

NetEase 2024

Environmental, Social and
Governance Report

Contents

About This Report	02	01 Responsible Governance	06	02 Reliable Products and Services	14
About NetEase	03	Board Governance	07	Cyber and Information Security	15
ESG Highlights	04	Risk Management	08	Privacy and Data Security	18
ESG Strategy	05	Business Ethics	10	Protection of Minors	20
				Product Assurance	22
				Product Innovation	25
				Intellectual Property Rights Protection	29
				Supply Chain Management	31
				Customer Services	34
Appendix	63	03 Empowering Excellence	35	04 Community Development	46
Appendix 1: United Nations Sustainable Development Goals (UN SDGs)	63	Talent Attraction	36	Industry Engagement	47
Appendix 2: Selected Standards in SASB Index for the Internet Media & Services Industry	64	Talent Development	39	Philanthropy	48
Appendix 3: The HKEX ESG Reporting Code Applicable to the Reporting Period	65	Talent Care	43		
Appendix 4: Climate Change Risk List	68			05 Green Concept	51
Appendix 5: NetEase's Environmental Performance	70			Climate Change	52
Appendix 6: Material ESG Issues	71			Green Operations	55
Appendix 7: Disclaimer	72			Sustainable Innovation	61
Send Us Your Opinion	73				



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

About This Report

Introduction

At NetEase, we harness technological innovation to craft high-quality products and services that elevate experiences across entertainment, education, and consumer goods. Since our inception, we've remained steadfast in honoring commitments to users, employees, society, and all stakeholders—fostering meaningful partnerships and embedding sustainability into the fabric of our strategy and daily practices. Through responsible operation, we pursue enduring growth that benefits both our business and the communities we serve. This report reflects our dedication to transparency, offering stakeholders a window into our ESG progress and our ongoing journey to advance social and environmental impact through purpose-driven actions.

In this report, "NetEase", "the Company" and "we" refer to NetEase, Inc. and its subsidiaries and controlled entities.

Reporting Scope

This is our sixth ESG Report. This report provides a comprehensive description of our efforts and initiatives in 2024 (referred to as the "reporting period" in this report), as well as certain information pertaining to activities in 2025 and prior to 2024.

Reporting Guidelines

We prepared this report with reference to SASB Standards, the NASDAQ ESG Reporting Guide 2.0, the Environmental, Social and Governance Reporting Code issued by the Stock Exchange of Hong Kong Limited ("HKEX") applicable to the reporting period, the International Financial Reporting Standards S2 ("IFRS S2") Climate-related Disclosures, and the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We also considered topics and best practices identified by leading rating agencies, including MSCI, S&P Global Corporate Sustainability Assessment (CSA), and Sustainalytics, and with reference to the United Nations' Sustainable Development Goals (UN SDGs). Furthermore, in light of our stakeholders' and sustainability experts' advice, we took into consideration our current business practices and objectives in fulfilling our social responsibilities.

We prepared this report in accordance with an established process, which includes identifying key ESG issues, determining reporting boundaries and gathering information. The information in this report is primarily collected from our statistical reports and related documents.

Access and Feedback

This report is available in Simplified Chinese and English versions for readers' reference. We highly appreciate comments of all stakeholders and warmly welcome readers to reach out to us through the "Opinions and Feedback" Form at the end of this report. Your valuable comments will greatly contribute to improving the performance of our sustainability and governance.

Contact Information

Investor Relations

Email: ir@service.netease.com

Tel: (+86) 571-8985-3378



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

About NetEase

NetEase, Inc. (NASDAQ: NTES and HKEX: 9999) is a leading internet and game services provider centered around premium content. With extensive offerings across its expanding gaming ecosystem, the Company develops and operates some of the most popular and longest running mobile and PC games available in China and globally.

Powered by one of the largest in-house game R&D teams focused on mobile, PC and console, NetEase creates superior gaming experiences, inspires players, and passionately delivers value for its thriving community worldwide. By infusing play with culture, and education with technology, NetEase transforms gaming into a meaningful vehicle to build a more entertaining and enlightened world.

Beyond games, NetEase service offerings include its majority-controlled subsidiaries Youdao (NYSE: DAO), an intelligent learning and advertising solutions provider, and NetEase Cloud Music (HKEX: 9899), a well-known online music platform featuring a vibrant content community, as well as Yanxuan, NetEase's private label consumer lifestyle brand.

For more information, please visit: <http://ir.netease.com/>.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

2024 ESG Highlights

Our Recognitions

MSCI ESG Ratings

AA¹

According to MSCI's evaluation, we are a "leader" among 232 companies² in the global media & entertainment industry

S&P Global ESG Score

52³

Our 2024 score⁴ far surpasses industry average and ranks within the **top 3% of sector peers**

We are **once again included in the S&P Global Sustainability Yearbook** in 2025

Sustainalytics Ratings

15.9⁵

We have been rated as a **low-risk** company by Sustainalytics for **6 consecutive years**

Our Progresses

Environmental E

GHG emissions intensity

2.56 tCO₂e per million RMB of revenue,

representing a sustained decline over two consecutive years

Continued to enhance **smart energy management** across multiple office campuses, driving innovation in energy efficiency and carbon reduction

Ongoing incorporation of **clean energy, expanding photovoltaic installations** to accelerate clean energy adoption



Achieved **an annual average PUE of 1.179** at our Gui'an data center,

outperforming its **design target of 1.20**

Enhancing **climate change awareness and response**

Streamlining **climate risk management processes**

Tracking **decarbonization progress** on an ongoing basis

Obtained **ISO 14001 certification** for certain business operations, reinforcing environmental management systems



Social S

Included in **Forbes World's Best Employers 2024**

Included in **TIME's World's Best Companies of 2024**



Leveraged AI to drive innovation across **games, music, and education** sectors; Enabled digital transformation in traditional industries

Promoted **AI-powered minor protection system**, empowering more effective and innovative anti-addiction measures for minors

Obtained multiple international certifications, including **ISO 27001, ISO 27701, and ISO 9001**, to enhance data security and promote high standards of product quality

Our philanthropic initiatives: Provided **free lunch for 91 rural schools**; Supported **rehabilitation for hundreds of hearing-impaired and speech-disabled individuals**; Supported **over 30,000 students in remote areas in accessing quality educational resources**



Governance G

High proportion of independent and female directors

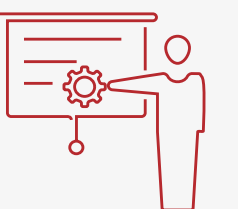
Refining **policies and practices** in key areas such as **ESG governance, business ethics, and information security**

Incorporated ESG issues like **Information security of suppliers management** and **climate change** into risk perception

Conducted **specialized audits on information security, anti-money laundering and anti-terrorist financing**

Fostering a culture of integrity with **compliance training coverage at**

100%



¹ Updated in October 2024

² As of the publishing date of this report

³ Updated in September

⁴ Referring to the scores of S&P Global Corporate Sustainability Assessment

⁵ Updated in March 2025

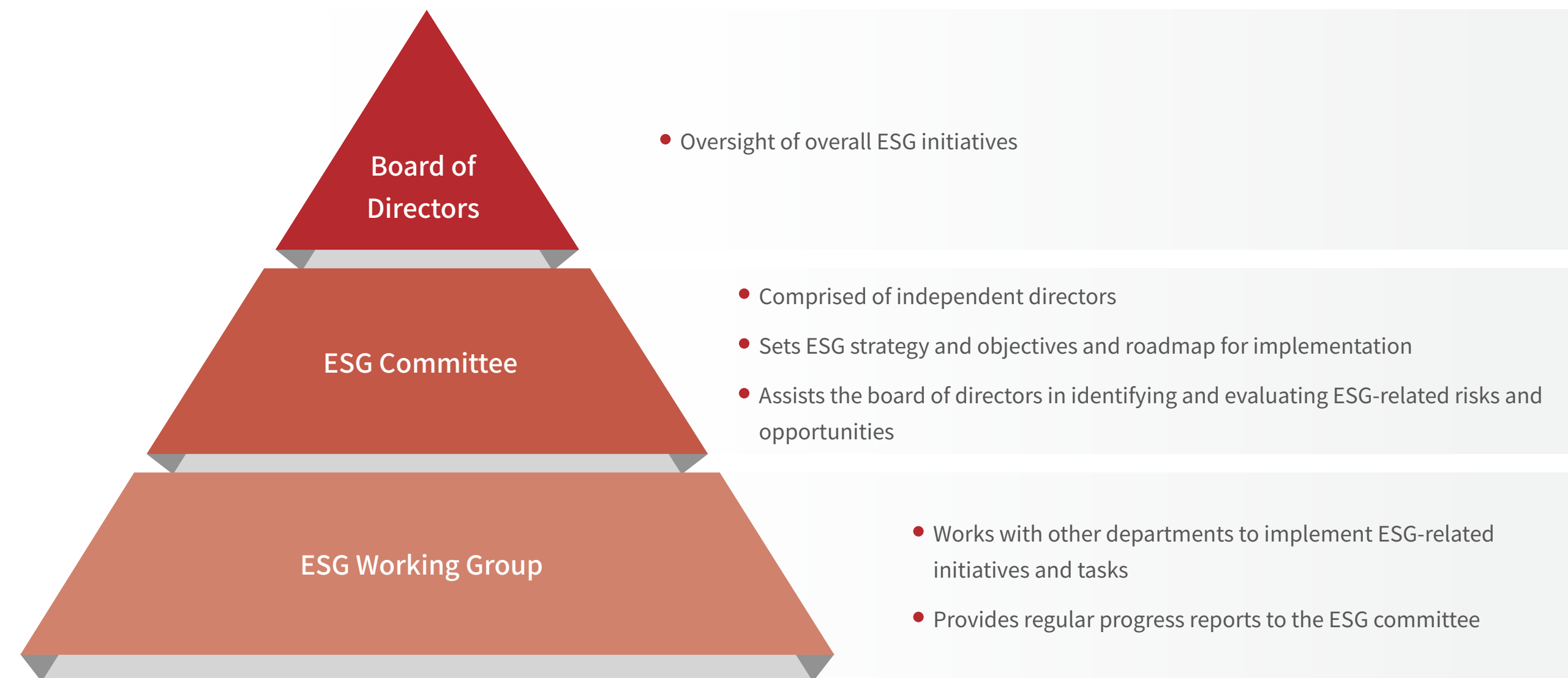


ESG Strategy

With a commitment to sustainable operations, we place great importance on responsible governance, recognizing it as a fundamental pillar that supports our enduring commitment to sustainability and responsible business practices. By aligning our ESG strategy with our business goals, we strive to promote long-term economic success and contribute to societal well-being. We are committed to continuously improving our governance framework and management practices to deliver enduring value for all stakeholders in our efforts towards sustainable development.

Our Governance Structure

We have established a three-tier governance structure. The board of directors functions as the highest level of supervision, responsible for overseeing our overall ESG initiatives and reviewing their progress. The ESG committee of the board is dedicated to planning ESG strategy and objectives. In turn, the committee supervises the ESG working group, which comprises certain staff members from different departments such as business operations, investor relations, human resources, and legal, among others, and is tasked with coordinating internal and external departments and resources to implement specific tasks.



ESG Governance Structure

Our Vision

In conjunction with our strong focus on critical areas such as governance, product quality, talent development, community care, and environmental protection, we have embedded sustainability governance into our corporate strategy to empower sustainable business development. We prioritize the development of a dynamic governance system, which we consider essential for identifying risks and opportunities within our operations. This approach enables us to achieve our ESG objectives and establish a robust framework for long-term, resilient value creation.





01

Responsible Governance

At NetEase, we consider principled governance and an unwavering commitment to ethics the bedrock of sustainable success. Our operations are anchored in a professional, multi-dimensional governance framework, strengthened by a robust risk management ecosystem, comprehensive internal controls, and layered audit mechanisms. Together, these systems are designed to ensure accountability, agility, and alignment with our long-term vision.

- Board Governance
- Risk Management
- Business Ethics

United Nations Sustainable Development Goals (UN SDGs)



About This Report

About NetEase

ESG Highlights

ESG Strategy

01 Responsible Governance

Board Governance

Risk Management

Business Ethics

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

Board Governance

An effective and systematic approach to board governance is vital for the sustainable development of an organization. We are dedicated to maintaining and continually enhancing a strong governance framework by implementing a clear structure and fostering diversity and professionalism among our directors. This commitment ensures the stable and long-term success of the Company.

Our board of directors has four committees: the audit committee, compensation committee, nomination committee, and ESG committee. These committees operate in alignment with their defined responsibilities outlined in their charters and provide oversight of the Company's governance, ensuring that the directors effectively support the Company in making decisions conducive to long-term success.

The director nomination process is guided by the principles of professionalism and diversity. It takes into account a wide array of factors, including but not limited to gender, background, competencies, and industry experience. Our board members bring substantial expertise and experience from various sectors such as telecommunications, finance, auditing, business management, and social sciences. This diverse expertise fosters innovative and adaptable governance, providing a well-rounded perspective essential for the Company's ongoing sustainable development. As of the end of the reporting period, the board consisted of five directors, including four independent directors, with 40% of the directors being female.

We prioritize professionalism and independence as essential elements of board governance. The nomination committee is comprised solely of "independent directors" as defined in the Nasdaq listing rules and the Listing Rules of The Stock Exchange of Hong Kong Limited, and evaluates director performance, industry expertise, and other factors to ensure a balance between governance continuity and the adoption of evolving best practices. During the reporting period, the board conducted a review and renominated long-serving independent directors based on their proven strategic insights and consistent contributions to the Company. These directors participate in specialized training programs, such as those focused on ESG governance and regulatory compliance, to ensure their decision-making is aligned with the changing dynamics of the market. The proposals received a high level of approval from shareholders at the Annual General Meeting in 2024, reflecting strong confidence in the board's effectiveness among investors.

The Role of our Board of Directors

The board of directors functions as the highest level of supervision, responsible for overseeing the Company's ESG strategies and initiatives. The board regularly reviews the progress toward our ESG goals to ensure that these objectives remain aligned with the Company's business strategy. The board has set up an ESG committee responsible for formulating strategies and objectives and assisting the board in identifying and assessing related ESG risks and opportunities.

The board also oversees materiality assessments and the prioritization of material ESG issues. This process includes the identification and assessment of material ESG issues and evaluations of the results, along with an analysis of related policies and industry trends. Additionally, the board pays close attention to material ESG issues and their potential impact on the Company's business. It supervises the identification and management of related ESG risks in an effort to mitigate risks that may affect the sustainable development of the Company. During the reporting period, the board was regularly briefed on issues that are regarded as material ESG issues and provided recommendations, including but not limited to business ethics and cybersecurity, among others.

Position	Name	Gender	Educational Background	Expertise		
				Industry Experience	Risk Management	Financial Management
CEO/ Founder/ Director	William Lei Ding (丁磊)	Male	Bachelor of Science degree in Communication Technology	✓	✓	
Independent Director	Grace Hui Tang (唐徽)	Female	Bachelor of Science degree in Accounting, MBA	✓	✓	✓
Independent Director	Alice Yu-Fen Cheng (郑玉芬)	Female	Bachelor of Accounting, MBA	✓	✓	✓
Independent Director	Joseph Tze Kay Tong (唐子期)	Male	Bachelor of Social Science degree with honors in Accounting and Statistics	✓	✓	✓
Independent Director	Michael Man Kit Leung (梁民杰)	Male	Bachelor's degree in Social Science	✓	✓	✓



About This Report

About NetEase

ESG Highlights

ESG Strategy

01 Responsible Governance

Board Governance

Risk Management

Business Ethics

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

Risk Management

A robust risk management framework is fundamental to sustainable growth. We embed risk controls into our daily operations, enabling accurate identification and mitigation of emerging threats through cross-functional audits that strengthen corporate resilience.



Risk Management Framework

To help ensure the effectiveness of risk management and internal controls, we have established a risk management framework implemented through our various business units, as well as our internal control department and internal audit department.

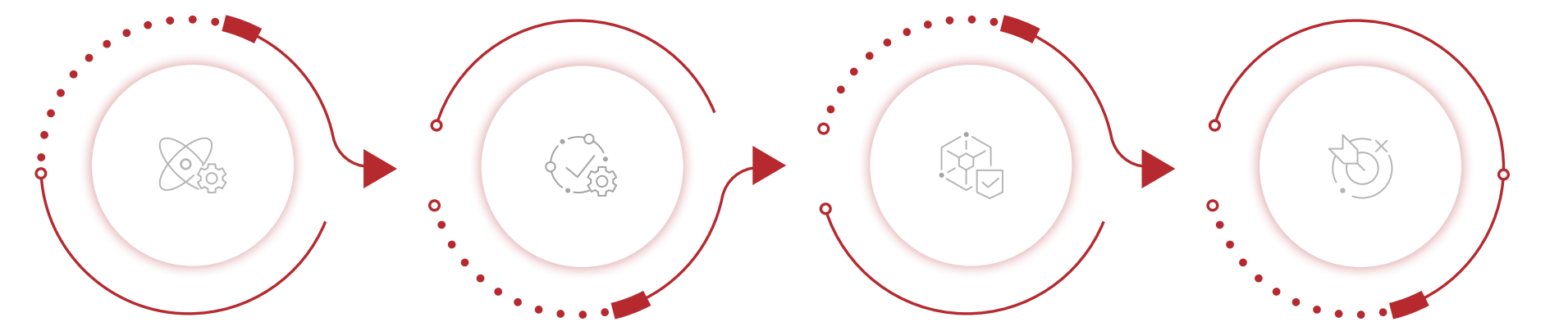
The audit committee of our board of directors oversees the operation of the risk management framework and provides guidance on risk-related decisions through quarterly reviews. Business units directly implement our risk control measures and promptly report any risks identified during their daily operations. Our internal control department and internal audit department monitor operations continuously through digital management systems while promptly investigating and mitigating potential risks.

Risk Control Process

We consistently conduct risk assessments to proactively identify and manage potential risks. ESG risks are incorporated into our standard risk identification and control checklists, establishing a standardized mechanism that underpins our ESG strategy.

We improve our risk identification and control process by incorporating insights from management interviews and routine analyses from business units. Our internal control and audit teams periodically consolidate risk assessment results from business units into a comprehensive risk list and develop corresponding action plans. The internal audit department submits quarterly reports to the audit committee, establishing a sustainable risk governance framework with closed-loop accountability.

Moreover, we place a strong emphasis on raising ESG risk awareness within the Company. ESG-related topics are highlighted during management interviews and business team discussions. We regularly assess ESG risks in key areas and implement necessary mitigation measures to preemptively address these risks, ensuring a seamless integration of ESG risk management into our everyday practices.



Status Review

- Engage in management interviews and routine communications to identify risks, including ESG risks

Analysis and Assessment

- Evaluate business risks and prevention/mitigation measures in each business unit/dept

Risk Identification

- Collect risk assessment results from business units/depts, followed by prevention/mitigation measures, and identify residual risks

Risk Mitigation

- Prepare a risk list based on comprehensive analysis and submit it to management to formulate risk response plans

Risk Identification and Assessment Process

About This Report

About NetEase

ESG Highlights

ESG Strategy

01 Responsible Governance

Board Governance

Risk Management

Business Ethics

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

All-Around Audits

Every year, our internal audit department develops and implements an audit plan that applies to all operational locations in compliance with applicable laws and regulations and with reference to international standards, the Company's risk assessment results, and management views. We also engage external audit teams to independently review our control processes, which are designed to ensure the comprehensiveness of our evaluation and reinforcing our risk prevention capabilities.

In 2024, we focused on specialized audits in information security, anti-money laundering and anti-terrorist financing to further enhance related systems. We also conducted an audit of our procurement processes to strengthen our ability to monitor risks before and during transactions and improve fraud prevention measures. To mitigate the risk of corruption and bribery, we conducted regular business ethics reviews of internal processes, policies, and management systems across our operation sites and performed dedicated audits of travel expenses to detect potential violations. Furthermore, we organize regular external audits every year to further assess the comprehensiveness and rigor of our management systems, enabling prompt implementation of risk control measures and continuous enhancement of our risk resilience.

Information Security Audit for Contractors

- We conducted an audit of certain of our contractors' information security management systems by utilizing a self-designed risk assessment map. This audit evaluated compliance and effectiveness across various aspects, including human resource security, physical security, and account security, to ensure the protection of our information security.

Anti-Money Laundering and Anti-Terrorist Financing Audit

- Guided by the latest legal and regulatory requirements, we conducted regular audits on anti-money laundering and anti-terrorist financing risk assessments to enhance the related systems and strengthen our capacity to respond to potential risks in these areas. These audits evaluated the compliance and effectiveness of our anti-money laundering and anti-terrorist policies and measures from the perspective of our overall framework, customer identification procedures, and ongoing transaction monitoring.

Examples of Our Audit Work in 2024



About This Report

About NetEase

ESG Highlights

ESG Strategy

01 Responsible Governance

Board Governance

Risk Management

Business Ethics

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

Business Ethics

We are committed to upholding the value of integrity and compliance and proactively cultivate ethical practices. We have built a robust governance framework anchored in our Code of Business Conduct, which offers clear and actionable guidance for all employees and partners. We continue to promote a culture of integrity, communicating our integrity values to all stakeholders and put in place whistleblower protection systems to foster a positive and transparent business environment.



Business Ethics System

We have established a standardized and independent business ethics governance structure, together with comprehensive and clear policies to provide effective guidance for integrity and compliance management and promote honest business practices within the Company.

Ethics Management Framework

We created a three-tier business ethics and compliance framework. The audit committee is responsible for overseeing the Company's overall compliance and business ethics efforts. The ethics & compliance committee, as the executive body, coordinates with our ethics & compliance committee offices in China and overseas markets to supervise the Company's business conduct.



Three-tier Ethics Management Framework

Business Ethics Policies

With our Code of Business Conduct as the foundation, we have implemented supporting procedures and guidelines to set clear business conduct standards for all our employees and partners, such as a professional ethics and integrity standard, conflict of interest guidance, gift and hospitality policies, and whistleblowing policies. During the reporting period, we refreshed our control measures to reinforce our prohibitions against various types of misconduct, including seeking improper personal benefits, breaching confidentiality obligations, and engaging in conflicts of interest, embezzlement, fraud, and illegal activities. We also revamped our integrity and ethics policies based on past experience to further enhance the policies' comprehensiveness, practical applicability and effectiveness in mitigating business ethics related risk.



About This Report

About NetEase

ESG Highlights

ESG Strategy

01 Responsible Governance

Board Governance

Risk Management

Business Ethics

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix



Culture of Integrity

Alongside our business ethics policies, we also provide training for all of our employees and business partners to ensure an in-depth understanding of our ethics standards. Our integrity training programs cover different forms, perspectives, and segments, with the aim of creating an honest and principled corporate atmosphere.

We continuously strengthen the integrity awareness of our board, management, and employees (including contractors and part-time employees). We provide offline training, online learning platforms, case studies, and compliance certification courses to raise awareness of our standards and requirements. Among these, 100% of our full-time employees took part in our ethics and compliance training courses, which are directly linked to their performance assessment and compensation. We also require all of our employees to sign an integrity pledge or similar certification outlining the Company's standards for business ethics. As of the end of the reporting period, 100% of our full-time employees had signed such integrity pledge or similar certification.

100%

full-time employees took part in ethics and compliance training courses

Integrity Education for Managers

- We invite senior executives across various business units to highlight the impact of prohibited behaviors and encourage them to lead by example, promoting a culture of integrity.
- During the reporting period, nearly 40 offline integrity training sessions were held for the management team. We also encouraged managers to organize internal integrity training activities within their teams to further promote and broaden integrity awareness.

Nearly 40

offline integrity training sessions were held for the management team

All-staff Training

- We continue to promote a culture of integrity and compliance across all levels, encouraging every employee to reflect on and practice our integrity standards. We are constantly innovating our integrity training methods by consolidating case studies and adopting more intuitive approaches to guide employees in adhering to daily behavioral norms in key areas, thereby enhancing the effectiveness of our integrity education.
- Our efforts to build a culture of integrity extend to our global operations. For instance, we collaborated with third-party professionals to develop e-learning modules for business ethics and compliance training, which all overseas employees must complete during onboarding. Additionally, we organized multiple on-site training sessions on business ethics, including anti-corruption, anti-fraud, conflicts of interest, and whistleblowing, to ensure employees quickly understand our integrity and compliance requirements.

Assessment for Contractors & Part-time Employees

- To extend our compliance and integrity standards to contractors and part-time employees, we established the NetEase Compliance Academy, a self-learning platform for compliance training in China. We require them to complete the professional ethics training independently. As of the end of the reporting period, over 1,000 contractors and part-time employees had earned their integrity learning certification.
- For contractors, we provide targeted training and testing materials based on business needs, along with a mandatory internal integrity test. Part-time employees are required to complete a compulsory online ethics course and demonstrate their understanding of our integrity and compliance standards.

