 14001 Environmental Management System, the company continuously improves its environmental management framework and integrates green development concepts into its daily operations. In 2024, iSoftStone Group and its subsidiaries made steady progress in environmental management. There were no incidents of environmental pollution, no administrative penalties, and no major environmental accidents.



Achieved ISO 14001 Environmental Management System Certification

(iSoftStone Group and Justone International)

Water Resource Management

iSoftStone and its subsidiaries strictly comply with the *Water Pollution Prevention and Control Law of the People's Republic of China* and other relevant regulations concerning water resources. The company actively promotes water reduction, reuse, and compliant discharge. Manufacturing subsidiaries have developed and implemented the *Wastewater Discharge Control Measures* to manage wastewater, minimize water pollutants, and ensure that all factory discharges meet legal and regulatory standards.

Total water withdrawal:

244,880 tons

Note: The statistics cover iSoftStone headquarters and 16 subsidiaries

Emission and Waste Management

In 2024, iSoftStone and its subsidiaries strictly adhered to the *Air Pollution Prevention and Control Law of the People's Republic of China*, the *Law on the Prevention and Control of Environmental Pollution by Solid Waste*, and other environmental protection regulations. Manufacturing subsidiaries formulated and implemented the *Exhaust Emission Control Measures and Hazardous Materials Management Regulations* to ensure that all product design, manufacturing, and related management activities comply with environmental laws, while minimizing environmental impact. iSoftStone's computing product production lines generate neither exhaust emissions nor hazardous waste. General waste is disposed of by qualified third-party providers in full compliance with relevant regulations.

General waste:

15.2 tons

Note: Includes 6.1 tons of non-hazardous waste from computer factories, and 9.1 tons of domestic waste from the Beijing headquarters and Wuxi office building, estimated based on daily waste handling volumes.

Product Service

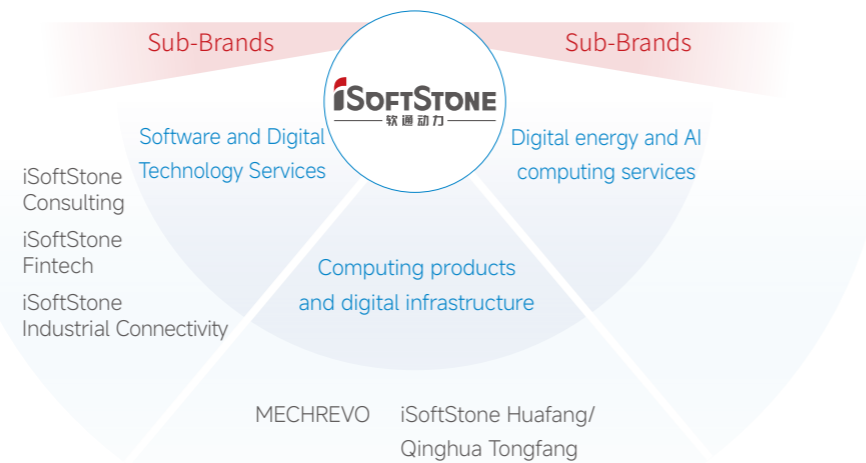
To seize the opportunities and address the challenges of the AI era, iSoftStone leverages cutting-edge digital technologies to build an "integrated software-hardware full-stack capability led by AI consulting. The company has achieved milestones in AI servers, AI PCs, embodied intelligence, and intelligent computing platforms. iSoftStone remains committed to earning customer trust through high-quality products and services. Through comprehensive quality management and customer communication mechanisms, the company continuously optimizes its products and services while maintaining innovation momentum, providing smarter and more efficient solutions, and sharing the benefits of the digital intelligence era with its clients.

United Nations Sustainable Development Goals (SDGs)



Diversified Layout

Building upon its "integrated software-hardware" intelligent capabilities, iSoftStone drives its strategic growth through consultation-led and innovation-driven development. The company focuses on four major directions: intelligent, independent, green, and internationalized. It implements a four-pillar business growth strategy: software and digital technology services, computing products and intelligent electronics, digital energy and intelligent computing services, and international services. Key sub-brands such as iSoftStone Consulting, iSoftStone Fintech, iSoftStone Industrial Internet, MECHREVO, and iSoftStone Huafang are continuously reinforced. The company is constructing intelligent manufacturing bases in Beijing's sub-center and Wuxi, Jiangsu, developing productivity-enhancing intelligent products such as AI PCs, humanoid robots, and AI workstations.



Product Quality and Services

On the path to operational excellence, iSoftStone consistently places product quality and customer service at the core of its business. We enforce rigorous quality control standards throughout every stage of our hardware and software product lifecycle, striving to deliver high-quality products and stable, reliable services to our clients. Customer-centricity is a fundamental principle and we listen attentively to our clients, continuously optimize service processes, improve response speed and problem resolution efficiency, and are committed to exceeding customer expectations and enhancing satisfaction. At the same time, iSoftStone practices responsible marketing, adheres to business ethics, and collaborates with clients to create sustainable value.

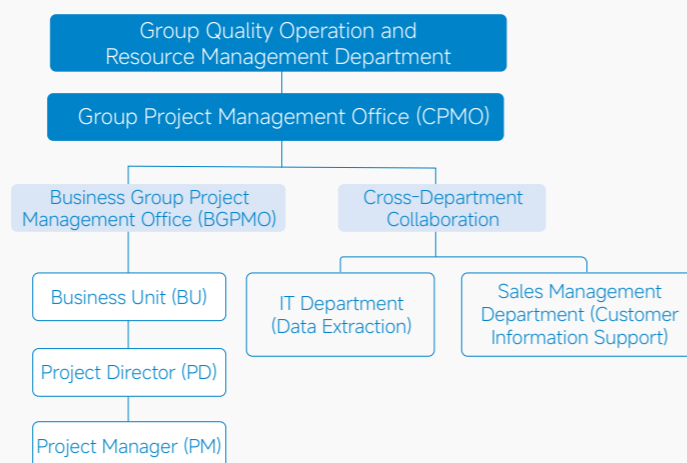
Management Framework

Governance

Quality Management Organizational Structure



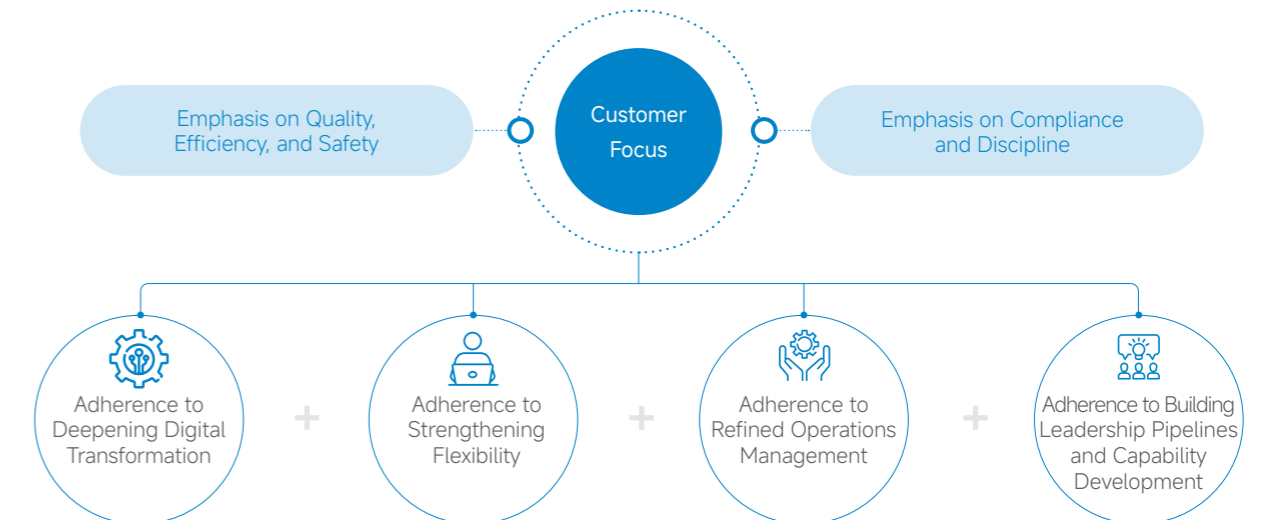
Customer Service Management Organizational Structure



Strategy



Implementation of Group Strategy: "One Center, Two Emphases, Four Adherences"



Three Quality Principles

Supremacy, Improvement, and Demand Orientation

Quality Policy

Quality stems from detail, safety builds trust, ensuring high-quality products and services.

Impact, Risk, and Opportunity Management

During the reporting period, iSoftStone conducted a business continuity risk assessment, identifying 66 risks in total: 6 low-level risks, 33 general risks, 13 considerable risks, and 14 critical risks. The company enhanced supply chain security management according to business needs, refining major risk categories and continuing to identify such risks. For each identified critical risk, iSoftStone developed corresponding contingency or emergency response plans. In 2024, 21 Business Continuity Plans (BCPs) were updated, with regular drills conducted and documented to reduce business continuity risks.

Metrics and Targets

iSoftStone established clear and challenging quality goals. Through regular goal decomposition and evaluation, each business unit is effectively driven toward these targets.

Customer satisfaction rate:

99%

First-time product and service delivery acceptance rate:

99%

Number of major quality and safety incidents:

0



All 2024 targets achieved

Total Quality Management

Foundation Quality Management System

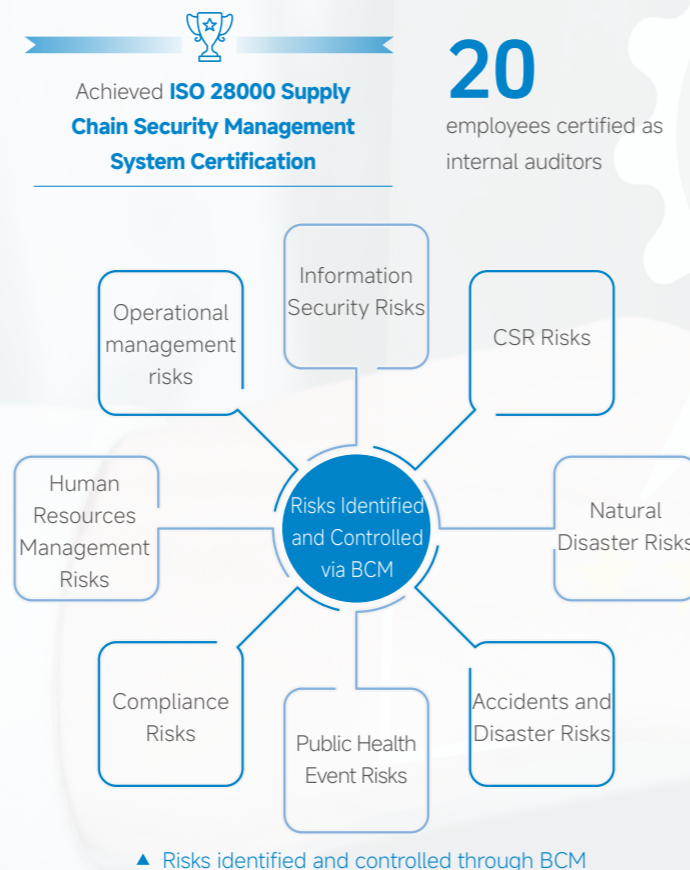
Through deep integration of multiple international authoritative certifications and strict systematized management with dynamic improvement mechanisms, iSoftStone upholds a customer-value-first philosophy. This approach is embedded into measurable, standardized practices to provide global users with safe, reliable, and continuously excellent product and service experiences.



Advancement BCM Risk Management

iSoftStone has established a risk management framework based on a hierarchical control strategy. For major and considerable risks, the company implements PDCA closed-loop management and focused oversight mechanisms. Resources are allocated and responses are tailored to ensure accurate risk prevention. General risks are delegated to responsible departments for routine self-management, forming a comprehensive "focus on the big, don't neglect the small" approach.

In 2024, iSoftStone restructured its BCM organization, integrating the business continuity task force under the ESG Committee. The BCM system was systematically upgraded across five dimensions: organization, policy, audits (internal and external), training empowerment, and business support, to ensure blind-spot-free risk identification and precisely matched response strategies. Upon activation of a risk event, the company swiftly initiates emergency command through its BCP, shifting from passive risk handling to proactive response, thereby achieving a qualitative improvement in risk defense.



Excellence Enhancing Trust Capabilities

With the goal of "building a trustworthy enterprise and becoming a reliable partner for clients", iSoftStone established the Trustworthiness Group within the Capability Development Committee, systematically developing a comprehensive trust capability framework that covers the full lifecycle of its products and services. At its core, this framework deeply integrates security, reliability, privacy protection, and compliance into the business value chain. Building upon the foundation of traditional quality management, it further strengthens proactive defense capabilities against unknown risks in digital scenarios.

iSoftStone has established a comprehensive trust service capability assessment mechanism, evaluating services across dimensions such as response speed, service quality, and data security, ensuring early detection and early warning of potential risks. In 2024, the company organized multiple trust service capability training sessions covering relevant business departments, improving employee awareness and practical skills in delivering trustworthy services. Meanwhile, we continue to strengthen oversight of service processes, ensuring all services meet trustworthiness standards and establishing a dual defense system of "technology+management".



Improving and Promoting A Trusted Tool System for Software Product Delivery

- Advance R&D, promotion, and application of ISS DevOps trust-enabling tools.
- Launch the Group Information Asset Management System to provide unified monitoring and early warnings for all information asset (Group internal network and public cloud assets), enabling timely detection and handling of high-risk issues.



Strengthening Open Source Governance for Software Products

- Utilize security tools to inventory existing software bill of materials (SBOM), gradually resolving identified security issues during the review.
- Integrate open source governance tools into the ISS DevOps R&D process to enable early detection and resolution of security issues during development.



Improving the Trust Management System for Software and Hardware Products

- Develop software product trust audit standards to enhance timely risk identification and resolution, and conduct training in trust secure design and secure operations and maintenance.
- Formulate hardware product trust management standards and implement them across business units; ISO 9001 certified.
- Improve ISO 27001 information security policies and documentation practices, enhance privacy data protection strategies and measures, and pass ISO 27701 certification for the first time, strengthening the implementation of trust assessment requirements.

Winning Customer Satisfaction

iSoftStone has formulated the *Customer Satisfaction Management System* and the *Customer Satisfaction Management Procedure*, establishing a standardized and regulated customer satisfaction management system that formalizes communication and service processes. For marketing and service teams, the company has implemented professional capability-building programs such as the "KA Bootcamp", and introduced the *Sales and Pre-sales Personnel Evaluation and Incentive Plan*, incorporating customer service standards into performance assessments to continuously enhance professionalism and responsiveness of service teams.

Listening to the Voice of the Customer

iSoftStone regards customer needs and feedback as a vital driving force for service improvement. Through the establishment of a full-process CCS (Customer Satisfaction Survey) management mechanism, the company conducts regular annual satisfaction surveys, systematically analyzes the data, and makes targeted improvements to service quality. To build a comprehensive feedback ecosystem, the company has implemented the VOC (Voice of Customer) system, which collects customer suggestions and complaints in real time and automatically dispatches them to corresponding project teams for follow-up and optimization. The system supports closed-loop management from recording improvement plans, execution verification, to effectiveness feedback. Additionally, iSoftStone has opened a dedicated customer service hotline (4009905898) for end customers, ensuring root-cause resolution and continuous service enhancement.

In 2024, the Group conducted both semi-annual and annual customer satisfaction surveys. Throughout the year, over 300 clients were reached, with nearly 2,000 questionnaires distributed and a 100% response rate achieved. For product after-sales services, iSoftStone Computing conducted both online and offline satisfaction surveys targeting maintenance users, designated users, and key clients. These surveys covered core dimensions such as product performance, service response, and problem-resolution efficiency. By leveraging data attribution analysis, the company was able to accurately pinpoint service shortcomings and establish targeted improvement mechanisms, continuously optimizing service processes and resource allocation to enhance customer trust and the long-term value of partnerships.



Annual customer satisfaction score:

93.8

Annual customer satisfaction rate:

99.11%



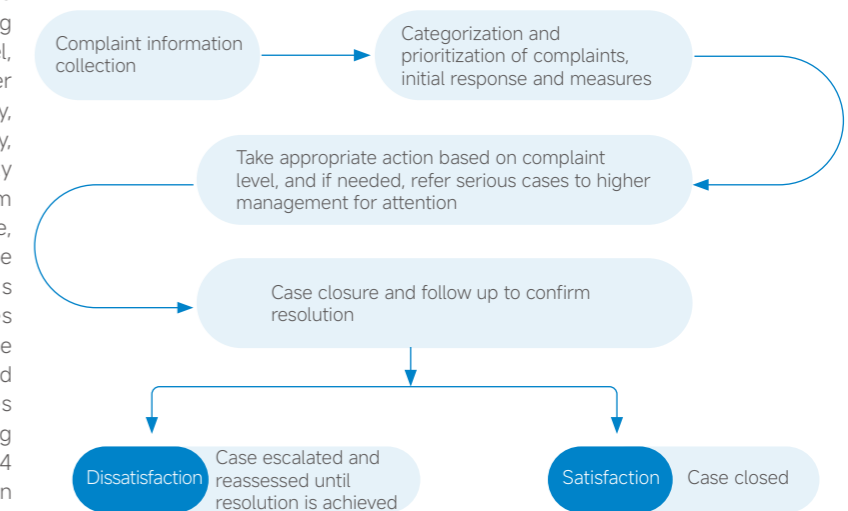
Delivering Premium Customer Service

To better meet growing customer expectations for high-quality service, iSoftStone Computer launched the CCCS Service Certification Project in 2024. This initiative strictly benchmarked against the national standard GB/T 43045.1-2023 *Information Technology-Intelligent Customer Services* and the industry standard T/CCUA 022-2023 *Evaluation Specification for Customer Contact Center Operational Capability*, leading to a systematic upgrade of the service framework. Following a rigorous review process of service activities, including off-site documentation audits of service management and on-site service assessments, as well as certification and decision, iSoftStone Computer successfully obtained CCCS Service Certification, receiving the prestigious Diamond Five-Star Certification, marking a significant advancement in its customer service capabilities.

Justone International is committed to providing high-quality after-sales service throughout the full lifecycle of products. It offers year-round (8:00-22:00) access to customer service through a mini-program, 400 hotline, and online support via the official website. The services include unlimited free consultations covering real-time Q&A, immediate support, information inquiries, performance tuning, and value-added services. Customers can submit repair requests within one hour, select convenient pickup times through an intelligent logistics system, and enjoy free round-trip shipping services (excluding damage and expired warranty cases). In 2024, Justone International leveraged its national network of five major Internet service centers in Suzhou, Guangzhou, Chengdu, Beijing, and Wuhan, significantly improving service responsiveness and ensuring timely customer support regardless of location. Upon arrival of the equipment at the service center, original factory certified engineers provide whole-process and one-on-one dedicated service. Customers can track the entire service process via the "MECHREVO Internet Service" mini-program, which offers real-time updates on equipment status and full video coverage of disassembly, diagnostics, repair, and return shipping. This fully transparent service workflow allows customers to monitor progress at any time and provide feedback, ensuring a reassuring and seamless experience from start to finish.

Handling Consumer Complaints

Justone International upholds the philosophy of systematically reducing consumer complaints. At a strategic level, it established a Brand Operations Center to centrally manage product R&D quality, raw material quality, manufacturing quality, and final product quality, effectively lowering complaints stemming from product dissatisfaction. At the same time, guided by end-user experience, Justone International emphasizes user needs and focuses on customer experiences throughout product usage and service interactions. The company has defined clear complaint-handling procedures and accountability measures, requiring responses or progress updates within 24 hours. Through simultaneous optimization of product and service dimensions, customer satisfaction has been greatly improved.



