中智上海经济技术合作有限公司
China International Intellectech(Shanghai) Co.,Ltd.

# SOC3

# SYSTEM AND ORGANIZATION CONTROLS REPORT

Description of China International Intellectech (Shanghai) Co., Ltd.'s

Human Resource Management Outsourcing, Business Process Outsourcing, Payroll Outsourcing and Flexible Employment Services System Relevant to Security, Availability and Confidentiality

Throughout the Period from January 1, 2020 to October 31, 2020

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## Section I – Report of Independent Accountants

**To the Board of Directors of China International Intellectech (Shanghai) Co., Ltd.:**

*Scope:*

We have examined management's assertion, contained within the accompanying *Management's Report of Its Assertions on the Effectiveness of Its Controls over China International Intellectech (Shanghai) Co., Ltd.'s Human Resource Management Outsourcing, Business Process Outsourcing, Payroll Outsourcing and Flexible Employment Services System Based on the Trust Services Criteria for Security, Availability and Confidentiality* (the "Assertion"), that China International Intellectech (Shanghai) Co., Ltd.'s ("CIICSH") controls over the China International Intellectech (Shanghai) Co., Ltd.'s Human Resource Management Outsourcing, Business Process Outsourcing, Payroll Outsourcing and Flexible Employment Services System (the "System") were effective throughout the period from January 1, 2020 to October 31, 2020, to provide reasonable assurance that its principal service commitments and system requirements were achieved based on the criteria relevant to Security, Availability and Confidentiality (the "applicable trust services criteria") set forth in the AICPA's TSP section 100, *2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy*.

*Management's Responsibilities*

CIICSH's management is responsible for its assertion, selecting the trust services categories and associated criteria on which its assertion is based, and having a reasonable basis for its assertion. It is also responsible for:

- Identifying the System and describing the boundaries of the System;
- Identifying CIICSH's principal service commitments and system requirements and the risks that would threaten the achievement of its principal service commitments and system requirements that are the objectives of its system; and
- Identifying, designing, implementing, operating, and monitoring effective controls over the System to mitigate risks that threaten the achievement of the principal service commitments and system requirements.

*Our Responsibilities*

Our responsibility is to express an opinion on the Assertion, based on our examination. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform our examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's

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assertion, which includes: (1) obtaining an understanding of CIICSH's relevant Security, Availability and Confidentiality policies, processes and controls, (2) testing and evaluating the operating effectiveness of the controls, and (3) performing such other procedures as we considered necessary in the circumstances. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. We believe that the evidence obtained during our examination is sufficient to provide a reasonable basis for our opinion.

Our examination was not conducted for the purpose of evaluating CIICSH's cybersecurity risk management program. Accordingly, we do not express an opinion or any other form of assurance on its cybersecurity risk management program.

*Inherent limitations*

Because of their nature and inherent limitations, controls may not prevent, or detect and correct, all misstatements that may be considered relevant. Furthermore, the projection of any evaluations of effectiveness to future periods, or conclusions about the suitability of the design of the controls to achieve CIICSH's principal service commitments and system requirements, is subject to the risk that controls may become inadequate because of changes in conditions, that the degree of compliance with such controls may deteriorate, or that changes made to the system or controls, or the failure to make needed changes to the system or controls, may alter the validity of such evaluations. Examples of inherent limitations of internal controls related to security include (a) vulnerabilities in information technology components as a result of design by their manufacturer or developer; (b) breakdown of internal control at a vendor or business partner; and (c) persistent attackers with the resources to use advanced technical means and sophisticated social engineering techniques specifically targeting the entity.

*Opinion*

In our opinion, CIICSH's controls over the System were effective throughout the period from January 1, 2020 to October 31, 2020, to provide reasonable assurance that its principal service commitments and system requirements were achieved based on the applicable trust services criteria.

*Ernst & Young Hua Ming LLP Shanghai Branch*

**Ernst & Young Hua Ming LLP Shanghai Branch**
**December 31, 2020**
**Shanghai, China**

**Section II –Management's Report of Its Assertions on the Effectiveness of Its Controls over China International Intellectech (Shanghai) Co., Ltd.'s Human Resource Management Outsourcing, Business Process Outsourcing, Payroll Outsourcing and Flexible Employment Services System Based on the Trust Services Criteria for Security, Availability and Confidentiality**

**December 31, 2020**

We, as management of, China International Intellectech (Shanghai) Co., Ltd. ("CIICSH" or "we") are responsible for:

- Identifying CIICSH's Human Resource Management Outsourcing, Business Process Outsourcing, Payroll Outsourcing and Flexible Employment Services System Relevant to Security, Availability and Confidentiality (the "System") and describing the boundaries of the System, which are presented in *Section III*;
- Identifying our principal service commitments and system requirements;
- Identifying the risks that would threaten the achievement of our principal service commitments and system requirements that are the objectives of our system, which are presented in *Section III*;
- Identifying, designing, implementing, operating, and monitoring effective controls over the System to mitigate risks that threaten the achievement of the principal service commitments and system requirement; and
- Selecting the trust services categories that are the basis of our assertion.

