

Building an Intelligence Future with Al



Sustainability Report **2022**

SenseTime Group Inc. 商汤集团股份有限公司 Stock Code:0020

About This Report

Welcome to the 2022 Sustainability Report issued by SenseTime Group Inc. and its subsidiaries and Consolidated Affiliated Entities (hereinafter referred to as the "Group", "SenseTime", or "We") for all stakeholders, which discloses our sustainability-related initiatives and achievements in 2022. This Report shows our efforts in actively responding to the opportunities and challenges regarding sustainability, incorporating social responsibilities in corporate management and operations. and creating economic, social and environmental value for stakeholders.

Reporting Scope

This Report covers the main business of the Group and the period from January 1, 2022, to December 31, 2022 (the "Reporting Period"), with some content dating back to previous years or extending to future years.

References

This Report is prepared in accordance with the Environmental. Social and Governance Reporting Guide (ESG Guide) set out in Appendix 27 to the Listing Rules issued by the Stock Exchange of Hong Kong Limited, the Global Reporting Initiative (GRI)'s Sustainability Reporting Standards (GRI Standards) and United Nations Sustainable Development Goals (UN SDGs)

Reporting Principles

"Materiality": This Report has incorporated the stakeholder communication and materiality assessment as the basis for determining material ESG issues.

"Quantitative": This Report uses quantitative information to present key performance indicators ("KPIs") in environmental and social aspects, with explanations to illustrate their purposes and impacts.

"Balance": This Report adheres to the principle of balance and provides an unbiased picture of our ESG performance.

"Consistency": If not otherwise specified, this Report adopts methodologies for information disclosure and data statistics consistent with those used in the 2021 ESG Report to ensure comparability.

Board Statement

The Board and all Directors of the Group undertake that there are no false records, misleading statements or material omissions in this Report and make the following statements on the ESG supervision and management of the Board:

The Board oversees the Group's ESG issues and is the ultimate responsible body for the Group's ESG management. We have established the Group's ESG governance structure, reviewed the implementation of ESG-related goals, and established an ESG risk management and internal control system. Please refer to the "ESG Governance Structure" section in this Report for details of the governance structure. At the same time, the Board has reviewed the Group's assessment, priority and management of ESG issues. Please refer to the sections "Communication with Stakeholders" and "Materiality Assessment" for details.

Report Language

This Report is published in two languages: Simplified Chinese and English. In case of any ambiguity in the interpretation of the Report among the two languages, the Simplified Chinese version shall prevail.

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Message from the Chairman of the Group



Xu Li Co-founder of SenseTime Chairman and CEO

In 2022, the global landscape remained complex and volatile, with profound changes nseen in a century accelerating. Uncertainties were still multiplying, presenting new opportunities and challenges for the development of science and technology both in China and the world. The objective of science and technology innovation is to facilitate high-quality development. Artificial intelligence (AI), as a priority for scientific and technological innovation, is crucial for industrial transformation and upgrading. The power of AI will help the economy achieve "significant improvement in guality" and "reasonable growth in quantity". In this context, the academic and industrial values of big models as a general technology have been widely validated worldwide. The advent of the "Big Model Era" will drive the shift of AI technology applications to Artificial General Intelligence (AGI), opening up more scope and possibilities for sustainable economic and social development.

We believe AI, with its advanced productivity, has the potential to help humanity address environmental and social challenges, among others. Therefore, SenseTime, with the principle of "human-centric" and "AI for good", is committed to pushing back the frontiers of AI through research and innovation. We has always been forward-looking, focusing on the research and development of large models and actively investing in the construction of Al high-performance computing infrastructure, casting the wisdom base for the development of AGI; we have made considerable self-developed research achievements by integrating software and hardware in the new infrastructure sector and by adapting the sector for localization, as well as continuous research and development of big models in vision, natural language, multimodality, etc.; we have explored industry-level demonstration applications of "generative big models" by making open-source models available to the public in partnership with universities and research institutions, and by supporting the development of self-developed big models.

Meanwhile, we have been taking the initiative to assume our corporate social responsibility. In the past year, we have been improving our ESG performance, doing our part for sustainable social development.

In terms of the environmental aspect, Sense Time embraces the green development philosophy all the time. For instance, in 2021, we established the strategic goal of "planning to achieve carbon peak emissions by 2025, striving to achieve operational carbon neutrality by 2030, and achieving net zero emissions by 2050", and we have been working towards it ever since. Also, SenseTime constantly explores feasible ways of applying AI and carbon reduction technologies. We have leveraged AI technology to empower numerous industries and created a new intelligent remote sensing supervisory platform for ecology and the environment, supporting the monitoring and management of ecological and environmental protection. Besides, SenseTime supports clean energy scenarios for photovoltaic plants and storage power stations by providing a matrix covering the production, transmission and storage of energy products, and building an Al-based capability training platform and intelligent new energy solutions for the power generation industry.

In terms of social aspect, SenseTime has kept investing in healthcare, education, culture and other everyday scenarios to help improve the quality and efficiency of various public services and promote sustainable social development. At the same time, we listen and respond to the needs of society in a timely manner, actively participate in charitable causes, relentlessly invest in helping the poor and needy, education equity, medical aid and disaster relief, and join hands to fight against epidemics, contributing to the power of SenseTime to serve the people's livelihood. For employees, we always insist on talent development as fundamental, build an equal, diversified and inclusive workplace for employees, and continuously improve the employee training system to grow together with employees. In addition, SenseTime pays close attention to the career development of women and strives to provide equal opportunities and abundant resources for women's self-actualization in the workplace.

In terms of governance aspect, as a global leading Al software company. Sense Time has been strengthening its corporate governance and ESG governance, continuously improving its anti-fraud system, and promoting social equity with honest and compliant practices. SenseTime has proposed and practiced the concept of "balanced development" of AI ethics, aiming to build an AI model that is "sustainable, human-centric, and technologically controllable". To this end, we have developed and launched a product ethics risk review platform to ensure that our products and solutions are ethical and moral. In addition, we uphold the highest standards of information security and data privacy. SenseTime is the first AI enterprise that has obtained all of the three certifications - ISO 27001 Information Security Management System Certification, ISO 29151 Personal Identity Information Protection Management System Certification, and ISO 27701 Privacy Information Management System Certification.

In future, SenseTime will continue to forge ahead with sustainable development. We will never forget the mission "to create a better AI-empowered future through innovation". To do so, we will take AGI as the core strategy of technological innovation development, guide economic and social development with technological innovation, and create a better future for mankind together with our customers and partners.

About SenseTime

Founded in October 2014, SenseTime is an artificial intelligence (AI) software company focusing on computer vision (CV) technology to empower various industries. We are committed to advancing state of art in AI research, developing scalable and affordable AI software platforms that benefit businesses, people and society as a whole, while attracting and nurturing top talents to shape the future together.

Mission

To create a better AI-empowered future through innovation

Vision

To advance the interconnection of the physical and digital worlds with artificial intelligence, driving sustainable productivity growth and seamless interactive experiences.

Sensetime's business covers four major areas, namely Smart Life, Smart City, Smart Business, and Smart Auto, aiming to realize the coordinated development of the four sectors to promote social progress. In line with the original intention of adhering to innovation, Sense Time has established and continued to improve the full-stack AI innovation system from research and development to production, covering key technology areas such as perception intelligence, decision intelligence, smart content generation and smart content enhancement, and has built up key capabilities including AI chips, AI sensors and AI computing power infrastructure.

In 2022, artificial general intelligence (AGI) made significant progress driven by large computing power and large models. SenseTime is well prepared to take full advantage of such trends. Our continued investment in high performance computing infrastructure, research and development of large models is bearing fruits. We have continued to make breakthroughs in the major technical fields of computer vision, AI-generated content (AIGC), natural language processing (NLP), speech recognition and synthesis, decision intelligence and AI chips, laying a solid foundation for achieving more powerful AGI capabilities.

SenseTime adheres to compliant operation, abides by business ethics and the concept of sustainable development, and actively practices and assumes corporate social responsibilities. We had initiated or joined over 60 industry alliances and important standardization organizations at home and abroad to lead industrial development.

Industry Alliance ▶ Technology for Sustainable Development Goals Alliance in Asia (Tech4SDG)

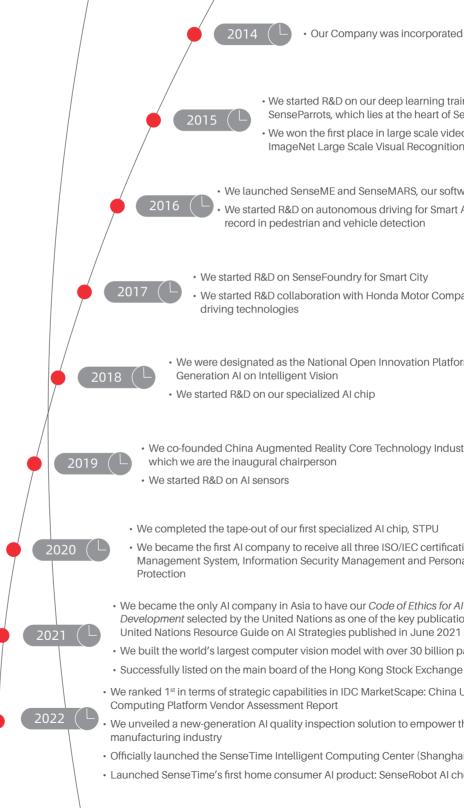
- ► AI Computing Power Industry Ecological Alliance
- China Augmented Reality Core Technology Industry Alliance
- Virtual Reality and Metaverse Industry Alliance, China Academy of Information and Communications
- Metaverse Standards Forum

Standardization Organization

- Institute of Electrical and Electronics Engineers (IEEE) AR Standards Working Group
- Metaverse Working Committee of China Electronics Standardization Association
- National Information Technology Standardization Technical Committee
- International Electrotechnical Commission (IEC) Bio-Digital Fusion System Evaluation Team

Key Milestones

Devoting ourselves to AI development, SenseTime makes continuous technological innovation and business expansion to cope with social development, and gradually develops into a leading AI company.



Our Company was incorporated

• We started R&D on our deep learning training framework. SenseParrots, which lies at the heart of SenseCore

• We won the first place in large scale video object detection in the ImageNet Large Scale Visual Recognition Challenge

 We launched SenseME and SenseMARS, our software platforms for Smart Life We started R&D on autonomous driving for Smart Auto and broke the world record in pedestrian and vehicle detection

 We started R&D on SenseFoundry for Smart City • We started R&D collaboration with Honda Motor Company Ltd. for autonomous

· We were designated as the National Open Innovation Platform for Next

· We co-founded China Augmented Reality Core Technology Industry Alliance, of

· We became the first AI company to receive all three ISO/IEC certifications for Privacy Information Management System, Information Security Management and Personally Identifiable Information

• We became the only AI company in Asia to have our Code of Ethics for AI Sustainable Development selected by the United Nations as one of the key publication references in the

We built the world's largest computer vision model with over 30 billion parameters

• We ranked 1st in terms of strategic capabilities in IDC MarketScape: China Urban Intelligent

We unveiled a new-generation AI quality inspection solution to empower the upgrade of the

Officially launched the SenseTime Intelligent Computing Center (Shanghai Lingang AIDC)

· Launched SenseTime's first home consumer AI product: SenseRobot AI chess-playing robot

SenseTime's Sustainability Performance

Since the establishment of SenseTime, we have always believed that the advanced productivity represented by AI can empower mankind to have a better life. We embed sustainability in all aspects of our business. During the Reporting Period, we made many efforts to promote sustainable development in ourselves and society and won a number of ESG and social responsibility-related awards, committed to contributing our power to society.

Key Performance in 2022 at a Glance

Environment

- A Green Future Shaped with Responsibility
- We develop dual carbon strategy targets and reduction strategies; planning to achieve carbon peak emissions by 2025, striving to achieve operational carbon neutrality by 2030, and achieving net zero emissions by 2050.
- Established the Carbon Neutral Development Research Center responsible for promoting the specific implementation of dual-carbon work. Starting with self-carbon reduction and AI empowerment, we explore feasible ways to reduce carbon emissions through technology, so as to create a benchmark case of smart carbon reduction.

Key initiatives for 2022:

- We have incorporated the concept of energy saving and low carbon into the preparation, construction and operation of the SenseTime AIDC (Artificial Intelligence Data Center). After the AIDC is put into operation. Its power consumption will be more than 10% lower than that of the average industrial level of China's medium and large data centers. It will help save about 45 million kWh of electricity annually, equivalent to 25.7 thousand tonnes of carbon dioxide equivalent greenhouse gas emissions
- Our main office, Xinzhou Tower will reduce close to 95 tonnes of carbon dioxide equivalent greenhouse gas emissions per year. In addition, its carbon emissions from air conditioning will also be reduced by 8% annually.

Empowering Employee Growth and Development:

- We adhere to the core values of "Integrity, Commitment, Perseverance, Innovation and Collaboration" and won 12 awards and honors related to talents employers in 2022.
- Providing targeted and customized training for employees, in 2022, added 226 new internal online learning courses and over 900 learning topics were introduced externally at SenseTime's digital learning platform. The number of person-times on the platform exceeded 90,000.
- We set up a strong internal lecturer team. In 2022, SenseTime had a total of 267 instructors, acquiring more than 40,000 attendances
- · Built a bridge between the Group and employees through our corporate culture platform "the Way of SenseTime" and Town Hall Meetings. In 2022, more than ten Town Hall Meetings were hosted at our offices in various locations and the executives interacted directly with thousands of employees.
- · Created the "Sheep is Happy" welfare plan for employees, including insurance, rent allowance, meal allowance, physical examinations, and wonderful holidays, to protect employees in many ways.

Caring for the needs of society:

- We help nurture and grow talents in the field of artificial intelligence in China and set up the SenseTime Scholarship since 2017. By the end of 2022, the SenseTime Scholarship had, in 6 batches, sponsored 165 students from more than 20 top universities in China
- We actively cultivate excellent teachers in the field of artificial intelligence. In 2022, Sense Time was approved to serve as a national vocational education teacher enterprise practice base and a national vocational education "double-type" teacher training base and organized more than 30 teacher training activities throughout the year, empowering over 500 teachers in the industry.
- In 2022, SenseTime donated RMB 3.44 million in cash and goods worth RMB 3.78 million in charitable and public welfare activities.

Governance

Enhancing Governance of AI Ethics:

- Development, and for the first time in the industry, we proposed the development of "responsible and verifiable" AI as our goal.
- standards and 14 Chinese standards.
- Artificial Intelligence Industry Alliance (AIIA), and our ethical governance system and algorithm evaluation tool were awarded the "Trusted AI Practice Excellence Case". In addition, SenseTime was also selected as one of the "Enterprises with Outstanding Contribution in 2022" by the AIIA and the AI Key Technology and Application Evaluation Laboratory.

Strengthening Information Security:

- System Certification, ISO 29151 Personal Identity Information Protection Management System Certification, and ISO 27701 Privacy Information Management System Certification.
- In 2022, we have obtained the BS 10012 Certification for Personal Information Management Systems.

Sustainable Development Awards





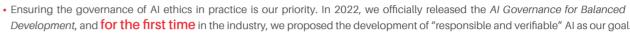
Wallstreetcn.com: SenseTime's ALethics for "balanced development" was awarded "Corporate Governance Innovation Case" in "ESG Innovation of the Year'



Ofweek: 2022 Ofweek Artificial Intelligence Industry Annual Selection Social Responsibility Contribution Award



Thingking Finance & Investor China: 2022 Outstanding ESG Practice Company of the Year



• By the end of 2022, SenseTime had contributed to the formulation of 27 AI ethics-related standards, including 13 international

• In 2022, the SenseTime AI training platform (AutoLink) was awarded the "Trusted AI Platform Application Benchmark Case" by the

Sense Time is the first AI enterprise to obtain all three certifications of ISO 27001 Information Security Management

National Business Daily: 2022 The Reputation List of China Listed Companies "Most Socially Responsible

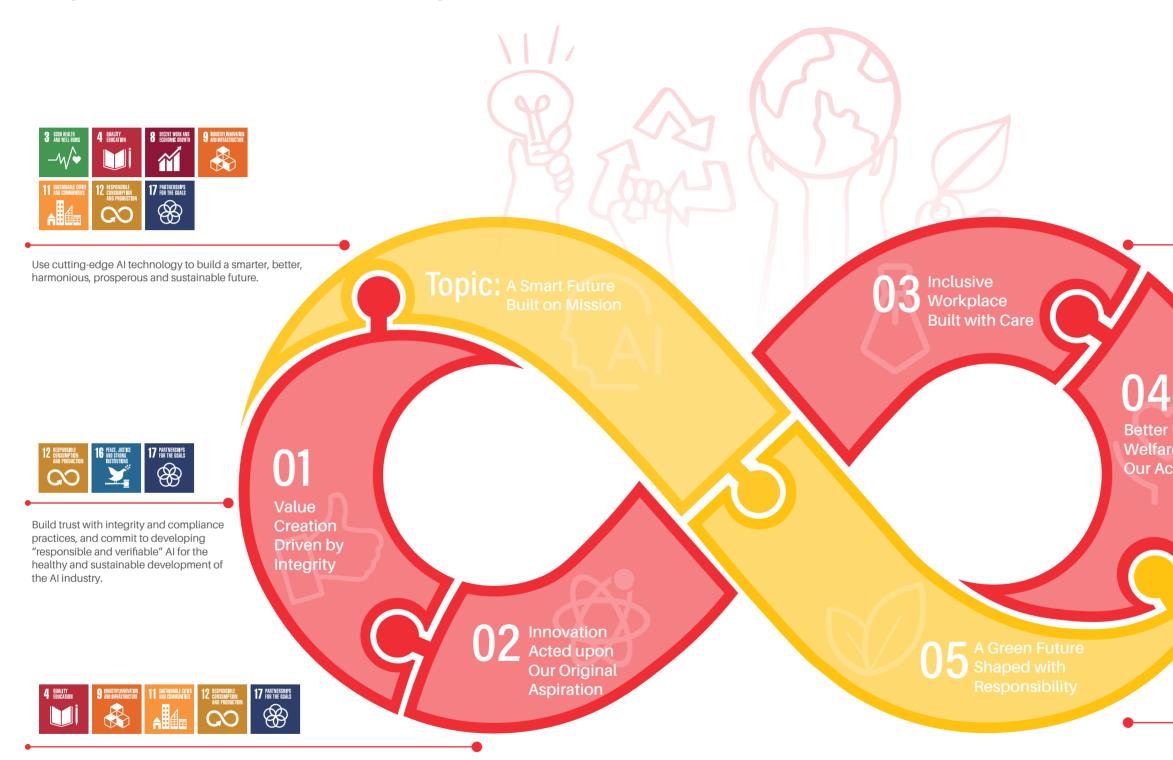


The Cover: 2022 Corporate Social **Responsibility Pioneer**



China Business Journal: 2022 "CSR Competitiveness" Responsibility Case Studies - Sustainable Development Demonstration Enterprises

Response to Sustainable Development Goals



Adhere to innovation and research and development, create value for customers, and empower the upgrading of industries.