▲ Complaint Handling Procedure for MECHREVO Brand Products

Responsible Marketing

iSoftStone places strong emphasis on responsible behavior in the promotion and marketing of its products and services, ensuring compliance and accuracy in information usage and communication. iSoftStone strictly adheres to relevant laws and regulations such as the *Advertising Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, as well as applicable regulations in the regions where its business operates. It continuously enhances responsible marketing management practices to prevent false advertising, discriminatory content, and misuse of data.

iSoftStone actively advances the compliance management system for marketing activities, ensuring that all sales operations strictly follow relevant laws, regulations, and internal policies, and resolutely prohibits any illegal or unethical business practices. In 2024, the company organized multiple compliance training sessions focusing on marketing. Training topics included laws and regulations related to responsible marketing, company rules and policies, product knowledge, promotional standards, and case studies of compliance violations. A combination of online and offline training methods was adopted to ensure that every employee is fully informed and strictly adheres to the company's marketing governance standards, thereby largely enhancing frontline sales personnel's compliance awareness.

Innovative R&D

iSoftStone has established a comprehensive system for research, development, and innovation. With a focus on independent innovation in digital technologies and industrial digitalization, the company fosters co-creation and mutual benefit with strategic clients and ecosystem partners. Through systematic innovation, it provides new momentum for sustainable development, ensuring the orderly advancement of R&D efforts and continuously enhancing its core technological competitiveness while strengthening its strategic soft power.

Governance

iSoftStone has built a sound and efficient R&D management structure. The Group's Innovation and R&D Committee oversees R&D activities, formulates product development plans and industrial development policies, determines key areas and priorities for research projects, and prepares annual R&D project and investment plans. R&D institutions within each business group are responsible for executing the projects, thereby improving the quality and efficiency of innovation and research.

To stimulate innovation, the company has introduced a comprehensive incentive mechanism and system for R&D, including policies such as the *Assessment System for R&D Intellectual Property Achievements*, *Intellectual Property Incentive Policy*, and *Patent Management Regulations*. These policies provide both recognition and financial rewards for individuals and teams, encouraging departments and employees to actively engage in technological innovation and invention.

Strategy

iSoftStone adheres to a four development strategy: intelligent, independent, green, and internationalized, driving breakthroughs in technology, innovation in products and business models, and positions R&D as a key driver of corporate growth. The company is building a closed-loop industrial chain focused on intelligent manufacturing, ICT software and hardware infrastructure capabilities, and intelligent productivity products.

Among this, through its two major intelligent manufacturing bases in Beijing's sub-center and Wuxi, Jiangsu, the company covers both the Beijing-Tianjin-Hebei and Yangtze River Delta regions. It is developing iSoftStone's capabilities in intelligent manufacturing and supply chain management. Through an OEM+ODM model, it has formed close ecosystem partnerships with global technology firms. ICT infrastructure capabilities range from chip development to operating systems, system software, and product design. Intelligent productivity products focus on AI PCs, humanoid robots, and AI workstations. The company aims to develop new business lines centered on intelligent productivity tools.

Impact, Risk, and Opportunity Management

Keeping pace with the latest technological frontiers

iSoftStone remains committed to innovation-driven development. Leveraging its Innovation and Technology Research Institute, Postdoctoral Workstation, national and regional engineering laboratories, capability centers, R&D centers, and intelligent manufacturing bases, the company brings together numerous industry experts and professional technical teams. Focusing on market trends, industry developments, and technological frontiers, it builds a sustainable business and technological innovation system through industrial insight research, product and technology innovation, and ecosystem collaboration. This ensures that the company stays dynamic and vibrant, supporting strategic planning and forecasting, strategic formulation and execution, and the integration of innovative technologies with business applications. As a result, iSoftStone achieves steady development in traditional business areas while making breakthroughs in emerging business lines.

Case | Establishment of iSoftStone Intelligent Computing Headquarters in Huangpu, Guangzhou & Launch of Multiple Full-Stack Intelligent Products

Computing power, as a core resource supporting the development of the digital economy, is crucial for cloud computing, big data, artificial intelligence, and the Internet of Things (IoT). Doubling down on the AI computing industry showcases iSoftStone's determination to deepen its presence in the AI field. The establishment of the iSoftStone Intelligent Computing Headquarters reflects the company's collaboration with upstream and downstream partners in the industry chain, promoting breakthroughs in cutting-edge intelligent computing technologies and innovations, and accelerating industrial upgrading.



Strict Compliance Risk Control

IPR Protection

iSoftStone attaches great importance to intellectual property (IP) protection and strictly complies with relevant laws and regulations such as the *Trademark Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, and the *Patent Law of the People's Republic of China*. The company has developed the *Intellectual Property Management Manual* and the *Intellectual Property Management System*, which include a comprehensive suite of policies and procedures such as: *General Provisions on Intellectual Property Management*, *Patent Management Policy*, *Trademark Management Policy*, *Corporate Copyright Management Policy*, *Domain Name Management Measures*, *Trade Secret Management Policy*, *Intellectual Property Reward and Penalty Policy*, *R&D Intellectual Property Performance Assessment Policy*, *Notice on Strengthening the Assessment of R&D Intellectual Property Results*, *Intellectual Property Emergency Response Plan*. Employees are also required to sign an *Intellectual Property Protection Commitment Letter*, ensuring standardized IP management across the organization.

iSoftStone has established a dedicated Group Qualification and Intellectual Property Management Department, including specialized IP positions responsible for the management and execution of IP-related work. An IP management system has been implemented to efficiently handle IP applications, certifications, and maintenance, thereby protecting the company's proprietary intellectual property from infringement. At the same time, iSoftStone fully respects the intellectual property of others, using the information, materials, products, and IP of relevant stakeholders (including suppliers, customers, and business partners) legally, reasonably, and properly. Through comprehensive efforts such as risk management, dispute resolution, contract management, confidentiality practices, and employee training, iSoftStone continuously strengthens IP protection, striving to create a sound environment for innovation and collaboration.

To further promote the creation and accumulation of intellectual property, the company conducts themed campaigns on World Intellectual Property Day, raising employee awareness about IP respect and protection, and encouraging innovation and creative thinking. These efforts contribute to the continuous advancement of the company's intellectual property capabilities.

Scientific Ethics and Standards

As technological risks and ethics increasingly become central concerns in society, one of the major challenges facing the industry is how to maximize the benefits of technological advancement while minimizing associated risks. The General Office of the State Council issued the *Opinions on Strengthening the Governance of Scientific and Technological Ethics*, calling for "further improvement of the science and technology ethics system, enhanced governance capabilities, effective risk control, and continuous promotion of technology for good to benefit humanity". The directive includes AI ethics as an integral part of the comprehensive governance of science and technology ethics.

Guided by the principles of "Digital for Good, Technology for Good", iSoftStone continuously enhances its oversight of technology R&D, innovation, and application, and actively explores relevant standards and codes of scientific ethics. The company has established an Internal Control and Compliance Management Committee. All organizational levels have developed comprehensive internal control systems for risk analysis, assessment, and response. A multi-tiered regulatory system has also been implemented to reinforce the governance of technological innovation. These efforts aim to ensure that digital technologies empower the digital transformation of all industries and promote the high-quality development of the digital economy, while effectively preventing ethical risks such as misuse or abuse of digital technologies. Since 2018, the company has conducted an annual "Compliance and Discipline Awareness Month" across all departments, designed and led by the CEO. The campaign continues to raise employees' awareness of compliance, discipline, and legal adherence.

Information Security

For detailed information on the management of information security risks, please refer to **Chapter 3 Information Security**.



Strengthening R&D Capabilities

Innovative R&D capability is a core driving force of the company. A shortage in the number or capability of R&D personnel could lead to project delays, technological stagnation, and an inability to respond quickly to evolving market demands. To maintain a competitive technological edge and continuously enhance core competencies, iSoftStone has been improving its innovation enablement platforms and exploring mechanisms for R&D and innovation incubation. The company has built career development pathways for technology innovation talent. Guided by its strategic priorities and core business processes, it has implemented a dual-track career development system for technical professionals, ensuring sustained innovation vitality.

iSoftStone's Postdoctoral Workstation serves as a hub connecting academic frontiers with industrial practices. We have signed joint training agreements with institutions such as Tsinghua University and Beihang University. As of the end of 2024, the Postdoctoral Workstation has: Successfully graduated 4 postdoctoral researchers; Hosted 1 postdoctoral researcher currently in progress; Retained 1 postdoctoral researcher; Conducted 5 collaborative research projects; Carried out 2 co-sponsored programs; Supported 5 business initiatives; Published 4 research reports; Filed 5 patent applications. These achievements have contributed to the depth and systematic problem-solving capabilities of the R&D team.

iSoftStone continues to increase training efforts in technological R&D and innovation. In 2024, the iSoftStone CTO Training Camp held a series of training sessions under themes such as: "Essential AI Skills for Professionals in Intelligent Enterprises"; "Using iSoftStone AI Products to Help Clients Quickly Realize the Value of Large Language Models"; "Big Data Technologies, Architectures, Algorithm Thinking and Practices in the AI Era"; "Common Application Scenarios of Intelligent Agents for Efficiency Improvement Across Industries"; "Large Model Training and Fine-Tuning". A total of 27 training sessions were conducted, attracting more than 1,600 participants. An AI Skills Community was also established. The Group headquarters, in collaboration with iSoftStone Education, delivered 7 rounds of technical training to the Digital Technology School of Sias. Meanwhile, AIGC scenario application sharing sessions continued, further promoting the practical implementation and adoption of AI applications and advancing intelligent workplace skills. Through the series of initiatives mentioned above, iSoftStone injects cutting-edge technological thinking and practical abilities into its R&D team, providing solid intelligent talent to support the company's development.

Metrics and Targets

Objective

Technology Leadership: Committed to enhancing production efficiency, building core technologies, ensuring foundational cloud and security protection, and incubating innovative businesses

Key Metrics

R&D Investment:

RMB **979** million

R&D Investment as a percentage of revenue:

3.13%

Number of R&D Personnel:

3,347

Participated in the formulation of **34** industry standards

Number of Patents Added in 2024: **70**

Total Accumulative Patents Acquired: **130**
(as of February 10, 2025)

Number of Software Copyrights Added in 2024:

751

Total Accumulative Software Copyrights Acquired:

2,692
(as of February 10, 2025)



Supply Chain Management

Governance

The quality, resilience, and sustainability of the supply chain are vital to the stable development of iSoftStone. iSoftStone strictly complies with the *Tendering and Bidding Law of the People's Republic of China* and other relevant national laws and regulations. Adhering to the philosophy of creating a "sustainable and resilient ecosystem", the company has established and continuously improved its *Procurement Management System and Supplier Management System*. A transparent and scientific supplier full lifecycle management system has been set up, and the supplier database is regularly updated. iSoftStone proactively identifies potential risks in the supply chain and continually builds a high-quality supply chain.

Strategy

We proactively identify risks, reduce their impact, ensure supply chain security, and guarantee business continuity to safeguard the company's business development.

Impact, Risk, and Opportunity Management

Supplier Lifecycle Management

Authentications

We collect and investigate basic information, business conditions, qualifications, professional capabilities, risk management mechanisms, information security mechanisms, innovation capabilities, and sustainability efforts of suppliers. If necessary, we conduct further investigations or arrange on-site visits.

Partnerships

We collaborate with suppliers based on principles of honesty, trust, equality, mutual benefit, and friendly cooperation. We sign the *iSoftStone Basic Cooperation Commitment and Supplier Commitment Letter*, ensuring integrity and the absence of conflicts of interest. Together, we aim to create a responsible supply chain.

Comments

Through supplier evaluation, we manage suppliers dynamically and promote performance improvement. Suppliers are evaluated based on five dimensions: basic information, technical/professional capabilities, service capabilities, price and business support, and BCM system maturity. The evaluation results are classified into Level A, B, C, and D. Suppliers rated as Level A, B, and C are respectively listed as priority recommended resources, preferentially recommended resources, and recommended resources as needed. Suppliers rated as Level D are deemed non-compliant suppliers. Rectification measures shall be discussed and agreed upon by relevant personnel, and the improvement results shall be fed back. Based on the feedback, a decision will be made on whether to continue using the supplier or freeze them.

ESG Risk Management in the Supply Chain

In 2024, we developed and published the *iSoftStone Supplier ESG Code of Conduct*, integrating sustainable development principles into the supply chain management system. We identify, assess, manage, and monitor risks, including ESG risks, in the supply chain. We strictly oversee procurement processes and the full lifecycle of suppliers, communicating the company's requirements to suppliers and working toward building a high-quality, resilient, and sustainable supply chain.

At the same time, the company further strengthens ESG risk management and control in the supply chain through the BCM system. The Business Continuity Management (BCM) team strengthens ESG risk management in the supply chain by organizing risk identification activities for various departments and business lines every half year. These activities focus on identifying risks in the supply chain management process, including supply chain continuity risks, compliance risks, human resource risks, information security risks, and other ESG-related risks. In 2024, 26 ESG-related risks in the supply chain were identified. Through risk analysis and impact assessment, corresponding risk levels are determined. Among the identified risks, 7 major risks were found in the supply chain. Special emergency plans were developed for these major risks, such as emergency plans for large-scale personnel release, emergency plans for major information security violations, and emergency procurement plans. Preventive measures are clearly outlined, and regular drills are conducted to ensure the effectiveness of these measures and guarantee business continuity.

Case | iSoftStone Computer Supply Chain Risk Management

iSoftStone Computer has elevated supply chain management to a strategic level, strictly controlling aspects such as production manufacturing, quality control, planning, supply assurance, and logistics. The company collaborates with suppliers to build an ecosystem centered around iSoftStone Computer, ensuring supply chain stability and reliability through integrated procurement, logistics, and quality management.

iSoftStone Computer constructs supply chain resilience through extensive sourcing channels, strict supplier screening, reasonable inventory layout, precise inventory management, and customer demand orientation. To ensure supply chain continuity, the company implements dynamic adjustments to production plans, long-term planning, multi-factory layouts, and capacity enhancements. A supply chain assurance mechanism has been established, with an emergency response team composed of multiple departments such as R&D, product marketing, operations, procurement, production, and front-end sales. This team holds regular meetings to report on supply shortages and response progress, adjusting strategies as needed to ensure the stable operation of the supply chain. Additionally, iSoftStone Computer has set up a risk assessment and early warning mechanism, establishing a series of warning indicators for supply shortages. Regular risk assessments and on-site audits are conducted for suppliers to identify potential supply shortages, quality risks, and other issues, ensuring the stable operation of the supply chain.

Fair Treatment of Small and Medium Enterprises

In 2024, iSoftStone did not experience accounts payable (including notes payable) balances exceeding RMB 30 billion or accounting for more than 50% of total assets. The group and its subsidiaries are not involved in any lawsuits or arbitration related to payments to small and medium-sized enterprises.

Metrics and Targets

Objective

Ensure a reliable, stable, and responsive supply chain, reducing procurement costs.

Key Metrics

Total number of cooperating suppliers in 2024:

2,605

Among them, Mainland China:

2,405

Hong Kong, Macau, Taiwan, and other international regions:

200

Newly certified and qualified suppliers:

652

Information Security

Information security is of paramount importance to iSoftSTONE's business operations and represents our commitment and responsibility to all stakeholders. iSoftSTONE continues to invest substantial resources into information security, establishing robust multi-dimensional defenses and building leading-edge security capabilities. The company constantly strengthens data security management to meet the challenges of an increasingly complex cybersecurity environment, stricter data protection regulations, and the rapid emergence of new technologies and applications.

United Nations Sustainable Development Goals (SDGs)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



17 PARTNERSHIPS FOR THE GOALS



Management Framework

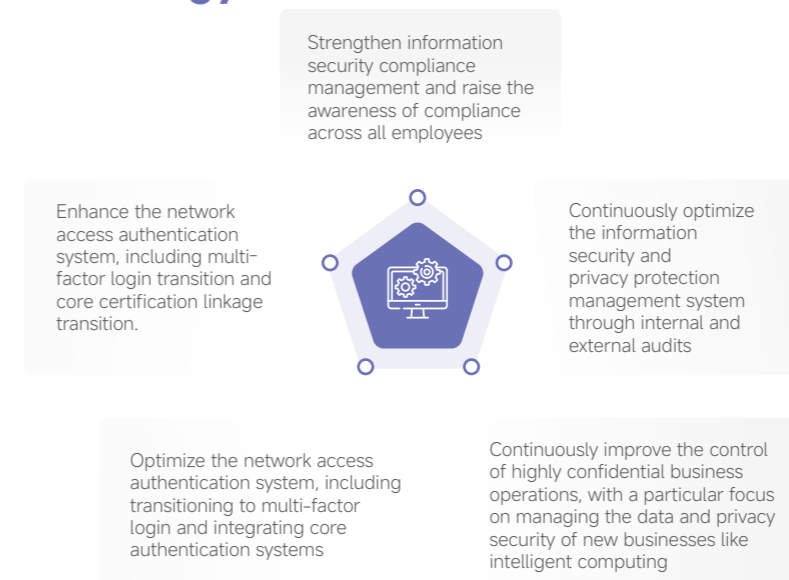
iSoftStone places great emphasis on information security management, systematically managing governance, strategy, risk management, metrics, and objectives to continually pursue higher management standards, providing solid protection for business stability and customer trust. In 2024, iSoftStone updated several key documents, including the *Personal Information Protection Management System*, *Software Personal Information Compliance Evaluation Checklist*, *Information Security Reward and Punishment System*, *Security Vulnerability Management Specifications*, *Information Asset Management System*, *Information Security Inspection Checklist*, *Asset List*, and *Risk Assessment Records*, based on the ISO 27001:2022 and ISO 27701:2019 standards. These updates ensure that the company meets higher information security management requirements in a rapidly changing digital environment.

Governance

iSoftStone has established a comprehensive information security organizational structure, including the Information Security Management Committee, the Group Information Security Management Department, business unit information security organizations, functional department information security organizations, and information security liaisons. Each department or individual at all levels performs their duties to ensure the company's information security, achieving a continuous, robust, and reliable information security system. The company strengthens the information security management loop, ensuring that information security is integrated into the company's business philosophy, organizational structure, and operations. The Information Security Management Committee is led by the CEO and conducts information security management work based on CEO's decisions.