We assert that the controls over the System were effective throughout the period from January 1, 2020 to October 31, 2020, to provide reasonable assurance that the principal service commitments and system requirements were achieved based on the criteria relevant to Security, Availability and Confidentiality set forth in the AICPA's TSP section 100, *2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy*.

Very truly yours,

**China International Intellectech (Shanghai) Co., Ltd.**

**Section III – Description of China International Intellectech (Shanghai) Co., Ltd.'s
Human Resource Management Outsourcing, Business Process Outsourcing, Payroll
Outsourcing and Flexible Employment Services System
Relevant to Security, Availability and Confidentiality
Throughout the Period from January 1, 2020 to October 31, 2020**

**Overview of the Organization**

China International Intellectech (Shanghai) Co., Ltd. ("CIICSH", "we" or the "Company") is a leading company which provides human resource ("HR") management services, and is a subsidiary of China International Intellectech Co., Ltd. ("CIIC", the "Group", or the "CIIC Group") which is a key backbone state-owned enterprise that holds by the State-owned Assets Supervision and Administration Commission of the State Council. As one of the critical strategic members in the strategic layout of CIIC's national service network, CIICSH currently serves more than 20,000 clients and 800,000 employees with services including HR General Practice Outsourcing Services, Professional Services, Platform Services, Flexible Employee Benefit Management Services and Healthcare Benefit Management Services, etc. CIICSH not only provides excellent services for the clients based on the platform of state-owned exceeding enterprises network with a team of HR service professionals and the diversified HR service solutions through the Company's advanced information technology service systems, but also dedicates in improving its employees' satisfaction, sense of value and belonging with a comprehensive talent-oriented company notion. CIICSH holds the vision of "Develop CIIC into a Global Brand" and adheres to the management philosophy of confidence, professionalism, innovation and integration to better serve clients.

**Services Overview**

The services CIICSH that provides to clients include HR General Practice Outsourcing Services, Professional Services, Platform Services, Flexible Employee Benefit Management Services and Healthcare Benefit Management Services and consist of the following service lines:

- **HR General Practice Outsourcing Services**

  The HR General Practice Outsourcing Services aims to reduce administrative work in HR management processes and effectively control the staffing for the businesses. According to various requirements from the clients, CIICSH refines the services into the following types:

  - ✓ **HR agency service of Human Resource Management Outsourcing ("HR Management Outsourcing"):** CIICSH provides HR agency service to its clients that aims to streamline client's daily administrative work during the HR management process and to improve work efficiency. Such service includes social security management, housing provident fund management, employee management and labor policy counselling, etc.

  - ✓ **Talent dispatch service of HR Management Outsourcing:** CIICSH provides talent dispatch service to its clients that targets to effectively control company headcounts. Upon signing the talent dispatch service contract with CIICSH, the client company will only be responsible for the employee's job responsibilities of the dispatched personnel, while

CIICSH will holds responsibility in HR management as the legal employer of the dispatched personnel, which includes employee archives management, time management and payroll processing, etc., thus enabling the clients to achieve efficient HR management by "making the best use of people without managing the talents, enhancing the work efficiency without extra expenses".

✓ **Flexible Employment:** Different from talent dispatch service, CIICSH's flexible employment service is to recruit employees for entry-level or temporary positions based on clients' short-term needs. CIICSH takes responsibility in HR management of such personnel, that entails employee archives management, time management and payroll processing, etc. In addition to assisting clients to meet the emergency labor demands due to seasonal peaks and sudden job vacancy due to various employee leaves, the service also assists in effectively alleviating the risks and pressure of urgent employment for clients by extending employee probation period.

✓ **Business Process Outsourcing:** CIICSH's Business Process Outsourcing service is an overall HR management outsourcing service specific for clients' non-core positions. CIICSH recruits qualified personnel and takes responsibility in HR management of such personnel, which includes employee archives management, time management and payroll processing, etc.

- **Professional Services**

Professional Services that provided by CIICSH are designed to accelerate processing of clients' variable demands in HR management professional segments. According to various requirements from the clients, CIICSH refines the services into the following types:

✓ **Finance and payroll service:** CIICSH's finance and payroll service is consisted of corporate finance and tax outsourcing service such as book-keeping, business tax processing, etc., and Payroll Outsourcing service such as employee payroll processing, individual income tax ("IIT") processing, etc., and among which:

❖ The corporate finance and tax outsourcing service aims to assist clients in managing corporate accounting and tax processes. Such service includes daily accounting processing, statutory financial statements and domestic and overseas financial statements preparation, as well as corporate tax-related registration, verification, qualification application during the start-up establishment of the businesses.

❖ The Payroll Outsourcing Service aims to assist clients in managing employee payroll, which includes payroll processing and IIT processing. Payroll processing service includes salary calculation, multi-forms of pay slip agent distribution and delivery, multi-currency salary payment and payroll bank files submission and transaction processing, etc., while IIT processing service includes IIT taxable items calculation, and local IIT declaration, payment and filing, etc.

✓ **Headhunting service:** CIICSH's headhunting service is committed to provide headhunting, evaluation, selection, recommendation and consulting services of recruiting moderate and high-end talents for clients. CIICSH utilizes its extensive talent pool and industry experience to provides the clients with quality, efficient and professional recruitment services via the Company's advanced recruiting management system.

- ✓ **Campus recruitment service:** CIICSH's campus recruitment service provides clients with a complete solution covering the whole campus recruitment lifecycle. With the support of the Company's self-maintained recruitment website, www.myjob500.com, which integrates advanced cloud-based video technology with professional talent recruitment services, CIICSH facilitates communication among the universities, the students and the corporate companies, thus enabling clients to acquire outstanding talents and to build better employer brand.
- ✓ **Pre-employment investigation service:** CIICSH's pre-employment investigation service ensures the accuracy of corporate recruitment, thereby avoiding and filling loopholes in the clients' recruitment process, reducing unnecessary losses, and truly making talents an important weight in improving corporate competitiveness in the market.
- ✓ *Dream Project* **service:** CIICSH's *Dream Project* service bridges the gap between corporates and the disabled according to the actual demands from both parties, thus setting up a disability assistance model which is suitable for the labor and the corporates. Such service includes corporate employment, position crowdsourcing, disability assistive arrangement and overall solution. The service not only provides employment opportunities for the disabled, but also improves client's public image and reduce operation costs.
- ✓ **Legal counselling service:** CIICSH's HR legal counselling service includes providing services such as various HR legal documents drafting, amendment and review, flexible or integrated working hour mechanism application service, personnel document archiving preservation service and on-demand labor dispute case counselling service.
- ✓ **Archive management service:** CIICSH's archive management service provides professional archive management advisory service, residential permit points system policy and talent introduction consulting services and professional title evaluation service.
- ✓ **Foreign talents service:** CIICSH's foreign talents service provides professional policy and regulation counselling service for locally hired foreigners (including personnel from Hong Kong, Macao and Taiwan) as well as the design and implementation of service solution, which covers work permit application, benefit program, social security plan, payroll and IIT service of overseas business, and labor policy counselling, etc.

- **Platform Services**

  CIICSH has developed a set of HR management platform based on cloud and mobile technology as a one-stop solution for the Company's Platform Services. The platform is an integrated application suite that includes various HR management service modules. Each module is interconnected and can be flexibly customized to cater to specific business needs and implementation requirement of each individual clients. Clients may select applicable service and system modules according to their own demands:

  - ✓ **Organization management:** Organization management module enables establishing the multi-subsidiary structure under one company group, supporting rapid organizational structure changes and establishing a standardized job function system based on employee ranks and positions. The module supports instant messaging of push notification setting of various employment status types, including new join, transfer and termination, etc.; and supports employee archives and personnel information card customization. Online electronic contract signing, contract expiration alert and online approval functions are

provided, and history record tracing and data visualization management regarding various personnel and organizational analysis reports are all made available in the module.

- ✓ **E-signing:** E-signing module provides identity authentication, electronic seal, digital signature, time stamp, digital evidence storage, contract verification services and such. The module enables in-time important notification push to company-wise, and prompt signing of electronic receipt. The complete process of electronic contract management lifecycle and view on both mobile and desktop terminal is provided. In addition, duplicated data storage in both CIICSH cloud and the Judicial Appraisal and Notary Office ensures a complete electronic evidence chain in the same time.

- ✓ **Time management:** Time management module is enabled to dock with various attendance punch-in gadgets including attendance machine, fingerprint recognition machine, facial recognition attendance machine and other conventional attendance check-in equipment. The module supports customizing the rules of leave categories and types, leave priority, duration and other related rules, and also supports management of overtime hours limitation, configuration of overtime starting point, and automatic comparison of attendance records and overtime working hours. In addition, complex employee scheduling management, online shifts changing, and various attendance detail and analysis reports exports are also provided by the module.

- ✓ **Document management:** Document management module enables digitalized management of employee labor contracts and personnel data according to the customized requirements of the clients. The module supports quick remote inquiries, labor contract expiration reminder and personnel information downloads and printing, etc. Relying on the powerful data processing capacity, the module assists the client companies in digital storage of data images and realizing the modern "dual-track system" management mode in both paper and electronic forms.

- ✓ **Questionnaire management:** Questionnaire management module provides various types of HR-related questionnaires and questions configuration function. The module supports distributing and retrieving such questionnaires. Based on a questions pool, the module generates and imports questionnaires automatically, publishes questionnaires to multiple channels which adapts to employees' mobile terminals, and the source data is made available for downloading and generating analysis charts automatically.

- ✓ **Data center:** Data center module supports HR dashboard display with multiple data views of HR management, and is intended for data analysis and visual report presentation. The module also supports report access control and subscription configuration, as well as clients' report customization development demands. Prevailing data ranking and search function is also provided in the module.

- ✓ **Employee benefits management:** Employee benefits management module provides online recommendation and purchasing service regarding optimization plan of holiday welfare and employee care for the clients, as well as benefits distribution through multiple channels and in-time receipt collection. In addition, the module provides online customer service through a nationwide platform network, and enables formulating annual welfare plan and various welfare data analysis to realize the online lifecycle management of the whole employee benefit process.

✓ **Healthcare benefits management:** Healthcare benefits management module is a "corporate-end vs. employee-end" dual system platform. The corporate end of the module provides the functions of physical examination package customization, physical examination progress tracking, unexamined staff statistics, critical illness detection report and comprehensive corporate analysis report, etc., while the employee end enables sending short messaging service ("SMS") alert of physical examination, making online real-time appointment, various examination site selection, online health package upgrade and health report inquiries, etc.

- **Flexible Employee Benefit Management Services**

  Flexible employee benefit is an important approach for attracting and retaining talents as well as building an effective employee motivation mechanism. CIICSH provides customized flexible employee benefit solutions to meet the diversified needs of clients in every aspect through prompt and accurate market research, which effectively supplements clients' own benefit offerings. CIICSH's Flexible Employee Benefits Management Service mainly includes the following aspects:

  ✓ **Holiday benefit:** The holiday benefit service is customized from the perspective of employer care for the employees in every detail from holiday topic selection, seasonal greetings draft, to design, packaging, and arranging gifts combination. CIICSH's holiday benefit covers a rich variety of national holidays including the New Year, Mid-Autumn Festival and Christmas, etc.

  ✓ **Employee care:** The employee care can best represent employer care for the employees by extending the company benefit to their family members, so as to improve the sense of belonging of the employees. The employee care includes birthday gift, onboarding anniversary gift, and annual rewarding gift, etc.

  ✓ **Workplace dynamics:** CIICSH provides a variety of customized event planning options that facilitates in injecting new vitality to the busy workplace life, which cover exercises and fitness, meditation and regimens and financial planning learning seminars, etc. Customized family day and team outing services are also available for the clients.

- **Healthcare Benefit Management Services**

  According to analysis performed in corporate welfare planning, healthcare management budgeting and employee composition, CIICSH customizes a suitable portfolio of health management solutions for the clients, aiming at providing clients' employees and their family with diversified and personalized medical healthcare services, so as to improve the healthcare benefits system of the clients. The Healthcare Benefit Management Services of CIICSH mainly includes the following offerings:

  ✓ **Physical examination service:** In view of the challenges in the coordination of physical examination and tediousness in the process from corporate perspective, CIICSH provides the clients' employees with one-stop physical examination services at various branding healthcare centers, public hospitals and foreign-invested hospitals with a service network covering more than 200 cities and up to 1,000 examination sites nationwide. In addition, the Company provides physical examination packages, examination progress tracking and corporate comprehensive analysis reports, etc. on the corporate-end; while the Company

also provides SMS alerts for examination dates and preparation, online real-time appointments and health report inquiries, etc. on the employee-end.

✓ **Medical insurance:** Base on various corporate budget scales, CIICSH designs different proportions of medical reimbursement products that covers medical treatment such as outpatients and emergency treatments, hospitalization and dentistry, in order to improve employees' satisfaction with convenient claims process and prompt claims settlement. In addition, CIICSH also designs high-end medical products such as *Special Health Care Program*, *Greater China Healthcare Program* and *Worldwide Healthcare Program* to satisfy the special demands for the elite group of talents of the client such as going to private hospitals, foreign-invested hospitals and overseas medical facilities.

✓ **Life protection:** CIICSH's life protection service is based on practical medical insurance programs, and is supplemented with accident insurance plan, critical illnesses insurance plan, business travel insurance and other comprehensive complementary benefits in order to further complete the healthcare benefit system for the clients and their employees.

**Scope of the Report and System Boundaries**

The scope of the report focuses on the following services and systems:

- HR agency service of the HR General Practice Outsourcing Services, talent dispatch service of the HR General Practice Outsourcing Services (collectively referred to as the HR Management Outsourcing Services), Flexible Employment Services, Business Process Outsourcing Services, and the Payroll Outsourcing Service of the finance and payroll service in the Professional Services provided by CIICSH; and
- the application systems supporting the aforementioned services, which are the ZhiLingTong system, the ZhiYiTong system, the ZhiXiangTong system, the CIIC e-home and the eHR+ system.

**Principal Service Commitments and System Requirements**

CIICSH has designed processes and procedures related to human resource management outsourcing, business process outsourcing, payroll outsourcing and flexible employment services to meet the service commitments and system requirements of the aforementioned services. These service commitments and system requirements are based on the services committed by the Company to user entities as well as the operation and compliance requirements of the Company for the services.

CIICSH has established communication channels according to the Company's policies and procedures, to ensure that the service commitments are effectively communicated to user entities. The Company identifies the following objectives to support the security, availability and confidentiality commitments underlying their service commitments and other system requirements. The objectives ensure the system operates and mitigates the risks that threaten the achievement of the service commitments and system requirements. The objectives include but not limited to:

- Applying management controls, operational controls, technological controls and other methods

to protect business data and confidential information, and to ensure the sustainable operation of the business and the application systems; and

- Deploying encryption technologies to protect business data and confidential information in data transit.

CIICSH has established operational requirements in order to achieve commitments relevant to security, availability and confidentiality and other system requirements. Such requirements are communicated through the Company's system policies, processes, system design and agreements with user entities, etc. In various information security policies, the Company defines a report-wide approach about how systems and data are protected. These include policies around how the internal control system is operated, how the internal application system and networks are managed and how employees are hired and trained. In addition to these policies, standard operating procedures have been developed and documented on how to carry out specific manual and automated processes required in the operation of the aforementioned service-supporting systems.

**Software**

CIICSH uses the ZhiLingTong system, the ZhiYiTong system, the ZhiXiangTong system, the CIIC e-home and the eHR+ system to support its corporate services. The aforementioned systems are all in-house developed software, and the system purposes and functions are described as follows:

*__The ZhiLingTong System__*
The ZhiLingTong system, which consists of two function modules, namely the customer relationship management module (the "ZhiLingTong system CRM Module") and the enterprise resource and planning module (the "ZhiLingTong system ERP Module"), is used to manage and process the client and client employees' information. The ZhiLingTong system CRM Module is used by CIICSH to support customer relationship management and contract management. The module records all interactions between the Company and the clients in the process of sales and client acceptance, such as client opportunity initiation, client information registration, contract submission, approval, archive and so forth. The ZhiLingTong system ERP Module is used by CIICSH as the business module to support the Company's standard "one-package" solution for client management, individual employee management and settlement management. The module maintains client employees' various basic personnel data which are collected from the clients as the basis for social security, housing provident fund, payroll and IIT calculation. The ZhiLingTong system ERP Module automatically calculates client employees' salary, IIT and benefit amounts of the current period according to the related data such as social security payment location, client employee type, base salary, attendance data, social security base and housing provident fund payment base, etc., and generates corresponding declaration forms, bills, pay slips and reports. The module processes and records the whole HR management life cycle of an employee, supports ticket distribution when acting as a process management tool, and provides data backtracking and adjustment functions.

### _The ZhiYiTong System_

The ZhiYiTong system is used to process social security and housing provident fund services in other areas other than Shanghai. Subsidiaries of CIIC that locates in other areas (the "other CIIC subsidiaries") receive delegation tickets in the ZhiYiTong system for social security and housing provident fund payments in the corresponding areas through the ZhiLingTong system. The delegation ticket mainly includes the information regarding social security and housing provident fund payment base and payment amount of client employees. Other CIIC subsidiaries operate according to the delegation ticket instruction, record the result with related feedback, and keeps track of ticket status through the system.

### _The ZhiXiangTong System_

The ZhiXiangTong system is a client portal system for client employees to check their salary and benefit information. The system only enables client employees to search information regarding salary, social security and housing provident fund payment, etc.

### _The CIIC e-home_

The CIIC e-home is a WeChat subscription account platform for employee service, and enables the integration of system functions and interactive experiences. The user account management and system functions that are made available for the clients are maintained by the built-in back-end management console. The platform provides basic employee management services for client employees such as employee information management, onboarding and termination processing, salary inquiry, various certificates issuance, attendance recording, online benefic redemption and physical examination appointment, etc.

### _The eHR+ System_

The eHR+ system is a human resource management system used by CIICSH that integrates multiple function modules such as organizational structure management, time management, e-signing management and document management, etc. The function modules are made available for client selection on their requests. The system is intended to drive product value and service quality through information technology, resolve clients' challenges and difficulties in HR management through process reformation, and provide more convenient platform services for clients' HR management in a detail-oriented manner.

**Infrastructure**

CIICSH has set up an independent area for the server room, to host the servers that support the ZhiLingTong system, the ZhiYiTong system, the ZhiXiangTong system, the CIIC e-home and the eHR+ system. The Company manages and supports the aforementioned systems' infrastructure and physical access security, also implements environment safeguard measures to protect the physical environment security of the server room.

**People**

CIICSH has established a comprehensive organizational structure and has clearly defined responsibilities of employee in different positions and roles. In the meantime, the Company utilizes the internal workflow platform to maintain employee information on their job responsibilities, departments and superiors.

CIICSH has established a structured onboarding process to help new employees understand their responsibilities in information security and code of conduct. The potential candidates who are qualified for job-related specific requirements undergo background checks by the Internal HR Department, and the results are documented in the internal files. Newly hired employee is required to sign a confidentiality agreement, which depicts employee's responsibilities and obligations in terms of information security. In addition, all newly hired employees are required to attend the training covering the themes of company culture, vision, client service principles, personal career development, information security, and teamwork, etc. For current employees, CIICSH has provided a training system that enables employees to continuously improve their technical skills and service level, including ad-hoc training and knowledge sharing that held in all departments, etc.

Resigned employees are required to sign additional confidentiality commitment to acknowledge the compliance with the responsibilities and obligations on information security after termination.

**Procedures**

CIICSH has designed and implemented a series of procedures in its routine operation and management in terms of security, availability and confidentiality, including:
- Control Environment
- Information and Communication
- Risk Assessment
- Monitoring
- Identity and Access Management
- Data Security
- Endpoint Management
- Vulnerability, Failure and Security Incident Management
- Change Management
- Data Backup, Capacity and Business Continuity Management
- Vendor Management

**Data and Confidentiality**

CIICSH has established formal policy to regulate data security management procedures. In the meantime, the Company has established a series of controls to ensure the security and confidentiality of data transmission, storage, access, change and disposal process.

CIICSH uses security channels to transfer data with clients, that is, data transmission between CIICSH and clients is based on secure network protocols. In addition, the Company utilizes encryption key to encrypt the sensitive data in the database, and segregates the data accessibility for different users by access settings.

The ownership of client data lies with CIICSH's clients. CIICSH disposes related data according to clients' data disposal requests. Meanwhile, the Company also controls the data disposal process at the hardware level.

**Availability**

CIICSH has established formal policy to specify the data backup and capacity management processes, including the baseline set-up, implementation and daily monitoring of local backup, offsite backup and capacity management. CIICSH has also defined backup strategy, backup retention strategy and backup recovery strategy for each system respectively to ensure the availability of the Company's systems. In addition, CIICSH has monitored the usage of server resources under the daily operation to ensure their availability.

In the meantime, CIICSH has also established formal policy to regulate business continuity management processes regarding risk analysis, business impact analysis, emergency response process, and personnel responsibilities, etc. The Company has established business continuity plan to specified emergency responses and recovery measures for scenarios that may cause business disruption, and organizes the drill for exercising the business continuity plan on an annual basis.