



(continued into the Cayman Islands with limited liability)
Stock Code: 03888

KINGSOFT CORPORATION LIMITED

2023 ENVIRONMENTAL, SOCIAL and GOVERNANCE REPORT



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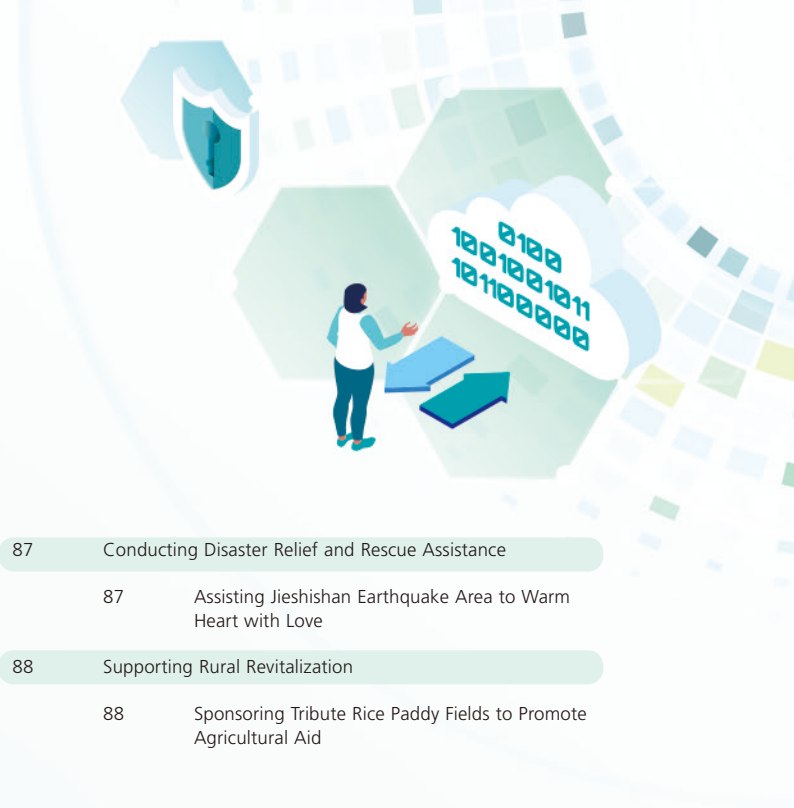
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ABOUT THIS REPORT

Reporting Scope

The report aims to objectively, fairly and justly reflect the environmental, social and governance (“**ESG**”) concept, remarkable milestones and achievements of Kingsoft Corporation Limited (hereinafter referred as “**Kingsoft**” or the “**Company**”) and its subsidiaries. We will discuss all relevant areas in detail, especially the ESG issues that may exert considerable influence over the sustainability of our business operations and are of concern to our stakeholders. Based on the composition of the Group’s revenue in FY2023, we determine the scope of this report to be Kingsoft and its subsidiaries (hereinafter referred to as the “**Group**” or “**we**”) — mainly including Beijing Kingsoft Office Software, Inc. (hereinafter referred to as “**Kingsoft Office**”) and Seasun Holdings Limited (hereinafter referred to as “**Seasun Holdings**”), and Kingsoft Shiyou Holdings Limited (hereinafter referred to as “**Kingsoft Shiyou**”). The report covers the period from 1 January 2023 to 31 December 2023. To maintain continuity of information, the report may include practices beyond this time frame.

Reporting Principles

In preparing this ESG report, the principles of “Materiality” “Quantitative” “Balance” and “Consistency” are applied to define the content of the report and how the information is presented.

Materiality: During the preparation of this report, we have identified main stakeholders and key ESG issues of their concern and made targeted disclosure according to their relative materiality. For more information on materiality assessment, please refer to the sections “Stakeholder Engagement” and “Materiality Assessment” below.

Quantitative: This report adopts quantitative information to disclose the key performance indicators (“**KPI**”) in the environmental and social aspects. The measurement standards, methods, hypothesis and/or calculation tools, and the source of conversion coefficient used for the KPIs are explained in their respective paragraphs.

Balance: The purpose of this report is to report the positive and negative ESG information and performance of the Group transparently and objectively. The report covers four aspects: responsible operation, talent management, green operation and contributing to the society.

Consistency: The data disclosed in this report adopts the statistical method consistent with previous years, with individual changes explained to ensure consistency.

Preparation Basis

The report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide* set out in Appendix C2 to the *Rules Governing the Listing of Securities* (the “**Listing Rules**”) on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Data Source

The information, data and cases cited in this report are all from the Group’s official documents, statistical and financial reports or public documents, as well as other ESG practices collected and summarised by the functional departments of the Group. The Board of Directors is responsible for the authenticity, accuracy and completeness of the content of this report. For information on governance, it is advisable to read the sections concerning governance in connection with the Corporate Governance Report presented in the Annual Report. This report is published in both Chinese and English. In the event of any discrepancies between the two versions, the Chinese version shall prevail.

Access to this Report and Feedback Channel

The electronic version of this report is available on the website of the Group (www.kingsoft.com) and the website of the Stock Exchange (www.hkex.com.hk). If you have any comments or suggestions about this report, please email us at ir@kingsoft.com.

CHAIRMAN STATEMENT

In recent years, the internet industry shifts from “creating commercial value” to “creating social value.” Kingsoft marks the thirty-fifth anniversary with an increased commitment to the cooperate social responsibilities we bear. We craft sustainable business development strategies, integrating ESG (Environmental, Social, and Governance) advancement closely with business expansion, user services, and daily operations. By empowering the content ecosystem with technology and innovating business models with sustainability in mind, we are steadfast in promoting solutions to social and environment-related challenges. We further strengthen the Board of Directors’ supervision of ESG matters, forming a three-tier governance structure comprising the Environment, Social and Governance Committee of the Board of Directors, the Company’s management, and ESG-related functional departments, and are working together with our value chain partners to draw a new chapter of sustainable development by means of innovation and dutiful behaviour.

Born toward innovation, established on technology

We hold the belief that we are born toward innovation and established on technology, and we always stick to the dream of serving users all over the world. Around the strategic of “multi-screen, content, cloud, AI, and collaboration,” the office software and services business continues to grow steadily in the core business and broadens our ecological cooperation and innovation horizontally. In 2023, the office software and services business integrated into thousands of industries, successfully released WPS AI and launched public testing, using a large language model to reconstruct the office software, helping users to open the era of intelligent office. In the same year, the office business launched WPS 365, a new quality productivity platform for offices, to empower enterprise customers with technology to achieve digital transformation, improve productivity, reduce costs and enhance competitiveness. The online games business operates core game IPs in depth, focuses on the development of new categories and high-quality games, constantly iterates and upgrades our own games, venturing into overseas markets, and expand our business footprint. Domestically and abroad, we hold 5,010 registered trademarks and have been granted 1,107 patents, covering 144 countries and regions worldwide, actively protecting our achievements in independent innovation.

Insisting on corporate responsibility, guarding the user experience

We follow the user-centric business philosophy, demonstrate corporate social responsibility, effectively protect users’ rights and interests, continuously optimise user experience, and create a sunny and healthy online office and leisure space. The Group has publicly released the *Kingssoft Corporation Privacy Policy*, constructed and improved the three major network protection systems of network security, data privacy and product development, and our products and services have passed a number of widely recognised network security certifications such as ISO 27001, so as to protect the information security of users with the strength. In order to protect the physical and mental health of minors, 100% of the Group’s game products are connected to the anti-addiction system, and anti-addiction mechanisms have been set up to guide minors to play moderately and provide minors with a healthy online game environment. We are well aware of the characteristics of the digital content carriers of the Group’s products and services, improving the auditing and monitoring system processes, and we have established a stringent advertising compliance and content safety management system in order to create a clear and green Internet content ecosystem. In addition, we use the game world as a carrier to construct a “new digital world” of traditional culture, using game creativity as a wing to make Chinese cultural treasures sail far and wide, and enable players to connect online to traditional Chinese cultural scenes.

Operating with sustainability, highlighting low-carbon credentials

We continue to enhance our green operation capability and give full play to our green product gene to help the value chain achieve the “dual-carbon” target. Under the leadership of the Group’s Environmental Protection Working Group, we annually update our environmental protection targets, formulate energy-saving and emission reduction solutions from the “supply side” and “energy-using side”, introduce green and clean energy sources such as air energy, apply intelligent energy systems to effectively improve the efficiency of corporate operations and energy utilisation, reasonably dispose of various types of waste, and efficiently utilise various types of natural resources. We have actively built green buildings, constructed green campus in Zhuhai and other places, preferably leased green data centres, collaborated with our business partners to build a green supply chain. The Group has made great efforts to become greener of our products and services, guiding the concentration of business resources in the direction of green and low-carbon, and creating a Kingsoft

CHAIRMAN STATEMENT (continued)

signboard of green and low-carbon products and services. We have digitised offices for users in the retail, manufacturing, transportation, software and information technology services industries, with a total of more than 17,000 government and enterprise users; and we have connected natural ecological scenarios with the gaming world to awaken players' awareness of environmental protection and greening. This year, we reviewed our greenhouse gas emissions, identified climate change entities, transformation risks and opportunities, and formulated a climate change response plan to strengthen our climate change response capability.

Fostering a culture of integrity, pursuing a sustainability path

The Group attaches great importance to internal control, compliance management and development of a culture of integrity, and promotes compliance supervision through a multi-pronged approach in terms of the construction of management processes, the disclosure of reporting channels and the conduct of integrity training. The Group complies with laws and regulations related to business ethics and industry norms in the course of our operations, continuously improves policies and systems related to anti-corruption, and establishes a three-tier business ethics management system, so as to create a favourable business environment together with all suppliers. We continue to improve the ESG governance structure, implement the Company's ESG strategy, promote the implementation of ESG-related resolutions, incorporate issues such as business ethics, privacy and data security, climate change and environmental management into the scope of supervision by the Board of Directors, and give full play to the supervisory function of the ESG Committee of the Board of Directors to enhance decision-making efficiency, strengthen the Group's ESG management level, and promote the Group's standardised operation and healthy development.

Gathering talents from all over, spreading compassion from Kingsoft

We regard talent resources as an important asset and pillar for the development of our group and we have developed a multi-tiered talent strategy to retain and attract high-calibre talent. We continue to expand talent inventory coverage, accurately forecast talent needs, initiate projects such as university-enterprise cooperation and management trainee training, introduce diverse talents and expand the reserve of versatile talents to meet the continuous process of business development. We improve the stability of our core R&D staff with a complete promotion and development channel, a fair performance evaluation mechanism, and an all-round welfare and care system, fully mobilise the enthusiasm and creativity of our staff, and introduce internal and external faculty to create a five-tier staff training system, including professional competence training and leadership training, with an emphasis on the cultivation of multilevel talents. We strive to enhance our social impact by establishing the Beijing Kingsoft Foundation and committing to the construction of charitable funds. We launch the donation program "Little Gold Brick" to fund charitable causes. In 2023, the Beijing Kingsoft Foundation launched the "Rural Primary School Education Support Program", supporting 10 counties (Autonomous Prefecture and Banners) in five provinces (cities), including Miyun in Beijing, Zhuhai in Guangdong Province, Aba in Sichuan Province, Enshi in Hubei Province, and Kerqin in Inner Mongolia, benefiting a total of 6,942 teachers and students, to help revitalise villages and improve the educational and teaching standards of rural schools. The Group also provided emergency assistance to the earthquake-stricken Jishishan County in Linxia Hui Autonomous Prefecture, Gansu Province, making efforts to help the affected people to overcome the difficulties. This year, the Group's public service expenditures amounted to RMB9,775,698.30.

We have traversed the PC, Internet and mobile Internet eras and are about to usher in the era of AI. The Group will continue to steadily operate the core businesses, adhere to our technological foundation, and drive innovation to create leading intelligent digital office services and high-quality gaming content for users around the world. We are committed to high-quality sustainable development, providing users with better products and services while creating long-term value for our shareholders, aiming high, keeping our feet firmly on the ground, and thriving to create new heights of excellence!

Lei Jun

Chairman

20th March 2024

ABOUT US

Corporate Culture Values

For over 35 years, the Group has adhered to the corporate spirit of “aiming high with feet on the ground” and closely revolved around our core strategy. We have continually deepened the value of our core products, ventured into new product categories, striving to meet the increasingly diverse needs of our users. In the future, we will persist in intensifying our research and development efforts, promoting innovation as the driving force, continuously enhancing our technological capabilities and product competitiveness. We aim to provide superior user experiences that align with the evolving market trends and user demands, creating mutual success with all our partners and embarking on a new chapter of corporate growth.



Honours and Awards

As a leading software and internet services company in China, we have dug into technological innovation and embraced the new era of AI. This year, we have unveiled a variety of new products and services, extended the culture of national style and provided full-platform access to the beautiful game world. We actively embrace the challenges of digitisation and contribute to the rapid development of global digitisation. With the unremitting efforts of the Group, we were awarded many honours and recognition in 2023.

ABOUT US (continued)

DATE	AWARDS
FEBRUARY 2023	Kingsoft Office won the Sensor Tower APAC Awards 2022 , becoming the first office software to win this award.
APRIL 2023	Kingsoft Office won the “11th China Electronic Information Expo Innovation Award” .
MAY 2023	Kingsoft Office was selected as a member of the first batch of Beijing’s General AI Industry Innovation Partner Plan .
AUGUST 2023	Kingsoft Office was included in the China Academy of Information and Communications Technology’s “High-Quality Digital Transformation Products and Services Panorama (2023).”
SEPTEMBER 2023	Kingsoft Office was selected as one of the “Top Ten New Models” at the China International Digital Economy Expo . Kingsoft Office was named one of the “Top Ten New Models” at the Digital Economy Expo .
	Kingsoft Office was listed among the Top 50 Most Innovative Enterprises by Forbes China in 2023 .
	Season Holdings won the following awards at the “Golden Finger Award” ceremony of the Chinese game industry: “Excellent Enterprise in China’s Game Industry in 2023” “2023 Advanced Unit of Game Research and Development in China Game Industry” JX Online III won the “Excellent Online Game in China Game Industry 2023” JX World III Qi Yuan won the “Best Mobile Game of 2023 in China Game Industry” JX World III mobile game won the “Excellent Mobile Game of 2023 in China Game Industry”
NOVEMBER 2023	
DECEMBER 2023	WPS AI won the 20th People’s Craftsmanship Award by People’s Daily Online . JX Online III won the 2023 Golden Plume Award for “Players’ Favourite Online Game.”

ESG MANAGEMENT

ESG Strategy

We steadfastly hold to the vision of “technology-based enterprise, service to society” convinced that technological solutions can meet societal challenges and foster growth for individuals and businesses. The group’s trajectory reflects a commitment to infusing advanced technology into business practices and innovating in the face of change.

Nowadays, ESG have been embedded in our strategic DNA — aiming to be a socially responsible company with a focus on human welfare and sustainable coexistence with nature. Our ESG strategy is integrated into our corporate management system, with the Board of Directors ensuring strategic alignment through regular reviews.

This year, we adopt sustainable development as driving mission, utilizing our business strengths to support societal, economic and environmental progress, thereby advancing the UN SDGs. Based on global goals to eliminate poverty, protect the planet and share prosperity, we craft a sustainable future blueprint, identify responsible operations, talent management, green practices and community contribution as our core responsibilities and further the UN SDGs.

Responsible Operation



The Group is committed to creating a secure online environment, staunchly safeguards user data privacy, and protects the physical and mental health of minors. We reinforce our sense of product responsibility, and continually enhance the quality of our products and services. In addition, we strengthen intellectual property protection, and optimise advertising compliance and content safety management. In the continuous development of business, we pay attention to integrity management, adhere to business ethics, standardise supply chain management to ensure compliance and sustainability in business operations.

Talent Management



Talent resource forms a core driving force for the development of the Group. We place great importance on building a talented workforce, adhere to the principle of diversity and inclusivity, and actively broaden channels for talent recruitment. We establish a systematic talent development system, continually optimise performance evaluation and promotion mechanisms and provide tailored career development paths for employees to help them achieve self-value. We are also committed to safeguarding the rights and interests of employees. Given this, we strive to create a safe and healthy work environment, promote a work-life balance lifestyle and actively listen to their voices. With these efforts, we continuously enhance employees’ sense of belonging, and create a pleasing workplace.

Green Operation



Strictly abiding by relevant environmental protection laws and regulations, the Group monitors environmental management performance on an annual basis, and sets practical environmental targets in emission reduction, energy conservation, water conservation, and waste reduction. We focus on “reduction”, “utilisation”, “recycle” and “innovation” as key points of environmental management, with a view to minimising the negative impact of the Group’s operations on the environment and natural resources. In addition, we keep improving energy conservation and emission reduction measures, including building green campus, creating green supply chains, advocating green offices and low-carbon lifestyles, actively responding to climate change, and engaging in multi-party cooperation to fulfil our commitment to green operations through practical actions.

Contributing to the Society



As a responsible corporate citizen, we are committed to contributing to the society as we develop ourselves. We fulfill our philanthropic mission, strive to create more social values and promote the standardised management of philanthropic projects. We continuously explore paths for sustainable social development by conducting various public welfare activities in education equality, environmental protection, traditional culture promotion, disaster relief, rural revitalisation and other areas, so as to contribute to social well-being.

ESG Governance Structure

Board Statement

Kingsoft's Board of Directors is committed to the sustainable development of the Group's business while actively practicing the concept of ESG, improving ESG governance and pursuing the harmonious development of the Group with nature and society.

Oversight of ESG issues: Kingsoft's Board of Directors is the highest responsible and decision-making body for ESG issues. It is responsible for formulating ESG strategies, reporting ESG performance and supervising ESG issues. The ESG Committee is accountable to the Board of Directors by assisting it with the decision-making and review of ESG issues. This year, the ESG Committee attended 1 ESG work report meeting to understand the development trend of ESG, the performance of ESG management and information disclosure in the past years and the ESG work plan for the next year. It also made recommendations on the ESG management of the Group. Furthermore, we have established an ESG organisational structure covering our subsidiaries and functional departments to better practice the ESG concept. ESG-related functional departments and subsidiaries are responsible for ESG management and ESG work.

ESG management approach and strategy: The Group regularly assesses the materiality of environmental, social and governance issues. The specific assessment process and results are detailed in the sections "Stakeholder Engagement" and "Materiality Assessment" of the Company's 2023 Environmental, Social and Governance Report, which are reviewed by the Board of Directors. The Board of Directors of the Company has comprehensively identified the significant ESG risks related to the Group, including climate change, privacy and data security, human capital development, intellectual property management, health and safety compliance of products and services, and business ethics, etc. We have not only formulated response measures, but also required relevant departments to implement such measures in their daily operation and management.

Review of the ESG Target: Each year, the Board of Directors reviews and assesses the achievement of the environmental target for the current year, and reviews and discusses the setting of the target for the next year. In 2023, the Board of Directors received a report from the Group's management on the environmental goal setting for the current reporting year, reviewed and evaluated the achievement of the goals. Among them, the environmental goals, including improving the proportion of clean energy use and green procurement, the use of energy-saving and water-saving equipment, and ensuring compliance with waste treatment and other aspects, have all been achieved. In addition, the Board of Directors reviewed and discussed the annual environmental targets related to the business operation for the next year, including improving energy efficiency and the use of clean energy to reduce emissions, implementing water-saving measures and building water-saving facilities to conserve water, reducing hazardous waste generation and ensuring compliance with disposal and others.

The detailed information on the forementioned ESG issues is also disclosed in this report, which were reviewed and approved by the Board of Directors on 20th March 2024.

ESG MANAGEMENT (continued)

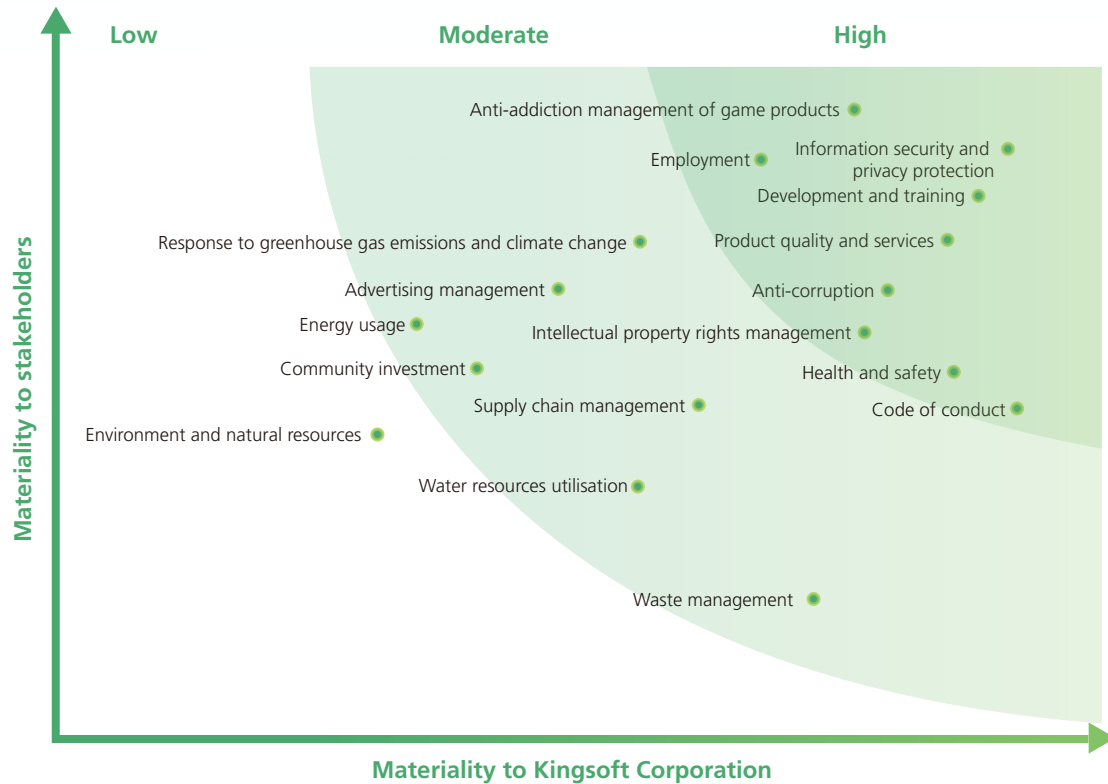
Stakeholder Engagement

We recognise the importance of engaging in communication with stakeholders and regard their views and opinions as a vital driving force to continuously enhance our ESG management. We communicate with stakeholders proactively via various channels to understand and respond to their demands promptly. We have identified our main stakeholders and obtained their opinions and expectations that have an interactive impact on the operation of the Group. These are summarised in the table below:

Main Stakeholders	Main Expectations	Main Communication and Response Channels
 Governmental and regulatory authorities	<ul style="list-style-type: none"> Compliance with laws and regulations Safety and reliability of products Promoting technological progress Serving national interests and people's livelihood 	<ul style="list-style-type: none"> Inspection and reception Annual report The Group's website Document submission
 Investors	<ul style="list-style-type: none"> Maintaining good operating performance Compliant operation Information disclosure 	<ul style="list-style-type: none"> Shareholders' general meeting The Group's announcements Reporting of special projects Visitor reception
 Customers	<ul style="list-style-type: none"> High-quality products and services Protecting information security and user privacy Satisfying the diversified needs of customers 	<ul style="list-style-type: none"> Daily communication with customers Survey on customer satisfaction Handling and feedback of customer complaints
 Staff	<ul style="list-style-type: none"> Protecting staff's rights and interests Protecting occupational health Training and development Promotion channels Work-life balance 	<ul style="list-style-type: none"> Staff meeting Platform for staff's suggestions Face-to-face communication Staff training
 Suppliers and partners	<ul style="list-style-type: none"> Open, fair and impartial procurement Fulfilling contractual obligations Mutual benefits and win-win cooperation 	<ul style="list-style-type: none"> Public tendering Face-to-face communication
 Community	<ul style="list-style-type: none"> Community development Public welfare undertakings Environmental protection 	<ul style="list-style-type: none"> Involvement in community activities

Materiality Assessment

This year, through continuous and effective communication with main stakeholders on their investigation results, following the suggestions from external experts and understanding the areas of media attention, the Group has comprehensively identified relevant ESG issues and assessed their materiality, as well as regarded them as an important reference to the report.