Strategy



Impact, Risk, and Opportunity Management

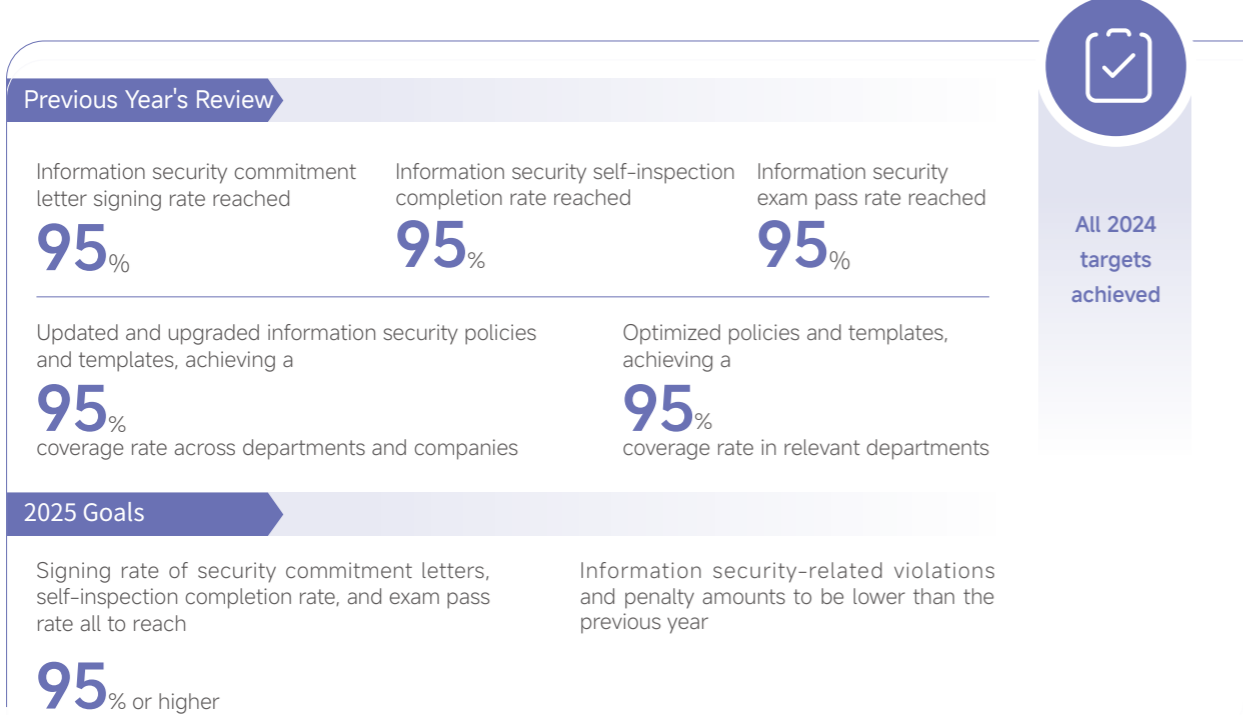
iSoftStone follows the following management process for information security risk management:



In 2024, iSoftStone optimized its risk management tools in accordance with the GB/T 20984-2022 *Information Security Technology-Information Security Risk Assessment Methods* and the latest *Asset List*. The focus was on improving risk and vulnerability correlation analysis to enhance the identification of potential threats. Furthermore, the company optimized its *Information Security Reward and Punishment System*, specifically incorporating violations of personal information into the definition of infractions at all levels. It strengthened the alignment of key roles and responsibilities with the *Reward and Punishment Management System* and introduced new clauses for legal accountability and compensation in cases where personal information security violations result in customer claims, effectively preventing data breaches and legal risks due to human error. In addition, the company included information security as a mandatory assessment indicator in other related systems (e.g., *Sales and Pre-Sales Personnel Performance Evaluation and Incentive Measures*). If first or second-level information security violations occur, the performance score for that period will be zero. If third or fourth-level violations occur, the score will be reduced accordingly based on the severity.

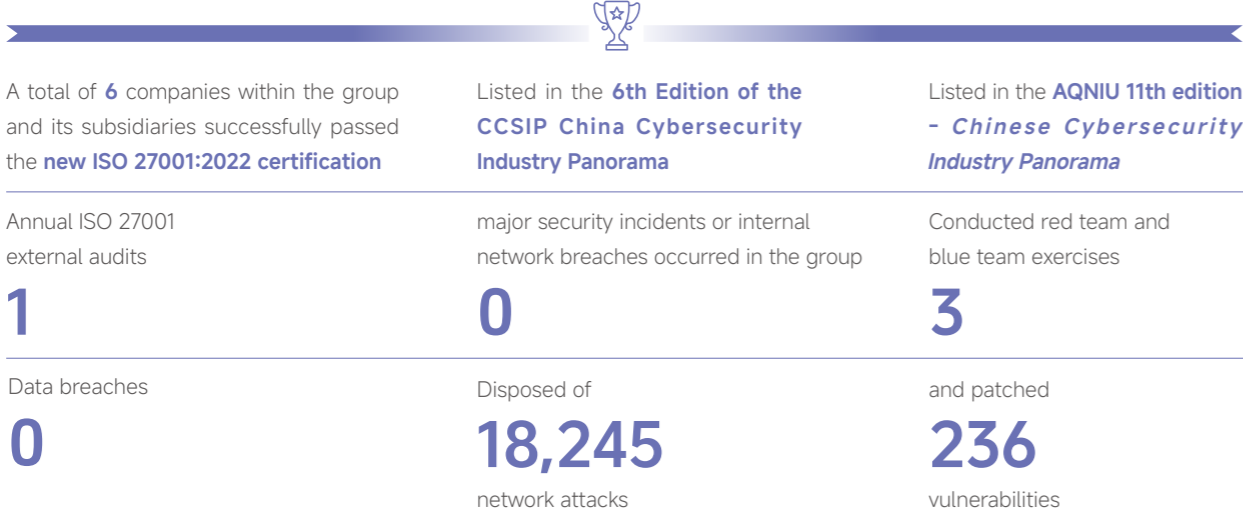
Metrics and Targets

iSoftStone has developed its 2024 Information Security Management Plan and established multiple objectives to ensure the completion of the annual plan. Relevant responsible parties and deadlines for information security management tasks are clearly defined.



Security Capabilities

iSoftStone continuously improves its information security capabilities, systematically building a comprehensive security framework that covers the entire product design, development, and operational iteration processes. In response to increasingly complex cyber threats and data compliance requirements, the company deeply embeds security protection into business scenarios. Through regular risk assessments, third-party audit validations, and security capability empowerment for all employees, iSoftStone ensures technical compliance and business continuity.



Product Full Lifecycle Security Management

iSoftStone always considers product security as the core of its quality assurance. The company has developed security baselines and regulations tailored to the characteristics of its products, in line with information security laws, regulations, and industry standards. By referencing industry best practices, iSoftStone has built a comprehensive DevSecOps process, covering all stages of security: security requirements, security design, security development, security testing, deployment, and security operations. This ensures full-link security checks from product requirements to delivery, providing a solid foundation for product security, data security, and privacy protection.

iSoftStone has established a security development management system covering the full lifecycle of software. Core regulations include the *Security Development Process Specifications*, *Secure Coding Standards (Java/.NET/PHP/Go, etc.)*, and *Security Testing Process Specifications*. The system ensures standardized control from demand analysis, threat modeling, code development, test verification, to release and operation. The system is supported by tools such as the *Architecture Design Template* and *Security Use Case Library*, and operational regulations such as the *Change Management Specifications and System/Service Decommissioning Management Methods*, forming a full-process closed-loop security management system from design, development, testing, deployment, and decommissioning.

Security Requirements

The security team collaborates with project teams to conduct security requirements analysis for key products. This covers areas such as personal information (PII), enterprise-sensitive information risk assessments, software product baselines, system threat modeling, and high reliability requirements. The analysis reports are reviewed by all project team members to form risk mitigation plans and information security protection measures, which are then translated into specific security requirements for software design, development, and testing verification, ensuring closed-loop control through security testing.

In 2024, over **20** security requirement reviews were held, resulting in **400+** new security requirements

Security Design

iSoftStone's developers conduct comprehensive architecture and detailed design for key products to ensure all business functions, performance, and security requirements are met. This includes component selection, technical solutions, module division, product blueprints (use case diagrams, logical views, development views, operational views, deployment views, data flow diagrams), database design, authentication and authorization plans, encryption schemes, sensitive data/privacy protection schemes, high reliability/disaster recovery plans, FMEA plans, and logging scenarios.

In 2024, over **10** projects underwent security architecture design and detailed documentation design

Security Development

Regular security coding training is organized for developers, significantly raising their awareness of security issues. Developers now adopt secure coding practices, input validation, authentication and authorization, and optimize network access policies in the early stages to effectively avoid common security vulnerabilities. In addition, automated security detection tools have been embedded in the code management platform. Combined with manual code reviews, branch merging audits, and other management measures, this ensures that security issues are identified and resolved early.

In 2024, over **30** projects integrated security scanning into their pipelines, and all code releases must go through a unified security review process (code repository release process). All software developers completed online security coding training via iSoftStone University and passed the assessment exam, with **2** training sessions held.

Safety Test

Comprehensive security testing is conducted for all projects, including interactive security scanning, code scanning, open-source and third-party component scanning, host and port security scanning, virus/backdoor scanning, authentication/authorization logic vulnerability detection, OWASP common security vulnerability testing, personal information/sensitive data protection verification, operation log inspection, security baseline inspection, and password rule checks. All testing processes and results (including test cases, issue records, and improvement plans) are managed uniformly through an online platform, enabling full traceability and retraceability of the entire process.

In 2024, over **200** security vulnerabilities were identified and patched. All testers completed online security testing training courses through iSoftStone University and passed the assessment exams, with **4** training sessions held.

Security Deployment and Operations

Before going live, all products must pass a security review to ensure security risks are controllable. During the deployment phase, high availability architecture (load balancing, multiple instances) is used to ensure business reliability and automatic failover. At the same time, cloud security policies, resource monitoring, disaster recovery backups, and emergency response mechanisms are implemented to ensure the stable operation of online systems. During operation, abnormal access behaviors are quickly identified and blocked through audit log analysis, firewall protection, intrusion defense, and situational awareness. In addition, through periodic penetration tests, network protection activities, vulnerability warnings, and inspection mechanisms, the company actively identifies and resolves system vulnerabilities to reduce the likelihood of security incidents.

In 2024, the reliability of all online systems' business and data reached **99.98%**.

All online projects have resource monitoring and interface failure notifications enabled.

A total of **189,762** suspicious intrusion and product security risk events were identified and handled with **100%** closure.

5 penetration tests were conducted, discovering **258** issues, all of which were closed-loop processed.

1 network protection activity was conducted, discovering **26** security issues, all of which were closed-loop processed.

1 password security policy check was conducted, and all issues were closed-loop processed.

Open Source and Third-Party Component Security Control

During the early stages of project framework component selection, the company prioritizes choosing secure and stable versions of components to reduce the number and risks of security issues associated with open-source and third-party components. During the development phase, developers can submit source code through the pipeline, triggering automatic security scanning through Tensor Security SCA tool, notifying developers to fix high-risk vulnerabilities and license non-compliance issues in components. During the testing phase, testers use Tensor Security SCA to perform a complete security scan of pre-compiled and post-compiled software packages, identifying high-risk vulnerabilities and license non-compliance components, and tracking the issues for resolution.

In 2024, over **200** existing projects were scanned. Projects integrated with Tensor Security SCA tool trigger security scans each time code is submitted to the pipeline. The platform provides real-time visibility into SBOM lists and vulnerability statuses. A total of **20,000+** open-source component assets were discovered throughout the year, with over **370** high-risk vulnerability components fixed.

Information Security Auditing

In 2024, iSoftStone conducted an annual internal information security audit for 92 departments across 6 subsidiaries. During the audit, 19 issues were identified and rectified within the designated period, achieving full closure of the issues. In addition, the company has established trusted audit specifications for software products, enhancing the timely detection and resolution of risks, and organizing training sessions on trusted security design, secure operations, and more.

In 2024, 6 entities including iSoftStone Group and its regional subsidiaries successfully passed the ISO 27001:2022 and ISO 27701:2019 certifications conducted by an independent third-party certification and audit organization. During the audit process, the third-party certification body provided recommendations, including the continuous improvement of the identification and risk assessment management of privacy information assets. In response, the Group company optimized its risk identification and assessment methods in accordance with the latest national standards, GB/T 20984-2022 *Information Security Technology-Information Security Risk Assessment Methods*, and implemented them at all organizational levels, thereby closing the loop on the recommendations.

Every July, iSoftStone regularly invites external third-party evaluation organizations to conduct information technology risk assessments for the Group company. In response to the 2024 assessment, which identified an "abnormal user permission in the internal operation and maintenance system", the company immediately dealt with the abnormal account and optimized the staff position change and permission review process to ensure the timeliness and accuracy of permission adjustments. This process improvement prevents similar issues from occurring in the future.

Information Security Training

In 2024, iSoftStone organized more than 30 information security, data security, and privacy security-related training sessions. The training topics covered basic information security requirements, information security requirements tailored to specific customer businesses, information security management capabilities, network protection-specific security training, data security training, privacy protection training, information security-related standards training, and secure development capabilities training. These sessions aimed to enhance overall employee awareness and capabilities in information security compliance from multiple perspectives, including management regulations, management capabilities, development capabilities, compliance capabilities, and customer adaptation. These information security training sessions covered all iSoftStone employees, including but not limited to full-time employees, interns, partner program members, and supplier employees.

Routine Training



Conduct annual company-wide information security awareness and requirements training, new employee information security awareness and requirements training, regular high-security personnel information security training and assessments, data security training, and privacy protection training.

Specialized Training



Based on different types and contents of work, conduct information security requirements training tailored to specific customer businesses, information security management capability training, network protection-specific security training, information security-related standards training, and secure development capabilities training.



During the reporting period
Conducted over

30+

information security
training sessions

A total of

40+

hours of information
security training

Over

160,000

participants in the
training sessions

Achieved

100%

coverage in information security
training for employees

Emergency Response

iSoftStone has established an information security emergency management system and ensures its effective operation. In 2024, the company regularly conducted emergency drills related to data and information leaks, assessed the results of the drills, and optimized emergency plans according to business continuity management and information security incident management requirements. Drills included scenarios such as the deletion of the clock-in system database, restoration of core operational system data and application recovery, and phishing email response drills. These exercises tested existing information security emergency capabilities, identified weak points in the processes, and targeted improvements in emergency plans, further enhancing emergency response capabilities.

Information Security Incident Emergency Response Measures



Privacy Protection

iSoftStone strictly complies with domestic and international data security laws and regulations, dedicated to protecting user privacy and sensitive data. The company places a high priority on the security and compliance of data processing activities, having established a data security protection system and formulated management standards and requirements covering all business processes to ensure the safety of user privacy information and business data.

Data Security and Privacy Protection Series Systems

- Group Data Security Compliance Management Measures
- Personal Information Protection Management System
- Personal Information Protection Security Standards
- Privacy Compliance Evaluation Template,
- Group Data Security Data Classification Guidelines
- Group Data Security Data Lifecycle Security Standards,
- Data Security Risk Assessment Guidelines,
- Data Operation and Maintenance Management Security Standards
- Data Security Emergency Plan



Enhancing Data Security Management

To further improve data security management, iSoftStone has continuously refined its systems and published the *Software Personal Information Compliance Assessment Checklist* to guide and regulate the compliant processing of personal information in software. The company has also added privacy protection-related items to the *Information Security Checklist* to promote its comprehensive application in business and implemented privacy protection requirements in internal information security audits at subsidiaries.

During the product demand and design phase, iSoftStone analyzes and enumerates personal information and sensitive business data lists, assesses data security risks, classifies and grades data protection, and establishes strict preventive measures for every potential security vulnerability and risk point. In 2024, the company conducted data security risk assessments and security reinforcement plan designs for more than 20 projects. During the security testing phase before official deployment, all data security protection measures were verified for proper implementation.

Privacy Protection Defense



- Secure encryption algorithms are used to store sensitive information (such as passwords, keys, phone numbers, emails, ID card information, etc.) securely in the database.
- A unified file upload interface is used with server-side storage encryption to securely store confidential attachments.
- Secure encryption algorithms are employed for encrypting and securely storing sensitive data such as passwords, keys, and interface credentials in configuration files.
- All user privacy-related interfaces use https for transmission.
- User privacy (phone numbers, emails, ID numbers, etc.) is desensitized in logs and error messages.
- Interfaces involving user privacy adopt strict identity authentication and permission checks to prevent data leakage and unauthorized access.

Privacy Security Design

- Mobile applications (including mini-programs) remind users through pop-ups and privacy statements, ensuring that users read the content before collecting any user information.
- A page operation is provided for users to delete or cancel their account, with all personal data of the user deleted or anonymized within 15 days after the user deletes or cancels their account.
- Users are provided with a page operation to withdraw authorization, allowing them to easily revoke the use of the camera or microphone and stop audio and video information collection.
- When iterating app functions, the privacy statement is reviewed and the privacy policy is updated to ensure that it clearly documents all personal information collection and processing scenarios and complies with legal and regulatory changes.



Full Lifecycle Data Management

iSoftStone implements data security protection requirements in its projects, covering all stages of data security measures including collection, storage, transmission, usage, and destruction. Through technical and management methods, the company effectively prevents risks such as data leakage, tampering, destruction, and misuse.

Data Acquisition

Personal information collection follows the principles of legality, legitimacy, and necessity, minimizing the collection of customer, user, and employee information while clearly identifying the source and purpose of sensitive data. Scenarios involving personal sensitive information require user consent, respecting the user's right to be informed, make decisions, and their privacy rights.

Data Storage

Secure encryption algorithms are used to ensure the safety of sensitive data stored in databases and disk files.

Data Transmission

SSL protocol and application-layer encryption ensure the security of data during transmission.

Data Usage

- Strict authentication of data usage and authorization is required, preventing unauthorized/horizontal/vertical access by verifying each request.
- Data usage is audited through operation logs.
- Data is desensitized, and its usage and download are restricted.
- Network firewalls, public cloud security group policies, domain control strategies, and other methods are employed to implement strict and clear network access control policies.

Data Sharing

- Data is desensitized and encrypted to ensure privacy security when shared.
- A data-sharing mechanism and approval process are established to ensure compliance in data usage.

Data Destruction

Data that is no longer required or has expired is permanently deleted or anonymized, and storage media is securely destroyed or recycled to prevent data leakage.

In addition, iSoftStone promotes paperless operations, achieving the electronic storage and use of all data and information, while strictly controlling access and download permissions. Downloads are prohibited unless absolutely necessary, minimizing data collection and multiple archives. The company has established strict internal authorization processes, including host permissions, personnel permissions, intranet access permissions, business permissions, and more, ensuring that information and data are secure and controllable.

Privacy Information Management System Certification

iSoftStone successfully passed the ISO 27701:2019 Privacy Information Management System certification, indicating that the company has established a comprehensive privacy protection mechanism covering the entire process of data collection, storage, and processing, better supporting the compliance of global business operations. At the same time, the company actively responds to the observations and suggestions of third-party certification auditing bodies, continuously improving the identification and risk assessment management of privacy information assets in accordance with the latest national standards, GB/T 20984-2022 *Information Security Technology—Information Security Risk Assessment Methods*, and promoting its full implementation across all levels of the organization.



iSoftStone successfully passed
ISO 27701:2019 certification

Partner Standards

iSoftStone requires its suppliers to sign a *Basic Cooperation Commitment*, promising to comply with information security management requirements. All suppliers must comply with mandatory basic security requirements: during the cooperation period, suppliers must implement information security management in accordance with industry standards to ensure the integrity, confidentiality, and availability of sensitive information during all stages, including collection, processing, storage, transmission, distribution, backup, recovery, clearing, and destruction. Cooperation personnel must comply with iSoftStone and the relevant third-party information security management systems. iSoftStone reserves the right to inspect and assess the effectiveness of the supplier's information security controls and may restrict or deny project execution by suppliers that do not meet the requirements.

In addition, iSoftStone incorporates information security qualifications into its supplier evaluation metrics. The company rigorously audits suppliers' capabilities in data protection, compliance certifications (such as ISO 27001), and security practices. By establishing a joint risk defense mechanism with partners, iSoftStone systematically reduces the risk of information leakage and compliance issues in the supply chain, ensuring end-to-end security and control from source to endpoint.