Create an equal and inclusive workplace, and provide diverse welfare policies for employees to jointly build a diverse workplace.

Better Public Welfare with **Our Actions**



Devote to public welfare and charity undertakings, and use funds, materials, AI technology, etc., to address social needs and promote equity and universal benefits.



Set carbon neutrality goals, practice the concept of sustainable development, and seek for a green future with concrete actions.

Topic: A Smart Future **Built on Mission**

The continuous progress and development of AI technology have brought a new wave of scientific and technological revolution. The application of AI is changing the traditional landscape of life, business, manufacturing, social governance and other fields, with enormous potential for efficiency improvement. The application scenarios of AI are continuously expanding and gradually integrating into all aspects of life and production, making people's life more comfortable, enhancing user experience, facilitating business development, enabling precise and efficient urban management, and promoting safe and convenient travel.

With the mission of "to create a better AI-empowered future through innovation", SenseTime is committed to the long-term investment in original research and the development of AI technology. We have built a robust AI computing infrastructure and possess full-stack AI capabilities covering perception intelligence, decision intelligence, smart content generation and smart content enhancement, which continuously promotes the improvement of AI innovation and deployment to reduce costs and increase efficiency, leveraging AI technology to drive the high-quality development of the economy and industry.

In addition, we recognize that the development of science and technology must align with human values and serve social welfare. With our AI technology, we are committed to developing eco-friendly and socially sustainable technologies. In line with our vision of empowering various industries with AI, we continue to support and promote the advancement of Smart Life, Smart City, Smart Business and Smart Auto, and strive to build a more intelligent, beautiful, harmonious, prosperous and sustainable future.



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SenseCore: Building an AI Intelligence Engine

Large-scale, low-cost and efficient mass production of AI models are critical to driving the implementation of AI and achieving a closed-loop AI value. In 2019, we are forward-looking to building a new AI infrastructure SenseCore to perforate computing power, algorithm and platform, greatly reduce the price of AI production factors, achieve high-efficiency, low-cost and large-scale AI innovation and implementation, providing a comprehensive portfolio of AI applications for various industries. We released "SenseCore SenseTime Al Large Device Cloud" in August 2022, which combines super large-scale computing power, data management and annotation services, AI development platform and toolchain, and three open-source algorithm systems, providing the industry with a plug-and-play AI toolchain. SenseCore greatly reduces the initial investment of AI users, and can effectively respond to the future needs of industrial AI pipelines and the training, validation, and inference of large AI models.

During the Reporting Period, we persistently optimize our distributed computing platforms, energy-efficient data centers, high-speed network architectures, high-performance storage systems, fault tolerance and reliability in training, data security platforms, hybrid cloud computing, as well as performance monitoring and analysis systems. Furthermore, we continue to make breakthroughs in our Al computing infrastructure - SenseCore. SenseCore achieves a computing power output of 5.0 exaFLOPS based on the parallel computing capabilities of more than 27,000 GPUs, which can effectively support up to 20 large foundation models to train simultaneously, each using thousands of GPUs in parallel, providing a reliable, cutting-edge research and development environment, as well as a plentiful supply of computational power to address the growing needs of training large AI models. In addition, during the Reporting Period, SenseTime AIDC in Shanghai Lingang opened for operation, which further enhanced SenseCore's high-performance computing power supply capability.

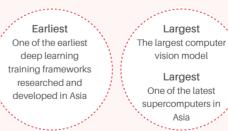
Based on SenseCore, SenseTime has incubated dozens of types of Al-enabled solutions, effectively lowering the technical threshold and cost threshold for industrial use of AI, and accelerating the digital transformation of industries, scientific research and government affairs. By the end of the Reporting Period, we had launched more than 67,000 business models, covering four major areas, including Smart Business, Smart City, Smart Life and Smart Auto. Based on the technical capability of SenseCore, users can develop products that meet their business needs without requiring deep expertise or significant investment, thus effectively lowering the application threshold of AI and promoting technology universal benefit.



Largest

Largest

Asia



Fastest In 2019, SenseCore broke the original 4-minute record with a model training speed of 90 seconds on ImageNet





SenseCore - Universal AI Infrastructure

2,500 pre-trained models

32billion large model parameters

5.0 exaFLOPS peak comput ing power

77,000+ Github Github Stars

Empowering Smart City with AI

Urban governance is a massive, complex and diverse task. With the continuous improvement of urbanization worldwide and the emergence of "megacities", the traditional governance model brings challenges to current city managers. Digital transformation has become an irreversible trend in urban development.

As a leading AI software company, SenseTime is fully aware of the role that AI can play in urban governance and is committed to promoting smart city construction. Based on SenseCore, we have partnered with city managers to launch a future-oriented urban management platform - SenseFoundry. Connected to the Internet of Things (IoT), SenseFoundry can analyze raw visual data from the city and translate them into real-time insights, event alerts and actions for city operations. It is applicable to various scenarios, including urban sanitation, traffic management and emergency response, and can effectively improve efficiency while reducing operation costs.

By the end of the Reporting Period, SenseFoundry had been deployed in many cities domestically and internationally, including Beijing, Shanghai, Shenzhen, Singapore, Dubai and other cities. SenseTime is looking forward to building a "smart brain" for more cities and comprehensively improving the safety, convenience and reliability of the living environment for residents in all aspects.





Case: SenseFoundry Optimizes Road Traffic in Shaoxing

Shaoxing City has a permanent population of more than 5 million and a road network of 10,381 kilometers. However, the timing of traffic signals and the formulation of traffic management plans in its signal control system only rely on manpower and expert experience, resulting in problems such as a low degree of refinement and inconvenience in real-time adjustment. SenseTime uses AI technology to support the optimization of Shaoxing intersection signal control scheme, thereby greatly improving the efficiency of traffic operation. With the support of AI, the signal timing scheme can realize adjustment at 15-minute intervals, which reduces the average idle rate of the intersection by about 20% and improves the arterial traffic indicators by about 10%.

Besides, in terms of traffic safety management, SenseTime proactively warns traffic accidents and hidden dangers in Shaoxing City through real-time detection and big data analysis, which has enhanced the ability of active detection and quick processing of alarm situations. SenseTime has deployed SenseFoundry's open traffic platform in Shaoxing to obtain high-quality traffic parameters with large-scale video analysis capabilities as the core, turning the E-police/checkpoint into an AI "super camera". The platform can identify 15+ kinds of traffic incidents and 20+ kinds of traffic violations, and also analyze 15+ traffic parameters in real-time, with an accuracy \geq 90%. With the deployment of the platform, Shaoxing goes from "0 to 1" and achieves a breakthrough in analyzing large-scale traffic parameters.

In addition to SenseFoundry, SenseNebula can also be used in the field of urban governance. The product family includes different hardware and software, such as SenseNebula AIS, SenseNebula AIC, and SenseNebula AIX, which integrates IoT perception, intelligent vision, data fusion and data analysis capabilities, and is suitable for smart parks, smart elevators and other urban life scenes.

Case: Shanghai Marathon "Kicked Off" with SenseNebula Pass

On November 27, 2022, the 26th Shanghai International Marathon ("Shanghai Marathon") started with 18,000 runners setting off from the Bund for a long journey of about 42 kilometers. This marathon was different from the previous ones for it was the first large-scale sporting event held in Shanghai since the resumption of work and production after the pandemic for Covid-19, and it still had to satisfy the "regular pandemic prevention and control" requirements. All about 18,000 runners had to complete the procedures of identity verification, body temperature measurement, and examination of nucleic acid test results before the start of the race at 7:00 am, which presented a considerable challenge to the organizer.

To support the smooth take-off of the "Shanghai Marathon", SenseTime together with Shanghai Dengshi Security Equipment Co., Ltd. committed 60 sets of SenseNebula Pass, a "6-in-1" Digital Sentry portable access system. This system is part of the SenseNebula product family. With the support of SenseTime's leading AI algorithm, the product integrates 6 main functions of contactless temperature measurement, rapid passage with masks, health code verification, vaccination information verification, nucleic acid test result verification, and person-ID consistency verification. That's how the system managed to complete the pandemic prevention verifications started at 5:30 AM before sunrise. Even in a dimly lit environment like this, SenseNebula Pass still achieved an average verification speed of 2.5 runners per second, for it made full use of its supplementary infrared lighting function. SenseTime's cloud-based system also proved its steadiness and reliability.

As we move on with the pandemic prevention measures, verification for vaccination and nucleic acid test result may no longer be necessary, but the functions of the Digital Sentry, such as person-ID consistency verification and contactless temperature measurement, can still be widely and easily applied, especially in public premises such as airports, hospitals, community activity centers, libraries and cultural art centers.

Case: SenseFoundry Supports Shenzhen's Urban Management

As one of the earliest established areas in Shenzhen City, Luohu District witnesses the development and changes of Shenzhen. However, due to the large population, relatively outdated planning and other issues, Luohu District faces a big challenge in urban management. By launching the pilot project of the "AI Visual Analysis Platform", SenseTime has helped Luohu District bid farewell to the traditional inefficient manual inspection mode and successfully improved the efficiency of urban management incident processing.



Intelligent Incident Identification by Video Analysis

In the Nanshan District of Shenzhen, the phenomenons of electric vehicle drivers driving in the wrong direction, running red lights and not wearing helmets persist despite strict bans, leaving the traffic safety of non-motor vehicles a notable challenge in urban management. To mitigate this problem, the SenseFoundry platform has launched a non-motor vehicle situation analysis function to analyze the time, location, street, section and type of non-motor vehicle violation and deal with the incidents effectively, thus reducing the incidence of traffic accidents. From January to February 2022, non-motor vehicle violations in Nanshan District dropped by about 56% compared to December 2021. In addition, the percentage of riders wearing helmets was on rise, and the awareness of safe travel was also significantly improved, which helped create a more civilized and orderly transportation environment.





Interface of SenseTime Intelligent Signal Control System



SenseNebula Pass Interface

Empowering a Better Life with AI

With the development and progress of technology, AI is being applied to various aspects of people's lives, fundamentally changing people's way of living. Sense Time is actively leveraging its strengths to create more and better human-machine interactions and virtual-reality integration experiences with technology-enabled scenarios, which closely related to the people in healthcare, culture, tourism, education, etc., to truly achieve the idea of "AI makes life better".

Based on SenseCore, we have created various smart life platforms, such as facial recognition smart door locks, augmented reality (AR) navigation maps, and mixed reality (MR) virtual experience centers. As the concept of smart life becomes increasingly popular, we will continue to develop new applications with a larger number and broader types of industry partners. In this way, we will contribute to a healthier, safer, and more efficient living environment and help society with green and intelligent development.

17 PARTNERSHIPS FOR THE GOALS

B

Case: Boosting Smart Medical Care, SenseTime Aims at the "Hospital For The Future"

In the context of the insufficient and imbalanced distribution of medical resources, smart medical care has become one of the critical means of promoting the overall high-quality development of the health industry. Patients will be able to seek medical treatment without leaving home, while doctors will be able to substantially accelerate the treatment process by employing AI for primary screening. which will benefit both doctors and patients and maximize the utilization of medical resources.

SenseTime has defined the strategic objective of its healthcare business as an enabler for the design of the Al-powered "hospital for the future". For this, we have proposed a comprehensive solution for the "Hospital for the Future", including:

•For patients, the Smart Outpatient Assistant simplifies outpatient procedures.

•For medical professionals, the SenseCare Smart Health Platform provides clinical assistance.

•For hospital management and government, the Smart Hospital Management Platform and Smart

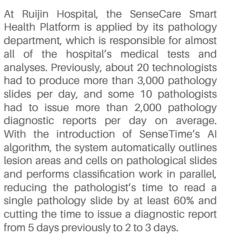
Medical Cloud Platform enable more efficient use of medical resources.

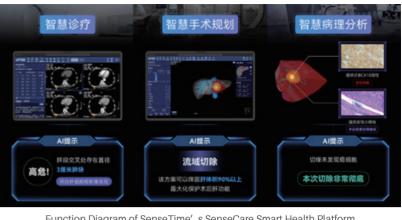
•For researchers, the Intelligent Clinical Research Platform provides a platform to facilitate smart R&D projects across different research institutions.



SenseTime's "Hospital for the Future" Integrated Solution Framework

The framework is composed of essential components like the SenseCare Smart Health Platform. The platform may be applied to more than ten major organs, including lung, heart, liver and nerve, and serves many clinical departments such as imaging, pathology, radiotherapy, surgery and orthopedics. The platform also provides medical professionals with a variety of assisted diagnostic and treatment services such as smart diagnosis and treatment, smart surgery planning, and smart pathology analysis, enabling an integrated process of "diagnosis - treatment - healing". By the end of the Reporting Period, the platform was already put into operation in dozens of medical institutions across China, including top public hospitals such as Ruijin Hospital affiliated to Shanghai Jiaotong University School of Medicine ("Ruijin Hospital"), Renji Hospital affiliated to Shanghai Jiaotong University School of Medicine ("Renji Hospital") and Shanghai Ninth People's Hospital ("Ninth Hospital"), and private hospitals such as Jiahui International Hospital (Shanghai).





Meanwhile, at Renji Hospital, the SenseCare Lung Surgical Planning system is applied for intelligent planning of lung surgery. In recent years, the morbidity of lung cancer in China has been on the rise, and surgical resection, especially minimally invasive surgical resection, is now a vital method to cure lung cancer. Before performing minimally invasive surgery, doctors need to rely on 3D reconstruction to determine the infiltration and boundary of tumors and delineate a reasonable resection area. However, traditional 3D reconstruction requires a lot of interactive manual operations, which is tedious and time-consuming. SenseCare Lung Surgical Planning system can fully automate the precise dissection and 3D reconstruction of various tissues in the chest, significantly reducing the time required from 2-4 hours for traditional manual operation to 2-5 minutes. It also provides interactive simulation analysis for multiple surgical scenarios, assisting surgeons in rapid and effective preoperative simulation and postoperative evaluation for patients.

In addition to chest and lung, SenseTime's smart assisted diagnosis and treatment technology can also support surgery in other parts of the body, such as the liver and bone. For example, SenseCare Liver Surgical Planning provides a comprehensive analysis of the liver, tumor and vascular system, enables 3D modeling of liver tumors, and presents different lesion features of different patients in 3D images. At the Jiahui International Hospital (Shanghai), SenseCare Liver Surgical Planning helped doctors develop a plan to resect a giant 20 cm liver metastasis, ensuring a smooth surgery and recovery for the patient.



SenseTime's partnership with Ninth Hospital also focuses on surgical planning and design. As a national key discipline for research, the orthopedic department of the Ninth Hospital represents the best orthopedic disease diagnosis and treatment in China, and it has introduced 3D printed models as one of its orthopedic surgical implants. The SenseCare Smart Health Platform of SenseTime is fully available to the imaging department, orthopedics department and 3D printing center etc., to help improve the communication efficiency among doctors in different departments and reduce the preparation time for surgical implants.



Function Diagram of SenseTime' s SenseCare Smart Health Platform

The Application of SenseCare Lung Surgical Planning System for Intelligent Planning of Lung Surgery - 3D Simulation Rendering

Case: Sense Time Applies AR Navigation to Create Large Maps For Asian Games Venues

The total area of the Asian Games Hangzhou 2022 venues exceeds 300,000 m². For such a large complex, traditional navigation software tends to have shortcomings such as unclear display of internal space and delayed update of entrance and exit information. Relying on the "Smart Asian Games Service" of the Alipay APP, SenseTime utilized web-based augmented reality (WebAR) technology to build up the AR navigation function for the Asian Games venues.

In the process, SenseTime applied a mix of technologies like VR, AI, big data and cloud computing. In line with the principle of classified and prioritized works for map development, Sense Time utilized computer vision AI algorithms and AR technology for various capabilities such as professional high-precision 3D digital map creation, field-wide centimeter-level cloud-based collaborative positioning, and cross-platform multi-terminal spatial awareness computing.

In addition, we have added AR signs and related information in the physical space of the Asian Games venue complex to provide navigation functions for spectators at its entrances and exits, spectator seating and dining areas. For the convenience of spectators and athletes with disabilities during the Asian Games and Asian Para Games, we have specifically integrated barrier-free pathways and friendly voice prompts to provide services such as navigation to barrier-free facilities and green passages.

This is the first application in the world to enable massive AR spatial positioning for over 300,000 m² venues, as well as the first application to support high concurrency for millions of users. Through intelligent upgrading of the venues, we are committed to providing a meta-universe-immersive style experience and service for the spectators of the games, and to better achieve the presentation of the Asian Games culture.

Case: "SenseRobot" Helps Chess Culture Promotion and Education

Chess is the treasure of Chinese traditional culture. The border of two opposing powers contains Chinese people's game wisdom and life philosophy. By integrating artificial intelligence technology with traditional Chinese culture, SenseRobot, an AI chess robot product capable of independent "thinking" and friendly "interaction", has been created by SenseTime to bring new vitality to traditional culture.

The SenseRobot has not only a human chess master level chess capability, but also a mechanical arm, being able to achieve both chess action and human interaction. It includes various modes, such as AI learning chess and matchups, and has been certified by the authority of the Chinese Chess Association. SenseTime has reached cooperation with 40 primary schools across the country, and has cooperated with more than 10 primary schools to set up "SenseRobot Artificial Intelligent Chess Pilot School" and Chinese chess AI classroom. Based on the interactive education and playing experience created by the SenseRobot AI chess robot, we jointly practice "AI+ chess education" to educate people about chess, stimulate more young people's attention and love for chess, and improve students' comprehensive literacy.

We believe that, with the SenseRobot walking into schools, children will be provided with a whole new learning platform. By competing against AI robots, children can improve their observation, thinking, and judgment skills and achieve a better understanding of Chinese traditional culture, which is also the meaning of SenseTime's corporate social responsibility. During the Reporting Period, the SenseRobot won the "Ingenuity and Technology Award" issued by People's Daily Online. AR场馆导航





The Interface of the Asian Games AR+ and the Application of its Navigation Function

The awarding ceremony of "SenseRobot AI Chess Pilot School"



Students play chess with SenseBobot

Case: MR and AI Empowered Traditional Cultural and Tourism Scenarios

During the "14th Five-Year Plan" period, China plans to continuously step up technological innovation for the conservation of cultural relics and practice the strategy of building a powerful country in culture. Enhanced digitization of heritage protection and inheritance will not only enable a better sharing of cultural heritage with people, but also help Chinese culture to "go global". Sense Time gives full play to its advantages, using various digital technologies to provide numerous museums in China with innovative experiences, such as immersive exhibitions and virtual interactions with ancient creatures. In this way, we have contributed to the enhancement of the spread of Chinese culture, while staving on the latest trend of social development.