Kingsoft's 2023 ESG Materiality Issues Matrix

- ESG Issues with High Materiality**
- Information security and privacy protection
 - Employment
 - Health and safety
 - Product quality
 - Intellectual property management
 - Development and training
 - Code of conduct
 - Customer complaint management
 - Anti-addiction management of game products
 - Anti-corruption

- ESG Issues with Moderate Materiality**
- Advertising management
 - Response to greenhouse gas emissions and climate changes
 - Supply chain management
 - Community investment
 - Water resources utilisation
 - Waste management
 - Energy usage

- ESG Issues with Low Materiality**
- Environment and natural resources

The Group's 2023 ESG Material Issues

RESPONSIBLE OPERATION

The Group is committed to creating a secure online environment, staunchly safeguards user data privacy, and protects the physical and mental health of minors. We reinforce the awareness of product responsibility, and continually enhance the quality of our products and services. In addition, we strengthen intellectual property protection, and optimise advertising compliance and content safety management. In the continuous development of business, we pay attention to integrity management, adhere to business ethics, standardise supply chain management to ensure compliance and sustainability in business operations.

Product Responsibility

We always focus on the user needs and provide users with safe and high-quality products and services. To foster a secure network environment, we have improved our cybersecurity management policy and structure, and optimized our cybersecurity technologies. Moreover, we firmly maintain compliance with data privacy protection requirements, and establish a sound data protection system to respect and safeguard users' personal privacy and data security. For our gaming business, we have implemented a number of anti-addiction measures to protect the physical and mental health of minors. We have established a sound product quality management system and take quality enhancement measures for products targeted for different users, so as to strictly control the quality of products and services. Furthermore, we strive to make user communication channels smooth and have established an efficient user complaint handling process, in the purpose of enhancing user satisfaction.

Cybersecurity and Privacy Protection

Sound Safety Policy Regime

We strictly abide by the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, the *Administrative Measures for Internet Information Services* and other laws and regulations, as well as relevant national standards such as the *Information Security Technology — Personal Information Security Specification* and the *Information Security Technology — Guidelines for Information Security Risk Executive Management*, to earnestly fulfil our responsibility of cybersecurity protection. In addition, we continue to expand our overseas operations, conduct real-time monitoring and assessment of compliance risks, and strictly comply with user privacy and security protection laws and regulations, e.g., Korea's *Game Industry Promotion Act*, America's *California Consumer Privacy Act*, and European Union's *General Data Protection Regulation (GDPR)*, in various overseas countries and regions such as Japan, South Korea, the United States and the European Union, so as to ensure that the products exported are in compliance with the laws and regulations.

By publicly disclosing the *Kingsoft Corporation Privacy Policy*, and formulating internal policies relating to private data protection, cybersecurity and product security protection, we have clarified the requirements for cybersecurity and privacy protection, ensuring a sound and effective security system, covering all products and services under Kingsoft Office, Seasun Holdings, and Kingsoft Shiyou. In addition, we release the *Legal Information on Exported Games* and the *Overseas Data Compliance Information* on a monthly basis, and hold regular legal training sessions for colleagues related to overseas business to enhance their compliance awareness in overseas business.

***Kingsoft Corporation Privacy Policy*, covering all products and services under Kingsoft Office, Seasun Holdings, and Kingsoft Shiyou.**

RESPONSIBLE OPERATION (continued)

Policy Type	Policy Name
Privacy and data protection related policies	The <i>Kingsoft Corporation Privacy Policy</i> , the <i>WPS Privacy Policy</i> , the <i>Kingsoft Online Privacy Policy</i> , the <i>Privacy Policy</i> , the <i>Privacy Compliance Inspection Standards</i> , and the <i>Personal Information Leakage Contingency Plan</i>
Cybersecurity and product security protection related policies	The <i>Kingsoft Information Security Management Specification</i> , the <i>Kingsoft Data Security Management Specification</i> , the <i>Security Review Process before Launching Application System</i> , the <i>Kingsoft Penalty Rules for Information Security Incidents</i> , the <i>Kingsoft Security Review Process before Launching Application System</i> and the <i>Kingsoft Network and Information Security Contingency Plan</i>

The Group has enacted the *Kingsoft Penalty Rules for Information Security Incidents*, under which employee violations are investigated and assessed. Once a case is confirmed, we will impose appropriate penalties on the violator, including warning, suspension and termination of employment. The results of the penalty in the whole staff cybersecurity meeting to publicise the warning, to enhance employees' awareness of cybersecurity.

Security Management Structure

The Group's Board of Directors attaches great importance to cyber security and privacy protection issues, and establishes the ESG Committee of the Board of Directors as the highest governing body for cybersecurity and privacy protection. The ESG Committee is responsible for major risk decisions related to the Group's cyber security and privacy protection, overseeing and managing the effective implementation of security measures within the Company. In addition, the Information Security Taskforce is established under the ESG Committee of the Board of Directors, which is composed of the CEO of the Group as the leader, vice president of the Group, CEO of Seasun Holdings, and the Vice President of Kingsoft Office and other management personnel, and is responsible for decisions of security for the Group and overseeing the orderly implementation of security measures within the Group as well as its subsidiaries. Under the Information Security Taskforce, the security executive team of each subsidiary is responsible for implementing and landing specific management work.

Cybersecurity and Privacy Protection Management Structure of the Group

ESG Committee

As the highest governing body for cybersecurity and privacy protection, it is responsible for making significant risk decisions related to cybersecurity and privacy protection within the Group, overseeing and managing the effective implementation of security measures within the Company.

Information Security Taskforce

Composed of the CEO of the Group as the leader, and vice president of the Group, CEO of Seasun Holdings, and the vice president of Kingsoft Office and other management personnel, the taskforce is responsible for making security decisions for the Group and overseeing the orderly implementation of security measures within the Group and its subsidiaries.

Security Execution Team of Each Subsidiary

These teams are responsible for issuing regulations governing cybersecurity and privacy protection management, establishing security contingency liaison mechanism covering all platforms and business lines of the Group, and improving the efficiency of handling urgent security incidents.

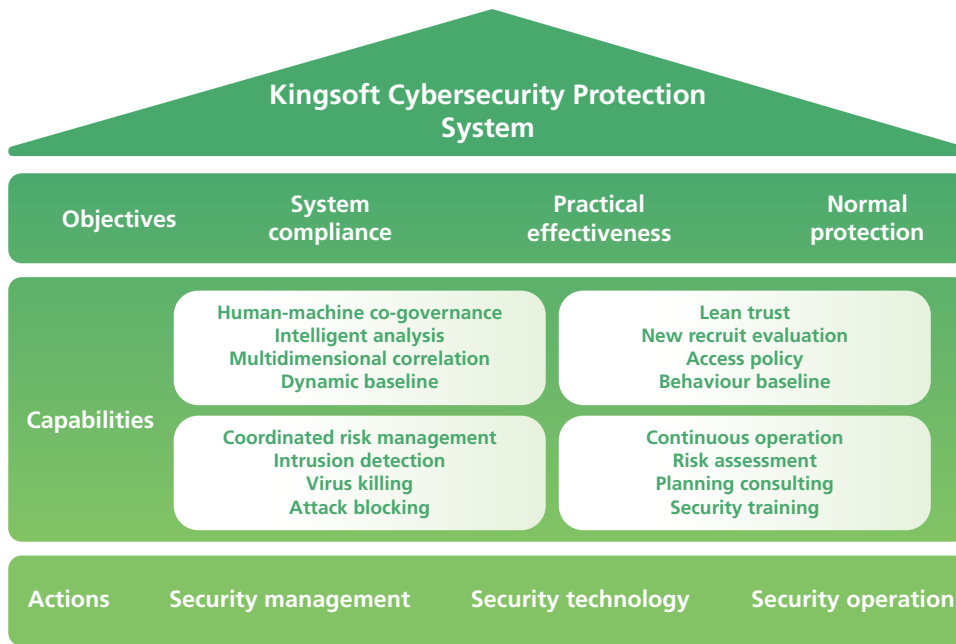
Implement specific management tasks related to cybersecurity and privacy protection:

- Execute security protection for operating systems and servers;
- Protect sensitive data, encrypt data, manage and control access to data, and back up data while promptly fixing vulnerabilities;
- Conduct network attack defence and manage firewall construction and intrusion detection;
- Assess and review the effectiveness of cybersecurity and privacy protection management processes and technological implementations.

RESPONSIBLE OPERATION (continued)

Security Protection System

We continue to improve our cybersecurity protection capabilities by optimising top-level design, technical skills and operation and maintenance measures. We have established a top-down cybersecurity protection system to continuously enhance the defence capabilities from the four dimensions of "human-machine co-governance", "lean trust", "coordinated risk management" and "continuous operation". Moreover, we have implemented the three main protective measures of "security management", "security technology" and "security operation", to realise the three major protection objectives of "system compliance", "practical effectiveness" and "normal protection".



The Group's Cybersecurity Protection System

RESPONSIBLE OPERATION (continued)

The Group implements cybersecurity protection measures from four aspects, namely, management, technology, operation and audit, to consolidate the basic capacity of the security management, and strengthen the effectiveness of the operation of the management system, thus effectively reducing the risk of network information security.

Dimensions	Management Measures
Security management	<p>Each subsidiary has introduced a zero-trust security strategy and established an identity-centred access control mechanism to optimise intranet access strategies. We manage the identity of people, terminals and applications in a unified manner to ensure that people and terminals connecting to the network are always trustworthy, by setting up an access whitelisting system to control the source of access and strictly limiting the scope of asset access to ensure that critical information data can only be accessed by authorised personnel and terminals.</p>
Security technology	<p>We deploy situational awareness systems to assess the cybersecurity situation by analysing traffic and log data, assisting the Information Security Department in making security decisions and developing response actions.</p>
Security operation	<p>The Group regularly conducts vulnerability scanning and baseline checking of security systems to identify potential security risks in a timely manner and support risk response and rectification. In addition, we have formulated security contingency plans and contingency response mechanisms and actively carry out internal and external attack and defence drills. We verify the Company's capabilities of security operation system construction and protection through simulated attacks to ensure that such plans and mechanisms are effective in actual attack scenarios.</p>
Security audit	<p>To ensure the effective operation of the security management system, we conduct external third-party agencies to conduct cybersecurity independent audits every year, including ISO 27001 certification audits and level protection certification audits. The third-party auditors conduct audits of the implementation of security technologies, security management structures, and the management of private information through interviews, on-site observations, review of documents and records, etc., to assess the security hazards and analyse the security risks. For the problems identified, the audit team makes specific recommendations and improvement programmes, urges the corresponding departments to make timely rectifications, and monitors the implementation of the rectifications in six months, to achieve closed-loop management of cybersecurity and information security. Besides, we strictly perform internal security audits to assess the effectiveness of our security measures in accordance with our rules and regulations.</p>

RESPONSIBLE OPERATION (continued)

We also require our suppliers and business partners to fulfil their obligations on cybersecurity and privacy protection, and incorporate all of the Group's service providers and partners into our security management system to ensure a complete coverage of the system.

Stage	Cybersecurity and Privacy Protection Measures
Supplier access	We require all suppliers to follow the Group's security review process for reporting and evaluation. Suppliers who fail the security review will be required to make rectifications and cooperation will not be allowed until they pass the review.
Supplier engagement	For suppliers or partners with whom we share information, we will conduct compliance inspections of their data and information security environments and sign the <i>Data Compliance Requirement Letter</i> and the <i>Confidentiality Commitment Letter</i> with the suppliers, requiring them to take adequate measures to protect the information.
Supplier maintenance	We regularly review our suppliers or partners on the cybersecurity and privacy protection. Suppliers who fail to meet the review standards will be immediately suspended from cooperation and be required to make rectification. Cooperation can only be resumed when rectification has been completed and the supplier has passed the review. The suppliers who have committed serious violations will be held accountable in accordance with laws and regulations, internal management policies or cooperation agreements.

Kingsoft does not provide any products and services to users, only cooperates with subsidiaries in completing the following cybersecurity certifications. Subsidiaries including Kingsoft Office, Seasun Holdings and Kingsoft Shiyou have been actively engaged in cybersecurity certification. During the reporting period, the Group's subsidiaries have obtained a number of widely accepted external cybersecurity certifications, covering over 95% of the Group's products and services.

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covering over **95%** of the Group's products and services.

RESPONSIBLE OPERATION (continued)

Subsidiaries	Certification
Kingsoft Office	<ul style="list-style-type: none"> • ISO 27001 Information Security Management System Certification • ISO 27701 Privacy Information Management System Certification • ISO 20000 Information Technology Service Management System Certification • Capability Maturity Model Integration CMMI Level 3 Certification • National Cybersecurity Classified Protection (Level 3) WPS Cloud Documents, WPS Account System, Kingsoft Teams and WPS Mail
Seasun Holdings	<ul style="list-style-type: none"> • Information System Security Classified Protection Certification (Level 3): Core website xoyo.com, JX Online III • Information System Security Classified Protection Certification (Level 2): Content management system of Seasun Holdings
Kingsoft Shiyou	<ul style="list-style-type: none"> • ISO 27001 Information Security Management System Certification • ISO 27017 Cloud Service Information Security Management System Certification • ISO 27018 Public Cloud Privacy Security Management System Certification • ISO 22301 Business Continuity Management System Certification • ISO 27701 Privacy Information Management System Certification • Information System Security Classified Protection Certification (Level 2)

Kingsoft Office has been certified by the ISO 27001 Information Security Management System and the ISO 27701 Privacy Information Management System Certification



RESPONSIBLE OPERATION (continued)

Season Holdings has been certified by the Information System Security Classified Protection Certification (Level 3)



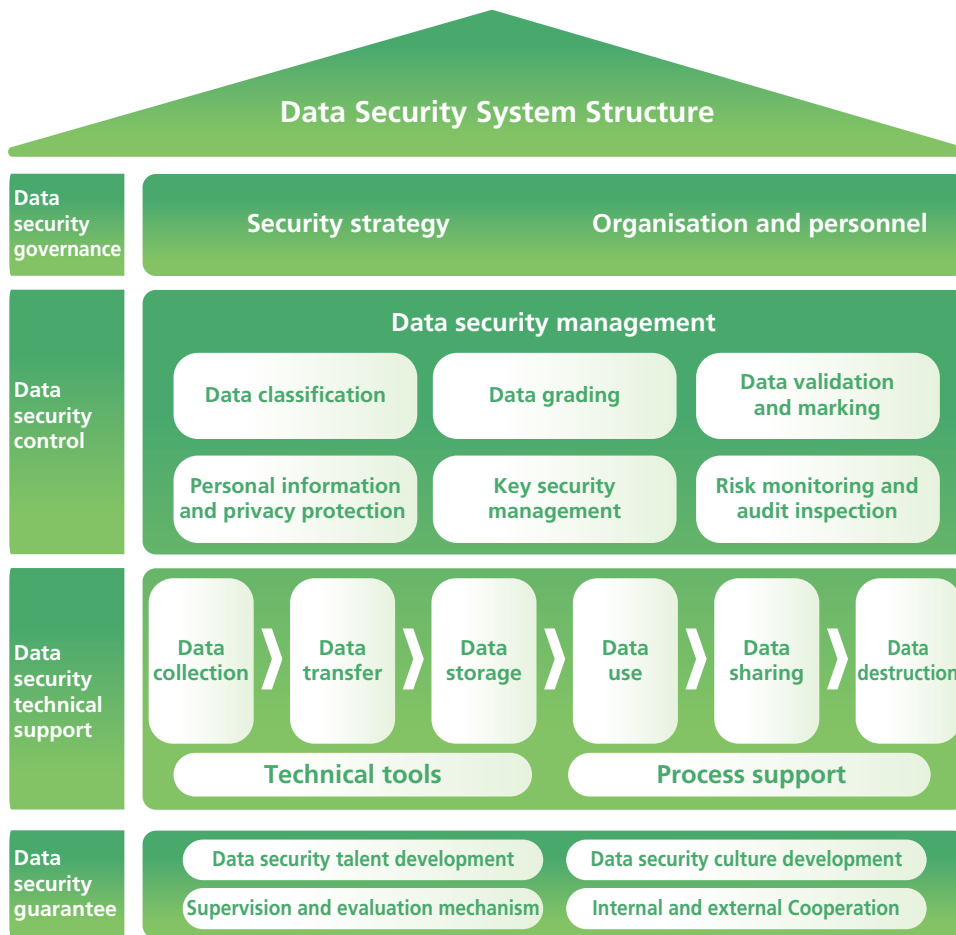
Kingsoft Shiyou has been certified by the ISO 27001 Information Security Management System and the ISO 27701 Privacy Information Management System Certification



RESPONSIBLE OPERATION (continued)

Data Privacy Protection Management System Throughout Life Cycle

We establish a data privacy protection management system throughout the full cycle from four aspects: data security governance, data security control, data security technical support, and data security guarantee. We carry out data security governance, under comprehensive security policies and a sound security management structure. We take measures such as data classification and grading, data validation and marking, and key security management for data security control. Meanwhile, we use targeted security technologies in all aspects of data processing to ensure data security throughout its life cycle. In addition, with the support of high-quality data security talents and a sound assessment mechanism, we actively build a security culture and pursue internal and external cooperation to safeguard data security in all aspects.



Data Security System Structure

RESPONSIBLE OPERATION (continued)

We fully respect that, users as owners of individual data, have the right to be informed, choose, access, copy, rectify supplement, and delete their individual data. By publicly disclosing the Group's the *Kingsoft Corporation Privacy Policy*¹, Kingsoft Office's *WPS Privacy Policy*, Seasun Holdings' *Kingsoft Online Privacy Policy*, *Kingsoft Network Service Agreement* etc., which cover all products and services under Kingsoft Office, Seasun Holdings, and Kingsoft Shiyou, we introduce to users how we collect, store, and use their personal information as well as the specific operation methods for them to access, look up, copy, rectify, supplement, and delete their personal information. We only collect personal information from users or players after they have opted-in to the Privacy Policy. Users or players can access, copy, rectify, add, delete their personal information, or close their accounts on the "Personal Centre" or "Account and Security" module of the official website, mobile, or user terminal of a product.

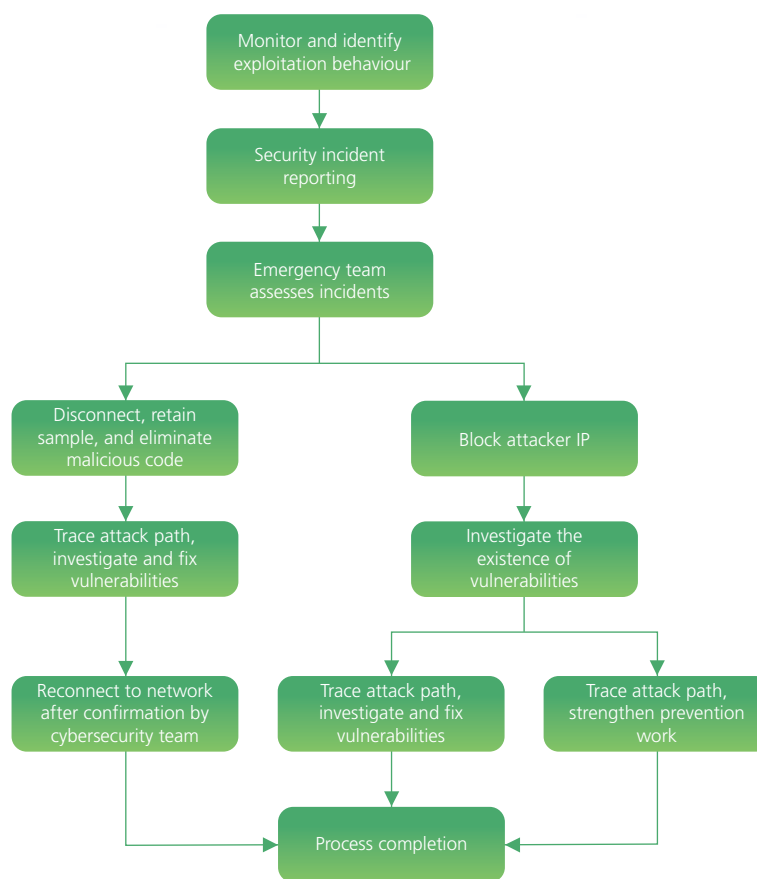
Accordingly, we have developed a security management process for data processing throughout its life cycle, including data collection, transmission, storage, use, sharing, and destruction, to protect users' data security in all aspects.

Data Life Cycle	Data Security Management Measures
Collection stage	We collect data in accordance with the principle of minimum and necessity and the relevant provisions of the privacy agreement, and do not collect personal data from third parties (unless otherwise required by laws and regulations).
Transmission stage	We encrypt data transmission channels and strictly control access to private data. We verify the data content before and after transmission to ensure its integrity, authenticity and availability.
Storage stage	We optimise our sensitive data storage system, and protect sensitive data using encryption algorithms. We also build our own security management platform, and regularly conduct penetration tests to timely identify information vulnerabilities and upgrade the system for protecting users' private information.
Use stage	We distinguish between production data and test data at the use stage, and strictly control the use scope of user data. Among them, the data access of departments and employees are determined based on their roles and responsibilities. The cross-departmental use of data should be controlled in accordance with the access whitelist of the department, and the data use by employees should be controlled in accordance with the provisions of the division of employees' responsibilities. In this way, the departments and employees are only allowed to access the information within the scope of their responsibilities, so as to minimise the potential security risks. In addition, we incorporate user information privacy security compliance into our employees' performance evaluation system to raise their awareness to protect user privacy.
Sharing stage	We take strict measures to limit access to third-party user privacy information. We ensure that all of our products and services will not rent, sell, or provide users' personal information with any companies, organisations and individuals outside of the Group, other than those that are necessary for the implementation of our services or functions. We have published a list of information sharing with third parties ¹ , which shows the major personal information we provide to the external parties and the accessed software development kits (SDK) provided by the third parties.
Destruction stage	Once a user or player requests to de-register his/her account, we will destroy or anonymise the data related to the account to ensure that the data cannot be recovered after destruction. We only keep users' personal information for the shortest period of time necessary, and in accordance with the requirements of relevant laws and legal regulations, user log information and records of technical measures for Internet security protection shall be retained for not less than 60 days; transaction information shall be retained for not less than 180 days.