Talent Development

iSoftStone values the contribution and potential of every employee. We continually optimize our talent strategy and resource allocation, striving to create a fair, open, and inclusive work environment. We provide employees with a comfortable workplace and broad development prospects, encouraging them to enhance their skills and contribute their talents. At the same time, we focus on the physical and mental health and safety of our employees, achieving mutual growth between employees and the company, enhancing employees' sense of happiness, achievement, and belonging.

United Nations Sustainable Development Goals (SDGs)



Employee Rights Protection

Governance

Governance Structure

Human Resources Department	Responsible for formulating policies and strategies related to employee rights protection and reporting progress to senior management every month. The HR departments of each business group are responsible for regularly reviewing the implementation of employee rights protection policies and reporting to the group HR department.
Legal Department	Responsible for reviewing policies related to employee rights protection to ensure compliance with laws and regulations.
Trade Union	Responsible for supervising the formulation and implementation of employee rights protection policies, safeguarding employees' legal rights.
Internal Audit Department	Regularly leads audits on the implementation of employee rights protection policies to ensure their effectiveness and compliance.

System Guarantee

iSoftStone follows international human rights norms, including the *International Bill of Human Rights*, *International Labour Conventions*, *ILO Declaration on Fundamental Principles and Rights at Work*, and the *UN Guiding Principles on Business and Human Rights*. The company strictly adheres to the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Labor Rights Protection Law of the People's Republic of China*, and relevant laws and regulations in the regions and countries where the company operates overseas. iSoftStone has established related management documents such as the *Onboarding Management System*, *Labor Contract Management System*, *iSoftStone DEI Management System*, *iSoftStone Workplace Harassment Prevention Guidelines*, *Employee Handbook*, *Compensation Management System*, *Benefits Management System*, etc. These documents clearly define employees' rights in terms of labor compensation, working hours, various types of leave, social security benefits, workplace environment, etc. The system elaborates on the salary calculation and payment process, overtime approval and compensation standards, the application and approval process for various types of leave, and other aspects, ensuring that employee rights protection work is conducted in an organized and regulated manner.

Feedback Mechanism

If employees believe their rights have been violated, they can submit complaints or suggestions through written or online channels, such as the Tongtong Intelligent Service Platform, company email, or employee suggestion box. The Tongtong customer service, HR, and relevant departments will investigate and verify the issue within the specified time and provide a response to the employee.

Strategy

iSoftStone has established the strategic goal of "Heart-centered: Building Harmonious and Symbiotic Employee Relations", with a clear focus on creating a culturally supportive atmosphere for employees through an "online+offline" model. The company provides various care activities to meet the diverse needs of employees to the greatest extent, optimizing their personal experiences. This approach aims to create better harmonious and symbiotic employee relations, stimulate organizational vitality, and enhance employees' sense of belonging and value. Each year, iSoftStone advances employee rights protection, including systematizing employee care activities, improving the work environment, and offering career development training.

We continuously strengthen cooperation with external professional institutions, regularly introducing advanced human resource management concepts and methods to optimize the company's employee rights protection strategy. For example, iSoftStone collaborates with well-known human resources consulting companies to conduct employee satisfaction surveys and analysis, making targeted adjustments to management strategies and measures based on the survey results.

Impact, Risk, and Opportunity Management



Risk
Identification

The company adopts a combination of regular risk assessments and daily risk monitoring for risk identification. Regular Risk Assessment: Every year, a comprehensive employee rights risk assessment is organized, led by the company's internal audit department. This assessment reviews and audits employee rights-related matters across all business groups, with a focus on potential risks in areas such as salary distribution, overtime management, and labor safety and health. Daily Risk Monitoring: Through channels like the "Real Voice of i" employee satisfaction survey, the "Sunshine Heat Check" psychological assessment, employee suggestion boxes, and the Tongtong Intelligent Service Platform, the company collects feedback on issues and opinions from employees to identify potential risks in a timely manner. In addition, the company closely monitors changes in national laws, regulations, and policies, adjusting management systems and processes accordingly to avoid risks arising from policy changes.



Risk
Monitoring

The company has established a monitoring system for employee rights risk indicators, setting key risk indicators such as employee complaint rates, labor dispute rates, and turnover rates. Each month, these indicators are statistically analyzed, and risk trend charts are created to monitor the dynamic risk situation. If any abnormal fluctuations in risk indicators are detected, the risk alert mechanism is immediately triggered, notifying relevant departments to conduct in-depth investigations and analyses. Appropriate risk response measures are then implemented. At the same time, the risk monitoring system is regularly evaluated and optimized to ensure its effectiveness and accuracy.



Risk
Response

The company focuses on safeguarding employees' legal rights during recruitment and employment processes, ensuring that labor practices are legally compliant. iSoftStone legally signs labor contracts with employees to guarantee their equal rights to rest, vacation, labor compensation, social insurance, benefits, and other legal entitlements. The company firmly rejects child labor and forced labor in any form and requires job applicants to provide valid identification documents before signing labor contracts to ensure legal employment. During the reporting period, iSoftStone did not engage in any incidents of child labor or forced labor.

In response to potential employee rights risks, the company has developed detailed contingency plans. In the event of labor dispute risks, the company will immediately activate a dispute resolution mechanism, with HR, the legal department, and the labor union jointly intervening. They will assess the demands of both parties and actively mediate. If mediation fails, legal procedures will be initiated promptly, with the legal department handling related legal matters to ensure the protection of both the company's and employees' legal rights.

To address the potential risk of talent attrition, the company has established an employee stability management platform—the talent attrition early warning mechanism. This platform regularly analyzes employee turnover rates, employee satisfaction, and other data to identify potential talent attrition risks in advance. Timely targeted measures, such as offering promotion opportunities, adjusting compensation, and improving the work environment, are implemented to retain key talents.

Metrics and Targets

Previous Year's Review

Quantitative/Qualitative Indicators and Targets

Labor Contract Signing Rate :

100%

Social Insurance Coverage Rate :

100%

Number of Employee Discrimination Incidents :

0

Parental Leave Return Rate :

Over 95%

Continuously Enhancing Employee Satisfaction

Regular employee satisfaction surveys are conducted to ensure that satisfaction levels remain at a healthy standard

Enhancing Career Development Opportunities

By strengthening professional training and providing promotion opportunities, the company meets employees' career development needs

Targets Achieved

2025 Goals

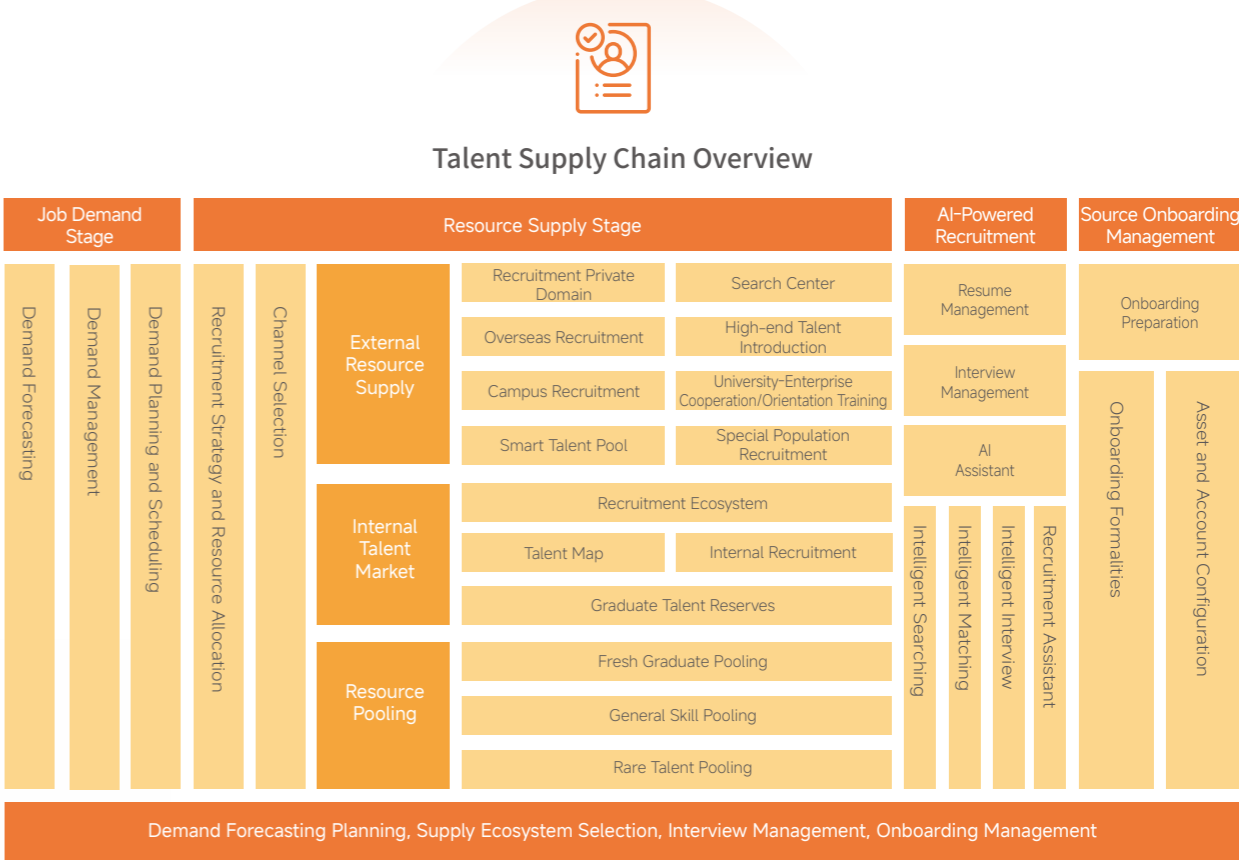
Continuously achieve quantitative target data. Actively promote the practice of employee rights protection work to ensure the realization of qualitative goals

Talent Attraction and Retention

iSoftStone adheres to the philosophy that "Talent is the primary resource" and is committed to building a diverse, equal, and inclusive work environment that offers equal opportunities for all kinds of exceptional talent. The company has established a fair and transparent recruitment process, relying on clear and defined standards and norms for each step, from resume screening to interview evaluation. Advanced technology is also used to prevent potential bias, ensuring that every candidate, regardless of gender, race, age, cultural background, socioeconomic status, or disability, can compete fairly on a transparent platform, thus enhancing the fairness and scientific nature of talent selection. The company always focuses on employees' career development and personal growth paths, values their thoughts and demands, and strives to build a positive interaction mechanism that drives mutual growth between employees and the company.

Talent Recruitment

iSoftStone has established an efficient and intelligent talent recruitment system. The company proactively plans for annual recruitment needs, starting the forecasting process at the end of each year and preparing for resource reserves and recruitment personnel allocation. iSoftStone adheres to a talent strategy that combines both internal and external recruitment, utilizing intelligent tools to accurately match talent requirements with positions. AI technology is integrated into the recruitment process, greatly enhancing recruitment efficiency and supply effectiveness.



AI-Powered Recruitment

In 2024, the company fully applied AI technology in its recruitment system. It has launched products such as intelligent candidate search, intelligent matching, intelligent interviews, and recruitment assistants. The intelligent search feature will automatically communicate with candidates to confirm key information like job intentions and project experience, significantly reducing resume screening time and helping recruiters quickly identify suitable candidates, making the recruitment process smarter and more efficient.

Meanwhile, intelligent interviews will enable online outbound calls, audio-to-text conversion, multi-round conversations, and real-time probing. The system will automatically generate interview questions and evaluation reports based on resumes and job requirements. The total number of AI interviews has exceeded 10,000, improving interview efficiency by 67%.

In addition, the company provides every recruiter with an intelligent digital assistant, offering a rich knowledge base covering industry, job positions, skills, clients, company culture, and general knowledge, supporting smart customer service to accurately respond to candidate inquiries and comprehensively improving recruitment efficiency and quality.

Expanding Recruitment Channels

External Channels

Building a Recruitment Ecosystem

iSoftStone is dedicated to building a diversified talent supply ecosystem, attracting outstanding talent through refined recruitment strategies, accelerating talent acquisition and allocation. The company uses various channels, including recruitment websites, social media, internal referrals, live-streaming job recruitment, recruitment fairs, and more, to conduct recruitment activities and break through traditional talent acquisition methods. At the same time, the company is strengthening its employer brand by enhancing the communication of corporate culture and emphasizing its social responsibility. These efforts increase the company's appeal and attractiveness in the talent market, ensuring both quality and quantity in talent reserves, injecting strong momentum into the company's sustainable development, and laying a solid talent foundation.

Broadening the Talent Pool of High-End and Overseas Talent

The company actively expands channels for attracting high-end and overseas talent. In 2024, the company recruited employees with diverse backgrounds, cultures, and skills to enhance team diversity and innovation. The company reserved over 4,500 high-end talents throughout the year and introduced 364 overseas talents from countries such as Japan and Singapore through platforms like LinkedIn and JobStreet, largely enhancing the team's diversity and innovation capabilities and providing strong support for the company's global business.

Internal Channels

Talent Allocation Optimization

The company insists on a diversified talent development path. While opening external recruitment channels, it systematically improves internal talent mobility mechanisms and optimizes the internal talent resource allocation, building an efficient talent allocation system. Through internal resource allocation, supported by the talent map system, internal recruitment system, and resource allocation system, the company establishes an information bridge between recruiters/business units and employees. This facilitates rapid matching of job and career development needs, enabling more flexible talent placement to respond to business changes and challenges, achieving optimized talent allocation.

Continuous Campus Recruitment

In 2024, the company continued with spring and autumn campus recruitment to expand the recruitment scale and coverage. The company held multiple regional recruitment presentations targeting 2025 graduates in over 30 cities across China, including Beijing, Taiyuan, and Guangxi. The company also held face-to-face exchanges and promotional sessions at renowned universities like Beijing Technology and Business University, Guilin University of Electronic Technology, and Beijing Information Science & Technology University. The company adopts a hybrid online and offline campus recruitment model and offers over 4,000 exclusive positions for fresh graduates. The company successfully recruited 1,834 graduates. Looking ahead, the company will continue to optimize recruitment strategies, aiming to provide more excellent graduates with career development platforms, fostering mutual growth between the company and talent.

Expanding the Private Talent Pool

Through the establishment of a private recruitment traffic pool, the company systematically manages potential talent resources and actively promotes the effective activation of this traffic. The goal is to attract outstanding talent to join the company and provide a strong talent foundation for the company's sustainable development. To date, the company has accumulated over 580,000 enterprise users. It collaborates with WeChat official accounts, Maimai business accounts, and other platform matrices to drive precise and efficient private traffic reach and conversion, fully enhancing talent acquisition effectiveness.

Innovative Talent Supply Model

The Digital Technology School of Sias (DTS) is a demonstration academy for industry-education integration jointly established by iSoftStone and Zhengzhou Sias University. Since its establishment in 2022, the School has been committed to cultivating high-quality digital technology talent that meets the demands of the digital economy era. The School adopts a dual-education model of "Campus+Industrial Park, Teachers+Engineers, Students+Pre-employees, Theory+Practice", closely aligning with iSoftStone's business needs. It offers 6 majors, including Software Engineering and Artificial Intelligence, and uses a "2+0.5+0.5+1" training model to ensure students master cutting-edge technologies and develop practical skills. Through innovative teaching methods such as project-based and mentor-mentee systems, the School has trained a large number of new engineering talents with innovative thinking and global competitiveness. The School has delivered a substantial number of high-quality digital technology talents to iSoftStone, greatly improving talent supply efficiency and becoming an important support for the company's talent strategy.

In 2024, iSoftStone innovatively created a customized training class model, tailoring talent development plans based on business needs and job requirements. This model offers a one-month training program that covers courses such as corporate culture, job awareness, professional ethics, and development fundamentals, combining theoretical knowledge and case practice to help trainees quickly master job-required skills and smoothly integrate into the work environment. Throughout the year, the company successfully launched 5 customized training classes, directing 106 individuals into positions in AIGC projects, testing projects, customer service projects, and other business areas, significantly improving talent matching and supply capabilities.

Nurturing and Attracting Future Talent

To help new employees actively integrate into the company culture, quickly transition their work roles, adapt comprehensively to their job positions, and rapidly grow into core contributors, the company has developed two targeted training programs: the "New Wings Program" and the "Spring Bud Program", tailored for technical and functional positions, to support employees' career development.

The "New Wings Program" aims to enhance the professional abilities and qualities of trainees, with a focus on lifelong learning. The goal is to create personalized learning scenarios for trainees, quickly forging a dynamic, specialized, professional, and high-performance team for the company.



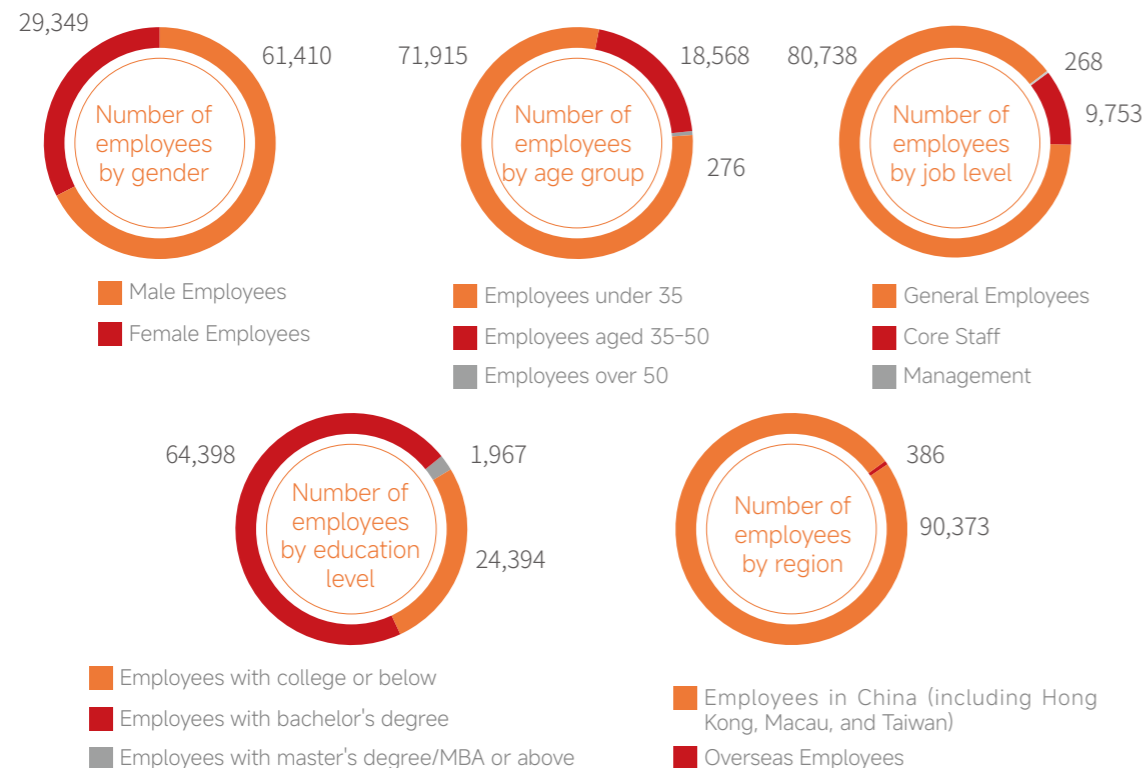
The "Spring Bud Program" selects high-commitment, high-quality, and high-potential talent for systematic cultivation, with a year-long training program. It includes a comprehensive incentive mechanism to strengthen talent reserves and optimize talent structure.