During the Reporting Period, we worked with eco-partners of Linkon Technology and Nreal Technology AR glasses to create the "Ancient Shu Magic Land" immersive experience project at the Sanxingdui Museum. The project combines ancient Chinese civilization with MR technology. With the help of MR glasses, audience can be presented with dynamic exhibits, rather than static ones. SenseTime's AI+AR technologies are able to render plenty of visual effects on the cultural relics, showcasing the splendor of ancient Shu civilization more impressively through cinematic images. Empowered by digital interactive products, the traditional cultural treasures are no longer objects that are still and motionless, but become truly "vigorous" and "alive" in front of the audiences.



Empowering Smart Business with AI

With the accelerated integration of AI technology and the real economy, digital transformation has become the future of business development. Al technology can help enterprises mine valuable information from massive data to assist their decision-making. It can also enable resource allocation, process optimization and improvement of production safety through intelligent supply chain management and intelligent hardware upgrade. In this way, the competitiveness of enterprises can be enhanced in all aspects. In addition, AI technology can enable intelligent energy consumption and emission management to support the green transformation of enterprises and promote sustainable development.

Based on the capability of SenseCore, we continue to produce premium AI technology solutions to extend the application scenarios in commercial space management, residential property management, manufacturing, infrastructure, transportation, financial services and other sectors, helping enterprises to achieve business model upgrade and transformation, releasing new momentum for industry development.



The "Mixed Reality" Scene in the Sanxingdui Museum



Case: AI Technology Helps Improve Subsurface Safe Production for Coal Mining Companies

During the Reporting Period, SenseTime had provided intelligent renovation solutions for several coal mining enterprises. Sense Time's original deep learning technology helps enterprises to address difficulties such as monitoring negative behaviors of subsurface coal mine operators and detecting abnormal equipment operations in time. SenseTime is committed to the in-depth integration of AI with the coal mining industry, and construction of a whole mine intelligent video management system, so as to produce a complete digital and intelligent application to the whole lifecycle of mining industry, and to help achieve the digital transformation of coal mining enterprises.

Through AI vision, we help companies to identify unsafe behaviors such as improper dressing, absence from work, sleeping while on duty, and hazardous crossing of boundaries, thus achieve timely detection of any noncompliance, and enhance the standardized operation of on-site personnel with voice prompts. Al is also able to analyze the belt operation condition via video, promptly identifing abnormal equipment operations such as belt misalignment, foreign objects, large coal lumps, coal scattering, and lack of traffic, and alert operators accordingly, effectively rasing the safety level of subsurface operations. Due to its labor-intensive nature, coal mining industry has always seen safety issue as its top priority. Services provided by SenseTime to coal mining enterprises can significantly reduce their reliance on subsurface manpower and protect on-site personnel safety, while achieveing energy conservation, environmental protection, lower operation costs and higher efficiency. Such services have a significant meaning on the intelligent transformation of coal mining industry.

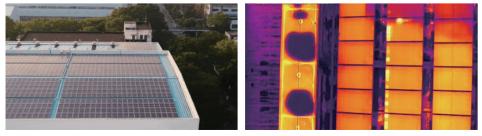


AI Technology Helps Improve Subsurface Operation Safety

Case: AI Technology Helps Photovoltaic Industry Achieve Intelligent Site Selection and Intelligent Operation and Maintenance

As one of the major new energy sources of the future, the application of photovoltaic (PV) power generation is set to make a major contribution to the "dual-carbon" objectives of carbon peaking by 2030 and carbon neutrality by 2060. However, the current manual-based operation and maintenance model of PV power plants has various limitations in terms of site survey and selection. abnormality monitoring and scheduling management. Such limitations can easily cause issues like hard-to-discover faults, low inspection efficiency, and high operation and maintenance costs, making it hard to support the rapid expansion of PV plants.

During the Reporting Period, we partnered with leading PV companies to apply intelligent remote sensing analysis and digital twin technology to simulate the power generation conditions of proposed site locations, enabling sophisticated site selection while promoting intelligent site development. In addition, we further developed AI detection algorithms for abnormalities in various scenarios such as foreign objects on PV panels and abnormal hot spots, enabling 24/7 monitoring of PV equipment, and making contribution to the intelligent transformation of PV operation and maintenance.



AI Technology Empowers Site Selection and Operation and Maintenance for PV Power Plants

Empowering Future Driving with AI

Smart vehicles are the future of the global automotive industry. By incorporating AI technologies such as autonomous driving and smart cabin, future vehicles are to provide a more secure, comfortable and convenient driving experience. They will also effectively improve road traffic safety, ease traffic congestion, and reduce energy consumption and emissions.

By working closely with vehicle companies, SenseTime continues to innovate and iterate on smart vehicle technologies, creating a new and independent smart vehicle brand, namely SenseAuto, that empowers the intelligent transformation of the automotive industry. During the Reporting Period, we launched various new products such as "SenseAuto Automatic Parking Assistance System", "Autonomous Driving Street Sweeping Vehicle" and "Autonomous Shuttle Minibus Vehicle-2-city Network System", while continuing to upgrade the cloud-based data base and capability mid-office, and empower application scenarios such as vehicle-road coordination. We also actively promote the development and production of smart cabin, having achieved mass production and delivery for many vehicle models and vehicle companies that we work with, and continue to empower the intelligent development of vehicles and transportation. During the Reporting Period, SenseAuto served as the deputy leader of the Research Team of the National Biometric Identification Standard for Vehicle Application, further promoting the application of biometric identification technology in smart cabin, and thus the long-term healthy development of the industry.

Case: Defending Intelligent and Safe Driving with SenseAuto

SenseAuto continuously expands the application scenario of smart cabin and strives for its scale application. Leveraging SenseCore's powerful base capabilities, SenseAuto focuses on serving core cabin scenarios and provides a series of interesting and user-friendly human-machine interactive features, including child care, drowsiness relief, distraction alert, phone-call background noise reduction, intelligent ventilation and gesture recognition, etc.

SenseAuto continues to satisfy consumer needs and has developed a variety of reassuring functions such as "front seat warning for children", the "automatic control of child lock" and the "alert when living creatures are left unattended in the vehicle". By providing whole journey child care service, we enable parents to enjoy peace of mind. In addition, with its original AI sensing technology, SenseAuto automatically tracks the driver's fatigue status, and sends out active voice warnings according to fatigue levels. It can also turn on music or air conditioning to help refresh the driver. In case of distraction, the system reminds the driver to stay focused by making voice prompt, ensuring passengers' safety throughout every ride.



SenseAuto's Safe Driving Related Features





Value Creation Driven by Integrity



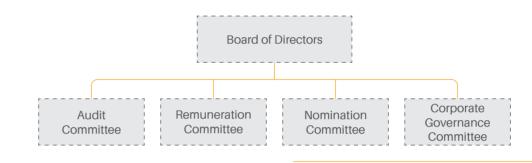
Trust is essential for business operations and the wide recognition of emerging technologies. The trust of all stakeholders is the cornerstone of our development. Therefore, SenseTime makes unceasing efforts to improve ESG governance and the anti-fraud system, so as to safeguard the rights and interests of various parties through practices based on integrity and compliance. In addition, we strive to develop "responsible and verifiable" AI through responsible development and deployment, as well as enhanced information security and privacy protection. In this case, we devote ourselves to facilitating the healthy and sustainable development of the AI industry and the digital and intelligent social transformat



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Corporate Governance

The Group is committed to achieving high standards of corporate governance to safeguard the rights and interests of our Shareholders and investors. In accordance with the *Company Law of the People's Republic of China*, the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* and other laws, regulations and institutional requirements, we strive to build the highest level of corporate governance structure, so as to make scientific and effective decisions on the operation. The Board has established four Board committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee, to oversee matters of the Group. All Board committees are set up with specific terms of reference and a clear division of powers and responsibilities, to ensure proper resource allocation and scientific and effective decisions.



Diversified Governance

A diverse Board plays a vital role in maintaining an enterprise's competitiveness. According to the *Board Diversity Policy* we formulated, all Board appointments should take into account the Directors' meritocracy and the Board's diversity to build a diverse and effective corporate governance structure. In reviewing and assessing suitable director candidates, the Nomination Committee would consider a range of diversity of perspectives with reference to the Company's business model and specific needs, including but not limited to skills, knowledge, professional experience and qualifications, industry and regional experience, cultural and educational background, age, gender, and the potential contributions that the candidate is expected to bring to the Board.

Transparent Communication

We are fully aware that information transparency and effective communication play an important role to safeguard the rights and interests of Shareholders. SenseTime has established diversified communication channels to provide true, accurate and complete information for Shareholders and investors in time. The Group communicates with the Shareholders and investors mainly through the Group's financial reports, general meetings, the website of the Hong Kong Stock Exchange, and the corporate communications and other corporate publications on the Group's website, so as to protect the rights and interests of Shareholders.



Corporate Governance Structure of SenseTime

Practicing Business Ethics

Integrity, compliance and business ethics are the cornerstone for realizing business sustainability and building trust between enterprises and their stakeholders. The Group abides by the laws and regulations of countries and regions where we operate, such as the *Criminal Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China* and the *Anti-Money Laundering Law of the People's Republic of China*. As such, we conduct business in compliance with local laws and regulations relating to anti-fraud, anti-bribery and anti-money laundering to ensure adherence to business ethics. During the Reporting Period, the Group had no major violations of laws and regulations.

Anti-Fraud Management System

SenseTime attaches great importance to building and implementing the anti-fraud management system. The Group established the Anti-Fraud Committees as the highest decision-making body. Through anti-fraud management, we prevent employees from damaging or improperly seeking the Group and Shareholders' interests through any illegal means, such as fraud and bribery. We have rolled out a series of internal policies such as the *Anti-Fraud Management Policy of SenseTime Group, and the Regulations on Employee Supervision of SenseTime Group (Trial)*, to establish a sound anti-fraud management system of the Group. Based on the system, we require employees to perform their duties with compliance and integrity and strengthen the anti-fraud supervision to prevent damage to the interests of the Group, Shareholders and employees due to fraud.

Compliance Inspection

SenseTime continues to conduct compliance inspections to ensure business compliance and the healthy development of the Group. We have established a regular inspection mechanism among different functional departments, focusing on high-risk departments such as sales, procurement, and investment. The compliance inspections are carried out in ways of the seminar, materials check, questionnaire survey, interview, follow-up on suppliers, field visit, etc. In this way, we collect and identify violations such as non-compliant business operation and corruption of employees. Additionally, SenseTime conducts flexible special inspections for major R&D projects and engineering projects to ensure comprehensive prevention and control of fraud risks. For any problems identified in the compliance inspection, we will urge the inspected department or project to rectify in time and follow up on their rectifications to guarantee closed-loop management.

Avoiding Conflicts of Interest

To help employees address conflicts of interest and temptations of improper interest in work, SenseTime formulated the *Management Policy for Avoiding Conflicts of Interest of SenseTime Group* during the Reporting Period, to standardize and strengthen the process management for conflicts of interest. We minimize conflicts between employees' personal interests and the Group's interests through processes such as reporting, approval and avoidance. As a result, we protect the Group's and employees' interests in parallel. In response to requirements on avoiding conflicts of interest, during the Report Period, we required all employees to report cases relating to conflicts of interest and reviewed the suspected conflicts of interest. Moreover, we followed up on candidates' commitment to addressing conflicts of interest after being employed, to prevent fraud arising from conflicts of interest.

Anti-Commercial Bribery

We adopt a "zero tolerance" attitude towards all forms of commercial bribery. During the Reporting Period, the Group formulated the *SenseTime Group Anti-Commercial Bribery Compliance Policies and Guidelines*, which specified compliance code of conduct relating to gift and entertainment, partner management, employment, etc. Moreover, employees are required to maintain integrity and self-discipline in internal and external business operations. Besides, we endeavor to work with our partners to create a fair, open and honest business environment. All our suppliers are required to sign the *Letter of Commitment to Anti-bribery* and contracts containing anti-commercial bribery provisions so that our partnership can be built based on integrity and compliance. During the Reporting Period, we revised the anti-commercial bribery provisions in the contract and increased the damages for breach of contract to impose stricter accountability polices on suppliers and promote integrity in cooperation. Besides, before holidays such as the Mid-autumn Festival and the New Year, we often send the "Compliance and Integrity Proposal" to suppliers. The proposal aims to promote compliance and integrity in partnership by forbidding suppliers to bribe our employees for any reason and in any form.

During the Reporting Period, there was no lawsuit related to corruption that had been filed against the Group and our employees.

Whistleblowing Channels

We encourage our employees and all parties to have direct and indirect business relationships with us to oversee the business practice of the Group and our staff. Therefore, we have launched public whistleblowing channels on our official website. Upon receiving a report, the Anti-Fraud Committee of the Group will carry out an investigation and verification within the specified period. Meanwhile, the supervision department and inspectors of the Group strictly keep confidential the reported information and prohibit the disclosure of whistleblowers' information such as their name, workplace, department and content of the report.

Anti-Fraud and Integrity Training

Comprehensive and effective training and publicity is critical to implementing SenseTime's anti-fraud policies. We have established an anti-fraud training system to provide targeted training for all employees. Besides, we conduct offline training based on compliance inspections to ensure that every employee is well-informed of compliance and integrity requirements.

Meanwhile, we actively promote integrity among Directors and employees through diversified publicity activities. We continue to issue the *Compliance Dynamic Express Newsletter* twice every month to employees, which covers the latest domestic and overseas compliance and integrity information such as legislative developments, regulatory developments, and compliance incidents. In addition, in case of a major or typical fraud case, SenseTime will notify all employees or the management by email, so as to warn employees about the harm of fraud by enhancing their awareness.

Company-Wide Anti-Fraud Publicity Activities

Provide all employees with training and examinations regarding new anti-fraud policies to help them understand and implement such policies. During the Reporting Period, we organized training and examinations regarding the new SenseTime Group Anti-Commercial Bribery Compliance Policies and Guidelines for all employees.

Special Training for Targeted Employees

Conduct special training for targeted employees such as sales staff and the management, and ensure that each staff is keenly aware of the fraud risks and integrity in business practice related to their positions through compulsory courses.

Offline Training Based on Compliance Inspections

Based on in-depth compliance inspections on departments and employees, arrange offline training for inspected departments and key high-risk positions, and help inspected departments and their employees gain insight into compliance and integrity requirements by answering their questions. During the Reporting Period, we provided offline training for all employees of the North China Administrative Service Center, Procurement Department, Investment Department and Supply Chain Department.



Email for whistleblowing: jiancha@sensetime.com

Hotline for whistleblowing: +86 010-83471000 #81315



During the Reporting Period, a total of



received special training.

Employee Anti-Fraud Training

ESG Governance

SenseTime is a leading AI software company with the mission of "To create a better AI-empowered future through innovation". We are committed to driving the sustainable development of the economy, society, and human with AI technology, and creating more values for stakeholders and society to shape a better future. We have integrated the concept of sustainable development into the whole process of enterprise management and attach importance to communication with various stakeholders to achieve coordinated development in environment and society.

ESG Concept

The popularization of the AI technology is bringing profound changes to how we work, live, and govern. As a pioneer in the AI industry, SenseTime has always practiced the ESG concept, and advanced the sustainable development of economy and society with in-house AI technologies. We utilize these technologies to promote economic growth, boost the morale of people, improve the benefit of citizens, protect the ecological environment, etc. By doing so, we are committed to leading the sustainable, healthy, and stable development of the AI industry, and enhancing the sense of fulfillment, happiness, and security of the society.

Our Environmental Concept

We have always practiced the concept of green development and low-carbon strategy. With technical advantages, we constantly explore approaches for energy conservation and emission reduction, to improve resource utilization, and minimize negative impacts on the environment, while working with all sectors of society to protect our green homeland

Our Social Concept

Adhering to the development concept of "human-centric" and "Al for good", we stimulate talents' creativity and vitality and promote the in-depth integration of Al with people-benefiting science and technology and digital inclusion. It is our way to lead economic and social development with scientific and technological innovation, thereby creating a better future.

Our Governance Concept

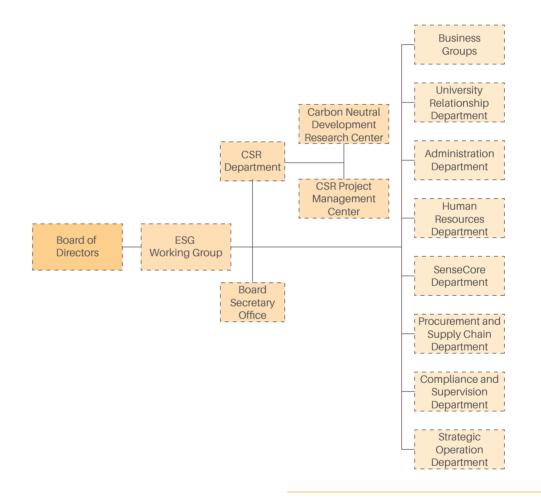
We strive to set up a high-standard integrity and compliance system. Adhering to the concept of "balanced development" of AI, we are committed to developing "responsible and verifiable AI" by governing AI ethics. Moreover, we endeavor to develop AI technology in the direction of contributing to the sustainable development of human society.

ESG Concept of SenseTime

ESG Governance Structure

We have established an ESG governance structure with the Board as the highest responsible body for ESG management, overseeing environmental, social and governance issues. Meanwhile, the Board shoulders the responsibilities to review ESG-related assessment, priority, management and annual ESG reporting, and regularly review the progress of ESG goals, so as to achieve top-down oversight of ESG work.

We have established a Corporate Social Responsibility ("CSR") Department consisting of CSR Project Management Center and Carbon Neutral Development Research Center. The CSR Project Management Center is responsible for the major works related to corporate social responsibility, timely response and feedback to social urgent needs and conducting overall planning and implementation of corporate social responsibility work. The Carbon Neutral Development Research Center is responsible for the carbon neutrality and carbon peak ("dual-carbon") work, including the top-level design of the Group's carbon neutrality strategy, roadmap formulation, indicator quantification and resource planning, as well as the systematic planning of dual carbon solutions based on the SenseTime's existing technology and market innovation needs to promote product research and development. Besides, through the pilot/implementation of dual-carbon-related projects, SenseTime gradually realizes the comprehensive management of the Group's carbon neutrality task and production line planning. These efforts aim at improving our ESG management performance.



During the Reporting Period, we set up an ESG Working Group to promote our ESG work. The ESG Working Group is responsible for managing and implementing daily ESG affairs and disclosing ESG-related information to the public. The ESG Working Group, jointly led by the Board Secretary Office and the CSR Department, consists of the Strategic Operation Department, Compliance and Supervision Department, Procurement and Supply Chain Department, SenseCore Department, Human Resources Department, Administration Department, University Relationship Department, and Digital World Group, as well as other business groups such as Smart Business Group, Smart Auto Group, Smart Health Business Group, Education Group, responsible for all aspects ESG work.