About This Report

About NetEase

ESG Highlights

ESG Strategy

01 Responsible Governance

Board Governance

Risk Management

Business Ethics

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

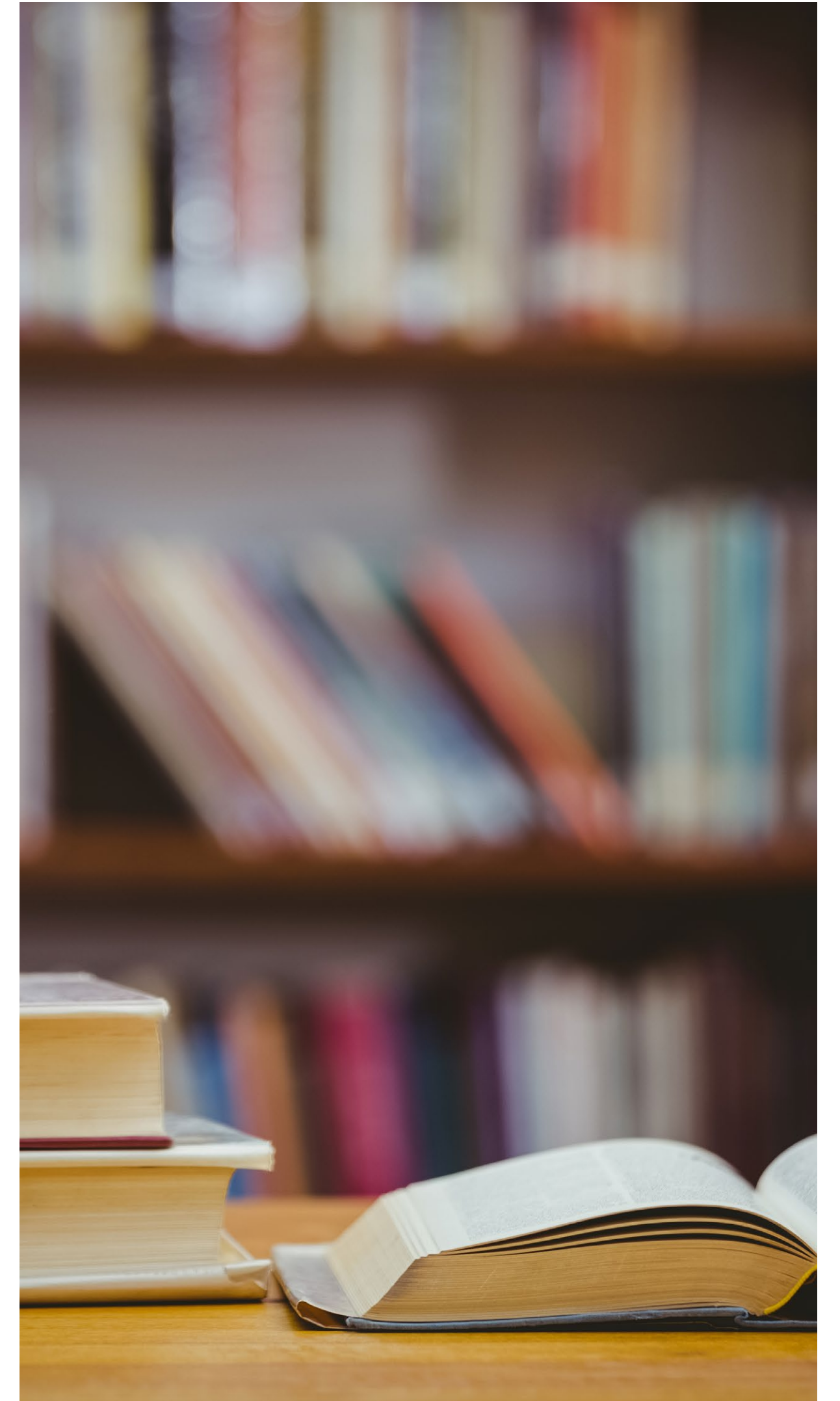
Appendix

We are committed to building a transparent supply chain and have established a procurement compliance committee to strengthen the integrity management of our suppliers throughout the procurement process. We have also standardized our supplier integrity training to effectively communicate our integrity requirements.

Supplier Integrity Training

- During the reporting period, we established a new procurement compliance committee to promote a culture of integrity and compliance within the procurement process. This initiative significantly enhanced and standardized our supplier integrity education efforts.
- We implemented a new supplier integrity training system, requiring all suppliers in China to sign a Code of Conduct for Business Partners and enforce our integrity standards throughout the bidding and collaboration process.
- We regularly organize offline group learning sessions on the Code of Conduct for Business Partners, where suppliers engage in face-to-face discussions of case studies on corrupt practices and associated risks, deepening their understanding of integrity in procurement. Follow-up surveys are conducted to assess their awareness after training.
- We also offer compliance certification programs for our procurement staff. These mandatory courses on professional ethics also require staff to sign our integrity pledge and pass certification exams before engaging in procurement activities.

We remain committed to anti-corruption as a cornerstone of corporate governance, focusing on establishing a transparent and institutionalized anti-fraud management framework. During the reporting period, we enhanced internal controls, implemented regular compliance training for all employees, and conducted routine third-party audits to continuously strengthen our risk prevention capabilities. We uphold a zero-tolerance policy toward any form of corruption and continue to reinforce ethical operations through institutional refinement and awareness training, safeguarding the integrity of our business practices to foster a more trustworthy ecosystem for stakeholders.



About This Report

About NetEase

ESG Highlights

ESG Strategy

01 Responsible Governance

Board Governance

Risk Management

Business Ethics

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

Protections for Whistleblowers

We maintain a zero-tolerance policy toward business ethics violations and have established multiple reporting channels with clear reporting processes to protect the rights of whistleblowers.

These channels include online reporting portals, hotlines, and dedicated email addresses. We encourage all employees, business partners, and the public to report any violations. As part of our integrity education efforts, we actively promote these channels to ensure employees are aware of and familiar with the reporting methods and processes, thereby enhancing accessibility.

We have standardized processes for the handling of internal corporate investigations that ensure confidentiality and independence. Our ethics & compliance committee offices conduct independent investigations into reported cases, timely deliver findings and issue corrective actions to address identified risks. In particular, we use the insights gained from our investigations to further optimize procedural safeguards, close any identified loopholes and create more targeted compliance awareness initiatives. When misconduct is substantiated, appropriate disciplinary measures are imposed and further legal action may be pursued depending on the severity of the violation.

We have established a whistleblower protection system that supports anonymous reporting and ensures strict confidentiality, prevents retaliation and safeguards the rights of whistleblowers.



- Protections for Whistleblowers**
- Whistleblowers can report anonymously to protect their identity
 - Investigators are required to sign a confidentiality agreement, which explicitly prohibits the disclosure of any relevant information
 - Access to whistleblower complaints is restricted to a limited group of personnel, including the designated investigator and the department head





02

Reliable Products and Services

We are steadfast in our commitment to pursuing sustainable development through the innovative and responsible application of technology. We implement a multi-layered cybersecurity framework, rigorously enforce full lifecycle privacy and data protections, and maintain robust safeguards for minors' online protection. By driving product and service excellence through stringent standards, we accelerate proprietary innovation and intellectual property commercialization to deliver secure, trusted user experiences. Moreover, through sustainable supply chain governance and a refined service ecosystem, we harmonize business goals with social responsibility – setting new benchmarks for security, quality, and innovation in the digital era.

- Cyber and Information Security
- Privacy and Data Security
- Protection of Minors
- Product Assurance
- Product Innovation
- Intellectual Property Rights Protection
- Supply Chain Management
- Customer Service

United Nations Sustainable Development Goals (UN SDGs)



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 **Reliable Products and Services**

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



Cyber and Information Security

We are dedicated to building and continuously strengthening a robust cybersecurity and information security management framework, fortifying our defenses through proactive safeguards. By focusing on advancing our capabilities in cybersecurity governance, we aim to establish resilient safeguards against digital-age risks, laying a robust foundation for stable business operations and fostering a secure, trustworthy commercial ecosystem. These efforts not only protect critical assets but also empower sustainable growth, ensuring our stakeholders thrive in an increasingly interconnected world.



Cyber and Information Security Governance

Our board of directors considers cybersecurity risk as part of its risk oversight function and has also designated the audit committee to oversee cybersecurity and other information security risks. The audit committee reviews our cybersecurity management and strategy periodically and receives regular reports from the management on our cybersecurity risks. In addition, our management updates the audit committee, where it deems appropriate, regarding cybersecurity incidents it considers to be significant.

At the management level, we have established an information security committee that is responsible for implementing a global information security program which is aligned with our strategy, establishing and promoting the corresponding policies and procedures, and, as necessary, assisting in ensuring adequate and timely disclosure of information security incidents and certain threats to our company's management and board of directors, in accordance with our information security incident management policy.

Our information security committee is comprised of members of senior management and senior personnel, including our chief executive officer, the head of our information security office, and other members of management, leaders of business units and the legal, IT and other departments. The head of our information security office, who reports to our chief executive officer and leads our cybersecurity efforts, has over 15 years of experience in information technology and cybersecurity, with a career that includes various cybersecurity roles at several technology companies.

Our information security committee reports to the audit committee on the state of information security risks on periodic basis, as well as on an as-needed basis in the case of information security incidents it deems significant.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 Reliable Products and Services

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



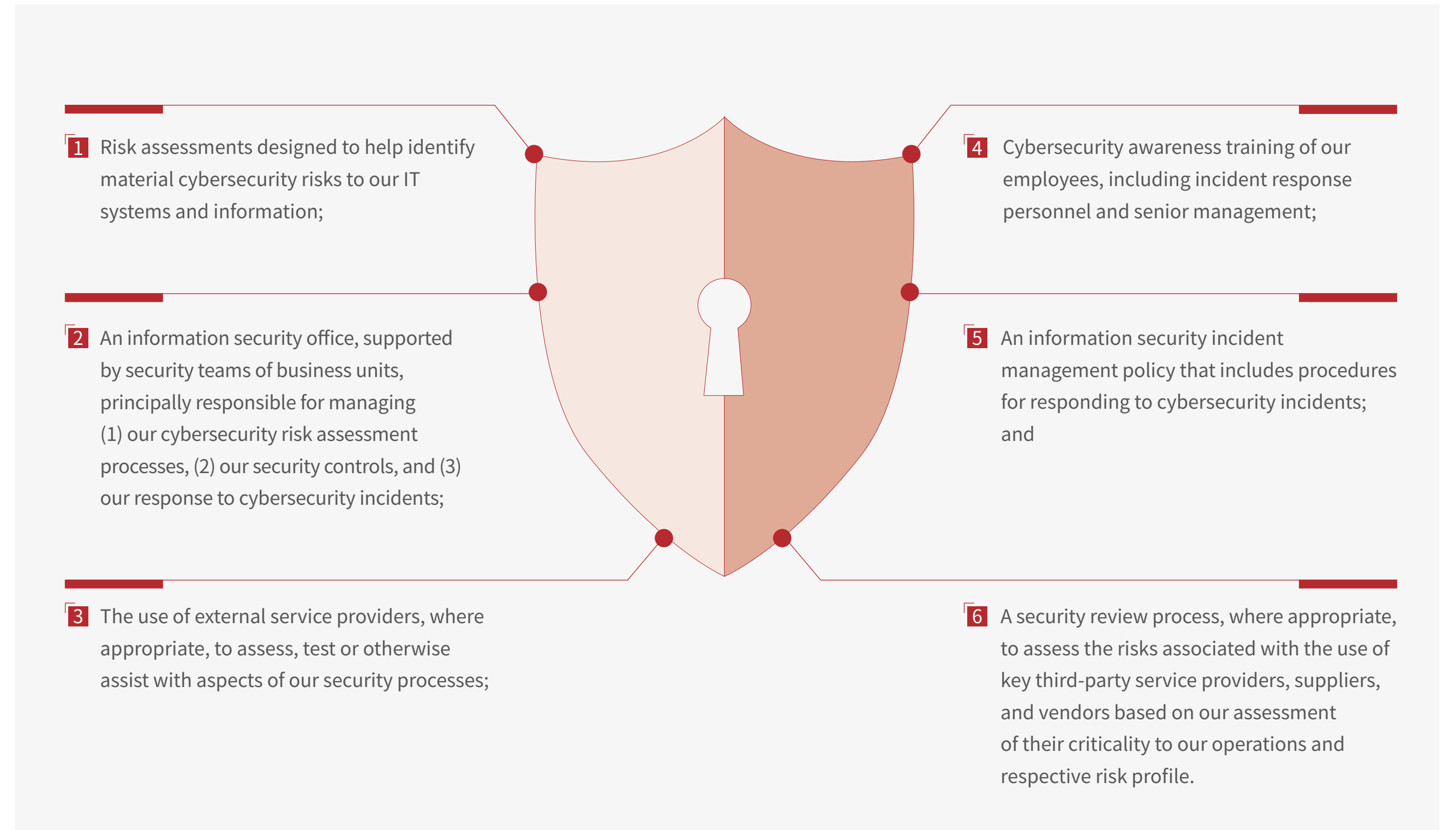
Cyber and Information Security Management Practices

NetEase continues to work to advance our cybersecurity compliance efforts by regularly monitoring and evaluating security risks, while strengthening our resilience through our security protection system. We proactively promote information security awareness among our employees and verify the effectiveness of our management systems through audits and certifications.

Cybersecurity Risk Management

As part of our cybersecurity compliance management, we monitor changes in related laws and regulations, proactively identifying and addressing potential risks through continuous improvements to our policies and procedures. During the reporting period, we updated several key governance documents, including the guidelines for our information security committee, incident management protocols and "Employee Information Security Policy." These updates in turn further optimized our management systems and incident response processes, while strengthening our security standards and disciplinary measures for violations, in order to promote compliance throughout the entire process.

We have developed and implemented a cybersecurity risk management program designed to protect the confidentiality, integrity, and availability of our critical systems and information. Our cybersecurity risk management program is integrated into our overall enterprise risk management program and shares common methodologies, reporting channels and governance processes that apply across the risk management program to other risk areas. Key elements of our cybersecurity risk management program include the following:



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 Reliable Products and Services

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



Cybersecurity Emergency Response

We established a clear and standardized emergency response process for cybersecurity incidents. In the event of a security breach, the information security office (the "Office") will quickly assemble a response team to conduct an internal assessment. For example, if the incident is deemed a potential material security event, the Office will immediately report the findings to the information security committee, which will determine the appropriate response measures and help evaluate the need for disclosure. The Office will also coordinate remediation efforts and enforce necessary improvements.

We continuously participate in external cybersecurity drills, including simulated hacking attacks, and vulnerability scanning and analysis, to proactively identify and address potential risks while enhancing our cybersecurity framework. During the reporting period, we conducted a comprehensive review of our incident response process to identify and address areas for improvement. Additionally, we carried out three cybersecurity attack-and-defense drills at various operational locations. These drills were all successfully executed, which we believe validate our capabilities in responding to and handling cybersecurity incidents.

Information Security Audits and Reviews

We conduct annual internal and external audits to assess the compliance and effectiveness of our information security management system and practices, as part of our ongoing efforts to minimize information security risks.

We attach great importance to the information security management of our suppliers and partners, and consider supplier-related risks as a key component of our overall cybersecurity risk management. For key suppliers, we conduct information security assessments, when deemed necessary, depending on their operational significance and risk profile. Additionally, we continuously enhance the evaluation and onboarding processes for data-related suppliers, setting clear data security requirements to protect both internal and external information. During the reporting period, we also incorporated information security protection into our due diligence process for overseas suppliers.

Information Security Certifications

We take a proactive approach toward internal information security assessments and compliance with globally recognized standards. During the reporting period, the Company secured and maintained critical certifications, including ISO 27001, ISO 27701 and the Classified Protection of Cybersecurity (DJCP) certification in China, across core business units, and over 80% of our self-owned operations are certified to ISO 27001 standards.

Information Security Training

We regularly organize promotions and training sessions on information and data security to strengthen our employees' understanding of and competency with key security concepts. During the reporting period, we conducted Information Security Essentials Training for all our employees, including full-time employees, interns and outsourced workers. Training assessments were incorporated into the performance evaluation process to ensure that every employee is equipped with the knowledge and practical skills needed to manage everyday security risks.



Privacy and Data Security

User privacy protection is central to our commitment to provide reliable services. We continue to improve our frameworks and management mechanisms to safeguard privacy, ensuring strict standards for user data processing across our products and services. Through proactive governance initiatives and compliance audits, we are dedicated to creating a secure and trustworthy digital ecosystem for all users.



Privacy and Data Security Governance

Our board of directors considers privacy and data security as part of its risk oversight function and has designated the audit committee to oversee relevant risks. We have a team of data privacy professionals responsible for supporting, reviewing and overseeing privacy issues and practices across our businesses. In addition, a team of privacy professionals has been set up to address user complaints and privacy-related reports through streamlined response protocols for risk identification and resolution. Our privacy experts track regulatory updates and industry benchmarks to continuously enhance privacy management.

We have implemented privacy policies across our entire operations, which codify standardized procedures for personal information collection and utilization. In addition, our privacy processes and procedures include requirements to ensure that suppliers are subject to contractual obligations pertaining to privacy and data protection commensurate with their roles and activities.

NetEase's Responsibilities

- We are committed to safeguarding users' personal information. Except when necessary to maintain or provide our services or perform our functions, or comply with laws or other regulatory obligations, we will not sell, rent, or provide users' personal information to any external parties without obtaining additional user consent as required by law.
- We employ various encryption technologies to protect users' personal data during storage. This is on top of the physical firewall that we have created through isolation technologies. We also use data masking techniques to further enhance the security of user information while they are being used.

User Rights

- Users who wish to inquire about, modify, or delete their personal information can log into our websites, such as the NetEase Account Center, or related service pages, where clear instructions and options can be found.
- Users may also contact NetEase's personal information protection officers. We will take appropriate technical measures or provide contact channels to enable users to access, update, or delete their personal information.

NetEase Privacy Policy (Excerpt)

During the reporting period, we conducted audits of and updated internal policies, procedures, and guidelines for employees including on information, network and device security and data retention. This ensures our data stewardship practices maintain alignment with global best practices in organizational governance.

- About This Report
- About NetEase
- ESG Highlights
- ESG Strategy
- Responsible Governance
- 02 Reliable Products and Services**
- Cyber and Information Security
- Privacy and Data Security**
- Protection of Minors
- Product Assurance
- Product Innovation
- Intellectual Property Rights Protection
- Supply Chain Management
- Customer Services
- Empowering Excellence
- Community Development
- Green Concept
- Appendix



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 Reliable Products and Services

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



Privacy and Data Security Protections

Privacy Protection

During the reporting period, we implemented a specialized project to strengthen user personal information protection in alignment with updated legal, regulatory, and supervisory requirements. We optimized our management practices, focusing on the collection and processing of users' personal data, safeguarding of the rights of data subjects, and enhancing user awareness. This initiative aims to prevent inappropriate actions, such as unauthorized data collection, coercive permission requests, and deceptive user interactions. Concurrently, we proactively identify potential compliance violations by third-party service providers, particularly concerning unauthorized user data collection. We are prepared to coordinate necessary adjustments or implement technical blocking measures if such practices are detected.

Our key business units regularly undergo external reviews and conduct internal audits to verify the legality and compliance of our personal information management processes. During the reporting period, *NetEase Games* participated in a compliance audit project for personal information protection under the guidance of China's cybersecurity regulators. Additionally, as part of the 2024 "Digital Security Safeguard" initiative in China, *NetEase Games* carried out a self-assessment on information protection management, focusing on user personal information protection and external data collaboration.

We place great importance on reinforcing and enhancing our employees' privacy protection awareness. During the reporting period, we provided privacy protection training for all full-time staff and contractors, while offering personalized training for related functional departments to ensure proper implementation of privacy protection practices and compliance in our daily operations.

We continue to improve our privacy management system in adherence to rigorous standards. As of the end of the reporting period, *NetEase Games* successfully passed an audit by the international certification body DNV GL, obtaining the ISO/IEC 27701:2019 certification for our privacy information management system.

Data Security

We proactively align with China's Regulations on Network Data Security Management by fully optimizing data management standards across key business units and implementing measures to ensure data security throughout the service lifecycle, including strengthened access control and robust data classification and management. In 2024, we conducted a security compliance audit covering the full lifecycle of data processing flow. This audit focused on evaluating the robustness of our data security governance framework, the rationality of security control process design, and the effectiveness of implementation. Through these efforts, we continue to enhance our data security management capabilities.

To further strengthen data security, we initiated a focused risk assessment of our internal intercompany data flows in 2024. This assessment included a review of internal data access to identify potential risks related to data leakage and unauthorized transfers. In addition, key business departments were responsible for fulfilling their obligations as data processors by conducting annual network data risk assessments during the reporting period and submitting the corresponding reports to relevant local authorities in China.



Protection of Minors

We are dedicated to safeguarding the physical and mental well-being of minors and diligently uphold our responsibility to offer healthy and supportive experiences to this group. To this end, we have developed a robust framework that utilizes artificial intelligence (AI) to strengthen protection mechanisms, reinforce safety measures, and cultivate a secure, minors-friendly online environment.



Minor Management Platform

We established the *NetEase Games* Minors Protection Center, which is dedicated to policy research and anti-addiction initiatives to safeguard minors in China. The center includes specialized teams focused on user and policy research, child welfare, cyberspace governance, and online safety education. Our goal is not only to develop comprehensive protection mechanisms but also to ensure they can be effectively implemented and scaled across our platforms.

We have also established the NetEase Parents Caring Platform in China to help parents manage the gaming behavior of minors and promote a healthier digital experience. During the reporting period, we enhanced the platform by improving the visibility of parental guidance on our product website, expanding the use of game time and spending controls for minors, and increasing the frequency of phone alerts for unusual spending. These improvements help strengthen collaboration between families and the Company in the protection of minors.

Minors Protection Initiatives

We continue to integrate stronger safeguards into our key products and services, contributing to the creation of a healthy online environment. In 2024, we further advanced our efforts by expanding AI-driven solutions and promoting responsible gaming practices, reinforcing our commitment to a safer digital experience for minors.

Enhancing AI Technology and System Applications

We are dedicated to advancing AI-driven monitoring technologies to strengthen minor protection management. *NetEase Games* has adopted an AI-powered protection system across multiple products, continuously improving its accuracy to better oversee minors' in-game activities. Using an intervention model designed to detect unreasonable underage spending, we promptly address suspected abnormal transactions, ensuring comprehensive, round-the-clock protection. During the reporting period, we introduced facial recognition verification for in-game purchases and implemented account spending alerts, further enhancing oversight of gaming-related expenditures.

NetEase's AI Compliance System for Minor Protection Wins "Golden Line Award for Legal Technology and AI Applications"

We are actively driving the integration of AI technology with the governance of online environments for the benefit of minors. Centered on minor protection, we introduced an AI system built on a three-pronged approach: identity verification, risk behavior monitoring, and harmful content filtering. In 2024, this system was honored with the Golden Line Judicial Case Award (Legal Technology and AI Applications Award) at the 4th Golden Line Awards, which recognizes innovation in legal areas in China.

The system leverages integrated models to analyze multidimensional data and effectively improves safeguards against gaming addiction, content risks, excessive spending, and other risks. This innovative approach provides a systematic and efficient solution for protecting minors in the digital space.

- About This Report
- About NetEase
- ESG Highlights
- ESG Strategy
- Responsible Governance
- 02 Reliable Products and Services**
- Cyber and Information Security
- Privacy and Data Security
- Protection of Minors**
- Product Assurance
- Product Innovation
- Intellectual Property Rights Protection
- Supply Chain Management
- Customer Services
- Empowering Excellence
- Community Development
- Green Concept
- Appendix

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 **Reliable Products and Services**

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



Optimizing Minor Protection Mechanism

In compliance with the requirements of China's *Regulations on the Protection of Minors in Cyberspace*, we have implemented a "Minor Mode" across our games, live streams, and social networking platforms. This mode tailors content and features to different age groups while providing guardians with tools to regulate screen time and spending, ensuring a safer digital experience for minors.

For instance, *NetEase Games*' "Minor Mode" was fully implemented across all of our games operating in Chinese mainland in 2024. We also introduced a dedicated reporting channel for receiving and resolving customer issues related to minors, along with a fast-track complaint resolution system to ensure efficient and timely responses. Additionally, all automated marketing promotions were completely blocked for minors, creating a cleaner gaming environment and reducing the risk of excessive spending at its source.

Fostering a Positive Gaming Ecosystem

We remain dedicated to fostering a safe, inclusive and well-regulated gaming environment. During the reporting period, we implemented measures to prevent the abuse of networking functions in games for minors, such as new functions to block communications with strangers and ban unauthorized re-posting of personal information, effectively reducing instances of fraud, bullying, and other violations.

We have rolled out a series of dynamic initiatives to combat harmful content and prevent illicit in-game activities. Our dedicated minors protection team, supported by advanced AI patrols, closely monitors and promptly addresses harmful content. Suspected illegal activities and potential risks are immediately reported to law enforcement, ensuing swift action. As a result of this robust gaming environment governance, *NetEase Games* proudly earned the title of "Outstanding Enterprise in Ecosystem Governance of the Online Gaming Industry in Guangzhou in 2024," awarded by Guangzhou Games Industry Association.

***NetEase Games* Launches Summer Campaign to Protect Minors**

In the summer of 2024, *NetEase Games* launched a campaign to safeguard minors from online threats and address illegal behaviors. A specialized team was formed to monitor and intercept those behaviors through around-the-clock patrols, advanced technology, and coordinated multi-agency efforts. These initiatives effectively disrupted emerging illegal behaviors, protecting the financial security and legal rights of minors.

Furthermore, we bolster our prevention efforts with targeted educational initiatives. For example, *Eggy Party* rolled out dedicated training during the summer of 2024, blending real-life scenario reenactments with practical warnings to equip players with hands-on knowledge to prevent illegal activities in games. Moreover, *Eggy Party* introduced a themed in-game map titled "First Lesson of Anti-Fraud" transforming common scams into fun, interactive challenges, helping players, including minors, boost their cybersecurity awareness.

Promoting Industry Development

We take a proactive role in shaping the rules and technical standards that foster the healthy growth of our industry. For instance, during the reporting period, *NetEase Games* took part in crafting the first industry standard on minors spending in games, among other initiatives, and policies to protect minors in the gaming industry in China.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 **Reliable Products and Services**

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



Product Assurance

We are committed to responsible marketing and high-quality product development. We adhere to strict quality and regulatory standards, constantly refining our quality management system to deliver our users with reliable, top-tier products and services.



Responsible Marketing

We carefully review all marketing content across our platforms to comply with relevant laws and regulations, providing users with accurate and responsible information.

We adhere to the *Advertising Law of the People's Republic of China* and other applicable regulations, enforcing rigorous controls to prevent discriminatory, misleading or violent information, as well as information that is harmful to children and public health. We also strictly prohibit any advertising related to tobacco, weapons, gambling, and similar categories.

Through effective management, we strive to keep our marketing information accurate and credible. For instance, *NetEase Yanxuan* places particular emphasis on product labeling and product details pages, enforcing a rigorous multi-tier review mechanism to ensure that marketing content remains compliant and transparent.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 **Reliable Products and Services**

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



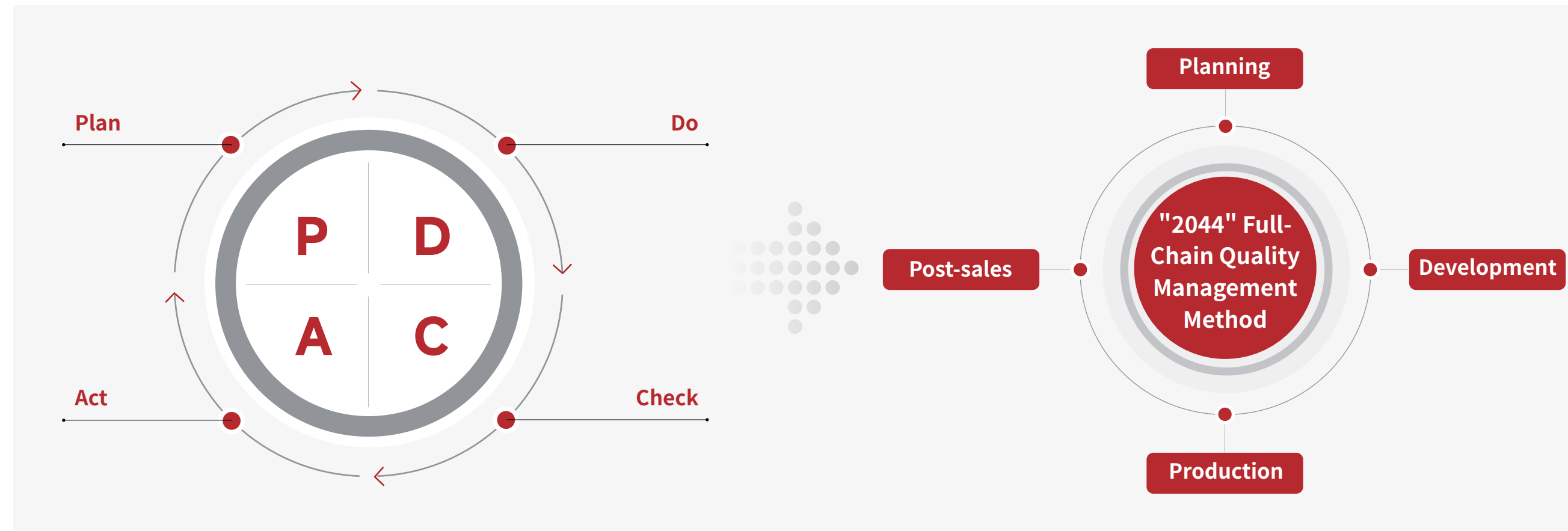
Product Quality

We strive for continuous quality improvement through rigorous protocols and measures, strengthening consumer trust to support sustainable business growth.

Product Quality Management System

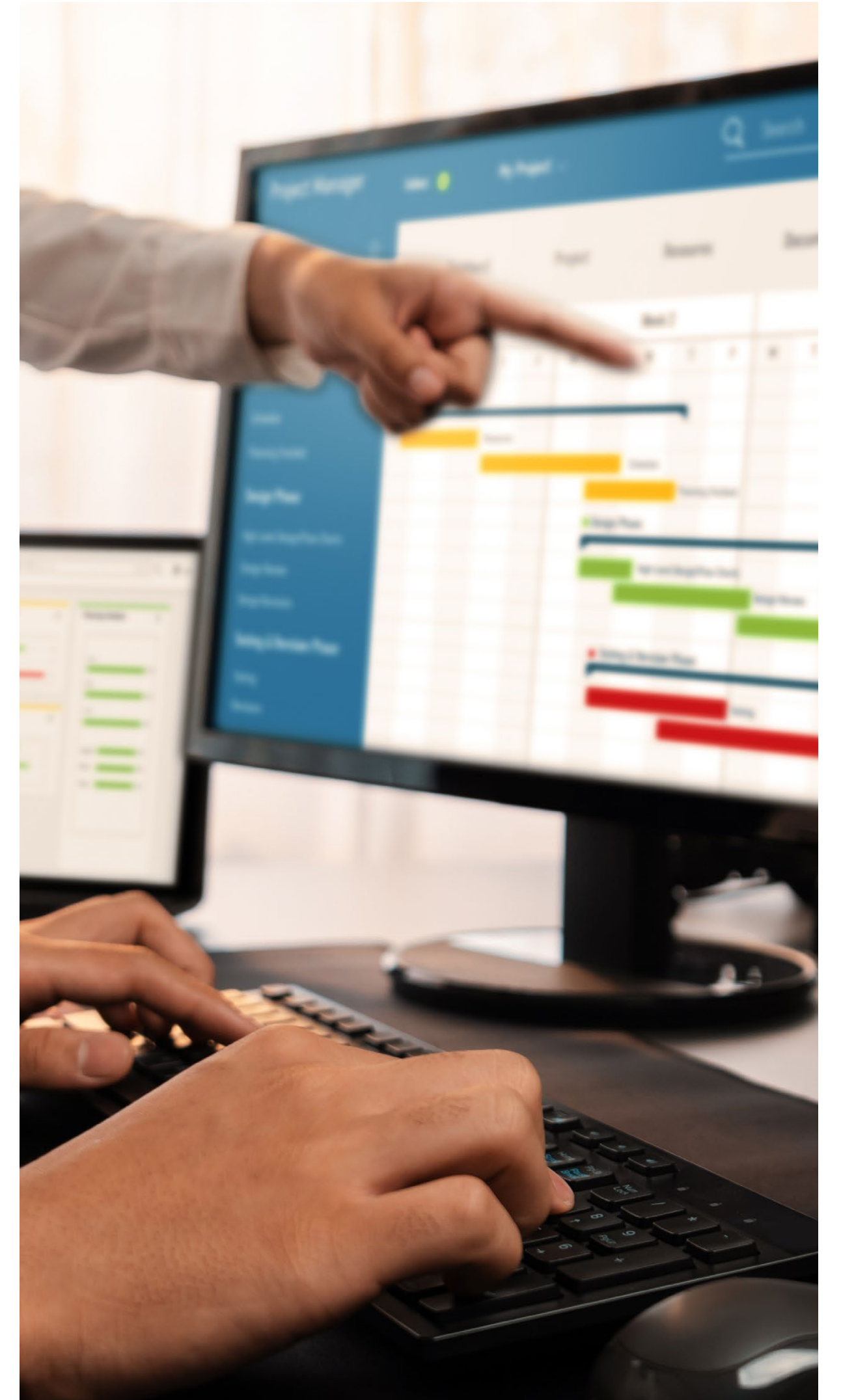
For our offline products and services, we continue to strengthen product quality assurance efforts by building and utilizing a digital product quality management system, further enhancing our overall quality control.

During the reporting period, *NetEase Yanxuan* introduced the "2044" end-to-end quality management method based on the "plan-do-check-act" (PDCA) cycle. The method features 20 quality control checkpoints and four critical control points, covering the entire product lifecycle from planning and development to production and after-sales. By implementing rigorous oversight at every stage, it helps achieve comprehensive quality control from source to end-user.



PDCA Cycle System and the Operational Model of the "2044" Full-Chain Quality Management Method

As of the end of the reporting period, *NetEase Yanxuan* had obtained multiple certificates in this regard, including ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), and BRCGS Agents & Brokers certification.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 **Reliable Products and Services**

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



Product Quality Management Practices

We have established a robust quality control system, developed specialized improvement plans, and conducted specialized training programs to ensure comprehensive product quality assurance.

NetEase Yanxuan's Quality Academy

In 2024, *NetEase Yanxuan's* Quality Academy conducted a number of training programs on quality management principles, product quality regulations, production craftsmanship, quality tools and methodologies, and related management processes. Additionally, the academy organized training sessions for suppliers, covering industry sustainability, regulatory compliance, product standards, testing and technical requirements, hazardous substance control, and material expertise. These initiatives aim to enhance internal and external awareness of product quality and strengthen overall management capabilities. During the reporting period, the Quality Academy organized 16 training sessions, engaging over 900 participants with a total of more than 1,700 training hours.

NetEase Yanxuan Pet Food Improvement Initiative

In 2024, we continued to advance the Pet Food Improvement Initiative, including helping key suppliers obtain accreditation from the China National Accreditation Service for Conformity Assessment (CNAS). This initiative also drives the development of group standards and strengthens suppliers' technical expertise, enhancing consumer trust.

NetEase Yanxuan prioritizes standardization with the aim to ensure product quality by advancing systematized, internationally recognized, and industry-leading standards. In 2024, *NetEase Yanxuan* contributed to drafting and publishing several standards in China, including the national standard "Green Product Assessment—Furniture (GB/T 35607-2024)" and group standards "Complete Dry Pet Food (T/SDPIA 03-2024)" and "The Bacterial Removal Detergent—General Technical Requirements (T/CHCIA 032-2024)." Additionally, *NetEase Yanxuan* led the drafting of the provincial standard for Zhejiang Province to improve the table and chairs arrangements for younger students.



Content Compliance

We are committed to maintaining a compliant and high-quality content ecosystem, implementing stringent internal measures to foster safe and trustworthy online platforms.

Wangyi Xinwen diligently follows applicable laws and regulation on content compliance and prohibits the display of any content that may have detrimental effects on users' physical and mental well-being, including violence, pornography, gambling, illegal drugs, discrimination, and other inappropriate contents. In addition, third-party content providers are required to comply with applicable requirements before publishing any content on our platforms, ensuring a quality user experience.

Similarly, *NetEase Cloud Music* abides by the *Administrative Measures for Internet Information Service* and other laws and regulations in China, implementing a 24/7 content safety emergency system and deploying a dedicated team to address illegal content and any improper conduct. In this way, we contribute to shaping ethical standards in the industry and promoting a positive atmosphere in our communities.

NetEase Cloud Music "Healing Notes"

NetEase Cloud Music is devoted to building a safe, uplifting music community. For instance, when users search for high-risk keywords related to self-harm, it gently steers them to a 'Healing Notes' page featuring supportive and uplifting content, along with access to regional psychological counseling hotlines. These initiatives reinforces our efforts to create a safer and more compassionate online community.

Product Innovation

We remain committed to undertaking advanced AI research, leveraging our strengths in both technology and content to build a diverse product portfolio. Through deep integration of technological advancements with commercial applications, we are constantly pushing the boundaries of our businesses and injecting new vitality into traditional sectors. While accelerating business transformation, we uphold technology ethics and compliant use of artificial intelligence, promoting the sustainable development of the industry.



AI Innovation

We dedicate ourselves to pioneering innovation in gaming, expanding AI's role in game development to drive the industry toward smarter, more efficient, and personalized experiences for players globally. By integrating AI technologies with our core business, we strengthen our competitive position in diversified product categories, while enhancing both the popularity and commercial value of our offerings.

AI Companions in *Justice Mobile*: Improving User-Generated Content (UGC) and NPC Customization

Justice mobile has successfully capitalized on the short-video trend by introducing its "film crew" mode, powered by the AI capabilities of *NetEase Fuxi*, our advanced AI lab. This novel feature integrates character appearance customization, motion capture from videos, text-to-animation generation, intelligent camera framing, and scene recreation tools. The AI-powered functions unlock the game's vast artistic assets and sparked a surge of short videos by players, amassing billions of views.

Additionally, *Justice mobile* launched a system that allows players to customize non-player characters (NPCs) in terms of personalities, voices, and appearances. These AI companions accompany players on adventures, dungeon runs, and photo shoots, serving as trusted allies in their journeys. Players have already created over 10 million unique AI NPCs, generating a wealth of widely shared UGC.

NetEase Fuxi Powers Naraka: Bladepoint with Innovative in-game *Copilot*

NetEase Fuxi has enabled *Naraka: Bladepoint* to introduce a game feature named *Copilot*, which is an AI teammate that integrates speech recognition, natural language understanding, persona-driven dialogue, voice synthesis, reinforcement learning, and imitation learning. This breakthrough enables AI teammates to perceive battlefield dynamics, interpret player intent, formulate combat strategies, and execute coordinated actions.

These AI teammates, designed to be perceptive, expressive, and actionable, leverage closed-loop data training to continuously refine their behavioral models, achieving deeper synergy with players. Since launch, tens of thousands of players daily team up with AI teammates, reporting notably enhanced gameplay experiences and higher satisfaction.

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 Reliable Products and Services

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 Reliable Products and Services

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



NetEase AI Lab Drives End-to-End Innovation in Gaming

NetEase Games is committed to pioneering intelligent gaming experiences and technological advancements, integrating AI across the entire game development and operation lifecycle to accelerate product evolution. NetEase AI Lab, another AI focused research lab of our games business, leverages proprietary AI-powered art tools, voice synthesis technology, and automated testing solutions that significantly enhance development efficiency of our games.

On the content innovation front, NetEase AI Lab continuously explores novel gameplay mechanics to expand AI's role in gaming. A prime example is our game *Where Winds Meet*, where its AI NPC Strategy System enables players to engage in natural conversations and dynamic interactions with NPCs. These AI-driven characters exhibit richer emotional depth and context-aware responsiveness, dramatically elevating immersion.



AIGC Technology Elevates Efficiency and Quality of Music Creation

Powered by self-developed Artificial Intelligence Generated Content (AIGC) technology, NetEase Cloud Music AI Lab's one-stop AI songwriting system enables musicians to generate complete demos in just 10 seconds, significantly boosting both creative productivity and output quality.

The AI Music Lab also demonstrated its capabilities on a national stage by providing original scoring for a special New Year program by China's CCTV News. Leveraging AIGC composition and arrangement technology, the lab produced three instrumental versions (strings, piano, and pipa) of the program's theme song within an exceptionally tight timeframe, delivering broadcast-ready tracks that perfectly complemented the TV program.

AI Large Model Technology Powers Offline Translation Upgrade in NetEase Youdao X7 Dictionary Pen

The NetEase Youdao Dictionary Pen X7 series, equipped with a custom-designed AI chip, delivers seamless offline large model performance, enabling fast and accurate translations without internet connectivity. This chip reduces standby power consumption by 90%, effectively addressing the high energy demands typical of offline large model operations.

Further enhancing its industry-leading capabilities, the device features an advanced multi-line scanning capability paired with an extra-large smart viewing window. This innovation allows simultaneous scanning of up to ten text lines, while offering flexible switching between single-line and multi-line modes. Whether for academic reading, proofreading, or key excerpting, these advancements significantly boost information capture and translation efficiency.

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 Reliable Products and Services

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix

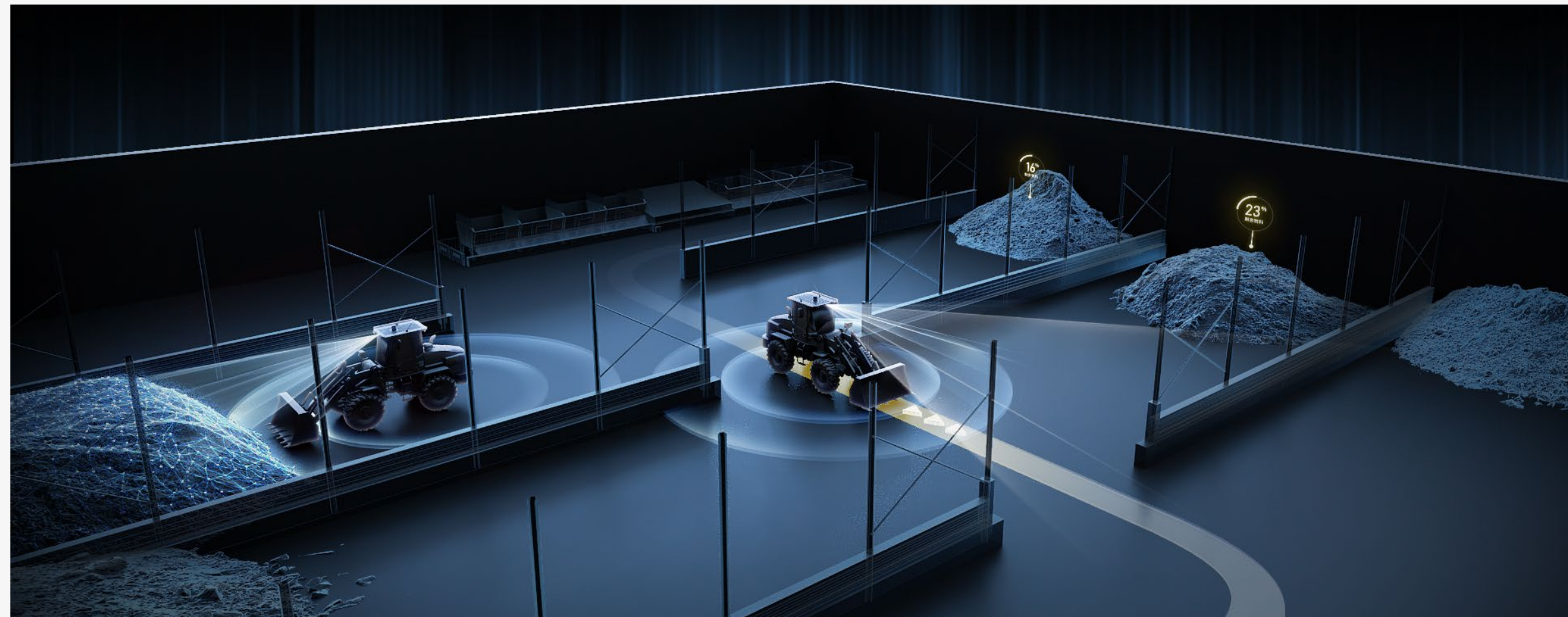


We strive to leverage our extensive AI expertise from our core business operations to deliver the development of traditional industries, empowering them with smart capabilities to thrive in the digital era. We firmly believe AI technology serves as a key catalyst for next-generation productivity, revolutionizing sectors through solutions that are efficient, secure, adaptable, and innovative—addressing evolving collaboration needs while reshaping industry standards.

Launching the Autonomous Loading Solution to Drive New-Generation Productivity and Safety

We see the value of technology in revolutionizing traditional industries and are able to assist with our know-how and solutions where needed. For example, we have introduced operating systems and software solutions for automated loading robots that operate in batching plants, enabling them to achieve autonomous navigation and obstacle avoidance, as well as high-precision loading and unloading operations in concrete plant scenarios. Powered by our high-precision trajectory tracking and optimal trajectory planning algorithms, the robots deliver improved efficiency and long-term operational reliability.

We also collaborate with leading construction machinery manufacturers to further explore tech-driven solutions to improve productivity and work safety. For instance, we developed an autonomous loading software solution for robots operating in concrete batching plants which allows them to perform automatically in a completely dark environment without human intervention on a 24/7 continuous basis. This solution increases production efficiency by 20% compared to traditional sites, reduces energy consumption by 15%, and cuts overall operating costs by 30%. Moreover, it not only enhances workplace safety by removing humans from hazardous machinery operations but also effectively alleviates labor shortage in the construction machinery industry.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 Reliable Products and Services

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



AI Technology Ethics and Compliance

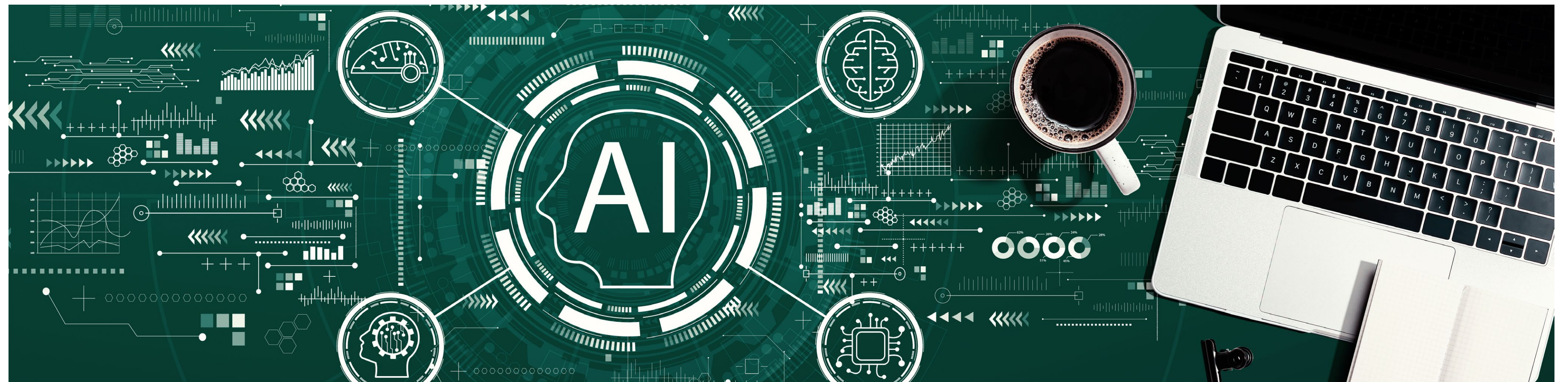
In integrating AI technology across our businesses, we consistently uphold the principle of technology for good, placing AI compliance and ethical governance at the core of its development. We promote responsible AI practice and contribute to industry-wide ethical standards, actively addressing compliance requirements and ethical challenges arising from rapid technological advancements.

Guided by AI regulatory developments, we have established internal policies regarding the ethical usage of algorithms, clearly defining standards, procedures and assessment protocols. We also encourage our business units to establish distinct procedures and practices designed to ensure that AI is utilized in a responsible and safe manner.

In 2024, *NetEase Games* further updated its guidelines for AIGC technical data and content security, enhancing the fairness, transparency, privacy, and security of AIGC applications across multiple dimensions including training data, safety testing, generated content transparency, and user oversight.

NetEase Youdao embeds compliance and ethical principles throughout the entire lifecycle of generative AI from development and design to deployment and usage. During model and algorithm training, *NetEase Youdao* prioritizes mitigating algorithmic bias and discriminatory outcomes. Through rigorous data oversight and compliance testing, it is designed to address risks related to bias, discrimination, ethics, privacy, and data transparency.

We further foster an internal culture of AI compliance by publishing analyses of regulatory updates and an AIGC compliance observation column, keeping employees informed of the latest regulatory requirements and case studies. These initiatives enhance staff awareness of compliant AI R&D and applications. Additionally, we actively participate in industry communications on AI compliance and ethics, collaborating with peers to explore emerging topics and elevate industry standards.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 **Reliable Products and Services**

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



Intellectual Property Rights Protection

Intellectual property (IP) protection is an imperative for safeguarding innovation. At NetEase, we have established a comprehensive IP protection framework, rigorously enforcing management protocols while fostering an internal culture of IP stewardship to unlock employee innovation and catalyze high-value advancements.



Intellectual Property Rights Protection System

We have implemented multiple internal policies including the "NetEase Policies on Intellectual Property Protection" and "NetEase Operation Procedures of Authorized Patents (2023 Edition)," ensuring continuous refinement of our IP governance. During the reporting period, we standardized patent auditing workflows to enhance efficiency in data tracking and analysis, enabling systematic categorization, value assessment, and tiered classification of key authorized patents. This proactive strategy mitigates dispute risks while maximizing IP portfolio value. Further, we spearheaded iterative upgrades to our IP management systems and databases, ensuring operational resilience and adaptability.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 **Reliable Products and Services**

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



Intellectual Property Protection and Management Practices

We actively implement measures to protect intellectual property rights, including industry-wide patent risk forecasting, targeted sector analysis, and preemptive product design screenings. We maintain rigorous protocols for infringement risk evaluation and operate transparent rightsholder appeal channels to ensure fairness. Our dedicated IP professionals monitor violations and deploy countermeasures against infringement. To preempt risks, we conduct systematic reviews of vulnerabilities across all product lifecycle stages – from development to marketing – and deliver specialized IP training programs to empower teams with adequate skillsets.

In 2024, we further optimized our intellectual property protection efforts with a focus on layout expansion, risk management, and rights enforcement and application.

We are dedicated to enhancing trademark risk management by rigorously assessing product infringement risks to prevent potential legal disputes and ensure effective intellectual property protection.

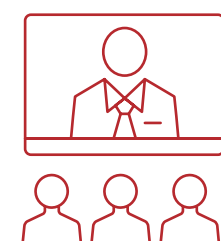
During the reporting period, we conducted over 10 intellectual property training sessions covering topics such as patent application strategies, trademark and copyright application procedures, and patent risk prevention. Approximately 300 participants, including R&D personnel, patent engineers, and external IP agency representatives, attended these sessions. In addition, we held more than 150 patent screening meetings, elevating the innovation protection awareness and patent application capabilities of our R&D teams.

To foster a culture of innovation, we implement a patent reward system that not only safeguards our intellectual property rights but also supports employees in advancing product and technological innovation.

During the reporting period, we conducted over

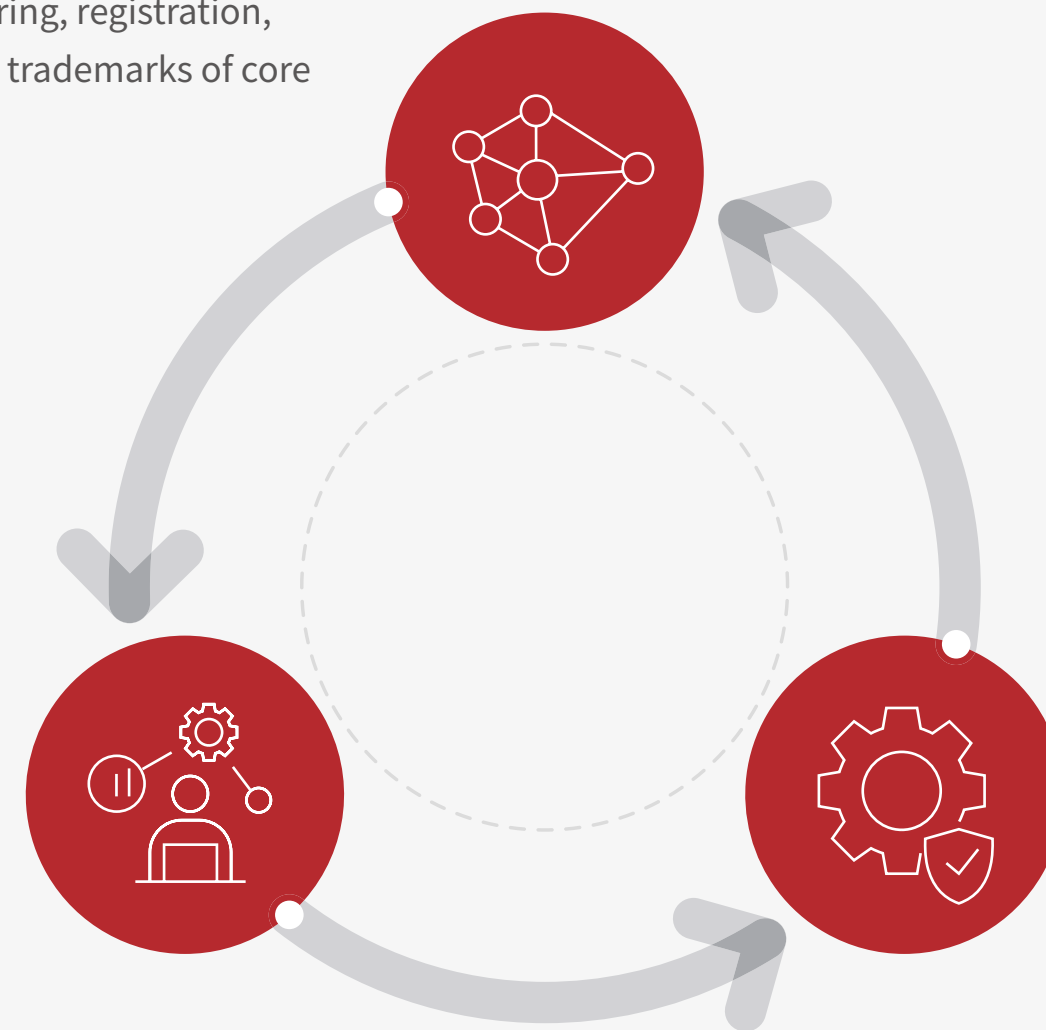
10

intellectual property training sessions



Layout Expansion

- Secure patents for innovative technologies and prepare core brands for international expansion based on business needs
- Focus on the protection, monitoring, registration, and maintenance of commercial trademarks of core businesses



Rights Enforcement and Application

- Monitor and combat any infringements of our intellectual property rights

Risk Management

- Identify and mitigate various intellectual property risks in business processes
- Conduct training sessions to enhance risk prevention awareness
- Establish a licensed resource repository with easy access
- Upgrade our intellectual property asset management system

Supply Chain Management

We aim to control the quality of our products right from the source and continuously enhances our supply chain management. We are committed to maximizing overall supply chain quality through comprehensive access, evaluation, and risk control measures while fostering mutually beneficial collaborations with suppliers.

02 Reliable Products and Services

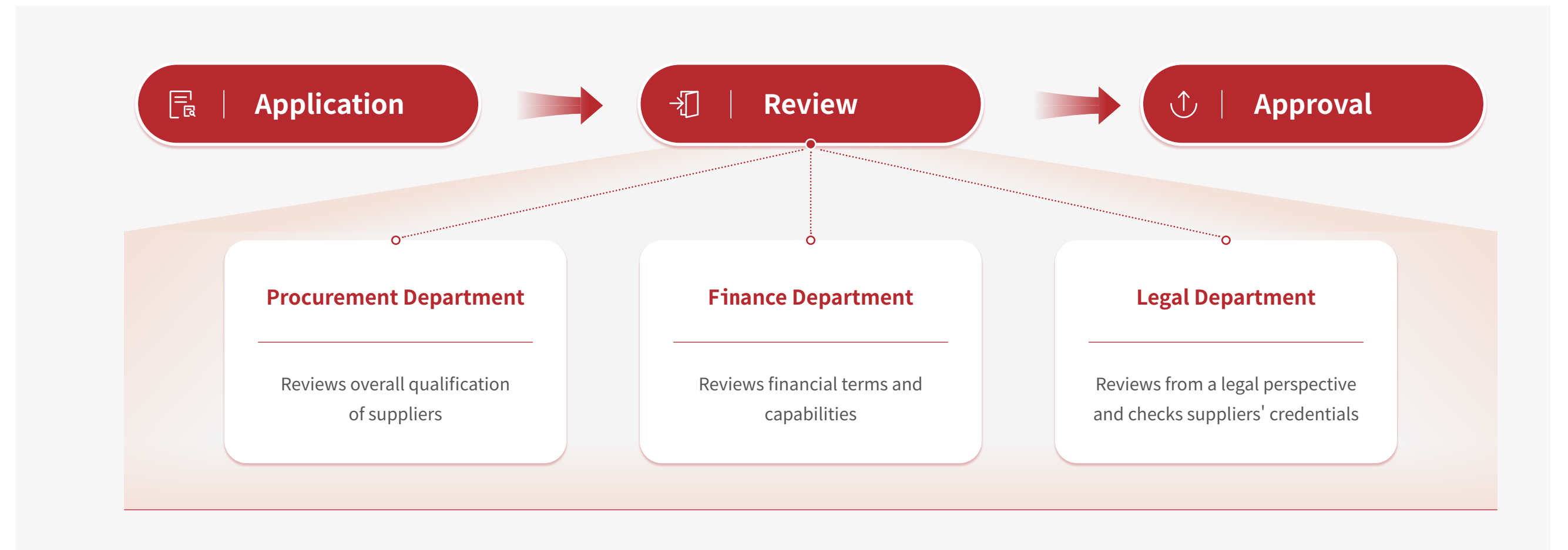
- Cyber and Information Security
- Privacy and Data Security
- Protection of Minors
- Product Assurance
- Product Innovation
- Intellectual Property Rights Protection
- Supply Chain Management**
- Customer Services
- Empowering Excellence
- Community Development
- Green Concept
- Appendix



Supplier Screening

We've formulated clear guidelines for managing both new and existing suppliers through policies such as the "NetEase Group Supplier Management Policy" and "NetEase Group Procurement Management Policy." In 2024, we introduced more specific management measures on supplier selection, supplier evaluation, and single-source supplier management to further standardize the procurement workflow and ensure efficient management.

During the reporting period, we established a procurement compliance committee of the Company, and initiated a review of supplier access and compliance in July 2024. Furthermore, stringent guidelines have been established concerning the communication tools utilized between suppliers and our organization to enhance the security and confidentiality of information, thereby protecting proprietary information and safeguarding the legal rights of both parties.



Supplier Enrollment Procedure

We also value the sustainability capability of suppliers. For instance, during the supplier screening phase, *NetEase Yanxuan* rigorously evaluates suppliers' performance in environmental protection, corporate governance, labor rights, and business ethics to ensure compliance with its standards. In a notification letter to its suppliers, which is drafted following the ISO 14001 certification requirements, *NetEase Yanxuan* sets its guidelines for suppliers to abide by its requirements on environmental protection and occupational safety. In 2024, all of *NetEase Yanxuan's* newly onboard suppliers signed the notification letter, achieving a 100% signing coverage rate.

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 Reliable Products and Services

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



Supplier Review

In 2024, we revised our group-level supplier management policy to standardize processes across supplier categorization, registration, qualification vetting, database maintenance, and performance evaluations. These enhancements elevate compliance governance, mitigate procurement risks, and foster sustainable business growth.

We have established a holistic supplier evaluation framework and category-specific supplier evaluation standards across the Company. We also carry out supplier assessments from different perspectives at varied frequencies, using different methods and handling mechanisms to effectively improve the overall quality of our supply chain.

<p>Elements of Evaluation</p> <p>Review suppliers based on cost, quality, delivery time, service, innovation, etc.</p> <p>Constantly refine and add assessment criteria by category</p>	<p>Improvement</p> <p>Apply a supplier rectification system</p> <p>Require suppliers who fail the performance assessment to carry out rectifications through a Performance Improvement Plan (PIP) and follow up on their progress in each stage</p>
<p>Evaluation Frequency</p> <p>Conduct semi-annual, quarterly, and monthly assessments by category</p>	<p>Review Methods</p> <p>On-site assessments</p> <p>Online and offline scoring</p>

Take *NetEase Yanxuan* as an example, it continued to evaluate suppliers on both a quarterly and annual basis. In quarterly evaluations, we replaced manual ratings with automated ratings for select modules and optimized the rating standards for various metrics. With higher efficiency and accuracy, these evaluation results provide more valuable insights for supplier management.

During the reporting period, we also launched a new procurement system that streamlines the supplier review and approval process. The evaluation results are directly integrated into our order allocation system, ensuring that the Company's supplier database reflects optimal quality and competitive pricing. Furthermore, our procurement contracts include clear acceptance specifications or service-level agreements (SLAs) to ensure that suppliers' products and services meet established quality and performance standards.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 **Reliable Products and Services**

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

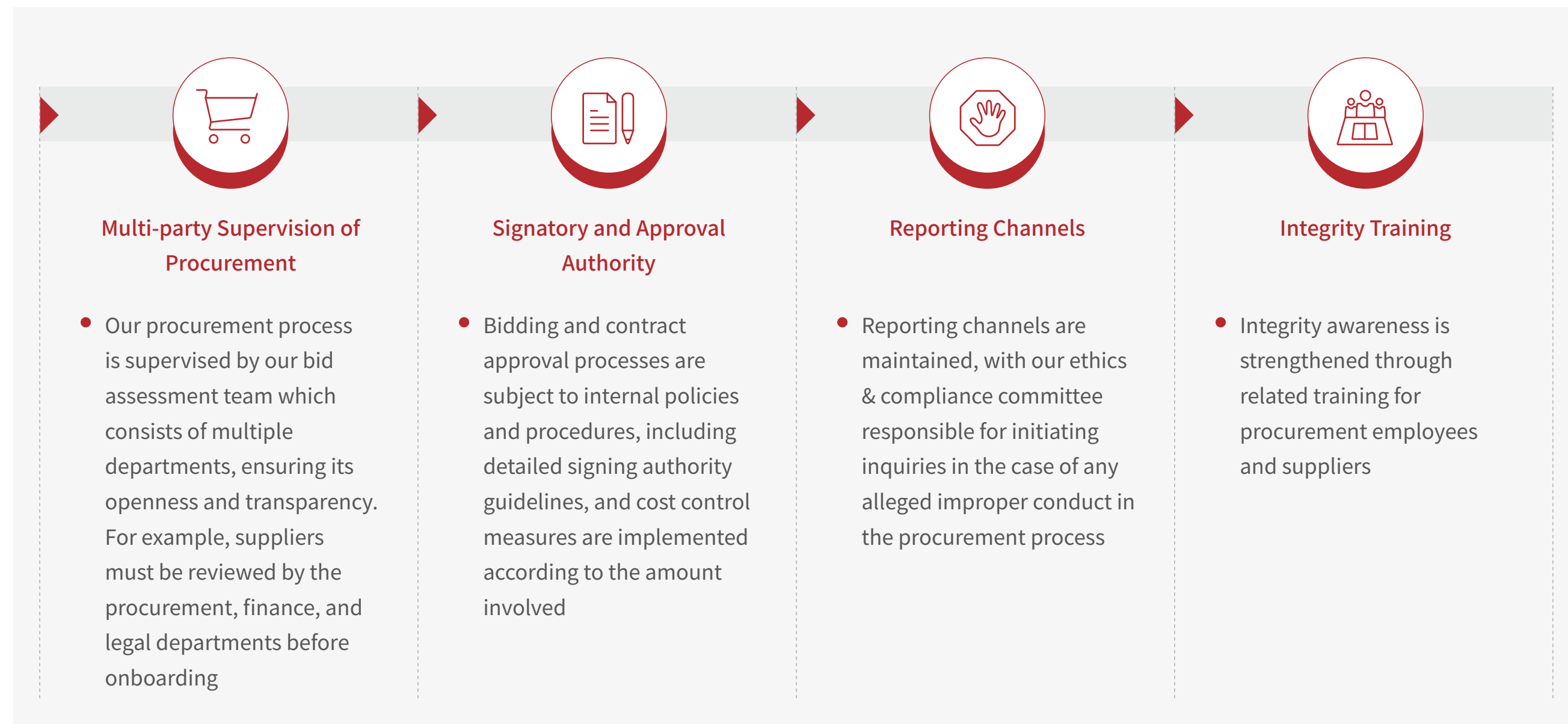
Green Concept

Appendix



Supplier Risk Management

We monitor and control the risks in each segment of the supply chain and have introduced digital tools to improve efficiency and maintain compliance.



Supply Chain Risk Management

We have also piloted a dashboard for key risk indicators (KRIs) that uses digital technology to promptly identify supplier qualifications, transaction amounts, abnormal behaviors, and other procurement risks and provide early warnings. In addition, we continued the Master Data Management (MDM) project that gathers information from external sources about our suppliers that may give rise to risk warnings and forms the basis for our supplier onboarding review.

We provide training to help suppliers enhance their quality performance and strengthen the quality risk management in our procurement process, as presented in the following cases of *NetEase Yanxuan*.

NetEase Yanxuan Supplier Growth Project

In 2024, *NetEase Yanxuan* initiated the second phase of its Supplier Growth Project for core suppliers. We conducted comprehensive diagnostics and provided targeted support to key suppliers in four popular categories with high growth potential. Concurrently, we introduced nine quality improvement initiatives tailored to the specific needs of the different categories, which benefited more than 20 suppliers. Additionally, *NetEase Yanxuan* offered specialized training which is focused on addressing common quality gaps for more than 30 suppliers.

We also regularly host supplier integrity training to reinforce healthy collaboration, ensuring that both parties uphold integrity and self-discipline during business interactions in a fair and transparent environment.

NetEase Yanxuan 2024 Supplier Integrity Training

In 2024, *NetEase Yanxuan* issued an online notice to all suppliers that introduced its business ethics policy and explained the importance of maintaining high ethical standards among its suppliers. It also launched training that covers requirements on ethical and professional conduct and relevant laws and regulations, aiming to enhance suppliers' legal awareness and business ethics.

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

02 **Reliable Products and Services**

Cyber and Information Security

Privacy and Data Security

Protection of Minors

Product Assurance

Product Innovation

Intellectual Property Rights Protection

Supply Chain Management

Customer Services

Empowering Excellence

Community Development

Green Concept

Appendix



Customer Services

Focusing on and responding to users' needs remains a top priority for us. Driven by our user-centric approach, we continuously refine our customer service setup, enhance our complaint-handling mechanisms, and maintain professional service teams dedicated to delivering attentive support and optimizing the user experience.



Each of our business units has established dedicated customer service teams that provide customized support to meet diverse users' needs. We actively foster efficient communication channels, gaining deeper insights into user expectations and strengthening interactive engagement. With a strong commitment to service excellence, we continuously enhance the capabilities of our customer service teams and regularly refine service processes and mechanisms, ensuring high professional standards.

NetEase Games offers multiple support channels tailored to a wide range of users and has also established a multi-dimensional service evaluation system to improve overall service quality. In addition, *NetEase Youdao* leverages its Voice of the Customer (VoC) mechanism, integrating intelligent technologies to refine internal information flows and deliver more precise customer support. Looking at its online courses as an example, *NetEase Youdao* handled over 160,000 hotline calls, hitting a 96.2% satisfaction score. Its online support, comprising both human and AI assistance, interacted with over 800,000 users, with complaint resolution satisfaction reaching nearly 90% and overall online service satisfaction improving year on year.

NetEase Yanxuan has also built a solid risk monitoring system to enhance both pre-sales and after-sales support, ensuring a seamless customer experience. During the "Double 11" online shopping festival in 2024, it introduced a real-time, multi-channel service dashboard to swiftly monitor and resolve unexpected issues through batch processing and experience enhancements, minimizing disruptions and improving response efficiency. These efforts contributed to increased customer satisfaction and loyalty. In 2024, *NetEase Yanxuan* handled 3.87 million user inquiries, with a 94.1% positive satisfaction rate for online customer service interactions.



03

Empowering Excellence

Our organization develops on the contributions of our talented individuals. We are dedicated to advancing strategic talent planning and fostering a diverse talent pipeline while prioritizing the protection of employee rights. We focus on enhancing our compensation and benefits system which reflects our commitment to creating an environment where talented individuals can thrive. We provide extensive learning resources and a structured talent development framework that empowers our employees to grow and reach their full potential. Through thoughtful and proactive care, we strive to cultivate a healthy and dynamic workplace that consistently strengthens our employees' sense of belonging and satisfaction.

- Talent Attraction
- Talent Development
- Talent Care

United Nations Sustainable Development Goals (UN SDGs)



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

03 Empowering Excellence

Talent Attraction

Talent Development

Talent Care

Community Development

Green Concept

Appendix



Talent Attraction

At NetEase, we proactively build talent pipelines and recruit high-potential individuals who align with our vision. We take pride in cultivating a diverse and inclusive workforce where every employee's rights are respected and protected and where equity and belonging are woven into our workplace culture. By refining our comprehensive compensation framework and continuously enhancing non-monetary benefits, we strive to foster well-being and a deep sense of connection among our teams. These efforts not only attract exceptional talent but also empower them to thrive and grow alongside our organization.



Talent Recruitment

Our recruitment strategies are centered around our corporate values of passion, user-centricity, and innovation, as well as our talent philosophy, to ensure efficiency in identifying the best candidate for our vacancies. Through diverse recruitment channels that include campus recruitment, experienced hires, internal transfers, and intern-to-full-time conversion programs, we are able to bring together talented individuals from diverse backgrounds. We also encourage our managers to seek emerging talents through hands-on engagement in business activities. As part of our talent pipeline development strategy, we collaborate with universities to offer leading-edge training opportunities for students, cultivating the next generation of innovators while identifying high-potential candidates early in their careers.

Campus Recruitment

We recruit graduates with different educational backgrounds worldwide

Experienced Hires

We attract talents across the globe to build a diverse workforce

Talent Pipelines

Internal Transfers

We offer an internal transfer program that empowers employees to explore diversified career paths

Intern to Full-time

We offer outstanding summer interns, recommended by mentors, access to full-time employment opportunities

NetEase Games Summer Camp

We regularly cooperate with universities to provide students with practical experience. During the reporting period, *NetEase Games* co-hosted a game concept creation competition with the China Academy of Art and the Communication University of China. Themed "Tides Rise in the East," this year's summer camp featured a series of art-focused training sessions and game proposal workshops to encourage unique Eastern aesthetics in game design. The competition provided a valuable opportunity for students to share ideas, fostering their artistic expression and creativity while also highlighting their professional potential.

NetEase Cloud Music's University Collaborations

NetEase Cloud Music maintains long-term partnerships with renowned universities and music institutions to attract outstanding talents through targeted recruitment and diverse exchange programs. In 2024, *NetEase Cloud Music* deepened this cooperation by inviting students to participate in on-site exchange sessions to enhance their understanding of industry roles and lay a solid foundation for attracting high-caliber talent from top universities.

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

03 Empowering Excellence

Talent Attraction

Talent Development

Talent Care

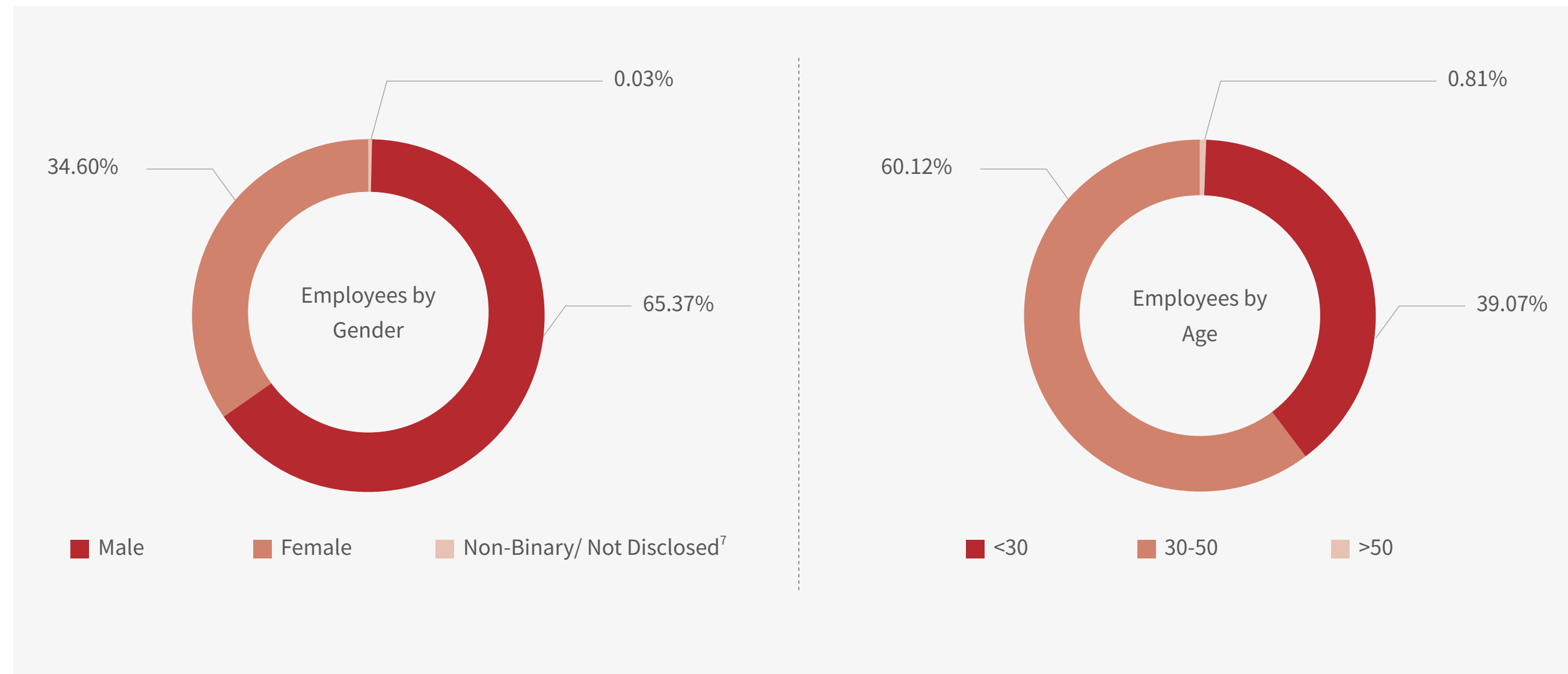
Community Development

Green Concept

Appendix

Workplace Diversity

Our diverse and inclusive workplace provides an avenue for creativity and innovation. At NetEase, we actively strive to maintain a diverse workforce that reflects a variety of backgrounds and cultures. As of the end of the reporting period, we had 26,028⁶ full-time employees of different genders and age groups:



We uphold compliance with all applicable labor laws as a fundamental principle in recruitment and employment. We prioritize safeguarding employee rights throughout the entire recruitment and employment lifecycle, strictly prohibiting any form of discrimination or harassment and with zero tolerance for such behavior. We strive to embed equality into every facet of our operations—from hiring practices and compensation decisions to promotions, working hours, and leave policies—ensuring fairness guides all actions. Together with our employees, we champion a workplace culture anchored in mutual respect, equity, and transparency, fostering an environment where everyone thrives.

⁶ The number of employees are calculated based on the Group full-time employees' data as of December 31, 2024.

⁷ Not disclosed refers to employees who chose not to provide gender information.

Prevention of Unlawful Employment

- We are committed to complying with applicable laws and regulations in the regions in which we operate, prohibiting child labor and forced labor. Employees are encouraged to complete their tasks within their standard working hours.

Offering Fair Opportunities

- We insist on providing equal employment opportunities and stipulate that all recruitment, employment, training, promotion, and compensation policies must be implemented in an objective, fair, and open manner.
- Any employee may report instances of unequal treatment through our feedback and reporting channels. We will investigate and address such incidents to ensure that all our employees enjoy equal opportunities in the workplace.

Anti-Discrimination and Anti-Harassment

- We have zero tolerance against any form of discrimination and prejudice, regardless of race, nationality, religion, gender, age, skin color, disability, marital status, or any other legally protected distinguishing characteristics. We prohibit any form of sexual harassment in the workplace, including office locations, as well as other business-related venues.
- Our ethics & compliance committee offices conduct regular anti-discrimination and anti-harassment awareness projects to ensure that all our employees understand our ethical standards and incident report channels. In collaboration with globally reputable third-parties, we have introduced anti-discrimination and anti-harassment learning modules to enhance awareness and compliance among our global workforce.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

03 Empowering Excellence

Talent Attraction

Talent Development

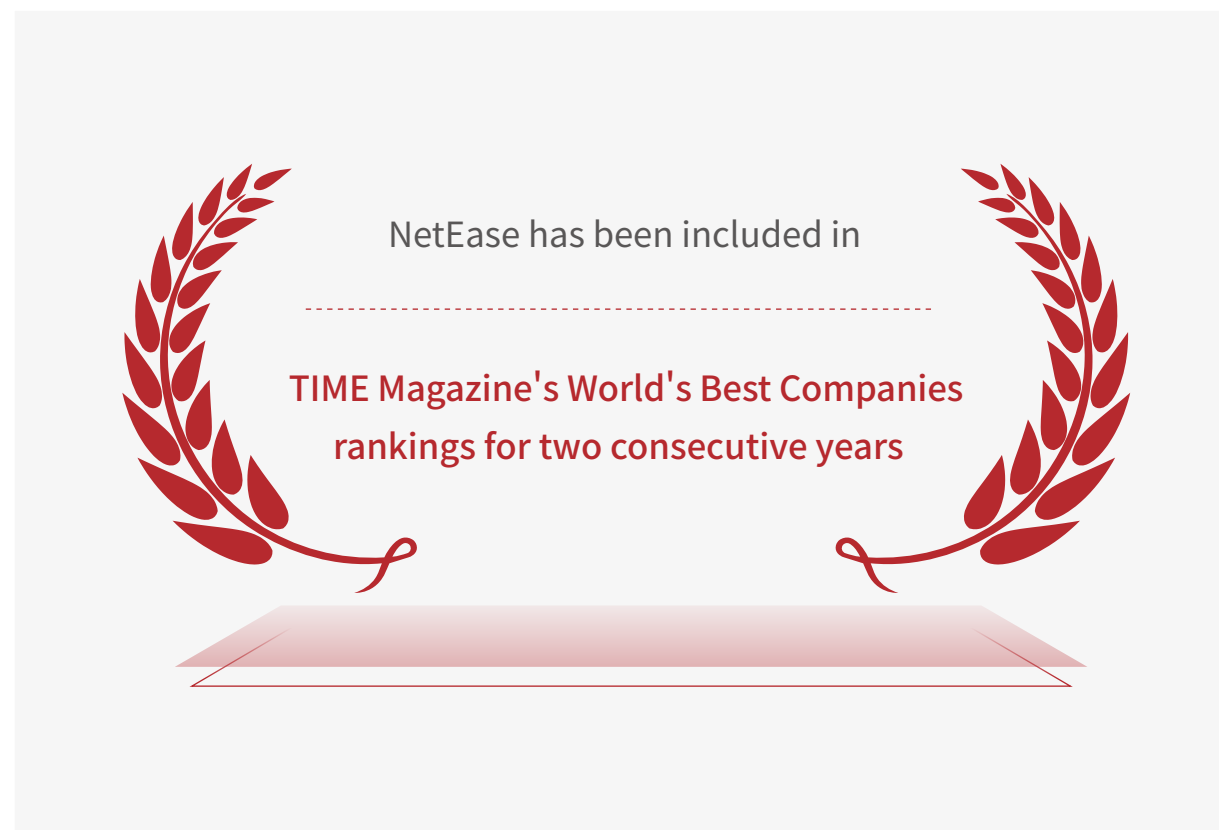
Talent Care

Community Development

Green Concept

Appendix

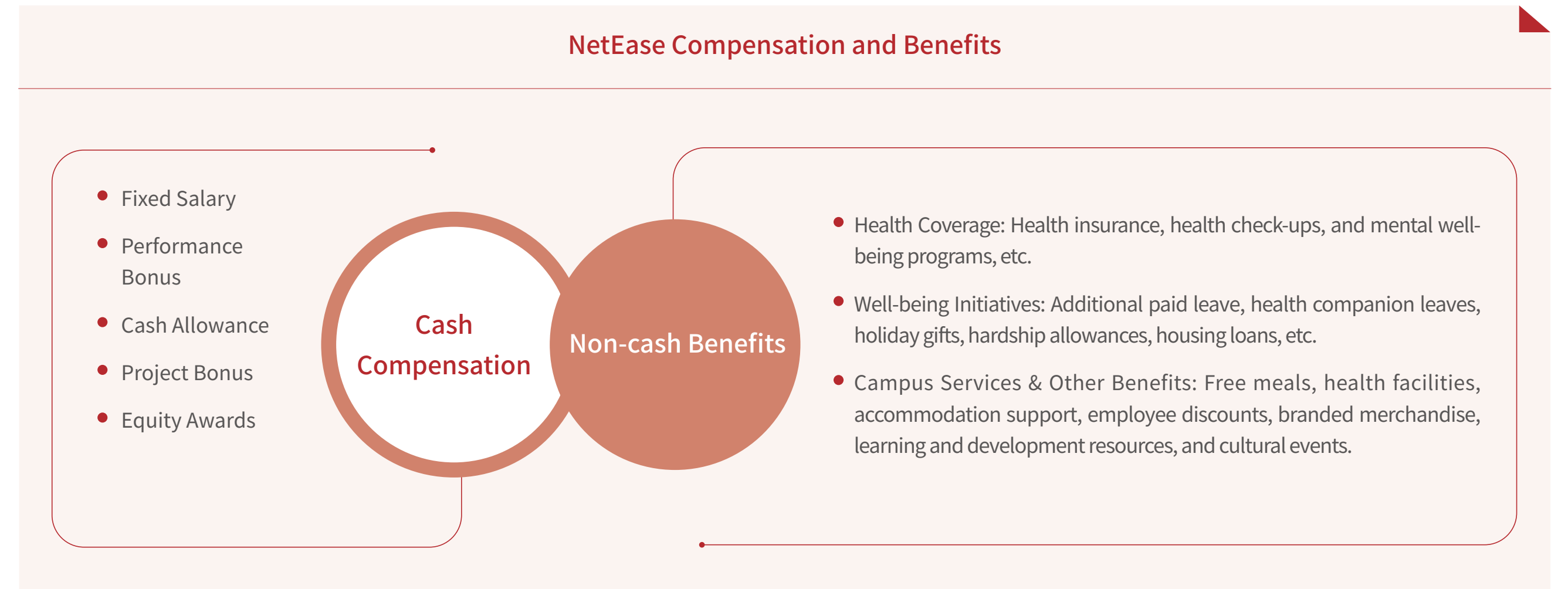
During the reporting period, our talent recruitment and employee management efforts received many recognitions.



Compensation and Benefits

We balance internal equity with external competitiveness by building a comprehensive compensation framework rooted in role value, employee capabilities, and performance outcomes. Leveraging annual industry benchmarking surveys, we tailor competitive compensation packages that recognize and reward individual contributions, ensuring alignment with market trends while honoring each employee's dedication.

We also enhance our non-pay benefits system by offering all employees a diverse range of programs that include healthcare coverage, well-being initiatives, and campus services. For interns, we provide accident insurance, holiday gifts, statutory leave, and basic campus benefits. These initiatives strengthen our employees' sense of fulfillment and belonging and reinforce our ability to attract and retain top talent.



During the reporting period, we further optimized our employee benefits across our business locations in China and overseas by improving our vacation policies, workplace health, health insurance, and pension plans. For employees in China, we introduced personalized medical assistance services for them and their families that cover daily medical support, inpatient care, and rehabilitation nursing. For overseas employees, we launched a series of well-being initiatives covering leave management, medical insurance, mental and physical health support, as well as retirement and financial planning, to enhance overall employee well-being.

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

03 Empowering Excellence

Talent Attraction

Talent Development

Talent Care

Community Development

Green Concept

Appendix



Talent Development

We prioritize our talent and are dedicated to developing a sustainable training and development model that offers comprehensive learning resources, enabling our employees to continue their growth and achieve their aspirations. Our data-driven performance management system establishes a comprehensive assessment process that includes goal setting, progress monitoring, and evaluation. This approach is designed to enhance the competitiveness of our employees and the Company as a whole.



Training and Development

We offer multi-tiered and diverse courses in areas such as leadership, professional skills, and business expertise to empower our employees to continue to develop and advance their careers. During the reporting period, over 860,000 hours of employee training were completed at the Company.

We have established two major career tracks, one focusing on professional expertise and the other on management development. Employees have the flexibility to choose the path that best aligns with their aspirations, with customized training courses and development goals for different career trajectories. We also establish competency standards based on functional roles and levels to help our employees set clear development milestones and advance in a systematic manner.

Pre-Job Training for Apprentices

We continuously explore pathways for cultivating high-quality talent by advancing apprentice training at the university stage. Through long-term collaboration with universities, we aim to nurture potential talents who are better aligned with our target positions and can more quickly integrate into the workplace. For example, in 2024, the Industry Research Institute, jointly established by NetEase and the Communication University of Zhejiang, innovated upon their educational models by offering specialized courses in game voiceover. These courses employ diverse teaching practices, shifting talent development from traditional on-the-job training to early-stage university training. By providing opportunities for hands-on professional training, the program helps students develop industry-related skills and qualities in advance, ensuring a seamless transition from university to the workplace.

Leadership Development

We provide all employees with versatile and tailored leadership development programs, blending innovative formats and rich learning resources to unlock leadership potential across all levels and enhance organizational management efficacy. In 2024, we revamped our leadership training system through strategic initiatives such as role-specific learning tracks, peer-driven communities, hands-on management workshops, and succession development programs. This revamped framework equips key leaders, emerging managers, and future-ready talent with targeted resources to cultivate strategic vision and adaptability, empowering teams to navigate complexity and drive transformative outcomes.

Core Managers

- **Specialized Modules:** Courses designed to improve skillsets for specific qualities, such as a training module focused on target analysis.
- **Community-based Learning:** Regular open courses and roundtable discussions as supplementary learning opportunities, aligned with daily management needs.

New Managers

- **Management Workshops:** Online training programs tailored to support newly promoted managers or those transitioning to new roles or management responsibilities to ensure a smooth adaptation, such as the MUST Boot Camp for new managers.

Prospective Managers

- **Manager Reserve Development:** Training programs designed to equip high-potential employees with essential management tools before assuming leadership positions. Examples include the DEMO Learning Exclusive program.

Leadership Development Programs

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

03 Empowering Excellence

Talent Attraction

Talent Development

Talent Care

Community Development

Green Concept

Appendix



Professional Skills

We continuously expand the scope of training programs on general job-specific skills, supporting employees in cross-business or cross-functional roles to develop diverse knowledge and skills. We also prepare tailored skill enhancement programs to deepen the expertise of specific professional groups in key vocational skill areas. Additionally, in line with business growth and employee development needs, we introduced a series of group-wide themed competitions to foster knowledge exchange and introduced specialized training programs to consolidate best practices.



AIGC Innovation Competition

To foster a culture of innovation in AIGC, we conduct our AIGC Full Classroom training program that covers mainstream AIGC tools and real-world applications, industry case studies, and discussions on opportunities and challenges in the AIGC era. This initiative has accumulated over 70 multimedia course resources that are accessible to all our employees, with more than 30,000 participants to date. During the reporting period, we also used our AIGC Innovation Competition as a platform to encourage our employees to share experiences on AI-driven business innovation. Ultimately, 11 winning projects were selected, contributing to AIGC-related knowledge sharing, collaboration, and the expansion of our internal AIGC resource tool library.

Professional Skills & Commercialization Capability

We believe that a strong grasp of technology will enable employees to optimize existing products, integrate new technological concepts into product development, and drive our competitiveness. In 2024, we introduced a technical capability certification program for all frontline technical staff. As of the end of the reporting period, 3,500 certifications had been issued. This program adopts a learn-by-assessment approach, helping employees solidify foundational skills, stay current with industry-leading technologies, become more familiar with technical requirements and standards, and apply more innovative technologies to support efficient business operations.

Additionally, we launched NetEase Talk for our employees, inviting well-respected industry experts to share insights on economic trends, advanced science, and industry best practices. These sessions help employees expand their understanding of the external environment, enhancing their knowledge base to improve our business and products in their daily work. In 2024, we organized 10 expert sharing sessions, with over 4,500 participants joining these sessions.

In 2024, we organized

10

expert sharing sessions

4,500+ participants

joined these sessions

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

03 Empowering Excellence

Talent Attraction

Talent Development

Talent Care

Community Development

Green Concept

Appendix

Grow as a Team

We are committed to advancing the competencies of every business unit through targeted job-specific training programs designed to boost team performance and tangible outcomes. For instance, for our product development teams, we implemented a "Learn-Apply-Refine" model that integrates four core phases: structured coursework, hands-on business simulations, expert feedback sessions, and collaborative performance reviews. This approach not only accelerates skill mastery but also fosters cross-functional innovation by encouraging employees to break down silos, form cross-department teams, and collaborate under the guidance of senior mentors. By the end of the reporting period, this initiative had yielded eight proprietary training modules, 20 actionable task reports, and a product development knowledge hub, while delivering multiple market-ready products—some already launched and others poised for release.

For customer relations and technical support teams, we focused on role-critical competencies, delivering training that blends methodology frameworks with real-world best practices. These initiatives cultivate a client-first mindset, enabling teams to prototype tailored operational strategies, refine them through iterative feedback, and ultimately codify their insights into a client success action guide, ensuring teams stay agile in addressing evolving client needs.

We are committed to supporting the personal development and all-round growth of all employees. We encourage them to pursue external certifications and participate in degree enhancement programs, offering financial assistance as appropriate. Employees may also be eligible for reimbursement of the cost of external courses in certain circumstances.

Support for External Certifications

NetEase Cloud Music proactively supports employees in obtaining professional certificates, such as agent and editor licenses. To facilitate this process, we also organize exam-focused online communities, provide recommended study materials, and send regular reminders to assist candidates. As of the end of the reporting period, over 200 employees had prepared for certificate exams. In 2024, we reimbursed exam expenses and awarded small bonuses to more than a dozen employees who obtained and maintained their agent or editor certifications.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

03 Empowering Excellence

Talent Attraction

Talent Development

Talent Care

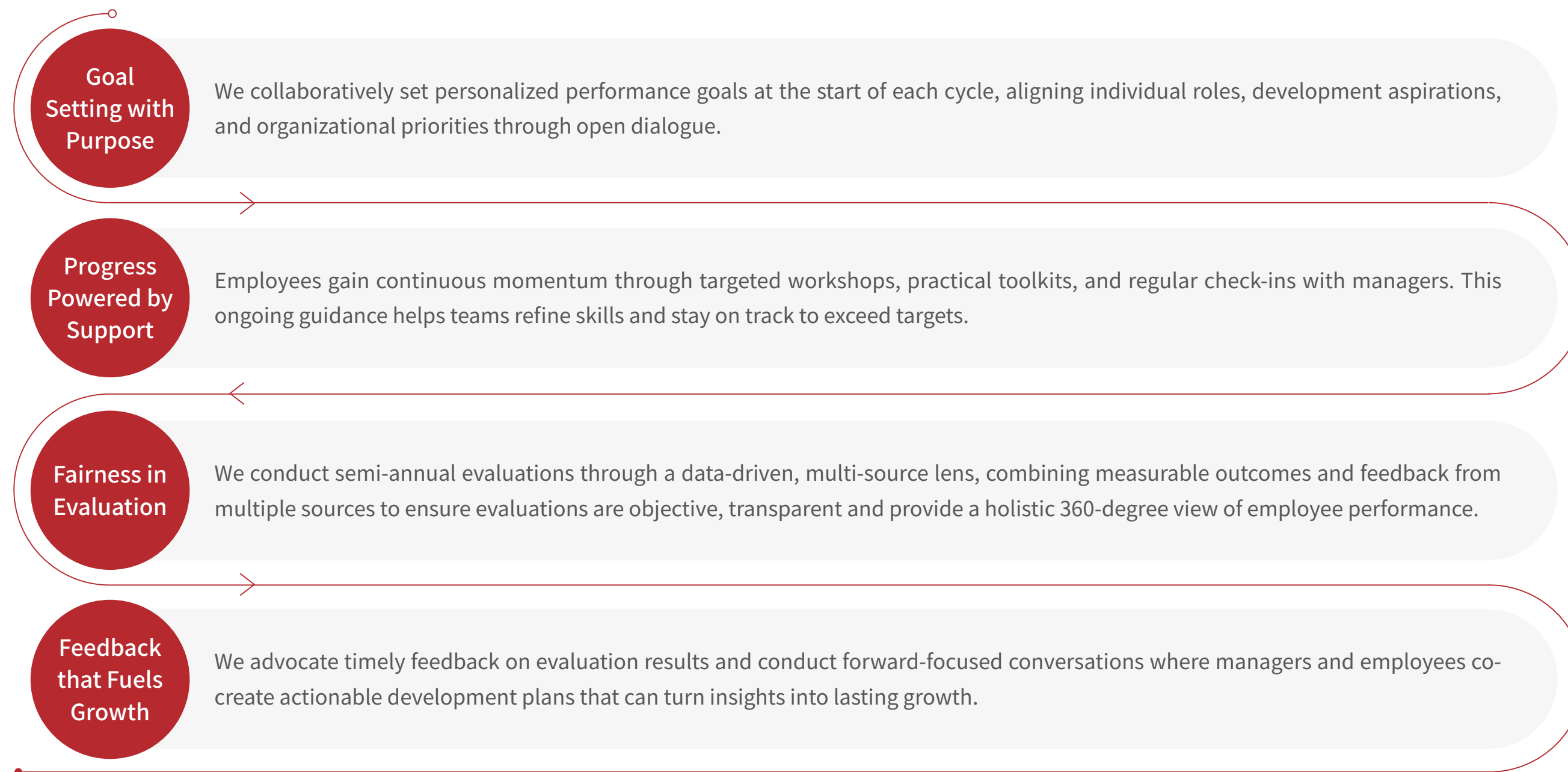
Community Development

Green Concept

Appendix

Performance Management

We have established a robust, transparent performance management system designed to nurture employee growth while driving organizational excellence. By aligning individual goals with company-wide strategic priorities, we ensure every role contributes meaningfully to our collective vision. Every six months, we hold multi-dimensional performance reviews to highlight contributions, track value creation, and refine goals together. To foster a culture of excellence, we pair results-driven accountability with tailored support: high performers receive targeted recognition and incentives, while personalized coaching plans empower all employees to refine their strengths and address any gaps.



NetEase Performance Management System



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

03 Empowering Excellence

Talent Attraction

Talent Development

Talent Care

Community Development

Green Concept

Appendix



Talent Care

We provide diverse communication and feedback channels to promote transparency and trust between our employees and the Company. Our commitment to creating a healthy, safe and supportive work environment is evidenced by our constant efforts in improving our employee well-being, including initiatives to promote work-life balance and to ensure that every employee feels valued and cared for.



Two-Way Communication

We value and respect the views of our employees and provide them with access to multiple communications channels to voice any grievances or feedback, to which we are committed to responding in a timely manner. Our annual employee engagement surveys provide us with comprehensive and in-depth insights into our employees' opinions on areas such as job satisfaction, career purpose, workplace well-being, and compensation packages. With these insights, we can continue to improve the lives of our employees and look to address any concerns they may have.

Employee Communication

- Our intranet portal serves as an important communication platform and ensures timely internal responses for our employees. Through channels such as News and Honors, our employees can access the latest updates of various business sectors and use them to drive continuous improvement in their work.
- Through the Suggestion Section of our intranet portal, our employees can submit suggestions for improvements in our cafeteria, campus facilities, office environment, and information systems, among others.

Employee Feedback Reporting

- We provide formal grievance channels for employees to voice concerns, suggestions, or disputes that may impact their personal interests. To ensure effective resolution and escalation procedures, we encourage employees to submit complaints using their real names and strive to conduct prompt investigations and provide timely feedback. Anonymous complaints can also be submitted through our intranet portals, where employees can track progress in real time and provide feedback on the handling process and outcome.

Employee Engagement Surveys

We conduct annual employee engagement surveys centered on three pillars- business alignment, team synergy, and rewards & recognition, to accurately gauge workplace sentiment and drive meaningful improvements. Our holistic approach measures employees' role satisfaction, clarity of personal and organizational goals, team cohesion, and career fulfillment, while assessing overall well-being.

During the reporting period, we enhanced the survey by incorporating assessments of efficiency, organizational objectives, and problem-solving capabilities. This refinement encourages our employees to focus on our operational effectiveness and align their personal growth with the Company's strategies. In 2024, the response rate of our engagement survey questionnaires exceeded 90%, with overall satisfaction consistently above 75 points. Notably, our employees expressed high recognition in the Company's goal-setting related efforts, maintaining scores of above 80 points for three consecutive years.

To drive meaningful improvements, each business unit is required to execute at least one improvement plan based on issues identified in the survey results. Initiatives include strategy communications, goal cascading, cross-departmental collaboration and recognition programs, fostering a culture where employees feel heard, valued, and invested in both their growth and the Company's shared success.

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

03 Empowering Excellence

Talent Attraction

Talent Development

Talent Care

Community Development

Green Concept

Appendix

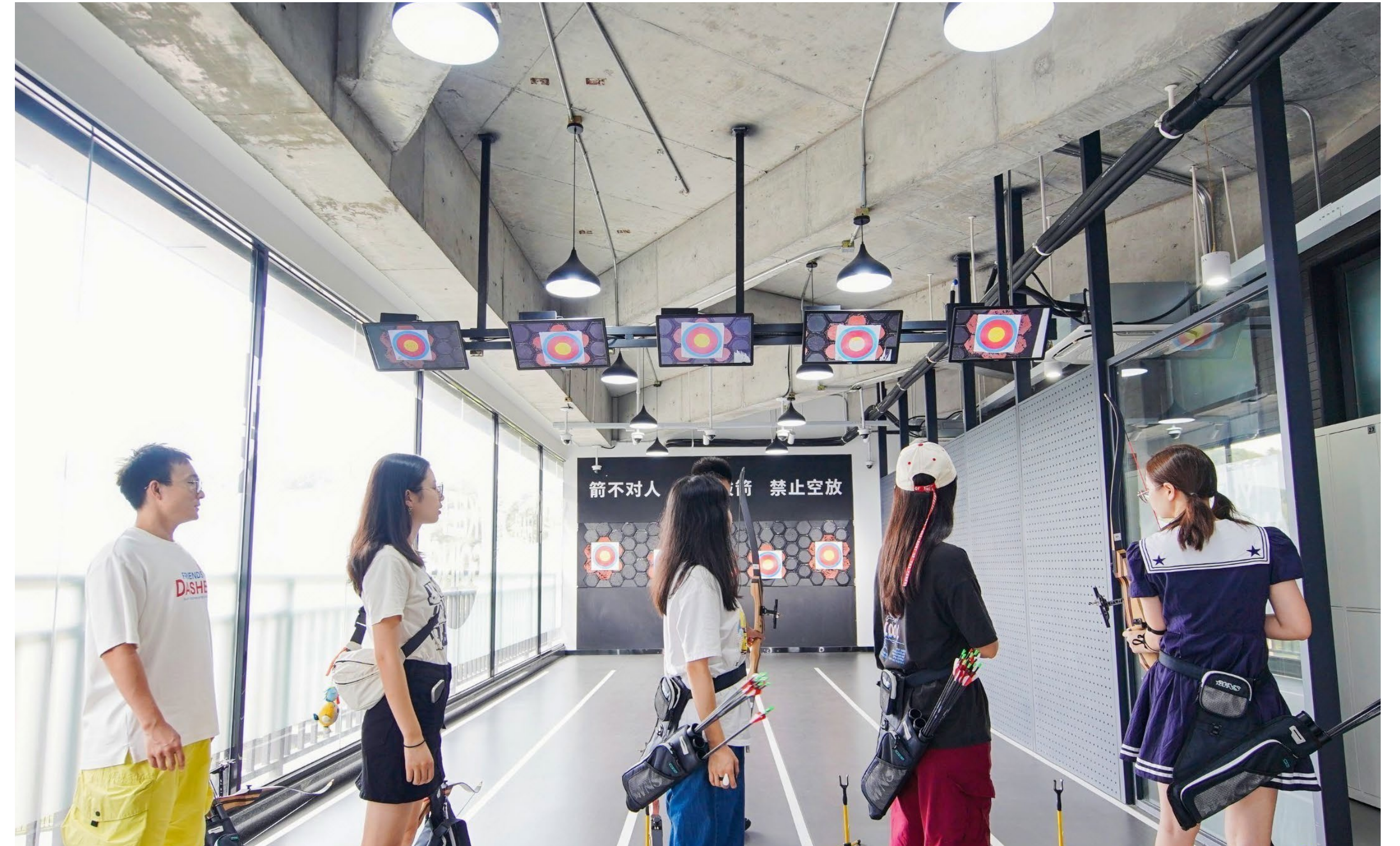


Employee Well-being

Employees' health and safety are of paramount importance to us. To show support to our employees, we offer flexible work arrangements, family care leaves, and various club and community activities. To promote physical well-being, we provide regular health check-ups, organize group fitness activities, and host online and offline health awareness sessions to encourage preventive care and healthy living. Our mental health support programs continue to develop, offering a range of professional psychological counseling services, and we were honored to receive the 2024 EAP Outstanding Employer award by the China International Intelligence Group (CIIC) EAP Occupational Mental Health Center. We also equip our work locations with essential health and safety facilities and conduct regular safety risk assessments to identify and mitigate potential hazards.

Creating a Healthy Workplace

- We have multiple lactation facilities across our office campuses to provide a friendly environment for our employees. We also provide special seating areas for pregnant employees, with dedicated staff to cater to their needs and offer maximum convenience.
- Many of our workplaces are equipped with gym facilities. For instance, at our Hangzhou office campus, we have a sports center that offers free access to basketball, badminton, table tennis, tennis, archery, and kendo facilities to support employees' fitness needs.
- Our Hangzhou campus also features therapy and health consultation rooms, providing employees with access to rehabilitation therapy and basic medical assistance.
- We have established a food safety control system for our cafeterias. This includes inspections of material supplies and inspections by third-party testing agencies. We identify and evaluate safety hazards in the procurement, processing, and catering service stages, and develop action plans with different priority levels to ensure food safety across the entire chain. We have also revised the code of conduct for catering supplier personnel and introduced food safety criteria for suppliers in the procurement bidding stage to enhance their awareness of food safety.
- Our campuses are equipped with AED defibrillators and SOS call assistance systems. We also conduct regular first aid training sessions, combining theoretical knowledge with practical exercises to equip employees with CPR, AED usage, and wound treatment and bandaging skills.
- We continuously conduct workplace safety risk and hazard assessments, organize regular internal safety inspections, and conduct periodic fire equipment safety checks. We also provide fire safety training and emergency drills for our frontline staff to prepare for and respond to emergency situations.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

03 Empowering Excellence

Talent Attraction

Talent Development

Talent Care

Community Development

Green Concept

Appendix

Promote a Supportive Office Environment

- We provide flexible work options tailored to different business functions and actual operational needs, such as flexible working hours and working-from-home arrangements.
- We offer paid maternity check-up leave, maternity leave, paternity leave, breastfeeding leave, parental leave for the primary and non-primary caregiver, and health care leave to all employees to help our employees balance their professional and personal responsibilities in accordance with local policies.
- We actively support clubs and community activities in sports, music, arts, and entertainment, encouraging employees to explore their interests and maintain a positive, energized mindset beyond work.

Physical Health Initiatives

- We provide annual health check-ups for our employees and expanded our coverage in 2024 to ensure employees can monitor their health conditions proactively.
- We support various sports club activities and hold company-wide competitions. In 2024, our Guangzhou campus organized a fitness festival that featured challenges at varying difficulty levels. Over 600 employees participated in the event, inspiring a broader engagement in physical well-being.
- We increased investments in offline activities, such as free medical consultations in collaboration with reputable hospitals, free dental check-ups, and setting up health benefit booths during campus open days, all aimed at enhancing employees' health awareness.
- We have integrated multiple healthcare resources to establish a comprehensive health consultation network both online and offline. Additionally, we send monthly alerts on prevalent diseases to help employees adopt preventive health measures.

Comprehensive Mental Health Support System

- We continue to promote the Employee Assistance Program (EAP), offering services such as psychological counseling and stress management to safeguard employees' mental well-being. Our EAP program not only covers our employees, but also extends to their immediate family members, providing comprehensive mental health support for both our employees and their families.
- To enhance workplace mental health support, we launched the Easy Mind Reading program and organized empowerment training programs for managers and human resources personnel in 2024. These initiatives equip employees with mental health knowledge and encourage them to seek psychological assistance when needed.





04

Community Development

We embrace our social mission with steadfast commitment, leveraging our strengths to empower diverse sectors toward sustainable growth and shared progress. We actively contribute to industry progress by sharing our expertise and know-how, fostering collaborative partnerships that drive growth and innovation. We are also dedicated to philanthropy, actively participating in public welfare initiatives, and continuing to support charitable causes. Through these efforts, we strive to be both active participants and promoters of charitable endeavors.

- Industry Engagement
- Philanthropy

United Nations Sustainable Development Goals (UN SDGs)



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

04 Community Development

Industry Engagement

Philanthropy

Green Concept

Appendix

Industry Engagement

We champion industry innovation by collaborating with diverse stakeholders to build an open and thriving ecosystem. We actively share expertise while deepening university-industry partnerships to cultivate and empower top-tier talent, fueling the vitality of our sector. By leveraging technological innovation, we amplify our commitment to societal progress and sustainable development, ensuring every advancement creates lasting value for communities worldwide.



Hosting a Sub-Forum at the China National Computer Congress and Announcing Innovative Research Funding

At the 2024 China National Computer Congress, *NetEase Fuxi* successfully hosted the sub-forum "From Game AI to AOP: Integrating Virtual and Physical Worlds to Drive New-Quality Productivity." The event gathered leading experts, scholars, and representatives from innovative companies to explore advanced technologies, including game AI and swarm intelligence. In addition, during the forum, *NetEase Fuxi* and the China Computer Federation (CCF) unveiled the first batch of projects funded by the CCF and our *NetEase Games* division, with total funding reaching RMB 2.1 million. This initiative supports advanced AI research and promotes industry-academia collaboration.

2024 NetEase Low-Code Competition

We have held our Low-Code Competition for three consecutive years to promote learning through competition and accelerate the adoption of low-code development. Utilizing our self-developed intelligent development platform CodeWave, contestants combined instant messaging (IM) and real-time communication (RTC) with low-code to create interactive and fun applications that feature scenario innovations. The competition identifies and nurtures new talent, and forges close partnerships with enterprises and academic institutions to develop a digital talent pipeline, addressing talent supply challenges and driving the convergence of digital technology with the real economy.

Showcasing AI Innovations at the World Artificial Intelligence Conference

In July 2024, *NetEase Fuxi* presented a diverse offering of AI-powered products and services at the World Artificial Intelligence Conference (WAIC) powered by its proprietary industrial AI models and Agent-Oriented Programming (AOP) technology. The excavation and loading robots powered by its technology and solutions have been deployed in over 50 major projects across more than 10 provinces in China. These robots operate in diverse sectors, including mining, ports, concrete mixing, chemicals, infrastructure, emergency response, and vocational training. The excavation robot can function continuously for over ten hours in extreme conditions, maintaining mining operations even during severe weather such as heavy rains. Compared to traditional mining methods, it improves efficiency by over 30%, enhancing both safety and productivity.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

04 Community Development

Industry Engagement

Philanthropy

Green Concept

Appendix

Philanthropy

Using technology as a driving force for philanthropic efforts, we expand the coverage of our public welfare projects. For many years, we have dedicated ourselves to serving the community by consolidating our resources across different business units, such as music, games, and education, to realize a shared vision for a better society. We turn every act of kindness into actions that reflect our care and concern for the society.



Technology Empowerment

We evaluate society's evolving needs and leverage our resources to promote social welfare through practical actions. Through our diversified platforms, our employees participate in a variety of public service initiatives, fostering a culture of positive change within our communities. Additionally, we leverage the influence of our products to support charitable efforts and drive impactful social contributions.

AI-powered Hearing Rehabilitation Specialist Project

In 2024, *NetEase Youdao* initiated the AI-powered Hearing Rehabilitation Specialist project, which offers professional speech training for hearing impaired individuals. Powered by *NetEase Youdao's Confucius* large language model and proprietary Q&A search engine QAnything, the initiative delivers intelligent and tailored speech coaching to individuals with hearing impairments. Working with public welfare organizations such as I Hear U Charity Fund, the project has supported the rehabilitation of over 100 people. On May 15, 2024, at the invitation of the Xicheng Disabled Persons' Federation of Beijing, the project was showcased at the 34th national day of assisting disabled persons, receiving acclaim from federation leaders and users.

NetEase Yanxuan Advocates Scientific Approach to Animal Rescue

During the reporting period, *NetEase Yanxuan's* pet supply brand *Tiancheng* partnered with Starbucks China and the animal welfare group Ta Foundation to launch a "A Companion at the Corner" campaign. The initiative introduced "life records", an interactive QR code that grants users access to curated music, educational content, and scientific knowledge about stray animal protection. The campaign advocates a four-step scientific rescue framework of Discover, Trap-Neuter-Return (TNP), Adopt, and Care, encouraging a comprehensive, science-based approach to animal rescue beyond mere feeding. A concurrent flash mob engaged millions across online and offline channels, significantly boosting public awareness of humane animal care.

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

04 Community Development

Industry Engagement

Philanthropy

Green Concept

Appendix

NetEase Games' Justice Online Helps Farmers with Shennong Initiative

During the reporting period, *NetEase Games' Justice Online* launched the "Shennong Initiative", a special project that combines agricultural support with public welfare. In the initial phase, the initiative worked with the Yuan Longping Rice Academician Expert Workstation in Hinggan League, Inner Mongolia to procure 97,500 kilograms of rice from the station on behalf of the players of the game. This rice was then donated to the Care Lunch organization, benefiting students at 91 schools in mountainous areas.

Procured

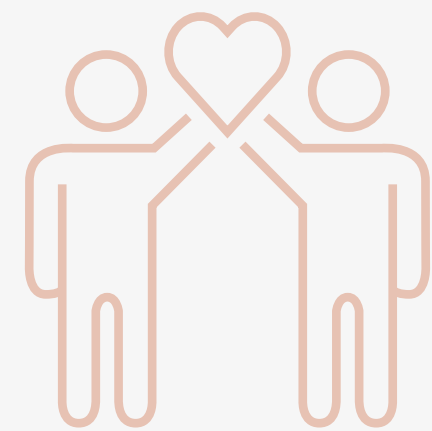
97,500 kg

of rice on behalf of the players of the game

Benefiting students at

91

schools in mountainous areas



Eggy Party's 2024 Public Welfare Campaign

During the reporting period, *NetEase Games' Eggy Party* partnered with Xinhuanet and the China Social Welfare Foundation to launch "Egg Blooming Wishes", a digital art charity initiative. The proceeds from the campaign were used to fund more than 28,000 free lunches to children in rural areas, supporting their healthy growth. Additionally, in collaboration with the China Foundation for Rural Development, *Eggy Party* established 10 Eggy Companion Homes in Xishui county in China's Guizhou Province to provide professional care and support for rural children.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

04 Community Development

Industry Engagement

Philanthropy

Green Concept

Appendix

Education Initiatives

Improving educational welfare is central to our mission, with focused efforts on reducing disparities in resource distribution and fostering talent development. Through our robust experience in the education sector, we have developed a comprehensive solution through the One Screen program, a public welfare initiative that employs smart education technology to share premium learning resources. We are continuing to expand the reach of One Screen to provide high-quality education for children in remote areas.

One Screen is a non-profit education program initiated by William Lei Ding, the founder and CEO of NetEase. The program is dedicated to promoting fair access to education by supplying underserved schools with smart devices, premium courses, and digital learning platforms. During the reporting period, *NetEase Youdao* collaborated with Zhenhai High School in Zhejiang Province to donate smart devices to six schools. These devices were used to create One Screen AI learning classrooms, enabling more students to benefit from the latest AI technology and accelerating the digital transformation of education for schools in the central and western parts of China. In addition to equipment donations, the program also organizes targeted teaching support and professional development initiatives to enhance the competencies of teachers in different counties.

As of the end of the reporting period, the One Screen program had donated and provided teaching resources to over 300 schools in nine provinces, benefiting nearly 200,000 teachers and students in the process. The participating schools have seen marked improvements in both teaching standards and academic performances after years of sustained support. In 2024, by harnessing remote, collaborative online classroom technology, the One Screen program helped students in several remote areas to achieve impressive results in China's National College Entrance Examination.

During the reporting period, the "One Screen" initiative helped over 30,000 students in remote areas share high-quality educational resources. In the 2024 National College Entrance Examination in China, among the 647 students supported by the One Screen initiative

<p>5 were admitted to Tsinghua University or Peking University</p>	<p>Students achieved scores exceeding 600 points (out of 750)</p> <p>70+</p>	<p>The overall undergraduate admission rate across participating schools was close to</p> <p>80%</p>
---	---	---





05

Green Concept

At NetEase, we embrace our responsibility to combat climate change and safeguard our shared ecological future. Through technology-driven climate governance, we systematically implement energy conservation and carbon reduction initiatives to build operational resilience. Leveraging our core operations, we integrate energy management, resource circularity, and green technologies to establish an end-to-end low-carbon framework spanning offices, data centers, and supply chains. Beyond our operations, we collaborate with diverse stakeholders through impact-driven initiatives, co-creating pathways to a sustainable future.

- Climate Change
- Green Operations
- Sustainable Innovation

United Nations Sustainable Development Goals (UN SDGs)



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

05 Green Concept

Climate Change

Green Operations

Sustainable Innovation

Appendix



Climate Change

We are fully aware of the importance of climate-related considerations and maintain a proactive approach to monitoring their evolving implications for business continuity. By refining governance frameworks, we systematically assess climate risks and opportunities while advancing energy efficiency and decarbonization strategies to bolster operational resilience.



Climate Change Risks

With reference to IFRS S2, we manage and disclose climate-related risks and impacts across four key dimensions: governance, strategy, risk management, as well as metrics and targets. This structured and science-based approach enables us to effectively respond to both climate change challenges and opportunities.

Governance

Our ESG working group coordinates our climate change efforts, including risk identification and assessment, target setting, progress monitoring, and outcome disclosure. The group collaborates with our business units and departments to develop practical climate resilience plans, systematically enhancing our resilience against climate change. We are working to establish a formal climate governance framework that will eventually involve our board of directors, the ESG committee of our board, and the ESG working group. During the reporting period, the ESG committee received training on climate issues, and the ESG working group updated our climate risk analysis results to support further improvements.

Climate Strategy

Since 2020, we have conducted a comprehensive scenario analysis of climate-related risks and opportunities, in accordance with the Representative Concentration Pathways (RCP) 8.5 scenario adopted by the Intergovernmental Panel on Climate Change (IPCC) (Please refer to Appendix 4 for the complete list of climate change risks). We adjusted our business strategy and resource allocation to strengthen our climate resilience and harness the potential of low-carbon transformation.

Greenhouse gas (GHG) management is the core dimension of our climate strategy. By implementing systematic emission reduction measures through our carbon management tools, we aim to maintain visibility and control over our operational emissions. We actively explore carbon reduction opportunities within our operations, employing IoT-powered intelligent control systems and advanced reduction technologies to support precise energy management.

Our business units and departments work in unison to execute climate action plans, by identifying climate-related risks such as extreme weather conditions and deploying targeted measures to strengthen our ability to manage these risks effectively.

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

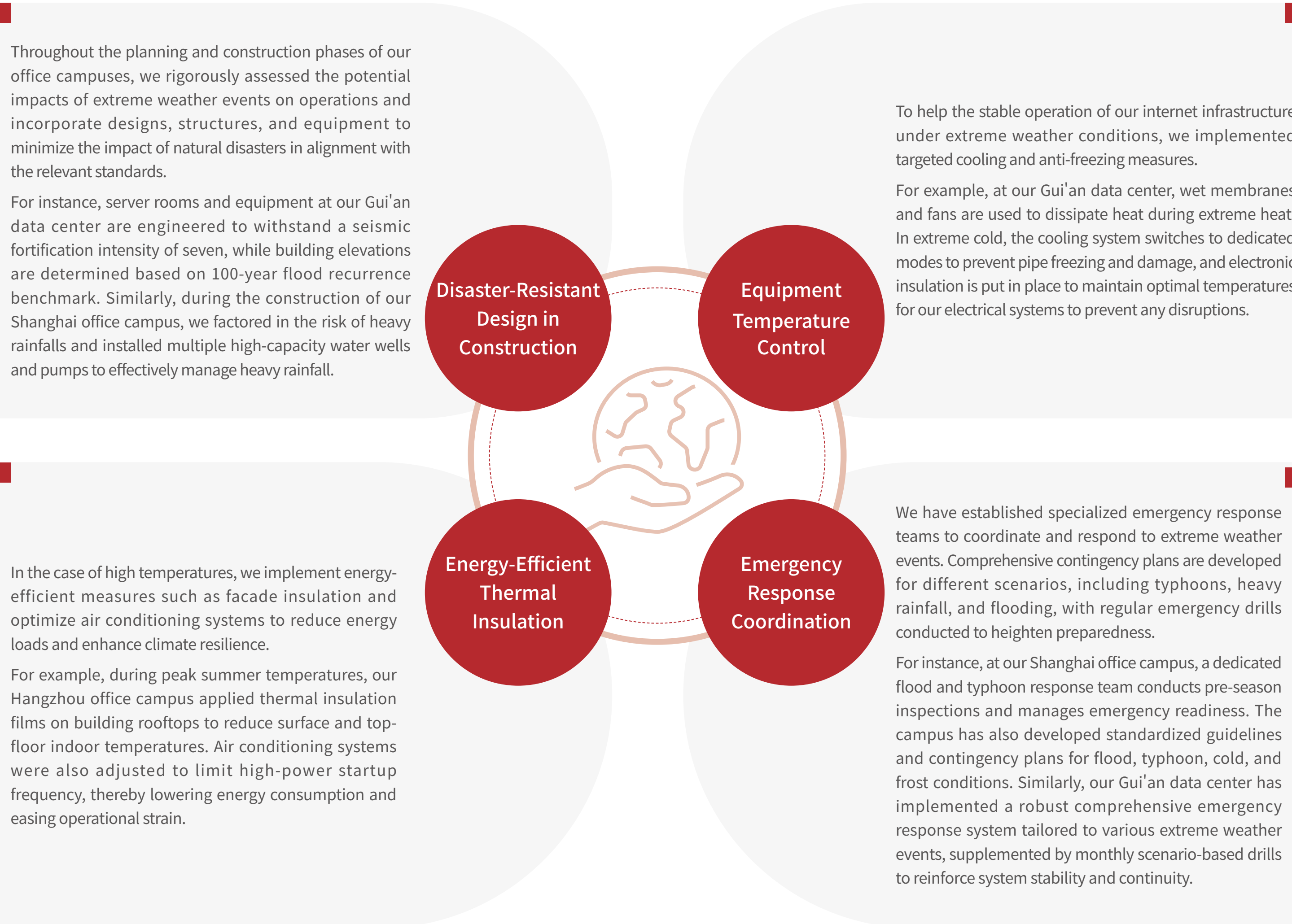
05 Green Concept

Climate Change

Green Operations

Sustainable Innovation

Appendix



Physical Climate Risk Adaptation (Examples)

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

05 Green Concept

Climate Change

Green Operations

Sustainable Innovation

Appendix

Risk Management

We have established a structured, data-driven process to identify, assess, monitor, and manage climate-related risks. Based on this framework, our ESG working group and related business units embed climate risk considerations into their operations and management decision, strengthening climate resilience and mitigating the potential business impacts.

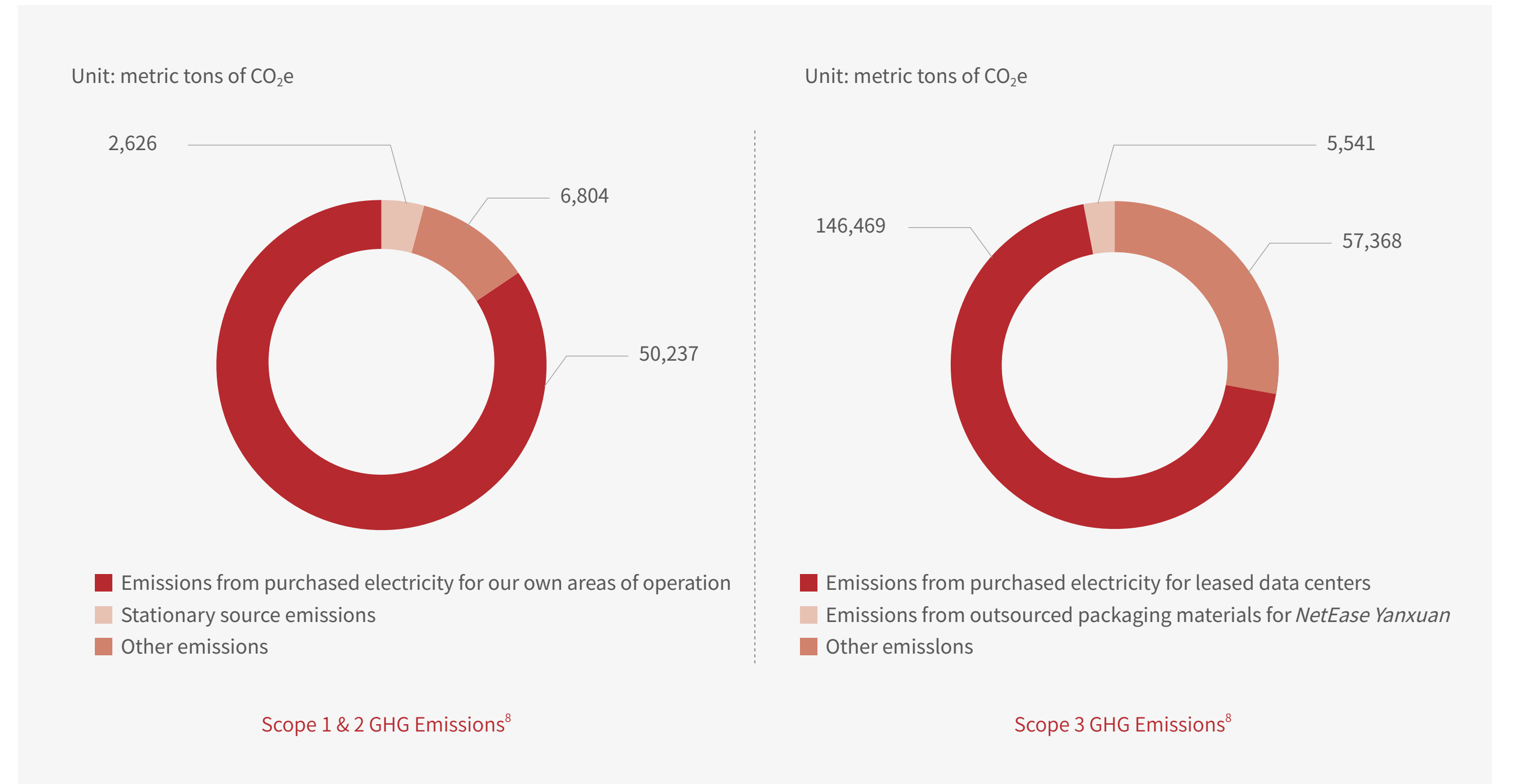


NetEase Climate Risk Management Process

Metrics and Targets

We actively support China's "dual carbon" goals of carbon dioxide peaking and carbon neutrality, with the aim of fulfilling our carbon reduction responsibilities. Through innovative technologies and green transformation initiatives, we continue to drive decarbonization across our operations and value chain, thereby contributing to the global climate efforts.

To evaluate the effectiveness of our climate strategies and progress toward our emission reduction targets, we engaged the China Environmental United Certification Center to audit our GHG emissions in accordance with the ISO 14064-1: 2018 standard. Based on the audit findings, we identified areas for further optimization and initiated continuous improvements. In 2024, our full value chain greenhouse gas emission intensity was 2.56 tCO₂e per million RMB of revenue, representing a sustained decline over two consecutive years. Our GHG emissions data for 2024 are as follows.



⁸ During the reporting period, as a result of the use of our infrastructure and a reduction in external leasing, some scope 3 GHG emissions were reclassified as scope 2. This led to an increase in per capita operational GHG emissions (scope 1 and 2). However, the change in total per capita GHG emissions (scope 1, 2, and 3) remained within a reasonable range.



Green Operations

We are committed to advancing low-carbon development by integrating IoT smart technologies with our green operations to continuously explore innovative energy-saving and carbon-reduction strategies that are uniquely tailored to our business. Our focus is on precise energy management in both our office spaces and data centers, while also standardizing resource and waste management practices. Through these efforts, we are seeking to build a sustainable development model that harmonizes smart energy management, resource recycling, and green office practices.



- About This Report
- About NetEase
- ESG Highlights
- ESG Strategy
- Responsible Governance
- Reliable Products and Services
- Empowering Excellence
- Community Development
- 05 Green Concept**
- Climate Change
- Green Operations**
- Sustainable Innovation
- Appendix

Energy Saving and Consumption Reduction

We proactively integrate smart technologies into our green operations, continuously refining energy-saving and carbon-reduction strategies tailored to our business. In data centers, we prioritize energy consumption management and operational efficiency enhancements, leveraging digital capabilities to maximize energy efficiency.

Smart Energy Management

With our advanced IoT smart control platform, we have developed and continuously upgraded our energy monitoring and management systems. These systems enable real-time tracking of environmental conditions, personnel, and equipment operations across various energy consumption scenarios to facilitate data-based, precise energy management that directly supports our energy-saving and carbon-reduction goals. As a unified standard across our operations, our smart energy management framework is actively deployed and has been expanded across multiple campuses. As of the end of the reporting period, innovative technologies such as smart lighting, intelligent air conditioning control, and real-time environmental and energy consumption data collection were applied in our campuses in Hangzhou, Shanghai, Beijing, and Guangzhou.

Intelligent Sensors in Offices

- We utilize proprietary intelligent lighting control systems to optimize the power usage in offices. By precisely adjusting the lighting based on human presence, and dynamically adjusting the brightness and wattage through real-time sensing, we significantly reduce energy consumption in our office campuses.
- During the reporting period, we completed automated lighting system upgrades across our campuses. At our Beijing office campus, these enhancements contributed to a 26% year-over-year reduction in power consumption for lighting.

Real-Time Energy Monitoring

- Using IoT devices and systems, we collect and monitor energy consumption data for different usage scenarios and devices in our workplaces in real time. We review the data on a monthly and annual basis to identify irregular energy use and optimize our energy utilization plans.

Optimized Resource Allocation

- In our offices, we apply refined zone management based on factors such as staff density and frequency of equipment usage, enabling intelligent, centralized energy allocation to maximize efficiency.
- Through system integration, we implement air conditioning control by zone, manage the start-stop schedule of our equipment, adopt intelligent operating protocols, and apply smart frequency regulation to our elevators. These initiatives enhance system performance while significantly reducing equipment energy use. By optimizing air conditioning operations, our Guangzhou campus recorded a 19% year-over-year decrease in air conditioning energy consumption during the reporting period.

Examples of Our Smart Energy Management Solutions

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

05 Green Concept

Climate Change

Green Operations

Sustainable Innovation

Appendix

We proactively identify other energy-saving opportunities and advance energy efficiency improvements across our campuses as well. For instance, our Beijing campus implemented a series of innovative energy-saving upgrades in 2024, which included the introduction of a variable frequency operation mechanism for air conditioning circulation pumps and the establishment of a waste heat recovery system for boilers. These upgrades led to a notable reduction in both the power consumption for air conditioning and natural gas usage by our boilers, significantly improving energy efficiency.

Clean Energy Deployment

We are embracing the adoption of cleaner energy, with a focus on steadily increasing the proportion of clean power used in our campuses and expanding our energy transformation pathways. During the reporting period, our Guangzhou campus procured a total of 5,445.2 MWh of clean power, reducing carbon emissions by 2,107 metric tons⁹. In addition, the rooftop photovoltaic projects at our Beijing and Guangzhou campuses were successfully completed and connected to the power grid. In 2024, distributed photovoltaic installations across our Hangzhou, Beijing, and Guangzhou campuses generated a combined total of 2,666.7 MWh, resulting in a reduction of 1,504 metric tons of carbon emissions⁸.

During the reporting period, our Guangzhou campus procured a total of

5,445.2_{MWh}

of clean power

reducing carbon emissions by

2,107_{metric tons}

⁹ The emission factor used to calculate of carbon emission reductions for clean and photovoltaic power is taken from the 2022 CO₂ Emission Factors of Electricity issued by the Ministry of Ecology and Environment of the People's Republic of China and the National Bureau of Statistics of China.

Green Data Centers

The sustainable operation of our data centers plays a pivotal role in our green digital transformation. We continue to enhance energy consumption management in data centers by adopting precision practices, including refining equipment operations, optimizing cooling technologies, and conducting systematic monitoring of systems and facilities, to effectively reduce overall energy consumption.

Our first self-built data center, located in Gui'an, China's Guizhou Province, leverages advanced energy monitoring tools and integrates energy-efficient solutions across its operations and maintenance lifecycle – from optimized power supply systems and innovative cooling technologies to intelligent operational strategies. In 2024, it achieved an average annual PUE (Power Usage Effectiveness) of 1.179, outperforming its design target of 1.20 and thereby yielding annual electricity savings exceeding 830,652 kWh—a testament to our commitment to sustainable infrastructure.

Fresh Air Cooling

- By adopting direct evaporative cooling air handling units (AHUs), the system relies on natural air to cool IT equipment, operating in mixed-air mode and full fresh-air bypass mode for 60% of the year to reduce compressor usage and energy consumption. Additionally, the units adjust supply air temperature setpoints and the activation thresholds of wet membranes based on the temperature and humidity of the fresh air, thereby extending the duration of natural cooling.

High-Efficiency Power Supply

- The electrical system utilizes an integrated power supply system (a 10kV AC input direct current uninterruptible power supply), which reduces operational and maintenance workloads. Compared to traditional UPS (Uninterruptible Power Supply) or HVDC (High Voltage Direct Current) architectures, this system has lower overall energy losses.

Intelligent Monitoring

- An intelligent monitoring platform is used to oversee the operation of subsystems and data center rooms. Targeted improvements are made to subsystems with high PUE, thereby reducing overall system energy consumption.

Resource Integration

- Servers are consolidated in one location, enabling centralized energy management while reducing the need for cooling facilities.

Overview of Energy-Saving Solutions at the Gui'an Data Center



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

05 Green Concept

Climate Change

Green Operations

Sustainable Innovation

Appendix



Green Campuses

We are committed to adopting green and sustainable development principles into our operations. By optimizing resource use and improving waste management, we adopted a low-carbon, energy-efficient office model that supports the development of eco-friendly campuses.

Green Office and Resource Utilization

We encourage our employees to work in a sustainable way, such as by reducing paper use, using low-carbon commuting options and adopting other environmentally friendly approaches to bring green practices into daily operations.



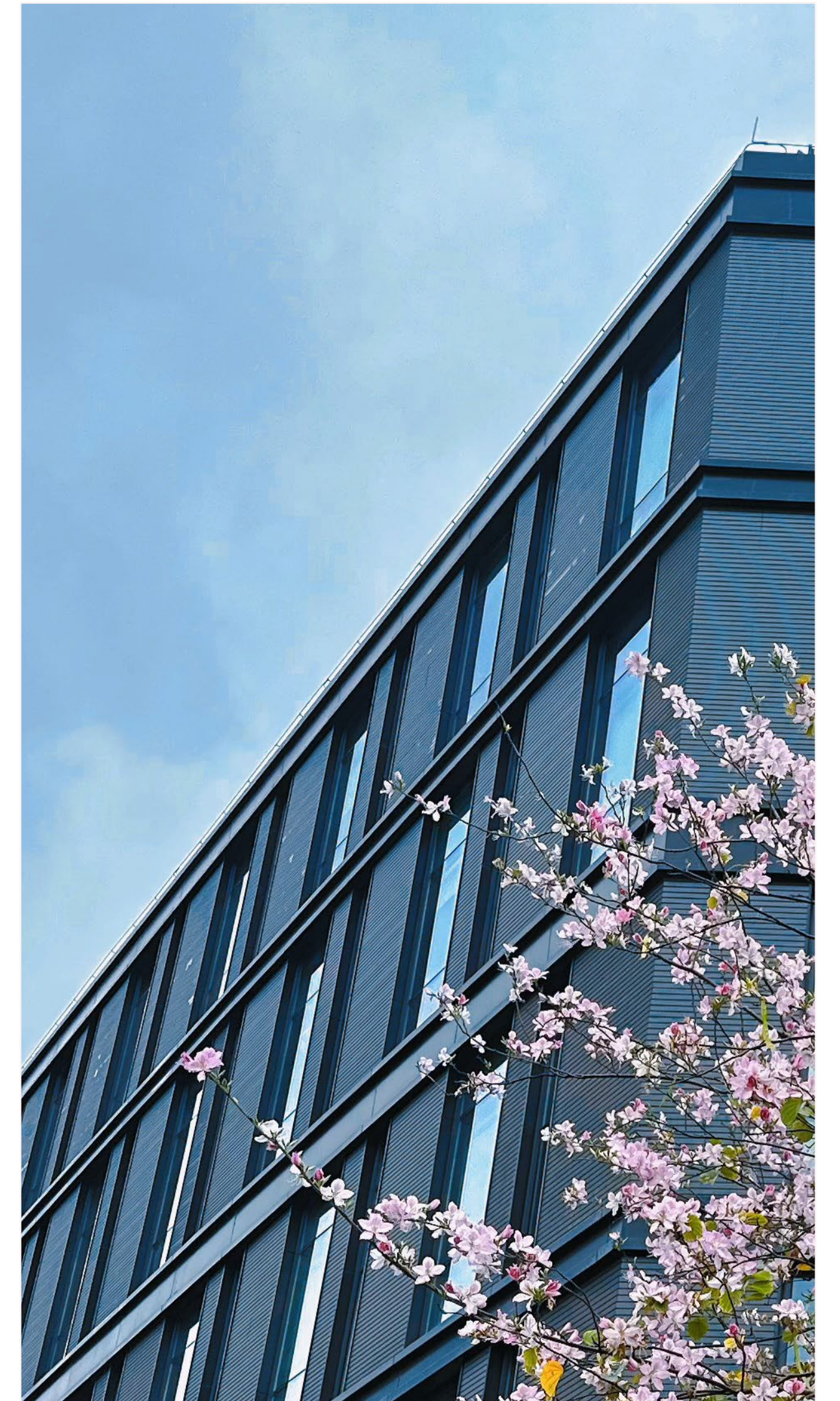
Green Office

- Paperless Office: Promote the use of a proprietary OA system to digitize office processes and achieve paperless operations.
- Energy Usage Inspections: Appoint dedicated personnel to monitor electricity usage in office areas, preventing unnecessary energy waste.
- Awareness Campaigns: Advocate for green office practices and enhance water and energy conservation awareness through daily promotions, educational videos, and training sessions.



Low-carbon Commute

- Green Transportation: Encourage the use of electric vehicles and set up charging stations in our campuses.
- Low-Carbon Commuting: Encourage employees to commute using public transportation.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

05 Green Concept

Climate Change

Green Operations

Sustainable Innovation

Appendix

Leading the Way to Carbon-Free Success – NetEase Carbon Neutral Environmental Protection Day

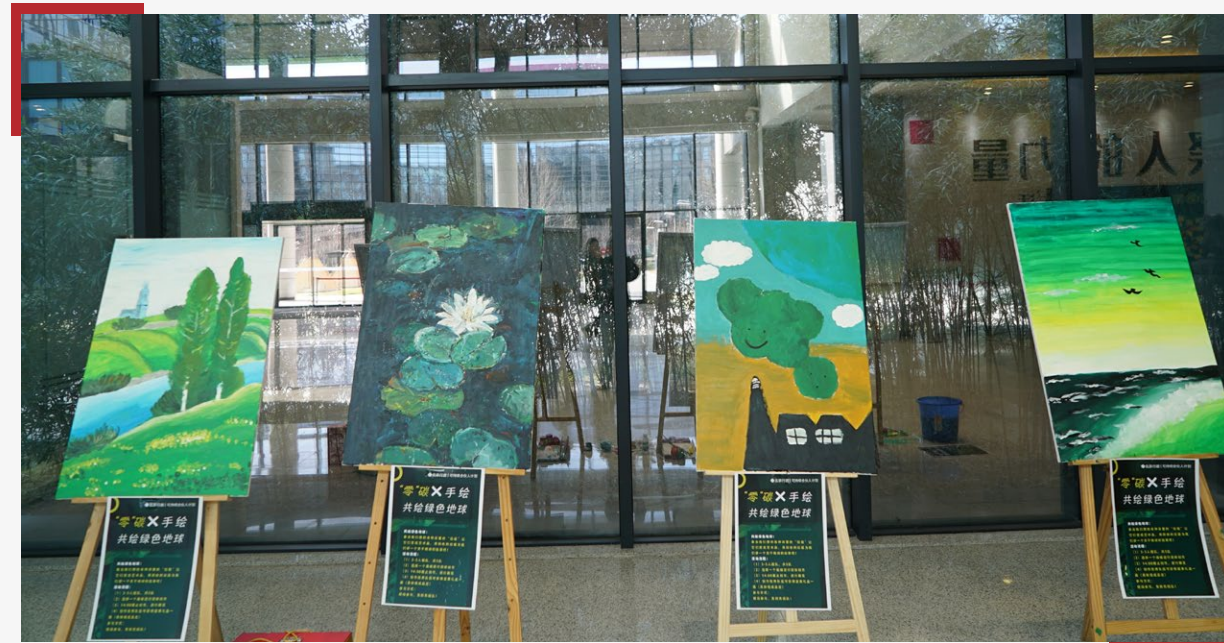
During the reporting period, our Beijing office campus hosted a Carbon Neutral Environmental Protection Theme Day in line with China's "dual carbon" goals. This event was part of our ongoing commitment to fostering green and sustainable practices among employees. The event used creative and diverse methods such as panel discussions, games, creative workshops, and recycling projects to encourage employees to explore energy-saving practices, boost environmental awareness, and reinforce our commitment to resource conservation and community outreach.



Presentation of Environmental Protection Ideas



Plant Dyeing Workshop



Green Earth Collaborative Paintings



Books-for-Vegetables Exchange Event



NetEase Public Welfare Corner

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

05 Green Concept

Climate Change

Green Operations

Sustainable Innovation

Appendix

We continue to promote initiatives like our "Clean Plate" campaign to reduce food waste. In 2024, our Hangzhou office campus also began to offer a wider variety of meal options that better meet employee's diverse tastes and dietary needs, thereby reducing food waste.

Unprocessed Food

Stored in the freezer for next-day sales

Unsold Food

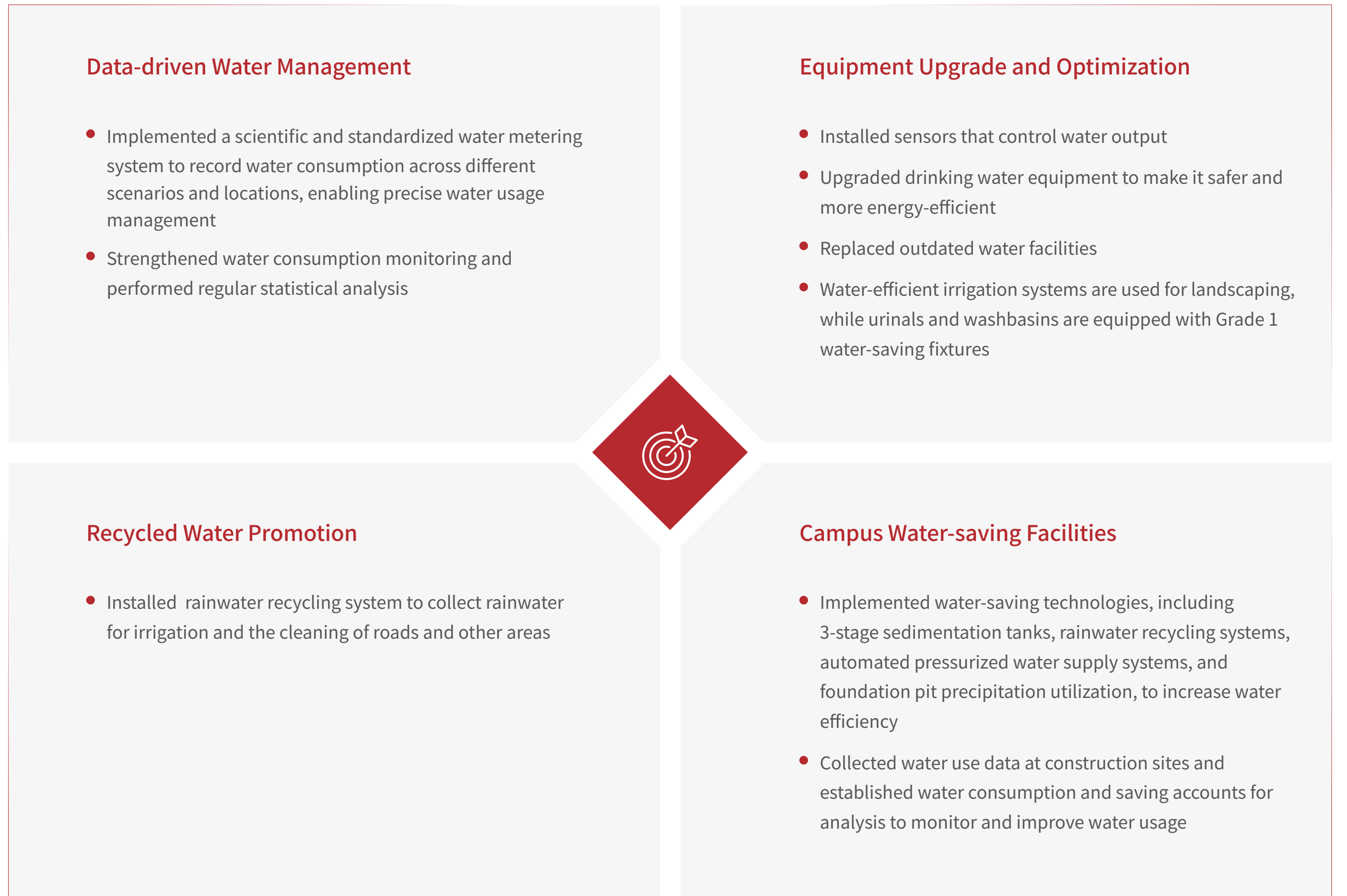
Consumed by canteen staff through staggered meal schedules to minimize waste

Sold Food

Sorted and reprocessed by professional food waste recycling companies

Our Food Management Examples

We highly value natural resources and consider water management as a vital element of our green operations. We are committed to continuously upgrading our water equipment and systems to improve efficiency through precise measurement, usage analysis, and rainwater recycling.



Our Water Conservation Highlights

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

05 Green Concept

Climate Change

Green Operations

Sustainable Innovation

Appendix

Waste Management and Recycling

We adhere to the circular economy principles of "reduce, reuse, and recycle" and implement solid waste management across four core concepts: reduction at source, efficient management, compliant disposal, and recycling. For solid waste generated by our business, we have established standardized processes to handle such waste and continuously seek innovative solutions, such as an idle asset utilization platform to repurpose idle items and waste. These initiatives lay the foundation for a resource-efficient and environmentally friendly enterprise. During the reporting period, we further optimized the processing of general household waste and non-recyclable dry waste, significantly improving the efficiency of our solid waste management while reducing transportation costs. For example, at our Shanghai office campus, we compress dry waste with a compression rate of over 50%, effectively reducing the storage space required and cutting transportation expenses.

In addition to implementing standardized waste management practices, we adopted effective resource utilization measures through multiple steps.

Waste Utilization

- **Building design:** We give priority to building materials made from recycled content while maintaining performance, targeting a recycled content share of at least 10% by weight in construction materials.
- **Construction:** To maximize material efficiency, we developed a list of recyclable materials, installed waste recycling chutes at our sites, and utilized recycled materials for hole covers and corner protection.
- **Office operations:** We promote the reuse of IT equipment and office supplies in our operations to reduce new purchases and enhance resource efficiency, while maintaining performance. For example, we cleaned, repaired, and reused components from discarded office chairs to extend their service life. During the reporting period, over 20,000 pieces of office furniture were refurbished or reused at our Hangzhou and Shanghai campuses.
- **Idle asset circulation:** Our Idle Asset Utilization Platform facilitates the exchange of second-hand items among employees, promoting a culture of reuse. At our Hangzhou campus, the turnover rate for idle items on the platform reached 60% during the reporting period.

Compliant Disposal

- **Hazardous waste:** We store all hazardous waste created during operations (such as toner cartridges, ink cartridges, etc.) securely in waste management warehouses and engage qualified third parties for disposal in accordance with local regulations.
- **Non-hazardous waste:** For non-recyclable, non-hazardous waste with no practical reuse value, we engage certified recyclers to ensure proper disposal.

Our Waste Management Practices

Ecological Conservation

We firmly believe that every ecosystem plays an irreplaceable role in sustaining the delicate balance of our planet. As a champion of harmonious coexistence between people and nature, we integrate ecological conservation ideas into the design and operation of our green office campuses. In recent years, several campuses embraced ecological conservation by creating habitats and care facilities for birds, squirrels, stray cats, and other wildlife. We also encourage our employees to take part in ecological initiatives, such as tree-planting events, to help raise environmental awareness and support the development of ecological barriers.



Animal Care Facilities at Our Guangzhou Office Campus

Sustainable Innovation

We consider sustainability in our product development, business operations, and value chain. By collaborating with users, industry partners, and other stakeholders, we aim to build a comprehensive, multi-dimensional, and sustainable ecosystem.



05 Green Concept

- Climate Change
- Green Operations
- Sustainable Innovation**
- Appendix

- About This Report
- About NetEase
- ESG Highlights
- ESG Strategy
- Responsible Governance
- Reliable Products and Services
- Empowering Excellence
- Community Development



Green Products

To promote resource efficiency and emissions reduction in warehousing, transportation, and packaging, *NetEase Yanxuan* released the "Qingxuan Plan." This initiative prioritizes shipping products in their original packaging when feasible, reducing and recycling packaging materials, adopting biodegradable materials, and promoting smart packaging solutions. These efforts reduce waste at the source and accelerate the green logistics transformation.

In 2024, *NetEase Yanxuan* further strengthened its green logistics efforts by refining its end-to-end carbon reduction model to achieve meaningful progress in areas such as warehouse management, sustainable packaging, and low-emission transportation.

Green Warehouse

- We deploy intelligent temperature and humidity monitoring systems in our warehouses for real-time feedback and control to reduce energy consumption.
- Through collaborative efforts, we refined the classification of temperature- and humidity-sensitive products to effectively minimize the storage space for them required and lower energy use.
- In 2024, the energy consumption of *NetEase Yanxuan's* warehouses across China was approximately 78% below projection.

Green Packaging

- To support greener packaging practices, over 4.6 million orders were shipped in their original packages in 2024, using 17.5 million carbon-neutral and CGP-certified cardboard boxes.
- By optimizing boxing sequencing, we improved packaging utilization by 1% and reduced reliance on plastic air cushions.
- We expanded the use of eco-friendly and biodegradable plastic materials, utilizing 5 tons of PCR and biodegradable plastic in courier bags.
- For B2B shipments, we replaced traditional cardboard boxes with reusable containers. In 2024, these containers were reused over 80,000 times, substantially reducing packaging waste and advancing sustainable logistics.

Green Transportation

- We optimize freight loading, coordinating 2,440 consolidated shipping trips in 2024, to reduce emissions.
- Our contracts include emission standards for vehicles on fixed routes, ensuring that at least 80% of our vendors' fleets meet the national standards for pollution.
- We optimize transportation routes to minimize energy consumption.

NetEase Yanxuan's Green Logistics Initiatives

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

05 Green Concept

Climate Change

Green Operations

Sustainable Innovation

Appendix



Green Community

As a leading internet technology company, we leverage our platforms and technological advantages to create sustainable value and nurture a green community. We also share our self-developed carbon neutrality solutions to support the development of low-carbon initiatives for small and medium-sized enterprises. By collaborating with diverse stakeholders, we explore innovative solutions in energy-saving and carbon-reduction technologies to contribute to a sustainable future.

These solutions empower companies to reduce their energy consumption and carbon footprints across four key areas: design and consulting, software and hardware development, construction and installation, and operation and maintenance, creating a dynamic ecosystem that spans the entire industry value chain, including design institutions, suppliers, construction companies, and end users.

NetEase Shares Insights on Energy Savings and Carbon Reduction in Hangzhou

On May 17, 2024, our employees were invited to specialized training hosted by the Hangzhou Development and Reform Commission on "Energy Savings and Carbon Reduction: Empowering Enterprises and Communities." During this event, our colleagues shared and promoted energy-saving technologies, case studies, and insights, offering actionable strategies to help companies achieve new breakthroughs.

Sustainability Campaigns

We remain steadfast in advancing green initiatives that bridge social responsibility and environmental stewardship, fostering innovative and inclusive models to mobilize collective action across society. In 2024, we partnered with external environmental organizations to launch several green initiatives to promote public awareness for ecological preservation.

Sky Organizes Beach Cleanups to Protect Waterways

To improve the ecological health of rivers and waterways, *Sky* partnered with the River Watcher to launch the Guardians of Clear Waters initiative, which targeted to support and carry out 400 river cleanup sessions in 2024. As of the end of the reporting period, this goal was successfully achieved across 16 provinces in China, engaging nearly 10,000 volunteers and making meaningful progress in reducing river waste pollution. In addition, the initiative funded summer programs focused on river conservation and environmental education at 10 universities in Hunan Province. It also provided training for environmental education instructors and supported the use of educational tools at 14 action centers for youth river protection across cities and municipalities in Hunan.

In addition, the initiative created a collaborative action network connecting local "river chiefs" with volunteer "river chiefs" through a dedicated section on a WeChat mini-program called River Watcher. With outreach channels such as university lectures and educational videos, the campaign explored systematic solutions to encourage broader public participation in river conservation, significantly enhancing awareness and enthusiasm for protecting our waterways.

Onmyoji Launches Wildlife Protection Program



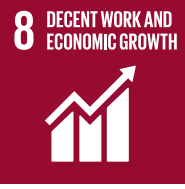






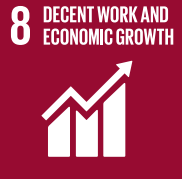











In 2024, *Onmyoji* unveiled the Guardians' Pact—Wildlife Protection program as part of our commitment to environmental and ecological awareness. In partnership with Nanjing Hongshan Forest Zoo, the campaign introduced the capybara as its official mascot to share information about wildlife rescue and shelter efforts. This initiative aims to highlight the challenges wild animals face in their natural survival and the critical role rescue and shelter work plays in their preservation and reproduction. This campaign called on the public to take an active role in wildlife conservation and join the collective effort to safeguard Earth's biodiversity.

Eggy Party's Snowfield Guardians Public Welfare Project

In 2024, *Eggy Party* partnered with the Sanjiangyuan Ecological Protection Foundation to launch the Snowfield Guardians project. As part of this project, an educational section outside of the game was set up to teach young people about the ecological significance of polar glaciers. By emphasizing the importance and urgency of environmental protection, the initiative aims to spark curiosity and inspire a sense of responsibility for conservation among younger generations. Additionally, through infrared wildlife footage, the project provided an immersive glimpse into the beauty of wild species and showcased the ongoing efforts and achievements in nature conservation, effectively raising awareness of wildlife protection among the youth.

Appendix

Appendix 1: United Nations Sustainable Development Goals (UN SDGs)

Chapter	UN SDGs
ESG Strategy	
Responsible Governance	   
Reliable Products and Services	  
Empowering Excellence	   
Community Development	      
Green Concept	     

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

Appendix 2: Selected Standards in SASB Index for the Internet Media & Services Industry

Topic	Accounting Metric	Code	Chapter/Section
Environmental Footprint of Hardware Infrastructure	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TC-IM-130a.1	Appendix 5: 2024 NetEase's Environmental Performance
	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	TC-IM-130a.2	Appendix 5: 2024 NetEase's Environmental Performance
	Discussion of the integration of environmental considerations into strategic planning for data center needs	TC-IM-130a.3	Climate Change Green Operations
Data Privacy & Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy	TC-IM-220a.1	Privacy and Data Security
Data Security	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-IM-230a.2	Cyber and Information Security
Recruiting & Managing a Global, Diverse & Skilled Workforce	Employee engagement as a percentage	TC-IM-330a.2	Talent Development
	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	TC-IM-330a.3	Talent Attraction Talent Development

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

Appendix 3: The HKEX ESG Reporting Code Applicable to the Reporting Period

Subject Areas, Aspects, General Disclosures, and key performance indicators (KPIs)		Chapter/Section
A. Environmental		
Aspect A1	Emissions	
	Information on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	Climate Change
General Disclosure	relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Green Operation
	Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations.	
	Hazardous wastes are those defined by national regulations.	
KPI A1.1	The types of emissions and respective emissions data.	Appendix 5: 2024 NetEase's Environmental Performance
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix 5: 2024 NetEase's Environmental Performance
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix 5: 2024 NetEase's Environmental Performance
Aspect A2	Use of Resources	
	Policies on the efficient use of resources, including energy, water and other raw materials.	
	Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Green Operation
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix 5: 2024 NetEase's Environmental Performance
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix 5: 2024 NetEase's Environmental Performance
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.	Climate Change

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

Subject Areas, Aspects, General Disclosures, and key performance indicators (KPIs)		Chapter/Section
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change
B. 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.	Talent Attraction
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Talent Attraction
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.	Talent Care
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Talent Care
Aspect B3	Development and Training	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. <i>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</i>	Talent 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 labour.	Talent Attraction
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Talent Attraction
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Talent Attraction

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

Subject Areas, Aspects, General Disclosures, and key performance indicators (KPIs)		Chapter/Section
Aspect B5	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
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.	Privacy and Data Security Protection of Minors Product Assurance
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Service
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Rights Protection
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Privacy and Data Security
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.	Business Ethics
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	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.	Philanthropy
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Philanthropy
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Philanthropy



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix



Appendix 4: Climate Change Risk List

Risk Type	Description	Potential Impact on NetEase	Measure	Risk Impact Assessment within the Reporting Period
Policy	Stricter compliance requirements for climate disclosures	A tightened disclosure requirement could lead to higher compliance costs and potential exposure to legal or regulatory consequences if disclosure requirements are not met.	Accurately calculating energy consumption and carbon emissions across our operations and ensuring timely and compliant disclosures in accordance with the reporting guidelines and climate disclosure standards.	Medium
Technology	Unsuccessful investment in new technologies	Unsuccessful investments in new technologies may result in financial losses and damage investor confidence.	Adopting emerging technologies, examining the rationality of investment in new technology and its match with our business, and assessing its performance and investment risks in reducing greenhouse gas emission.	Low
	Transition to lower emissions technology	The development of related new technologies may increase our R&D and operational costs.	Examining the feasibility of new technologies and equipment and arranging replacement by batches within a proper range based on budgets.	Low
Market	Energy Price Fluctuations	Against the backdrop of global climate change, fluctuations in energy prices could increase our energy procurement costs.	Advancing energy-saving technology upgrades for our offices and data centers, enhancing energy efficiency, and actively transitioning to clean energy sources to reduce dependence on traditional energy.	Low
	Shifts in consumer preferences	To align with shifting consumer preferences for green products and services, we might need to increase investments in R&D. Failure to meet market demands could result in a decline in market share.	Increasing investments in the design and development of green products to meet market demand and incorporate sustainable features, gradually expanding the proportion of green products in our portfolio, and encouraging supply chain partners to adopt green products.	Low
Reputation	Increased stakeholder concern on climate action	As stakeholders place greater emphasis on corporate climate responsibility, our reputation could suffer and stakeholder trust may decline if we fail to meet environmental protection and climate change mitigation obligations.	Paying attention to policy trends relating to climate change; Incorporating climate change response into the company's sustainable development strategy; Disclosing efforts made and results as well as pathway and plans for the future, so as to build confidence for stakeholders; Strengthening the communication with investors and consumers and responding promptly to stakeholder concerns.	Low

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

Risk Type	Potential Impact on NetEase	Measure	Risk Impact Assessment within the Reporting Period
Typhoon, heavy rainfall, and flood	Flooding caused by typhoon or heavy rainfall can negatively impact internet infrastructure, disrupting data centers and our daily operations while also incurring additional repair and replacement costs.	Continuously monitoring climate data and enhance emergency plans for typhoons, heavy rainfall, and flooding, and conducting regular emergency drills to proactively manage extreme weather events.	Medium
Acute Drought	Droughts may lead to a shortage of water supply, affecting the operation of cooling systems in data centers and increasing our costs.	Improving water efficiency by continuously optimizing cooling methods for data center units, increasing the use of natural air cooling, and reducing water consumption.	Low
Extreme heat / Extreme coldness	Extreme heat and coldness can increase the demand for cooling and heating, potentially raising server downtime and resulting in higher operating costs and reduced operational stability.	Adopting advanced energy-saving technologies to improve data system performance, optimizing energy allocation to reduce waste, and developing emergency response plans for extreme weather to mitigate the risk of business disruptions.	Low
Rising mean temperatures	Rising average temperatures may increase the demand for cooling, leading to higher energy consumption and costs for heat dissipation and cooling in data centers.	Promoting energy-efficient upgrades for equipment, enhancing building insulation and improving heat dissipation conditions to reduce the operational load on air conditioning systems.	Medium
Chronic Rising sea levels	Rising sea levels will increase the threat of floods, which could damage offices and internet infrastructure, thus affecting our operational stability.	Strengthening water resistance and corrosion protection for internet infrastructure, and enhancing flood disaster emergency plans to ensure service stability under such conditions.	Low

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix

Appendix 5: NetEase's Environmental Performance

Greenhouse Gas Emissions ¹⁰	Unit	Emissions in 2023	Emissions in 2024 ¹¹
Scope 1	Metric tons of CO ₂ e	11,479	9,430
Scope 2	Metric tons of CO ₂ e	35,724	50,237
Scope 3	Metric tons of CO ₂ e	274,645	209,378
Total	Metric tons of CO ₂ e	321,849	269,045
Greenhouse Gas Emissions Intensity	Metric tons of CO ₂ e /Person	11.1	10.3
Energy Consumption ¹²	Unit	Consumption in 2023	Consumption in 2024
Diesel	kg	72,940	12,650
Gasoline	kg	20,860	20,620
Liquefied Petroleum Gas	kg	8,440	0
Natural Gas	10,000 m ³	143	118
Purchased Electricity	MWh	68,792	118,299
Renewable Energy Consumption	MWh	2,340	2,567
Direct Energy Consumption	MWh	19,095	15,763
Indirect Energy Consumption	MWh	68,792	118,299
Comprehensive Energy Consumption	MWh	87,887	134,062
Per Capita Energy Consumption	MWh/Person	3.0	5.2
Waste	Unit	Emissions in 2023	Emissions in 2024
Kitchen Garbage	Metric tons	3,266	2,966
Other Waste	Metric tons	14,697	9,861
Total	Metric tons	17,963	12,827
Per Capita Waste Discharge	m ³ /person	0.6	0.5
Water Consumption	Unit	Consumption in 2023	Consumption in 2024
Total Water Consumption	Metric tons	639,583	713,120
Per Capita Water Consumption	Metric tons/person	22.0	27.4

¹⁰ Scope of greenhouse gas emission statistics: NetEase campuses and data center; leased data centers and cloud services; leased offices, warehouses, classrooms, stores, and venues; Yanxuan outsourced packages and goods transportation; employee commuting and travel.

¹¹ Emission factors are taken from documents such as the IPCC 2006 Revised Guidelines for National Greenhouse Gas Inventories 2019 published by the Intergovernmental Panel on Climate Change (IPCC) and the 2022 CO₂ Emission Factors of Electricity issued by the Ministry of Ecology and Environment of the People's Republic of China and the National Bureau of Statistics of China.

¹² NetEase's energy consumption data covers the Group's own office campuses and data center within its operational control.

Greenhouse Gas Emissions Verification Statement

NO.: CEC-GHG-HC-2025-0011

This verification statement pertains to:

Applicant	Verification object
NetEase, Inc.	NetEase, Inc.
Address: NetEase Building, No. 599 Wangshang Road Binjiang District, Hangzhou, Zhejiang Province	Address: NetEase Building, No. 599 Wangshang Road Binjiang District, Hangzhou, Zhejiang Province

China Environmental United Certification Center Co., Ltd. (CEC) implements verification statement in accordance with ISO 14064-1:2018, etc. and concludes that:

The GHG emissions of NetEase, Inc., during the period from January 1, 2024 to December 31, 2024 were 269044.66 tCO₂e, (GHG removals were 0 tCO₂e). The level of assurance achieved reasonable assurance. No material misstatements were revealed in GHG emissions calculation. The details are as follows:

- Direct GHG emissions: 9429.60 tCO₂e
- Indirect GHG emissions from imported energy: 50236.74 tCO₂e
- Indirect GHG emissions other than from imported energy: 209378.32 tCO₂e

Including the following categories:

- Purchased goods and services
- Upstream transportation and distribution
- Business travel
- Employee commuting
- Upstream leased assets

- Aggregated GHG emissions: 269044.66 tCO₂e

Statement on Independence and Competence

CEC is a professional certification body authorized by the Certification and Accreditation Administration of PRC. Based on well recognized quality and integrity, CEC provides assessment and certification services in the field of climate change, ecological and environmental governance. CEC affirms that the verification has been conducted independently and that there are no conflicts of interest regarding NetEase, Inc. in the execution of the verification.

China Environmental United Certification Center Co., Ltd.

No.1 Yuhuanlu, Chaoyang District, Beijing, 100029

Signature:

Date of Issue: 28/04/2025

China Environmental United Certification Center Co., Ltd.
http://www.meccc.com



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

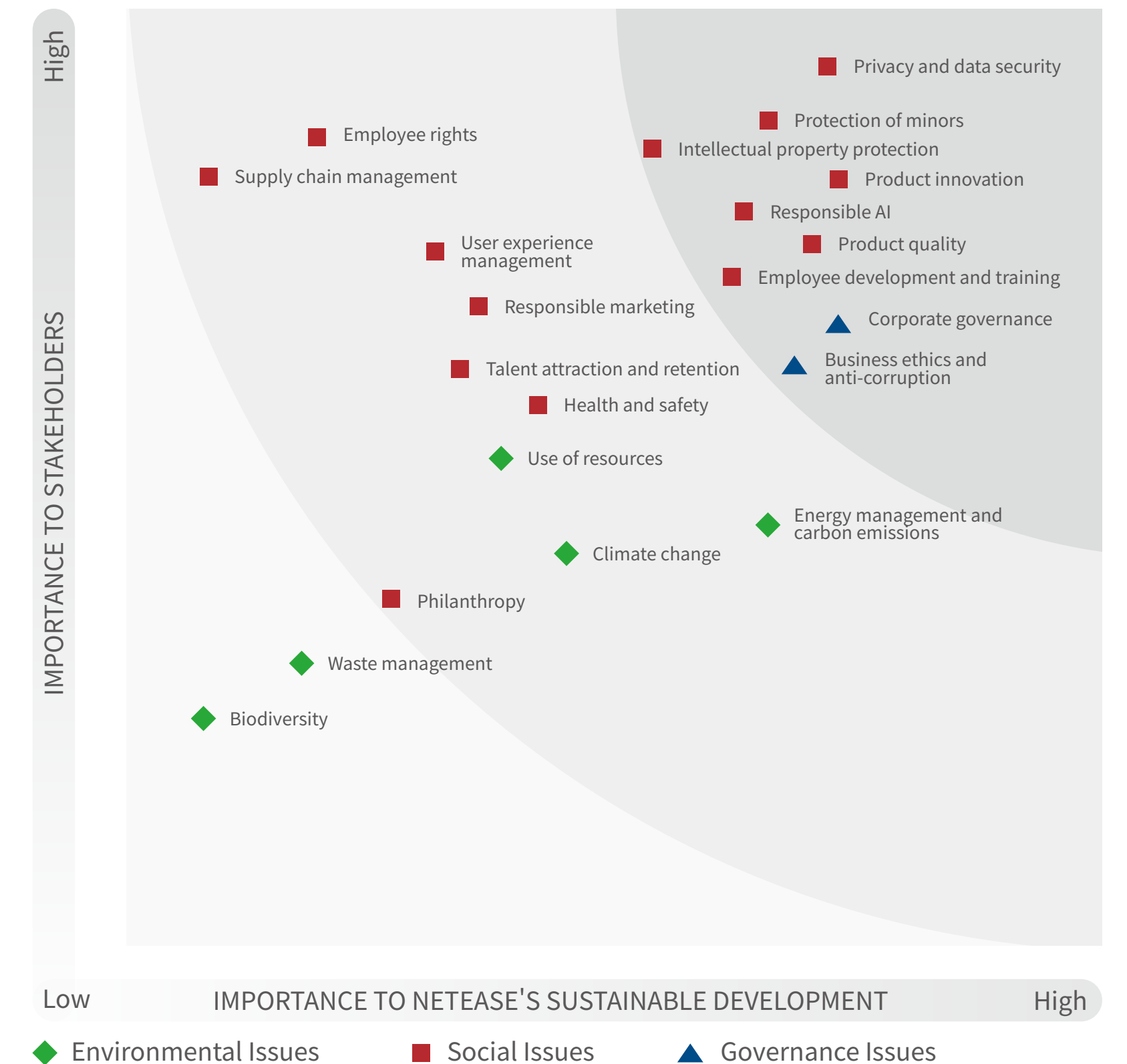
Appendix

Appendix 6: Material ESG Issues

We perform an annual materiality analysis, with subsequent updates as necessary. The process aligns with the principle of double materiality, assessing both the potential impact on our business and the external impact on society and the environment. In 2024, we surveyed ESG issues prioritized by rating agencies and stock exchanges, engaged internal stakeholders—including our ESG working group and various business units—through interviews, and consulted external stakeholders such as investors, industry experts, and specialists. This comprehensive analysis identified 21 material topics, which were reviewed and approved by senior management and ESG committee of the board.

Category	Issue	Description	
Environmental Issues	1	Climate change	Climate change risk identification and response
	2	Energy management and carbon emissions	Strategies, goals, initiatives, and results met
	3	Use of resources	Management systems, policies and usage reduction initiatives for water consumption, packaging materials and other resources
	4	Waste management	Systems, policies, emission data, and waste reduction measures
	5	Biodiversity	Taking actions to ensure a positive impact of business activity on biodiversity
	6	Privacy and data security	Policies and measures related to customer privacy and data security protection
	7	Protection of minors	Anti-addiction policies and measures to protect minors
	8	Product innovation ¹³	Focusing on initiatives and accomplishments in delivering high-quality and innovative products and services
	9	Responsible AI ¹⁴	Acting responsibly in designing, developing, deploying, and using AI, promoting the compliant, secure, ethical, and transparent use of AI
	10	Product quality	Product quality management as well as incentives for product quality improvement
	11	Intellectual property protection	Policies and measures for the protection of intellectual property rights
Social Issues	12	Employee rights	Adherence to labor standards, policies and measures to protect employee rights, including anti-discrimination & anti-harassment, and forbidding child and forced labors
	13	Talent attraction and retention	Measures for talent acquisition, compensation & benefits, and employee supports
	14	Employee development and training	Measures for employee training, promotion and performance management
	15	Health and safety	Policies and occupation health and safety measures to exempt employees from occupational hazards
	16	User experience management	User experience and satisfaction improvement initiatives
	17	Supply chain management	Supply chain management systems, regulations and related initiatives
	18	Responsible marketing	True and accurate product promotion and advertising content that complies with advertising ethics
	19	Philanthropy	Measures contributing to local development
Governance Issues	20	Corporate governance	Corporate governance structure and risk management
	21	Business ethics and anti-corruption	Compliance with and implementation of Company policies regarding business ethics

NetEase 2024 ESG Material Issues Matrix



¹³ Product innovation is one of the core drivers of our sustainable operations and is also a key focus for stakeholders, including our user base. Therefore, we have categorized it as a critical material issue.

¹⁴ As research and applications in advanced AI technologies advance, how to develop, deploy, and use AI in a compliant and responsible manner has gradually become a key focus for us and our stakeholders. Therefore, we have categorized it as a critical material issue.



About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix



Appendix 7: Disclaimer

Forward-looking Statements

This report has been prepared on a voluntary basis and may contain statements of a forward-looking nature within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. All statements contained in this report that do not relate to matters of historical fact should be considered forward-looking statements, including, without limitation, statements regarding our future business expectations and expectations about our sector, any sustainability targets and goals, including with regard to diversity and inclusion, planned activities and objectives, our strategic priorities and objectives, as well as statements that include the words "will", "expects", "anticipates", "future", "intends", "plans", "believes", "estimates", "may", "should" and similar. Forward-looking statements speak only as of the date they are made, are based on management's current expectations, are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, many of which are beyond our control and are difficult to predict. Numbers and percentages used in this report are estimates or approximations and may be based on assumptions. We describe risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, any of these forward-looking statements in our SEC filings, including our most recent Annual Report on Form 20-F and our subsequent reports on Form 6-K, and our announcements on the website of the Hong Kong Stock Exchange. We not undertake any obligation to update this forward-looking information, except as required under the applicable law.

The actual conduct of our activities, including the development, implementation or continuation of any program, policy or initiative discussed or forecasted in this report, may differ materially in the future. As with any projections or estimates, actual results or numbers may vary. Many of the standards and metrics used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation but should not be considered guarantees. While we seek to incorporate sustainability considerations into its operations and business strategies as described in this report, there can be no assurance that we will be able to successfully implement such considerations to procure specific results. This report may contain information that is not necessarily "material" under U.S. federal securities law for SEC reporting purposes, but is informed by various environmental, social, and governance ("ESG") and sustainability standards and frameworks and the interest of various stakeholders. In addition, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements that we may make. You should not rely upon forward-looking statements as predictions of future events. In addition, the forward-looking statements made in this report relate only to events or information up until the report's release date.

Certain information contained herein has been obtained from published sources prepared by third parties. While such information is believed to be reliable for the purposes used herein, we do not assume any responsibility for the accuracy of such information. Further, website references and hyperlinks in this report are provided for convenience only, and the content on the referenced websites is not incorporated by reference into this report, nor does it constitute a part of this report.

About This Report

About NetEase

ESG Highlights

ESG Strategy

Responsible Governance

Reliable Products and Services

Empowering Excellence

Community Development

Green Concept

Appendix



Send Us Your Opinion

Dear Reader,

Thank you for reading the NetEase 2024 Environmental, Social and Governance (ESG) Report. Your feedback is highly appreciated and will help us to improve our sustainability performance. You can send us your comments and suggestions by post or email. We sincerely thank you for your interest in NetEase.

1. Which one of the following stakeholders of NetEase are you?

Shareholder Employee Supplier User

Government Community Academic institution

Others (please specify)_____

2. How would you rate this report overall?

Excellent Good Neutral Poor

3. How would you rate the information disclosed in this report?

Very informative Fairly informative Slightly informative

Not informative

4. How would you rate the quality of information disclosed in this report?

Excellent Good Neutral Poor

5. In which of the following categories do you think the content of this report could be improved?

Governance Environment Society

6. What in specific do you think could be improved in this report?

Text input area for question 6.

7. Is there anything you would like to know about that has not been disclosed in this report?

Text input area for question 7.

8. How do you rate the presentation of this report?

Excellent Good Neutral Poor

9. What are your comments and suggestions on our ESG work and report preparation?

Text input area for question 9.

Address: NetEase Building, No. 599 Wangshang Road, Binjiang District, Hangzhou, People's Republic of China

Postcode: 310052

Email: ir@service.netease.com

Tel: (+86) 571-8985-3378



網易 NETEASE