Total Employees: **90,759**

New Hires: **40,181**

Female New Hires: **11,762**



Employee Diversity

Minority Employees: **3,425**

Military Veterans: **411**

Disabled Employees: **627**

Employee Turnover Rate: **27.89%**



Employee Turnover Rate by Gender

Male Employee Turnover Rate: **27.95%**

Female Employee Turnover Rate: **27.78%**

Employee Turnover Rate by Age

Employees under 35: **29.96%**

Employees aged 35-50: **18.72%**

Employees over 50: **18.99%**

Diversity, Equity, Inclusion

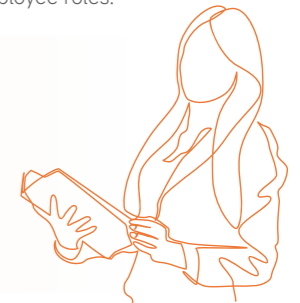
iSoftStone believes that a diverse workforce is the source of innovation and vitality, and an inclusive culture is the cornerstone of the company's sustainable development. In the recruitment process, iSoftStone systematically eliminates biases using technology, with candidate skills as the core evaluation criterion. Gender, age, and other non-ability factors are 100% excluded from the assessment. In daily management, the company develops comprehensive action plans and management measures, integrating the principles of DEI into daily operations and corporate culture.

iSoftStone actively responds to the requirements of the *Universal Declaration of Human Rights*, the *International Covenant on Economic, Social and Cultural Rights*, the *UN Guiding Principles on Business and Human Rights*, and the International Labor Organization's *Declaration on Fundamental Principles and Rights at Work*. In 2024, iSoftStone, in line with its unique characteristics, published the *iSoftStone DEI Management System*. This system was approved and issued by the ESG Committee and is supervised by the committee. The ESG Social Group regularly reports on the progress of DEI work to the committee. Through carefully planned internal promotional activities, combining online and offline channels such as the company's iPSA official website, DingTalk, WeLink, offline IPTV, promotional posters, etc., DEI principles and the meaning of diversity policies are communicated to all employees. This ensures that each employee deeply understands and recognizes the company's determination to promote diversity. On the other hand, diverse training courses are organized, including "Diversity Leadership Training" for all management levels to enhance their ability to manage diverse teams, and "Cross-departmental Communication", "Nonviolent Communication", and "Conflict Management" courses for general employees to better practice diversity in their daily work. At the same time, iSoftStone updated and developed 8 management systems, including the *iSoftStone Recruitment Management Regulations*, *iSoftStone Training Management Measures*, and *iSoftStone Compensation Management System*, to further ensure the effective implementation of DEI in recruitment, compensation, training, promotion, and other areas.

To enhance gender diversity in the workforce and strengthen support for women's career development, the *2024 Employee Promotion Guidelines* clearly stipulate that the proportion of female employees in promotions should not be less than 25%. In actual implementation during the reporting period, the overall promotion ratio of female employees exceeded 28%, with 17% of female employees being promoted to director roles, 27% to senior professional roles, and 43% to regular employee roles.

21.2%
of Female Representation in Middle Management

29%
of Senior Management (Assistant Vice President and Above) Are Women



Case | Targeted Recruitment for Veterans and Talent from Remote Areas

iSoftStone actively practices the principle of diversity and inclusion in its recruitment process. The company carefully reviews the needs of various positions and carries out targeted recruitment programs for groups such as military veterans and talent from remote areas. We publish detailed recruitment information on the official website and recruitment mini-program to ensure wide communication and accessibility of information. In addition, we continue to optimize and expand recruitment channels and strengthen promotion efforts to increase hiring from highly special groups. In 2024, iSoftStone successfully provided employment opportunities to 229 military veterans. The company meticulously designs career development plans tailored to veterans and candidates from remote areas, helping them transition smoothly into new career paths, integrate quickly into the iSoftStone community, and unlock their potential in their new roles.

Workplace Sexual Harassment Prevention

To foster a safe and secure workplace, iSoftStone has established the *Workplace Sexual Harassment Prevention Guidelines*. The company adopts a zero-tolerance policy toward any form of harassment, abuse, or coercion in the workplace or any external work-related setting, and protects employees, especially female employees, from unfair treatment or retaliation.

Women's Leadership Empowerment Program

Upholding a strong recognition of and full support for female leadership, iSoftStone has created a dedicated section on the iCollege online learning platform for the "Women's Leadership Empowerment Program", offering the *Practical Women's Leadership Development Course* to more than 2,700 female managers. The program focuses on the challenges and growth of female leaders, helping them deepen their thinking, broaden their skillsets, and strengthen their resilience. During the program, the average training duration per participant reached 4.8 hours, with total training hours exceeding 10,000.

The average training hours per female employee in 2024 increased by **12%** compared with the previous year



Diverse and Cross-Cultural Exchange Activities

To promote cultural integration, we plan and will gradually roll out a series of training programs aimed at improving employees' cross-cultural understanding and communication skills, fostering a more inclusive and collaborative work environment.

Explore

"Global Culture Journey" Activities

Decode

Cultural Exchange Workshops

Resonate

Cross-Cultural Storytelling Sessions

Based on the company's geographic employee distribution, iSoftStone invites employees from different countries to act as cultural ambassadors. Through presentations on local customs and historical stories, these events offer rich insights into global cultures and help deepen cross-cultural understanding.

The company organizes themed activities based on different ethnic or gender cultures. For example, the "Middle Eastern Business Etiquette" workshop helps employees understand how to interact appropriately with clients and colleagues from the Middle East. The "Gender Communication Differences" workshop explores workplace communication styles between men and women, helping reduce misunderstandings caused by cultural differences and improve teamwork.

Employees are encouraged to share meaningful experiences, cultural encounters, or memorable friendships formed while working, studying, or traveling abroad. These storytelling sessions foster intercultural dialogue and build closer connections among colleagues.

Talent Retention

iSoftStone strives to support employees in achieving both personal value and career aspirations through a fair and transparent promotion mechanism, a competitive compensation and benefits system, and smooth, efficient communication channels. While enhancing employees' sense of belonging and well-being, the company steadily strengthens its talent foundation and injects sustained momentum into its long-term development.

Compensation Incentives

iSoftStone has established a comprehensive compensation system comprising base salary, project allowances, position allowances, project bonuses, performance bonuses, welfare subsidies, and other forms of incentive. The company follows the "3P1M" compensation philosophy, determining fixed pay based on personal capabilities and job roles, and calculating variable pay based on project engagement duration, on-the-job performance, and achievement of performance targets. At the same time, the company considers factors such as regional market competitiveness, local wage levels, economic development conditions, as well as employees' experience, knowledge, skill levels, job responsibilities, and performance levels to construct and adjust the overall compensation structure. During the reporting period, iSoftStone updated its compensation policy. The iSoftStone Compensation Management System was revised to comprehensively restructure compensation packages across different employee categories. This includes base salary, allowances, and bonuses, with clear definitions and disbursement rules for each component, ensuring that employees' interests align with the company's overall goals.

In 2024, the company further optimized iSoftStone Annual Contribution Bonus Incentive Plan, removing restrictions on employee categories so that all employees are now eligible for annual contribution bonuses. At the same time, the formula for calculating annual contribution bonuses was also clarified, enabling employees to clearly see the results of their efforts. These continuous improvements in internal systems aim to create a fair, transparent, and motivating work environment that enhances employee satisfaction and sense of belonging.

3P1M Compensation Philosophy

P POSITION

P PERSON

P PERFORMANCE

M MARKET



Employee Benefit

iSoftStone places high importance on employee well-being and has built a robust benefits system that includes both statutory and supplemental benefits. Through internal regulations such as the iSoftStone Benefits Management System, the company ensures stable operation and ongoing optimization of its benefits programs. During the reporting period, the company increased investment in benefits. On top of existing supplemental medical insurance and group life insurance, iSoftStone launched a new critical illness and accidental death insurance plan for core employees. The company also raised the compensation limits for critical illness, accidental injury, and death caused by illness, offering employees and their families more comprehensive and reassuring protection. The outstanding benefits system is accessible to all employees. In 2024, coverage rates for statutory benefits, annual health check-ups, and other company-provided benefits all reached 100%, fully demonstrating the breadth and depth of the company's care for its employees.



Statutory Benefits

- Employee Social Insurance
- Housing Accumulation Fund
- Public Holidays
- Annual Leave



Company-wide Benefits

- Annual Physical Examination
- Supplementary Medical Insurance Premium

Performance Evaluation and Feedback

iSoftStone conducts performance evaluations and feedback according to its *Performance Management System*, upholding the principles of "fairness, impartiality, motivation, and accountability". The company requires managers to objectively assess and pay attention to employee performance, fully acknowledge their achievements, and provide candid feedback along with targeted improvement suggestions. In addition, iSoftStone has established a comprehensive performance feedback and appeal mechanism. Managers at all levels must conduct performance review meetings within one month after evaluations are completed. If an employee receives a rating of C (Needs Improvement) or D (Unsatisfactory), their direct supervisor is required to hold a performance improvement meeting with them and sign a performance improvement plan. The improvement period lasts one month, during which employees are expected to follow the plan, participate in relevant training, and study and improve their work performance. If an employee disagrees with the performance evaluation result, they may file an appeal following the process outlined in the *iSoftStone Performance Management System*. Relevant managers and HR personnel will conduct a thorough review in accordance with the principles of fairness and impartiality, ensuring that employees' rights and interests are reasonably protected.

Performance Appeal Process

- ↓ If an employee disagrees with the performance evaluation result, they have the right to appeal within 3 working days after receiving the official performance notification. Appeals submitted after this period will not be accepted and will be regarded as agreement with the evaluation.
- ↓ The employee may complete a *Performance Appeal Form* and communicate with their immediate supervisor. If dissatisfied with the result, they may submit a written appeal to the HR department of their business unit (Business Group/Functional Support).
- ↓ The HR department of the business unit must, within 10 working days of receiving the appeal, organize relevant parties for fact-checking, investigation, and analysis, and issue a resolution, which must be communicated to the employee.
- ↓ If the employee disagrees with the business unit's decision, they may submit a written appeal to the Group HR Department within 5 working days of receiving the outcome. The Group HR Department will then conduct a final investigation and review within 10 working days and notify the employee of the final decision.
- ↓ All performance appeal outcomes are recorded and filed by the Performance Management Department under Group HR.
- ↓ The entire performance evaluation process and results are confidential.

Employee Communication

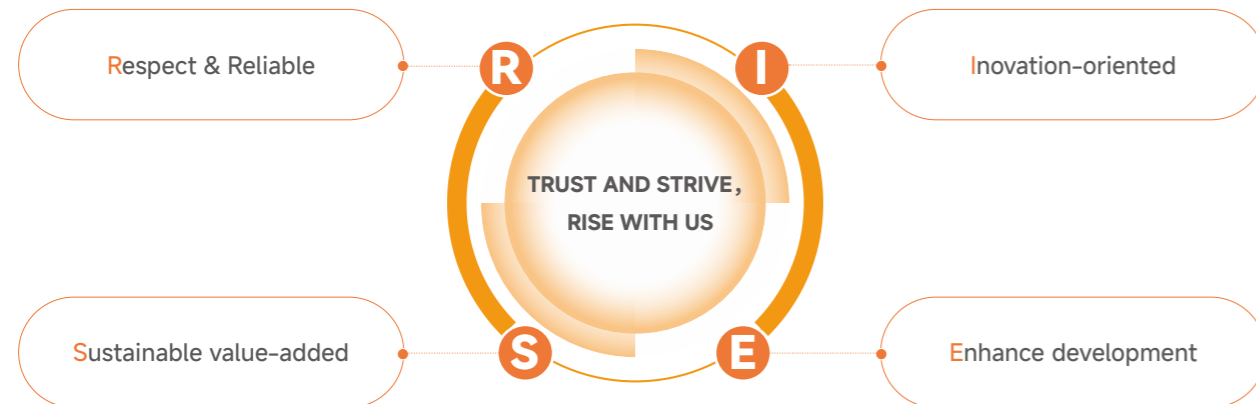
iSoftStone places great importance on effective communication with employees and is committed to fostering an open and transparent environment. The internal *Corporate Social Responsibility System Management Manual* defines the appeal management framework and ensures employees' rights to free association and collective bargaining. In addition, the company has launched the "Tongtong Smart Assistant" communication platform on its intranet. Following the *Employee Appeal Management and Resolution Control Procedure*, complaints and concerns raised by employees are subject to a structured process involving investigation, handling, and the implementation of corrective or compensatory measures. During the reporting period, the "Tongtong Smart Assistant" received 19,563 employee messages, with a 100% resolution rate.

iSoftStone continues to improve employee experience and strives to build a positive working environment and internal culture. Based on findings from an independent third-party satisfaction survey in 2023, the company focused on two key areas, including "strategic alignment" and "employee motivation". It organized multiple strategic awareness campaigns through engaging activities, feature broadcasts, and internal publications. During the reporting period, the company conducted the 2024 employee satisfaction surveys. A total of 81,663 employees participated, with a satisfaction index of 71.4%, showing a significant improvement over the previous year.



Employer Branding

iSoftStone is committed to building an exceptional employer image by developing a distinctive employer brand "RISE", which reflects the company's value proposition: "Trust and Strive, Rise with Us". By continually strengthening the link between business strategy and employee experience, the company enhances its ability to retain internal talent and attract external talent, creating better experience value for outstanding talent and enabling synchronized growth between individuals and the enterprise.



In 2024, iSoftStone received multiple employer brand awards, reflecting external recognition of its human capital management practices and innovations:

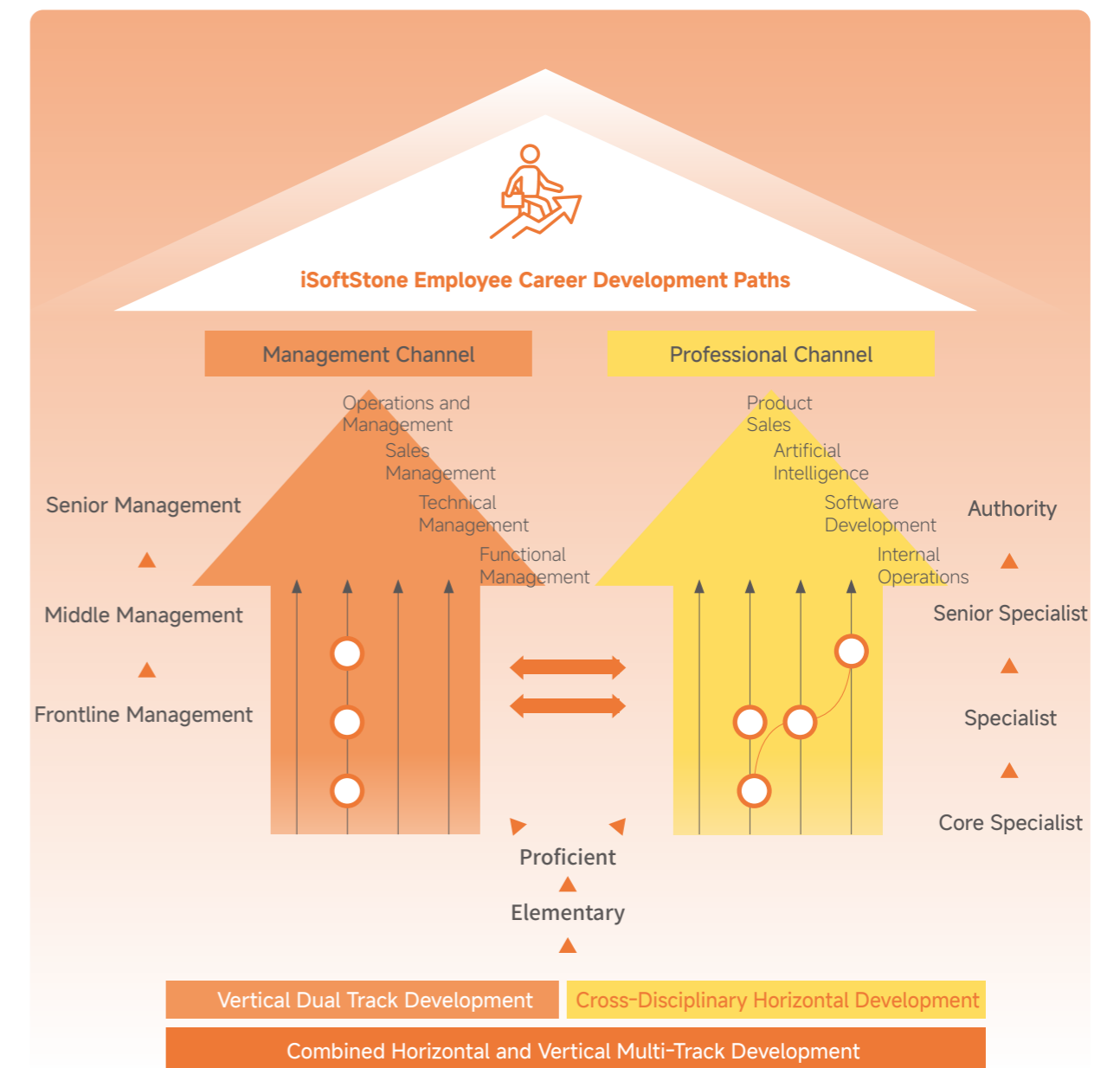


Talent Training and Development

iSoftStone is committed to creating a favorable career development environment for employees. Through systematic training programs, abundant learning resources, and diversified development paths, the company supports employees in achieving both personal and professional growth, helping them align their capabilities with their career aspirations.

Career Development

iSoftStone places great emphasis on employee career development and has established a vertical "dual-track" system along with a horizontal "cross-functional" development path. The vertical tracks, including management and professional tracks, are each structured with 12 levels, enabling employees to effectively plan and manage their careers while supporting the mutual growth of individuals and the company.



Multiple pathways, wide runways, and limitless possibilities

Employee Training

iSoftStone is dedicated to enhancing employees' professional skills and overall capabilities through a well-structured employee training system, helping them stay competitive in a rapidly changing industry landscape. The company has developed the *iSoftStone Training Management Policy* to standardize and optimize training practices, while continuously upgrading and refining its specialized training programs. Guided by the plan and development goal of building a "self-driven and agile learning organization", iSoftStone has designed and developed targeted training initiatives for employees at various levels and from different professional backgrounds. In 2024, the total expenditure on employee training was 13,989 million yuan. A total of 216,719 people were trained throughout the year. The total training hours for employees were 2,414,429.74 hours, and the average annual training duration per employee was 37.2 hours.

Build a Leadership Talent Pipeline based on Company Strategy, Team Building, and Employee Growth



Teaching Platform: iCollege Platform

Deliver high-quality talent products tailored to business needs through iSoftStone's talent development system

Professional Capability Building and Leadership Development

AI Academy

The "AI Academy" project accelerates AI empowerment across the company, fostering a culture of "learning" and "innovation", and driving the implementation of the "ALL IN AI" strategy as well as corporate transformation. The program of "AI Academy", hosted on the iCollege learning platform and supported by external training institutions, introduced over 100 AIGC-focused courses across 8 core AI competencies and 4 AI-empowered job roles. These courses aim to enhance employees' understanding and application of AI technologies, while identifying and promoting exemplary AI use cases to boost the company's competitiveness. During the reporting period, over 1,500 employees actively participated in the program, with total learning hours exceeding 12,000. Participants came from various functions: 68% from technical and R&D roles, 17% from functional roles, and 7% and 6% sales and project management, respectively.