ESG Governance Structure of SenseTime

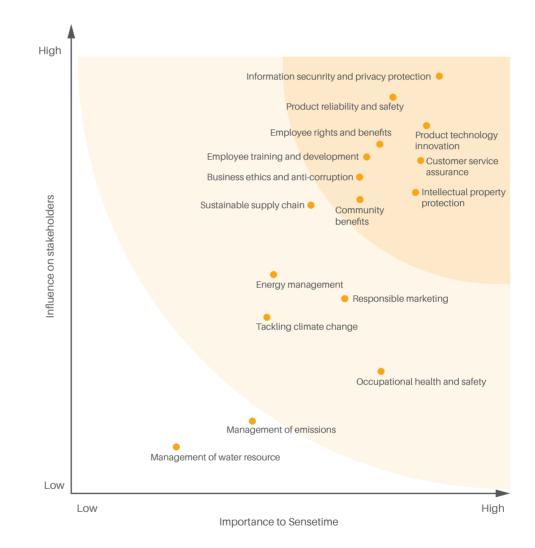
Communication with Stakeholders

The Group's key stakeholders include Shareholders and investors, government and regulatory authorities, media and non-governmental organizations (NGOs), suppliers, partners, users, employees, and the community and the public. We attach great importance to communication with stakeholders and understand their expectations and requirements on ESG issues through various effective channels, which is took as an important reference for the Group to formulate the ESG strategies.

Stakeholders	Issues of concern	Communication methods		
	Return on investment	General meeting		
Shareholders and investors	Compliant operation Risk control	Regular reports and announcements		
	Product and service quality	Investor mails and meetings		
	Compliant operation	Information disclosure		
Government and	Information security	Daily communication and reporting		
egulatory authorities	Data and privacy protection	Regulatory inspection		
	Al ethics and governance	Visits reception		
	Product and service quality	Social media		
Media and NGOs	Promotion for industry	Official website		
	development	Press conference Communication at meetings		
	Social responsibility			
	Operation with integrity	Project procurement		
	Corporate social responsibility	Contracts and agreements		
Suppliers	Mutual benefit and win-win	Invitation for tender		
	cooperation Supplier empowerment	Supplier management conference		
	Technology innovation	Corporate forum		
	Cooperation for development	Partners summit		
Partners	Product and service quality	Project cooperation		
	Social responsibility	Technical exchanges		
	Improvement of user experience	Official website		
	Product and service quality	User feedback channels		
Users	Information security	Product research feedback		
	Data and privacy protection	Social media		
	Employee rights protection	Internal meetings		
Freeler	Occupational health and safety	Management committee		
Employees	Employee benefits	Staff training		
	Equal opportunities and diversity	Social media		
	Public welfare and charity	Community activities		
Community and the public	Community engagement	Official website		

Materiality Assessment

We carry out materiality assessment in accordance with the Environmental, Social and Governance Reporting Guide issued by the Stock Exchange of Hong Kong Limited. Based on our business features, through internal interviews and discussions, and consulting with external experts, we evaluate 16 identified issues from two aspects, namely "importance to SenseTime" and "influence on stakeholders" and generate a materiality assessment matrix based on the results of the survey. The materiality assessment matrix is reviewed and confirmed by the Board. During the Reporting Period, we re-evaluated the importance of these issues to the Group, and the results of the survey remained the same as those of the last year.





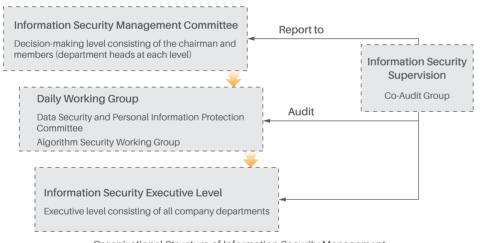
Matrix of Material Issues of SenseTime

Strengthening Information Security

We abide by laws and regulations related to information security of countries and regions where we operate, such as the Cyber Security Law of the People's Republic of China, the Data Security Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China, and the Provisions on Protecting the Personal Information of Telecommunications and Internet Users. We maintain compliant information security management by tracking changes in domestic and overseas laws and regulations in a real time, so as to formulate and improve relevant policies and measures based on such changes. During the Reporting Period, based on the Measures for the Security Assessment of Cross-Border Data Transmission issued by the Cyberspace Administration of China, we formulated the Cross-Border Data Security Management Measures of SenseTime Group and restricted technologies for cross-border data transmission, so as to protect the Group's data security and the legitimate rights and interests of the personal information subject.

Information Security Management Structure and System

SenseTime adheres to the highest standards of information security and data privacy regulations and has established an information security policy of "business-driven security, comprehensive risk control, compliance in the use of personal information and privacy information, and effective data protection". The Information Security Management Committee, led by the senior management, is the Group's highest decision-making body for information security management. We have set up a department for information security supervision to audit and inspect the information security work of the Group and to urge and guide the improvement of the information security management system. Meanwhile, we have designated the coordinator for information security and compliance in each department to ensure the effective implementation of our information security requirements.



Organizational Structure of Information Security Management

We have formulated 48 internal policies such as the Information Security Policy of SenseTime Group, the Cyber Security Incident Management Measures of SenseTime Group, and the Information Security Risk Management Regulations of SenseTime Group, to continuously advance the development of the information security system and prevent information security risks. Sense Time is the first AI enterprise to obtain all three certifications of ISO 27001 Information Security Management System Certification, ISO 29151 Personal Identity Information Protection Management System Certification, and ISO 27701 Privacy Information Management System Certification. Meanwhile, we have obtained the BS 10012 Certification for Personal Information Management Systems, which is in line with the General Data Protection Regulation (GDPR) of the EU to suit the needs of overseas husiness

First AI enterprise to obtain all

Certifications



DNIV

During the Reporting Period, as a professional intelligent automotive solution provider, SenseAuto obtained the ISO/SAE 21434 Road vehicles - Cybersecurity Engineering Certification, which solidified the foundation of our product information protection.

Information Security Management Measures

Based on the sound organizational structure and management system of information security management, we have implemented comprehensive measures to ensure cyber security and data security and to protect personal information. We have formulated a network security emergency plan and a sound cyber security incident response mechanism to identify and handle cyber security incidents in a timely manner. During the Reporting Period, the Group carried out 3 "Red" vs "Blue" internal security competitions and 4 security testing for external products, to identify information security risks in advance for timely rectification, thus improving the Group's overall information security level







DNV

Information Protection Management System Certification



Management System Certification

As for data security, all departments of the Group need to clearly mark the degree of confidentiality for the data generated and implement the hierarchical management for data with different degree of confidentiality. Meanwhile, we have clearly defined the use of accounts and permissions for various information tools, platforms, and systems of the Group. In addition, we regularly review and monitor accounts to ensure reasonable accessibility and prevent unauthorized access, modification, and potential data leakage. We have set up a server system with enhanced security performance protection to ensure that the data transmitted is encrypted throughout the link. We have also established an independent database and share no personal information of our customers or end users with any other third parties; Audit records are traceable for sensitive operations of personal information, such as downloading, removing, and viewing to ensure the security of sensitive data. During the Reporting Period, the Group received no complaints about privacy violation or data leakage.

Training and Publicity

The Group has established a comprehensive information security training system, conducts targeted training for different employees, and regularly trains all employees on relevant policies. During the Reporting Period, the Group organized various training sessions such as group-wide training on interpreting the Personal Information Protection Law of the People's Republic of China, group-wide training on information security awareness, and skill training for security coordinators. Besides, we added our official WeChat account as one of the publicity channels to publish monthly reports, periodicals, and safety-education-related publicity materials. We have also conducted simulated phishing email drills to enhance employees' anti-phishing awareness.

In December 2022, SenseTime launched a six-day event for the "Information Security Days", attracting a total of 525 employees. The event introduced the key points of information security in a simple way by organizing online guiz and offline activities, and popularized the policies, regulations and red lines of information security. Employees actively participated in the online quiz comprising two parts of "All I Know about Security" and "Pick Flaws in Security". By reviewing daily work scenarios, employees understood how to maintain safety at work in a more intuitive manner. Offline activities were held in parallel in Beijing, Shanghai and Shenzhen. The offline interaction was themed on cross-border data transmission, data leakage, product security and office security to enhance employees' awareness of information security.



attracting a total of





Employees enthusiastically participate in Information Security Awareness Day

Enhancing Governance of AI Ethics

As a leading AI software company, SenseTime puts governance of AI ethics at the heart of its business operations. Specifically, we have proposed the AI ethics concept of "balanced development" and the principles of "sustainability, human-centric approach and controllable technology", championing that we develop AI in a way better suited for the sustainability of human society. During the Reporting Period, the Group was included on the list of excellent corporate governance under "ESG Innovation of the Year" on wallstreetcn.com in recognition of its efforts on governance of AI ethics for "balanced development".

► AI Ethics

"Balanced development": Advocate and holistically promote the governance and development of AI, and avail the governance of AI for healthy and sustainable development of AI industry, and the digital and smart transformation of economy and society.

Principle of AI Ethics

"Human-centric": Advocates respecting, accommodating, and balancing differences in historical, cultural, social, and economic development among different countries and regions. and pursuing consensus among different cultures. Meanwhile, we should also ensure the protection of human rights and privacy and deploy technology without prejudice.

"Controllable technology": Advocates that AI is developed by and for humans and therefore, should be controlled by humans. Correspondingly, its controllers, i.e., humans, should be responsible for its actions.

"Sustainability": Advocates the sustainable development of society, economy, culture, and the environment, and promotes openness and inclusive innovation.

Ensuring the governance of AI ethics in practice is our priority. During the Reporting Period, the Group officially released the AI Governance for Balanced Development, and for the first time in the industry, we proposed the development of "responsible and verifiable" AI as our goal toward next level in governing AI ethics.





Sense Time has established an AI System Ethical Risk Management Index System, focusing on ethical issues like privacy protection, data security and unbiased algorithms to ensure safe, reliable and manageable development of AI. In addition, we implement ethics principles of "human-centric approach, controllable technology and sustainability" throughout the whole life cycle of product design, development and deployment to efficiently prevent product ethical risks. During the Reporting Period, we focused on completing the design of a series of ethical risks. We use the platform to ols and the development of a platform for the review of product ethical risks. We use the platform to review the ethical risks of all Sense Time's AI products throughout the whole life cycle of project launch, release and operation. During the review process, we may reject new product proposals, and require suspending ongoing product development projects, or stopping selling existing products that do not comply with the principles and standards to ensure that the ethical risks of Sense Time's AI products are effectively mitigated and controlled. In this way, we can steer AI toward responsible and sustainable development.

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										Intelligent system clarification	Risk communication mechanism	Traceability	Abnormal location	Understandability	Predictability	Emergency mechanism	Soundness	Emergency termination mechanism	Reproducibility	Universal scenario application	Interaction stability	Data security	Complete and valid data	Organizational structure of accountability	Definition of accountability	Exception-defining mechanism	Compliance with relevant regulations	Laws in respect of special groups			
Unt	bia	asec	b		Priv	acy	' Pro	tect	ion	G	ood	Ines	S		espe nan														ustai velo		
Unbiased dataset		Pepresentative dataset	Unbiased algorithms	Fully informed	Express consent	Minimised processing	Requisite processing	Safety measures	Opening-up license management	position	Assurance of dominant	Technology for good			Assurance of self-discretion													Region and country-scale indicators	City-scale indicators	Enterprise-scale indicators	

AI System Ethical Risk Management Index System

Our governance system for AI ethics and related technical tools have received repeated positive ratings from third-party organizations. During the Reporting Period, the SenseTime AI training platform (AutoLink) was awarded the "Trusted AI Platform Application Benchmark Case" by the Artificial Intelligence Industry Alliance (AIIA), and our ethical governance system and algorithm evaluation tool were awarded the "Trusted AI Practice Excellence Case". In addition, SenseTime was also selected as one of the "Top 10 Enterprises with Outstanding Contribution in 2022" by the AIIA and the AI Key Technology and Application Evaluation Laboratory.



"Trusted AI" Case Award

Cooperation on the Governance over Ethics in Science and Technology

We actively explore cooperation on governance over ethics in science and technology, carry out regular exchanges with universities, research institutes and government bodies, and jointly apply for national research topics on ethics in science and technology with several universities. Meanwhile, we actively join standards organizations such as the China National Information Technology Standardization Network (NITS) and the Institute of Electrical and Electronics Engineers (IEEE), serving as group leader or vice leader in several taskforces and contributing to research on standards for ethics in science and technology. By the end of the Reporting Period, we had contributed to the formulation of 27 AI ethics-related standards, including 13 international standards and 14 Chinese standards.

In addition, during the Reporting Period, we joined hands with the International Finance Forum, Artificial Intelligence International Institute and other institutions at home and abroad to launch the "Technology for Sustainable Development Goals Alliance for Asia" (Tech4SDG). The aim is to put the research and practices of technology ethic governance high on the agenda, and to bring together experts and scholars worldwide to promote AI for accelerated transition to digital economy and sustainable development.

Internal communication and training on Ethics

We are acutely aware that the key to developing responsible and assessable AI is to develop an organizational culture of ethical governance at the Group level. Therefore, we have established a regular communication and training mechanism, sending out important AI governance-related news to all employees on a weekly basis, and organizing regular seminars and inviting experts from domestic and international departments to train employees on ethical governance. At the same time, we emphasize "categorization" and provide targeted content and programs for core product personnel, risk contacts, management, front-line business workers and all staff to bring ethics closer to everyone's work horizon to implement AI ethical governance.

33/ SenseTime Group Inc.





"Enterprises with Outstanding Contribution in 2022" Award



The Foundation of Tech4SDG

Olympical Approximation Our Original Appiration



Al is bringing profound changes to human society in terms of production, lifestyle, and governance. As a company dedicated to "to create a better Al-empowered future through innovation", Sense Time continually enhances its Al infrastructure, promotes innovation and R&D, as well as advances its capabilities as a service platform, and create a more scalable and inclusive Al platform. In this way, we cultivate more industry talents and empower industrial upgrades and development.

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Leading Technology Innovation

Reinforcing the Foundation for Innovation

Technological innovation is a vital driving force for social progress and productivity growth. As a leading AI software company in China, SenseTime continues to increase its investment in cutting-edge technologies. Our team of scientists and engineers has created SenseCore, an original, efficient, and highly productive AI Cloud. As an AI infrastructure integrating intelligent computing power, general algorithm and development platforms, SenseCore is capable of training large-scale general AI models.

During the Reporting Period, we steadily enhanced the algorithm processing capacity of SenseCore, and initiated computing power deployment and operation preparation in various regions across China. Our distributed training architecture supports large-scale distributed training at the thousand-card level, with 91.5% thousand-card parallel efficiency and up to 4,000 GPU cards for single-task training, effectively reducing training time and improving computational efficiency. Thus, we can offer agile, flexible, easily scalable, secure, and reliable AI infrastructure for both internal and external users.

As we continue to improve SenseCore, our per capita R&D efficiency continued to improve, and the average number of models produced by each R&D personnel per year has increased to 9.35, an increase of 90% from 2021. The cumulative number of commercialized models increased by 93% to 67,000. In addition, we have joined hands with industry partners in supporting the development and upgrade of domestically produced AI chips.

Case: Initiating the ICPA to Promote the Development and Application of Domestically-Produced AI Computing Power in China

With the strong support of the Shanghai Municipal Commission of Economy and Informatization, SenseTime has established the Intelligent Computing Power Alliance (ICPA) with leading semiconductor companies, research institutes, universities, and national standardization institutions to jointly promote collaboration along the ecosystem of AI computing power industry. During the Reporting Period, the number of ICPA members increased to 24. They continue to make contributions to the establishment of group standards for AI computing chips, the standardization of the software ecosystem for domestic chips, and the enhancement of chip evaluation capabilities.



20

We have developed more than 67,000 AI models that are continuously being applied in various sectors including Smart Life, Smart City, Smart Business, and Smart Auto. These models have empowered more than one billion IoT devices and execute trillions of calculations daily, empowering the real economy, and creating value for thousands of industries.





The cumulative number of commercialized models increased by 93%



2022 ICPA Conference

Cultivating a Culture for Innovation

SenseTime upholds the principle of "innovation-driven growth". We have formulated sound internal policies such as the SenseTime Group Product Release Process and SenseTime Group Industry Solution Release Process to regulate and manage product development and release. On this basis. we have further strengthened our innovation culture by setting up an innovation business management mechanism and establishing the "SenseTime Originality Award". We have created a cross-departmental innovation plan working group to innovate our business and established an independent and flexible incentive mechanism for innovation. The Group has implemented a separate innovation budget pool management system, which has detailed rules regarding areas such as goal-setting, assessment management, and exit strategies to ensure the continuous and orderly development of innovation work.

Dedication

and controlled

overall input

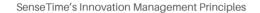
Full empowerment, Diversified objectives, rapid trial areater incentives.

and error correction, quick evaluation and adjustment, exit management mechanism, and improved innovation efficiency

Closed-loop Management

Facilitation of Business Model Transformation

Adjust revenue structure and increase the share of sustainable revenue



Publishing high-guality journal articles is a reflection of a company's innovation and R&D capabilities as well as its industry influence. From 2015 to the end of the Reporting Period, SenseTime and its joint labs had published 703 research papers on deep learning and computer vision at the top three computer vision international conferences: Conference on Computer Vision and Pattern Recognition (CVPR). International Conference on Computer Vision (ICCV), and European Conference on Computer Vision (ECCV), continuing to lead the world in the field of computer vision.

From 2015 to the end of the Reporting Period, the number of research papers on deep learning and computer vision published at the top three computer vision international conferences reached

703

Protecting Intellectual Property Rights

SenseTime is fully aware of the reciprocal and inseparable relationship between intellectual property protection and technological innovation. Therefore, we have developed a comprehensive policy system for intellectual property management and protection. We clarify the management process of the Group's intellectual property such as patents, trademarks, copyrights, and domain names in internal rules and policies, including the Intellectual Property Management Policy of SenseTime Group, the Guidelines for Patent Application of SenseTime Group, the Trademark Management Rules of SenseTime Group, and the Copyright Management Rules of SenseTime Group. We have also formulated the Guidelines for the Risk Management of Patent Infringement of Products of SenseTime Group, setting up a mechanism for identifying, monitoring, and early warning intellectual property risks, and integrated intellectual property risk identification and control into the product development process.

Furthermore, we have also set up a dedicated intellectual property team responsible for the operation, maintenance, intellectual property litigation, rights protection, and counterfeiting prevention of patents, trademarks, and other intellectual property for the Group and its subsidiaries. Based on these efforts, we have built an intellectual property data management system to enable full-process management for each patent asset. To encourage employees to innovate, we have formulated the Management Rules for Patent Incentives and Remuneration of SenseTime Group to clearly define the incentive mechanisms for patent-related activities and the intellectual property infringement reporting reward system, further deepening all employees' respect for innovative capabilities.

