



NEW PLAN NEW OUTSET

ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT
2020

CAPINFO

Capinfo Company Limited

(a joint stock limited company incorporated in the People's Republic
of China with limited liability)

(Stock Code : 1075)





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ABOUT THIS REPORT

Fulfilling social responsibility is critical for a company to achieve sustainable development, which also serves as an important way of meeting the expectations and demands of stakeholders. This report is the fifth environmental, social and governance report released by Capinfo Company Limited. It discloses the Company's practice and performance in fulfilling economic, social and environmental responsibilities. By releasing this report, we hope to enhance communication with stakeholders, cooperate more closely and forge a bigger synergy for sustainable development.

SCOPE OF THE REPORT

The report covers Capinfo and its subsidiaries and branches.

NAMING

To facilitate presentation and reading, "Capinfo Company Ltd." in this report is referred to as "Capinfo" "the Company" or "we".

REPORTING PERIOD

The report covers from January 1, to December 31, 2020, and also includes additional information beyond the stated reporting period.

REPORT COMPILATION PRINCIPLES

The report is prepared in accordance with *Guidelines to State-owned Enterprises Directly under the Beijing Municipal Government on Fulfilling Corporate Social Responsibilities* of State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality, and refers to *Guidance on Social Responsibility (ISO 26000:2010)* issued by International Organization for Standardization (ISO), the *GRI Sustainability Reporting Standards* (GRI Standards) of Global Sustainability Standard Board (GSSB), and *Environmental, Social and Governance Reporting Guide (HK-ESG)* issued by The Stock Exchange of Hong Kong Ltd.

DATA SOURCE

All data used in the report come from the Company's official documents and statistics reports. All the aforementioned data have been reviewed by relevant authorities. Should there be any discrepancy between the ESG report and the annual report, the annual report shall prevail.

MESSAGE FROM THE CHAIRMAN



The year 2020 was a tough year in the face of unprecedented challenges such as the impact of the new epidemic and the downturn in domestic and external economic growth. In such an extraordinary year, the Company stayed true to its original aspiration and bore in mind its mission. Under the guidance of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, with the core task of fully accomplish the objectives of the 13th Five-Year Plan, the iron army spirit of being "political and trustworthy", and the emphasis on both epidemic prevention and development, the Company expanded markets, strengthened management, improved quality and efficiency, prevented risks, ensured stability, minimized the impact of the epidemic, and achieved hard-earned development results. In spite of the headwinds, the Company maintained solid performance and achieved a successful conclusion to the 13th Five-Year Plan.

MESSAGE FROM THE CHAIRMAN

Over the past year, the three basic platforms played an important role in continuing to empower the Company's development. The integrated network platform of government affairs was consolidated and strengthened. 1.4G broadband cluster network took shape and new base stations were built in key competition zone and venues of the Winter Olympic Games in Beijing, laying the foundation for broadband cluster communications for the success of the Games. After years of construction, full coverage of base stations has been achieved in the six core areas, the main suburban areas, the administrative office areas of city sub-centers, the remote suburban central areas, the World Expo, Winter Olympic Games competition zone and other key areas. The competitiveness of Capinfo cloud platform improved significantly. The cloud host was certified by the Ministry of Industry and Information Technology as a trusted cloud service and achieved a higher level in terms of stability, reliability and security in China. Capinfo cloud video conferencing system was launched timely to provide online technical support for the regular epidemic prevention and control and the resumption of work and production. The big data innovative service platform was put into application in an intensive manner. Using the Capinfo big data platform as the underlying framework, the Beijing 12345 public service hotline business database was built, which enabled the application of the Capinfo big data platform in the Beijing 12345 public service hotline. The "Xicheng District Macroeconomic Data Application Platform", the first district-level macroeconomic data platform in Beijing, was successfully built to assist decision making and promote economic development.

Over the past year, the five sectors of business developed in depth and successfully achieved the annual strategic target of fighting the epidemic and ensuring development. Smart governmental services continued to be optimized and upgraded. The annual upgrade and revision of the website of Beijing governmental service passed the final inspection, with the full coverage of over 370,000 items of governmental service at the city, district, street and residence levels achieved. The Company won the bid for the project of "Internet + Governmental Service" integrated platform of Fengtai District Governmental Service Centre to take the lead in trying out the innovative concept of "Smart + Governmental Service" and lead the way in constructing a smart and standardized governmental service system. The smart medical and health service sector carried forward model innovation. The Company provided strong support for the switching of settlement model of Beijing medical insurance and introduced card-less settlement of medical insurance. Key projects of smart livelihood service maintained a positive development momentum. The information sharing platform for provident fund for Guangdong-Hong Kong-Macao Greater Bay Area was built, which enabled online cross-regional services such as transfer and continuation of housing funds, loans and withdrawals from different

MESSAGE FROM THE CHAIRMAN

locations in cities across the region. The protection for provident fund systems in Shanghai, Guangzhou, the Pearl River Delta, Chongqing and many other cities was highly effective. The smart city management sector implemented new infrastructure technology applications. Capinfo stepped up the construction of block chain infrastructure service platform in Xicheng District with deep fusion technology to create a classic case of refined urban management at the district level. The demonstration projects of public security video surveillance network (Sharp Eyes Project) in Dongcheng District, Changping District and Yanqing District were completed, which further promoted the construction of an integrated social security defense and control system. For smart enterprise innovation sector, great efforts were made in development. It accelerated the penetration of cloud in state-owned enterprise market, developed integrated cloud service solutions for state-owned enterprises and expanded its services to more than 10 municipal state-owned enterprise groups, including State-funded corporations.

Over the past year, the Company strengthened its controls and systems to continuously improve the standard of its operations. It made amendments to the Articles of Association, established the general counsel system and chief auditor system, strengthened the legal affairs and internal control and enhanced the ability to prevent and control major risks. *The Rules of Procedure of Meetings of the Board of Directors* and *the Rules of Procedure of Meetings of the General Manager's Office* were comprehensively improved to enhance the regularity and effectiveness of the operation of the three meetings, prevent risks in decision-making and promote the sustainable and healthy corporate development. It strengthened the control of the Group's parent and subsidiary companies, clarified the relationship between parent and subsidiary companies in terms of decision-making on major issues, daily management of financial affairs, prevention and control of legal risks, regular supervision of audits and monitoring of procurement priorities, and promoted the independent operation and development of subsidiaries in the context of standardized control. For "Important issues, Important Personnel, Important Investments and Substantial Investment Amount", decision making policy has been implemented throughout the Group, and the Company and all its subsidiaries insisted on making decisions in accordance with the law and on a collective basis to ensure the correct corporate development direction.

In 2020, the Company's brand awareness continued to grow. The Company was admitted onto the list of the 2nd group of pilot unit for I&I integration of Beijing Municipal, and won the Top 100 Enterprises of Beijing Software and Information Services Industry, 2020 Government Information based Solution Case Innovation Award, China's Top 100 Smart O&M Service, the Second Prize for Outstanding Achievements in the Reform and Development of Chinese Enterprises, 2020 China Digital Ecological Corporate Social Responsibility Award and Growth-Against-Adversity Award etc. In the emergency project for the prevention and control of Novel Coronavirus at Beijing Ditan Hospital, the Company were awarded an honorary commendation by the Beijing Major Projects Construction Headquarters Office. Capinfo successfully passed the CMMI 2.0 maturity assessment at the highest level 5 and obtained level one certification of maturity of ITSS operation and maintenance service capability and the certification of Excellent Level (CS4) of Information System Construction and Service Ability.

MESSAGE FROM THE CHAIRMAN

The year 2021 marks the 100th anniversary of the founding of the Party, and is also the year in which quality development of Capinfo under the 14th Five-Year Plan will be embarked on. In the coming year, the Company will adhere to the leadership of Party building work, scientifically formulate the development strategy of 14th Five-Year Plan, coordinate and drive forward regular epidemic prevention and control and business development, continue to deepen the reform and innovation of state-owned enterprises, focus on core drivers of big data and AI+ enterprise development, build Beijing's integrated network service platform and safe and reliable Capinfo cloud platform, significantly improve the service capacity of the four sectors: smart government, smart medical, smart operation and smart enterprise, steadily promote commercialization and nationalization, and strive to become a "leading smart city and data industry operator".

Lin Yankun

Chairman and Party Secretary

STATEMENT OF THE BOARD OF DIRECTORS ON ESG

The Board of Directors of Capinfo promises to strictly abide by the disclosure requirements of *Environmental, Social and Governance Reporting Guide (HK-ESG)*.

The Board of Directors is responsible for overseeing the Company's commitment to and performance on key ESG topics. The Office of the Board assist the Board of Directors to provide professional advice on ESG management in accordance with the *HK-ESG*. We organize meetings from time to time to discuss and clarify the regulatory responsibilities of the Board of Directors, continuously strengthen ESG management, and further analyze and improve the ESG management process.

In 2021, the Board of Directors will further improve its management for continuous enhancement of ESG management.

ABOUT CAPINFO

COMPANY PROFILE

Capinfo Company Limited was founded in 1998. For more than 20 years, the Company has been committed to serving Beijing's information technology construction, providing continuous, reliable and stable information technology services for Beijing's e-governance system, medical insurance information system, housing provident fund system, intensive government website construction and the construction of smart venues for the Winter Olympics; played an active role in the construction of the administrative office area of the sub-centre of the city, the joint development of Beijing, Tianjin and Hebei, and the organisation of the Winter Olympics, demonstrating its image as a "political and trustworthy" state-owned enterprise. The Company has played an important role in safeguarding the network in major national affairs and events such as the fight against SARS, the Beijing Olympics, the APEC Summit, the 19th Party Congress, the 70th Anniversary of the National Day, and the fight against the COVID-19 epidemic.

The Company won the honour of China Top 100 Internet Enterprises, Top 10 Leading Companies in China's IT Services, The Leading Internet Brand in China, Preferred Service Provider in China's Information Technology, China's Leading Cloud Computing Service Brand in Construction of Digital China, Innovative Enterprise of Cloud Computing in China and Top 10 Innovative Companies in China (IT services). In terms of technology, the Company obtained certificates including the CMMI Level 5, which represented the highest level of international software maturity, Information Technology Services Standard (ITSS) Level 1, cloud computing service capacity standard compliance and "Excellent Level (CS4) of Information System Construction and Service Ability". Lin Yankun, the secretary of the Party Committee and Chairman of the Board of the Company, won the honour of Internet Leader in China and Top 10 Leading Figures in China (IT Services).

Currently, the Company has comprehensively established an innovative business pattern of "one core, two platforms and four sectors": "one core" refers to a core of big data and AI+; "two platforms" refers to two basic platforms, which are Capinfo Cloud and the dedicated network; "four sectors" refers to smart government affairs, smart medical care, smart operation and smart enterprise. In the future, the Company will focus on block chain, big data, artificial intelligence and other cutting-edge new technologies for smart cities, increase its independent innovation in the era of new information technology, base its businesses in the capital city and expand to the whole country, and strive to become a "leading smart city and data industry operator".

ABOUT CAPINFO

DATE OF 2020

- Total assets: RMB2,503.12 million
- Operating revenue: RMB1,410.57 million
- Total profit: RMB154.89 million
- Net profit attributable to owners of the Company: RMB127.49 million
- R&D input: RMB100.25 million
- Total employees: 1,745
- Training opportunities offered to employees: 13,157
- Social insurance enrolment rate of employees: 100%
- Coverage of employee health checks and health files: 100%

ABOUT CAPINFO

CSR IMAGE: CAPINFO EVENTS 2020

**JANUARY**

Capinfo won the bid for the project of data sharing platform for housing provident fund of Guangdong-Hong Kong-Macao Greater Bay Area

**FEBRUARY**

The "Outbreak Map System" developed by Capinfo was officially launched, which allowed multi-layered display of outbreak data in city, district, street and community on the municipal GIS platform

Capinfo Cloud, a subsidiary of Capinfo, provided free cloud video conferencing services to party and government organs, enterprises and institutions during the COVID-19 outbreak, demonstrating the nature and role of a state-owned enterprise

**MARCH**

Capinfo Cloud developed and launched "Capinfo Cloud - Yi An Xing", a community and park epidemic prevention and control system, to facilitate scientific and precise prevention and control of epidemics

Capinfo started construction of 1.4G dedicated network base stations for Beijing-Chongli Expressway in Class B area of Winter Olympic Games

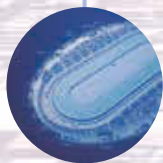
Capinfo won the bid for the project of service management of network service platform of the National Sci-Tech Innovation Centre

**APRIL**

Capinfo completed the launch of the new version of Beijing municipal service flagship shop of the national government service platform

**MAY**

Capinfo satisfactorily fulfilled the mission in protection of Beijing municipal government network and Beijing municipal government cloud platform for the Two Sessions

**JUNE**

Capinfo officially completed the functional construction of visualised operation and maintenance management system of the smart venue in the project of "Demonstration and Application of Key Technology of Smart Service at the National Speed Skating Pavilion"

Capinfo, as the leading unit, formed a consortium with Beijing Mobile and won the bid for "5G Smart Reconstruction of the commercial street of Guguang South Road" in Beijing.

**JULY**

Capinfo won the bid for the city brain pilot project of the municipal bureau of economy and information technology

Capinfo successfully developed and launched the venue alliance application linkage service system to fully assist in the access control of various premises such as municipal service halls, communities, commercial supermarkets, buildings, hotels, airports, hospitals, scenic spots, and enterprises

**AUGUST**

The second phase of the comprehensive business service and management platform of Shanghai housing provident fund contracted by Capinfo was officially launched

**SEPTEMBER**

Capinfo's "Yi An Xing" smart linkage service product debuted in the "Service Robot - Smart Technology Special" exhibition area of 2020 China International Fair for Trade in Services and received high attention

Capinfo built the macroeconomic big data application platform in Xicheng District, which was the first district-level macroeconomic big data platform in Beijing

**OCTOBER**

The Party member meeting of Capinfo Company Limited of the Communist Party was successfully held, and the Committee of Capinfo Company Limited of the Communist Party and the Disciplinary Inspection Committee were established through election.

Capinfo and Jingdong Digits Technology Holding Co., Ltd. formed a consortium, and won the bid for the "immediate handling upon receipt of complaint" public service platform project of 12345 public service hotline in Datong City

**NOVEMBER**

With its 4 Beijing municipal key laboratories and AI laboratories, block chain research centre and 3 cutting-edge technology laboratories of big data research centre, Capinfo established a presence in Hefei City and incorporated Anhui branch

Capinfo provided communications security for the inspection of the Winter Olympic venues by foreign expert groups of the International Olympic Winter Sports Federation

**DECEMBER**

With the support of Capinfo, Beijing became a "benchmark city" in terms of business environment in the PRC in 2020

CORPORATE GOVERNANCE

A good corporate governance mechanism helps enhance the value of a company and safeguard the rights and interests of shareholders, which lays an important foundation for sustainable development. Capinfo protects the interests of the Company, shareholders and stakeholders, and continuously improves corporate governance regulations and procedures. With a standard and complete corporate governance system, the Company strictly abides by national laws and regulations, and keeps improving the governance level.

In accordance with the *Company Law of the People's Republic of China* and *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* as well as the Articles of Association, and based on its actual situation, Capinfo improves and implements various working systems and processes of the Board of Directors and its subordinate committees. An effective corporate governance mechanism has been established with the General Meeting of Shareholders as the highest authority, the Party Committee as the leading body, the Board of Directors as the decision-making organ, the Board of Supervisors as the supervisory organ, and the management as the executive organ. In this way, we further regulate the operation of the Company, and improve our management.

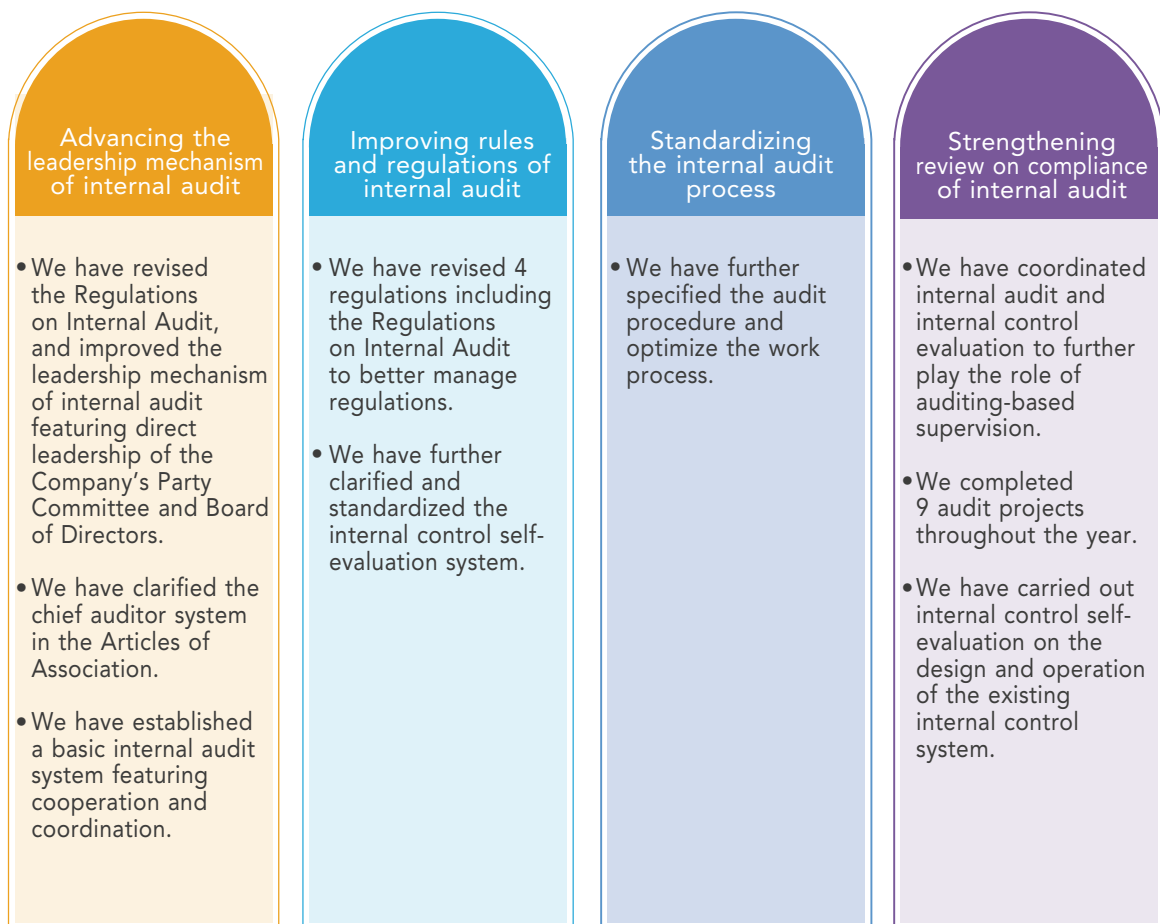


COMPLIANCE OPERATIONS

Capinfo has established a sound legal risk prevention mechanism, optimized the internal control system, operated with integrity and according to relevant laws and regulations, and fully carried out auditing-based supervision. These efforts have improved our ability of compliance management and law-based corporate governance, and ensured healthy and stable development of the Company.

STRENGTHENING AUDITING-BASED SUPERVISION

Capinfo gives full play to the role of internal audit in supervision, evaluation, management and service. We have improved the internal audit system and rules, standardized the audit process, formulated and carried out the annual audit work plan, and promoted internal control evaluation. By optimizing the audit and internal control systems, we keep improving the quality and effectiveness of internal audit.



Major measures for strengthening auditing-based supervision

COMPLIANCE OPERATIONS

RISK MANAGEMENT

Capinfo continuously strengthens management of financial management, internal audit, contract management, and legal risks, and has established risk management processes covering internal environment, risk assessment, monitoring, information communication and supervision. Accordingly, we identify and evaluated the risks facing us, allocate resources to manage them based on their severity, striving to comprehensively strengthen our risk control ability to escort the Company's healthy development.

In 2020, Capinfo revised corporate governance systems such as the *Articles of Association*, and implementation measures for major decision making, appointment of major officials, major project investment and the use of large-value funds, as well as the rules of procedure for the Board of Directors, General Meeting of Shareholders and Board of Supervisors. We formulated and revised a series of management systems including the financial management system, internal audit regulations, legal review rules, bidding management measures, monetary capital management measures, account management measures, and cash reserves for R&D investment. After systemic analysis of the rules and regulations, we promoted the building of risk control systems. At the same time, we strengthened legal risk control and top-level design by working out a three-year law-based governance work plan from 2020 to 2022, adding the general counsel system into the *Articles of Association*, and setting up the Governance and Compliance Committee under the Board of Directors, which further clarified requirements for law-based corporate governance and enhanced the guidance of the Board on it. In 2020, Capinfo conducted 10 trainings on compliance operations with 1,996 participants.

ESG MANAGEMENT

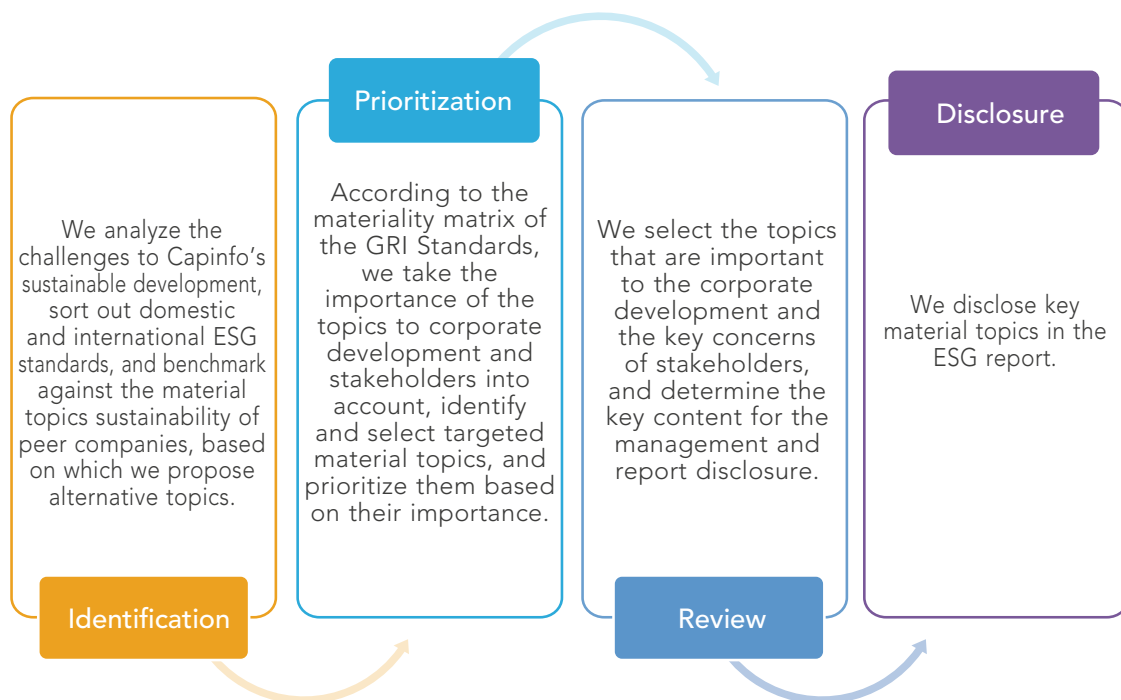
With the mission of “innovative IT services for smarter cities and more convenient life”, Capinfo continuously improves ESG management, and integrates it into business operations, daily management and corporate culture, promoting balanced economic, social and environmental progress.

ESG MANAGEMENT STRUCTURE

Capinfo continuously improves the ESG management structure and makes it a part of the corporate governance system. As the decision-making organ for ESG management, the Board of Directors is responsible for the overall planning and promotion of ESG management. The Company has established an ESG management system in which special departments and personnel are responsible for the management of certain ESG topics and other departments participate, aiming to comprehensively carry out various management regulations from the top down.

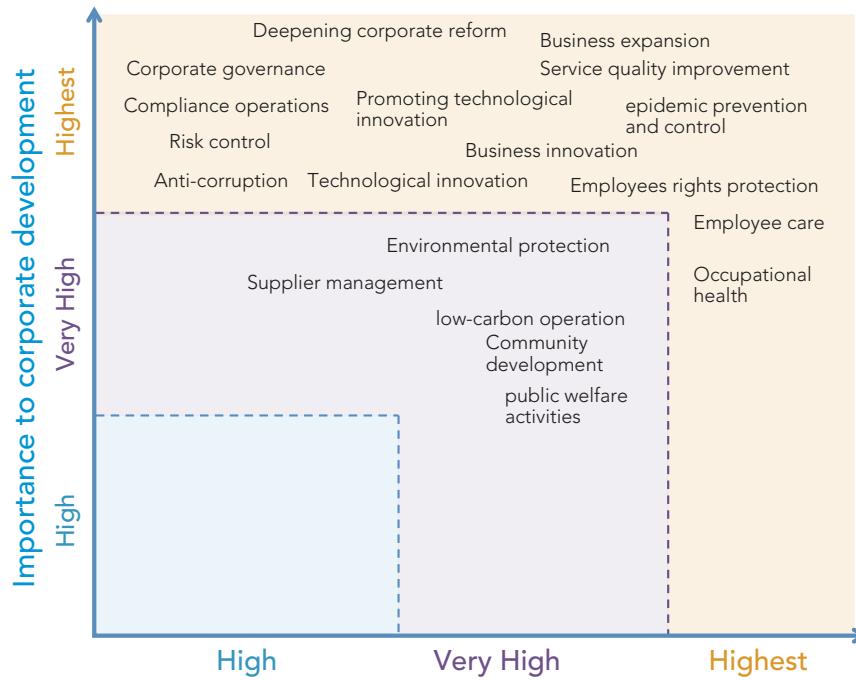
IDENTIFICATION OF MATERIAL TOPICS

From the perspective of stakeholders, and based on its strategies and business development, Capinfo collects the demands of internal and external stakeholders, and draws a materiality matrix through identification, prioritization, review and disclosure of material topics. The matrix provides a basis for report compilation and information disclosure and helps us with ESG management, practices and business operations.



Identification process for material topics

ESG MANAGEMENT



Materiality matrix

STAKEHOLDER COMMUNICATION

The Company has established and improved mechanisms and channels to promote regular communication with stakeholders. By learning and responding to the expectations and requirements of stakeholders such as investors, customers, employees, suppliers, communities and regulatory authorities, the Company communicates with stakeholders about its development and operation, thus gaining their understanding and support and continuously improving ESG management.

ESG MANAGEMENT

Stakeholders	Concerns	Communication Mechanisms
Investors	<ul style="list-style-type: none"> Information disclosure Corporate governance Financial performance Protection of investors' interests 	<ul style="list-style-type: none"> Improving internal management system Regular report and announcement General meeting, meeting of the Board of Directors, meeting of the Board of Supervisors
The government and superior regulators	<ul style="list-style-type: none"> Security management Financial performance Environmental responsibilities Rights and interests of employees Public welfare 	<ul style="list-style-type: none"> Special report Research and visit Project cooperation Working conference Statistics report
Customers	<ul style="list-style-type: none"> Service quality Technological innovation Information security 	<ul style="list-style-type: none"> Customers' feedback Customer relationship management (CRM) Online service
Employees	<ul style="list-style-type: none"> Rights and interests of employees Career development Compensation and benefits Democratic communication 	<ul style="list-style-type: none"> Staff congress Labor union Mailbox and Official Wechat Staff service center
Suppliers/Peers	<ul style="list-style-type: none"> Corporate reputation Sunshine purchase Communication and cooperation Industry development 	<ul style="list-style-type: none"> Business negotiations Contract and agreement Training and technical seminar Forum and conference
Communities/Society	<ul style="list-style-type: none"> Environmental responsibility Public welfare Community development 	<ul style="list-style-type: none"> Charitable activities Volunteer activities

ESG MANAGEMENT

CSR HONORS

- Capinfo was admitted onto the list of the “2nd Group of Pilot Enterprises for I&I Integration Management System of Beijing Municipal in 2019”
- In the published report of “Recommendation and Comprehensive Influence Assessment Results of Excellent Chinese Government Affairs Platforms in 2019”, the Beijing SASAC portal website and the Beijing municipal market supervision administration portal website constructed, operated and maintained by Capinfo won the “2019 Chinese Government Website Leadership Award”, and the website of Beijing municipal poverty reduction cooperation and assistance won the “2019 Outstanding Chinese Government Website Award”
- Capinfo was selected as “Beijing’s First Batch of High-precision Industrial Skills Upgrading Training Institutions in 2020”
- Capinfo successfully passed the domestic highest level – excellent level (CS4) certification, and obtained the “Excellent Level (CS4) of Information System Construction and Service Ability” certificate issued by China Information Technology Industry Federation
- At the “4th National 12345 Government Service Hotline Annual Conference”, the Beijing 12345 Public Hotline, constructed, operated and maintained by Capinfo, ranked first in the annual evaluation of the operational quality of the national government hotline with a score of 93.78, and won the “Outstanding Anti-epidemic Contribution Award” and “Smart Anti-epidemic Leading Award”
- At the closing forum of the 2020 China Digital Ecological Heroes Association, Capinfo won the “2020 China Digital Ecological Corporate Social Responsibility Award” and “2020 China Digital Ecology Growth-Against-Adversity Award” for its outstanding contribution to the informatisation of the capital’s government affairs during the epidemic and the orderly resumption of work and production
- Capinfo Technology, a subsidiary of Capinfo, won the title of “Honest Enterprise of Beijing City”
- Capinfo Cloud Technology, a subsidiary of Capinfo, passed the trusted cloud service test and evaluation and obtained trusted cloud service certification

ESG MANAGEMENT

- At the 2020 Government Information-based Conference, the health and epidemic prevention service product developed by Capinfo – “Yi An Xing” smart linkage service product won the 2020 Government Information-based Solution Case Innovation Award
- At the Third Membership Meeting and General Meeting of the Zhongguancun IQ Alliance for Software Services Industry, Capinfo won the “Industry Contribution Award”
- At the 2020 China IT Service Innovation Conference, a health and epidemic prevention service product developed by Capinfo – “Yi An Xing” linkage service product won the 2020 China IT Service Innovation Technology Solution TOP100 and 2020 China IT Service Most Innovative Value Product Award
- At the 10th Member Representative Conference of Beijing Software and Information Service Industry Association, Capinfo was admitted onto the list of top 100 companies and won the title of “Top 100 Enterprises of Beijing Software and Information Services Industry” for 5 consecutive years
- In the Announcement on the List of Re-assessed Units Passing the Information Technology Service Standard Compliance Assessment issued by the Information Technology Service Branch (ITSS Branch) of China Electronics Standardization Association, Capinfo successfully passed the compliance assessment and once again obtained level one certification of maturity of ITSS operation and maintenance service capability
- At the 2020 Annual China Economic Summit, Capinfo was awarded as the “Contributor to Resumption of Work and Production in China in 2020”
- Capinfo successfully passed the CMMI2.0 maturity assessment at the highest level 5
- Capinfo won the title of “China’s Top 100 Smart O&M Service in 2019” from China IT Service Omni-media Platform, the title of “National Contract Honouring and Trustworthy Enterprise” from Lianhe Credit Evaluation Co., Ltd. And the award of “GoldenBee 2020 Excellent Corporate Social Responsibility Report – Employee Responsibility Disclosure” from *China Sustainability Tribune* and GoldenBee

ESG MANAGEMENT

- The intelligent security system project of 300 additional beds in Beijing Ditan Hospital undertaken by Capinfo officially passed the inspection and acceptance by Beijing Major Projects Construction Headquarters Office and Beijing Ditan Hospital, and was awarded a medal by the said office and highly praised for its “cohesion of powers, anti-epidemic work, emergency responses and strong protection”
- Focusing on the theme of “the iron army of information technology fighting at the frontlines against the epidemic”, mainstream media from the central government and Beijing, such as China Daily website, China.com.cn, people.cn, peopleweekly.cn, xuexi.cn, *Beijing Daily*, *Beijing Youth Daily*, *Beijing Evening News* and *Shoudu Jianshe Bao* reported on the achievements made by Capinfo with an emphasis on its efforts in guarding the “battle line” of the government affairs and livelihood information network of the national capital in the fight against the epidemic and ensuring smooth transmission of orders on epidemic prevention and control in the municipality; providing support for the municipal government’s decision-making with high-quality data analysis; maintaining safe and stable operation of information systems of the capital, and delivering impressive performance in assuming the responsibility of the iron army of information technology with courage in the fight against the “epidemic”
- Capinfo Technology, a subsidiary of Capinfo, passed the audit of Zhongguancun High-Tech Committee and was awarded the certificate of “Zhongguancun High-Tech Enterprise” qualification

CSR SPOTLIGHT: GREAT LOVE IS SHOWN IN COVID-19 CONTROL, AND TRUE QUALITIES ARE REVEALED AT MOMENTS OF CRISIS

At the beginning of 2020, the outbreak of COVID-19 pulled at the heartstrings of people across China. As a leading enterprise under Beijing State-owned Assets Management Co., Ltd. and the guardian of government online service in the capital city, Capinfo kept safeguarding the normal operation of the city, and did its best to fulfill its duty, demonstrating the quality of perseverance and dedication. We provided strong support for COVID-19 response, and spared no efforts to win the battle against the epidemic.

MAKING SWIFT DEPLOYMENT AND TAKING THE RESPONSIBILITY FOR EPIDEMIC CONTROL

After the outbreak, under the unified command of Beijing State-owned Assets Management Co., Ltd., Capinfo immediately established a leading group for COVID-19 response, which was led by Lin Yankun, Party secretary and board chairman, and Yu Donghui, deputy Party secretary and general manager. We clarified the responsibilities and tasks of epidemic control, mobilized Party organizations at all levels and all our Party members and took multiple measures to fully fulfill social responsibilities and missions.



CSR SPOTLIGHT: GREAT LOVE IS SHOWN IN COVID-19 CONTROL, AND TRUE QUALITIES ARE REVEALED AT MOMENTS OF CRISIS

GIVING FULL PLAY TO OUR ADVANTAGES TO SUPPORT THE COVID-19 FIGHT

Capinfo mobilized its resources and contributed to the fight against the epidemic in Beijing. The Company prepared sound plans for guaranteeing the operation of information systems related to government affairs and people's livelihood, including the private government network, video conference system, 12345 citizen service hotline, medical insurance system, government cloud and enterprise cloud platforms, provident fund system, 96102 service hotline for Beijing social security card, etc. Special teams and personnel were sent to guard these systems. 260 employees held their posts and spared no efforts to provide 24/7 technical support. They ensured the security, stability and usability of all systems, responded at any time when assigned emergency tasks by the CPC Beijing Municipal Committee and Beijing Municipal Government, and tried their best to support the government's command and instruction on epidemic control.

- A total of 187 employees stayed on site and 10 worked remotely to ensure network security of the Beijing e-government network, video conferencing system, medical insurance service, 1.4G frequency private network, etc., supporting the stable operation of public services and epidemic control in Beijing.



CSR SPOTLIGHT: GREAT LOVE IS SHOWN IN COVID-19 CONTROL, AND TRUE QUALITIES ARE REVEALED AT MOMENTS OF CRISIS

- We provided 24/7 technical support and services for the 12345 citizen service hotline system to ensure its secure and stable operation when facing a surge in calls during the special period. We developed an epidemic information display system. We also set up a special column of COVID-19 Control on the “Beijing 12345” WeChat account to update charts of epidemic trends, distribution and areas in a timely manner, and offer data analysis services for *Citizen Hotline Report* and related publications, which provided a basis for decision making by the CPC Beijing Municipal Committee and Beijing Municipal Government.



- Special teams and personnel provided 24/7 technical support and maintenance services for the government cloud and enterprise cloud platforms, ensuring safe and stable operation of Beijing government and enterprise information systems.
- We made every effort to ensure stable operation of medical insurance information systems of major hospitals in Beijing during the Spring Festival. We provided 24/7 technical support services to the public and designated medical institutions in Beijing, ensuring stable operation of the Beijing medical insurance information system.
- Capinfo cooperated with the housing provident fund management centers in Beijing and Shanghai, etc., and formulated operations and maintenance measures during the Spring Festival holiday, ensuring stable operation of the provident fund systems in Beijing, Shanghai and other regions.

RESUMING WORK IN AN ORDERLY WAY TO LAY AN IT FOUNDATION FOR THE COVID-19 FIGHT

After the Spring Festival, the resumption of work and production was started. Capinfo took targeted measures and strengthened accountability for epidemic control. The Company shouldered the dual responsibility for supporting the epidemic control and providing IT services for the capital, striving to secure victory in both the battle against the epidemic and our services.

CSR SPOTLIGHT: GREAT LOVE IS SHOWN IN COVID-19 CONTROL, AND TRUE QUALITIES ARE REVEALED AT MOMENTS OF CRISIS

Construction of 1.4GHz frequency private network covering the roads that connected 2022 Winter Olympics competition zones were quickly started. While ensuring upgrade of 1.4GHz frequency private network in major designated hospitals and key anti-epidemic communities, our government private network department quickly started the construction of 1.4GHz frequency private network base stations along the Beijing-Chongli Expressway, laying an important foundation for providing wider-coverage and better-quality communication services for the Winter Olympic Games.

We provided efficient support for “remote and flexible” resumption of work and production. In order to achieve unified and efficient command and coordination during the special period, Capinfo promptly launched Capinfo Cloud Video, a cloud video conference system, which provided stable and strong technical support for users to organize online conferences, and served as a communication channel of zero-risk and high-quality work and production resumption. In 2020, Capinfo Cloud Video provided cloud video services for more than 100 government departments of 16 districts and counties in Beijing. Over 12,000 meetings were held with participation of more than 60,000 people and a total length of 45,000 hours. Meanwhile, based on the government cloud, Capinfo developed a SaaS cloud service ecosystem and provided services such as civil servant mailboxes and intensive website building, which strongly supported the services of the Window of the Capital (a group of websites set up by the state organs of Beijing), State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality, as well as other commissions and bureaus during the epidemic. In addition, Capinfo developed “E-Safe Passage”, an intelligent service product, supporting the access control of various places such as administration halls, communities, supermarkets, and seven types of small shops.



CSR SPOTLIGHT: GREAT LOVE IS SHOWN IN COVID-19 CONTROL, AND TRUE QUALITIES ARE REVEALED AT MOMENTS OF CRISIS

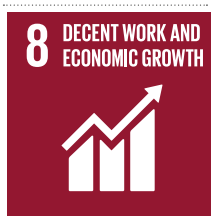
We provided online courses so that people can keep learning when offline courses were suspended. Capinfo College, cooperated with research institutions such as the Chinese Institute of Engineers (CIE) to offer independently developed artificial intelligence (AI) courses (12 courses) to colleges and social organizations across China for free. The courses covered frontier research topics and trending topics, such as AI & neural networks, AI & machine learning, AI & smart cities, AI & autonomous driving, AI & smart medical care, etc., which were provided in the form of online videos to meet people's need for learning AI courses during the special period.

In the battle against the epidemic, Capinfo staff acted like an iron army to ensure government network security in the capital city, and fight the virus till the end, demonstrating a strong sense of responsibility as a state-owned enterprise. With our faith in ultimate victory, we made our best to win the battle of epidemic control.

1. EXPLORING BOLDLY TO STRIVE FOR LEAPFROG DEVELOPMENT

Capinfo has deepened corporate reforms by continuously improving management mechanisms, and further developing the anti-corruption system. The Company has also built an external cooperation platform, strengthened supplier management, and carried out strategic cooperation, continuously improving its capability to create corporate value and the business development quality.

SDGs We Focus on



Key Topics

- Deepening the Corporate Reform
- Improving Party Conduct and Building a Clean Government
- Win-win Cooperation

KEY PERFORMANCE

- Total assets: RMB2,503.12 million
- Operating revenue: RMB1,410.57 million
- Total profit: RMB154.89 million

1.1 DEEPENING THE CORPORATE REFORM

Capinfo deepens the corporate reform and explores its development potential. We have established the legal status of the Party organization in the corporate governance structure, and promoted reform of the organizational structure, and built the four platforms for management, technology, investment, and business. We have also strengthened performance evaluation and management, carried out the compensation and operation incentive reform, and promoted mixed-ownership reform steadily. As a result, our core competitiveness has been effectively improved.

Focusing on cutting-edge technologies for building a smart city, such as big data, blockchain, artificial intelligence, 5G, etc., Capinfo has stepped up efforts in independent innovation, conducted in-depth applied research, and promoted business upgrading and academic exchanges with well-known enterprises, institutions of higher learning and research institutes in China to explore the application of information technology in building smart cities. At the same time, based on its market in the capital city, Capinfo takes a broader view and focuses on productization across the whole country.

1. EXPLORING BOLDLY TO STRIVE FOR LEAPFROG DEVELOPMENT

1.2 IMPROVING PARTY CONDUCT AND BUILDING A CLEAN GOVERNMENT

Capinfo redoubles efforts to improve Party conduct and build a clean government. We have reviewed the problem rectification work of the democratic meeting themed “staying true to the Party’s founding mission”, held Party organization meetings, and improved the building of Party branches. We have strictly carried out the *Rules of Capinfo Party Committee for Undertaking the Responsibility for Full and Strict Party Self-governance (Trial)*, and organized Party members and other members to sign the *Responsibility Letter for Improving Party Conduct and Building a Clean Government* and the *Letter of Commitment to Integrity*. In this way, we integrate full and strict party self-governance into business development, aiming to build a wholesome political atmosphere. In 2020, we held 8 education sessions on Party conduct and clean government, involving 249 participants. No corruptions occurred in 2020.



Case: Capinfo Party Committee holds a study meeting for the theory study central group

On October 28, Capinfo Party Committee held a study meeting for the theory study central group. Lin Yankun, Party secretary and board chairman, moderated the meeting. And members of the theory study central group attended the meeting. They watched and studied the video of President Xi Jinping’s recent speeches and instructions, including President Xi’s speech at meeting to commend role models in China’s fight against COVID-19, his instruction on winning the battle against poverty, and his instruction on resolutely stopping food waste and cultivating thrift habits. After that, participants shared ideas with each other. Through this activity, their political integrity and Party consciousness was enhanced.



Held a study meeting for the theory study central group

1. EXPLORING BOLDLY TO STRIVE FOR LEAPFROG DEVELOPMENT

1.3 WIN-WIN COOPERATION

Upholding fairness, equality, and win-win cooperation, Capinfo continues to improve supplier management and deepen cooperation and establish partnerships with suppliers, partners and industry peers with a great sense of responsibility. We help suppliers and industry peers grow, and work with them to create value and win-win results.

1.3.1 Responsible Procurement

Improving the Supplier Management System

Capinfo continues to strengthen and standardize supplier management. By shifting from project-based procurement to strategic procurement, we have enhanced partners' capabilities to fulfill responsibilities and improved our supplier management system. We have successively released the *Capital Information Development Co., Ltd. Bidding Management Measures (Trial)* and the *Capital Information Development Co., Ltd. Non-bidding Procurement Management Measures (Trial)*. In 2020, all products purchased by Capinfo were delivered on time and 96% of service requests were answered in time.

1. EXPLORING BOLDLY TO STRIVE FOR LEAPFROG DEVELOPMENT

Supplier selection

Capinfo adopts a strict and transparent supplier selection system, making sure that relevant rules comply with current laws and regulations as well as common requirements of the industry. In 2020, the Company signed a total of 346 purchasing orders.



Based on the need analysis, the needs of outsourcing or equipment purchase will be determined, highlighting outsourcing application or equipment purchase Application



Through preliminary assessment and review of suppliers, outsourcer assessment comparison, equipment purchase quotation comparison and calling for bid, ect., we assess suppliers in terms of their previous fulfillment records and risk evaluation to select and determine the most suitable supplier



We negotiate with the bid winner over outsourcing or equipment purchase needs, acceptance standards and relevant work statements, and formulate and sign the supplier contract (agreement) based on mutual consensus

Supplier selection procedure

1. EXPLORING BOLDLY TO STRIVE FOR LEAPFROG DEVELOPMENT

Supplier management

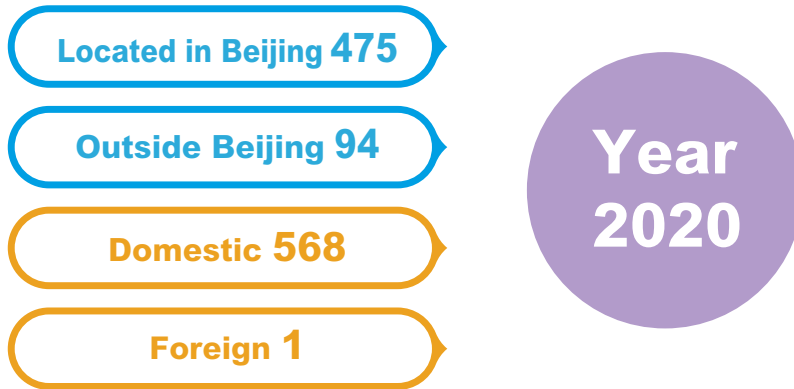
Capinfo has tightened process management, acceptance inspections, and ex-post evaluations of external suppliers to ensure stable supply. In addition, the Company has set up a blacklist of suppliers and punished violations in time to ensure the quality of suppliers. In 2020, Capinfo initially built up an electronic procurement management platform to enable intensive, automated, and intelligent procurement management. The platform has helped standardize material management, regulate procurement control, and guarantee transparent procurement and efficient supply. Furthermore, it contributed to dynamic and hierarchical supervision and management of suppliers. By the end of 2020, Capinfo had 569 partners on the supply side, including 198 suppliers (108 are for temporary cooperation and 90 are qualified) and 371 outsourcers (249 are for temporary cooperation and 122 are qualified).



Suppliers in the blacklist

1. EXPLORING BOLDLY TO STRIVE FOR LEAPFROG DEVELOPMENT

Suppliers by region



1.3.2 Strategic Cooperation

Upholding the belief of win-win cooperation, Capinfo has built external cooperation and exchange platforms, expanded cooperation channels, and developed strategic partnerships with governments, enterprises, and industry organizations for all-win results.

1. EXPLORING BOLDLY TO STRIVE FOR LEAPFROG DEVELOPMENT

1

Capinfo has stepped up its efforts to explore blockchain technology and promoted related industry innovations. We have had in-depth exchanges and launched practical cooperation in blockchain-related fields with Tencent, Baidu, the China Academy of Information and Communications Technology, the Institute of Software of Chinese Academy of Sciences, and the Blockchain Research Center of Peking University

2

We negotiate with the bid winner over outsourcing or equipment purchase needs, acceptance standards and relevant work statements, and formulate and sign the supplier contract (agreement) based on mutual consensus

3

We negotiate with the bid winner over outsourcing or equipment purchase needs, acceptance standards and relevant work statements, and formulate and sign the supplier contract (agreement) based on mutual consensus

Deepening strategic cooperation

1. EXPLORING BOLDLY TO STRIVE FOR LEAPFROG DEVELOPMENT



Case: Capinfo and China Academy of Information and Communications Technology exchange on blockchain standard formulation and industry development

To accelerate the development of blockchain technology and industry innovations, Capinfo, focusing on the strategic positioning of the capital city, fully applied blockchain in independent innovation. We identified the main development direction, increased investments in related fields, and fully applied and integrated blockchain into government services, livelihoods, and the real economy. On July 14, 2020, representatives from Capinfo visited the China Academy of Information and Communications Technology and had an in-depth exchange with its Cloud Computing and Big Data Research Institute on the formulation of blockchain standards, industry development, and cooperation and development needs. In the future, Capinfo and the Cloud Computing and Big Data Research Institute will continue to strengthen exchanges on and discussions over the latest development trends of new technologies, such as blockchain, and work together to promote the comprehensive application of technologies to contribute to the construction of the capital into a smart city.



1. EXPLORING BOLDLY TO STRIVE FOR LEAPFROG DEVELOPMENT



Case: Empowering smart city construction with digital solutions

In December 2020, Capinfo and Baiwang Cloud signed a strategic cooperation agreement in which two sides agreed to give full play to their core advantages in information technology and digitalization to develop a smart-city solution for Beijing. Through platform-based services, the two sides aim to realize data interconnection and jointly develop an industry-level overall solution for Beijing's e-government, healthcare, public services, and other sectors. The solution meets the needs of different institutions and enterprises for digitalization and can boost the intelligent development of multiple industries and promote the healthy development of the urban ecology. Based on their technologies, capabilities, and industry ecologies, and world-leading smart city management experiences, the two sides will interconnect e-government data in multiple areas and gain panoramic insights into city management. By shifting from infrastructure construction to management efficiency improvement, cutting the costs while increasing the efficiency of e-government, healthcare, and public services, they strive to promote deep integration between the real economy and the digital economy, and contribute to building Beijing into a smart city.



2. CARRYING FORWARD CRAFTSMANSHIP IN PURSUIT OF EXCELLENCE

Capinfo continuously promotes innovation in products and technologies, and follows the new pattern of “fostering innovation, transformation, and development”. We have improved our innovation ability and development vitality, enhanced the service quality to provide better services for customers, and promoted full and stable business development.

SDGs We Focus on



Key Topics

- Innovation Practices
- Technological Innovation
- Quality Services

Key Performance

- Operating revenue: RMB1,410.57 million
- Technological R&D input: RMB100.25 million
- Customer satisfaction score: 93.2

2.1 INNOVATION PRACTICES

Capinfo keeps promoting product research and development in various fields, such as smart government services, smart city management, smart medical care, smart public services, smart enterprise innovation. We have made great progress in products including the integrated platform for handling complaints upon receipt, the medical insurance statistical analysis system for hospitals, the personnel management information system, and the hospital information system (HIS), laying a solid foundation for further business expansion. In 2020, our annual operating revenue reached RMB1,410.57 million, representing a year-on-year increase of 5.95%, and the net profit attributable to owners of the parent company was RMB127.49 million.

2. CARRYING FORWARD CRAFTSMANSHIP IN PURSUIT OF EXCELLENCE

2.1.1 Smart Government Services

Giving full play to our cutting-edge technologies and resources, we have established a megacity primary-level governance system and supported the development of smart government services in Beijing with our “smart technologies”, contributing to building a “digital Beijing” and promoting the high-quality development of Beijing. In 2020, we developed the Beijing online government service portal composed of “one platform, four-level system, and eight sections”, helping achieve full online coverage of more than 370,000 government services in Beijing.



Case: Independently developing the integrated platform for handling complaints upon receipt to help improve the quality and efficiency of complaint handling

In 2020, Beijing further strengthened primary-level governance in accordance with the law, and insisted on responding to public demands. Based on the requirements of the municipal and district governments for handling complaints from the citizens' hotline, we aimed to solve the problems of government departments from community to district level, such as manual sorting and distribution of complaints through e-mails or WeChat, slow response, and difficulty in process tracing. We did our best to create the integrated complaint handling platform featuring “full coverage, efficient services, and cooperation among governments at different levels”. Combined with the Capinfo Minsheng big data platform, the platform provides AI+ services, innovatively optimizes the work mode of 12345 hotline, and improves complaint handling efficiency. The platform has integrated the functions covering the whole process of registration, distribution, copying, review, download, and data analysis, and supported the complaint handling work of government departments from community to district levels. It has reduced internal distribution of complaints collected from the citizen hotline among different departments and kept trace of the data through technological means, thus improving the complaint handling efficiency of relevant departments.

2. CARRYING FORWARD CRAFTSMANSHIP IN PURSUIT OF EXCELLENCE

2.1.2 Smart City Management

Taking the opportunity to serve smart venues of the 2022 Winter Olympics Games, Capinfo keeps providing technical services for the Winter Olympics. Besides, we have designed and promoted integrated OICI solutions of smart venues, smart parks, weak current maintenance, etc., which combine commanding and operation, striving to build a “little city brain” within certain industry and zone. In 2020, the case that “Capinfo Helps Explore Primary-level Governance Solutions for Cities” won the second prize of the “Achievements of Chinese Enterprise Reform and Development”.



Case: QR code delicacy management platform helps realize delicacy city management

Capinfo has been striving to build a QR code delicacy management platform for public facilities in Beijing, and provide data collection, data analysis and installation services for public facilities across Beijing. In 2020, the platform gave QR code identity to more than 90,000 public facilities along city roads, covering over 1,400 streets and key areas in a dozen districts in Beijing. Citizens scanned function to scan the code for more than 30,000 times via the platform, and reported nearly 10,000 problems about facilities, over 95% of which were dealt with promptly. The QR code delicacy management platform has effectively helped Beijing improve the city facility management and its development quality, realized online facility problem reporting and handling, saved a large amount of administrative costs and time, and strongly supported co-governance highlighting the “street head calling and departments responding” and “street keeper and street head” mechanism.

2. CARRYING FORWARD CRAFTSMANSHIP IN PURSUIT OF EXCELLENCE

2.1.3 Smart Medical Care

Capinfo explores new business models, and develops the integrated medical care settlement and payment platform and commercial insurance settlement platform. In 2020, the medical insurance system had a series of upgrades and transformations. We provided technical support for the five major reform measures including the combination of maternity insurance and basic medical insurance, price adjustments of pilot medicines in the new round of bulk government purchases, on-the-spot settlement of medical bills of outpatient clinics across Beijing-Tianjin-Hebei region, adding of veterans into the medical insurance system with real-time settlement functions, as well as Internet hospital settlement. Throughout the year, the medical insurance and social security systems have been operating stably, and supported the settlement of 25 million insured people for their treatment.



Case: Capinfo helps Changping District to adopt a new model "credit medical care"

Following a new design philosophy of "credit-based principle" and "convenience first", Capinfo has developed the "Internet + credit medical care settlement platform", which makes that "patients pay at home after seeing a doctor" no longer a dream. By cooperating with financial institutions like banks, and connecting to the information system of hospitals, the platform has connected medical institutions, the public, financial institutions, third-party payment platforms and credit guarantee agencies, and realized connection among the links of registration, examination, treatment and prescription. The traditional mode of settlement for medical bills has been replaced with the credit medical care mode, which eliminates the trouble of queuing for payment. Based on "personal credit", patients can see a doctor first and pay later. They can leave the hospital after receiving the treatment, the platform will automatically push personal medical bills to the patient's mobile phone, so that they can easily pay the bills via the convenient "Internet + medical care" system.

2. CARRYING FORWARD CRAFTSMANSHIP IN PURSUIT OF EXCELLENCE

2.1.4 Smart Public Service

Capinfo enhances the quality of provident fund services in megacities including Beijing, Shanghai and Guangzhou, promotes business development in the Beijing-Tianjin-Hebei region, the Yangtze River Delta and the Guangdong-Hong Kong-Macao Greater Bay Area, and also expands the market of second and third-tier cities. In 2020, we provided operation services for the Beijing provident fund integrated information system, put the Guangzhou housing provident fund APP into trial operation, and won the bid for the project of linking provident fund services with banks in cities such as Baise, Nanning, and Beihai in Guagngxi province. Cooperating with provident fund centers in various regions, we adjusted the provident fund system and added functions such as rate reduction, payment postponement, and postponement of loan repayment for provident fund borrowers due to COVID-19.

2.1.5 Smart Enterprise Innovation

Capinfo has innovatively created an information solution for SOEs that integrates top-level design, website building and maintenance services, safe and reliable cloud services, as well as data governance services, helping SOEs integrate the data and explore their value. In 2020, we won the bid for the DICT medical insurance project of China Mobile. Together with China Mobile Group Beijing Co Ltd, we won the bid for the 5G smart platform software development project for transforming Gucheng South Road in Shijingshan District into a commercial street.

2. CARRYING FORWARD CRAFTSMANSHIP IN PURSUIT OF EXCELLENCE

2.2 TECHNOLOGICAL INNOVATION

Capinfo continues to increase the investment in scientific research and improvement of technological innovation capacity, steps up efforts in developing key technologies, and strengthens intellectual property protection, providing inexhaustible impetus for enterprise development. In 2020, we invested RMB100.25 million in scientific research and technological development.

2.2.1 Stimulating the Innovation Vitality

Capinfo has integrated the gene of innovation into the development of the Company. We encourage and motivate employees to innovate based on their work, aiming to support talent development, cultivate talents and attract talents through innovation practices, and stimulate corporate vitality. In 2020, we successfully passed the CMMI 2.0 level 5 assessment, the highest level of maturity, and also won the honor of the Top 100 Software and Information Service Providers in Beijing for 5 consecutive years.



Case: Capinfo shortlisted in “Top 100 Smart Maintenance Providers in China”

On January 9, the 12th Electronics Information Industry Standards Promotion Conference and China Information Technology Service Standards Annual Conference (2020) was held in Beijing. Capinfo was shortlisted for the “2019 Top 100 Smart Maintenance Providers in China” with the independently self-developed intelligent integrated maintenance management platform. Based on the data from IT services of “monitoring, management, control, process management, and analysis”, and standardization of IT service requirements and process, the intelligent integrated IT service management platform promotes the improvement of basic maintenance capabilities and realizes intelligent decision-making. It has solved the practical problems facing traditional IT service from multiple scenarios, numerous assets, complex dimensions, and various types of data. The platform has comprehensively reduced the burden of IT personnel, effectively improved their work efficiency, and reduced labor costs for IT services. The platform can be widely used in data centers, smart parks, smart buildings, smart venues, smart cities, etc.

2. CARRYING FORWARD CRAFTSMANSHIP IN PURSUIT OF EXCELLENCE

2.2.2 Protecting Intellectual Property

Attaching great importance to the protection of intellectual property rights, Capinfo strictly abides by relevant laws including the *Patent Law of the People's Republic of China*, and the *Law of the People's Republic of China Against Unfair Competition*. The Company continuously strengthens the management of corporate intellectual property rights, and enhances employees' awareness of intellectual property protection. As of the end of 2020, we have obtained 5 authorized patents in total and 380 registered software copyrights.

2.3 QUALITY SERVICES

Focusing on high-quality products and services, Capinfo gives top priority to quality management, continuously improves its quality management and enhances service quality. At the same time, Capinfo strengthens information security management to ensure data security and safety of customer privacy.

2.3.1 Enhancing Service Quality

Attaching much importance to the quality management and services, Capinfo keeps improving the service process, service capability, and IT service management system. We have formulated clear and measurable quality policies fitting the business development and set quantitative quality goals. We have allocated resources, strengthened service trainings, and regulated the service process. The market-based channels are established to learn about customer satisfaction and collect customer satisfaction information at daily and regular intervals, aiming to further improve customer satisfaction. In 2020, we completed the renewal of the GB/T 19001-2016/ISO 9001:2015 quality management system certificate, released the service process management system Version 3.0 based on ISO 20000:2018 and successfully passed its certification. We also passed the re-certification of ITSS level-1 IT service capability maturity. Our customer satisfaction score scored 93.2.

2. CARRYING FORWARD CRAFTSMANSHIP IN PURSUIT OF EXCELLENCE



Formulating a series of system documents

The documents have standardized the IT service process and delivery to improve service efficiency, and ensure the delivery of quality services



Establishing the IT service quality evaluation system and service process capability indicator system

The systems have played a good role in service management, and promoted the continuous improvement of the IT service capability management system



Forming a three-tier quality control mechanism

The mechanism has ensured effective implementation of life-cycle IT service, and made the overall delivery capability meet the expectations of customers and the Company



Developing a set of fair and two-dimensional customer satisfaction survey methods

With the four-paradigm analysis model, we have identified our strengths and weaknesses in different evaluation indicators of IT services. We collect customer opinions and feedback through multiple channels to continuously improve the service quality



Automated IT service management and monitoring

Guided by systems and standards and the customer-oriented principle, and based on the operation of IT personnel, we adopt advanced technologies to ensure that each stage throughout the life cycle of IT services is supported by standardized management/monitoring tools



Establishing an IT service knowledge base

For common faults in operation and maintenance, we can find solutions in the knowledge base, and thus improve the fault handling capability and efficiency



Establishing 9 IT service models

The models have laid the foundation for achieving delicacy and quantitative management of the Company



Maintaining the qualification certificates

We keep improving the system and maintain two IT service system certificates, so as to support our IT service development



Improving the skills of IT personnel

We prepare reserves and backups for key management/technical positions, carry out trainings for and selection of multiple types of employees through multiple channels, and provide more and better career paths for IT personnel to ensure stability and continuity of the service team

Improving the IT service

2. CARRYING FORWARD CRAFTSMANSHIP IN PURSUIT OF EXCELLENCE



Case: Expanding the coverage of 1.4G private network to support the Beijing 2022

In 2020, Capinfo supported Beijing to build 58 new 1.4G private network base stations, and the total number of base stations in service in Beijing reached 400, covering the key areas including six districts of Beijing, central urban areas of suburbs, administrative-office zone in the subcenter of the capital, central urban area of outer suburbs, the World Horticultural Exposition and competition zones of the Beijing 2022 Beijing Winter Olympics and Paralympics (Beijing 2022). The 58 newly-built base stations are all located in the key competition zones and venues, which enables real-time viewing of event images within the coverage of the private network, ensures the operation quality of the Beijing 2022 Organizing Committee, and meets the requirements of integrated high precision application scenarios, including voice call, video monitoring and positioning, providing technical support of broadband cluster operation service for the successful holding of Beijing 2022.

2.3.2 Protecting Customer Privacy

The Company continues to improve the information security management system and has revised and improved the documents, process and templates related to the information security management system. In 2020, a total of 38 company-level documents were revised.

3. WORKING TOGETHER TO STRIVE FORWARD

Capinfo, adhering to the principle of “people first,” is committed to creating a diversified, equal, inclusive and friendly workplace. We emphasize employee training and career development, stimulate employees’ vitality, care for and extend the Company’s regards to employees with special needs, and work together with employees along the path of common development.

SDGs We Focus on



Key Topics

- Rights and Interests of Employees
- Employee Development
- Employee Care

Key Performance

- A total of 1,745 employees
- Social insurance coverage: 100%
- Coverage of employee health checks and health files: 100%
- Training opportunities offered to employees: 13,157

3.1 RIGHTS AND INTERESTS OF EMPLOYEES

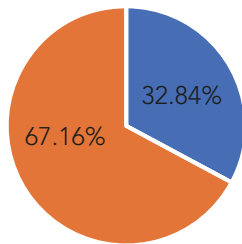
Abiding by the *Labor Law of the People’s Republic of China*, the *Labor Contract Law of the People’s Republic of China*, and the *Trade Union Law of the People’s Republic of China*, the Company sees that employees legitimate rights and interests are protected, regulates employment and strengthens democratic management. We continuously improve employees’ compensation and benefits, and shares the Company’s achievements with all staff.

3. WORKING TOGETHER TO STRIVE FORWARD

3.1.1 Promoting Equal Employment

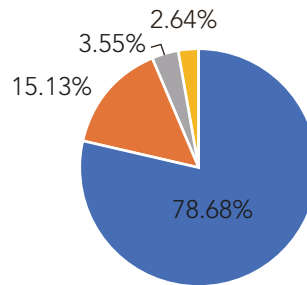
Insisting on equal employment and following the principles of non-discrimination and equal pay for equal work, we prohibit discrimination based on gender, age, race, religion, and so on, and provide employees with a diverse and inclusive work environment and equal opportunities. Child labor, harassment, abuse, and forced labor are forbid. In addition, we have established a sound personnel management system and also sign labor contracts with employees in accordance with the law. In 2020, the Company had a total of 1,745 employees, among which 1,373 were technical and R&D staff, 264 were functional management at all levels, 62 were call center staff, and 46 were sales representatives. The employee turnover rate was 11.31%. The Company had 159 new employees, and the labor contract signing rate reached 100%.

Employees by gender



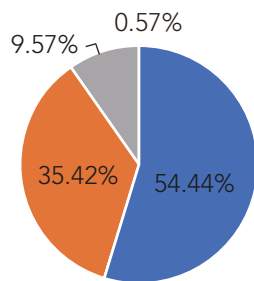
■ Female ■ Male

Employees by functions



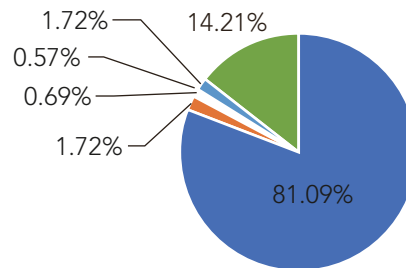
■ Technical and R&D personnel ■ Management personnel
 ■ Call center personnel ■ Sales representatives

Employees by age groups



■ Aged 35 below ■ Aged 35 to 44
 ■ Aged 45 to 54 ■ Aged 55 and above

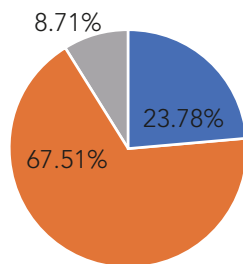
Employees by geographical region



■ Beijing ■ Guangzhou ■ Chongqing
 ■ Shanghai ■ Wuhan ■ Other cities

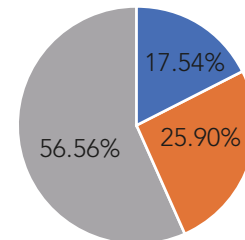
3. WORKING TOGETHER TO STRIVE FORWARD

Employees by educational background



- Junior college or lower
- Bachelor's degree
- Master's degree or higher

Employees by service years



- 5 years below
- 5 to 9 years
- 10 years and above

3.1.2 Improving Compensation and Benefits

Capinfo implements a fair and competitive compensation and benefits system. We pay for employees' pension, medical, unemployment, work injury, and supplementary medical insurances, as well as housing provident fund on time and in full, and guarantee employees' right to paid vacations. In 2020, the Company's social insurance coverage was 100%, the average paid vacation leave per capita was 9.75 days, and the aggregate paid vacation leave of all employees reached 17,921 days.

3.1.3 Promoting Democratic Management

Capinfo continuously promotes democratic management. To fully respond to employees' 2020 and protect their rights to know, participate, express and supervise, we improve the democratic management system, implement the labor union system, and encourage and guide them to participate in business operation and management.

3.1.4 Emphasizing Occupational Health

To ensure work safety, Capinfo constantly improves safety management, create a work environment up to health and safety requirements, and provide safety training and publicity to enhance employees' occupational health awareness and ability. In addition, we organize staff health checks annually and hold lectures on mental health from time to time. In 2020, Capinfo invested RMB44,000 in 12 sessions of information security training, with 613 participants. By then, Capinfo's total security training hours had reached 2,897. Besides, the coverage of employee health checks and health files reached 100%. There were zero lost days due to work injuries.

3. WORKING TOGETHER TO STRIVE FORWARD



Improving safety management

Capinfo started the preparation work for obtaining the certification of ISO 45001 Occupational Health and Safety Management system certification. We held a management review meeting and carried out initial accreditation work



Safety training

Capinfo started the preparation work for obtaining the certification of ISO 45001 Occupational Health and Safety Management system certification. We held a management review meeting and carried out initial accreditation work



Organizing safety checks

Leaders of the Company and directors of individual divisions led work safety inspections and safety spot checks without issuing notices in advance

Occupational health protection measures



Capinfo distributes pandemic prevention supplies to employees

3. WORKING TOGETHER TO STRIVE FORWARD



Case: Capinfo and Capital Healthcare Group co-organize a health training program

On the World Health Day celebrated on April 7, Capinfo College and Capital Healthcare Group co-organize the Go With Health online health training program among employees. Focusing on improving employees' immunity under the pandemic and promoting health tips for office workers, the training program attracted more than 90 participants. The program taught employees how to take exercise in the office and popularized pandemic prevention and health knowledge through short videos, thus helping employees improve their immunity and showing care for employees on World Health Day.

3.2 EMPLOYEE DEVELOPMENT

Capinfo attaches great importance to employee growth and continues to strengthen the talent team. By providing employees with smooth growth and development channels, broad development space and diversified training systems, we aim to tap employees' potentials and help employees achieve their professional values.

3.2.1 Diversified Training Systems

Capinfo creates diversified training systems to ensure systematic, standardized and scientific employee training. In 2020, we developed 131 training courses in eight categories centering on our annual business tasks. To cultivate innovative and technical talents that meet the needs of the market, we actively develop training models targeting special periods, tap into the internal and external trainers, and adopt mode of online training and examination with offline mentoring, to give full play to Capinfo College's mastery of theories, knowledge management capabilities, forward-looking research results, and management expertise.

3. WORKING TOGETHER TO STRIVE FORWARD

- For managers at the middle level and above, we organize training on corporate risk management, financial statement interpretation and application, compliance training for listed companies in Hong Kong, the Capinfo electronic procurement platform, the Civil Code of the People's Republic of China, Capinfo fixed facts: Awareness of the Evidence Law in business operation, systems and processes, work safety, confidentiality, etc. The training aims to improve the comprehensive ability of middle managers in controlling the overall situation and analyzing problems

- Capinfo launched the 2020 online youth training camp to select young talents through written examinations, group interview, and psychological evaluation online
- We applied a variety of simulation tools and enriched online teaching methods in the process of developing training curricula
- We educated, supervised and managed young leaders according to strict requirements
- We took conduct improvement as the main approach, moral cultivation as a compulsory course, and integrity as the primary requirement in young leader management



- We cooperated with various functional departments to publicize and implement Capinfo's regulations and processes, thus gradually improving employees' management and risk aversion capabilities

- We carried out training on core business skills, such as EA qualification test training, pre-job training for technical staff in testing and development positions, file management, etc.

- We deepened internal exchanges and cooperation through mutual promotion between platforms, and invited backbone project managers, outstanding operation and maintenance engineers, and design staff from all Capinfo's business divisions, subsidiaries, and branches to share their experience

- We invited leaders from different business divisions, subsidiaries, and branches and staff to listen to the voices of on-site staff, exchange on key issues and topics, including discussing over business difficulties, finding out customers' sore points, and alleviating annoyances

3. WORKING TOGETHER TO STRIVE FORWARD

3.2.2 Strengthening Employee Competence

Capinfo carries out all-around training on professional skills, management abilities, rules and regulations, and work safety for employees at all levels step by step manner, striving to improve their general capabilities and job competence. In 2020, the Company invested RMB298,000 in employee training, completed 134 training sessions for 107 courses, and trained 13,173 employees, achieving a training satisfaction rate of 96.47.

Average training hours per employee

Category		Average training hours per capita
Gender	Male	24.35
	Female	27.33
Type	Senior management	21.89
	Middle management	37.04
	Grass employee	24.66



2020 Capinfo Young Leader Training Camp Skill Demonstration and Graduation Ceremony



ISO 20000: 2018 standard internal auditor certification training

3. WORKING TOGETHER TO STRIVE FORWARD



Case: Carrying out training on regulatory compliance to enhance compliance management

To help the management better understand Hong Kong laws and regulations and efficiently improve business compliance and corporate governance, on May 29, Capinfo invited the Company's permanent legal counsel from Hong Kong to offer online training on compliance obligations of listed companies in Hong Kong through Capinfo Cloud. Focusing on Hong Kong's laws and regulations, the regulatory system, and the continuous compliance obligation of Hong Kong listed companies, the training covered directors' responsibilities, the management's obligations in disclosing internal information and financial information, as well as items they should comply with and obligations they should perform in the process of associated transactions, notifiable transactions, and social responsibility reporting. The legal counsel also interacted with the trainees on other matters related to the continuous disclosure obligation under the *Listing Rules*.



3.3 EMPLOYEE CARE

Capinfo highly values employee care. Through various cultural and sports activities, we create a lively work and living environment for employees. In addition, we help employees in difficulties to make them feel happier and enhance their sense of belonging, thus constantly strengthening cohesion within the Company. We strive to make employees enjoy their work and live, and build a happy home in Capinfo with employees.

3.3.1 Caring for Employees Sincerely

Capinfo pays attention to the needs of employees and actively carries out employee care activities. We help needy employees tide over difficulties and make them feel cared for and loved by the Company. At the same time, we make every effort to safeguard the legitimate and special rights of female employees, pay dues for special disease mutual assistance activities targeting female employees, and build a corporate culture that emphasizes employee care to send warmth to every staff member.

3. WORKING TOGETHER TO STRIVE FORWARD



The call center sends heatstroke prevention supplies to members of QR code projects



Case: Assisting a hospitalized employee in fighting a disease

In May 2020, when the labor union learned that a frontline worker Li was in dire need of help, it immediately approached him to learn about the details and comforted him. To help Li overcome difficulties, the labor union launched a fund-raising campaign among all employees to help Li pay for his medical treatment. A total of RMB211,387.4 was raised through the campaign, boosting Li's confidence in conquering the disease and overcoming all difficulties.

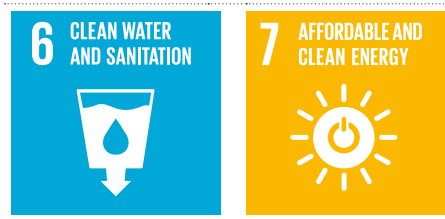
3.3.2 Enriching Employees' Life

Capinfo emphasizes the work-life balance of employees. We organize diverse cultural and sports activities, such as "Traditional Chinese medicine prevents occupational diseases" one-to-one free therapy and "Cloud Double Seventh Festival" online singles mingling party, to create a harmonious and warm work environment and allow employees to enjoy their work and live a healthy life.

4. PIONEERING IN GREEN AND LOW-CARBON DEVELOPMENT

In compliance with environmental protection laws and regulations, Capinfo practices green and low-carbon development and keeps improving the environmental management system. We integrate environmental awareness and practice into every aspect of management, and carry out environmental training to enhance employees' environmental awareness, improve the efficiency of resource and energy utilization, and minimize the impacts of business operations on the environment. We work with stakeholders to build an efficient, clean and sustainable ecological environment.

SDGs We Focus on



Key Topics

- Environmental Management
- Green Operation
- Spreading of Green Concept

Key Performance

- Electricity saved: 78,952.1 kWh
- Water saved: 580.16 tons
- Paper saved by green office: 150,000 pieces

4. PIONEERING IN GREEN AND LOW-CARBON DEVELOPMENT

4.1 ENVIRONMENTAL MANAGEMENT

Strictly abiding by the *Environmental Protection Law* and other laws and regulations, Capinfo establishes a sound environmental management system to continuously improve employees' environmental awareness and contribute to the Company's sustainable green development.

4.1.1 Environmental Management System

Capinfo continues to improve the environmental management system, and through such measures as strengthening supervision and management, optimizing energy-saving and emission-reduction processes, and continuously improving the comprehensive utilization of resources, the Company ensures green and efficient development. Since obtaining the ISO 14000 system certification in 2019, we made continuous improvement in 2020 and passed the inspection and review. Our environmental management system is integrated into all departments and businesses of the Company. In 2020, all our environmental indicators met related standards and the environmental satisfaction of our project implementation customers scored 99.85.



Capinfo obtains the ISO 14001 environmental management system certification

4.1.2 Environmental Training

Through systematic and scientific environmental protection training, Capinfo helps employees understand the topics and goals of sustainable development of the Company, enhances the environmental awareness of all employees, and encourages employees to implement environmental protection concepts in all aspects of their daily work and life, so as to help build a green and beautiful earth. In 2020, according to the requirements stipulated in the Company's environmental management system, we carried out training and publicity on the environmental management system. Through internal audit training and assessment, two employees were qualified as internal auditors of the environmental management system.

4. PIONEERING IN GREEN AND LOW-CARBON DEVELOPMENT



Case: Capinfo Q&As about the environmental management system

On the occasion of the 49th World Environment Day, the Quality Management Department of Capinfo and Capinfo College jointly organized the “Capinfo Q&As about the Environmental Management System” activity from June 1 to 5 to further strengthen the publicity on the Company’s environmental management system, waste sorting and work safety. The Q&As activity, covering the Company’s environmental management system, management policies, implementation standards, business scope, waste sorting, work safety, and so on, attracted 317 participants in total. The activity enhanced employees’ environmental awareness and promoted the establishment and improvement of the Company’s environmental management system.

4.2 GREEN OPERATION

Always pursuing sustainable development, Capinfo has integrated the concept of green and low-carbon development into its daily operations to minimize the impacts of corporate operations on the environment. Through efforts, such as the implementation of green office practices, the Company continues to explore new eco-friendly office models that help save water and electricity, improving the efficiency of resource utilization. In 2020, the Company’s water was mainly used in production operations and the water consumption mainly comes from domestic water use. The production process had a minimal impact on the local water resources and the atmosphere since it did not involve industrial use of water and the discharge of NO_x and SO_2 .

2020



Green office helped save **150,000** pieces of paper



580.16 tons of water saved



Green office helped save electricity of **78,952.1** kWh



96 toner cartridges replaced and recycled

4. PIONEERING IN GREEN AND LOW-CARBON DEVELOPMENT

Measures to Promote Green Office

Office supplies management	Improving working efficiency	Used equipment management	Saving water	Saving electricity
<ul style="list-style-type: none"> Standardize the allocation, procurement and requisitioning system of office supplies Special personnel are assigned to take charge of the procurement and management of office supplies and consumables 	<ul style="list-style-type: none"> Implement paperless office Starting to build a e-procurement management platform Call for reducing business trips and advocate teleconference, videoconference, etc. 	<ul style="list-style-type: none"> Designating departments to deal with outdated information equipment and office facilities Set up an internal recycle center for the centralized disposal of waste battery 	<ul style="list-style-type: none"> Repair leaking taps timely and turn off the tap when leaving Encourage recycling use of water Use the drinking water as needed and prohibit other uses 	<ul style="list-style-type: none"> Turn off or lock the screen of computers when they are not in use Turn off lights when leaving, use natural light as much as possible as well as energy-efficient bulbs Power off electric equipment to reduce standby power consumption Use air conditioners properly and control the temperature Eliminate high energy-consuming equipment and adopt energy-efficient technologies

4.3 SPREADING OF GREEN CONCEPT

By participating in public welfare activities and other practices, Capinfo spreads the concept of green and low-carbon development among stakeholders, such as customers and the public, and strives to work with them to build a beautiful China.

5. WARMING PEOPLE'S HEARTS AND PURSUING DREAMS TOGETHER

Capinfo always shares the fruits of development with society. We fulfill our responsibility by carrying out a variety of public welfare activities to give back to the community, vigorously fighting against poverty by boosting consumption, and contributing to the harmonious development of the community.

SDGs We Focus on



Key Topics

- Public Welfare Activities
- Targeted Poverty Alleviation

Key Performance

- Public welfare donations: RMB300,000
- Investment in consumption-driven poverty alleviation: RMB584,600

5.1 PUBLIC WELFARE ACTIVITIES

For a long time, Capinfo has been actively giving back to the community while pursuing high-quality corporate development. We encourage employees to help those in need within their power, and contribute their strength to the development of the community. In 2020, Capinfo made RMB300,000 of charity donations.



Case: Capinfo launches public micro lessons on COVID-19 containment

On March 12, Capinfo rolled out 60 micro lessons on the prevention of COVID-19 to publicize general knowledge about pandemic prevention to the public. These lessons, which came in a variety of forms, centered around such topics as "introduction to COVID-19, personal protection, group protection, psychological counseling and intervention for the public and medical staff, and detection and resolution of rumors" etc. Hundreds of teachers and students from 11 universities and technical secondary schools signed up for the lessons and watched them online.

5. WARMING PEOPLE'S HEARTS AND PURSUING DREAMS TOGETHER



Case: Capinfo organizes the live event of "Happy Family Lecture Room"

On July 29, the 2020 Beijing "Happy Family Lecture Room" - SOE special session, hosted by the Beijing Municipal Health Commission, and jointly organized by Capinfo, the Beijing Family Planning Service and Guidance Center, and Beijing Radio and Television Station (BRTV), was successfully held. The event, which attracted more than 600,000 views online, was broadcast live on the "Children and Baby Service" platform independently developed by Capinfo. Focusing on the theme of "Ensuring Children's Health in Summer," the event invited pediatric experts from the Third Affiliated Hospital of Beijing University of Chinese Medicine to give lectures on childcare such as ways to ensure their spleen and stomach health through improved diet. The "Children and Baby Service" platform assists Beijing's primary medical care in improving the effectiveness of children and women's health care and active health management by providing technical and logistical support for various activities.



Case: Supporting children's growth through the "Good Books Help Kids Grow" book donation

According to the arrangements of the Beijing Municipal Committee of the Communist Youth League on aiding Xinjiang in 2020 as well as the notices from superior Youth League Committees, the Communist Youth League Committee of Capinfo organized a book donation themed "Good Books Help Kids Grow" to primary and middle school students in Hotan, Xinjiang based on the local demand for books written in Chinese. The Company's Communist Youth League branches actively encouraged employees to participate in this book donation, and to contribute to the education of children in the mountainous areas.



Case: Reducing the burden on the city by promoting waste sorting – a public welfare activity in the neighborhood

In order to better promote neighborhood-based waste management and help residents develop the habit of waste sorting, Capinfo calls on employees to volunteer in the neighborhood, and explains the rules of waste sorting to the residents to help them get a better understanding of waste sorting and contribute to environmental protection.

5. WARMING PEOPLE'S HEARTS AND PURSUING DREAMS TOGETHER

5.2 TARGETED POVERTY ALLEVIATION

Capinfo resolutely follows the guidance of the CPC Central Committee and the State Council on poverty alleviation. We have strengthened poverty alleviation management with innovative thinking to continuously contribute to the fight against poverty and the decisive victory in building a moderately prosperous society in all respects. In 2020, the Company invested RMB584,600 in consumption-driven poverty alleviation.



Case: Assuming the responsibility of an SOE to facilitate the consumption-driven poverty alleviation

The year 2020 was decisive in securing a victory in building a moderately prosperous society in all respects and fighting against poverty. In accordance with the requirements of the Beijing State-owned Assets Management Co., Ltd., Capinfo mobilized all Beijing-based employees to apply for the China Construction Bank's Beijing Consumer Poverty Alleviation Card. A total of 1,138 employees have applied for the card, of which 245 have received the card. The employees spent a total of RMB312,231.81 with the card to support poverty alleviation. At the same time, in accordance with arrangements of the Beijing State-owned Assets Management Co., Ltd. Capinfo has set up four sets of vending machines selling poverty alleviation products in the Longfu office area and the Wankai office area. While contributing to poverty alleviation, the Company also provides convenience for employees.

OUTLOOK

The year 2021 marks the start of the 14th Five-Year Plan period and a journey towards fully building a modern socialist China. Capinfo will ground the Company's efforts in the new development stage, apply the new development philosophy, and create a new pattern of development. We will continuously promote business innovation to contribute to the building of "Digital Beijing" and "Smart Beijing."

- **Improving corporate governance**

Capinfo will strictly abide by relevant laws and regulations, uphold business integrity, and continuously optimize company rules and regulations, the governance system, and management models. We will keep pressing ahead with the dynamic integration and pilot reforms, and improve market-oriented operating systems to boost internal forces driving development.

- **Promoting innovation-driven development**

We will continue to improve the innovative business pattern featuring the one core (big data and AI+), the two platforms (the Capinfo Cloud and the government services network), and the four fields (smart government services, smart medical care, smart operation, smart enterprises), to comprehensively enhance the Company's brand effect and service value, open up new market areas, and explore greater space for the Company's development in the future.

- **Remaining committed to green and low-carbon development**

We will improve the environmental management system, and practice the concept of green development in all aspects of company management. At the same time, we are committed to improving energy efficiency, and will work tirelessly to reduce the environmental impact of production and operation, and promote environmental awareness to safeguard our green homeland.

- **Supporting employee growth**

Adhering to the principle of putting people first, we will continue to attach great importance to employee well-being, career growth as well as physical and mental health. We will protect the legitimate rights and interests of all employees, and work hard to enhance their happiness at work and in life.

- **Contributing to harmonious communities**

We will always share the fruits of development with society, vigorously support poverty alleviation and public welfare activities with our enthusiasm and professional skills, so that we can help individuals and society become better, and deliver more kindness and warmth to society.

INDEX TABLE OF THE SEHK ESG

Environmental				
Aspect	Index number	Disclosure	Report location	Notes
A1: Emissions	General Disclosure	disclosed	53-54	
	A1.1	undisclosed		not involved
	A1.2	undisclosed		not involved
	A1.3	undisclosed		not involved
	A1.4	undisclosed		not involved
	A1.5	disclosed	54	
	A1.6	disclosed	54-55	
A2: Use of Resources	General Disclosure	disclosed	54-55	
	A2.1	undisclosed		not involved
	A2.2	disclosed	54	
	A2.3	undisclosed		not involved
	A2.4	disclosed	55	
	A2.5	undisclosed		not involved
A3: The Environment and Natural Resources	General Disclosure	disclosed	53	
	A3.1	disclosed	53	
A4: Climate Change	General Disclosure	undisclosed		The product development and manufacturing did not involve the emission of nitrogen oxides and sulfur dioxide, exerting little impact on the air.
	A4.1	undisclosed		The product development and manufacturing did not involve the emission of nitrogen oxides and sulfur dioxide, exerting little impact on the air.

INDEX TABLE OF THE SEHK ESG

Social				
Aspect	Index number	Disclosure	Report location	Notes
B1: Employment	General Disclosure	disclosed	43-44	
	B1.1	disclosed	44-45	
	B1.2	disclosed	44	
B2: Health and Safety	General Disclosure	disclosed	45	
	B2.1	undisclosed		No deaths due to work related
	B2.2	disclosed	45	
	B2.3	disclosed	45-46	
B3: Development and Training	General Disclosure	disclosed	47-49	
	B3.1	disclosed	49	
	B3.2	disclosed	49	
B4: Labour Standards	General Disclosure	disclosed	44	
	B4.1	disclosed	44	
	B4.2	undisclosed		No child labor or forced labor related incidents occurred during the year
B5: Supply Chain Management	General Disclosure	disclosed	27-30	
	B5.1	disclosed	30	
	B5.2	disclosed	27-29	
	B5.3	disclosed	27-29	
	B5.4	disclosed	27-29	
B6: Product Responsibility	General Disclosure	disclosed	34-42	
	B6.1	undisclosed		not involved
	B6.2	disclosed	40-41	
	B6.3	disclosed	40	
	B6.4	disclosed	40-41	
	B6.5	disclosed	42	
B7: Anti-corruption	General Disclosure	disclosed	26	
	B7.1	disclosed	26	
	B7.2	disclosed	26	
	B7.3	disclosed	26	
B8: Community Investment	General Disclosure	disclosed	56	
	B8.1	disclosed	56-58	
	B8.2	disclosed	56-58	

2020 FOCUS: PROGRESS IN IMPLEMENTING SDGs



Action

- Launching consumption-driven poverty alleviation projects and contribute to the fight against poverty and the decisive victory in building a moderately prosperous society in all respects



Action

- Providing employees with training on occupational safety and health knowledge



Action

- Continuously improving the employee training system



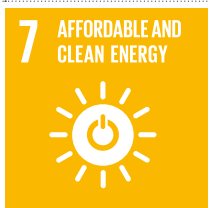
Action

- Attaching great importance to gender equality, and supporting female employees



Action

- Use water as needed and advocate water conservation



Action

- Use energy-saving lamps and lanterns, eliminate high energy consumption equipment, adopt new energy-saving technology



Action

- Enhancing employees' abilities and skills, providing employees with smooth development channels, and establishing a fair and competitive compensation and benefits system



Action

- Promoting business and technological innovation to contribute to the building of smart cities with digital solutions

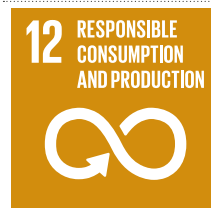
2020 FOCUS: PROGRESS IN IMPLEMENTING SDGs

**Action**

- Respecting all employees from different backgrounds and cultures, and ensuring that no employees are discriminated against because of their race, the color of their skin, gender, or religion

**Action**

- Continuously strengthening product research and development in the fields of smart government services, smart city management, smart healthcare, smart civil services, and smart business management, etc.

**Action**

- Setting up battery recycling sites for the concentrated disposal of used batteries

**Action**

- Implementing green office and enhancing the environmental awareness of all employees

FEEDBACK FORM

Dear readers:

Thank you for reading this Report during you busy day. There are inevitable deficiencies in the reporting preparation. We hereby hope listen to your comments and suggestions so as to continuously improve our report and promote our ESG management.

1. Your overall assessment of this Report:

Very Good Good Average Poor Very Poor

2. Your opinion on the structure of this Report:

Very Good Good Average Poor Very Poor

3. Your opinion on the layout design of this Report:

Very Good Good Average Poor Very Poor

4. Your opinion on the readability of this Report

Very Good Good Average Poor Very Poor

5. Your opinion on the quality of social responsibility information disclosed in this Report:

Very High High Average Low Very Low

6. What are your comments or suggestions on this report or our performance?

How are you related to CAPINFO COMPANY LIMITED

The government and superior regulators Shareholder Customer Employee

Partner Media The Community/Public Other

You may mail the above feedback form to the following address:

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