Spring Bud Program

The "Spring Bud Program" targets employees in sales, R&D, and functional positions, focusing on general capabilities, professional expertise, and career development. It features the "Spring Bud 3C Training System", which includes standardized training, personalized development, and challenge-based projects. As of the end of 2024, the "Spring Bud Program" has run three sessions, training a total of 52 young talents across 4 business groups and 16 cities. During the reporting period, the Program was awarded the Learning & Development Value Award by HREC (Human Resource Excellence Center).



CTO Training Camp

In 2024, iSoftStone launched a new edition of its CTO Bootcamp, focusing on cutting-edge AI technologies, real-world AI applications, and AI-business integration. Two training tracks were designed: one for expert-level talent and the other for general-level professionals. The program featured 8 themes and 27 courses, attracting over 1,600 participants.



KA Training Camp

The KA Bootcamp targets members involved in the company's strategic key accounts and critical management positions. Through systematic empowerment, the program deepens participants' understanding of iSoftStone's business strategy and capabilities. The 4th KA Bootcamp centered around the company's top 50 key accounts and focused on three major business areas: ITS, computing and smart electronics, and digital energy with intelligent computing services. The bootcamp continuously optimized team structures and personnel configurations to enhance overall efficiency and sales effectiveness in key account operations. During the reporting period, 83 core participants and over 100 audit learners took part in the program.



NGL Program

The NGL Program aims to implement corporate strategy by developing a strong talent pipeline through hands-on experience and capability enhancement. It focuses on core talent with leadership potential, cultivating future leaders for the senior management team. During the reporting period, iSoftStone's 59 participants visited Huawei's Songshan Lake R&D campus, where they experienced the essence of intelligent manufacturing and engaged in deep exchanges with Huawei's terminal business partners.



HiPo+ Program

The HiPo+ Program is designed to build the company's mid-level management bench and develop high-potential successors. It nurtures emerging talents and supports the company's leadership pipeline needs. During the reporting period, 110 participants successfully completed the HiPo+ Program in 2024. These participants included 40% of the heads of business units, secondary department managers, and other key successors.



Pilot Plan

iSoftStone targets frontline managers, structured around three core dimensions: self-management, team management, and task management. It provides standardized and systematic leadership training. The program consists of five major themes and 28 courses, equipping managers with foundational management logic and effective leadership methodologies. During the reporting period, over 1,200 frontline managers participated in the program.

Continuing Education for Employees

Certification Incentive Program

iSoftStone has established the *Annual Incentive Program for Employees to Obtain Professional Technical Certifications*, allocating dedicated reward funds for 21 types of professional certification exams based on actual business needs. Once employees obtain their certification credentials, they become eligible for the corresponding rewards upon verification and record filing by the company. In 2024, a total of 533 certifications were officially recorded, with rewards totaling RMB 396,600 disbursed to employees.

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533
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Academic Advancement

iSoftStone collaborates with iSoftStone Education and external professional education providers (such as ChinaEdu Corporation and Qianfeng Education) to support employees in pursuing higher academic qualifications. The company also offers employee learning scholarships. Through a series of engaging activities, including one online briefing session, two offline exchange events, and three rounds of poster campaigns, iSoftStone provided one-on-one professional consultation services to hundreds of employees, offering comprehensive support for their academic advancement and personal development, and empowering their long-term growth and transformation.



Training and Certification Support

iSoftStone Education regularly offers various certification empowerment training programs, including Huawei HarmonyOS Application Developer Certification. It also provides multi-level training on: Computer Technology and Software Professional Technical Qualification Exams; PMP (Project Management Professional) Certification; ACP (Agile Certified Practitioner) Intermediate and Senior Economist Certification. The company invites domain experts to deliver training sessions and assigns experienced professionals for pre-exam guidance. In addition, online learning resources and mock exams are available through the iCollege platform to support employees in preparing and passing their certification exams.

In 2024, a total of
11,337
training attendances
were recorded

including:

- 9,460** participants for Huawei HarmonyOS Developer Certification;
- 429** participants for Huawei HCCDA/HCCDP certifications;
- 140** participants for Huawei HCIA/HCIP/HCIE certifications;
- 1** certified by the openEuler community;
- 413** participants for Alibaba ACA/ACP certifications;
- 473** participants for Ministry of Industry and Information Technology certifications;
- 3** participants for Amazon AWS-P certification;
- 44** participants for Tencent Skills Certification;
- 14** participants for Intermediate/Senior Economist certifications;
- 168** participants for PMP/PMP-ACP certifications;
- 192** participants for Computer Technology and Software Professional Technical Qualification certifications.

Health and Safety

iSoftStone has established a comprehensive occupational health and safety management system to create a safe, healthy, and reassuring work environment, committed to safeguarding employees' physical and mental well-being. The company also actively implements health check-ups, mental wellness initiatives, and Employee Assistance Programs (EAP), thus enhancing overall quality of life and job satisfaction in multiple dimensions, and protecting the health of every employee.

In core hub cities including Beijing, Chengdu, Shenzhen, and Hangzhou, iSoftStone has:



Achieved ISO 45001 Occupational Health and Safety Management System certification



Passed GB/T 39604:2020 Social Responsibility Management System certification

Safety Production

iSoftStone has set up a Health and Safety Committee and Emergency Management Team to oversee routine supervision and continuous improvement of workplace health and safety conditions. Regular occupational health and safety risk assessments are conducted. The company has completed Level-3 certification for standardized safety production, thereby systematizing risk prevention. The company has formulated and implemented safety production policies such as *iSoftStone Safety Production Standardization Management Manual*, *iSoftStone Safety Production Standardization Operation Procedures*, *iSoftStone Safety Production Standardization Emergency Handbook*. Emergency plans are categorized into three major types: comprehensive, specialized, and on-site handling plans. These cover scenarios such as casualties, fires, food poisoning, electric equipment hazards, public health issues, group incidents, and incidents involving special-purpose equipment. In addition, relying on the ISO 45001 environmental and occupational health and safety management system, the company has also implemented detailed procedures such as: *EHS Emergency Response Mechanism and Procedures*, *Emergency Preparedness and Response Process*, *Hazard Identification, Risk Assessment, and Control Measures Confirmation Process*, *Environmental and Occupational Health and Safety Management Procedures*, ensuring effective safety management practices.

100%
safety training coverage for all employees

9,800
personnel received specialized safety training

Safety Awareness Campaigns

iSoftStone set its annual health and safety management goals as "zero fire and explosion incidents" and "zero major public security events" to conduct annual safety awareness campaigns. During the reporting period, the company conducted a series of activities focused on site safety compliance, employee health, and social responsibility, including March-April: A nationwide "Safety Inspections" event was held across 31 cities and over 180 sites; May: A disaster prevention and reduction awareness campaign was organized; June-July: National Safety Production Month; September-October: Company-wide compliance and discipline activities; November-December: Fire Protection Month activities.



iSoftStone attaches great importance to enhancing employee safety awareness and emergency skills development, and has established a comprehensive safety training system that combines both online and offline methods. Online, the company conducts regular health and safety-themed training sessions every month, with an average of 300 participants in online learning and assessments annually. The total online training hours for the year reach 28,800 hours, ensuring the continuous update and reinforcement of employee safety knowledge. Offline, the company conducted fire safety training and practical drills in 30 cities across the country. Each city covered approximately 100 employees per year, with two sessions organized annually. Based on local conditions, additional emergency drills tailored to regional characteristics, such as earthquake preparedness, flood control, typhoon response, and heat protection, were also carried out. The total cumulative offline training hours reached 12,000 for the year. Through a multi-dimensional, layered safety training mechanism, iSoftStone has built a solid safety defense line for its employees.

At the same time, to enhance emergency response capabilities at its nationwide offices, iSoftStone, in collaboration with the Group's City Management Department, initiated a centralized procurement of Automated External Defibrillators (AEDs), acquiring 35 units. CPR+AED emergency training was subsequently carried out at city management centers. As of December 2024, the company had completed emergency training across all locations, certifying 651 first-aid personnel, marking a 51% improvement in emergency response capabilities.



"CPR+AED" Awareness and Hands-on Training

Health Protection

iSoftStone places great importance on the physical and mental well-being of its employees. Adhering to the philosophy of "holistic health", the company strengthened its health management capabilities through the 2024 "Healthy Growth Season" campaign, aiming to manage overall health and support both physical and psychological wellness of its employees.

Building a Healthy Body

In Beijing and Shenzhen, iSoftStone established "Health Stations" that integrate both online and offline channels to offer employees physical and mental health consultations and emergency response services. In 2024, the emergency response closure rate reached 100%. In collaboration with the "Health Stations", the company regularly hosts health seminars and publishes health tips to raise awareness. iSoftStone has served over 3,000 employees throughout the year, held more than ten health-related knowledge lectures, and published 24 popular science articles on health knowledge.



Fostering a Positive Mindset

iSoftStone has launched a dedicated psychological counseling hotline, with certified professionals offering one-on-one private consultation services to ensure continuous mental health support. At the same time, the company also held its annual "Sunshine Heart Check" psychological health assessment. In 2024, over 64,000 employees participated. By receiving personal mental health reports and private consultations, employees were able to gain deeper insights into their psychological well-being.



Employee Care and Assistance

iSoftStone not only emphasizes employees' career development but also prioritizes their physical and mental health as well as overall well-being. The company places employee care and support as a top priority. Through diversified activities, we strive to help every employee find balance and fulfillment at work.

Enriching Employee Life

iSoftStone offers diverse cultural and recreational activities, including birthday celebrations, team-building events, and holiday care activities. These efforts effectively boost team cohesion and enhance overall employee happiness.



Family Day Event

In September 2024, iSoftStone hosted the "iFamily Day" event, creating a warm bridge that connected employees with the company and harmonized work with family life. This event also served as a key demonstration of the company's commitment to employee care and family support. Nearly 400 employees and their family members participated in the Family Day activities, largely strengthening employees' sense of belonging and identification with the company, reinforcing workplace relationships, and conveying a positive image of iSoftStone as a company that values family and cares about its employees' lives.



Health Month Activities

iSoftStone organized a variety of health-themed activities nationwide, aiming to help employees relieve work-related stress and experience the joy and fulfillment that comes from physical exercise. In May 2024, the company launched a 21-day online sports event, which attracted more than 6,400 participants from 617 teams. Simultaneously, various business units organized health-related offline activities such as a hiking event in Shenzhen, a badminton tournament in Wuhan, and a mountain climbing trip in Xi'an.



Caring for Female Employees

To create a female-friendly workplace, iSoftStone established mother-and-baby rooms, yoga classes, and regularly held women-focused salons and professional lectures. During the 2024 International Women's Day celebration, the company launched a campaign themed "Blossom in the Name of 'i'", featuring online quizzes and offline handicraft workshops. These activities attracted enthusiastic participation from over 9,000 female employees. In addition, the company has hosted health knowledge lectures to promote accurate and positive health awareness among women.



Caring for Employees in Need

iSoftStone has long been committed to supporting employees facing difficulties, turning warmth into a tangible line of defense, uniting hearts under the name of "i" "Soft" "Stone". In 2024, the company provided care and financial assistance to 138 employees in need, with total support funds exceeding RMB 2 million.



Caring for Military Veteran Employees

In August 2024, to commemorate Army Day, iSoftStone held a special and heartwarming tribute event to honor 242 military veteran employees from 31 cities across China. The event expressed the company's highest respect and sincere gratitude, while distributing thoughtful care packages to ensure each military veteran felt the company's genuine appreciation.



Community Involvement

iSoftStone is committed to building better communities. For years, the company has focused on the integration of industry and education, actively promoting collaborative talent development between universities and enterprises to empower the growth of digital professionals. Upholding the philosophy of "rooted in society, giving back to society", the company actively participates in various social welfare initiatives, addressing the needs of diverse groups and delivering warmth to society. Through these actions, iSoftStone fulfills its corporate citizenship responsibilities and contributes to a better future in collaboration with all sectors of society.

United Nations Sustainable Development Goals (SDGs)



Industry-Education Integration

Industry-education integration is a key practice through which iSoftStone promotes deep cooperation between education and industry. Through its education brand, iSoftStone Education, the company focuses on cultivating and supplying digital talent, building platforms for university-enterprise collaboration, talent supply and development, and a sustainable talent ecosystem. The company is committed to resolving mismatches between education and industry needs, bridging the gap between academic training and real-world employment, finishing the "last mile" of talent recruitment.

iSoftStone works closely with universities in various formats, including the establishment of industrial colleges, co-development of majors, internships, training programs, development of teaching resources, and laboratory construction, to meet a wide range of needs at different levels. During the reporting period, the company continued to expand its efforts in industry-education integration and cooperated with multiple domestic institutions to align the talent development chain with the industrial value chain.



University-Enterprise Cooperation

iSoftStone collaborates closely with universities to create interactive platforms linking theory and practice, aiming to cultivate talent aligned with market needs and to fuel the digital economy.

Government-University-Enterprise Collaboration: iSoftStone Joins Wenzhou Data Institute

On May 16, 2024, the launch ceremony of Wenzhou Data Institute was held at China (Wenzhou) Digital Security Port Plaza. iSoftStone officially signed an agreement to join the institute, marking a new chapter in university-enterprise collaboration. Leveraging its technological strengths and industry resources in the digital economy, along with the training advantages of iSoftStone Education, the company aims to build Wenzhou Data Institute into a hub for talent development and industry incubation. This initiative fosters a two-way flow between talent and industry, promoting the growth of Wenzhou's digital industry and talent.



iSoftStone Education and Ningxia Institute of Technology Signed Cooperation Agreement

On November 14, 2024, iSoftStone Education and Ningxia Institute of Technology held a formal signing ceremony on campus. This in-depth collaboration with iSoftStone Education will align academic content with enterprise needs, jointly define talent development goals, and enhance students' practical skills and innovative thinking.



Public Welfare and Volunteering

Public welfare volunteering serves as a vital bridge between corporations and society. iSoftStone remains committed to the principle of "rooted in society, giving back to society", and actively organizes employee participation in charitable activities for groups such as individuals with disabilities, the elderly, and children in underdeveloped regions. These acts of kindness collectively become strengths and contribute to a more beautiful and harmonious society and reflect the company's sense of responsibility.

Supporting Employment for People with Disabilities

iSoftStone has long focused on improving employment quality for individuals with disabilities and has maintained a strategic partnership with Interheart Group (an IT company primarily composed of disabled employees and recognized as a national high-tech enterprise). Over the years of cooperation, iSoftStone has assigned management personnel to support Interheart Group in improving technical capabilities, management processes, and delivery quality. In 2024, collaborative project revenue between the two parties reached several hundred thousand RMB, expanding employment opportunities for people with disabilities.

Promoting Basic Education

In October 2024, iSoftStone partnered with Yunpu Association, a charity under the Yunnan Youth Development Foundation, to send employee representatives to Tengchong, Yunnan. They visited local Hope Primary Schools and homes of financially challenged students. Employee representatives not only delivered school supplies, daily necessities, but also brought warm care and encouragement. They also learned their study and life details and listened attentively to the students' stories and aspirations, contributing to the ongoing development of basic education in the region.



Providing Winter Warmth for Children

In November 2024, iSoftStone Computer traveled to Qumalai County in Yushu Prefecture, Qinghai—an area designated for national support, and hosted the "Guarding with Love, Warming Children's Path" donation event. Due to outdated heating methods in winter, iSoftStone Computer donated 264 brand-new down jackets to children in 6 local kindergartens. In such cold seasons, these jackets, like rays of winter sunshine, brought warmth and love to the children, nurturing hope on this land and helping protect their path toward a better future.



Caring for the Elderly with Warm Companionship

In 2024, over 40 volunteers from iSoftStone visited local eldercare centers to bring care and warmth to senior citizens. By chatting and doing handicrafts with the elderly, they delivered sincere companionship and heartfelt services. These efforts allowed the elderly to feel the care of society and transformed the spirit of volunteerism into real action, embodying the compassion and responsibility of iSoftStone employees, and contributing to a more harmonious society.



Building a Bridge of Warmth

In 2024, iSoftStone partnered with Beijing Le Share Foundation to launch the "Western Region Warmth Program". Upholding the concept of resource reuse and love-sharing, the company mobilized employees to sort and donate idle clothing, books, and supplies from their homes. These materials were sent to underdeveloped western regions, helping improve living and learning conditions for students there, allowing them to study and grow in a more supportive environment.



Lighting Up the Stars in Children's Hearts

In 2024, iSoftStone launched a deep collaboration with Golden Wings Art Recovery Service Center, a Beijing-based NGO supporting children with disabilities. In a creative initiative, the company incorporated beautiful paintings by autistic children into the design of its Mid-Autumn Festival gift boxes for employees. This not only brought the company emotionally closer to children with autism by building a warm bridge for communication with the outside world, but also demonstrated iSoftStone's strong resolution and commitment to social responsibility.



Spring Festival Charity Visits

In December 2024, the CPC Committee of iSoftStone Hangzhou organized a Spring Festival charity event titled "Warming the Winter with Love", delivering supplies to a local home for people with disabilities in Zhuantang Subdistrict, Hangzhou. Through donations, in-depth conversations, and field visits, the event brought warmth to the disabled community and further strengthened the bond between the company and social welfare organizations.



Rural Revitalization

iSoftStone actively supports China's rural revitalization strategy by empowering rural regions through technology and resource allocation to promote sustainable development. By advancing agricultural modernization, enhancing rural education, and improving infrastructure, the company continues to build a tech-driven ecosystem that benefits people's livelihoods in agriculture, inclusive services, and public welfare. These efforts support the construction of livable and thriving rural communities through digital innovation.

AI Empowers Agricultural Development: Exploring Large-Model Applications in Production Safety

In February 2024, COFCO Information Technology and iSoftStone reached a key cooperation agreement at the Beijing AI Industry Innovation Development Conference. Focusing on the field of production safety, the two parties aim to explore innovative applications of large-model AI technology in the grain and agricultural industries, jointly promoting the Data-AI transformation of agriculture. As a pioneer in digital transformation for the agri-food sector, COFCO Information Technology is actively building a fully Data-AI industry chain. iSoftStone has been deeply engaged in the field of artificial intelligence for many years, particularly accumulating strong momentum in the research, development, and application of large model technologies.

Through this collaboration, the two parties will leverage large models as the driving engine to promote the intelligent upgrade of the agri-food industry, revolutionize enterprise safety management models, enhance production safety and efficiency, and build new quality productive forces for enterprise development. Together, they will explore new paths for AI to empower high-quality agricultural development and contribute to the safe and efficient advancement of the agri-food industry.



iSoftStone & Huawei Officially Launch Joint Smart Farming Solution

In June 2024, iSoftStone hosted a sub-forum titled "Cloud Collaboration, Driving Intelligent Leap with New Quality Power" at the Huawei Developer Conference 2024. During the event, iSoftStone and Huawei jointly released a comprehensive smart farming solution for the agriculture and animal husbandry sector. This solution addresses core challenges such as end-to-end farming process monitoring, disease prevention and control, cost management, and efficiency improvement. The joint release marks a new milestone in the partnership between iSoftStone and Huawei within the agriculture and animal husbandry sector, particularly in the field of intelligent farming. Looking ahead, both parties will continue to work closely to accelerate the Data-AI transformation of the farming industry, foster new quality productive forces in agriculture and animal husbandry, and contribute innovative strength to the sector's high-quality development.