Industry-Academia Collaboration Toward Mutual Prosperity

SenseTime firmly believes that promoting cooperation among enterprises, universities, and research institutes can effectively leverage complementary advantages, and promote technological innovation and application of research achievements. In this regard, we actively join hands with renowned universities and research institutes, both domestic and overseas, to promote a collaboration and innovation ecosystem for original technologies. By the end of the Reporting Period, SenseTime had established close partnerships with nearly 60 universities and research institutes at home and abroad and had set up more than 10 joint research institutes and joint laboratories with top universities worldwide, undertaking more than 330 joint research projects in total. During the Reporting Period, Sense Time continued to strengthen cooperation with universities in China and abroad, initiating nearly 70 new projects and managing nearly 100 projects. The efforts effectively enhanced our technological strength in various research sectors.

Case: Joint Establishment of Qing Yuan Research Institute with Shanghai Jiao Tong University

SenseTime and Shanghai Jiao Tong University have jointly established the Qing Yuan Research Institute, dedicated to building a world-class AI research and teaching team, focusing on fundamental AI theory research and technological innovation. By the end of the Reporting Period, the Qingyuan Program had attracted more than 10 top talents from home and abroad as full-time teachers, and had carried out more than 30 collaborative research projects in total. This program involves multiple schools of the university, such as the School of Electronic Information and Electrical Engineering, the School of Mathematical Sciences, the School of Biomedical Engineering, the School of Mechanical and Power Engineering, the School of Marine and Architectural Engineering, and Koguan School of Law. The Qing Yuan Research Institute has also established a full-time professional master's program in AI, which focuses on developing professionals in AI technology application area.

Case: Joint Lab with Nanyang Technological University

SenseTime has established a joint lab with Nanyang Technological University and the Singapore government. By the end of the Reporting Period, the joint lab has conducted 18 research projects, research results of which have supported multiple SenseTime products, such as OpenMMLab, SenseStudy, SenseAR, and SenseLiDAR.

Case: Center for Perceptual and Interactive Intelligence, the Chinese University of Hong Kong

The Center for Perceptual and Interactive Intelligence of the Chinese University of Hong Kong, co-established with SenseTime, was inaugurated in 2020. The center focuses on 14 sub-projects in 5 major research topics of intelligent vision, smart voice processing, smart city, smart medical care, and intelligent control. Over 30 project leaders from the Chinese University of Hong Kong and SenseTime have collaborated on the research topics, and they have attracted the participation of many Ph.D. students and post-doctoral fellows.

Case: In-depth Industry-Academia Collaboration Program of "Perceptual Computing" between Tsinghua University and SenseTime

SenseTime has partnered with Tsinghua University to launch the "Perceptual Computing" project to advance the in-depth industry-academia collaboration. Through this project, we have conducted 14 joint research projects in the past two years, covering various departments of Tsinghua University, such as the Department of Electronics, the Department of Automation, the Department of Computer Science, the School of Software, and the Department of Industrial Engineering. The project achievements have already been applied in SenseTime's product lines such as digital entertainment, SenseCore, intelligent transportation, and other product lines.





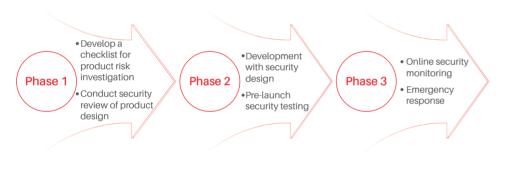
By the end of the Reporting Period, SenseTime has taken

300+ ioint research projects in total

Creating Reliable Products

At SenseTime, guality always comes first. In developing and producing AI software, we rigorously safeguard the information and privacy for the users of our software products. At the same time, we are committed to creating premium AI products with integrated software and hardware. We strictly follow the relevant laws and regulations such as the Law of the People's Republic of China on Product Quality and the Law of the People's Republic of China on the Protection of Consumer Rights and Interests, and formulate the product lifecycle management process and related quality management policies such as the SenseTime Group Product Release Process and the SenseTime Group Product Suspension and Sales Process Policy with reference to industry standards to standardize guality control requirements and continuously optimize product guality.

To improve the efficiency and standardization of the entire process of product design, testing, and verification, the Group has established a Safety Operations Center (SOC) platform. This platform conducts comprehensive evaluation and review in various areas such as ethics, security, compliance, personal information protection, and other aspects throughout the lifecycle of product initiation, development, and release, and meticulously evaluates various risks to ensure the delivery of reliable and responsible products. In addition, during the Reporting Period, each business group department of SenseTime has appointed a safety officer who fully takes responsibility for the safety review work of each product during the design stage, moving the safety process to the early stages of the software development life cycle to prevent defects from occurring and to identify vulnerabilities as early as possible, achieving left-shifted security.



SOC Platform Operation Process

In the process of hardware production, the Group strictly controls the safety of product materials and

all hardware products produced undergo strict manufacturing inspections and pre-delivery inspections. There was no recall of products due to health and safety concerns during the Reporting Period. Meanwhile, we have established internal policies such as the Product Marking and Packaging Standard to standardize the application of hardware product markings and packaging. During the Reporting Period, there was no violation related to product and service information and identification.

During the Reporting Period, there was no recall of products due to health and safety concerns.

Case: Quality System for the SenseAuto intelligent automotive application platform

In smart vehicle production, a sound quality and safety system is critical for safe driving and smooth interaction. In alignment with advanced international standards, SenseTime always insists on implementing strict quality standards at all levels covering quality and safety, and functional design safety, to ensure the safety of final product delivered.

Our SenseAuto platform has obtained important gualifications such as the ISO9001 Quality Management System certification, ASPICE CL1 and CL2 certification, and ISO 26262 Functional Safety ASIL B product certification. In December 2022, SenseAuto futher received ISO/SAE 21434:2021 Automotive Information Security Process Certification. This international certification marks that SenseAuto has more comprehensive information security management, design, development and verification capabilities, and that it has become one of the few companies in the industry to obtain all three certificates.

Case: Medical Product Related Certifications received by SenseTime

Certification of medical-related products is crucial to ensure the safety, effectiveness, and quality control of medical devices. SenseTime upholds a high level of responsibility for the quality and safety of medical-related products, strictly adheres to international and domestic standards, and ensures timely certification of various medical products.



Examples of Medical Product Licenses Obtained by SenseTime



фі 1929 г. 1943	半人民共和国医疗器械注册证
注景大名称	上编奏送春韵科校里很合约
生素人任所	上海市体工区发展均1932分6분6-72、6-76、1-79年文
生产地址	上将专体工艺发展51903号
代理人名称	7
代现人住所	1
产品名称	外市不可置原编成转换合计
数号、扳板	Senature-lang, 2/8/2/81
创制及模块	中产品品的公式的。它用品品就不是各位组成,而在 之命之后,用品品的公式及公司。 是有許許容式。 用的同志的人名的公式,如何不会不是不可以有 定。因果就是在一個的服務。 这些是否可以有 你。因果就是在一個的服務。 这些是否可以有 你的正式的公式。 你们的是不可以可能。 这些问题, 不可能。 医可能是有可以正式的是一个可以正 着。
经日本则	發作時用于瞭單的重要式至本,大型、质量和分析。 同时40%或以上開始單位行言類以同,他開始因合實所 至於使用,不能早發用于解求並作決測就過。
NH	产品技术要求
共能内容	
8 A	 總統將充所度令可算失受代義力。 每个度素達分析产品交易情况。
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Advancing Responsible Supply Chain

Strengthen Supply Chain Management

Building a responsible supply chain is crucial for SenseTime's sustainable development. We have built a whole-process supplier lifecycle management system supported by internal policies such as Introduction and Assessment Management Regulations for Direct Procurement Suppliers of SenseTime Group for domestic and international suppliers. This aims to standardize the management of supplier selection applications, reviews, and supplier portfolio maintenance, and other aspects to ensure stable production and operation.



Whole-Process Supplier Lifecycle Management System

By the end of the Reporting Period, the number of suppliers of SenseTime by region is listed below.

Suppliers by region	Quantity (supplier)
China (including Hong Kong, Macao, and Taiwan)	298
Other countries and regions	12
Total	310

Quantity of Suppliers by Region

Meanwhile, we regularly review and optimize the policies related to supplier management, and continuously optimize the processes and specific requirements for supplier classification management during and after the supplier introduction process, so as to continuously improve our supply chain management capabilities. During the introduction stage, we implement relevant scoring standards for different categories of suppliers, taking into account the quality level, R&D technology, and other relevant conditions of the suppliers to ensure the identification and selection of high-quality suppliers. We strictly review the qualification of our suppliers, prioritizing those who have obtained ISO 14001 Environmental Management System certification and QC080000 Hazardous Substance Management System certification. We also require specific categories of suppliers to provide RoHS hazardous substance monitoring reports.

We manage our suppliers in a categorized and graded manner and continuously monitor their performance. We evaluate qualified suppliers on a quarterly and annual basis following our assessment plan. Our quality, R&D and other departments form a cross-departmental review team to regularly inspect and evaluate suppliers in guality, delivery and service aspects, and grade them into A/B/C/D levels. Based on the assessment results, we provide corresponding incentives, sanctions, and elimination measures to optimize the structure and capabilities of our suppliers.

our suppliers reached 310

By the end of the Reporting

Period, the total number of

Safeguarding Supply Chain Security

SenseTime actively benchmarks international industry standards and continues to build an open and transparent, safe and reliable supply chain system. We have obtained ISO 28000 Supply Chain Security Management Systems certification and have established a supply chain security management mechanism with the participation of our Chief Operating Officer and the involvement of multiple departments. We conduct regular assessments and planning of supply chain security risks, implement and operate effective measures, inspect and correct actions, and conduct management reviews. We continuously improve the management requirements for supply chain personnel, warehousing and logistics, emergency response mechanisms, and other related aspects to achieve high-quality supply chain development.



ISO 28000 Supply Chain Security Management Systems Certificate

Environmental and Social Responsibility for Suppliers

SenseTime values the ESG performance of our suppliers and continuously integrates ESG requirements into our supply chain management processes. We collaborate with our suppliers to achieve a green, sustainable partnership. During the Reporting Period, we launched and fully implemented the Supplier Code of Conduct, which specifies our requirements for suppliers on human rights, environmental issues, labor rights, data privacy and others, to encourage them to gradually improve their environmental and social performance.

Environmental Requirements

- •Fully comply with applicable environmental laws;
- Improve energy efficiency and minimize energy consumption and greenhouse gas emissions; ·Effectively manage and dispose hazardous substances;
- Strengthen the management of water, solid waste, and air pollutants;
- •Comply with requirements regarding package labeling, material content, recycling and disposal of products.





Social Requirements

•Ensure that employees and the workplace are free from harassment, unlawful discrimination and retaliation; •Zero tolerance to child labor;

•Zero tolerance to forced labor, prison labor and human trafficking;

Provide fair compensation for all employees;

·Comply with the requirements related to maximum working hours and holidays;

·Provide a safe and healthy working environment for all employees;

•Respect and protect intellectual property; comply with all local privacy and data protection laws and establish data security protection mechanisms.

Governance Requirements

-Improve management policies related to anti-bribery, anti-corruption, anti-money laundering and other business ethics.

To ensure that suppliers effectively comply with our environmental and social requirements and continuously improve the transparency of the procurement process, the Group requires new suppliers sign the *Quality Agreement, Confidentiality Agreement* and *Letter of Commitment to Anti-bribery.* For specific categories of suppliers, we also require them to sign an additional *Conflict-Free Minerals Commitment.*

We have included environmental management and social responsibility management modules in the annual assessment requirements for manufacturing suppliers. We have developed over 100 specific assessment indicators for suppliers in areas such as emissions management, labor rights, occupational health, and conflict minerals. We regularly inspect, review and score suppliers, and require timely corrective action and follow-up reviews for items that do not meet our requirements to ensure compliance.

In addition, SenseTime encourages suppliers to engage in clean production and promotes their green transformation during the cooperation. For example, for suppliers of energy-intensive aluminum structural parts, we recommend that they prioritize purchasing green electricity for manufacturing and production.

Facilitating Supplier Communication

Sense Time has established multiple and effective supplier communication channels to continuously optimize the partnership with suppliers and support their growth. We organize multiple training and coaching sessions for our suppliers, providing them with timely information on our product quality, delivery, and social and environmental requirements. Furthermore, we assist our suppliers in enhancing their management capabilities, achieving mutual progress. During the Reporting Period, we held the first Partner Conference. At the conference, we comprehensively elaborated on our requirements and guidelines regarding laws, human rights, environmental issues, labor rights, ethical responsibilities, data security and privacy protection, IPR and trade secrets, and anti-commercial bribery. In this way, we are committed to working with our suppliers to fulfill our social responsibilities.

Optimizing Customer Service

Identifying Customer Needs

As an essential component of our business, customer service is a top priority for SenseTime. We have established an excellent professional service team tailored to the characteristics of different customer groups in different product lines. We strive to continuously optimize customer service with high standards to ensure that customer needs are fully understood and their feedback is timely and effectively addressed.

SenseTime fully understands that clients from different industries come with diverse demands for products and services. Therefore, based on our AI core technology capabilities, we are committed to delivering products that fully meet customer needs through various channels, such as collaborating with industry experts, implementing customized development, and innovating product design. During the Reporting Period, the quality of our product and service and our market competitiveness were highly recognized by our customers.

In addition, according to the characteristics of our products and businesses, we conduct regular customer satisfaction surveys covering our main products and major domestic customers, establishing and strengthening smooth communication channels with our customers. For example, for Smart Auto business, we continuously focus on customers' evaluation of our product and service performance, and executes monthly customer satisfaction survey to understand and meet customers' expectations in time, and further improve customer satisfaction.



We have developed

100+ specific environmental management and social responsibility related assessment indicators for manufacturing suppliers.

Assuring First-Class Service

SenseTime has developed internal policies such as the *After-Sales Service Procedures of SenseTime Group* and established a unified after-sales service platform to provide timely and effective after-sales service for software, hardware, and software-hardware integrated products. We continuously improve our customer complaint response mechanism and customer service management system, accurately collecting and processing customer opinions and related needs through various channels such as email, telephone, WeChat public account, and website. Upon receiving customer complaints, we set up a *Customer Complaint Handling Worksheet* in the after-sales service system, judge and label the urgency or importance of the work order, and adopt corresponding processing procedures based on the level of the customer complaint. We also establish a dedicated team to promptly resolve and follow up the customer complaints. In addition, our business operation department conducts monthly inspections of customer complaint feedback, statistics, and follow-ups on the quality of customer complaint handling, identifying deficiencies and organizing relevant departments to resolve and improve them.

For Smart Auto business, we have also established the internal policies such as the *0km Customer Complaint Handling Process* and the *After-sales Quality Problem Solving Process*, to realize close-loop complaint management. When faced with customer complaints, we immediately verify relevant information, and cooperate with relevant departments to identify problems, analyze reasons, and propose and verify improvement measures. We provide clients with detailed 8D reports to trace and improve customer-side usability, ensuring that clients' demands are fully met.





During the Reporting Period, the quality of our product and service and our market competitiveness were highly recognized by our customers.



During the Reporting Period, SenseTime has handled 2 customer complaints, with a complaint handling rate of



Empowering Industrial Advancement

With unlimited potential for the future development of AI technology, SenseTime is committed to original and continuous innovation while widely and deeply participating in industry standard-setting. We are dedicated to providing the entire industry with more valuable platforms and resources, creating more sustainable benefits while improving our competitive edge.

Participating in Industry Standards Development

Setting clear standards is essential for ensuring the safety, reliability, and sustainable development of AI technology. A mature AI standard system can facilitate the interoperability and reuse of models and promote the large-scale deployment of AI industrialization. Sense Time actively cooperates with industrial partners, renowned universities and standardization organizations at home and abroad to promote the development of industry standards.

During the Reporting Period, SenseTime participated in developing various international standards and group standards, covering AI, computer vision, data security, AI ethics, Augmented Reality (AR), etc. SenseTime participated in the formulation of international standards such as the *Standard for Augmented Reality on Mobile Devices: General Requirements for Software Framework, Components, and Integration* (IEEE P2048.101), and group standards such as the *Technical Requirements and Methods for Automobile Transmission Video and Image Desensitization*, exerting a positive influence on the standardization of the industry and ensuring the safety and reliability of technology applications.

Launching Open Source Algorithm System

SenseTime has always been a staunch supporter and practitioner of open-source and open collaboration, actively building an open-source ecosystem to empower the industry. By the end of the Reporting Period, we have open-sourced platforms, including OpenMMLab, OpenGVLab, OpenDILab, which have received 77,000+ stars on Github. Among these platforms, OpenMMLab offers more than 400 state-of-the-art AI algorithms and over 2,500 pre-trained models. Our open-source platforms have received widespread recognition and attention from both the academic and industrial communities and is rapidly attracting global AI developers. Researchers and developers from over 110 countries and regions have used SenseTime's open-source tools and actively participated in its optimization.



Our open-sourced platforms have received

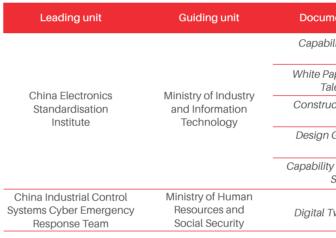
77,000+ stars on Github.

Cultivating Industry Talents

Talent is critical to the AI area. As an industry-leading AI enterprise, SenseTime attaches great importance to making continuous efforts in all aspects and empowering industry talent training. We assist in formulating national and industrial talent training standards and cultivate high-potential talents in cooperation with universities. We also build the AI teacher training base to promote the development of AI vocational education. We are also an active participant in top-level international academic conferences. We constantly expand the range of our AI academic communication through We Media, contributing to AI development.

Assisting in Formulating Talent Training Standards

SenseTime actively engages in formulating national and industrial talent training standards. With many years of practical experience in the industry, we continue to advance the close connection between information technology, AI talent standards, and industry situations in China.



Continuous Nurturing of Talents in Cooperation with Universities

To discover, encourage and cultivate the most potential undergraduates in the field of AI in China, the Group has set up the SenseTime Scholarship since 2017 and maintained close cooperation with top universities in China, helping young students to grow continuously. By the end of the Reporting Period, the SenseTime Scholarship had, in 6 batches, sponsored 165 students from more than 20 top universities in China, such as Tsinghua University, Peking University, University of Science and Technology of China, and Shanghai Jiaotong University.

Since 2016, SenseTime has built talent training practice bases and provided AI courses in respective cooperation with Tsinghua University, Shanghai Jiaotong University, Beihang University, Zhejiang University and other top universities in China. By the end of the Reporting Period, we had incorporated cutting-edge algorithms in academia and the most real cases in the industry into class. We provided top researchers to guide the universities to jointly nurture excellent talents in AI, accumulatively covering more than 300 AI undergraduate, postgraduate and doctoral students.