¹ <https://privacy.wps.cn/policies/sdklists/wps-office>

RESPONSIBLE OPERATION (continued)

Moreover, we have established a multi-level risk defence mechanism to respond to privacy data leakage. We carry out proactive preventive measures, and simulate real attack scenarios through internal and external security attack and defence drills to identify and remediate potential security issues. We have developed a vulnerability management platform independently where the linkage between the platforms and devices can enable the system to perceive intrusion activities and send early alert. Besides, we have formulated the mechanism for responding to unexpected data leakage, including security contingency plans and contingency response processes. In accordance with the results, we conduct a serial action of reporting, researching and judging, prohibiting and restricting, tracking and repairing, and strengthening prevention. We promptly respond to and address the issue of data leakage efficiently, to minimise the related impact, thereby ensuring information system security and business continuity.



Contingency Response Mechanism

RESPONSIBLE OPERATION (continued)

Product Lifecycle Safety Management System

We have defined working standards for cybersecurity and information security focusing on product requirements analysis, design, development, testing, as well as deployment and maintenance. We require our Product Department to practice security concepts throughout the life cycle of our products, so as to further protect against the product information security risks and increase the resilience to recover from information security incidents.

Phase	Management measurement
Security requirements	At the requirements analysis stage, we regard the protection of users' privacy security as one of the important considerations in screening and confirming requirements. By reviewing the product use scenarios, we reject the requirements that may harm the Company's cybersecurity or users' privacy.
Security design	At the product design stage, we regularly carry out vulnerability scanning of design prototypes and assessment of potential security risks such as data leakage, and implement risk mitigation measures to minimise the possibility of information security incidents following the operation of the product.
Security development	At the product development stage, we verify the code input to effectively improve the security of product code. We also actively carry out code security audits and product initialisation code detection and other measures to identify the vulnerabilities and potential defects, trace and rectify the vulnerabilities in a timely manner, and proactively prevent the data leakage. We consider the use of encryption technology as one of the product development elements, requiring that encryption technology be used in the storage and transmission of product data. We also check for privacy compliance prior to the launch of our products to ensure that user privacy is effectively protected in the design and operation of our product information security systems.
Security testing	At the Quality Assurance (QA) testing stage, we carry out comprehensive security testing for our products, including baseline inspections and penetration tests, through the dual review methods of automatic computer system auditing and manual inspections. By doing so, we ensure that our products can identify illegal access and malware attacks in a timely manner, and improve our data leakage prevention initiatives.
Security maintenance	We deploy terminal detection and response tests, and regularly scan our products and their operating environments for security vulnerabilities. By identifying unauthorised access and other malicious attacks, we keep abreast of the cybersecurity situation and support our operations and maintenance teams in quickly responding to effectively prevent cybersecurity risks, including data leakage.

Security Training

The Group has clarified the general principles of employee training on cybersecurity and privacy protection in the *Kingsoft Information Security Management Specification*. Pursuant to such principles, the subsidiaries organise specific training on the basis of their business characteristics, in an attempt to enhance employees' cybersecurity and privacy protection awareness in an all-round way. We conduct cybersecurity and privacy protection training for all employees (including full-time employees, interns, part-time employees and third-party dispatched contractors) through information sharing, written propagation, online activities and offline courses to ensure that they comply with laws and regulations and internal policies related to cybersecurity and data privacy protection.

This year, Kingsoft, Kingsoft Office, Seasun Holdings and Kingsoft Shiyou carried out 13, 17, 29 and 11 training sessions respectively, with more than 8,000 participants, to foster employees' cybersecurity awareness, clarify the red lines of security, and popularise preventive measures.

RESPONSIBLE OPERATION (continued)

Security Awareness Month Posters



Joint Contribution to Security Ecosystem

We continue to improve our cybersecurity and privacy protection practices. Meanwhile, we actively cooperate with industry peers, technical experts and relevant organisations, and participate in a number of network information security themed activities. We strengthen industry exchanges to jointly address the challenges of cybersecurity and privacy protection, enhance our cybersecurity protection capabilities, and establish a security and protection network for the whole industry with mutual benefits, coexistence and common prosperity.

Subsidiaries	Activities
Kingsoft Office	Attended the "Large Model Innovation Application and Security Governance Conference" organised by Nanfang Media Group
	Attended the Cybersecurity Forum of the World Internet Conference
	Jointly organised the 2023 "Tianfu Cup" International Cybersecurity Contest
Kingsoft Shiyou	Attended Amazon Web Services re:Invent GAME Security Salon

RESPONSIBLE OPERATION (continued)

Prevention of Gaming Addiction

We strictly comply with relevant laws and regulations such as the *Law of the People's Republic of China on the Protection of Minors*, the *Cybersecurity Law of the People's Republic of China*, the *Measures of the People's Republic of China for the Administration of Internet Information Services*, the *Provisions on the Administration of Online Publishing Services*, the *Provisions on Ecological Governance of Network Information Content* and the *Regulations to Protect Minors in Cyberspace*, and actively respond to the *Notice on Preventing Minors from Becoming Addicted to Online Games*, the *Notice on Further Strict Management to Effectively Prevent Minors from Becoming Addicted to Online Games* issued by the National Press and Publication Administration, and policies on preventing game addiction of different countries and regions.

Seasun Holdings and Kingsoft Shiyou have applied the real-name authentication system in all of their game products to verify and confirm the age of the players. We use game anti-addiction facial recognition technology to verify player identity and prevent minors from entering the game under the guise of an adult. We take measures such as data encryption, real-time supervision and dynamic adjustment of management strategies to manage player information and biometric information used for age judgement of the account, thus strengthening the management of privacy information protection and avoiding the leakage of players' private information. In 2023, games of Seasun Holdings and Kingsoft Seasun Holdings continued to ensure the accuracy of identity verification and facial recognition, with the rate of blocking accounts where minors are suspected of impersonating adults reached 100%, and all these accounts were proved to be minor's accounts with no objection.

Seasun Holdings and Kingsoft Shiyou guide minors to play games in a reasonable and moderate manner by setting game time limits, consumption limits and guidance, game time reminders, and parental monitoring functions. The two companies also collect and analyse data on minors' gaming behaviours through data tracking and analysis technology to assess the effectiveness of anti-addiction measures, and to optimise and adjust the strategies to protect minors. In 2023, all the games of Seasun Holdings and Kingsoft Shiyou were equipped with an anti-addiction system.

In 2023, Seasun Holdings

The rate of blocking accounts where minors are suspected of impersonating adults reached

100%

Complaints on the identification results of minors' accounts received

0

RESPONSIBLE OPERATION (continued)

In July 2023, Season Holdings actively responded to the “New Era Youth Cyber Civilization Convention” issued at the China Cyber Civilization Conference. Focusing on cybersecurity and the building of cyber civilization, Season Holdings, in partnership with the Cyberspace Administration of Zhuhai Municipal Committee, the Civilization Office, and other governmental departments, hosted the Sixth “Journey to the West” Cybersecurity Public Welfare Summer Camp. This event was aimed at exploring “the importance of cybersecurity” and “the essence of gaming” with families of youths from across the country. The objective was to guide them to a correct understanding of the internet, enhance their awareness of cybersecurity precautions, comprehend the value of cyber civilization, and collectively foster a healthy and clean cyberspace.

The Sixth “Journey to the West” Cybersecurity Public Welfare Summer Camp



Product Quality

Adhering to the Group’s core operation tenet of “user-oriented”, Kingsoft Office, Season Holdings, and Kingsoft Shiyou have established sound quality management systems to continuously improve the product quality, thus providing users with high-quality and reliable products and services.

Kingsoft Office has founded the Quality Committee, which is responsible for the overall quality control and management of the products, and the President Office of Kingsoft Office leads the quality inspection on new products to ensure the high-quality delivery.

RESPONSIBLE OPERATION (continued)

This year, Kingsoft Office optimised product quality assurance measures to provide users with superior products.

Optimised Objects	Product Quality Assurance Measures	Outcomes
Product Performance on mobile terminals	Promoting software cold start ² acceleration	Increased the average cold start speed by 54.89% for key frequent usage scenarios such as document editing, sharing and collaboration.
	Improving software compatibility	Improved the compatibility and stability of the embedded tables and mathematical formulas in the software.
Product Performance on Computer terminals	Introducing large AI models ³	Enabled assistance in efficient and accurate quality assessments at the product testing stage to identify and fix potential problems in a timely manner.
	Optimising quality monitoring access control systems ⁴	Added multiple quality monitoring parameters, covering code review, unit testing, integration testing, and system testing, to achieve strict monitoring of the quality and stability of software products.
	Upgrading the automated development system ⁵	Reduced manual intervention in the product development process to improve product reliability and stability.

Seasun Holdings has formulated the *Product Quality Evaluation Standards*, which specifies the quality standards including game stability, security, and user experience. Besides, Seasun Holdings formed the quality management structure, comprising a Project Review Committee, an Integrated Game Development Department, and a Quality Centre. In particular, the Project Review Committee, consisting of the CEO, vice president, and heads of all platforms, manages and supervises the development progress and service quality of Seasun Holdings' products. The Integrated Game Development Department and the Quality Centre are in charge of the management of product quality at all stages of the project development process.

All projects of Seasun Holdings can only proceed after being unanimously approved through quality review in accordance with the *Product Quality Evaluation Standards*. For projects that do not meet the standards, the Integrated Game Development Department of Seasun Holdings will report the problems to the project team as well as the Project Review Committee, and urge relevant departments to rectify, to guarantee the quality of products and services.

2 Software cold start refers to the time interval between the initiation of an application for the first time.

3 Large AI models refer to the AI models with high complexity and generalisation capabilities constructed through training using large-scale datasets and powerful computing capabilities.

4 Quality monitoring access control refers to a series of quality control checkpoints established in the software development process. Only products that meet specific standards and requirements are allowed to pass these checkpoints and move on to the next stage of development.

5 Automated development system refers to automated software development processes such as automated testing, automated deployment, and automated monitoring.

RESPONSIBLE OPERATION (continued)

This year, Season Holdings optimised its product quality control platform to enhance the operational stability of products.

Optimised Objects	Measures for Product Quality Assurance	Outcomes
Product quality control platform	Upgrading the automated daily monitoring testing platform ⁶	Significantly improved product testing efficiency, reduced maintenance time, and helped developers identify and fix problems more quickly and accurately.
	Upgrading the data collection platform performance for public internet ⁷ customers	Optimised the database infrastructure, significantly improved the performance of data analysis, and achieved the ability to complete data analysis at 100 million level in seconds.
	Optimising the automated testing system for overseas localised content	Enhanced text language, data format, and peripheral configuration to align accuracy according to the requirements of different regions and markets, and introduced AI smart review tools to improve testing efficiency.

Season Holdings has carried out special trainings on optimising product quality capabilities for all employees of the Quality Centre, e.g., providing training based on the application optimisation of the Unity3D engine⁸ technology to improve employees' skills in game production and rendering. In addition, Season Holdings' Quality Centre has carried out sharing of the application of memory-based bandwidth optimisation⁹ technology, with the aim to optimise the running speed of the game.

This year, the Quality Department of Season Holdings carried out more than 30 internal training sessions on quality work, with more than 400 participants in total.

Kingsoft Shiyou also guarantees the stability, smoothness and safety of the products through the quality management of the entire process and multiple rounds of review mechanism. Kingsoft Shiyou has set up a special Quality Management Department, which is responsible for product quality review in technology, security and other aspects, and conducts real-time follow-ups on project initiation, development and testing, to promote the coordinated cooperation among various departments. The Quality Management Department sets up daily and weekly targets in accordance with various standards, regularly reviews and communicates with each department on the project progress. Projects that do not meet the standards are required for timely rectification, so as to ensure that the projects are launched and operated on schedule with high quality.

This year, Kingsoft Shiyou improved the existing product quality management measures and conducted training on employee competence enhancement to continuously improve product quality.

Optimised Objects	Measures for Product Quality Assurance	Outcomes
Product quality control platform	Upgrading the automated daily monitoring testing platform	Significantly improved product testing efficiency, and helped developers identify and fix problems more quickly and accurately.
	Building a platform to collect performance data at the extranet client side	Captured consumer experience and needs through collecting and analysing performance data at the extranet client side, analysing product performance indicators such as game image quality and running speed to better optimise the products.

⁶ Automated monitoring testing platform refers to a software system used to perform automated tests.

⁷ Public internet refers to only using the external network of the company.

⁸ Unity3D engine refers to real-time 3D comprehensive multi-platform game development tool.

⁹ Memory bandwidth refers to the data volume that memory transfers over the bus per unit time.

RESPONSIBLE OPERATION (continued)

Service Excellence

We strive to acquire an in-depth understanding of users' needs to continuously optimise the functional design of our products and services. We rely on our excellent professional service team to provide users with a quality service experience.

We strictly abide by laws and regulations such as the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests* and the *E-Commerce Law of the People's Republic of China*. Kingsoft Office has formulated the *Complaints Handling Process Specification for Kingsoft Office Customer Service Department*. Seasun Holdings has developed the *Criteria on Verifying Praise for Customer Service on Enterprise WeChat Account*, the *Complaints and Praise Handling Procedures Specification of Seasun Customer Service Department*, and the *Rules for Quality Assessment*, and revised the *Measures for Handling High-Risk Complaint Cases*. Kingsoft Shiyou has improved the *Basic Service Standard Process Specification of Kingsoft Shiyou Customer Service Department* and the *Complaints and Praise Handling Procedures Specification of Kingsoft Shiyou Customer Service Department* and other policies, all of which are aimed to standardise the customer service management.

This year, Kingsoft Office, Seasun Holdings and Kingsoft Shiyou conducted customer satisfaction surveys and established complaint database, systematically collecting, summarising and analysing users' feedback and complaints, in order to improve complaint handling process. In addition, we attentively analyse our customers' experience with our products and services as well as any related suggestion from the result of the analysis, and we regularly share the outcome of our studies with the R&D department on the product end. By probing into customer complaints for key issues in optimization of products and services, we provide feedback to product R&D to satisfy the diversified requirements of our customers.

Kingsoft Office opens diverse channels for handling user complaints, including 400 hotlines, WeChat account, email, and user feedback platform. For issues that require continuous follow-up, we have established a real-time feedback platform for users and customer service personnel, and update user complaints to the customer service personnel in real time. We also synchronise the progress of product complaint handling and service to users simultaneously to improve communication efficiency and accelerate complaint handling. In addition, Kingsoft Office has added a new complaint handling procedure based on the features of each channel, including:

- Appoint a social media complaint response specialist to proactively respond to feedback from users of domestic mainstream social media platforms.
- Set up a direct response mechanism to provide the top-priority response to complaints deemed major or urgent. Form an effective coordination with business departments to solve complex complaints and improve user satisfaction.

RESPONSIBLE OPERATION (continued)

During the year, Kingsoft Office organised several offline user exchange sessions to communicate with users face-to-face about their product experience and expectations. We collected users' voices in detail via the exchanges to provide strong support for the continuous optimisation and iteration of our products.

Offline User Exchange Sessions by Kingsoft Office



Seasun Holdings has opened channels for handling user complaints, including hotline, email, WeChat account (dedicated customer service agent) and online platforms. Seasun Holdings has set up an automatic submission channel for complaint forms on its official website, WeChat official account and in games to ensure timely and comprehensive response to players' demands. Seasun Holdings provides players with game guidance through Enterprise WeChat Account and creates group chats for players to help them deal with technical problems in a direct and quick manner.

In 2023, Seasun Holdings held a variety of offline activities to maintain a good relationship with players.

Players Offline Activities by Seasun Holdings



RESPONSIBLE OPERATION (continued)

In addition to a variety of communication channels such as hotlines, e-mails and Enterprise WeChat Account, Kingsoft Shiyou has also set up intelligent customer service windows in the games, official websites and WeChat account to guarantee timely response to players' needs. Moreover, Kingsoft Shiyou has set up online group chats for players to improve the communication efficiency between the customer service team and the players so as to better understand the needs of the players.

During the year, Kingsoft Shiyou organised various offline activities for players, providing them with the opportunity to communicate face-to-face with Kingsoft Shiyou's operation and planning teams. This enables the players to have an in-depth understanding of the game's development background and production process, and enhances Kingsoft Shiyou's relationship with the players.

Players Offline Activities by Kingsoft Shiyou



During the reporting period, Kingsoft Office received a total of 679 complaints¹⁰, the average time for closing a complaint¹¹ was 11.5 hours and 100% of the complaints were handled. Season Holdings received a total of 2,604 complaints¹², the average time for closing a complaint¹³ was 15.8 hours and 100% of the complaints were handled. Kingsoft Shiyou received a total of 314 complaints¹⁴, the average time for closing a complaint¹⁵ was 14.25 hours and 100% of the complaints were handled.

- 10 Complaints against Kingsoft Office include discontent over the products, technologies and service quality, and requests for solutions or claims.
- 11 The "average time for closing a complaint" of Kingsoft Office is the average duration for handling a complaint which starts when a user raises a complaint and ends when the complaint is handled.
- 12 The complaints against Season Holdings contain feedback on products and customer service.
- 13 The "average time for closing a complaint" of Season Holdings is the average duration for handling a complaint which starts when a user raises a complaint and ends when the complaint is handled.
- 14 The complaints against Kingsoft Kingsoft Shiyou contain suggestions on products and customer service, as well as requests for compensation.
- 15 The "average time for closing a complaint" of Kingsoft Kingsoft Shiyou is the average duration for handling a complaint which starts when a user raises a complaint and ends when the complaint is handled.

RESPONSIBLE OPERATION (continued)

In 2023, Kingsoft Office

Complaints received

679

Average time for closing a complaint was

11.5 hours

Complaints handled

100%

In 2023, Seasun Holdings

Complaints received

2,604

Average time for closing a complaint was

15.8 hours

Complaints handled

100%

In 2023, Kingsoft Shiyou

Complaints received

314

Average time for closing a complaint was

14.25 hours

Complaints handled

100%

Based on the business characteristics, the subsidiaries provide regular trainings for customer service team. This ensures that the staff fully understand and comply with relevant laws and regulations and internal management provisions to enhance the efficiency of complaint handling. The Group regularly conducts various weekly trainings for customer service staff on topics such as product knowledge, problem-solving and complaint-handling methods, emotion management and stress response, and the application of efficient service tools. Trainings are carried out in forms of offline lectures by internal complaint handling experts, courses on online learning platforms, simulation exercises for customer service teams, one-on-one coaching for new employees, and simulated complaint handling exercises. Meanwhile, we regularly summarise typical cases and conduct complaint handling drills. This improves team members' ability to deal with complex and difficult complaints and enhances user satisfaction. In addition, to fully optimise the service quality of our customer service staff and expand our services, we have carried out training on community operation, user research and other extended customer service capabilities.

RESPONSIBLE OPERATION (continued)

Training for Kingsoft Office Customer Service Team



Extended Training for Seasun Holdings Customer Service Team



During the reporting period, the customer satisfaction rate¹⁶ of Kingsoft Office reached 97.35%, which is 0.85% higher than last year. The customer satisfaction rate of Seasun Holdings for the hotline channel¹⁷ reached 95.59%, reached 93.26% for the online channel, which is 5.75% higher than last year; the customer satisfaction rate of Kingsoft Shiyou for the hotline channel and online channel¹⁸ reached 94.77% and 87.84% respectively, 1.31% and 1.76% higher than last year.

16 "Customer satisfaction rate" of Kingsoft Office covers "service items" related to customer service and "non-service items" related to product quality.

17 "Hotline satisfaction rate" and "online channel satisfaction rate" of Seasun Holdings cover "service items" related to customer service and "non-service items" related to product quality.

18 "Hotline satisfaction rate" and "online channel satisfaction rate" of Kingsoft Kingsoft Shiyou cover "service items" related to customer service and "non-service items" related to product quality.

Product Innovation

Integrating ESG into Products and Services

Relying on the ESG genes of the Group's products and services, we have embedded the concepts of green, low-carbon and social responsibility into our product development and innovation processes and worked with our industry chain partners to achieve sustainable development. Kingsoft Office is committed to helping enterprise customers realise digital transformation, enriching online office software usage scenarios, reducing the use of paper generated by users in business operations, and expanding online communication functions to reduce the consumption of energy and resources generated by users' offline offices and commuting. Kingsoft Office also continues to promote product innovation, actively planning green products and functional matrices, and has developed the artificial intelligence application "WPS AI" to provide users with services such as content creation and data processing, helping users to start an intelligent office. Kingsoft Office and Huazhong University of Science and Technology jointly developed the Monkey multimodal model, and the research and development results were accepted by CVPR 2024, the top international conference in the field of artificial intelligence. In the future, Kingsoft Office will continue to explore the application of AI in more scenarios to help enterprises improve online office efficiency.

We also actively undertake the mission of promoting traditional culture, expanding the form of cultural dissemination by combining digital technological innovation in games, enhancing players' understanding of traditional Chinese culture, and refreshing players' imagination of oriental culture. Season Holdings' JX Online III incorporates traditional Chinese ink painting into the design of the game scene's light and shadow effects to popularise the characteristics of traditional art painting among players and creates the "Sky Street Lantern Fair • Bright Night Warm Lanterns" lantern festival scene to create a traditional festive atmosphere. In the future, Season Holdings will continue to lay out the overseas market, using the game as a cultural carrier to spread Chinese stories and Chinese culture to the rest of the world.

Protection of Intellectual Property Rights

The Group highly values the protection of intellectual property rights. We strictly abide by national laws and regulations, such as the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, the *Anti-Monopoly Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*. We have revised 8 policies related to intellectual property rights, such as the *General Rules for Management of Intellectual Property Rights*, the *Provisions on the Management of Trademarks*, the *Provisions on the Management of Copyrights*, and the *Provisions on the Management of Patents*. At the same time, we have refined the principles for handling intellectual property rights in internal and external collaborations to improve the Group's intellectual property management.

To safeguard its intellectual property rights, the Group has established a mechanism for the protection of licensed and sub-licensed intellectual property rights. Meanwhile, we have also formed a professional intellectual property protection team, and continuously strengthen the ability of team members to discover, analyse and manage intellectual property rights. All departments of the Group are required to obtain legal authorisation if they need to use any resources and files such as software, fonts, pictures, audio and video involving external intellectual property rights in their operations.

The group has built a comprehensive and efficient intellectual property management system and information system, standardising the management of patents, trademarks, copyrights, and domain names. Season Holdings' IP assets have been fully digitized and stored in the cloud, enhancing the convenience and efficiency of the company's IP management. The IP team regularly conducts inventory checks and real-time monitoring to minimize the risk of significant IP asset loss due to human error.

While protecting its own intellectual property, the Group also fulfils its corporate social responsibility, aiming to drive social development and industry sustainable growth, maintaining a stance of promotion, openness, and mutual benefit, and supporting industry enterprises to grow together. In 2023, the Group hosted several IP protection exchange events, sharing insights on high-quality IP development, management experience, and risk prevention with industry peers, providing frontline industry examples for reference.