Joint Effort to Promote Inclusive Financial Services in County Areas

iSoftStone has partnered with MYbank, a subsidiary of Ant Group, to offer inclusive financial services in county areas. Based on MYbank's years of experience in internet-based big data technologies and risk control capabilities, the initiative leverages proprietary financial products that enable a seamless "3-minute application, 1-second disbursement, and 0 manual intervention" process. These products offer credit limits ranging from RMB 1,000 to RMB 300,000, with daily interest rates, flexible borrowing and repayment, and no early repayment fees. Targeting residents in county areas and agricultural regions, the product delivers convenient, fast, and inclusive digital credit services, empowering farmers to expand production and accelerate rural revitalization. Since its launch, the initiative has been implemented in 371 counties and signed agreements in 420 counties, benefiting a total of 1.5 million rural households.

Corporate Governance

Sound corporate governance is the cornerstone of the stable and long-term development of enterprises. iSoftStone continues to optimize its modern corporate governance structure, strengthen risk management mechanisms, uphold business ethics, and foster a clean, positive corporate culture. Adhering to principles of integrity and compliance, the company has consistently improved its tax management processes. Moreover, iSoftStone has further integrated ESG factors into corporate governance, providing strong support for its long-term sustainable development.

United Nations Sustainable Development Goals (SDGs)



Corporate Governance

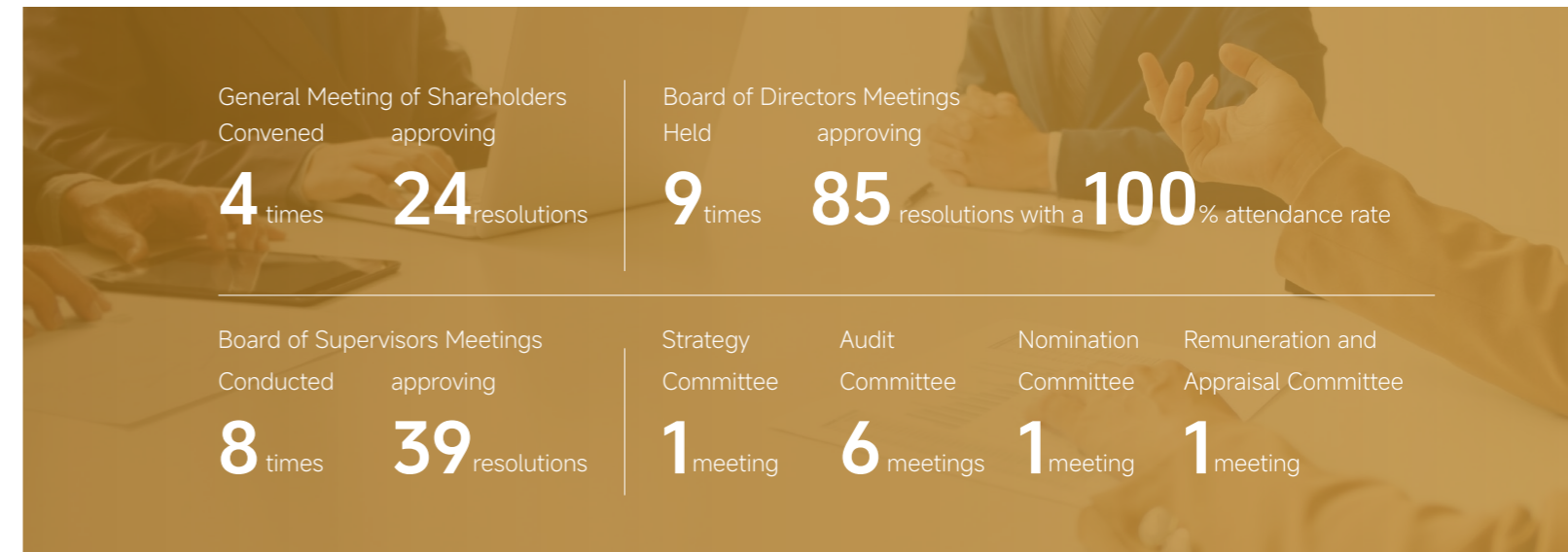
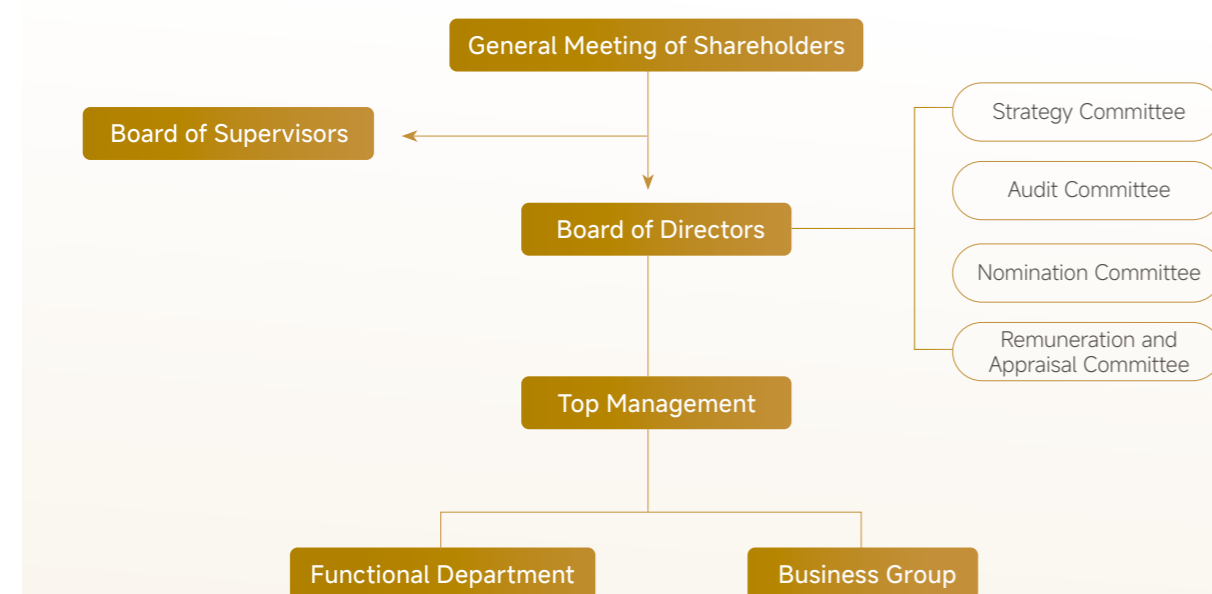
iSoftStone has always adhered to the principle of compliant operations, treating the establishment of a corporate governance system as a solid foundation for achieving stable operations and high-quality development. The company continuously optimizes its governance structure, improves compliance and risk management mechanisms, and effectively safeguards the protection of investor rights, adhering to high standards in practicing regulated operations.

Corporate Governance Structure

iSoftStone strictly complies with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, the *Administrative Measures for Information Disclosure by Listed Companies*, the *Listing Rules for ChiNext Companies on the Shenzhen Stock Exchange*, and the *Self-Regulatory Guidelines No. 2 for Listed Companies on ChiNext Standardized Operations*. Based on these laws and regulations, the company has developed key governance documents, including the *Articles of Association*, *Rules of Procedure for the General Meeting of Shareholders*, *Rules of Procedure for the Board of Directors*, *Rules of Procedure for the Board of Supervisors*, and *Working System for Independent Directors*. These institutional frameworks ensure the standardized and efficient operation of corporate governance mechanisms.

The company has established a clear and well-defined corporate governance structure composed of the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the Management Team. This has formed an efficient mechanism with clear responsibilities and authority between the power, decision-making, and supervisory bodies, ensuring mutual coordination and checks and balances. The General Meeting of Shareholders, as the company's highest authority, legally exercises decision-making rights over major matters such as business strategy, financing, investment, and profit distribution. The Board of Directors, as the executive decision-making center, is responsible for implementing resolutions of the General Meeting and oversees four specialized committees: the Strategy Committee, Audit Committee, Nomination Committee, and Remuneration and Appraisal Committee. The Board of Supervisors, as the supervisory body, oversees the legality and compliance of the company's financial activities and the performance of duties by directors and senior executives, thereby safeguarding the legitimate rights and interests of the company and its shareholders. In 2024, the Board of Supervisors comprised three members, including two female supervisors, accounting for 66.67% of the total.

Corporate Governance Structure



Board Effectiveness and Diversity

Board of Directors Effectiveness

The company strictly complies with the *Company Law of the People's Republic of China*, *Administrative Measures for Independent Directors of Listed Companies*, and other laws and regulations. It has formulated and strictly implemented internal policies such as the *Articles of Association* and *Working System for Independent Directors*, clearly defining the roles and responsibilities of independent directors in corporate governance. This ensures that independent directors fulfill their duties diligently and prudently. The company's independent directors bring a wealth of experience, contributing to risk identification and control. During the reporting period, the Board of Directors comprised 9 members, including 3 independent directors, accounting for 33.33%, which effectively ensures independent and objective decision-making. Independent directors constitute the majority and serve as chairs of the Audit Committee, Nomination Committee, and Remuneration and Appraisal Committee. The Audit Committee is chaired by Mr. Zhang Xuming, an accounting professional among the independent directors. This structure upholds the Board of Directors' independence and effectiveness, promoting stable operations and sustainable growth. Moreover, the company actively organizes training for directors through the CSRC, stock exchanges, and industry associations to enhance their professional competencies and fulfillment of responsibilities, providing strong support for the company's stable operations and sustainable development.

In June 2024, in accordance with the *Administrative Measures for Independent Directors of Listed Companies*, the company adjusted the composition of the second Board of Directors' Audit Committee: Mr. Zhang Cheng stepped down from the committee, and Mr. Li Hong, an independent director, was appointed as a new committee member. In August 2024, Mr. Liu Cheng resigned from his position as a non-independent director. After deliberation by the Board of Directors and election by the General Meeting of Shareholders, Mr. Liu Huifu was appointed as a non-independent director.

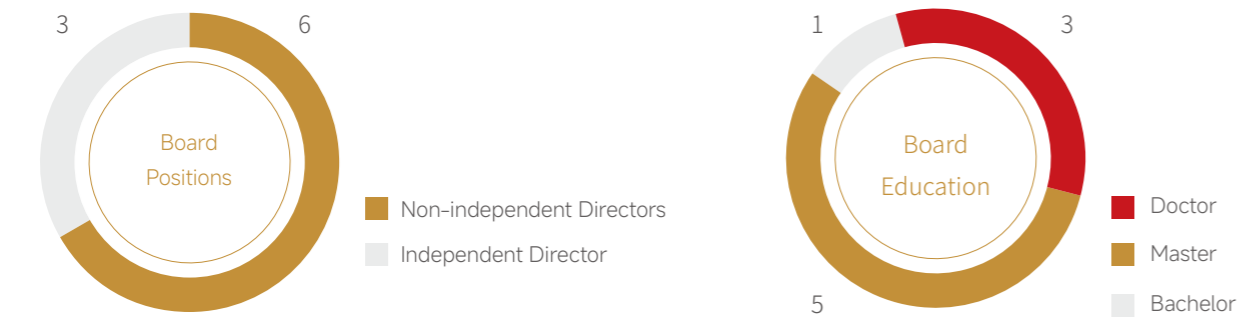
Composition of the Board of Directors' Specialized Committees

Special Committee of the Board of Directors	Total Number of Directors	Number of Independent Directors
Strategy Committee	3	1
Audit Committee*	3	3
Nomination Committee*	3	2
Remuneration and Appraisal Committee*	3	2

Note: * indicates the committee is chaired by an independent director

Board of Directors' Diversity

iSoftStone places great importance on board diversity, taking into consideration various factors including cultural backgrounds, educational qualifications, technical expertise, industry experience, and age when forming its Board of Directors. The company aims to enhance the effectiveness of corporate governance with more comprehensive and integrated perspectives, ensuring scientific and effective decision-making. The 9 members of the Board represent diverse expertise and experience across enterprise management, business operations, information technology, financial management, and human resources. 2 members of the Audit Committee are accounting professionals. Several directors also possess rich professional expertise and practical experience in risk prevention and control, enabling them to effectively assist the company in identifying, mitigating, resolving, and managing various risks, thereby providing scientific evidence and professional support for the Board of Directors' decision-making.



Name	Age	Term of Office	Title	Expertise and Skills					
				Strategic Plan	Finance and Accounting	Risk Management	Technology R&D	Marketing	Industry Experience
Liu Tianwen	62	September 2, 2020 to Present	Chairman	✓			✓		✓
Che Junhe	55	September 2, 2020 to Present	Director	✓		✓			✓
Zhang Cheng	53	September 2, 2020 to Present	Director		✓	✓			✓
Huang Ying	58	September 2, 2020 to Present	Director				✓		✓
Liu Huifu	44	September 24, 2024 to Present	Director				✓		✓
Zhao Yong	54	September 2, 2020 to Present	Director						✓
Li Hong	64	September 2, 2020 to Present	Independent Director					✓	
Zhang Xuming	59	September 2, 2020 to Present	Independent Director	✓	✓	✓			
Jian Jianhui	47	September 2, 2020 to Present	Independent Director		✓	✓			

Compensation and Performance Evaluation

The Company has established a sound performance evaluation and incentive-restraint mechanism, with the Compensation & Assessment Committee of the Board responsible for assessing the performance of directors and senior management to motivate their enthusiasm and creativity. The compensation structure for company executives includes fixed salary, floating salary, short-term incentives, long-term incentives and benefits.

The company plans to link executive floating compensation with ESG indicators to effectively promote the implementation of the company's ESG strategy; continue to deepen and expand the management of key issues; and supervise the achievement of ESG quantitative goals. The company will formulate ESG indicator requirements at the beginning of each year, which will be approved by the members of the Remuneration and Appraisal Committee and are closely related to the company's sustainable development management. The members of the Remuneration and Appraisal Committee will review and assess the achievement of the goals every year. The company will use the achievement of executives' annual goals (i.e. the percentage of the assessment results) as the assessment basis and cash out the annual floating compensation according to the assessment scores. (In April 2025, the board of directors reviewed and approved the proposal for the 2025 annual compensation plan for senior management.)

Compliance and Risk Management

iSoftStone strictly adheres to the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, *Basic Norms for Enterprise Internal Control*, and *Guidelines for the Application of Enterprise Internal Control*, as well as other legal and regulatory requirements. The company has established documents such as the *Notice on Strengthening the Management of Business Conduct Guidelines (BCG)* and the *Notice on the Mandatory Compliance Requirements for Cadres*, and built a sound internal control system, strengthening the internal supervision mechanism to ensure the company's legal and compliant operations. In 2024, the company's internal control system remained unchanged.

Governance

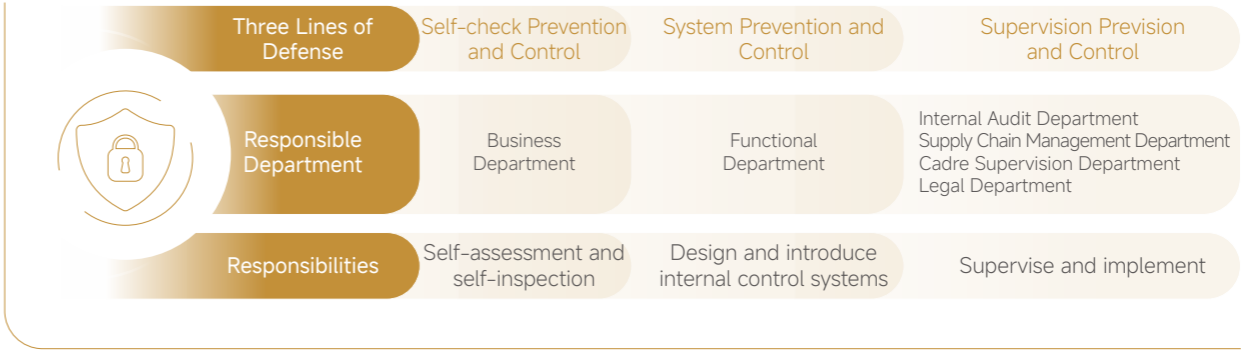
The compliance management organizational mechanism follows a "chief executive responsibility system" and implements a responsibility system at all levels, clearly defining the compliance responsibilities of each department and position, creating a compliance culture that involves all employees.

- 1

Business departments serve as the first line of self-discipline compliance control
- 2

Functional departments build the second line of professional compliance management during the pre- and in-process stages
- 3

The compliance management department, as a specialized supervisory body, is responsible for monitoring and preventing violations of rules and regulations, and for distributing regulatory rules, risk warnings, and regulatory opinions to relevant business or support departments. Each business department actively seeks support and assistance from the compliance department, providing risk information or points of concern and cooperating with the compliance department in risk monitoring and assessment. The compliance department offers professional advice to assist business departments in effectively managing compliance risks while providing compliance support for business expansion and product innovation, thereby minimizing potential legal risks during business innovation.



Strategy

The company has established and improved its compliance and risk management system to ensure that business activities strictly comply with legal, regulatory, and supervisory requirements. The system also effectively prevents economic losses, reputation damage, and business interruptions caused by unexpected events or violations, safeguarding the company's legal operations and sustainable development.

Impact, Risk, and Opportunity Management

Risk Management Culture



The company actively promotes the development of a compliance risk culture, integrating risk prevention and compliance management concepts into daily business operations. Through training and awareness campaigns, the company enhances employees' awareness of internal control risks and management capabilities, building a system where all employees are involved in risk prevention and control. The company closely monitors emerging regulations and policies, conducting timely research and bringing in external experts for in-depth analysis and guidance when necessary to ensure that potential risks remain under effective control.

Internal Audit and Control



The company continuously strengthens its audit system, intensifying audit efforts and conducting routine and special audits according to the annual plan. It has effectively covered major business areas and key risks, and evaluated the compliance and effectiveness of the management system. On this basis, the company continuously supervises and tracks the implementation of audit rectifications, establishing a sound mechanism for linking daily risk prevention and rectification work to ensure that risk prevention measures are effectively executed.

Metrics and Targets

5 special audits and optimizations 7 routine audit projects with a total of 19 audits



Investor Rights Protection

The company strictly follows the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, *Guidelines for Investor Relations Management of Listed Companies*, and other relevant laws and regulations, as well as the Company's *Articles of Association*, to establish a sound investor rights protection mechanism. It also improves the information disclosure system, ensuring respect for investors, providing returns to investors, and protecting investors' rights, achieving shared development results between the company and its investors.

Governance

The company has established a dedicated department responsible for the implementation of investor rights protection work, setting up relevant systems and processes to ensure efficient operation. The Board of Directors supervises and guides the investor rights protection work, ensuring the transparency and fairness of the company's governance structure and effectively safeguarding the legitimate rights of investors.

Strategy

- Treat all shareholders equally, ensuring that both small and medium-sized shareholders and institutional investors have the same right to information and participation.
- Standardize information disclosure management, ensuring the truthfulness, accuracy, completeness, timeliness, and fairness of information disclosure to help investors make informed decisions.
- Strengthen investor relations management, establishing regular communication mechanisms, and responding promptly to concerns from investors and the market.
- Build a reasonable investment return mechanism, comprehensively considering the company's financial condition, development strategy, and shareholder interests, ensuring that investors receive fair and sustainable returns.