Documents or teaching materials

Capability Requirements for Virtual Reality Workers

White Paper of Electronic Information Talent Training Standards

Construction Standards of Computer Teaching Facilities

Design Guide of Information System Course

Capability Requirements for Information System Professionals

Digital Twin Application Technicians



accumulatively covering more than

300 Al undergraduate, postgraduate and doctoral students

Cooperative universities and departments	Courses
Department of Electronic Engineering, Tsinghua University	Advanced Computer Vision
Student Innovation Center of Shanghai Jiaotong University	OpenMMLab Algorithm and Practice
Institute of Artificial Intelligence, Beihang University	Lectures on Selected Progress of Artificial Intelligence

Consolidate the Foundation of Vocational Education

During the Reporting Period, based on the Group's business and expertise, we provided a variety of internships for students in cooperation with vocational colleges in China, boosting the upgrading and transformation of traditional vocational education. The Group also organized a series of activities such as the "BRICS Future Skills Challenge", the "Vocational Skills Competition for Artificial Intelligence Trainer in Shenyang", and the "Hubei Craftsman Cup" Skills Competition, contributing to the international talents with high technical skills for the future.

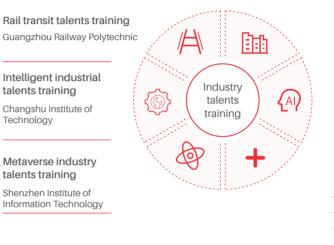
Case: "Hubei Craftsman Cup" Skills Competition

During the Reporting Period, the Group assisted the Department of Human Resources and Social Security of Hubei Province in holding the "Hubei Craftsman Cup" skills competition to put into play the leading and demonstration role of vocational skills competition in training the skilled talents and to nurture more high-quality and high-skilled talents. The competition focused on contestants' abilities to solve practical problems with knowledge of deep learning tools and framework and computer vision, providing a stage for talents in image and video data processing, software interface design, basic application of vision algorithm, and vision engineering to showcase themselves, thereby inspiring more youths to take the path of skill and talent.



SenseTime School-enterprise Cooperation Director Presenting Prizes to Winning Team

Moreover, we concentrate on spurring AI teachers' training. During the Reporting Period, Sense Time was approved to serve as a national vocational education teacher enterprise practice base and a national vocational education "double-type" teacher training base with cooperative universities. Besides, we fostered excellent AI teachers. During the Reporting Period, the Group organized more than 30 teacher training activities throughout the year, empowering over 500 teachers in the industry.



Strengthening Academic Communication

SenseTime positively establishes diversified communication channels for academic achievements, continually accumulating experience and promoting high-quality achievements. We initiate the WeChat official account "SenseTime Academy", covering open courses, paper interpretation, academic columns, open-source tools, community organization, etc. During the Reporting Period, we organized 43 SenseTime open academic classes with brand effect in hot research fields such as model toolchain, base model, decision intelligence, intelligent driving, reinforcement training, and natural language processing on the knowledge exchange and sharing platform. In the meantime, SenseTime and partner laboratories make unremitting efforts to promote the latest research results released on the top academic references, continually enhancing its academic brand effect.

Case: SenseTime Paper Sharing Meeting "Endlessly Research"

On June 11, 2022, the Group conducted the SenseTime Paper Sharing Meeting "Endlessly Research @ CVPR 2022", inviting important academic and industry guests to orally share 8 high-quality papers. On October 14, 2022, the Group held the SenseTime Paper Sharing Meeting "Endlessly Research @ ECCV 2022" again, involving 4 popular seminars, keynote sharing of industry pioneers, and interpretation of over 10 top papers, with various research fields covered. The two live broadcasts attracted over 13.000 viewers, with nearly 30 our employees and university teachers and students invited to participate in online sharing, disseminating high-quality academic achievements and successful industry cases, and contributing to the research of relevant topics.

Smart city talents training

Hubei University of Technology, Wuhan Polytechnic, Qingdao Technical College, Jiangxi Vocational College of Mechanical & Electrical Technology

Artificial intelligence talents training

16 colleges and universities in total, including North China University of Technology, Beijing University of Chemical Technology, Northeast Normal University, Wuhan Institute of Technology, Baoding University and Shenzhen Polytechnic

Intelligent medical talents training

Tianiin Medical University. Jinzhou Medical University



During the Reporting Period, we organized

43 SenseTime open academic classes with brand effect in hot research fields.

O 3 Inclusive Workplace Built with Care

B GOOD HEALTH And Well-Being	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	10 REDUCED INEQUALITIES
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Sense Time always sticks to talent development, continuously attracting and cultivating top talents in the industry. The Group is dedicated to building an equal, diverse and inclusive workplace for employees. We continue to improve the employee training system and guarantee employees' health benefits in an all-around manner to continuously enhance their happiness and belonging. We actively help employees realize their values and develop together with Sense Time.



3.1 Gathering Diverse Talents

3.2 Building a Happy Workplace

3.3 Empowering Employee Developmen

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Gathering Diverse Talents

Talent Attraction

SenseTime is committed to building a diverse and inclusive workforce. We believe diversity strengthens our organization and helps us better serve our customers and stakeholders. To support this goal, we adhere to the core values of "Integrity, Commitment, Perseverance, Innovation and Collaboration" and abide by the recruitment management system and procedures to ensure that our recruitment process is fair and just. We are confident that our efforts to recruit and retain top talent will enable us to achieve our business objectives while creating value for our stakeholders.

During the Reporting Period, our practice in manpower attraction was recognized by the community, and we won 12 awards and honors related to employers:





LinkedIn - 2022 MostIn-World's Most Attractive Employers

Liepin - 2022 Annual National Extraordinary Employers





Maimai - MAX 2022 Annual Outstanding Employer

Nowcoder - 2022 NFuture Most Popular Campus Recruitment Employers among Technical Talents



China Human Resources Management Research Institute -2022 China Top 10 Wellness Employer



The Chinese University of Hong Kong, Shenzhen - 2022 Most Attractive Employer Award

Chinese Global Youth Summit -Core Digital Technology Breakthrough Award



Career Development Office, School of Management, Fudan University - 2022 Best Partner

49/ SenseTime Group Inc.





Lagou - 2022 Annual Top Employers



Zhaopin - 2022 Top 50 China Best Employers in Shenzhen



Shenzhen Nanshan Government - 2022 "Bole Award" in Nanshan District



HR Tech China - 2021 Best HRTech Practice Award





By the end of the Reporting Period, the Group had a total of 5,098 full-time employees, and the specific number of employees and turnover rate were as follows:

Ind	icators	Employee structure (person)	Turnover rate (%)
Total e	mployees	5,098	9.7%
By gender	Male	3,719	9.4%
by gender	Female	1,379	10.5%
	Under 30 years old	1,945	10.3%
By age	30 to 50 years old	3,127	9.3%
	Over 50 years old	26	7.1%
_	Mainland China	4,773	9.3%
By geographical region	Hong Kong, Macao, and Taiwan	96	13.5%
logion	Other countries and regions	229	16.1%

Note

1. Employee turnover rate = Number of employees leaving employment during the reporting year/(Number of employees at the end of the reporting year + Number of employees leaving employment during the reporting year), the number of resigned employees only includes those who guit voluntarily.

Diversified Platform

SenseTime has offices in many cities at home and abroad, such as Beijing, Shanghai, Shenzhen, Hong Kong, Abu Dhabi, Singapore, and Germany. We attract employees from different nationalities and cultures to promote cooperation among them and create a diversified and inclusive work environment. SenseTime's flexible transfer mechanism can provide diversified development channels and work opportunities worldwide. Employees are offered multiple paths through a broad platform according to their development demands and the Group's development opportunities.

Communication Channel

SenseTime values employee communication and listens to their feedbacks, committed to maintaining multiple communication channels and platforms to create an equal, open, diverse and inclusive atmosphere at the workplace. Employee communication channels include, but are not limited to, all-staff meetings, executive luncheons, monthly and quarterly meetings within each department, etc. To increase employees' sense of involvement, executives and employees often exchange views and discuss company development and governance matters through our corporate culture platform "the Way of SenseTime" and Town Hall Meetings. During the Reporting Period, more than ten Town Hall Meetings were hosted at our offices in various locations and the executives interacted directly with thousands of employees.

Building a Happy Workplace

The Group endeavors to build a harmonious, healthy and pleasant work environment, calling for employees to balance their work and life. We focus on providing employees diversified benefits and a safe and healthy work environment while providing competitive material rewards and assurance to protect their health and create a happy workplace.

Protection of Rights and Interests

SenseTime strictly complies with the laws and regulations in the countries and regions where we operate, such as the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Provisions on the Prohibition of Using Child Labor, the Universal Declaration of Human Rights, and the International Labor Convention. The Group has also formulated internal employee management policies, such as the Employee Handbook of Sense Time Group, and signed a labor contract with employees to safeguard their legitimate rights and interests.

We reject all forms of child labor and forced labor. During the recruitment process, we strictly review the candidates' identity information to ensure that the recruitment process complies with laws and regulations and to avoid employing child labor. The labor contract signed by the Group and employees also clearly specify the working hours and vacation to respect and safeguard employees' legitimate rights and interests. We call for employees to maintain a proper balance between work and rest, allowing them to enjoy reasonable and sufficient rest and vacation. During the Reporting Period, the Group had no illegal employment, such as child or forced labor.

SenseTime gives equal treatment to all employees. We do not discriminate against anyone based on age, gender, physical health, marital status, race, skin color, nationality, religion, sexual orientation, etc. The Group also prohibits any types of discrimination and harassment against employees and others. During the Reporting Period, we issued the Employee Code of Conduct of Sense Time Group - Discrimination and Harassment Handling Policy and the Guidance for Employee Code of Conduct of SenseTime Group, which specify the corresponding complaint procedures and the appealing way to protect complainants. We commit to respond to and handle the complaints within 24h upon receipt.

Remuneration and Incentives

With a competitive remuneration system and an incentive honor system, SenseTime encourages employees to tap their potential better and fully use their talents and creativity. We provide employees equal and reasonable remuneration according to their position, personal ability, work performance, contribution, etc. We establish the "performance-oriented" incentive policy, which includes an equity incentive plan, to promote common development with SenseTime.

The Group builds the complete performance target and evaluation system and implements the target management tool. Objectives and Key Results (OKRs), to enhance employees' subjective initiative, helping further realize their values. Employees set guarterly and annual OKRs in light of the Group's target and reach a consensus with the department heads. We conduct regular performance appraisals for employees to comprehensively assess their work outputs, cultural values, etc., thereby promptly motivating and recognizing employees with excellent performance and high potential in a timely manner.

By the end of the Reporting Period, the Group had a total of

5,098 full-time emplovees.





We commit to respond to and handle the complaints within



Welfare and Care

SenseTime has continuously built a highly competitive and comprehensive welfare care system for our employees. The "Sheep is Happy" welfare plan ensures employees' happy work and carefree life, including insurance, rent allowance, meal allowance, physical examinations, and wonderful holidays, to protect employees in many ways.



Wonderful team building activities and various community activities enable participants to make friends with mutual interests.

Employee Benefit and Care Initiatives

SenseTime encourages and appreciates the long-term contribution and development of our employees. Through the induction anniversary, annual commendation and other forms, SenseTime encourages employees with outstanding achievements and long-term assistance to enhance their sense of belonging and honor.



Induction Anniversary

We provide employees with heartfelt blessings and gifts for the induction anniversary every month, accompanying them to spend more great moments.



Fifth Anniversary

On the employees' fifth anniversary, we organize celebration activities, presenting well-designed gold medals and crystal souvenir medals with a strong SenseTime style.

Award Ceremony

SenseTime' s highest honor, the "Oscar" in the AI industry; all employees get together at the annual meeting, feeling the power of role models and looking ahead to a new chapter.

Employee Commendation Activities

Safeguard of the Health

Sense Time values the safety and health of all employees. The Group strictly abides by the laws and regulations in the countries and regions where we operate, such as the *Labor Law of the People's Republic of China* and the *Fire Protection Law of The People's Republic of China*. We have formulated the internal documents, including the *Daily Management Standards for the Office Environmental Standards of SenseTime Group*, the *Fire Safety Management Manual of SenseTime Group*, the *Physical Safety Management Manual of SenseTime Group*, and the *Working Guidelines for Hazard Identification, Risk Assessment and Risk Control of SenseTime Group*. We identify and eliminate potential safety hazards promptly and establish a reliable and effective safety guarantee system. We have obtained the ISO 45001 Occupational Health and Safety Management System.

SenseTime cares about the physical and mental health of our employees and provides health management for employees in an all-around way. We invite professionals to give lectures on health and first-aid training on a regular basis, helping employees learn and grasp basic first-aid measures. We pay attention to the impact of the office environment on employees' health. Specifically, we formulate the standards for indoor air, drinking water quality, illuminance and noise of offices, and establish the indoor office environment and drinking water quality warning mechanism of the Group to ensure office security. In addition, we conduct fire drills for all employees at regular intervals to further strengthen their ability to respond to emergencies.

In addition, SenseTime provides employees with annual physical examinations, healthy meals, a well-equipped gym, professional private training, customized courses, "sleep pod", and Employee Assistance Program (EAP) services, enabling them to enjoy additional health protection services after work.

During the Reporting Period, we provided employees with exclusive doctors, home consultation, online consultation, medical archive services, healthy teeth cleaning and shoulder and neck massage for employees, as well as provided their family members with supplementary commercial insurance to continuously improve their sense of security, gain and happiness.



Case: SenseTime Fire Drills for Employees in 2022

To enhance employees' awareness of fire safety, build up their abilities in self-rescue and fire prevention and prevent and reduce accidents, we organized fire drills in the operation places such as Shanghai, Beijing, Shenzhen, Hangzhou, Chengdu, Qingdao and Singapore. On November 8-9, 2022, SenseTime's Chengdu office conducted fire drills in cooperation with property management personnel and fire brigade professionals, including practice, explanation of knowledge on a fire safety and firefighting drills. On November 9, we organized a fire safety day activity, including fire knowledge quiz and interesting games, actively enhancing employees' awareness of fire safety.







we provide health management for employees in an all-around way.

Fire Drills in Chengdu Office

The Group had no fatality directly related to work in the past three years. During the Reporting Period. the Group had zero work-related fatality, and the number of working days lost due to work injury was 30.

Fighting Against COVID-19

Since 2019, the developments of the pandemic has caused a continuous impact on people's work and life. During the Reporting Period, the Group optimized and adjusted the management measures and the provisions for working from home application and approval during the pandemic, continuously updating the pandemic situation and related guidelines. We improved pandemic prevention and control measures in light of situations in different regions to safeguard employees' health and safety.

Send reminders regularly, inform the relevant policies of each operation location, and continuously strengthen employees' awareness of health and safety;

Conduct workplace health management for a long time, such as disinfection and ventilation in the office and inspection and registration of external visitors:

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Flexibly formulate work formats such as working from home, staggered working hours or flexible working hours:

Keep the psychological counselling hotline smooth, provide professional psychological counselling for employees in need, and actively conduct online health lectures to protect employees' physical health;

In April-May 2022, we provided daily necessities for employees suffering difficulties during the Shanghai pandemic:

We also took supporting protective measures, such as providing employees with masks, disinfection products, and antigen detection reagents, to protect their health and safety to the greatest extent.

Employee Care Measures During the Pandemic

Empowering Employee Development

SenseTime creates a development platform for employees that encourages breakthroughs and innovation and allows the definition of technology and industry from 0 to 1 and from 1 to 100. SenseTime has built a sound talent training system and set up a leadership center and a career development center to continuously empower employees and help them realize their value. Through practical artificial intelligence industry practice, SenseTime has constantly made positive contributions to society by combining training and warfare.

Employee Cultivation

Adhering to the concept of talent development, the Group continues to optimize the employee development system to clarify the dual-channel model for manager/expert development. The expert groups include technology, product, marketing and function. Meanwhile, we also focus on developing critical groups in the company to provide customized training for developing new employees and employees from four expert groups and the management group. Furthermore, we build a multi-dimensional training system covering cultural capability, professional capability, leadership, and general capability. We set up a strong internal lecturer team to boost internal training. During the Reporting Period, SenseTime had a total of 267 instructors, acquiring more than 40,000 attendances, to promote the joint development of employees and SenseTime through content highly related to business.

We set the "AI Navigator Launch Plan" for new employees from campus recruitment. Specifically, we build long-term training mechanisms and provide an online course and offline centralized training of "integrating reference books", helping them quickly familiarize themselves with the work contents. We set the "Dream Plan" for new employees from social recruitment, helping them know the industry and SenseTime, integrate into SenseTime's corporate culture, and grasp related skills. We also conduct one-to-one tutoring for new employees for 6 months and provide full support.

Orientation training Training for management group

We value the cultivation and development of the management cadre. By developing a targeted leadership development model, we optimize leadership development projects according to actual business needs and develop leadership learning resources with more SenseTime characteristics through internal independent development. We help the management cadre complete the transformation from learning scenario to application scenario more efficiently; We adopt the innovative "online+offline" form and "dual-teacher" empowerment to ensure effective cadres training.





During the Reporting Period, SenseTime had a total of 267 instructors, acquiring more





Case: SenseTime Technical Personnel Promotion Training System

SenseTime focuses on system and capability building while nurturing technical personnel. We adopt effective training methods according to the Group's technical personnel strategy so as facilitate the improvement of the performance results. Thus, we realize long-term management from training to development, assisting in inspiring and promoting technical personnel in their positions. We focus on "Four-capability Building" in specific technical personnel promotion, including professional capability, leadership, transferable capability and cultural capability.

Professional Capability	We realize closed-loop management on professionalism enhancement through three steps: "setting standards – following standards – reaching standards". We set standards for technical personnel to identify gaps and make improvements accordingly. Through over 50 online courses of the "micro-courses on technical capability models" and the "Engine Plan", technical personnel can quickly obtain learning resources anytime, anywhere and have more chances for promotion.
Leadership Capability	Through the procedure of "set standards - reflect - train - practice", training and practices are combined to develop and improve employees' leadership capabilities.
Transferable Capability	SenseSchool provides employees with over 1,000 online courses on soft skills. At the same time, it also arranges various offline courses on work efficiency enhancement. With these courses, employees can improve their capabilities in a more comprehensive way by improving weak points and enhancing advantages.
Cultural Capability	We places importance on corporate culture in shaping the mind of employees. We use the corporate culture to guide employees' general thoughts and daily behaviors. In addition, cultural fit and performance are also core factors for the promotion of employees.

SenseTime's "Four-capability Building" System for the Promotion of Technical Personnel

SenseTime also improves the digital learning platform and its efficiency in a continuous way. During the Reporting Period, 226 new internal online learning courses and over 900 learning topics were introduced externally at SenseTime. In the past year, the number of person-times on the platform exceeded 90,000.

Indicators		Percentage of employees trained (%)	Average training hours per employee (hours)
	Male	99.4%	96.7
By gender	Female	99.1%	96.4
By employment	Management	100.0%	97.3
type	Non-management	99.2%	96.5

Notes:

1. Percentage of employees trained = number of employees trained of the category during the Reporting Period/total number of employees trained * 100%.

2. Average training hours per employee = total training hours of employees in the category during the Reporting Period/total number of employees in the category.