RESPONSIBLE OPERATION (continued)

Case: Build a Better Ecosystem for the Industry with Kingsoft Intellectual Property Day

During the 2023 “World Intellectual Property Day”, the Group and its subsidiaries held the “Kingsoft Intellectual Property Day” to share a range of experiences and insights on intellectual property protection, including the building of an intellectual property management system and discuss the challenging issues in the internet industry. Participants mainly included intellectual property practitioners from electronic and software enterprises, staff from intellectual property law firms and agencies, as well as corporate legal personnel. The event further promoted the intellectual property culture with the core concepts of “Respect Knowledge, Advocate Innovation, Honesty and Compliance”. With the event, we advocate that innovation subjects in various industries proactively protect their rights by the law, and work together to build a better ecosystem for the industry.

Site of “Kingsoft Intellectual Property Day”



When incidents of infringement on intellectual property rights occur, our rights can be protected in various ways, including but not limited to proper legal means like legal letters to the infringers, complaints to third-party platforms, reports to the Administration for Market Regulation, and civil litigation. Meanwhile, the Group is committed to urging users to value their intellectual property rights. Specifically, we constantly update user agreements, and remind users not to infringe upon legitimate rights of others via user agreements, official websites, announcements, etc. Any infringement content to the users will be promptly deleted and blocked based on laws and regulations.

Kingsoft Office cooperates with various departments to conduct daily investigation and monitoring of infringement situations, and timely collect evidence to protect rights when corresponding clues are discovered. For infringement to users, Kingsoft Office receives complaints of infringement from users via telephone, email and other channels. Then Kingsoft Office guides users to defend their rights in accordance with laws, regulations and its articles of incorporation, so as to safeguard their rights and interests.

RESPONSIBLE OPERATION (continued)

Seasun Holdings and Kingsoft Shiyou have issued special risk tips on infringement of fonts and other materials, and assisted the intellectual property department in identifying and rectifying infringements of user content. Employees are required to ensure that copy, materials, fonts, and other elements used in operations are obtained from legal and compliant sources, without infringing on others' prior rights, enhancing employees' awareness of compliance and legality. Additionally, regular monitoring and rectification of copyright infringement in user-generated content are conducted. If any infringement is confirmed, the two will immediately update or take down the material and take measures to deal with users who constitute infringement, such as banning accounts.

Kingsoft Software and its subsidiaries have been recognized as enterprises with intellectual property advantages, intellectual property demonstration units, and pilot units for many years. In 2023, Kingsoft Office obtained the standard certification of the National Enterprise Intellectual Property Management System (GB/T29490-2013), and was awarded a number of intellectual property-related honours, including the Excellence Award of the 10th Guangdong Patent Award, the title of Outstanding Entity in Intellectual Property, and the title of Beijing Intellectual Property Model Entity. In 2023, Seasun Holdings Zhuhai Kingsoft Digital Network Technology Co., Ltd. and Zhuhai Seasun Holdings Digital Technology Co., Ltd. were both awarded the Top 50 Enterprises with Patent Capacity in Zhuhai Hi-tech Zone.

Patent Management

The Group has formulated internal systems such as the *Patent Management Regulations*, the *Policy on Patent Bonus*, the *Kingsoft Office Patent Application System*, the *Kingsoft Office Patent Reward System*, the *Seasun Holdings Patent Management System*, the *Incentive System for Patent Achievement* and the *Kingsoft Shiyou Patent Award and Innovation Incentive Prize Management Regulations*. This incentivises our employees to engage in technological innovations and develop a sense of patent protection.

Prior to the initiation of product research and development, the Group conducts patent literature searches and analysis to avoid redundant research and the risk of infringement. Additionally, we utilize the rules of the patent system to propose technology routes and technical solutions that are likely to maximize market benefits. An overall patent layout plan is developed based on a comprehensive technology inventory combined with the analysis reports. We carry out patent application management on a tiered basis, aiming to enhance core competitiveness, with particular focus on exhaustive patent mining and layout for key core technologies in our field. Seasun Holdings publish the *Patent Bulletin* to introduce policy trends, industry information, patent coverage and patent application methods to our employees, so as to enhance the expertise in protecting R&D achievements.

As at 31 December 2023, the total number of domestic and international patents granted to the Group was 1,107.

In 2023

The Group applied for

1,107 patents

RESPONSIBLE OPERATION (continued)

Trademark Management

The Group has formulated systems such as the *Trademark Management Regulations*, *Regulations on the Management of Licensed Trademarks*, and the *Regulations on the Management of Kingsoft Office's Trademark Enquiry and Registration*. In this way, the Group has established a complete management process for the internal use, licensing and transfer of trademarks, and carries out self-examination of trademark using on a regular basis. In addition, the Group also inspects and rectifies the improper use of trademarks for its domestic products, official websites and media accounts, conducting trademark compliance investigation, to ensure the correct use of trademarks for public and to prevent the risk of trademark infringement.

The Group has established management processes for trademark usage, licensing, and transfer of trademarks, while also enhancing the supervision of trademarks compliance among licensed companies. Licensed companies are required to regularly report how they manage their use of trademarks, conduct quarterly self-inspection and cooperate with the Group in spot check and recheck. At the same time, we have also standardized the trademark application, usage, and management of third-party enterprises, such as advertising partners. We have established a trademark database for daily inspection and monitoring of infringement. To prevent incidents of non-compliance in the use of trademarks, the Group has further optimized the external trademark licensing process, stipulating that the release of the Kingsoft Software-related logos must comply with company standards and contractual agreements.

As at 31 December 2023, the Group had a total of 5,010 domestic and overseas registered trademarks, registered trademarks covering a total of 144 countries or regions.

In 2023, the Group
registered trademarks
worldwide

5,010

covering countries and regions
around the world more than

144

Advertising and Governance of Contents

The Group continues to improve its advertising compliance and content safety management system, as well as its vetting and monitoring systems and processes. For example, we adopt a combination of advanced technical tools such as OCR (Optical Character Recognition) modelling technology and manual review to strengthen the inspection for improper information, and are committed to preventing and reducing such information at source. We also conduct staff training to create a healthier ecosystem for online contents and endeavour to protect the rights and interests of each user.

Advertising Compliance

The Group rigidly follows relevant laws and regulations such as the *Advertising Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, and the *Measures for the Administration of Internet Advertising*. The Group has formulated the *Measures for the Approval and Administration of Public Promotion* and the *Media Management Standard*, *Measures for the Approval and Administration of Documents*, the *Compliance Management System for Publicity of Kingsoft Office*, the *Media Management Standards of Seasun Holdings*, and the *Measures for the Approval and Administration of Kingsoft Shiyou's Publicity Scripts*. This further clarifies the review scope, writing standards, approval requirements of publicising promotional documents, duties of approval departments, accountability and punishments to ensure authenticity, accuracy, verifiability and non-misleading nature of these documents.

RESPONSIBLE OPERATION (continued)

Our advertising compliance review team comprising the Legal Department, the Board Secretary's Office and the Brand Culture Department coordinates advertising management and approval. The marketing department, launch team, design team, operation department, operation and maintenance department of each subsidiary assist in the management and approval to strictly regulate advertising and publicising activities. The Group follows a review process of "early review — process review — post-event inspection":

- Prior to advertising, the Legal Department is mainly responsible for reviewing the legality of promotional materials. The Board Secretary's Office mainly evaluates if the proposed promotional materials contravene any requirements of the Listing Rules. The Brand Culture Department carefully reviews if the documents align with our overall brand strategy.
- During the release of advertising, we keep monitoring and taking serious punitive measures against those behaviours and personnel who violate the policies for publishing promotional materials without approval in accordance with applicable policies.
- After the release of advertisements, the Group conducts unscheduled self-inspection and self-correction of the contents of published advertisements. For complaints about the contents of advertisements, we promptly investigate and provide feedback, and deal with the risky contents like false and illegal advertising in time.

To raise awareness of advertising compliance among staff, Kingsoft Office has made external publicity compliance a key topic in new employee training and R&D security training. Also, Kingsoft Office shared knowledge of advertising compliance through its internal training platforms such as "Xiao Zhi Shuo". Seasun Holdings and Kingsoft Shiyou have organised compliance training for contents and advertising like We Media copyrights to ensure that employees fully understand and comply with advertising related regulations and corporate rules.

Content Security

We strictly abide by the *Cybersecurity Law of the People's Republic of China*, the *Administrative Measures for Internet Information Services*, the *Provisions on Ecological Governance of Network Information Content*, the *Provisions on the Administration of Online Publishing Services* and other relevant national laws and regulations. Each subsidiary has formulated the *Kingsoft Office Information Security Management Manual*, the *Kingsoft Office Information Security Public Opinion Management Policy*, the *Seasun Holdings Internal General Audit Outline*, the *Kingsoft Shiyou Game Internal Audit Management Policy*, the *Kingsoft Shiyou Editorial Responsibility Policy*, and the *Kingsoft Shiyou Internal Audit and Accountability Policy*. These documents clarify the management framework, information audit rules and processes for the content security and public opinion management systems of each subsidiary, ensure that the content of the products complies with relevant national laws and regulations. We consciously resist content that jeopardises national security, incites terrorism, discrimination, violence, pornography, vulgarity, fraud, and gambling, and maintain a healthy network content ecology.

Kingsoft Office encourages users to report any improper information they find during their use of the product. We set up a one-click reporting portal in our product terminals, and publish the contact number and email address for reporting on our official website. At the same time, we arrange customer service personnel to promptly verify and handle reported issues, and inform users of the resolution results, ensuring the problem is effectively resolved.

Seasun Holdings has established a content security management system. The Company's Operation and Distribution Department monitors public opinion, each product operation team formulates content security auditing standards, the Decision-making Analysis Department provides data analysis support, the User Service Centre is responsible for daily inspections and handling reports of violations, the Legal Department offers legal opinions and audit announcements, and the HR and Publicity Department is responsible for game content review and training. All departments report on content security management to the CEO on a regular basis.

RESPONSIBLE OPERATION (continued)

Seasun Holdings has established a content review system featuring “AI Machine Review + Manual Inspection + Manual Review + Report Complaints Handling + Special Cleanup”, and introduced a third-party professional team to provide professional support on the audit and monitoring of all user inputs and releases, such as public user information and released contents, to strengthen the identification and filtration of improper contents 24 hours a day. Seasun Holdings has established reporting channels and a handling mechanism to encourage players to report improper information and handle the reported information in a timely manner. Seasun Holdings has set up a reporting platform for malicious behaviour in the game, and complaint portals in both the game interface and the player community software. The User Service Centre accepts and reviews the content of the violations reported by the users, takes measures to deal with the non-compliant accounts, and comprehensively clears up the improper information that is illegal and negative.

Kingsoft Shiyou has established a content security management framework consisting of a Content Security Taskforce, a Content Security Review Team, and a Technical Team. The Content Security Taskforce consisting of the heads of the Content Security Department, Operation Department and related departments, is responsible for planning and guiding reviews to ensure the implementation of the content security strategy. The Content Security Review Team consisting of security risk control and game review experts, is responsible for carrying out specific review tasks. The Technical Team consisting of technical operation and maintenance experts, is responsible for developing, optimising and maintaining the review system, providing technical support and guarantee to ensure content security.

Kingsoft Shiyou adopts the content review management system of “AI Machine Review + Manual Recheck + Manual Inspection + Periodic Review”. After the initial screening of in-game text, voice and image content by the AI system, the content that cannot be accurately judged will be automatically transferred to the manual review session to ensure the accuracy of content review. We also regularly organize each project team to conduct periodic review screening for newly identified risk to ensure content safety throughout the entire cycle. Kingsoft Shiyou products set up acceptance channels for game content security, including in-game reporting, manual customer service, unique mailboxes and web portals. Upon receiving reports or complaints, Kingsoft Shiyou will verify and handle the issues within 24 hours to ensure prompt and effective resolution. Non-compliant accounts with improper contents are banned, frozen, and deleted by Kingsoft Shiyou in a timely manner.

Business Ethics

The Group consistently adheres to the business ethics of fair transactions, mutual trust and benefit, and transparency and openness, practising the concept of honesty and integrity in all business dealings, and safeguarding the sound and healthy development of the enterprise. We also stick rigidly to the *Company Law of the People's Republic of China*, the *Anti-Monopoly Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Interim Provisions on Banning Commercial Bribery* and other applicable laws and regulations. And we formulate several policies and administrative measures, including the *Punishments Regulations of Kingsoft on Negligence and Pretermission for Leaders*, the *Regulations on the Administration of Rebates of Kingsoft* and the *Regulations of Kingsoft on the Management of Whistle Blowing and Complaints*, which cover anti-corruption, prevention of conflict of interests, anti-monopoly, anti-money laundering, prevention of insider trading, protection of whistleblowers, prevention of business secrets leakage and other aspects to actively cultivate the corporate culture of integrity.

The Group has established a three-tier business ethics management system consisting of the audit committee under the Board of Directors, the Internal Audit Department, and the business departments and the functional departments. Among these, the Audit Committee, the highest governing body in terms of business ethics, is responsible for oversight corruption cases, monitoring the implementation of business ethics, and reporting to the Board of Directors on the management of business ethics annually. The Internal Audit Department is mainly responsible for coordinating, supervising and guiding the implementation of business ethics within the Company, including business ethics audits, business ethics training and other special initiatives related to business ethics. It is also works with various business departments and functional departments to carry out business ethics management.

RESPONSIBLE OPERATION (continued)

The Group has formulated a business ethics management process. The Internal Audit Department is responsible for auditing business ethics compliance, tracking and auditing the whole process of the project, as well as supervising the implementation of the Company's business ethics to ensure the effective operation of the business ethics management system. The Internal Audit Department conducts comprehensive business ethics audits of the Group's various businesses and all personnel every three years through interviews, on-site observations, and review of documents and records. By doing so, it ensures that all businesses comply with the standards of business ethics and compliance, and that corruption, extortion, bribery, conflicts of interest and unfair competition are strictly eliminated.

In 2023, the Group did not have any corruption and bribery cases filed and concluded against the Company or our employees.

Conducts comprehensive business ethics audits of the Group's various businesses and all personnel every three years.

The Group has set up a variety of available reporting and escalation channels, including email, reporting hotline, reporting mailbox, and the integrity module on our official website. We encourage entities or individuals to report, publicly or otherwise, any behaviours violating national or local laws and regulations as well as the rules and policies of the Group to our Internal Audit Department, including bribery, solicitation of bribes, providing or accepting gifts or entertainment in violation of regulations, misappropriation of benefits, use of authority for personal gain, false reimbursement, conflict of interest, financial malpractice, and disclosure of confidential information of the Company.

The integrity module on the official website of the Group

廉洁平台



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4. 虚报报销；
5. 利益冲突；
6. 职务舞弊；
7. 泄密、提供公司保密信息的。

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RESPONSIBLE OPERATION (continued)

Anonymous reporting is available to protect whistleblowers. We maintain strict confidentiality of whistleblowers' information such as their identities, contact details and reporting matters, so as to ensure that they will not be retaliated due to legal reporting, including dismissal, demotion, suspension, intimidation, harassment and other unfair treatment. In 2023, there were no corruption or bribery cases filed and concluded against the Group or our employees.

To implant integrity across the Group, we organised a series of business ethics trainings to foster a culture of integrity and fairness in the workplace.

- Training for all employees: The Group has incorporated business ethics training into the training program for all employees, and has conducted business ethics training for all categories of employees (fulltime employees, interns, part-time employees and outsourced or third-party dispatched employees) through online courses and offline training. In 2023, we conducted multiple trainings related to business ethics such as anti-corruption and integrity promotion, and required our employees to sign the *Integrity Pledge*.
- Training for Board of Directors: We provide business ethics training to all Directors and raise their awareness of business ethics compliance through quarterly publicity at meetings of the Board of Directors and relevant training materials.

The Group has incorporated business ethics training into the training program for all employees, and has conducted business ethics training for all categories of employees (fulltime employees, interns, part-time employees and outsourced or third-party dispatched employees).

We also focus on suppliers' integrity management, requiring them to sign the *Letter of Commitment Relating to Supplier Integrity* ("the Letter") and strictly manage our suppliers by the *Supplier Management Standard*. We require suppliers shall take business ethics management measures to prevent related persons from violating any laws and regulations of anti-bribery, anti-corruption, anti-money laundering, as well as policies of the Group related to business ethics. In 2023, We convey our commitment to ethical compliance to our suppliers both verbally and in writing, informing them of our procurement system, processes, and guidelines. Additionally, we encourage suppliers to uphold social responsibilities and acquaint them with our anti-corruption policies and reporting procedures. We will prioritize collaboration with suppliers who have signed the Letter. In addition, we conduct trainings on business ethics to our suppliers, perform regular audits and monitoring of their ethical performance, and evaluate the compliance of all suppliers with relevant management standards.

Supply Chain Management

The Group strictly abides by relevant laws and regulations such as the *Bidding Law of the People's Republic of China* and the *Regulation on the Implementation of the Bidding Law of the People's Republic of China*. The Group formulates and implements relevant management standards, including the *Specification on the Group's Purchasing Management*, the *Group's Supply Chain Purchasing Management*, the *Supplier Management Policy of Kingsoft Office*, the *Procurement Contract Management Policy of Kingsoft Office*, the *Procurement Control Procedure of Seasun Holdings*, and the *Kingsoft Shiyou's Purchasing and Supply Chain Process Management*. To strengthen the management of suppliers, standardize procurement practices, maintain market order, ensure the quality of procurement, and protect the legitimate rights and interests of suppliers, the Group will release the revised *Kingsoft Supplier Management Standard* in 2024. This will ensure that the supervision of our suppliers is conducted in accordance with the law and regulations. We implement management measures to investigate, onboard, evaluate, and offboard suppliers at multiple stages, assessing environmental and social risks based on the principles of openness and transparency, appropriate punishment, tiered management, information sharing, and unified standards. Under equal conditions, we give priority to collaborating with suppliers that excel in sustainable development, ESG (Environmental, Social, and Governance) progression, human rights, occupational health, green practices, climate initiatives, environmental protection, privacy and data security, anti-corruption and anti-bribery, anti-discrimination, poverty alleviation, and public welfare. We are committed to procuring eco-friendly electronic equipment, prioritizing servers and switches with the China Environmental Labelling certification, and favouring the rental of data centres with environmental certifications, so as to jointly promote green procurement practices and build a sustainable supply chain.

- At the stage of supplier admission and engagement, we will conduct qualification audits on all potential suppliers, including product inspection reports, solutions for green and sustainable development, solutions for privacy and data Security and compliance with business ethics. We aim to fully understand and assess the environmental and social risks of suppliers, and ensure that the qualifications of suppliers are in line with the Company's requirements.
- In the supplier evaluation stage, our evaluation of suppliers is divided into daily satisfaction assessments and regular comprehensive evaluations. Periodic comprehensive evaluations examine suppliers' performance in terms of price, quality, delivery, after-sales service and warranty, and other aspects. Additionally, the company places particular emphasis on suppliers' green and sustainable development solutions. This includes policies and systems covering climate change, water resources, waste management, employee welfare, community engagement, and other sustainability matters related to their business operations. We focus on certifications in environmental management systems, occupational health and safety management systems, and quality management systems, as well as green product certifications and other ESG and sustainability related certifications, assessments, and audit reports. The company also values the disclosure of public or non-public documents reporting the environmental impact caused by suppliers, as well as documents detailing initiatives to reduce such impact — such as carbon emission reduction, hazardous waste minimization, and efforts to decrease energy and water consumption.
- At the supplier exit stage, we periodically conduct qualification reviews of our supplier pool. Those who do not meet the criteria will be removed from our pool, with reasons for their removal properly documented. We have established a system for recording instances of supplier dishonesty and have implemented a supplier blacklist policy.

RESPONSIBLE OPERATION (continued)

In 2023, we had 361 suppliers¹⁹, of which 320 were located in China, and 41 were operated overseas as well as in Hong Kong, Macau and Taiwan.

In 2023, the Group had

suppliers in total

**suppliers located in
Chinese mainland**

**suppliers abroad and in Hong Kong,
Macau and Taiwan**

361

320

41

¹⁹ "Suppliers" refer to entities engaged with or poised for potential collaboration with the Supply Chain Department as of December 31, 2023. This encompasses all phases from initial talks to agreement execution and partnership sustainment.

Talent resource forms a core driving force for the development of the Group. We place great importance on building a talented workforce, adhere to the principle of diversity and inclusivity, and actively broaden channels for talent recruitment. We establish a systematic talent development system, continually optimise performance evaluation and promotion mechanisms, and provide tailored career development paths for employees to help them achieve self-value. We are also committed to protecting the rights and interests of our employees, create a safe and healthy working environment, promote the work-life balance lifestyle and actively listen to employees' voices. With these efforts, we continuously enhance employees' sense of belonging and create a pleasing workplace.

Protection of Employees' Rights and Interests

The Group strictly complies with the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Women's Rights and Interests*, the *Special Rules on the Labour Protection of Female Employees*, the *Law of the People's Republic of China on the Protection of Minors* and other laws and regulations. Additionally, we follow international human rights protection requirements, including the *United Nations Global Compact* and the core conventions of the International Labour Organisation. We developed internal policies such as the *Employee Recruitment and Employment Policy* and carried out the following measures to fully protect the legitimate rights and interests of employees.

Recruitment and Dismissal Management

We prevent discrimination in gender, race, age, nationality and religious beliefs, and offer equal job opportunities to all candidates. Employees are selected and recruited in a scientific and equal manner in accordance with the principles of fair competition and merit-based recruitment to ensure the recruited talents meet the job requirements.

We conclude labour contracts with employees in accordance with the principle of consensus, strictly abide by legal procedures in the employee contract signing, renewal, termination, dissolution of labour relations and other processes, and protect the legitimate rights and interests of employees at all stages.

Labour Standards

The Group strictly complies with laws and regulations such as the *Provisions on Prohibition of Child Labour*, and eliminate child labor and forced labor. We resolutely prohibit employment of child labour and forced labour, and set up a reporting mechanism to avoid illegal employments. During the recruitment process, we engage third-party agencies to conduct strict background checks on candidate information to ensure that they meet the minimum working age requirements of the country or region where they are employed. Since the Group's establishment, there has been no illegal employments such as child labour and forced labour. If any such case was found, we would deal with it seriously in accordance with laws and regulations and requirements of the Group.

Working Hours and Holidays

Abiding by the relevant laws and regulations such as the *Labour Law of the People's Republic of China* and the *Labour Contract Law of the People's Republic of China*, the Group developed a feasible attendance policy to manage employees' working hours and ensure that they can work and rest in a proper way. In addition to national holidays, we provide employees with additional annual leave and paid sick leave. Besides, female employees are entitled to paid maternity leave and other related leave benefits, while male employees are provided with paid paternity leave.

TALENT MANAGEMENT

Anti-discrimination and Anti-harassment

We oppose to any form of discrimination and harassment, and strictly prohibit anyone from engaging in behaviours that violate the unwillingness of others, including sexual harassment and non-sexual harassment through words and physical actions in the workplace. We encourage employees who have experienced harassment or discrimination to promptly report such incidents to their direct leaders or the Human Resources Department. We will carry out investigation on the reported issues. If the report is found to be true, we will take appropriate corrective and disciplinary actions in accordance with laws and regulations or company rules. In addition, we provide employees with anti-discrimination and anti-harassment training in the workplace to raise their awareness of human rights protection.

Respect for Political Rights and Right to Freedom of Association

The Group respects the political rights of the employees and their right to freedom of association. We establish labour unions at the level of each subsidiary, which are empowered to negotiate on behalf of employees on an equal footing with each subsidiary and to sign collective contracts in accordance with the law.

Compensation and Benefits

We adhere to the principle of equality in setting employee compensation and related benefits, avoiding different treatments based on nationality, race, age, gender, marital status and religious beliefs. We continuously monitor the situation of equal pay for equal work and provide competitive salaries across the industry, which are determined in strict accordance with rank, job responsibilities and employees' abilities.

Talent Development Strategy

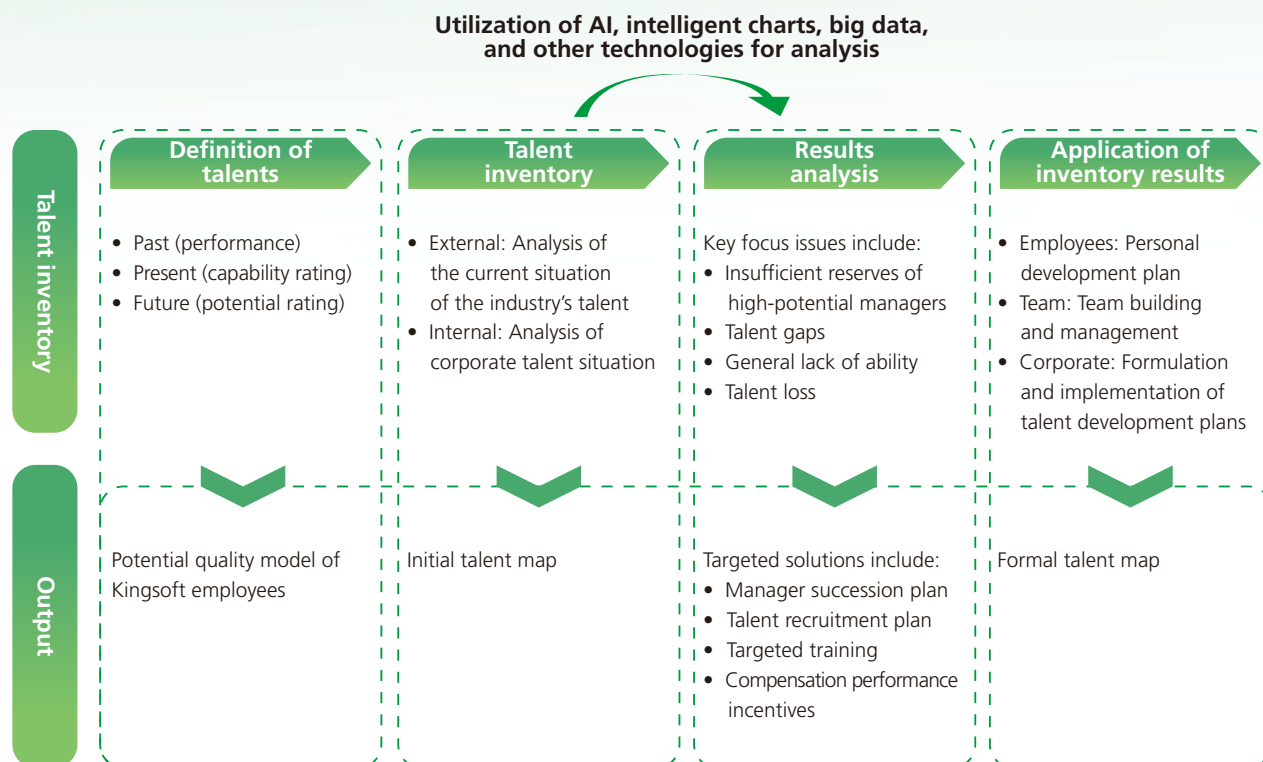
The Group attaches importance to the growth and development of each employee. We are committed to creating a platform brimming with opportunities, offering robust career development channels, continuously improving our talent training system and comprehensively enhancing the abilities of our employees. We also established a fair and reasonable compensation and performance incentive mechanism to stimulate the development potential of employees and assist employees in achieving their personal values.

Talent Strategic Forecast

The Group conducts an annual inventory of full-time employees to clarify their typical behavioural styles in three dimensions of “past (performance)”, “present (competency ratings)”, and “future (potential ratings)”. Based on the inventory results, we construct a quality model for key positions, draw a talent map and formulate talent development strategies. To promote the effective implementation of the talent development strategy, we focus on the key issues identified during the inventory process and continuously improve the talent mechanism of “attraction, cultivation, retention and employment”. Meanwhile, we carry out scientific talent demand forecasting, evaluate talent retention measures and optimise the talent development system to promote the construction of high-quality talent team and inject momentum into the development of the enterprise.

We continually expand the coverage of the talent inventory and increase the motivation of employees to participate in the inventory through training on the topic of the talent inventory for employees. Meanwhile, we fully apply digital tools such as AI and big data in the inventory process and improve the efficiency of inventory, to promote the effective implementation of talent development strategies. In order to enhance the professionalism of our talent management and improve our understanding of our employees, we collaborated with external human resources consulting firms to conduct career tests for our employees and used the results of the tests as supplementary materials for our talent inventory exercise.

TALENT MANAGEMENT (continued)



Talent Inventory Process of the Group

By 31 December 2023, the Group had a total of 7,874 employees.

Category	Number of Employees		
	2023	2022	2021
By age group			
30 years old and under	3,696	3,662	3,395
31–50 years old	4,137	3,935	3,848
51 years old and above	41	50	62
By gender			
Male	5,192	4,995	4,757
Female	2,682	2,652	2,548
By geographical region			
China	7,853	7,621	7,259
Outside of China	21	26	46
By employment type			
Full-time employees	7,172	7,116	7,054
Interns and part-time employees	702	531	251
By level			
Management	57	71	86
General staff	7,817	7,576	7,219

The Group practices the concept of diversity and fully respects the diversity of employees. We regularly collect and count quantitative data related to employee diversity to evaluate the progress of the implementation of diversity work. We are committed to creating a diverse and inclusive office environment.

TALENT MANAGEMENT (continued)

Employee Diversity Distribution in 2023	
Category	2023
Percentage of female employees by level/position (%)	
Percentage of female employees among management	26.90
Percentage of female employees among top management	23.26
Percentage of female employees in middle management	27.73
Percentage of female employees in junior management	29.40
Percentage of female employees in the management of revenue-generating functions	25.00
Percentage of female employees in STEM-related positions	20.71

The Group places emphasis on talent reserve and talent retention. During the reporting period, the Group's total employee turnover rate²⁰ was 15.76%, of which the voluntary turnover rate²¹ was 6.22%. Please refer to the chart below for the specific staff turnover rate:

Employee Turnover Rate in 2023	
Category	2023
By age group (%)	
Turnover rate of 30 years old employees and under	15.31
Turnover rate of 31–50 years old employees	16.12
Turnover rate of 51 years old employees and above	19.61
By gender (%)	
Male employee turnover rate	15.69
Female employee turnover rate	15.89
By geographical region (%)	
Employees turnover rate in China	15.78
Employee turnover rate outside of China ²²	8.70
By level (%)	
Turnover rate of executive management level employees	0
Turnover rate of senior management level employees	6.52
Turnover rate of middle management level employees	9.09
Turnover rate of junior management level employees	5.50

Diversified Recruitment

The Group carries out scientific talent demand forecasts based on the results of the inventory, which serve as an important reference for refining the talent team. We keep improving our talent attraction capabilities and expanding recruitment channels. Through internship retention, campus recruitment, social recruitment, school-enterprise co-operation and other methods, we widely attract outstanding employees and enriched the talent pool. This year, the Group employed 2,055 new employees, of which 1,260 were recruited through internal recruitment.

20 Statistical calibre of employee turnover rate: Employee turnover rate = Total employee turnover for the current year / ((Total employee turnover for the current year + Number of employees at the end of the period).

21 Statistical calibre of voluntary turnover rate: Voluntary turnover rate = Total voluntary employee turnover for the current year / (Total voluntary employee turnover for the current year + Number of employees at the end of the period).

22 Due to the downsizing of Seasun Holdings' overseas operations in 2022, the employee turnover rate outside of China in 2023 showed a significant decrease compared to last year.

TALENT MANAGEMENT (continued)

Talent Demand	Recruitment Purpose	Channels/Projects	Outcomes
Game R&D talent	Serve as the source of creativity and innovation for games, and continuously enhance the attractiveness and competitiveness of the Company's games in the market.	Apprenticeship program Graduate traineeship Social recruitment School-enterprise partnership	<ul style="list-style-type: none"> • 10 R&D interns retained. • 53 talents were hired through school/social recruitment, including the fields of game planning.
Game operation talent	Ensure the continuous operation and development of games, enhance user experience and improve user stickiness.	Apprenticeship program Graduate traineeship Social recruitment School-enterprise partnership	<ul style="list-style-type: none"> • 70 operation talents were hired through school/social recruitment, including the fields of overseas operations.
Design talent	As the core of the game creativity and visual presentation, further enhance the quality of the game.	Apprenticeship program Graduate traineeship Social recruitment School-enterprise partnership	<ul style="list-style-type: none"> • 111 design talents were hired through school/social recruitment, including the fields of game design development and visual design.
R&D talent	Enhance the Company's R&D capability and constantly promote the innovation and development of the Company's technology.	Apprenticeship program Graduate traineeship Social recruitment School-enterprise partnership	<ul style="list-style-type: none"> • 128 R&D interns retained. • 180 talents were hired through school/social recruitment, including the fields of platform development. • Cooperated with 10 universities for industry-university-research, developed and hired 14 university talents this year.

TALENT MANAGEMENT (continued)

Talent Demand	Recruitment Purpose	Channels/Projects	Outcomes
AI talent	Empower the Company to continuously explore the research, development and application of AI technology and enhance product intelligence level.	Apprenticeship program Graduate traineeship Social recruitment School-enterprise partnership	<ul style="list-style-type: none"> 60 AI interns retained. 220 AI talents were hired through school recruitment. 19 AI talents were hired through social recruitment. Cooperated with 10 universities for industry-university-research, developed and hired over 100 university AI talents this year.
Management talent	Reserve talent pool and drive continuous innovation to support the Company's strategic development and business objectives.	Management trainee programme Social recruitment	<ul style="list-style-type: none"> A total of 17 management trainees were recruited in 2023, and more than 3 rounds of rotational training were carried out in the company.
Marketing talent	Possess both professional ability and market insight to effectively promote the brand and enhance product awareness.	Apprenticeship program Graduate traineeship Social recruitment School-enterprise partnership	<ul style="list-style-type: none"> 50 talents were hired through school/social recruitment, including the fields of creative planning and data analysis. Cooperated with 3 universities in industry-academia-research, training and employing 41 campus talents in 2023.

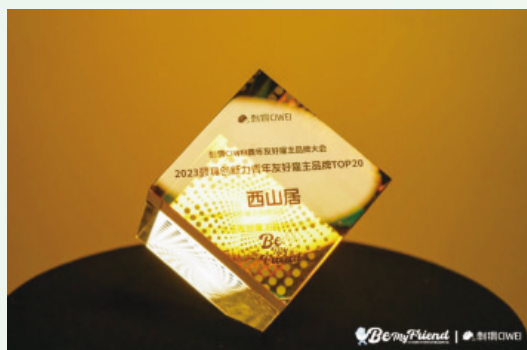
During the reporting period, the Group's talent recruitment efforts were widely recognised and won several honours.

- Nowcoder "NFuture College Students' Best Employer" Award
- Shixiseng "Best Employer" Award
- Moka Chinese Human Resources "Sirius" Award, College Students' Best Employer Brand

TALENT MANAGEMENT (continued)

- Ciwei Top 20 Most Innovative Youth-Friendly Employer Brands

Season Holdings wins Ciwei Top 20 Most Innovative Youth-Friendly Employer Brands



New Employee Recruitment

Category	2023
Total Number of New Employees Hired	2,055
By gender	
Number of male new employees hired	1,326
Number of female new employees hired	729
By age group	
Number of 30 years old new employees and under hired	1,676
Number of 31–50 years old new employees hired	378
Number of 51 years old employees and above hired	1
By geographical region	
Number of employees in China	2,052
Number of employees outside of China	3
By level	
Management	45
General staff	2,010
Percentage of Vacancies Filled by Internal Employees (Internal Recruitment)	38.01

Performance Appraisal and Promotion

Performance Appraisal

The Group develops and implements the *Group Platform Performance Management System*, continuously optimises the performance appraisal system, builds an online performance appraisal system and adopts a diversified performance appraisal mechanism. We also conduct quarterly appraisals of individual or team performance of employees, acting as an objective basis for the granting of performance bonuses to employees and their promotion rankings, to motivate the employees to grow. During the reporting period, all employees of the Group's within the scope of the report participated in performance appraisals.

Kingsoft Office and Kingsoft Shiyou continuously explore diversified performance appraisal methods, implement the 360-degree performance evaluation process which covers self-evaluation, peer and superior evaluation, and conduct Commitment OKR (Objective and Key Result) and Challenge OKR performance goal management, to ensure employees' performance is evaluated objectively and fairly.

Kingsoft Office adopts a performance management cycle including target setting, process management, performance appraisal and application of appraisal results. Also, Kingsoft Office keeps in touch with employees by agile communication throughout the appraisal process, regularly assesses individual or team performance of employees and gives feedback and guidance, to ensure the achievement of performance targets.

Seasun Holdings combines OKR with Key Performance Indicator (KPI), requiring all departments to set the goals and indicators at the beginning of each quarter, complete the performance appraisal and make improvements in the middle of each quarter and carry out self-evaluation and supervisor evaluation at the end of each quarter. At the end of the performance cycle, Seasun Holdings conducts performance communication and feedback, to better achieve the overall strategic goal.

The Group is not affected by ethnicity, gender, age, marital status or political ideology when conducting the performance appraisal. Employees who leave during the appraisal period will not participate in the appraisal process and will not be counted in the total number of employees appraised.

In respect of employee stock ownership plan (ESOP), we continuously carry out equity incentive plan to attract valuable talents and retain excellent employees. In 2023, we further expanded the scope of employees covered by the equity incentive plan, with all regular employees eligible for selection, and granted a total of 2,079,400 restricted shares to management personnel, key technical personnel, business backbones, and other employees who have made significant contributions to the Company.

Employee Promotion

The Group smooths the channel for employees' development, broadens their vocational development path and standardises the promotion management mechanism, giving inexhaustible momentum to talents' innovation.

Kingsoft, Kingsoft Shiyou and Kingsoft Office established a dual-channel promotion mechanism for management and professional development. We define fair and open promotion standards, with full respect and support for employees who choose the promotion path in accordance with their career development plans. Meanwhile, we keep optimising and adjusting appraisal model and promotion standard policy to ensure an effective match appraisal model and standards with position responsibilities. This year, Kingsoft formulated and released the "Competency Standards for Group Platform Positions" in accordance with the requirements of job competency, to realise an effective match between the assessment model and standards and job responsibilities.

Seasun Holdings built a system of position ranking and adopted a point-based promotion policy, with each point threshold set based on the promotion requirements at different levels. Employees accumulate points by achieving performance standards, conducting professional sharing and other means. They are entitled to applying for promotion after reaching the threshold and can be promoted upon approval.

TALENT MANAGEMENT (continued)

The Group provides employees with effective communication channels for promotion results, and an appeal and feedback channel. At the end of the annual appraisal, we conduct performance interviews to collect employees' suggestions and questions towards the appraisal process and results and adjust accordingly. According to the *Group Platform Performance Management System*, *Kingsoft Shiyou Promotion System (Trial)* and other relevant management systems, if employees disagree with the relevant performance and promotion appraisal results, they can lodge an appeal within the validity period of the appeal. The Group will re-evaluate such results in the light of the appeal handling regulations to ensure the justice and equity.

Education and Certifications Support

The Group supports all employees (including full-time employees, part-time employees, labour dispatch employees and interns) to obtain work-related education degrees and certificates after work and apply for work-related specific certificates or domestic vocational titles. We regard the degrees obtained, vocational titles of professional skills and other vocational qualification skills certificates as one of the factors to be considered for their promotion and salary adjustment. We open up degree programmes and certification support opportunities to all employees.

Degree Support. We encourage employees to further study and refine in professional domains and actively look for higher educational institutions to establish school-enterprise partnership and jointly offer courses, to improve employees' academic qualifications. After obtaining a work-related academic certificate, employees can apply for reimbursement of part of the study costs for enrolment to the Company.

Certification Support. We actively encourage and support employees to obtain vocational titles of professional skills, vocational qualification skill and other certificates. The Company also provides reimbursement of relevant exam fees after employees receive their work-related skill certificates.

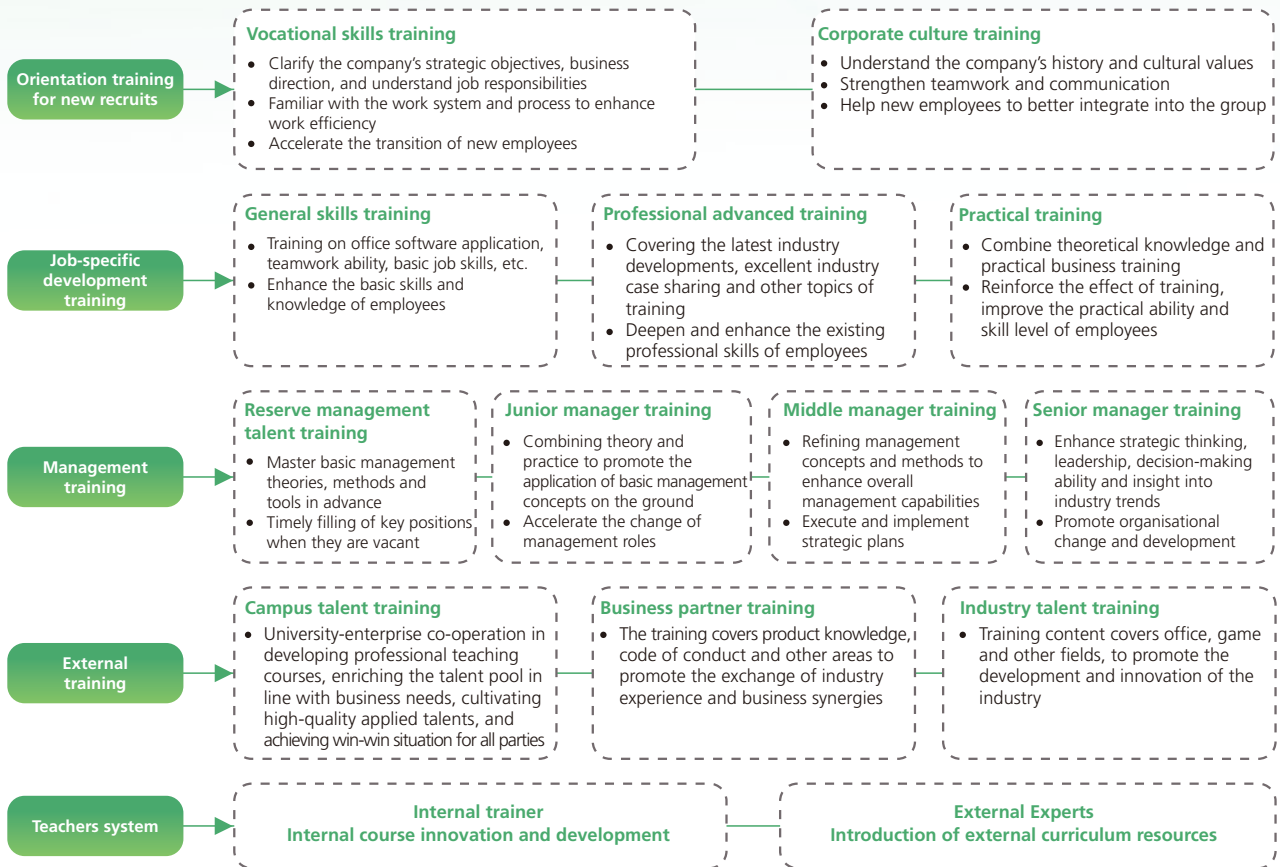
Employee Development and Training

The Group is committed to building a "Learning Organisation". We formulate and improve Kingsoft Office's "Internal Instructor Management System" to strictly regulate the management and implementation of training work. Guided by the Group's strategic development and focusing on the growth needs of our employees, we create an all-employee training system with Kingsoft's characteristics, continuously optimise training methods. We continuously enrich training programmes, expand internal and external training resources, and provide our employees with a full range of training courses covering all positions and grades, with the aim of comprehensively promoting the growth and development of each employee. This year, the average length of training for full-time employees was 7.70 hours.

We set up Kingsoft and Kingsoft Shiyou "Action Learning" training platform and Kingsoft Office "Da Wu Xue Tang" online learning platform to provide flexible and convenient learning channels for employees. By the end of the reporting period, each learning platform had launched a total of 1,102 courses, with a cumulative total of 80,345 learners and 27,548 hours of learning.

We focus on the innovation of internal training courses, create an "internal trainer system", and strengthen our teaching staff to promote the precipitation and inheritance of high-quality work methods and experience among employees. We also actively conduct training by external professional organisations and co-operate with various external professional educational institutions, consulting organisations and tertiary institutions to provide employees with a wide range of courses and training to enhance their overall professionalism. In 2023, the Group's cumulative number of training attendances exceeded 16,818.

TALENT MANAGEMENT (continued)



The Group's employee training system

Case: Training partnered with educational institutions

During the year, we partner with educational institutions and universities, and adopted a combination of online and offline teaching methods to create a variety of tailor-made training courses for employees at all levels, covering such areas as leadership enhancement, workplace communication, business management thinking, and professional technology.

Kingsoft Office invited an external management consulting company to conduct target management training for the top core management and joined hands with an external technology company to offer training courses such as "Shaping Excellent Managers" for middle managers.

Season Holdings joined hands with a third-party professional training centre to carry out training on "Workplace Style Communication" to help employees master workplace communication response strategies and enhance their workplace communication and collaboration skills. In addition, we carried out the theme course of business operation thinking "Business Strategy and Execution" for the key employees of the company, simulating the scenarios of business operation and strategy execution to broaden the working thoughts of the employees.

Kingsoft Shiyou joined hands with a professional lecturer from Hubei Academy of Fine Arts to provide game design introductory knowledge training for our staff to improve their game design skills and enrich their knowledge of game aesthetics. Kingsoft Shiyou also joined hands with a professional lecturer from Huazhong University of Science and Technology to explain the application of artificial intelligence in the game industry to help employees understand the cutting-edge trends and development of the game industry.

TALENT MANAGEMENT (continued)

Kingsoft Office New Manager “Shaping Managerial Excellence” Training



Seasun Holdings “Workplace Style Communication” course training



Kingsoft Shiyou Game Design Training



TALENT MANAGEMENT (continued)

During the reporting period, the training data by category is listed as follows:

Employee training		2023
Category		
Percentage of Trained Full-Time Employees		100%
Percentage of trainees by gender		
Male		100%
Female		100%
Percentage of trainees by level		
Management		100%
General staff		100%
Average Training Hours for Full-Time Employees (FTE) (hours)		9.17
Average training hours of each employee by gender		
Male (hours)		8.01
Female (hours)		7.10
Average training hours of each employee by level		
Management (hours)		3.73
General staff (hours)		8.02

Orientation Training for New Recruits

We are concerned about the growth of new employees after joining the company. By providing pre-employment training, we help newcomers to quickly acquire skills and knowledge, integrate into the company culture and enhance their sense of belonging. This year, Kingsoft and Kingsoft Shiyou launched the "Win-Win Goal Setting for New Recruits Program". Kingsoft Office designed a mentor-teaching mechanism to "Bring the Old to the New" and carried out the "Upward Strength" and "Star Start" training programmes for school-recruited and social-recruited new employees respectively. Seasun Holdings launched one-on-one mentor training and centralised training courses on basic skills for school-recruited employees.

The Group's New Employee Training Programme

Target group	Organisations conducting training	Project	Project Description	Outcomes
New employees recruited from school	Kingsoft and Kingsoft Shiyou	Win-Win Goal Setting for New Recruits Program	Set win-win goals for new employees in line with the company's development and personal growth, to help new employees quickly integrate into the company and adapt to the job content.	This year, we coached 97 new hires to set goals, mentored them, and followed up with regular feedback to help them reach their goals.

TALENT MANAGEMENT (continued)

Target group	Organisations conducting training	Project	Project Description	Outcomes
New employees recruited from school	Kingsoft Office	“Upward Strength” training programme	Through speeches by executives, exchanges among veteran employees, lectures by business personnel and quality development, the company’s development, company system and corporate culture are introduced to help new employees shorten the period of adaptation to the workplace.	This year, the “Upward Strength” training programme was conducted in three sessions, with 336 participants, accumulated training duration of 120 hours and an average course satisfaction score of 4.96 (out of 5).
	Seasun Holdings	2023 School Admissions Training Programme	Provide training covering business understanding and professionalism to new employees recruited from schools to help them better adapt to the workplace environment.	This year, we conducted 11 training sessions, provided training courses to 92 employees and accumulated 21 hours of training.
		Mentorship training	Provide one-on-one mentors for new employees recruited from schools, hold a mentoring ceremony and carry out a six-month mentor-apprentice coaching and counselling.	This year, we provided mentors to 92 employees.
New employees recruited through social recruitment	Kingsoft Office	“Star Start” training programme	Help newcomers quickly integrated into the company through a combination of online learning and offline training.	This year, the “Star Start” programme conducted a total of 12 offline training sessions, with 457 participants, accumulated training duration of 192 hours and an average course satisfaction rating of 4.90 points (out of 5).

TALENT MANAGEMENT (continued)

Job-specific Development Training

To enhance employees' job competence, the Group conducts a series of professional skills training for talents in the fields of research and development, functions, design and information security, etc. By providing general skills training, professional advanced training and practical skills training, we help employees to deepen professional knowledge, understand the cutting-edge technology and development trend of the industry, and enhance practical skills, to realise the all-round development of talents.

The Group's Professional Competence Training Programme

Target group	Organisations conducting training	Project	Project Description	Outcomes
Research and Development (R&D) Talent	Kingsoft and Kingsoft Shiyou	AIGC Miscellany	The content mainly focuses on the AIGC principle, effectively enhancing the game development talents in the professional ability.	This year, 159 employees participated in this training, both online and offline, for 3 hours.
		LLM's Fantastic Adventure	By introducing the principles and operation methods of Kingsoft and World Tour Q&A Knowledge Base, we help R&D talents to improve the efficiency of expertise acquisition and application.	This year, 182 employees participated in this training, both online and offline, for 3 hours.
	Kingsoft Office	R&D Training Institute	Senior staff are invited to act as mentors to teach AI technology, C++, WEB front-end and other professional technical knowledge.	This year, the cumulative duration of training was 3 months, with 246 trainees participating in training.
Information Security Talent	Kingsoft and Kingsoft Shiyou	Information Security Training	The training covers information security, data security, operation norms, etc. It aims to improve the staff's theoretical knowledge and practical skills of information security.	This year, information security courses were conducted for 590 employees for 2 hours with 97% course satisfaction.
Design Talent	Kingsoft and Kingsoft Shiyou	Game Design and Development	Internal lecturers are invited as mentors to impart professional design knowledge and skills in game development and game design.	This year, design related courses were conducted for 270 employees for 8 hours with 99% course satisfaction.

TALENT MANAGEMENT (continued)

Target group	Organisations conducting training	Project	Project Description	Outcomes
Financial Talent	Kingsoft and Kingsoft Shiyou	Finance-specific training	The training covers basic financial knowledge, reimbursement rules and operation methods, aiming to improve the theoretical knowledge and practical skills of financial employees.	This year, training courses were conducted for 58 employees for 8 hours with 99% course satisfaction.
Sales talent	Kingsoft Office	New Sales Training Camp	Provide sales competence training courses covering product explanation, industry cases and legal compliance to enhance the professional skills of sales staff.	The camp lasted for 8 days, with a total of over 42 hours and 70 participants.
Gaming Talent	Seasun Holdings	SDC (Seasun Development Conference) training	The training covers game research and development, game publishing and game operation, aiming at strengthening employees' professional skills and related vocational abilities.	This year, 20 training sessions were conducted, with training courses offered to 991 employees for 31 hours.

Succession Planning and Leadership Training

Every year, we launch an inventory of high-potential managers and successors, clarify the quality requirements model for key leadership positions at each level and create a "Kingsoft Manager Succession Plan" in line with the Group's development strategy and core business needs, to open up the development paths of senior, middle and junior managers. During the inventory, we fully explore high-potential management talents and build up a sufficient pool of reserve talents for the sustainable development of the company to cope with the long-term development of the business.

Based on the results of the inventory, we provide targeted leadership training for managers at all levels and management reserves to help them enhance management skills to meet the requirements of positions.

The Group's Succession Planning and Leadership Training Programme for Managers

Target group	Organisations conducting training	Project	Project Description	Outcomes
Senior manager	Kingsoft and Kingsoft Shiyou	Senior Management Learning Exchange Programme	By providing opportunities for top managers to learn and exchange ideas with outstanding companies in the industry, we help them to enhance strategic thinking and learn advanced management methods.	This year, 12 senior managers participated in the training, with a cumulative learning time of 8 hours and a course satisfaction score of 100.

TALENT MANAGEMENT (continued)

Target group	Organisations conducting training	Project	Project Description	Outcomes
Senior manager	Kingsoft Office	Seminar Training on Objective Management	The course focuses on how to set goals and manage them, with the aim of helping senior managers to sort out and adjust business goals.	This year, 33 senior core managers participated in training, with a total of 8 hours of training.
Middle manager	Kingsoft and Kingsoft Shiyou	Middle Management Training	The content of the training focuses on the improvement of guided management ability, aiming to improve the team management and problem solving ability of middle managers.	This year, 66 employees participated in training, with a total of 18 hours of study and a course satisfaction score of 98 out of 100.
	Kingsoft Office	Modelling Managerial Excellence	Based on the company's requirements for managers to develop training courses to help new managers to improve their understanding of management, master management skills and successfully complete the role change from business competence to management.	This year, 81 people participated in training, with a total of 72 hours of training.
		Training for Government and Enterprise Cadres	Combined with the actual problems in the company's business, on-site practical training for managers, aiming to improve the middle management's macro-operation analysis, strategic layout and overall planning ability.	This year, 89 people participated in training, with a total of 40 hours of training.
	Seasun Holdings	Middle Managers' Series Open Course Training	To enhance the overall management capability of middle managers through training programmes such as "Role Transformation", "Leading a Team", "Making the Best Use of People" and "Winning Performance".	This year, 43 middle managers participated in the training, with 10 hours of learning and a course satisfaction score of 9.8 out of 10.

TALENT MANAGEMENT (continued)

Target group	Organisations conducting training	Project	Project Description	Outcomes
Middle manager		Management Communication Training	The main course content includes “Vision Speaking — Effective Communication Based on Role Recognition” and aims to enhance the communication and collaboration skills of middle and junior managers.	This year, 51 middle and junior managers participated in the training, with a total learning time of 6.5 hours. Course satisfaction was 9.4 out of 10.
Junior manager	Kingsoft and Kingsoft Shiyou	Junior Manager	Through a combination of seminars and practical action learning, we create problem-solving solutions for junior managers, and promote the effective promotion and resolution of business management and other issues.	This year, 66 junior team managers participated in the training, with a total of 42 hours of training.
	Kingsoft Office	Small Team Management Training Camp	Through a combination of lectures, seminars, practice and feedback, team management skills are taught to managers to promote better application of management concepts on the ground.	This year, 53 frontline team managers participated in the training, with a total of 14 hours of training.
	Seasun Holdings	Junior Managers’ Series Open Course Training	To enhance the basic management skills of junior managers through training programmes such as “Role Transformation”, “Leading a Team”, “Making Good Use of People” and “Winning Performance”.	This year, 184 junior managers participated in the training, with 10 hours of learning and a course satisfaction score of 9.8 out of 10.

TALENT MANAGEMENT (continued)

Target group	Organisations conducting training	Project	Project Description	Outcomes
Managers' Reserve	Kingsoft and Kingsoft Shiyou	Young Training	Provide cross-departmental communication and collaboration theme training for young cadres, aiming to enhance their cross-departmental communication and collaboration skills and promote team cohesion.	This year, 58 young cadres participated in the training, with 16 hours of study and a course satisfaction score of 99 out of 100.
		Kingsoft Management Graduate Traineeship Programme — KING Plan	Provide management trainees with specialised training covering product, operations and marketing as well as leadership expertise to reserve management talent.	This year, 18 management trainees participated in the training for 18 hours.
	Kingsoft Office	Youth Training Courses	Selecting and training high-potential young cadres and helping them to understand the mission, responsibilities and competence requirements of young cadres.	By the end of the reporting period, 3 training sessions had been conducted, covering 78 trainees and a total of 392 hours of training.
	Seasun Holdings	Management Awareness Thematic Training	Provide "Management Strategy and Execution" training content to enhance the management awareness and capability of high-potential management talents.	This year, 43 high potential management talents participated in the training, with 13 hours of learning. Course satisfaction was 9.5 out of 10.

Industry Training

The Group is committed to promoting knowledge sharing and advancement in the industry. In addition to internal training for employees, we also actively open our course resources to support the learning and development of university students, business partners and industry talents. This year, Kingsoft and Kingsoft Shiyou and Kingsoft Office actively carried out school-enterprise cooperation projects to achieve a close connection between the training of talents in universities and the employment needs of enterprises. Kingsoft Office also set up an industry talent training platform and conducted training for business partners to effectively promote experience exchange and business synergy among all parties and improve the skills of industry talents.

TALENT MANAGEMENT (continued)

The Group's Industry Training Programme

Target group	Organisations conducting training	Project	Project Description	Outcomes
Campus Talent	Kingsoft and Kingsoft Shiyou	School-Enterprise Cooperation	This year, we cooperated with eight schools, including Wuhan University, Huazhong University of Science and Technology and Huazhong Normal University, to carry out talent cultivation projects, assisting universities in developing professional curricula, cultivating high-calibre applied talents and continuing to output digital talents for the industry.	17 school-enterprise cooperation projects have been carried out, and more than 1,700 students have been trained and instructed by professionals from Kingsoft and Kingsoft Shiyou. The topics of the projects cover the fields of Game Development Technology Sharing, Cloud Native Technology, Artificial Intelligence in the Game Industry and Research and Development of Cloud Computing and Big Data.
	Kingsoft Office	School-Enterprise Cooperation	Participated in the Ministry of Education's "Industry-University Cooperation Collaborative Education Project", and cooperated with many colleges and universities to incorporate the knowledge of WPS office skills into the teaching system of computer courses in colleges and universities.	By the end of 2023, the cumulative collaboration with nearly 100 universities and colleges, and the related WPS courses have reached nearly 1 million students.
		Technology Open Day	Invite teachers and students from colleges and universities to visit the company, lead students to understand the knowledge of cutting-edge technology, experience the new functions of the products and stimulate students' enthusiasm for learning.	This year, six "Technology Open Day" activities were held with more than 200 university teachers and students participating in the activities.

TALENT MANAGEMENT (continued)

Target group	Organisations conducting training	Project	Project Description	Outcomes
Business Partner	Kingsoft Office	Kingsoft Office Certified Channel Sales Engineer (KPSE) Programme	Provide training covering product knowledge, sales skills and conduct code, strongly promoting the exchange of industry experience and business synergy.	During the year, 1 training session was conducted, covering 272 trainees, with a total of 10.12 training hours.
Industry Talent	Kingsoft Office	Jingpei Academy	Based on years of corporate practice, industry insights and internal training experience, we develop professional office software training courses and train Kingsoft Certified Office Trainers (KCTs) to cultivate high-level talents for the office industry.	During the year, 70 students improved their office skills through Jingpei Academy, with a total of 1,000 hours of training.

TALENT MANAGEMENT (continued)

Health and Safety

We attach importance to our people's physical and mental health, strengthening the management of their occupational health and safety, and launching multiple measures to secure their health and safety.

Safe Office Environment

In strict compliance with the *Labour Law of the People's Republic of China*, the *Fire Protection Law of the People's Republic of China* and other laws and regulations on occupational health and safety and fire safety in the workplace, we formulate and implement various safety-related policies such as the *Management Policy for Office Environment of Kingsoft Software*, and the *Measures for the Management of Visitors' Entrances and Exits of Kingsoft Software*. We regularly assess the risks and hazards associated with occupational health and safety in our premises, prioritise and implement action plans, to comprehensively safeguard the health and safety of employees in office areas.

In 2023, we carried out various measures to provide a healthy and safe working environment for employees.

- Continuously strengthen the safety management in our office areas and develop the *Emergency Plan for the Handling of Medical Emergencies* to deal with employees' safety emergencies. Meanwhile, we establish access control and security monitoring in office areas to strictly manage entrances and exits, and stringently manage vehicles entering and leaving the campus.
- Conduct fire safety inspection in office areas monthly, hold fire-fighting evacuation drills, first aid publicity training and campus safety and emergency management training regularly to improve employees' safety awareness.
- Equip emergency rescue devices, including first aid kits at all floors and AED equipment in the Xiaomi Campus²³ and Kingsoft Building.
- Investigate and handle work-related employee injuries, ill health, illnesses and accidents in accordance with established processes.

We continue to aim for "zero major safety incidents" and regularly assess our progress towards this goal. In 2023, the number of lost days due to work injury was zero in the Group, and no work-related fatalities occurred over the past three years.

Employees' Mental Health

We attach great importance to our people's physical and mental health, and offer a diverse range of psychological care services. In 2023, Kingsoft Office continued to carry out Employee Assistance Program (EAP²⁴). By building the "Heart-Warming EAP" platform, we regularly provided mental health consulting services to employees in various forms, including on-site consultation, mental health lectures and service hotline for psychological counselling and resolved employees' confusion in their work and life by inviting professional institutions. Seasun Holdings regularly held psychological care activities with different themes, including mental health salons, Mental Healing Dancing and Drawing the Mind to safeguard the mental health of employees.

23 Xiaomi Campus refers to the campus in Beijing where the Group leases office buildings.

24 EAP refers to Employee Assistance Program, which is a set of systematic and long-term welfare and support programmes set up by an enterprise for its employees. Through the diagnosis and advice of professionals to the organisation and the provision of professional guidance, training and counselling to employees and their immediate family members, it aims to help solve various psychological and behavioural problems of employees and their family members, and to improve the performance of employees in the enterprise.

Employee Care

We care our people's sense of belonging and well-being, and are committed to fostering a harmonious, equal and united working atmosphere. We establish an effective employee communication mechanism, listen carefully to employees' voices, organise enriched employee activities and provide multiple employee benefits to meet the different needs of our employees in work and life.

Employee Communication

We strive to provide our people with smooth and anonymous appeal and feedback channel and an appeal handling process. Strict confidentiality is maintained regarding appellants and information on their appeals, and the necessary means are taken to protect the appellants' personal safety and legitimate rights and interests. Employees can complain about discrimination, harassment, bullying and other rights and interests' problems, or about the results of performance appraisals, promotion results, or salary opinions.

- **Objects:** The appeal and feedback channel are open to all full-time employees, part-time employees, contractual employees, interns, and other personnel who have a labour relationship with the Group, for all parties to lodge appeals on violations of labour rights and interests, as well as other human resources-related incidents.
- **Grievance reporting or escalation Channel:** We set up a multi-form complaint channel whereby employees can lodge a complaint verbally, in writing, by email, by telephone, or through the internal online communication platform through channels such as the head of the business unit, the Human Resources Department, the Staff Union, and the Employee Relations Customer Service.
- **Grievance reporting or escalation Handling Process:** We set up the Group's Human Resources Department as an appeal handling centre, responsible for recording, accepting, investigating, handling and following up replies to grievance reporting or escalation. We regularly analyse and summarise the Group's grievance reporting or escalation acceptance and handling work every year and report to the leadership. Upon the receipt of an appeal, the appeal handler shall complete the investigation within 30 working days and issue a report on the results of the investigation. If the results of the investigation show that the grievance reporting or escalation is substantiated, the grievance reporting or escalation handler shall supervise the rectification of the violation within 30 working days after the issuance of the report on the results of the investigation, or enforce the penalties of warning, demerit, or termination of the labour contract in accordance with the provisions of the regulations.
- **Appellant Protection:** We keep the appellant's personal information and the content of the appeal strictly confidential to protect their legitimate rights and interests, and we will protect them against any unfair dismissal, persecution or unauthorised disciplinary action as a result of the appeal.

We did not receive any feedback in 2023, and if we receive a complaint, we will contact, and resolve each named complaint individually to actively implement related employee needs.

In addition, we conduct annual employee satisfaction survey based on the Gallup Q12 model²⁵ every year, carefully understand employees' demands and work experience, and actively respond to them. This year, Kingsoft Office conducted several satisfaction surveys for all employees in the dimensions of corporate development strategy, corporate culture, organisational system, performance incentives, administrative services, and employee benefits, and reviewed and discussed the results. We have responded to the issues raised by employees in the survey by holding executive communication meetings, etc., and formulated targeted improvement plans. 2023, the employee satisfaction rate of Kingsoft Office reaches more than 80%²⁶.







25 The Gallup Q12 model is a widely used tool for organisational management and employee attitude assessment. It consists of 12 questions designed to measure employee engagement and working environment, with a particular focus on front-line participation and feedback.

26 In 2023, the percentage of employee satisfaction research scores for each dimension will be 80% or higher.

TALENT MANAGEMENT (continued)

Employee Benefits

The Group focuses on humanistic care and adheres to improve various non-salary benefits for employees, providing supports covering benefits subsidies, health protection, activity benefits, maternity support, family support and flexible working, and giving all-round care to employees according to their needs to keep work and life balance. Specific welfare measures are set out below:

Welfare Allowance	<ul style="list-style-type: none"> • Festival allowances • Birthday allowances • Funeral allowances • Marriage and childbirth allowances • Meal allowances • Transportation allowances • Difficulties assistance • Chinese New Year bonus. • Kingsoft, Kingsoft Shiyou and Season Holdings distributed birthday cash or gift cards to employees on their birthdays. • Condolence money to employees whose immediate relatives have passed away. • Kingsoft, Kingsoft Shiyou and Season Holdings distributed RMB1,000 wedding gift and RMB1,000 maternity gift to employees. • Lunch and overtime meal reimbursement. • Full reimbursement of overtime transportation expenses. • Kingsoft Office developed the Measures for the Administration of Special Funds for Helping Employees in Straitened Circumstances to Standardise the management system of support funds for employees in difficulty, and carried out support and condolences for employees with family difficulties. 
Family Support	<ul style="list-style-type: none"> • Nursing leave • Family activities • Only-child employees can enjoy paid nursing leave, with Kingsoft Office providing 10 days of nursing leave. • Kingsoft and Kingsoft Shiyou organised the "Kingsoft Family Day". • Season Holdings organised "Parents' Day Activities" and "The Tenth Family Open Day". • Kingsoft Office held "Mid-Autumn Family Day Activities". 
Activity Welfare	<ul style="list-style-type: none"> • Holiday activities • Cultural activities • During traditional festivals such as Mid-autumn Festival, Dragon Boat Festival, and special festivals like Programmer's Day, holiday activities were organised, providing employees with afternoon tea, holiday gift packages, and other benefits. • Kingsoft and Kingsoft Shiyou carried out the special cultural activity of "Non-heritage Fish Lantern Creation". • Season Holdings carried out activities such as Hanfu Festival, reading season and fellowship. • Kingsoft Office launched the "3rd Values Role Models Selection Campaign" to promote the stories of role models and enhance employees' understanding and recognition of corporate culture. In 2023, the campaign attracted a total of 3,167 participants. 
Health Guarantee	<ul style="list-style-type: none"> • Medical insurance • Physical health guarantee • Mental health guarantee • Health facilities • Health activities • Basic medical insurance and supplementary commercial medical insurance. • Annual physical examination and interpretation of physical examination reports. • Specialised health services, such as Season Holdings' "Intangible Cultural Heritage Moxibustion Seminar" and "Women's Health Seminar" and Kingsoft Office's dental clinic and traditional Chinese medicine therapy clinic services. • Provide employees with psychological counselling services. • Conduct a variety of psychological activities. This year, Season Holdings held activities such as "Dance Therapy", and "Worry-free Valley Psychology Salon". • Fitness facilities are provided in the office, with staff assigned to inspect fitness equipment and guide employees in exercising scientifically and reasonably. • The Group established football, basketball, yoga, and other sports clubs to conduct various activities such as basketball games and badminton matches. • The Group also conducted fun sports activities such as hiking and stress-reducing pillow contests. 
Maternity Support	<ul style="list-style-type: none"> • Maternity leave • Facility support • Employees are entitled to maternity leave, prenatal check-up leave, breastfeeding leave, childcare leave, and paternity leave in accordance with legal requirements. Among them, Season Holdings provides up to 208 days of maternity leave, 15 days of paternity leave, and 20 days of parental leave. • Nursing rooms are set up in major office locations for pregnant and lactating employees. In 2023, Season Holdings was awarded the "Guangdong Love Mommy Cottage" honour. 
Flexible Working	<ul style="list-style-type: none"> • Flexible working hour • In case of inclement weather conditions, the Group provides flexible working hours benefits to employees, who may adjust their working hours according to the prescribed requirements. 

GREEN OPERATION

The Group strictly abides by the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste* and other laws and regulations on environmental protection to regulate the management of energy, resources and emissions in the Group's operations. We also monitor our environmental management performance on an annual basis by setting and tracking the Group's targets in terms of emission reduction, energy conservation, water saving, and waste reduction, and reviewing the achievement of the previous year's targets, with a view to minimising the negative impact of the Group's operations on the environment and natural resources. In addition, we keep improving energy conservation and emission reduction measures, including building green campus, creating green supply chains, advocating green offices and low-carbon lifestyles, actively responding to climate change and engaging in multi-party cooperation to fulfil our commitment to green operations through practical actions.

The impact of the Group's operations on the environment and natural resources is mainly due to the emissions and use of resources arising from the operation of office buildings at various locations and leased third-party data centres.

We focus our environmental management on the following four areas:

- Reduce: Reduce resource use and save unavoidable resource consumption.
- Reuse: Extend the useful life of the Company's resources.
- Recycle: Effectively recycle the Company's resources and reduce waste emissions.
- Rethink: Rethink resource management methods and innovate means of conserving resources.

Environmental Target

The Group's 2023 environmental targets and progress					
Category	Targets in 2023	Unit	Performance in 2023	Target year	Progress
Energy saving and emission reduction	Since 2023, Kingsoft has gradually expanded the proportion of clean energy use, such as solar and air energy, and reduced the amount of purchased electricity by no less than 180 MWh per year.	MWh	182.5	2023 and beyond	Achieved in 2023, ongoing
	Since 2023, Season Holdings' servers have been 100% compliant with green product certification.	%	100	2023 and beyond	Achieved in 2023, ongoing
	Since 2023, Kingsoft Building has reduced electricity consumption by 40 MWh with energy-saving devices such as LEDs.	MWh	40	2023 and beyond	Achieved in 2023, ongoing
Saving water	Since 2023, water-saving taps have been used in the office areas of each of the Group's operating locations.	inapplicable	achieved	2023 and beyond	Achieved in 2023, ongoing

GREEN OPERATION

The Group's 2023 environmental targets and progress					
Category	Targets in 2023	Unit	Performance in 2023	Target year	Progress
Waste reduction	Since 2023, 100% of the end-of-life servers and switches in the data centres leased by Kingsoft Office have been disposed of by qualified recyclers in a compliant manner.	%	100	2023 and beyond	Achieved in 2023, ongoing
	Since 2023, 100% of the end-of-life hard disks, servers and batteries of the data centres leased by Season Holdings have been disposed of by qualified recyclers in a compliant manner.	%	100	2023 and beyond	Achieved in 2023, ongoing
	Since 2023, 100% of the end-of-life servers, monitors, hard disks and batteries of the leased data centre in Kingsoft Wuhan Campus have been disposed of by qualified recyclers in a compliant manner.	%	100	2023 and beyond	Achieved in 2023, ongoing

The Group's 2024 new environmental targets			
Category	Targets in 2023	Unit	Target year
Energy saving and emission reduction	In 2024, the per capita power consumption in the Group's Zhuhai Campus will be decreased by 5% compared to 2023.	%	2024
	In 2024, the per capita power consumption in the Group's Beijing Campus will be decreased by 1% compared to 2023.	%	2024
	In 2024, the per capita power consumption in the Group's Wuhan Campus will be decreased by 1% compared to 2023.	%	2024
Saving water	In 2024, the per capita water consumption in the Group's Zhuhai Campus will be 3 tonnes less than that of 2023.	tonnes	2024
Waste reduction	In 2024, the Group will have 100% of end-of-life hard drives, servers, switches, displays, batteries, and other hazardous wastes processed by qualified recyclers in accordance with regulations.	inapplicable	2024
	Since 2024, the Group will fully implement waste sorting in its self-owned office buildings.	inapplicable	2024 and beyond

Notes:

Our greenhouse gas (GHG) emissions are mainly attributable to office and operational energy consumption, and we have not set a separate GHG reduction target for the current year on top of the energy efficiency target we have set.

Response to Climate Change

The Group takes an active interest in climate change and we develop plans for preventing typhoons, floods and snows. We identify the risks and opportunities that climate change poses to our business operations, develop climate risk-related response actions and fully explore climate opportunities. We reduce energy consumption and carbon emissions due to traditional energy consumption by replacing the use of traditional energy sources with renewable energy sources. We also increase our investment in research and development of green and low-carbon products, and work with our customers and industry partners to move towards a greener future. To better understand the Group's carbon emissions during our operations, we conducted a greenhouse gas emissions inventory. This year, we measured and disclosed our Scope 3 GHG emissions for the first time.

Management of Risks and Opportunities Related to Climate Change

The Group pays close attention to climate change issues. The ESG Committee is responsible for climate change related matters under the supervision of the Board of Directors. Considering our business position, development strategies for the next five years and external market conditions, the ESG Committee prioritises the identification of climate change related risks and opportunities that have or will have a significant impact on the Group's operations, develops appropriate mitigation and response measures and reports to the Board of Directors. In the future, in line with our development plans and business operating strategies, we will promptly identify opportunities related to climate change and make full use of our business advantage. In the future, we will also work to incorporate ESG and climate related risks into our risk management process.

Risks and Opportunities Related to Climate Change		Impact	Response
Physical risks	Acute physical risks	Business operations and service delivery may be suspended or interrupted during rainstorms, typhoons and other extreme weather conditions, resulting in potentially higher operating costs or reduced business revenues.	Establishing early warning and response plans for extreme meteorological disasters and equipping key business operation sites with emergency power generation equipment and other facilities.
Transition risks	Policy and legal risk	As cooperation in the fight against climate change at home and abroad progresses, compliance requirements for carbon emission information disclosure by companies are becoming more stringent. This has led to an enhanced need for companies to strengthen their carbon emission data management and data system capabilities. Companies may incur additional operating costs due to compliance fulfilment (such as costs of hiring external experts and optimising the construction of ESG data systems).	Staying abreast of the latest regulatory trends and requirements for climate change and carbon emission information disclosure at home and abroad. Setting up a professional talent team within the Group to assess and design the functions and requirements of an ESG information data system with a focus on carbon information management.

GREEN OPERATION (continued)

Risks and Opportunities Related to Climate Change		Impact	Response
Opportunities	Shift in consumer preferences	Chinese consumers have a growing need for low-carbon products and services. Promptly tapping into the demand for green products and services (such as paperless offices and online collaboration platforms) may help expand business markets and increase revenues.	<p>Focusing on cloud and collaborative office scenarios and helping users lessen the cost of offline activities by providing them with online office products and services, thereby helping to reduce carbon emissions.</p> <p>Making systematic analysis and judgement on our product matrix, promptly developing business development plans and strategies, and continuously launching new green and low-carbon products and service solutions.</p> <p>Actively participating in green product exchanges in the industry and considering the cooperation with relevant industry associations.</p>

Use of Renewable Energy

The impact of Kingsoft on the environment and natural resources mainly lies in emissions and resource use of the operation of office buildings and third-party IDC rented in various regions. Given that, we focus on using cleaner sources of energy. In 2023, we continued to use air and solar energy to provide energy for the hot water systems in the showers and dishwashing rooms. We deployed air-source heat pump water heaters and solar thermal siphon systems in some applicable areas of Kingsoft Building, indirectly contributing to reducing carbon emissions by reducing the use of traditional energy through the use of air and solar energy, which could save about 182,500 kWh of electricity consumption equivalent to traditional energy. The use of outdoor solar lights to provide lighting in the Zhuhai campus could reduce electricity consumption due to traditional energy consumption by 3,942 kWh per year. We installed solar water heaters and outdoor solar lamps in our Zhuhai campus. More than 80% of the energy used for domestic hot water and air condition in the R&D area Phase II of the Zhuhai Kingsoft Campus comes from solar energy. We also expect to gradually increase the proportion of renewable energy used in our own operations and in leasing third-party data centres.

We installed solar water heaters and outdoor solar lamps in our Zhuhai campus. More than

80% of the energy used for domestic hot water and air condition in the R&D area Phase II of the Zhuhai Kingsoft Campus comes from solar energy.

Green and Low-carbon Products Innovation

We are committed to fully integrating green and low-carbon concepts into our product R&D planning. With efforts devoted to developing cloud and collaborative office scenarios, we continuously introduce innovative green and low-carbon products and service solutions. We support users' digital and paperless offices and help them reduce costs and increase efficiency, jointly promoting green and sustainable development.

GREEN OPERATION (continued)

The Group has upgraded its digital office services for more than 17,000 government and enterprise users, assisting the corporate customers with digital transformation. We launched many green products and solutions such as the e-government and medical documentation, the WPS 365 digital office platform ensuring the “marketisation, internationalisation and rule of law” of finance, and the WPS 365 manufacturing solution. These solutions enable intelligent collaboration in governments, business, medicine, finance, audit, gaming, food, internet, education and other industries. We help government and corporate customers accelerate digital transformation and reduce office costs in the following ways.

- Integrating physical office equipment and electronic platforms to reduce the consumption of paper in office processes such as review & approval and reimbursement;
- Digitising the preparation, storage, management, and use of paperwork and employing online documentation systems and cloud storage platforms to minimise the consumption of papers;
- Optimising online communications and conference applications to limit energy consumption and GHG emissions from business travel.

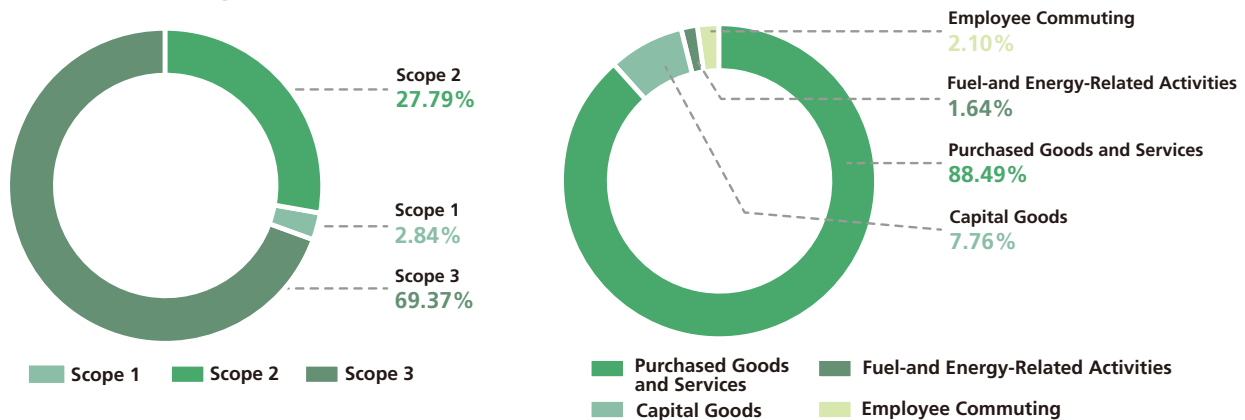
The Group plans green product and function matrix and formulates business development plan strategy. By adding the AI application WPS AI to our online content creation and editing products, we provide users with a brand-new product experience in terms of AIGC, Copilot, and Insight. With innovative and more efficient solutions to task processing, knowledge acquisition, and business scenarios, we help users work in a smarter manner.

By the end of 2023, Kingsoft Cloud Document has helped users saving 507 million sheets of A4 paper, equivalent to 1.36 million copies of *Xinhua Dictionaries*.

GHG Emission Accounting

We strive to record more detailed and accurate GHG emission data. Since 2018, we have disclosed Scopes 1 & 2 emissions at our primary office locations every year. This year, following the *Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)* of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), we accounted GHG emissions in scope 3. We systematically evaluated the Group’s Scope 3 GHG emission categories. We selected the categories according to their proportion to the total GHG emissions for the categories accounting for the first time. We accounted and disclosed of major emissions²⁷ in four categories: Category 1 Purchased goods and services, Category 2 Capital Goods, Category 3 Fuel- and energy-related activities, and Category 7 Employee commuting. In the subsequent reporting period, we will continue to improve the coverage of Scope 3 GHG emissions accounting and continue to improve the management of underlying data quality. For details, see the “Key Environmental Performance Indicators” section.

Distribution of Kingsoft Greenhouse Gas Emissions



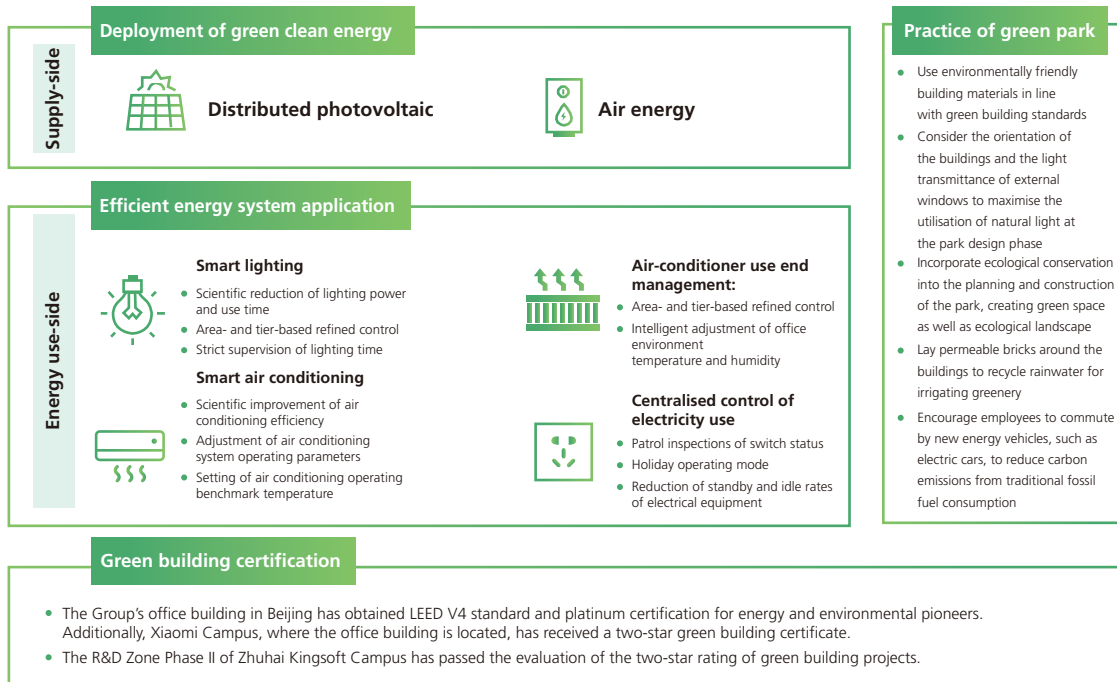
27 For the 4 categories of scope 3 emissions that is calculated and disclosed for the first time, we comprehensively evaluated and verified the data quality of each category and included them in our statistical scope on the premise that there are measured values and specific activities or business services can be clearly defined. In the absence of measured values, the calculation was completed through scientific and reasonable estimation methods. In the future, data coverage and accuracy will be further improved as the quality of the underlying data for the 4 categories of scope 3 emissions is enhanced.

GREEN OPERATION (continued)

Green Office

The heads of the Administration Department, Engineering Department, Seasun Holdings Internet Data Centre, Kingsoft Office Internet Data Centre, Supply Chain Management Department and other departments of the Group form an Environmental Protection Working Group (the "Working Group"), which is accountable to the ESG Committee and is subject to the supervision of the Board of Directors of the Group. The Working Group makes ongoing efforts to optimise the Group's environmental management procedures in a bid to help the Group achieve its energy conservation and emission reduction targets. It is responsible for setting environmental targets and monitoring the progress, regularly analysing the Group's resource consumption, developing resource efficiency improvement solutions for the Group, monitoring and reducing emissions, conserving natural resources, etc. The Working Group regularly reviews and assesses our resource use and implementation of environmental management policies and reports the results of the evaluation to the ESG Committee on a regular basis for decision-making by the Board of Directors. The Working Group carries out corresponding improvement measures in accordance with the recommendations in order to enhance the Group's environmental management.

We integrate the low-carbon development concept into our value chain, develop energy conservation and emission reduction plans and strategies throughout the process, and plan strategies for energy conservation and emission reduction. We also design efficient energy management systems, encourage the use of cleaner energy, and build green campus, to achieve sustainable operations. The impact of Kingsoft on the environment and natural resources mainly lies in emissions from our office operations and consumption of purchased electricity and water. During the reporting period, the Group did not identify any incidents that had a significant impact on the environment or natural resources.



Energy Conservation and Emission Reduction Solutions of the Group

GREEN OPERATION (continued)

The Group focuses on creating green campus and accelerating energy conservation and emission reduction in its existing operations by using cleaner energy, quicker innovative application of green technology and intelligent transformation. The Group improves its green management system for office buildings by enhancing building management capabilities, introducing advanced application technologies and using environmentally friendly appliances and materials. By the end of 2023, the Group's office space in Beijing had obtained the LEED V4 and platinum certification, Xiaomi Campus where the office building is located had obtained a two-star green building certificate and the R&D Zone Phase II of Zhuhai Kingsoft Campus had passed the engineering quality assessment for two-star green building.

2023 Green Office Performance

Park building energy saving rate:	Park non-traditional water source utilization rate:	Percentage of park green space	Percentage of reusable and recyclable building materials in the park:
65%	36.76%	20%	10.02%

2023 Green Office Performance of Kingsoft

GREEN OPERATION (continued)

Case: Building Green Campus to Support the Development of Sponge Cities

In 2021, the R&D Zone Phase II of Zhuhai Kingsoft Campus was put into operation. It is our first green project built from scratch in response to the national “sponge cities” construction concept.

To reduce the use of unnecessary construction materials, the office building in the project was designed without large-scale ornamentation, keeping the cost of ornamentation within 0.5% of the total project cost. Additionally, renewable materials were preferred in the construction of the building. The proportion of reusable and recyclable materials used in construction is higher than 15%.

Emission and consumption reduction targets were also set for the design and construction of the building. In designing the building, we used geographic data to determine the orientation of the building and the angles of its windows and curtain walls to maximise natural light and minimise lighting energy consumption inside the building.

We didn't include a landscape water body in the project to avoid wasting water to preserve its beauty. We also use green, water-efficient irrigation methods such as sprinkling irrigation, micro-irrigation, infiltration irrigation and low-pressure pipe irrigation to water the landscape in the campus, which effectively reduces the use of water resources. Ecological porous ceramic bricks were laid around the building, allowing rainwater to be recycled and reused for irrigation of the landscape, reducing the use of tap water. Low-lying greenbelts, rainwater gardens and other greenbelts with the rainwater storage function are available in the project, accounting for 10% of the total greenbelt area. Besides, 20% of the hard surfacing in the project is permeable surfacing. This year, the R&D Zone Phase II of Zhuhai Kingsoft Campus passed the certification under the *Assessment Standard for Green Building (GB/T 50378-2014)*.

The R&D Zone Phase II of Kingsoft Campus Design Plan



Energy Consumption Management

The Group is committed to energy conservation and consumption reduction in office buildings. We conduct scientific energy management and monthly analysis of energy consumption based on the results of the energy consumption benchmark test and the assessment results of the Environmental Protection Working Group. The data obtained from the analysis is used as the basis for revising policies and implementing measures.

Energy Management Strategy

The Group applies scientific methods to energy management. Our overall goal is to minimise energy consumption while maintaining normal operations, reducing financial costs and achieving sustainable development. To achieve this, we implemented the following strategies:

Setting energy consumption assessment criteria. The Group established an energy performance management mechanism and quantified the energy use intensity²⁹ (EUI) of our campuses by measuring the energy consumption per square metre of floor area. The use of EUI helps us measure and monitor the energy efficiency of our campuses over time, compare energy consumption of buildings in our campuses with that of other similar buildings, and make continuous improvements with the aim of reducing energy consumption.

In 2023, we carried out benchmark test of energy consumption using EUI, helping to gain a comprehensive view of the energy consumption of our office space.

Planning energy saving projects. To continuously improve energy efficiency and optimise costs, the Environmental Protection Working Group carries out planning and research on energy-saving projects. Based on the project investment cost recovery period, the Group classifies energy saving projects into low, medium and high priority projects and determines the order of project implementation based on priority. We coordinate all energy projects in accordance with national policies, market demands, financial budgets and our short-, medium- and long-term energy saving targets, to ensure that our energy efficiency improvement and cost optimisation targets on different timescales are met.

Energy Management Practices

The Group continues to improve its energy use management systems. We formulated the *Energy-saving Plan*, the *Management Rules for Turning on/off Lights*, the *Air Conditioner Use Rules* and other policies, to regulate the use of lighting, air conditioners and other equipment.

Smart lighting. Lighting power densities in all our offices are controlled below the levels specified in the *Standard for Lighting Design of Buildings (GB 50034-2013)*. We strictly monitor the hours of use of our electrical devices such as lighting and multimedia. Energy saving measures such as zoning, timing and sensing are adopted to control lighting in the corridors, stairwells, foyers, lobbies, underground car parks, etc. Extra lights have been removed from our offices to avoid wasting electricity. We require lighting and multimedia light boxes and other electrical devices to be shut down after work, and use sensor and LED lights or even natural light through glass curtain walls. In addition, we introduce the intelligent control system for weak current, and install time-control switches on landscape lighting fixtures to reduce energy consumption.

Smart air conditioning. Our office buildings are all equipped with centralised heating and air conditioning systems. The design parameters such as temperature, humidity and fresh air volume of the rooms are all in compliance with the applicable national standard *Design Code for Heating Ventilation and Air Conditioning of Civil Buildings (GB 50736-2012)*. All the part-load performances of the selected air conditioning cold sources comply with the national standard *Design Standard for Energy Efficiency of Public Buildings (GB 50189-2005)*. We also select the number and capacity of cold and heat source air conditioners wisely.

29 Energy use intensity (EUI) refers to the energy required to operate and maintain a building once it is in use. An energy-efficient building can help reduce operating and maintenance costs and have better indoor air quality, thermal comfort and daylighting.

GREEN OPERATION (continued)

To keep low-temperature operation at night during the heating season, we adjust operating parameters of the air conditioning system in time. We encourage the switching off of air-conditioning units in office areas and non-critical areas and the greater use of natural air ventilation when the temperature is suitable and under the appropriate seasonal conditions. On non-working hours, the air conditioner is turned off by default, and employees can turn it on after applying in the system. To avoid unnecessary energy consumption, we have also set a reference temperature for operation of the air conditioner: 24°C to 26°C for cooling and 25°C to 27°C for heating.

During the design of the R&D Zone Phase II of Zhuhai Kingsoft Campus, we determined the heating areas based on the orientation of the rooms so that the heating system can be controlled area by area, to avoid unnecessary energy consumption.

We use high-performance inverter chillers and pumps to improve energy efficiency. To eliminate abnormal energy consumption, we check the insulation of pipelines and the running condition of wind sets and clean the filter of wind sets on a periodic basis. We also plan to add a control system to the air conditioning control panel in the office area to intelligently control the switch and save energy.

Patrolling the office space. We try to reduce the lighting in the public areas in our campuses at night and set up light intervals in corridors and passageways, which is inspected and managed by the property management personnel. On non-working days, the property management personnel also patrol the campuses, and check the power switches and all the other devices in time to reduce power loss.

Conducting energy audits. Under the leadership of the Environmental Protection Working Group, we have been involved in energy audits for many years. To test the performance of the Group's own buildings in terms of energy conservation and consumption reduction and improve the energy efficiency of the cooling source system, this year we invited a third party to audit the energy efficiency coefficient of the cooling source system in the R&D Zone Phase II of Zhuhai Kingsoft Campus this year, with an audit report issued.

To optimise energy use and reduce operating costs, we also conduct regular internal audit on the Group's equipment configuration. This year, we reviewed the location, number and energy consumption of all air conditioners in our office space in Beijing. On the premise of not affecting the heating on each floor and ensuring a comfortable working environment for employees, we turned off some air conditioners, optimising the air conditioning configuration and avoiding energy waste.

Water Resources Management

The Group is committed to the efficient use of water resources and takes several water management measures. We use water-saving sanitary wares in our office areas and check sanitary appliances and valves in toilets and pantries on a regular basis to prevent leaks. In 2024, we plan to install grade-A water-saving facilities with a water-saving rate of over 30%³⁰ in our office space in Wuhan.

Waste Management

We formulated the *Management Measures for Solid and Hazardous Wastes at Kingsoft Campus*. We insist on fine waste management and record the amount of each type of waste we produce. Non-hazardous wastes are collected with sorting bins at the offices and are sent to the garbage collection station, where they are then handed over to the urban garbage disposal unit for recycling and treatment. Hazardous wastes from our operations are sent to qualified recyclers for recycling, which include waste Organic Photo Conductor, ink cartridges, batteries, and other wastes generated by our office and printing equipment. We ensure that the disposal of hazardous waste is 100% compliant with rules.

30 According to the *Domestic Water Saving Devices (CJ-T 164-2014)*, domestic water-saving devices are classified into grades A, B, and C by water pressure and water-saving performance. Grade A: water pressure \geq 60kPa and water-saving rate \geq 30%.

GREEN OPERATION (continued)

In 2023, 100% of the end-of-life servers and switches in the data centres leased by Kingsoft Office were disposed of by qualified recyclers in a compliant manner. 100% of the end-of-life hard drives, servers and batteries of the data centres leased by Seasun Holdings were disposed of by qualified recyclers in a compliant manner. 100% of the end-of-life servers, monitors, hard disks and batteries of the data centre leased by Kingsoft Wuhan Campus were disposed of by qualified recyclers in a compliant manner.

Building a Green Supply Chain

The Group continues to strengthen the environmental protection management of our suppliers and practice the principle of green procurement to build a green supply chain.

Supplier access and engagement stage: We developed the *Kingsoft Procurement Management Measures*, the *Kingsoft Supplier Management Specification* and other policies, stipulating that we prioritise cooperation with suppliers with excellent performance in sustainability, ESG development, green and climate. We urge suppliers to establish a management mode based on the environmental management system, occupational health and safety management system and quality management system, or to adopt nationally and internationally recognised management systems and guidelines related to sustainable development, and should conduct regular inspections and reviews to ensure that their management systems operate effectively.

Supplier evaluation and maintenance stage: We monitor our suppliers' sustainability performance and require them to reduce waste, emissions and wastewater and to use energy and resources efficiently, thus helping reduce their energy consumption and GHG emissions. We conduct regular reviews of our suppliers' sustainability performance and assess the effectiveness of supplier management and emission reduction measures, which are incorporated into our supplier management.

Supplier withdrawal stage: If the supplier fails to take corrective actions or fails to meet the above ESG-related requirements after taking such actions, the Group may take corresponding actions, including but not limited to suspension or cancellation of the supplier's qualification as a supplier of the Group.

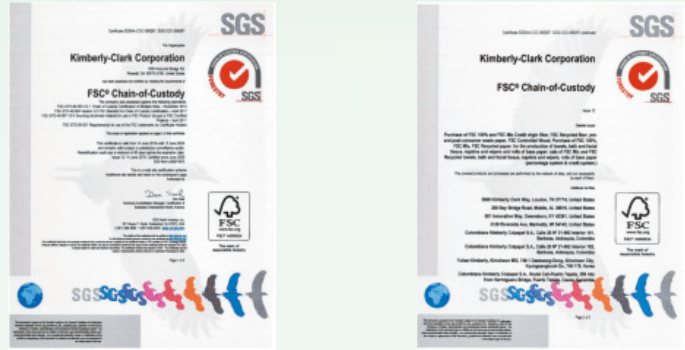
Prioritising Green Products in Procurement

The Group pays attention to the green attributes of the products we purchases, and endeavours to use environmentally friendly biodegradable materials or recyclable materials to achieve the purpose of greening the environment and mitigating the impact of our production and operation activities on the environment. Under the same conditions, we give priority to suppliers who provide environmentally friendly products or services. Suppliers with whom we co-operate should reduce the emission of waste, exhaust gases and wastewater, make effective use of energy and resources and, at the same time, seek opportunities to recycle waste, adopt environmentally friendly biodegradable materials or recyclable materials as far as possible, so as to achieve the purpose of greening, and to mitigate the impacts of their production and operation activities on the environment and the human beings.

Currently, all office and toilet paper at the offices of our Kingsoft Building in Beijing has passed the FSC certification.

GREEN OPERATION (continued)

FSC Certificates of Toilet Paper Purchased by Kingsoft



In the procurement of equipment for IDCs, the Group prefers green electronic equipment, including hard drives and servers, which are energy efficient or have environmental protection certificates. In 2023, 100% of the hard drives and servers Season Holdings bought for IDCs had environmental protection certificates.

IN 2023
DATA CENTRE HARD DISKS AND SERVERS PROCURED BY SEASON HOLDINGS HAD OBTAINED ENVIRONMENTAL CERTIFICATES

100%

Green Certificates of Servers Purchased by the Group



Certificates of Energy-saving Products Purchased by Kingssoft Office Internet Data Centre



Certificates of Energy-saving Products Purchased by Season Holdings Internet Data Centre



GREEN OPERATION (continued)

Preferring Green IDCs

All IDCs of the Group for production are rented. We advocate the green operation of IDCs and give priority to renting IDCs with low PUE³⁸ value and using clean energy.

The IDCs rented by both Kingsoft Office and Seasun Holdings use AI energy-saving technology. Dynamic data is collected from the temperature sensor in the end computer rooms and a remote monitoring system is used to optimise the operating parameters of the cooling system equipment, so as to adjust the operating parameters of the end air cabinets; and the running state of the UPS power is configured based on the load, to reduce energy consumption. Kingsoft Office uses high-efficiency centrifugal chiller and precision room air processor, which can effectively reduce energy consumption. We also pay attention to suppliers' use of clean energy. The IDCs rented by Kingsoft Office and Seasun Holdings are equipped with distributed photovoltaic power generation systems on their roofs. This increases the proportion of solar power used in the operation of our cabinets and reduces the power consumption by our hard drives, servers and other equipment due to traditional energy consumption. In 2023, in the IDC rented by Seasun Holdings in Shanghai, the photovoltaic panels provided 0.37 million kWh of electricity to power the computer room equipment.

Green Awareness

The Group promotes the low-carbon concept to employees in many ways and encourages them to practice the concept of green living and working. We post slogans promoting energy and water conservation in the offices and advocate the scientific use of lights, air conditioners and other electrical devices by employees. To reduce paper waste, we assess the paper needs of each department and encourage double-sided printing. In addition, we provide sorting bins and put up sorting signs in the offices to encourage employees to sort their waste. We call on employees to travel in green ways. This year, we added electric scooter parking sheds and electric vehicle charging piles at Zhuhai Kingsoft Campus, to encourage employees to commute in new energy vehicles.

Energy Conservation Tips We Put up in Offices



GREEN OPERATION (continued)

Environmental Key Performance Indicators

Unless otherwise stated, the following data cover the main office space in Beijing, Zhuhai, Wuhan, Chengdu, Guangzhou, and Hong Kong.

EMISSIONS	Unit	2023	2022	2021
Total GHG emissions (Scope 1, Scope 2)	tonnes	12,699.76	12,173.96	9,519.54
Scope 1 GHG emissions	tonnes	1,179.41	467.80	141.16
Including: Petrol	tonnes	46.03	26.45	26.83
Natural gas	tonnes	475.57	441.36	114.33
Refrigerant	tonnes	657.81	/	/
Scope 2 GHG emissions	tonnes	11,520.35	11,706.16	9,378.38
Including: purchased electricity for office buildings	tonnes	11,520.35	11,706.16	9,378.38
Scope 3 GHG emissions	tonnes	28,760.23	/	/
Including: purchased goods and services	tonnes	25,451.28	/	/
capital goods	tonnes	2,232.49	/	/
employee commuting	tonnes	605.30	/	/
fuel-and energy-related activities	tonnes	471.16	/	/
GHG emissions per employee in office buildings (Scope 1, Scope 2)	tonnes per employee	1.61	1.66	1.37
GHG emissions per floor area in office buildings (Scope 1, Scope 2)	tonnes per square metre	0.06	0.06	0.12
Total hazardous waste	tonnes	0.30	0.33	0.35
Hazardous waste per employee	tonnes per employee	0.000038	0.000045	0.000050
Total non-hazardous waste	tonnes	703.97	636.17	600.05
Non-hazardous waste per employee	tonnes per employee	0.089	0.087	0.086

ENERGY CONSUMPTION	Unit	2023	2022	2021
Total energy consumption	MWh	25,017.83	23,325.25	17,666.46
Direct energy consumption	MWh	2,620.19	2,365.20	694.27
Including: Petrol	MWh	188.05	108.03	109.58
Natural gas	MWh	2,432.14	2,257.17	584.69
Indirect energy consumption	MWh	22,397.64	20,960.05	16,973.19
Including: Purchased electricity for Office Buildings	MWh	22,397.64	20,960.05	16,973.19
Energy consumption per employee in Office Buildings	MWh per employee	3.18	3.17	2.55
Energy consumption per floor area in Office Buildings	MWh per square meter	0.11	0.12	0.21
Total water consumption	tonnes	190,543.05	131,543.50	114,986.48
Water consumption per floor area in Office Buildings	tonnes per square meter	1.01	0.65	1.39

GREEN OPERATION (continued)

Notes:

1. Due to its business nature, the major gas emissions of the Group are greenhouse gases, resulting from the burning and use of gasoline and natural gas and electricity converted from fossil fuels.
2. The Group's greenhouse gas inventories include carbon dioxide, methane and nitrous oxide, etc. GHG emissions are measured in carbon dioxide equivalents and calculated based on the 2021 Baseline Emission Factors for Regional Power Grids in China issued by the National Climate Strategy Centre and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories issued by the Intergovernmental Panel on Climate Change (IPCC).
3. Scope 3 calculation categories include purchased goods and services, capital goods, employee commuting, and fuel-and energy-related activities.
4. The hazardous waste involved in the Group's operation mainly includes waste toner cartridges, ink cartridges and batteries generated from office printing equipment. Waste toner cartridges, ink cartridges and batteries are uniformly recycled by qualified vendors.
5. The non-hazardous wastes involved in the Group's office buildings mainly include domestic wastes, which are handled by property management companies and cannot be individually measured. Therefore, we estimate wastes generated from the operation of the office buildings in accordance with the Handbook on Domestic Discharge Efficiencies for Towns in the First Nationwide Census on Contaminant Discharge published by the State Council.
6. The Group mainly uses municipal tap water and has no issue in obtaining water sources. The current water consumption statistics include those of Kingsoft Building, Xiaomi Campus, Guangzhou office space, Zhuhai Kingsoft Campus, Chengdu office space and Wuhan Campus. Other office space cannot measure water consumption separately because running water costs are included in property costs. In 2023, we continued to strengthen the statistics and management of water resources data, improved the integrity and accuracy of data. During the reporting period, we retroactively adjusted historical water consumption data to better improve the quality of disclosure.
7. Energy consumption is calculated based on the fuel consumption and electricity and the conversion factors in the National Standards General Principles for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020).
8. Due to the nature of our businesses, the Group does not produce any packaging products, therefore does not use packaging materials.
9. During the year, the Group steadily improved the granularity and integrity of the GHG emissions accounting in Scope 1, Scope 2 and Scope 3. In the calculation of emissions in Scope 1, we have added the carbon dioxide equivalent produced by refrigerant in this report and further adjusted the carbon dioxide equivalent produced by gasoline in this report retrospectively..

CONTRIBUTING TO THE SOCIETY

The Group is dedicated to fulfilling charitable mission and creating more social value. We carry out a number of public welfare actions in the areas of educational equality, environmental protection, promotion of traditional culture, disaster relief and rural revitalisation, etc., so as to contribute to the well-being of the society.

This year, the Beijing Kingsoft Foundation formulated the “Kingsoft Public Welfare Foundation Development Plan for the Next Three Years (2024–2026)” and held four board meetings to review and approve major issues such as amendments to the Foundation’s organisational structure and regulations, the formulation of annual philanthropic project budgets and capital preservation and appreciation plan. This year, the Group’s public welfare expenditure was RMB9,775,698.30.

This year, the Kingsoft Foundation launched the “Little Gold Brick” program, encouraging employees to make donations which were used in the areas of public welfare assistance for students, major natural disasters and emergency relief construction support. In the future, we will uphold the concepts of “Technology for Good”, “Technology Assisting Good” and “Technology in Service of Good”, focus on the digital era, focus on the needs of groups in the field of education, strive to build a cohesive, influential and credible charitable organisation and promote the innovative development of public welfare.

Promoting Educational Equality

The Group is actively engaged in education public welfare, using the power of science and technology, constantly exploring and practising new modes and paths of education assistance. We are committed to breaking the geographical limitations, allowing quality education resources to benefit more students, narrowing the education gap and promoting equality in education.

Driving technology empowerment to promote educational equality

In 2023, the Kingsoft Foundation launched the “Rural Primary School Education Support Program”, using technology to help rural schools in remote areas to improve their overall quality. This year, the Kingsoft Foundation donated materials worth approximately 180,000 RMB to four schools in Henanzhai Town, Miyun District, Beijing, providing educational software and hardware support and educational mental health training to enhance the overall level of teaching and education.

To improve the learning environment for students in remote areas, on the eve of Children’s Day, the Kingsoft Foundation donated computers and learning materials to students at Jinshan Hope Primary School, Zhailong Town Primary School, Rier Township Primary School and Fubian Township Primary School in Xiaojin County, Aba Tibetan and Qiang Autonomous Prefecture, Sichuan Province. In the future, to achieve a balanced education, we will actively leverage our technological advantages to promote digital education and use Internet technology to provide quality educational resources to schools in remote areas.

CONTRIBUTING TO THE SOCIETY (continued)

Students at schools in remote areas received Children's Day gifts from the Kingsoft Foundation.



Empowering online teaching and research to support digital education initiatives

This year, we utilized WPS 365 to assist the Educational Research Office of Yunxi County, Shiyan City, Hubei Province in establishing a blended teaching model that combines online and offline methods. By the end of 2023, a total of 3,700 primary and secondary school teachers from Yunxi County Educational Research Office have been using WPS 365 for online collaborative lesson planning.

Rural teachers in Yunxi County are using WPS 365 for lesson planning.

乡校二级协同备课—校级年级/学科组协同备课

老师以金山文档为载体，以“初备-集备-复备-续备-补备”五步进行，通过对主备的教学设计或导学案开展二次研讨，形成个性化教案，由主备人修改完善教案与课件，形成“共案”，待上课前根据自己班级学生学习情况再次修改完善，形成“个案”。



湖北口回族乡中心小学教师运用“金山文档”进行网络集体备课

CONTRIBUTING TO THE SOCIETY (continued)

Protecting Our Green Homeland

The Group continues to innovate the forms of green public welfare, using the network as a carrier, and mobilising value chain partners to participate in the environmental protection through diversified means, so that the concept of green development can be deeply rooted in people's hearts.

Collaborating with Game Players to Support Desert Control

Seasun Holdings' game JX Online III launched the "Desert Expedition Pact" public welfare project, aiming to educate players about desertification restoration in China. A total of 1.77 million players participated in this project. In the game, a virtual scene called "Sunset Hill" was created, and a gaming segment simulating the process of desertification control was designed to allow players to experience the work of desert control in the desert. Seasun Holdings also temporarily released a public welfare fireworks item called "Kui Shadow Tilted Sun" and donated the proceeds from the sale of this item to the "10 Yuan Greening Up Alashan" public welfare project of the China Green Foundation, which aims to plant salt-tolerant shrubs in the Tengger Desert. Additionally, knowledge explanations and interesting quizzes were set up in the game to help players understand the related knowledge of desertification control techniques.

"Desert Expedition Pact" program won the annual case award at the 2023 People's CSR Honour Ceremony hosted by People's Daily. It was the only game product case selected for the award this year, and Seasun Holdings is the only game company selected for the award this year.

JX Online III launches the "Desert Expedition Pact" event



CONTRIBUTING TO THE SOCIETY (continued)

Promoting Traditional Culture

The Group combines traditional culture with modern technology and continues to explore innovative ways to revitalise outstanding traditional culture in the digital domain. We try our best to bring the public a more colourful cultural experience.

Creating Traditional-style Street Markets to Promote Intangible Cultural Heritage

Seasun Holdings' game JX Online III created a lantern festival scene called "Sky Street Lantern Fair•Bright Night Warm Lanterns". Players could follow the game's mission guidance to learn about Chinese traditional lantern festival culture and experience the atmosphere of traditional festival. The event attracted millions of players to participate. Additionally, we set up a 1:1 replica of the game-themed scene "Tianjie Lantern Market" at the 29th Zigong Lantern Festival. Visitors engaged in traditional activities such as enjoying flower lanterns and doing lantern riddles to explore the national intangible cultural heritage of "Zigong Lantern". The event attracted more than a million people to participate in the offline activities through the dual cultural and creative scenes of digital reality and intergeneration, leading participants to appreciate the cultural charm of Zigong coloured lanterns.

"Sky Street Lantern Fair•Bright Night Warm Lanterns" Themed Lantern Show Event in JX Online III



CONTRIBUTING TO THE SOCIETY (continued)

Adapting Opera Across Borders to Rejuvenate Traditional Arts

This year, Season Holdings joined forces with Sichuan opera artists to perform the custom face-painted Sichuan opera "Residence Mountain View River" at the 2023 Annual Top Ten Games Gala. The performers demonstrated Sichuan opera techniques such as Ba Zi Gong, Shui Xiu Gong, and sheathing of double swords. They fused classic Sichuan opera characters with elements from "JX Online III", reinterpreting traditional operas via the gaming platform, offering the audience a brand new viewing experience.

"Season Holdings 'Residence Mountain View River' Performance Scene"



Conducting Disaster Relief and Rescue Assistance

The Group is committed to the society and actively undertakes corporate social responsibilities. When a natural disaster occurs, we respond quickly and shoulder the responsibility of assistance and rescue, bringing love and hope to the affected areas, which directly demonstrates our commitment and mission.

Assisting Jiesshishan Earthquake Area to Warm Heart with Love

In December 2023, a magnitude 6.2 earthquake struck Jishishan County, Linxia Prefecture in Gansu Province. The Kingsoft Foundation immediately responded by donating 2 million yuan through the China Foundation for Rural Development to support Gansu and Qinghai's disaster-stricken areas. The donation was divided into 2 phases to pay. In 2023, 450,000 yuan was paid to purchase winter materials for transitional resettlement and to support the restoration and reconstruction of schools after the disaster. 1.55 million yuan was paid for donations to carry out post-disaster reconstruction work in 2024.

CONTRIBUTING TO THE SOCIETY (continued)

The Kingsoft Foundation donated supplies to the people in the Jishishan disaster area.



Supporting Rural Revitalization

The Group takes the promotion of rural revitalisation as our responsibility and constantly explores innovative ways. We conduct charity sales to support the planting business, contributing to the prosperity of the rural economy and the harmonious development of society.

Sponsoring Tribute Rice Paddy Fields to Promote Agricultural Aid

This year, to celebrate the ninth anniversary of the Xi Fund³¹, Season Holdings organized a charity sale and used the proceeds to sponsor the “Yachuan Tribute Rice” paddy fields. This initiative supports the farming enterprises of the Yachuan Community Shareholding Economic Cooperative, aids in the economic development of the agricultural product geographical indication protection area and contributes to the achievement of common prosperity.

Season Holdings received a certificate for sponsoring the “Yachuan Tribute Rice” paddy fields.



31 Xi Fund refers to the organisation advocated by the President Office of Season Holdings, which is formed spontaneously, self-managed and supervised by all staff and donors, and is specifically responsible for raising funds and making donations to the staff in need of help.

APPENDIX: HKEx ESG REPORTING GUIDE INDEX

Subject Areas, Aspects, General Disclosures and KPIs		Correspondent Chapters
Mandatory Disclosure Requirements		
Governance Structure	A statement from the Board containing the following elements: <ul style="list-style-type: none"> (i) a disclosure of the Board’s oversight of ESG issues; (ii) the Board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and (iii) how the Board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses. 	ESG Governance Structure
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: <p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement.</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	Reporting Principles
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	Reporting Scope
“Comply or explain” Provisions		
A. Environmental		
<i>A1 Emissions</i>		
General Disclosure	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Green Operation Green Office
KPI A1.1	The types of emissions and respective emissions data.	Environmental Key Performance Indicators

APPENDIX: HKEx ESG REPORTING GUIDE INDEX (continued)

Subject Areas, Aspects, General Disclosures and KPIs		Correspondent Chapters
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Key Performance Indicators
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Key Performance Indicators
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Key Performance Indicators
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Environmental Target Response to Climate Change Green Office Green Awareness
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environmental Target Green Office Green Awareness
<i>A2 Use of Resources</i>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Green Office
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Environmental Key Performance Indicators
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Key Performance Indicators
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Target Response to Climate Change Green Office Green Awareness
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Environmental Target Green Office Green Awareness
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The business attribute does not involve the use of packaging materials

APPENDIX: HKE_x ESG REPORTING GUIDE INDEX (continued)

Subject Areas, Aspects, General Disclosures and KPIs		Correspondent Chapters
<i>A3 The Environment and Natural Resources</i>		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Green Office
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Response to Climate Change Green Office Green Awareness
<i>A4 Climate Change</i>		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Response to Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Response to Climate Change
B. Social		
<i>Employment and Labour Practices</i>		
<i>B1: Employment</i>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Protection of Employees' Rights and Interests Talent Development Employee Care
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Protection of Employees' Rights and Interests
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Protection of Employees' Rights and Interests
<i>B2 Health and Safety</i>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety

APPENDIX: HKEx ESG REPORTING GUIDE INDEX (continued)

Subject Areas, Aspects, General Disclosures and KPIs		Correspondent Chapters
KPI B2.2	Lost days due to work injury.	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
<i>B3 Development and Training</i>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Talent Development Strategy
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Talent Development Strategy
KPI B3.2	The average training hours completed per employee by gender and employee category.	Talent Development Strategy
<i>B4 Labour Standards</i>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Protection of Employees' Rights and Interests
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Protection of Employees' Rights and Interests
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Protection of Employees' Rights and Interests
Operating Practices		
<i>B5 Supply Chain Management</i>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management

APPENDIX: HKEx ESG REPORTING GUIDE INDEX (continued)

Subject Areas, Aspects, General Disclosures and KPIs		Correspondent Chapters
<i>B6 Product Responsibility</i>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	No significant relevance to the Group's software business
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility B6.4 "Product recall process" is not significantly relevant to the Group's business
KPI B6.5	Description of consumer data protection and privacy policies and how they are implemented and monitored.	Product Responsibility
<i>B7 Anti-corruption</i>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Business Ethics Management
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Business Ethics Management
KPI B7.2	Description of preventive measures and whistle-blowing procedures and how they are implemented and monitored.	Business Ethics Management
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Business Ethics Management

APPENDIX: HKE_x ESG REPORTING GUIDE INDEX (continued)

Subject Areas, Aspects, General Disclosures and KPIs		Correspondent Chapters
Community		
<i>B8 Community Investment</i>		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Contributing to the Society
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Contributing to the Society
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Contributing to the Society