Impact, Risk, and Opportunity Management

Information Disclosure

The company strictly complies with the *Measures for the Administration of Information Disclosure by Listed Companies* and other regulatory documents, formulating and strictly implementing the *Information Disclosure Management Measures*, the *Insider Information Registrant System*, and other related regulations to standardize information disclosure practices. The company ensures that information disclosure is truthful, accurate, timely, fair, and complete. It designates *China Securities Journal*, *Shanghai Securities News*, *Securities Daily*, *Securities Times*, *Economic Information Daily*, and Cninfo (www.cninfo.com.cn) as the statutory media and websites for information disclosure, guaranteeing equal access to information for all shareholders. The company strengthens the management of insider information, prevents insider trading, and ensures the fairness of information disclosure. In addition, the company places significant emphasis on the regulation of related-party transactions, clarifying decision-making procedures, information disclosure, and pricing mechanisms to ensure fairness, justice, and transparency in transactions, maintaining the overall interests of the company and the order of fair market competition. During the reporting period, the company's information disclosure did not contain false records, misleading statements, material omissions, or other improper disclosures.

In 2024, the company disclosed

4 regular reports

and 144 interim reports

Investor Relations Management

The company attaches great importance to investor relations management and has formulated the *Investor Relations Management Measures*. Through various channels such as investor phone lines, investor relations emails, investor interaction platforms, and on-site research, the company strengthens communication with investors. It promptly answers investor concerns regarding the company's performance, corporate governance, development strategy, business conditions, and future prospects, effectively protecting the legitimate rights of investors. In 2024, the company actively held performance briefings, responded to investor inquiries via the Shenzhen Stock Exchange's platform (irm.cninfo.com.cn), participated in roadshow events, and hosted institutional investor research, ensuring ample communication with investors. This helped enhance investors' understanding of the company's business and strategy and boosted their confidence in the company.

Held over 200 investor communication events

Engaged with over 300 investment institutions

Hosted more than 110 investor research sessions

The company treats all shareholders equally and strictly adheres to the *Rules for the General Meeting of Shareholders of Listed Companies* and the company's *Articles of Association*, *Rules of Procedure for the General Meeting of Shareholders*, and other regulations. These are designed to standardize the calling, holding, deliberation, and voting procedures for the general meeting, ensuring that all shareholders, especially minority shareholders, enjoy equal rights to information and participation in major decisions. To ensure that more shareholders can conveniently attend the meeting, the company combines on-site voting with online voting methods to convene shareholder meetings, ensuring that all shareholders, especially those unable to attend in person, can fully exercise their voting rights. When deliberating on major issues affecting the interests of small and medium-sized investors, the company separately counts votes for these investors and promptly discloses the results of the separate voting to effectively safeguard the legitimate rights and interests of small and medium-sized shareholders.

Investor Return

The company has built a reasonable investment return mechanism, formulating a cash dividend policy that balances both continuity and stability. This policy takes into account both short-term and long-term interests of investors, providing steady returns and sharing the company's value with investors. During the reporting period, the company implemented its 2023 annual equity distribution plan, with June 12, 2024, as the record date for dividend distribution. It distributed a cash dividend of 1.80 yuan (tax inclusive) for every 10 shares to all shareholders, amounting to a total of 171,529,411.86 yuan (tax inclusive). No bonus shares or capital reserve conversion into equity were issued.

Indicators and Targets

The company actively organizes investor communication activities, performance briefings, and other events to maintain a positive image in the capital markets.

Business Ethics

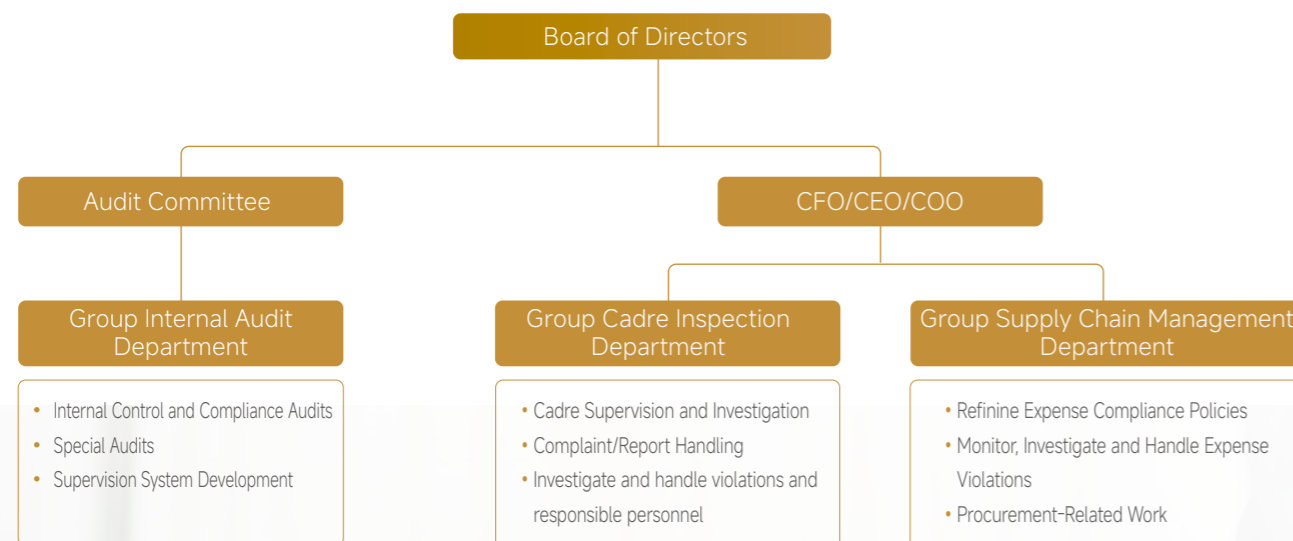
Governance

iSoftStone has established and improved its business ethics and anti-corruption management system. In accordance with anti-corruption and anti-bribery laws and external business conduct guidelines, the company has formulated and continuously optimized systems such as the *iSoftStone Supervision Management Measures*, *iSoftStone Anti-Corruption and Anti-Bribery Regulations*, *iSoftStone Cadre Ethics and Discipline Management Regulations*, *iSoftStone Cadre Integrity Self-Discipline Code*, *iSoftStone Economic Penalty Standards for Cadre Violations and Misconduct*, and *iSoftStone Cadre Responsibility Accountability Measures*. The company has issued notices such as the *Notice on Strengthening the Management of Business Conduct Guidelines (BCG)* and the *Notice on the Mandatory Compliance Requirements for Cadres*, which regulate the company's business ethics and anti-corruption practices. In 2024, the company developed a comprehensive *Anti-Corruption Policy* and successfully passed an audit to ensure the policy's effectiveness and enforceability. It also introduced the *Eight Prohibitions for Cadre Integrity*, further strengthening discipline for cadres and clarifying requirements for integrity in business conduct. The company's policies cover 100% of its employees and some suppliers, preventing corruption risks from the source and creating a clean and fair business environment.

The company has set up a Group Cadre Supervision Department to manage business ethics and anti-corruption. This department supervises the performance and moral risks of cadres, investigates violations and misconduct, and operates independently under the leadership of the CEO. It conducts legal compliance inspections and efficiency audits. At the same time, the Group's Internal Audit Department, Supply Chain Management Department, and Cadre Supervision Department work together on business ethics and anti-corruption-related tasks.

The company adheres to a zero-tolerance policy for violations. Throughout the year, 3 corruption cases were investigated, involving issues such as improper reimbursements and violations of company policies. The company took resolute actions against these behaviors, including issuing supervisory recommendations, mandating corrective actions, and dismissing employees for severe violations following established procedures. The company is continuously strengthening the long-term mechanism for preventing corruption and advancing relevant corrective measures to effectively prevent corruption incidents.

Business Ethics and Anti-Corruption Management Structure



Strategy

iSoftStone always upholds the core principle of "Integrity in Business, Compliant Operations", adhering to business conduct guidelines. The company continually advances anti-corruption and anti-bribery efforts, firmly opposes corruption and fraud, and participates in market competition in full compliance with the law. The company maintains a zero-tolerance stance toward any form of corruption, bribery, or fraud and opposes any forms of commercial bribery, money laundering, monopolies, or unfair competition, establishing a culture of integrity and diligent work.

Impact, Risk, and Opportunity Management

Integrity Culture Building

The company actively promotes the development of an integrity culture to create a clean and fair corporate environment. The company has carefully produced compliance and discipline promotional videos and a series of legal education materials, which are widely distributed through the company's website, internal TV station, and other channels to comprehensively promote the company's integrity and compliance requirements, ensuring full coverage for all employees. An annual Compliance and Discipline Awareness Month is organized, along with nationwide site-level compliance briefings, to strengthen employees' awareness of compliance and integrity. Anti-corruption and business ethics training is provided primarily for the Board of Directors, Supervisory Committee, and senior executives, enhancing their awareness of integrity and ethical conduct. This initiative aims to fully leverage their leading role in fostering a culture of integrity and promoting compliant operations and sustainable development of the company.

Case | Integrity and Anti-Corruption Training Activities

From October 14 to October 18, 2024, the Group Cadre Supervision Department held "Cadre Integrity Compliance" and "Anti-Corruption Investigations" activities in Wuhan. During this event, a comprehensive promotional campaign was conducted for all employees in the Wuhan area, focusing on aspects such as integrity culture building, compliant operations, anti-fraud, and anti-corruption, through the means of a review and inspection approach. In addition, for business line projects, an audit of reimbursement documents was carried out, with a focus on verifying the authenticity of payment vouchers and invoices, and checking for any instances of duplicate reimbursements. For any issues identified, the relevant responsible individuals were promptly interviewed, with each issue being examined in detail, causes analyzed, and specific corrective actions implemented.

Supplier Integrity Management

The company places great emphasis on supplier integrity management and advocates for the principle that "the more compliant, the more welcome; the more transparent, the more enduring" in its cooperation. It has joined the business integrity organization "Sunshine Integrity Alliance" to collectively create an anti-corruption ecosystem and foster a fair, transparent, and ethical workplace and business environment. During the supplier selection and assessment phase, the company strengthens integrity control to prevent corruption from the source of procurement. When certifying suppliers, the company requires suppliers to sign the *Basic Cooperation Commitment*, which includes integrity commitments and guarantees of no conflicts of interest, asking suppliers to make pledges regarding their commercial conduct and to avoid any conflicts of interest. The company also engages in joint integrity building with business partners, holding an annual supplier conference and regularly organizing supplier seminars to promote compliance. Suppliers are required to uphold their commitments and comply with relevant compliance requirements throughout the cooperation process, collectively promoting healthy industry development.



Whistleblowing and Whistleblower Protection

The company has established and strictly enforces management systems such as the *iSoftStone Whistleblower Protection and Reward System*, which standardizes and facilitates the reporting process. It has set up multiple public whistleblowing channels to encourage employees, customers, suppliers, and the public to report fraudulent or corrupt activities and to take strict measures against unlawful and unethical behavior involving abuse of power for personal gain. The company attaches great importance to whistleblower protection, ensuring the confidentiality of the whistleblower's identity and the content of the report, and ensuring that the whistleblower's legal rights are not violated. For verified, substantiated reports, the company will provide appropriate rewards to encourage employees to actively participate in the company's anti-corruption and integrity efforts. At the same time, the company provides corresponding protection to suppliers and other business partners who proactively report corruption-related information, ensuring that whistleblowers are not subject to any form of threat or suppression.

Whistleblowing Channels and Process

	Whistleblowing Hotline	010-56647060
	Whistleblowing Email	ruantongjubao@isoftstone.com
	Whistleblowing Location	Conference Room 511, 5/F, iSoftStone Building, Group Headquarters
	Whistleblowing Process	The company accepts reports through any method, whether real-name or anonymous, and verifies the contents of the report. If the report is verified as true, an investigation is initiated. If the report is found to be false, the whistleblower is notified. In cases of malicious reporting, the company will hold the whistleblower legally accountable.

Anti-Unfair Competition

The company strictly adheres to the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Monopoly Law of the People's Republic of China*, and the *Provisions on Prohibiting Infringement of Trade Secrets*, as well as relevant laws and regulations on anti-monopoly and fair competition in the countries and regions where it operates. The company fully regulates its business activities, resolutely preventing any unfair competition and monopolistic behavior. It works together with industry peers to maintain a free, fair market order and a healthy and orderly business environment. The company commits to not collecting competitors' trade secrets or other confidential information through illegal means, and refrains from engaging in illegal activities such as price collusion or disrupting market order. At the same time, the company explicitly requires all partners to strictly adhere to the *Basic Cooperation Commitment* to collectively maintain fair competition in business activities. In 2024, the company did not encounter any major violations of anti-unfair competition laws and regulations.

Metrics and Targets

Anti-Corruption Training	Anti-corruption training coverage:	Number of anti-corruption training sessions:	Total hours of anti-corruption training:	
	100%	3	7.5	
Anti-Corruption Reporting	Number of valid reports:	Report acceptance rate:	Report resolution rate:	
	12	100%	75% (The remaining cases are still under investigation)	

Tax Management

Tax compliance is a key foundation for a company's compliant operations. iSoftStone adheres to the operational philosophy of compliant tax payment, strictly following national tax laws and regulations as well as local tax rules in its operational regions. The company continuously improves its tax management processes and has built a comprehensive tax management system. The company has set up a tax shared service center and established standardized tax management systems categorized by country and tax type. It has also developed guidelines for key processes such as tax reporting and invoice management, ensuring tax management activities are carried out in a standardized manner across the company for efficient operations.

In alignment with the company's international strategy, iSoftStone has developed a robust global tax compliance framework to effectively fulfill tax obligations in multinational operations. In addition, the company continuously optimizes its internal control mechanisms with a value-driven approach and strengthens tax risk management. The tax team is deeply involved in business decisions, conducting tax assessments and planning for key projects from the outset and providing professional support during contract reviews to standardize business processes and prevent tax risks. Furthermore, the company regularly organizes tax training to enhance the professional skills and risk awareness of relevant personnel, strengthening the foundation of tax compliance management.

In terms of Data-AI transformation, iSoftStone has built an intelligent tax management platform that enables comprehensive data collection, intelligent analysis, and precise forecasting of tax-related data. Through a "data+scenario" management system, the company has achieved interconnected tax data across the headquarters and subsidiaries, ensuring risks are controllable, data is traceable, and decisions are based on reliable information. This has resulted in a new model of compliant, efficient, and intelligent tax management.

During the reporting period, iSoftStone strictly fulfilled its tax obligations and maintained a good tax credit record. The Group parent company and several subsidiaries have been rated as Class A taxpayers for multiple consecutive years, highlighting the company's excellence in tax compliance.



Outlook

As we step into 2025, a year filled with transformation and opportunities, iSoftStone will continue to advance toward a sustainable future with determined steps. We understand that in the global wave of accelerating green and low-carbon transformation, ESG is no longer just a consideration for business operations but is also a key engine driving innovation and growth. iSoftStone is committed to working alongside all partners with a forward-looking vision, actively exploring and practicing new paths for sustainable development, and contributing to building a better world.

We are dedicated to enhancing the climate resilience of both ourselves and our value chain, continuing to deepen our green operations by improving energy efficiency and optimizing resource use, steadily advancing the carbon reduction process. At the same time, we will further leverage the advantages of digital technology to innovatively develop more green and low-carbon solutions, empowering thousands of industries to achieve sustainable development. We actively promote cooperation with upstream and downstream partners across the value chain to move together toward a low-carbon future, and we will make unremitting efforts to achieve our carbon reduction goals.

We continue to foster a diverse, inclusive, and equitable working environment, providing employees with a more competitive development platform and growth space, enhancing their innovation vitality and sense of belonging. We will also uphold the philosophy of "Digital for Good, Technology for Good", focusing on areas such as education support, community care, and rural revitalization, using the power of technology to bring warmth to society and create more positive social value.

We are continuously improving our corporate governance, strengthening our capabilities in compliance operations and risk management to ensure steady business development. We will further integrate ESG factors into the company's strategic decision-making and daily operations, enhancing the transparency and effectiveness of information disclosure. In doing so, we aim to build stronger trust with investors, partners, and society at large, jointly advancing corporate sustainable development to a new level.

Key Performance Table

Index		Unit	2024
Energy Use			
Gasoline (including ethanol gasoline)		Liters (L)	1,471.54
Natural Gas		Cubic meters (m³)	29,812
Purchased electricity		MWh	45,074.37
Total energy consumption¹		Tons of standard coal	5,580.86
Greenhouse Gas Emission			
Scope 1 GHG emissions		Tons CO₂e	4,472.70
Scope 2 GHG emissions		Tons CO₂e	24,197.00
Scope 3 GHG emissions		Tons CO₂e	3,265.40
Total Greenhouse Gas Emissions		Tons CO₂e	31,935.10
GHG emission intensity		Tons CO₂e / 10,000 RMB revenue	0.0102
Water Resources			
Total water withdrawal(The statistics cover iSoftStone headquarters and 16 subsidiaries)		Tons	244,880
Waste			
General waste(The statistics cover Beijing headquarters, Wuxi office building)		Tons	15.2
Talent Attraction and Retention			
Total Number of Employees		People	90,759
New Employees		People	40,181
By Gender	Male	People	61,410
	Female	People	29,349
By Age	Under 35	People	71,915
	35-50	People	18,568
	Above 50	People	276
By Job Level	General Staff	People	80,738
	Core Staff	People	9,753
	Management Team	People	268

Index		Unit	2024
By Education	Associate degree or below	People	24,394
	Bachelor Degree	People	64,398
	Master's/MBA or above	People	1,967
By Region	China Staff (including HK, Macau, Taiwan)	People	90,373
	Overseas Staff	People	386
Employee Satisfaction		%	71.4
Turnover Rate		%	27.89
By Gender	Male Staff	%	27.95
	Female Staff	%	27.78
By Age	Under 35	%	29.96
	35-50	%	18.72
Above 50		%	18.99
Diversity and Inclusion			
Ethnic Minority Staff		People	3,425
Staff with Disabilities		People	627
Military Veterans		People	411
Percentage of Female Representation in Middle Management		%	21.2
Percentage of Female Representation in Senior Management		%	29
Training and Development			
Training Investment		Ten thousand yuan	1,398.96
Total training hours		Hours	2,414,429.74
Average training hours per employee		Hours	37.2
Training Coverage Rate		%	100
Avg. training hours per male employee		Hours	27.19
Avg. training hours per female employee		Hours	25.33
Avg. training hours for senior staff		Hours	94.54

Index	Unit	2024
Avg. training hours for mid-level staff	Hours	34.30
Avg. training hours for junior staff	Hours	25.44
Employee Care and Community Involvement		
Employees assisted in hardship	(Number)	138
Amount of assistance	ten thousand yuan	200+
Public welfare donations	ten thousand yuan	140+
Products & Services		
Annual customer satisfaction rate	%	99.11
Annual customer satisfaction score	Points	93.8
Complaint resolution rate	%	99
Innovative R&D		
R&D Investment	million yuan	979
R&D personnel	People	3,347
Annual new patents granted	Items	70
Annual new software copyrights	Items	751
Supply Chain Management		
Total suppliers	Companies	2,605
Mainland China	Companies	2,405
Hong Kong, Macau, Taiwan, and other international regions	Companies	200
Information Security		
External information security audits	Time(s)	1
Information leakage incidents	Case(s)	0
Information Security Training	Time(s)	30+
Participants in information security training	Number of Participants	160,000+
Information security training coverage rate	%	100
Anti-corruption		
Anti-corruption training coverage rate	%	100

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Postcode: 100193

Telephone: +86 105874 9000

Fax: +86 105874 9001

Mailbox: contact@isoftstone.com

Address: Building 16, East District, No. 10 Xibeiwang
East Road, Haidian District, Beijing