Witnessing the Growth

SenseTime always adheres to the idea of "safeguarding with culture and seeing the growth" and follows the "experts-led profession promotion" principle. We combine the development intentions of employees with the needs of the Group in a fair, transparent and rigorous way. Besides, we have established the relevant supporting mechanism to build a dual-channel development path for experts and managing personnel. We make professional promotion and leader appointment once every year. Based on different development channels and promotion ranks, we conduct the appraisal and review work with fair rules and procedures so that the growth of every employee can be seen.

Through the rich learning and training resources, SenseTime lets its employees understand the capability requirements of different posts and ranks. In this way, employees are able to have a full picture of the promotion path. To continually promote employees' growth after the promotion, the leadership center and the career development center sets up a "Special Training Plan on Promotion of Employees".

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In the past year, the number of person-times on the platform exceeded



Better Public Welfare 04 with Our Actions

4.1 Devoting to Charity and Public Welfare 59

4.2 Laring for Vulnerable Groups





Adhering to the development concept of "human centric" and "Al for good", Sense Time continually pays attention to the development of society and all sectors, mproves people's livelihood with echnologies, and promotes the inclusive benefits of digital technologies. Besides empowering the industry, Sense Time also actively devotes itself to charity and public welfare activities and has formulated the Management Policy for Corporate Social Responsibility Projects of Sense Time Group (Trial). To live up to its social responsibilities and serve people's livelihood, SenseTime has invested large amounts of funds, manpower and materials in poverty alleviation, education equity, medical assistance and disaster relief, coordinated efforts in COVID-19 prevention, etc.

Or



Devoting to Charity and Public Welfare

The third distribution, with charity as the main channel, is of great significance to promote fair and comprehensive development, as well as common prosperity in society. Sense Time always adheres to the concept of conducting business in good faith, integrates its own development with social well-being, and actively participates in social welfare activities in various places. Committed to fully implementing the concept of "human-centric" and "AI for good", we actively respond to the demands and expectations of the public. We also invest funds, technologies and materials accordingly to help promote social equality and build a better society. During the Reporting Period, Sense Time donated RMB 3.44 million in cash and goods worth RMB 3.78 million in charitable and public welfare activities.

Case: SenseTime Participated in the "Poverty Alleviation Day in Guangdong Province"

In 2022, SenseTime participated in the "Poverty Alleviation Day in Guangdong Province" and donated a total of RMB 990 thousand to the education departments of Lianping County in Heyuan City of Guangdong Province, Longsheng County and Ziyuan County in Guilin City of Guangxi Zhuang Autonomous Region. With such effort, we hope to promote educational informatization, the construction of painting and calligraphy classrooms, as well as the recording and broadcasting classrooms in the three counties, thus improving the level of local aesthetic education. The project focused on education development in three places and fully demonstrated SenseTime's support for regional charitable and public welfare.

Case: SenseTime Donated RMB 200 Thousand to Shanghai Charity Foundation





mainly used for two kinds of charitable and public welfare activities in Nanhui New Town of Shanghai. Specifically, one is for charitable assistance for "medical service, the needy, the elderly, students and the disabled"; and the other is for "practical", innovative and various charitable activities/projects based on the actual condition of Nanhui New Town. Solving specific regional problems is the essence of SenseTime's public welfare activities.

In 2022, SenseTime donated RMB 200 thousand

to Shanghai Charity Foundation. The fund was

Donation Certificate of SenseTime

Case: SenseTime Generously Donated COVID-19 Prevention Supplies

At the height of the pandemic in Shanghai in 2022, SenseTime donated supplies (COVID-19 prevention drugs and supplies, daily supplies) and equipment (SensePass portable "six-in-one" system, SenseThunder thermal imaging & temperature measurement all-in-one machine) worth RMB 3.60 million. Faced with sudden public health incidents, SenseTime took the responsibility of safeguarding the health and safety of the people and joined hands with people to overcome the difficult situation.

During the Reporting Period, SenseTime donated



Caring for Vulnerable Groups

The development of technologies should strike a balance between increasing efficiency and advocating fairness and inclusive benefits. As an important part of promoting social equity, caring for vulnerable groups plays an essential role in building a harmonious society. SenseTime is deeply aware of the importance of comprehensively caring for vulnerable groups and passes on love and care with practical actions. Specifically, we actively develop products that benefit vulnerable groups and fully considers their special needs in the R&D process, and uses AI technology to help treat patients with rare diseases and care for people in need.

Case: SenseTime Unveiled AI Nursing System for Amyotrophic Lateral Sclerosis (ALS) Patients to Promote AI for Good

Amyotrophic Lateral Sclerosis (ALS), or amyotrophic lateral sclerosis, is a rare and complex disease. The disease affects nerve cells in the brain and spinal cord, and with the gradual development of the disease, the patients gradually lose their mobility, swallow, speech and breath. Due to the special nature of the disease, family members of the patient need to check the patient's breathing condition once in a while (the interval can be as short as half an hour, tens of minutes in the advanced stage of the disease) to ensure that the patient is in a normal condition.

Focusing on the special needs of ALS patients, SenseTime has developed an AI nursing system. The intelligent nursing system is a brand-new solution for ALS patient nursing, providing 24-hour contactless care for ALS patients with difficulty in mobility, swallowing and breathing. While monitoring the physiological indexes of patients in real-time, it also has functions including emergency warning, active calling, sleep analysis, abnormal statistical detection and so on, which can provide long-distance care for ALS patients. In the spring of 2022, the SenseTime AI nursing system was officially delivered and used for the first patient. After that, SenseTime continually promoted its use for public welfare purposes. During the Reporting Period, SenseTime reached an agreement with Shaanxi ALS Association and applied the system to many ALS patient families in Xi'an City, Xingping City, Weinan City and Yanchuan County of Shaanxi Province. In this way, more ALS patient families benefited from the AI technologies of SenseTime. During the Reporting Period, SenseTime's AI nursing system project won the "2022 Ofweek Artificial Intelligence Industry Annual Selection - Social Responsibility Contribution Award" issued by Ofweek.



During the Reporting Period, SenseTime donated goods worth

RMB **3.78** million in charitable and public welfare activities.





As an important part of promoting social equity, caring for vulnerable groups plays an essential role in building a harmonious society.

65 A Green Future Shaped with Responsibility



As a pioneer in the artificial intelligence industry, SenseTime has always practiced the concept of green development while actively participating in technological innovation. We integrate energy conservation and carbon reduction into the whole process of production and operation, establishing the carbon neutralization goal at the top level, while conducting energy-saving renovation and knowledge popularization at various workplaces. We take practical actions to undertake our social responsibility in safeguarding a green future.

The Group strictly abides by the Environmental Protection Law of the People's Republic of China, and other relevant laws, regulations and policies in countries or regions where we operate. Several subsidiaries of the SenseTime Group, such as Shanghai SenseTime Intelligent Technology Co., Ltd. and Beijing SenseTime Technology Development Co., Ltd., have passed the ISO 14001 Environment Management System Certification. During the Reporting Period, the Group did not have any incident violating environmental laws and regulations.



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Focusing on Net Zero Emissions

Climate change has become a common challenge faced by all human beings. In 2020, China proposed the strategic decision of "striving to achieve carbon peak emissions by 2030, and achieving carbon neutrality by 2060". Under such context, in the year 2021, SenseTime clarified the strategic goal of "planning to achieve carbon peak emissions by 2025, striving to achieve operational carbon neutrality by 2030, and achieving net zero emissions by 2050". In addition, SenseTime finished planning the carbon neutrality and reduction path and established a Carbon Neutral Development Research Center responsible for promoting the specific implementation of dual-carbon work.

Effectively control the growth rate of energy consumption throughout the Grou (Power Usage Effectiveness) reduction of Lingang AIDC steadily reduce office en means such as energy management and energy-saving technological tran formulation and implementation of the Group's energy consumption optimization accelerate the research and promotion of the dual-carbon management metho

Study and fully implement the carbon neutrality solutions for the Group's n neutralization of the Group's existing carbon emissions through the combinat strategies, comprehensively promote artificial intelligence technology to empoy and assist the whole society to accelerate the exploration of the dual-carbon path

Fully implement the carbon neutrality requirements of supply chain and procurement, accelerate the realization of neutralization closed-loop management for employees' travel, commuting and other behaviors and activities, and implement carbon neutrality and recyclability for logistics transportation and the use of consumables, so as to truly achieve closed-loop zero carbon with the goal of fully exploiting our own potential and closed-loop zero waste with the goal of fully implementing the logistics circulation.

SenseTime's Strategic Goals on Carbon Neutrality

Sense Time's Carbon Neutrality and Reduction Path					
Key Areas	Buildings	New Infrastructure	Production/Product	Supply Chain	Daily Operation
	Structure optimization for energy use	Adjustment and recycling for energy structure	Low-carbon design	Carbon reduction of upstream and downstream cooperation partners	Remote work
Carbon Reduction	Energy efficiency improvement for the system	High-efficiency energy-saving equipment system	Technology improvement	Carbon reduction in the transportation process	Green travel methods
Stage	Innovative technology integration	AI-powered best control practice	Increasing the utilization rate of resources	Localization and regionalization	Green consumption
	Operation strategy upgrade	Operation management strategy optimization	Waste resource utilization	Low-carbon packaging	Training and guidance for employees
	Purchase CCER (China Certified Emission Reduction)				
Neutralization Stage	Purchase GEC (Green Electricity Certificate)				
	Over-the-counter direct investment in green energy projects and carbon sink				
Capability Building	Policy management system				
Industry Empowering	Energy, transportation, industry, architecture, scientific research, education, cultural tourism				



up, actively promote the PUE nergy consumption through nsformation, accelerate the on management system, and ds of the supply chain.
new projects, accelerate the tion of self-built and market wer dual-carbon technology, with based on Al algorithm

SenseTime believes that, for technology enterprises, achieving carbon neutrality is not just about saving energy and reducing emissions, but an opportunity to drive scientific R&D and application innovation. Combining the industrial characteristics with our own advantages, and starting with self-carbon reduction and AI empowerment, we explore feasible ways to reduce carbon emissions through technology, so as to create a benchmark case of smart carbon reduction.

Case: SenseTime Cooperated with SPIC's Central Research Institute to Create Smart Low-carbon Energy Solutions.

In the context of the "dual-carbon" strategy, low-carbon development and digital transformation have become inevitable for the energy industry. With advanced AI technologies and years of hard work in the energy industry, SenseTime has successfully built a matrix of digital energy products covering multiple industrial chains, such as energy production, transmission and storage, enabling us to create conditions for energy consumption with higher efficiency and lower carbon emissions.

In October 2022, SenseTime signed a strategic cooperation agreement with the Science and Technology Research Institute Co., Ltd. of State Power Investment Corporation (the "SPIC's central research institute"). According to the cooperation agreement, the SPIC's central research institute will rely on SenseTime's high-efficiency AI training platform to develop AI algorithm models suitable for the renewable energy industry and related application systems. Besides, the two parties will also work together to develop smart renewable energy solutions. Through AI technology, the solutions are supposed to accurately predicate the energy supply and demand trends and automatically generate dispatching operation policies, so as to support the supply-demand balance of regional power systems, and help to achieve regional energy structure optimization and regional dualcarbon goals.



Signing Ceremony of Strategic Cooperation Agreement between SenseTime and SPIC's Central Research Institute

In October 2021, the Chinese liaison submitted the Progress on and New Targets and Measures for the Implementation of China's Nationally Determined Contributions to the secretariat of the United Nations Framework Convention on Climate Change, in which "carbon inclusion" was mentioned multiple times, indicating that the pilot building of the carbon inclusion system had become a priority of China for carbon emission reduction at the consumer end. In November of the same vear, the National Development and Reform Commission, together with the Ministry of Ecology and Environment and other departments, issued the Implementation Plan on Further Guiding Public Institutions in Green and Low-carbon Initiatives to Facilitate Carbon Peak Emissions. The plan stated that, "it's necessary to guide the public to lead a green and low-carbon life by exploring and using ways and methods such as carbon inclusion", which further clarified the direction for implementing the carbon inclusion system.

According to overseas experience, a complete "carbon inclusive" platform usually covers inclusive education, behavior guidance, behavior identification, points generation, equity exchange and emission reduction offset. Utilizing its own technological advantages, SenseTime is planning to develop an application mechanism for carbon inclusion in public space, and is considering taking the library as the first scenario. Based on the library's carbon emission statistics, SenseTime makes an experiment on the offsetting mode between readers' points and the emission load of the library. After completing the pilot operation and scientific demonstration, such mode can be further connected with Shanghai Carbon Emission Trading Market, before being reproduced and promoted to other public places in the country.

Optimizing Resource Use

SenseTime strictly abides by the Energy Conservation Law of the People's Republic of China, and other relevant laws and regulations in countries or regions where we operate. It also strictly follows internal policies such as the Regulations on Energy Management of Resources. We are committed to continuously optimizing resource use efficiency and reducing energy consumption and greenhouse gas emissions. During the Reporting Period, we carried out a number of energy-saving transformation activities, and strived to build a green big data center, continuously lowering the impact of operational activities on the environment.

Case: Green Big Data Center - SenseTime Lingang AIDC

We are committed to building an energy-saving and efficient AIDC, as well as to achieving both development and environmental benefits. As early as the preparation stage of the AIDC, we already took into account the concept of energy conservation and low carbon, and made efforts in both energy system optimization and energy-saving technology application. While installing photovoltaic modules to fully use clean energy, we also equipped the Center with a centralized humidification and indirect evaporative cooling system, while optimizing the variable frequency converter control equipment. In addition, the HVAC and lighting equipment installed in the building all meet the national level 1 energy efficiency standard, and the building envelopes also have a good thermal insulation function. In addition, the project also has an intelligent management system that can fully optimize indicators such as the out-of-service server rate and demand response cycle. Through various measures, we ensure the implementation of a low-carbon strategy.

According to estimation, after the SenseTime Al Large Device is put into operation, its power consumption will be more than 10% lower than that of the average industrial level of China's medium and large data centers. It will help save about 45 million kWh of electricity annually, equivalent to 25.7 thousand tonnes of carbon dioxide equivalent greenhouse gas emissions.



Energy-saving Renovation

Shanghai Xinzhou Tower is the main office building of the Group. In 2022, we started the energy-saving renovation at Xinzhou Tower, and expected the project to be completed in the first guarter of 2023. The renovation will help Xinzhou Towe realize remote centralized control for the terminal of the air conditioning system, automatic regulation and control for the heating and cooling system, and variable frequency regulation for water valves, air valves, draught fans, water pumps, etc. This will enable us to use power and water resources in a more effective way, while lowering the cost of human resources. According to estimation, through smart building control and optimized management policy, Xinzhou Tower will reduce close to 95 tonnes of carbon dioxide equivalent greenhouse gas emissions per year. In addition, its carbon emissions from air conditioning will also be reduced by 8% annually.





External Design of SenseTime AIDC



According to estimation, after the SenseTime AI Large Device is put into operation, it will help save

about million kWh of electricity annually.

Central Control System of Xinzhou Tower



If combined with optimized management policy, Xinzhou Tower will reduce close to

95 tonnes of carbon dioxide per year.

Greenhouse Gas Emissions

As an Internet technology enterprise, SenseTime's greenhouse gas emissions are mainly generated through indirect energy consumption, mainly the purchased electricity used by the data center, AI computing center and workplaces. During the Reporting Period, our energy consumption and greenhouse gas emissions are as follows. The increase in total energy consumption and total greenhouse gas emissions was mainly due to the operation of Shanghai Lingang AIDC, which started at the beginning of 2022 and caused a large increase in electricity demand.

Туре	2022	2021
Energy Consumption		
Total Energy Consumption (MWh)	54,265.7	13,980.1
Total direct energy consumption (MWh)	831.2	1,679.8
Including: Gasoline (MWh)	35.3	28.5
Natural gas (MWh)	765.8	1,651.3
Diesel (MWh)	30.1	-
Total indirect energy consumption (MWh)	53,434.5	12,300.3
Including: Purchased electricity (MWh)	53,434.5	12,300.3
Intensity of energy consumption (MWh/person)	10.6	2.3
Greenhouse Gas Emissions		
Total GHG emissions (Scope 1 and Scope 2) (tCO $_2$ e)	30,573.6	7,301.1
Direct GHG emissions (Scope 1) (tCO ₂ e)	169.6	337.1
Including: Fossil fuel combustion $(tCO_2 e)$	169.6	337.1
Indirect GHG emissions (Scope 2) (tCO ₂ e)	30,404.0	6,964.0
Including: Purchased electricity $(tCO_2 e)$	30,404.0	6,964.0
GHG emission intensity (tonnes/person)	6.0	1.2

Notes:

1. Total energy consumption is calculated based on the electricity consumption, fuel consumption and the default values of fossil fuel-related parameters in Appendix 2 of the *Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Enterprises in Other Industries* issued by the National Development and Reform Commission.

2. Based on the characteristics of our operations, our greenhouse gas emissions mainly come from direct greenhouse gas emissions (Scope 1) caused by gasoline consumption of the Group's business and freight vehicles, and indirect greenhouse gas emissions (Scope 2) caused by purchased electricity.

3. During the Reporting Period, the Group adjusted and optimized the quantitative method of environmental data, and recalculated the greenhouse gas emissions data in 2021. The greenhouse gas emissions generated from fossil feuls and electricity purchased in Chinese mainland are calculated in accordance with the *Accounting Methods* and *Reporting Guidelines for Greenhouse Gas Emissions of Enterprises in Other Industries* issued by the National Development and Reform Commission, as well as the average carbon dioxide emission factor of China's national power grid published in the most recent year. The greenhouse gases generated by electricity purchased from abroad are calculated based on the electricity emission factor published by the International Energy Agency in 2022.

4. During the Reporting Period, the Group's purchased electricity increased significantly due to the operation of Shanghai Lingang AIDC, contributing to a large increase in energy consumption and greenhouse gas emissions during the Reporting Period as compared to 2021. The Group's natural gas consumption is mainly from Shanghai Xinzhou Tower. During the Reporting Period, the consumption of natural gas in Xinzhou Tower decreased significantly due to the pandemic of Shanghai and other related reasons.

Cherishing Fresh Water Resources

SenseTime understands the importance of water conservation and takes multiple measures to reduce unnecessary water consumption. We conduct key inspections and regular inspections and maintenance on equipment with high water consumption. We install water-saving equipment uniformly in public areas, tea rooms, toilets, etc. Besides, we always stay alert to any leakage of pipes, valves and taps to reduce the waste of water. Through posters, publicity and education, we also cultivate the water-saving habit of our employees in daily life, and raise their awareness of aquatic environment protection.



raise their Water-saving Tips

In addition, we formulated the 2022 Planned Water Consumption Indicators and set it as the latest water efficiency target of the Group. Statistics show that, apart from Shanghai Lingang AIDC, both the total water consumption and the density of water consumption in the offices decreased significantly during the Reporting Period, and the water-saving target was successfully reached at all of our ordinary workplaces.

During the Reporting Period, our water consumption is as follows:

Туре
Water consumption
Total water consumption (tonnes)
Water consumption intensity (tonnes/person)
Notes:

1. The water we use is from municipal tap water supply. Due to the fact that Shanghai Lingang AIDC started operation, our water consumption during the Reporting Period showed a relatively large increase as compared to 2021.

Packaging Material Consumption

During the Reporting Period, we almost did not use any plastic packaging materials in the production process. In the future, we will continuously optimize the design, printing and making processes of packaging, and consider using more environmentally friendly materials such as recycled paper, recycled plastics, environmentally friendly ink, so as to further promote green development.

During the Reporting Period, our consumption of packaging materials increased, mainly resulting from the sale of ToC new products. The details are as follows:

Туре		

Packaging material consumption

Total packaging material consumption (tonnes)

Packaging material consumption intensity (kg/million revenue (RMB))





Water-saving Tips at the Workplace in Qingdao

2022	2021
110,571.3	39,129.9
21.7	6.4



Both the total water consumption and the density of water consumption in the Group's offices decreased significantly during the Reporting Period, and the water-saving target was successfully reached.

	2022	2021
	67.0	2.8
)	17.59	0.60

Response to Climate Change

As a responsible enterprise, we attach great importance to global climate change and fully consider the risks and opportunities it may bring. The Group has specially set up a CSR Department and a Carbon Neutral Development Research Center affiliated to it. The Department and the Center are responsible for implementing measures in response to the challenges of climate change, promoting the establishment of relevant processes and mechanisms, and continuously enhancing the Group's risk resilience ability.

In addition to the potential long-term policy risk and reputation risk, we have also noticed the increasingly frequent extreme weather events caused by climate change, as well as acute physical risks posed. For extreme weather events, we have prepared a series of emergency plans and set up strict management procedures. On identification of relevant risks, we will take immediate measures to protect employees' lives and property and minimize disaster losses.

Our Shanghai Lingang AIDC Project has prepared special plans such as the Special Emergency Plan on Lightning Prevention and Emergency Plan on Flood Control, so as to help us deal with relatively common extreme weather events in coastal areas. The special plans specify the preparation, early warning mechanism and material reserves in the period when emergencies may easily occur, and the reporting process, duties of relevant parties and handling measures in case of emergencies. In addition, the emergency plans also attach great importance to daily publicity and education, requiring circulation of self-rescue and mutual assistance skills towards employees, and organization of emergency drill on a yearly basis at least.

Emissions in Compliance with Standards

Due to the nature of the industry, we produce no waste gas and almost no hazardous waste in the process of operation. Our major emissions that have a substantial impact on the environment are wastewater, non-hazardous wastes and packaging consumables. During the Reporting Period, the Group strictly abided by relevant laws and regulations, continuously implemented various internal policies, and adopted various prevention and mitigation measures.

Wastewater Discharge

The wastewater generated during our operation is mainly domestic sewage. We strictly abide by the *Water Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China* and other relevant laws and regulations, and actively fulfill the responsibilities and obligations of pollutant management.

During the Reporting Period, our wastewater discharge is as follows:

Туре	2022	2021
Total wastewater discharge (tonnes)	99,514.2	35,216.9
Intensity of wastewater discharge (tonnes/person)	19.5	5.8

Notes:

1. The emissions generated during our operation are mainly a small amount of domestic sewage, which is discharged into municipal pipelines for treatment. Total wastewater discharge is estimated based on water consumption.

Waste Discharge

Main waste generated in our operation process includes household waste and kitchen waste. The Group encourages employees to cherish all kinds of resources, and advocates paperless office and rational food ordering at workplaces, so as to minimize the generation of waste. For waste already generated, we conduct waste sorting according to local requirements, and transport it to the waste transfer station for further treatment by the environmental sanitation department.

During the Reporting Period, our waste discharge is as follows:

Туре	2022	2021
Waste discharge		
Total non-hazardous waste (tonnes)	267.3	984.2
Non-hazardous waste intensity (tonnes/person)	0.05	0.16

Notes:

1.We do not produce any hazardous waste in our daily operations, and a small amount of waste such as dry batteries and light tubes from offices are disposed of by qualified institutions. Therefore, KPI A1.3 (total hazardous waste produced and intensity) has no material impact on the Group and is not disclosed in this report.

2.For most workplaces, generated waste is collected and disposed by the property management company collectively, and is thus hard to calculate total weight or included in the statistical coverage. The waste discharge data above only include waste generated at Xinzhou Tower. During the Reporting Period, waste discharge of Xinzhou Tower decreased significantly due to the pandemic of Shanghai and other related reasons.



to global climate change and

fully consider the risks and

opportunities it may bring.





We encourages employees to cherish all kinds of resources, and advocates paperless office and rational food ordering at workplaces.

Promoting Green Office

We are always committed to becoming a resource-saving and environmentally friendly enterprise, and are fully aware that we can get nowhere without the efforts and contributions of our employees. In our daily work, we promote a number of measures on green office, including but not limited to:



In addition to practicing the concept of sustainable development in daily work, we also carry out low-carbon publicity and education from time to time. We not only enhance employees' awareness of environmental protection, but also inspire their potential in energy conservation and consumption reduction from every detail. During the Reporting Period, we organized a variety of relevant activities such as the Energy Conservation Publicity Week, "Carbon Neutralization" Theme Fireside Chat and ESG training for all employees. Through these vivid and interesting activities, we have laid a green foundation for our enterprise culture.



Xi'an Office: Energy conservation and consumption reduction tips in office areas



Chengdu Office: Posters on energy saving

Case: Energy Conservation Publicity Week Themed by AI Technology and

From June 13 to 19, 2022, SenseTime Carbon Neutral Development Research Center, together with the Administrative Service Department and YHD, held the Energy Conservation Publicity Week Themed by AI Technology and Carbon Neutralization. The activity consisted of two parts, both online and offline. The online part included award-winning guizzes on energy conservation and carbon reduction, and collection for ideas on low-carbon life, while the offline part included a variety of experiencing activities such as the Jenga on energy conservation, climate disasters drills, and classification on emission reduction behaviors.

The activity was warmly welcomed by employees of SenseTime. A total of 282 employees participated in the online guizzes for a total of 585 times. 58 employees participated in the collection for ideas on low-carbon life, and about 200 employees joined in the on-site interactions. In the joyful and fun atmosphere, all participants achieved a better understanding of energy-saving and low-carbon knowledge. At the same time, the activity also helped enhance the green culture within the Group.



Activity Site of "Jenga on Energy Conservation"

In early May 2022, we conducted a series of online "Fireside Chat" lectures to update employees with the latest trend of culture, art and environmental protection. Among them, the Fireside Chat on May 4 was themed by "Carbon Neutralization". By means of talk show, the director of SenseTime Carbon Neutral Development Research Center introduced the concept of carbon emission, the relationship between carbon emission and climate change, the definition of carbon neutrality, and what people can do for carbon reduction in their daily lives. Through such a meaningful and joyful activity, our employees not only gained a better understanding of the "dual-carbon" concept, but also raised awareness of environmental protection and energy conservation.





Online Page of "Award-winning Quizzes on Energy Conservation and Carbon Reduction"

Index 1: GRI Standards

Statement of use	SenseTime has reported the information cited in this GRI content in reference to the GRI Standards.	dex for the period 2022/1/1 - 2022/12/31 with
GRI 1 used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: Gener	al Disclosures 2021	
2-1	Organizational details	About SenseTime
2-2	Entities included in the organization's sustainability reporting	About this Report
2-3	Reporting period, frequency and contact point	About this Report
2-4	Restatements of information	5.2 Optimizing Resource Use
2-6	Activities, value chain and other business relationships	About SenseTime
2-7	Employees	3.1 Gathering Diverse Talents
2-9	Governance structure and composition	1.1 Corporate Governance
2-10	Nomination and selection of the highest Governance body	1.1 Corporate Governance
2-12	Role of the highest Governance body in overseeing the management of impacts	About this Report, 1.3 ESG Governance
2-13	Delegation of responsibility for managing impacts	1.3 ESG Governance
2-14	Role of the highest Governance body in sustainability reporting	About this Report, 1.3 ESG Governance
2-16	Communication of critical concerns	1.3 ESG Governance
2-22	Statement on sustainable development strategy	Message from the Chairman of the Group, 1.3 ESG Governance
2-24	Embedding policy commitments	1. Value Creation Driven by Integrity
2-25	Processes to remediate negative impacts	1.2 Practicing Business Ethics
2-26	Mechanisms for seeking advice and raising concerns	About this Report
2-27	Compliance with laws and regulations	1.2 Practicing Business Ethics
2-28	Membership associations	About SenseTime
2-29	Approach to stakeholder engagement	1.3 ESG Governance
GRI 3: Mater	ial Topics 2021	
3-1	Process to determine material topics	1.3 ESG Governance
3-2	List of material topics	1.3 ESG Governance
3-3	Management of material topics	1.3 ESG Governance

GRI STANDARD	DISCLOSURE	LOCATION
Economic		
GRI201: Eco	nomic Performance 2016	
201-2	Financial implications and other risks and opportunities due to climate change	5.3 Response to Climate Change
GRI 203: Ind	irect Economic Impacts 2016	
203-1	Infrastructure investments and services supported	Topic: A Smart Future Built on Mission; 2.5 Empowering Industrial Advancement
203-2	Significant indirect economic impacts	2.6 Cultivating Industry Talents
GRI 205: Ant	i-corruption 2016	
205-2	Communication and training about anti-corruption policies and procedures	1.2 Practicing Business Ethics
205-3	Confirmed incidents of corruption and actions taken	1.2 Practicing Business Ethics
Environmen	tal	
GRI 301: Mat	terials 2016	
301-1	Materials used by weight or volume	5.2 Optimizing Resource Use
GRI 302: Ene	rgy 2016	
302-1	Energy consumption within the organization	5.2 Optimizing Resource Use
302-3	Energy intensity	5.2 Optimizing Resource Use
302-4	Reduction of energy consumption	5.2 Optimizing Resource Use
302-5	Reductions in energy requirements of products and services	5.2 Optimizing Resource Use
GRI 303: Wa	ter and Effluents 2018	
303-1	Interactions with water as a shared resource	5.2 Optimizing Resource Use
303-2	Management of water discharge-related impacts	5.4 Emissions in Compliance with Standards
303-3	Water withdrawal	5.2 Optimizing Resource Use
303-4	Water discharge	5.4 Emissions in Compliance with Standard
GRI 305: Em	issions 2016	
305-1	Direct (Scope 1) GHG emissions	5.2 Optimizing Resource Use
305-2	Energy indirect (Scope 2) GHG emissions	5.2 Optimizing Resource Use
305-4	GHG emissions intensity	5.2 Optimizing Resource Use
305-5	Reduction of GHG emissions	5.2 Optimizing Resource Use
GRI 306: Wa	ste 2020	
306-1	Waste generation and significant waste-related impacts	5.4 Emissions in Compliance with Standard
306-2	Management of significant waste-related impacts	5.4 Emissions in Compliance with Standard
306-3	Waste generated	5.4 Emissions in Compliance with Standard
306-5	Waste directed to disposal	5.4 Emissions in Compliance with Standard
GRI 308: Sup	pplier Environmental Assessment 2016	
308-1	New suppliers that were screened using environmental criteria	2.3 Advancing Responsible Supply Chain

GRI STANDARD	DISCLOSURE	LOCATION
Social		
GRI 401: Em	ployment 2016	
401-1	New employee hires and employee turnover	3.1 Gathering Diverse Talents
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.2 Building a Happy Workplace
GRI 403: Oc	cupational Health and Safety 2018	
403-1	Occupational health and safety management system	3.2 Building a Happy Workplace
403-3	Occupational health services	3.2 Building a Happy Workplace
403-5	Worker training on occupational health and safety	3.2 Building a Happy Workplace
403-6	Promotion of worker health	3.2 Building a Happy Workplace
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.2 Building a Happy Workplace
403-9	Work-related injuries	3.2 Building a Happy Workplace
GRI 404: Tra	ining and Education 2016	
404-1	Average hours of training per year per employee	3.3 Empowering Employee Development
404-2	Programs for upgrading employee skills and transition assistance programs	3.3 Empowering Employee Development
404-3	Percentage of employees receiving regular performance and career development reviews	3.2 Building a Happy Workplace
GRI 405: Div	rersity and Equal Opportunity 2016	
405-1	Diversity of Governance bodies and employees	3.1 Gathering Diverse Talents
GRI 406: No	n-discrimination 2016	
406-1	Incidents of discrimination and corrective actions taken	3.1 Gathering Diverse Talents
GRI 413: Loo	cal Communities 2016	
413-1	Operations with local community engagement, impact assessments, and development programs	4.1 Devoting to Charity and Public Welfare
GRI 414: Suj	oplier Social Assessment 2016	
414-1	New suppliers that were screened using social criteria	2.3 Advancing Responsible Supply Chain
GRI 416: Cu	stomer Health and Safety 2016	
416-1	Assessment of the health and safety impacts of product and service categories	2.2 Creating Reliable Products
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	2.2 Creating Reliable Products
GRI 417: Ma	rketing and Labeling 2016	
417-1	Requirements for product and service information and labeling	2.2 Creating Reliable Products
417-2	Incidents of non-compliance concerning product and service information and labeling	2.2 Creating Reliable Products
GRI 418: Cu	stomer Privacy 2016	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	1.4 Strengthening Information Security

Index 2: HKEX ESG Reporting Guide

Aspect	Index No.	Indicators	Location	
Environmental				
Aspect A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	5.2 Optimizing Resource Use 5.4 Emissions in Compliance with Standards	
	A1.1	The types of emissions and respective emissions data.	5.4 Emissions in Compliance wit Standards	
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	5.2 Optimizing Resource Use	
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	We barely produce any hazardous waste in our daily operations, so A1.3 doesn't appl	
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	5.4 Emissions in Compliance wit Standards	
	A1.5	Description of emission target(s) set and steps taken to achieve them.	5.1 Focusing on Net Zero Emissions	
	A1.6	Description of how hazardous and nonhazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	5.4 Emissions in Compliance wit Standards	
Aspect A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	5.2 Optimizing Resource Use	
nesources	A2.1	Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	5.2 Optimizing Resource Use	
	A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	5.2 Optimizing Resource Use	
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	5.2 Optimizing Resource Use	
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	5.2 Optimizing Resource Use	
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	5.2 Optimizing Resource Use	
Aspect A3: The Environment and Natural	General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	5.2 Optimizing Resource Use 5.4 Emissions in Compliance wit Standards	
Resources	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	5.2 Optimizing Resource Use 5.4 Emissions in Compliance wit Standards	

Aspect	Index No.	Indicators	Location
Environmental			
Aspect A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate- related issues which have impacted, and those which may impact, the issuer.	5.3 Response to Climate Change
-	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	5.3 Response to Climate Change
Social			
Aspect B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti- discrimination, and other benefits and welfare.	3.1 Gathering Diverse Talents 3.2 Building a Happy Workplace
-	B1.1	Total workforce by gender, employment type, age group and geographical region.	3.1 Gathering Diverse Talents
-	B1.2	Employee turnover rate by gender, age group and geographical region.	3.1 Gathering Diverse Talents
Aspect B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	3.2 Building a Happy Workplace
-	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	3.2 Building a Happy Workplace
-	B2.2	Lost days due to work injury.	3.2 Building a Happy Workplace
-	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	3.2 Building a Happy Workplace
Aspect B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	3.3 Empowering Employee Development
and fraining -	B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	3.3 Empowering Employee Development
	B3.2	The average training hours completed per employee by gender and employee category.	3.2 Empowering Employee Development
Aspect B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	3.2 Building a Happy Workplace
-	B4.1	Description of measures to review employment practices to avoid child and forced labor.	3.2 Building a Happy Workplace
	B4.2	Description of steps taken to eliminate such practices when discovered.	3.2 Building a Happy Workplace

Aspect	Index No.	Indicators	Location	
Social				
Aspect B5: Supply Chain	General Disclosure	Policies on managing environmental and social risks of the supply chain.	2.3 Advancing Responsible Supply Chain	
Management	B5.1	Number of suppliers by geographical region.	2.3 Advancing Responsible Supply Chain	
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	2.3 Advancing Responsible Supply Chain	
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	2.3 Advancing Responsible Supply Chain	
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	2.3 Advancing Responsible Supply Chain	
Aspect B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	2.2 Creating Reliable Products	
-	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	2.2 Creating Reliable Products	
	B6.2	Number of products and service related complaints received and how they are dealt with.	2.4 Optimizing Customer Servic	
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.1 Leading Technology Innovation	
	B6.4	Description of quality assurance process and recall procedures.	2.2 Creating Reliable Products 2.4 Optimizing Customer Servic	
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	1.4 Strengthening Information Security 2.2 Creating Reliable Products	
Aspect B7: Anti- corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	1.2 Practicing Business Ethics	
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	1.2 Practicing Business Ethics	
-	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	1.2 Practicing Business Ethics	
-	B7.3	Description of anti-corruption training provided to directors and staff.	1.2 Practicing Business Ethics	
Aspect B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	4.1 Devoting to Charity and Public Welfare	
-	B8.1	Focus areas of contribution (e.g., education, environmental concerns, labor needs, health, culture, sport).	4.1 Devoting to Charity and Public Welfare 4.2 Caring for Vulnerable Group	
	B8.2	Resources contributed (e.g., money or time) to the focus area.	4.1 Devoting to Charity and Public Welfare	

Feedback from Readers

Thank you for reading the *SenseTime 2022 Sustainability Report*. We sincerely invite you to give your comments and suggestions on this report to help us better communicate valuable information to stakeholders and improve our ESG management.

You can fill in the feedback form and give it back to us via:

E-mail: csr@sensetime.com; ir@sensetime.com

Address: No. 1900 Hongmei Road, Xuhui District, Shanghai, China Postcode: 200233

1. How will you rate the report?

 \Box Very Good \Box Good \Box Average \Box Bad \Box Very Bad

2. How will you rate the social and environmental performance of SenseTime?

Social performance	Very Good	Good Good	Average	🗆 Bad	Very Bad
Environmental performance	Uery Good	Good	Average	Bad	Very Bad

3. Do you think this report reflects the impact of the social practice of SenseTime on society and the environment?

□ Truly reflect □ Well reflect □ generally reflect □ Not reflect so well □ Can't reflect

4. What do you think of the clarity, accuracy and completeness of the information, data and indicators disclosed in this report?

Clarity	Very Good	Good	Average	Bad	Very Bad
Accuracy	□ Very Good	\Box Good	Average	Bad	Very Bad
Completeness	□ Very Good	□ Good	Average	Bad	Very Bad

5. Do you think the structure and layout of this report help you to read?

□ Yes □ Average □ No

6. What are your other comments and suggestions on SenseTime and this report: