

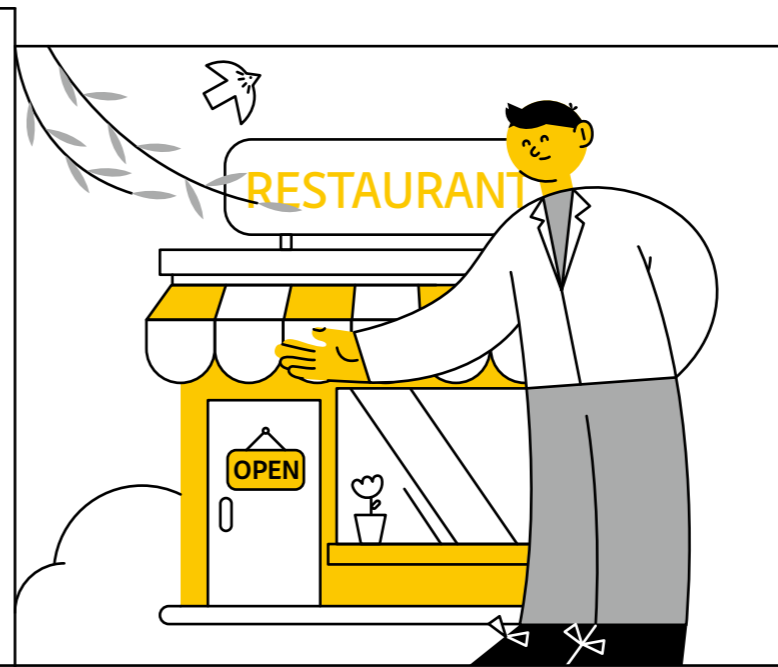


**We help people eat better, live better.**

**帮大家吃得更好，生活更好**

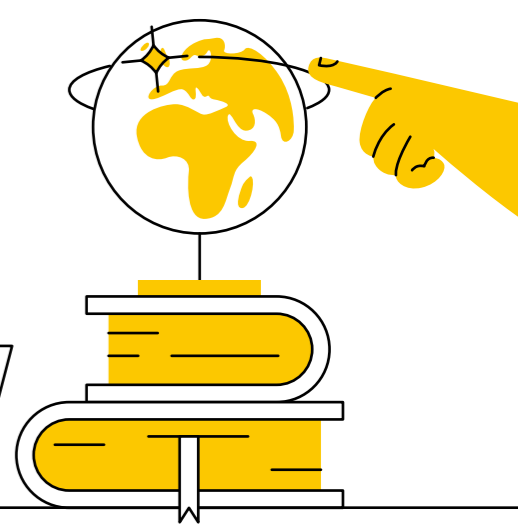
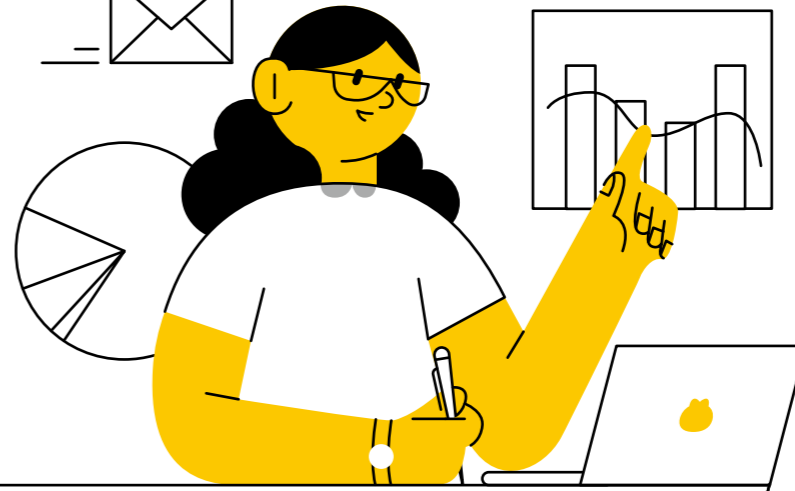
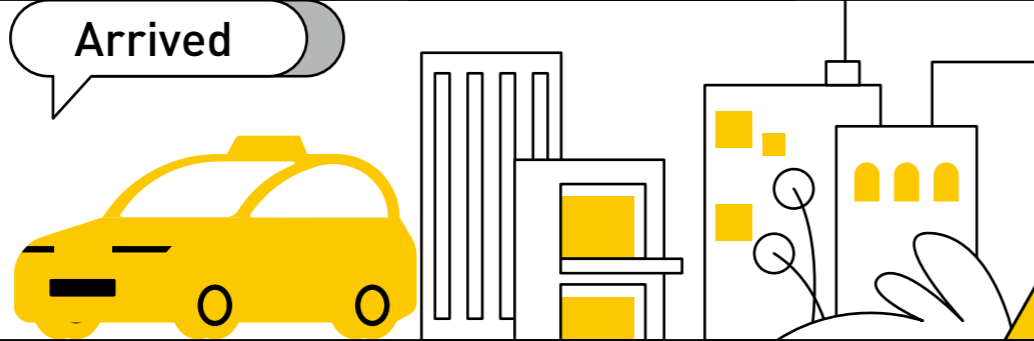
Meituan 2020  
Corporate Social Responsibility Report  
美团2020企业社会责任报告





Spicy Hot Pot No.1 Wangjing store

10 points more than yesterday  
**89** points  
Higher exposure for stores with higher scores  
More than 95% of stores



Safe-Stay

Safer services

Safe-Dining

Safe-Visit

Safe Consumption Festival /Month



Intelligence

Training

Insurance

Charity

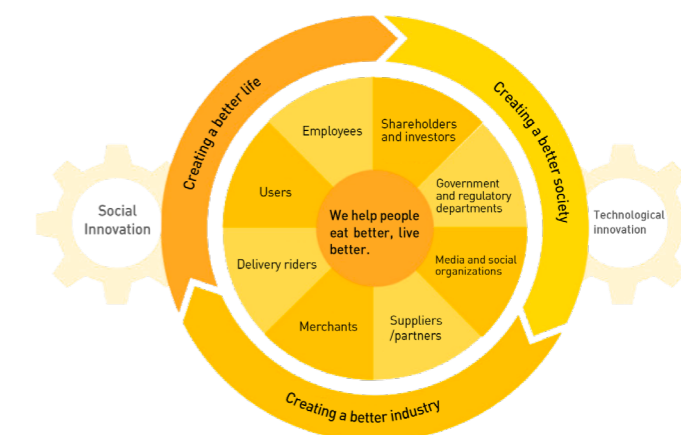
Equipment

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# Corporate Social Responsibility Philosophy of Meituan

The development of a social responsibility system plays an important role in Meituan's overall strategic planning. We are committed to sharing our social responsibility philosophy across the whole ecosystem to promote the development and progress of all stakeholders, so that we can create value for users, the industry, and society.



## Meituan's Values

### Customer-centric

The customers' demands are the most important source of all strategies and actions for our company, and helping customers to solve their problems and create value is the fundamental purpose of our company. While maintaining customers at the center of our services, we put more emphasis on securing the interests of all stakeholders.

### Win-win cooperation

Compared with the vast majority of Internet companies, our business is complex and diverse with many links in the process. Only through efficient cooperation among all platforms and business lines, online and offline teams, including partners in the ecosystem, can we serve our customers well.

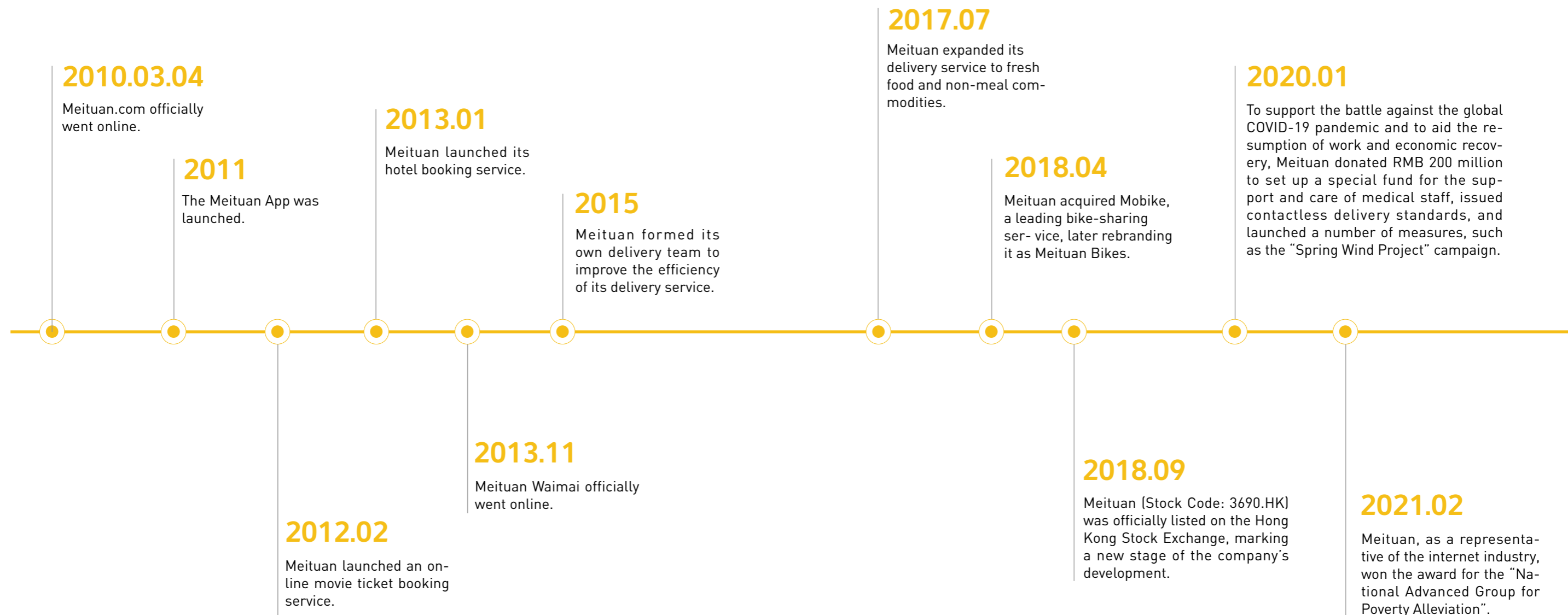
### Integrity

Honest operations and management are the cornerstone of our company's sustainable development. As a matter of principle, we would rather sacrifice short-term interests for long-term success. We hold the principle of "equal focus on integrity and ability with integrity as the priority" in appointing executives for our company.

### Striving for excellence

Our business requires continuous improvement and excellent services to build our reputation with our customers. As a low-margin industry, we must pursue process improvement and efficiency optimization to maintain our cost advantage amid market competition. All of this requires us to provide products and technologies that strive for excellence.

# Meituan Over the Years





# About Users

## Creating a Better Life Together

In 2020, the COVID-19 pandemic had an immense impact on China's economy and society, profoundly affecting the digitalization process of the lifestyle service industry, and leading to much deeper integration between the digital economy and services economy. Adhering to the mission of "We help people eat better, live better", Meituan has continued to strengthen technological innovation within its ever-expanding services, and remains committed to promoting the inclusiveness of digital life, helping the recovery of consumption after the pandemic and advocating anti-waste in the catering industry, so as to bring a better life to more people.

## A Digital Life for Everyone

In 2020, Meituan has constantly innovated and adapted its services to better target lower-tier markets in China, with its commitment to bridging the digital gaps and expanding digital inclusiveness, so as to make a wonderful digital life accessible to more users.

### Accelerating senior-friendly modifications

Meituan is accelerating the senior-friendly modifications of its Apps, and launching training in conjunction with universities for the elderly, to help more senior citizens adapt to the use of smart technology, and break down barriers to consumption in the digital world.

#### “One-click car-hailing” launched by Meituan Dache

In February 2021, Meituan Dache, the company’s car-hailing business, launched pilot operations for its “One-click car-hailing” service in Shanghai and Nanjing, in order to better serve the elderly and meet their everyday transportation needs.

- Through “One-click car-hailing”, the elderly can call the taxi and inform the driver of his or her destination after boarding the vehicle, instead of inputting the destination at the time of calling before the trip.
- During the trip, the elderly can share trips with their children, relatives or friends, which, together with the reminders of abnormalities during the trip and the 110 police alarm system, can ensure the safety of the travel.
- At the end of the trip, the elderly can choose to pay in cash or to have their children pay for them online, greatly reducing the difficulty of payment.

Meituan Dache offers an optimized user-friendly interface for those who have difficulty reading, which highlights key information with enlarged fonts, and sharper contrasts between the information font and background. To further help the elderly with car-hailing, there is a “smart voice assistant” that offers voice guidance for each step of the process.



### Training on using smart phones through cooperation with universities for the elderly

Meituan Instashopping has actively participated in the activities to assist the elderly in various regions, cooperated with local universities for the elderly to carry out training on smart phone use, and sent volunteers to teach the elderly how to use online shopping, utility payments and show health codes. In Sichuan and Jiangsu provinces, Meituan volunteers went to local universities for the elderly to show them how to buy vegetables and medicines, or how to make an appointment to see a doctor, over their smart phones. The elderly responded enthusiastically, taking careful notes to “practice more” at home.

### Silver-haired consumers by the numbers

**300 million**

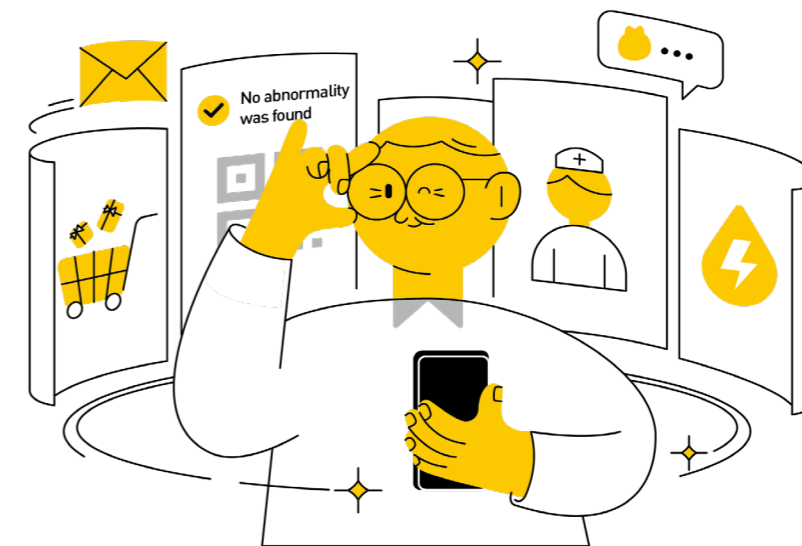
According to estimates from China’s Ministry of Civil Affairs, the number of elderly people in China will exceed 300 million during the 14th Five-Year Plan period.

**88%**

The lives of the elderly are further enriched by digitalization. Data from Meituan shows that the number of orders for “escape room” from the elderly increased by 88% during China’s National Day holiday in 2020 compared with that in 2019.

**430% 250%**

The number of elderly users, aged 60 and older, of Meituan’s multiple businesses has grown rapidly. In 2020, elderly users of Meituan Grocery increased by 430% year-on-year, while Meituan Instashopping saw such users rise by 250% from 2019.



**Voice assistance for visually impaired people**

In order to better serve the 17 million visually impaired people in China, Meituan launched a customized voice application for the visually impaired, which allows visually impaired users to complete the entire process of ordering through voice interaction in the Meituan app, resolving the problems of relying on screen-reading software in the past. This barrier-free method helps visually impaired people fully enjoy the benefits of online delivery services.



**Services and consumption expanding into lower-tier markets to benefit more people**

Meituan is constantly enriching its business categories and service scope to further promote the shift of services consumption to lower-tier markets, so as to boost county-level economic development, and introduce convenient lifestyle services to "small-town youths" and remote villages. In 2020, Meituan launched Meituan Select, a new community e-commerce business, allowing households to select fresh, affordable, and good value-for-money fruits and vegetables, lowering the threshold for use of Internet services. By the end of 2020, Meituan Select has covered over 2,000 county-level administrative areas. In addition, the company's newly-launched shared electric mopeds, which allow for a travel of 1-10 kilometers, further enrich the transportation of residents in the third- and fourth-tier cities and towns as a way to make up for the lack of local public transport.



**Case Study Daily necessities for the villagers through Meituan Select during COVID-19 in Hebei**

He Xiaoli lives in a small village in northern China's Hebei Province. At the beginning of 2021, when Hebei saw repeated outbreaks of the pandemic in many places, He Xiaoli went back to her mother's home before the lockdown of the village, and couldn't leave again due to the pandemic prevention and control. During the lockdown, she was most concerned about her two daughters who were separated from her, and wondered whether they could eat well. "Buying vegetables, fruits and daily necessities is always my job. The two girls are just students and they don't know how to do housework. Besides, their grandma is aged and needs someone to take care of her." He Xiaoli said that she would buy fruits, tangyuan (ball of glutinous rice flour served in soup) and other foods for her daughters on Meituan Select almost every day. "The foods can be delivered to my daughters the day after I ordered them. It's really fast."

**Case Study Community e-commerce enriches the "List for Daily Life" of residents in mountainous regions**

In the ancient town of Zhongshan in Jiangjin District, Chongqing, Zhou Kaiwu, a community e-commerce group leader, delivers goods to villagers with a basket every day. Living in a mountainous area, the residents had to buy things at the market on the hillside, which is only held every three days, so they couldn't get everything they need. After Zhou became the group leader, the residents would receive the goods the day after they placed orders in the group, including the foods and daily necessities that were hard to buy in the past. "We seldom tried seafood before," she said. "Now the villagers are eager to order clams, crabs and cuttlefish. They made it a laughing matter when they tried clams for the first time, as they didn't know they should have removed the sand by soaking the clams in water before cooking them." Now, many aged people in the ancient town have also learned to shop online. With more new food materials and commodities coming to their homes, the "list for daily life" of the mountain villagers has been greatly enriched.





## The Recovery of Post-Pandemic Consumer Spending, Boosted by Safer Consumption

After pandemic prevention and control measures were put in place in early 2020, Meituan steadily promoted the release of consumption potential on the demand side to boost the recovery of post-pandemic consumption through a series of safer services, consumption coupons issued together with the local governments, and contactless delivery services.

### Ensuring people enjoy food and leisure time at ease through safer measures

Together with the local governments, Meituan launched the "Safe Consumption Festival", which focused on "Safe-Dining Restaurants", "Safe-Visit Scenic Spots", "Safe-Stay Hotels" and other worry-free services to promote the implementation of industry standards among businesses for transparent pandemic prevention measures, such as posting sanitary information online to address the health concerns of the consumers.

**1.128 million**

As of September 2020, nearly 1.128 million merchants have joined the "Safe Partner Alliance", among which there are more than 350,000 "Safe-Dining Restaurants", 250,000 "Safe-Stay Hotels", and 3,300 "Safe-Visit Scenic Spots".

**RMB 700 million**

In 2020, Meituan worked with 165 local governments on consumption recovery activities, and jointly issued consumption coupons with them. Meituan worked with 62 municipal governments, including Wuhan, Taizhou, Nanjing, Changsha, Yinchuan, Shenyang, Jilin and Tianjin, to dole out RMB 700 million in coupons to spur a recovery in consumption.



### Case Study Consumption in Wuhan recovered with the targeted assistance of Meituan coupons

On April 19, 2020, coupons with a value of RMB 500 million were jointly issued by the Wuhan municipal government and Meituan. Consumers could enjoy benefits on Meituan or Dianping after collecting coupons over both Apps. Trying their luck for coupons over Meituan at noon every Thursday became a routine of many Wuhan citizens during that period. Meituan data shows that the transaction value of purchases made by consumers who used these activity coupons for the first time increased by an average of 198.4%, one week after the promotion. By age, the average consumption of all age groups increased by 31.4%, and the consumption intention of middle-aged and elderly users increased the most, with 40.8% for those aged 40 to 49 and 59.2% for those aged 50 and above.

### The supply of daily necessities ensured through services of Meituan

During the COVID-19 pandemic, leveraging its on-demand delivery network, Meituan ensured the supply of daily necessities by providing around-the-clock services across multiple categories and scenarios through Meituan Waimai, Meituan Instashopping, Meituan Grocery, Meituan Select, and Kuailv Jinhua (快驴进货), Meituan's B2B food distribution service. In order to meet the consumer needs for daily necessities during the COVID-19 lockdown, Meituan made every effort to ensure the sufficient supply of rice, flour, grain and oil, condiments, fresh produce and snack foods, as well as the supply of protective products such as face masks, thermometers, disinfection products. It also provided targeted delivery services and supplied fresh food materials to front-line medical and pandemic prevention workers, and those with difficulties buying food, by opening green channels for medical institutions, pandemic prevention centers, nursing homes, schools, and other institutions in 34 cities across the country. In addition, more physical bookstores, stationery stores, beauty chain stores, and authorized cell phone seller stores were launched on the Instashopping platform, making people's lives more convenient during the lockdown.

**400%**

From January 26 to February 8, Meituan saw a significant increase in the orders of daily necessities from chain supermarkets on its food delivery platform, among which the sales of rice, flour, grain and oil, condiments, fresh fruits and vegetables and snack foods increased by more than 400% on a year-on-year basis.

**40 times and 8 times**

According to the Meituan report, *Big Data and the 2020 Spring Festival's Home-bound Economy*, the sales of yeast increased by 40 times during this holiday period. The festival also witnessed a more than eightfold increase in the overall sales of condiments including soy sauce, oil, vinegar and thirteen spices powder, as well as the sale of 3.93 million parcels of green onions, ginger and garlic and nearly one million parcels of coriander.



### Launching national standards for “contactless delivery services”

The safety of delivery services became a headache for the real-time delivery services industry during the pandemic. In early 2020, Meituan pioneered the method of contactless delivery services and formulated enterprise standards to promote its experience. After one year of operations, in January 2021, the *Specification for Contactless Delivery Services* initiated by Meituan was launched as the first national standards for the industry. This filled the gap at home and abroad by acting as a detailed and feasible model of contactless delivery services for e-commerce platforms, delivery services and catering enterprises, and also by providing a guarantee for safer consumption.

80%

From January 26 to February 8, 2020, food delivery orders through “contactless delivery” services accounted for more than 80% of the total orders.



### Making appointments before visits

In the context of pandemic prevention and control, advance travel booking is now a new trend for tourism spending. In order to improve consumers’ travel booking experiences, Meituan promotes ticket booking through its partnerships with well-known scenic spots such as Mount Tai. At present, 92% of 5A scenic spots in China now offer convenient services such as online ticketing and staggered time slot reservations through Meituan. In 2020, Meituan introduced the industry’s first group standard, *Brand Management Requirements for Hotel Online Pre-sale Services*, which brings convenience to users by enabling them to select the hotels, dates and room types on the same platform through “booking upon paying”. This eliminates the hassles of making an appointment twice in the traditional presale model, such as when a reservation fails, or products are discovered to be unavailable or expired.

61.4%

During the National Day holiday in 2020, travel booking volume through Meituan Tickets increased by 61.4% on a year-on-year basis, among which the number of tourists booking tickets two days or more in advance increased by more than 80% compared with that of 2019.

9,000

As of December 2020, more than 9,000 hotels nationwide, including Accor and Greenland, have provided presales services that adhere to Meituan’s new standards.

## Anti-Waste Measures in the Restaurant Industry

To advocate “practicing thrift and opposing waste”, Meituan now provides consumers with various choices for meals, such as single-person meal sets and smaller portions. Meituan partners with industry associations and catering businesses to promote anti-waste measures in the catering industry.

252.1%

During the COVID-19 pandemic in early 2020, the average daily sales of single-person meal sets on Meituan and Dianping increased significantly, as average daily sales increased 252.1% on a year-on-year basis in early March, or 152 percentage points higher than that of the catering industry as a whole, during the same period.

69%

In September 2020, the number of orders for smaller-portion meals on Meituan Waimai increased by 69%, compared with the same period in 2019.

74.64% 85.59%

As of October 2020, 74.64% of takeout delivery dishes offered on Meituan Waimai were marked with portion size information; 85.59% of merchants offered dishes marked with portion size information, offering more choices for their users.



**Case Study** Meituan launched the small-dishes campaign together with major catering merchants

In August 2020, together with several well-known restaurant chains around the country such as Xinbailu, Gll Wonton, Wedome and Wangshunge, Meituan launched the “Selected Small Portions Set Menu”. This helped to reduce purchasing costs for consumers, while also helping merchants to better assess their inventories, benefiting both sides by better improving supply and demand dynamics.



# About the Industry

## Creating a Prosperous Industry Together

In 2020, the number of annual active merchants in the Meituan ecosystem increased to 6.8 million. Faced with the spread of the COVID-19 pandemic, Meituan helped merchants get through challenging times by introducing various support measures and product solutions. At the same time, Meituan continues to listen to the voices of its delivery riders, helping them better realize their sense of value and potential through benefits and support programs.

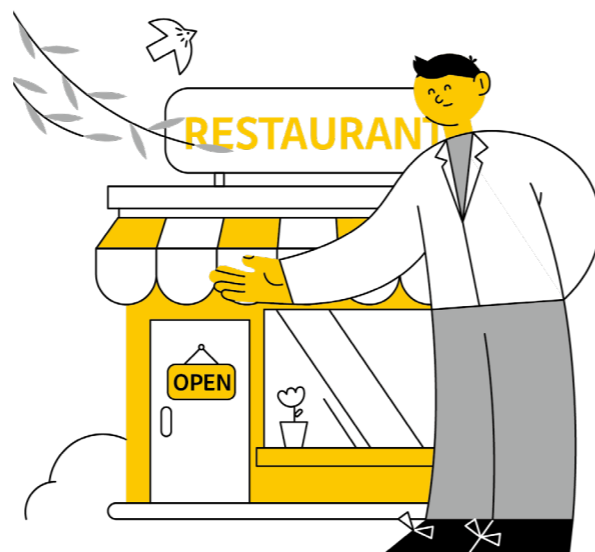
## “Spring Wind Project ” Campaign to Help the Services Industry Recover

### Helping merchants re-open through the “Spring Wind Project” campaign

On February 26, 2020, Meituan launched the “Spring Wind Project” campaign to help merchants in the lifestyle services industry overcome their difficulties. Since March, with the pandemic under control, the “Spring Wind Project” campaign has been continuously upgraded, providing targeted and effective assistance to merchants through digital products, capital subsidies and other means, expanding their order volumes and increasing their revenues.

### Cash flow support

- Meituan Waimai launched a nation-wide commission rebate program.
- Provided subsidies of RMB 1 billion to the hospitality and tourism industry.
- Opened green channels for preferential loans to merchants, with a maximum loan amount of RMB 30 million.



### Targeted training

Meituan provided merchants with more than 1,500 courses and a series of live-streamed classes on strategies for post-pandemic operations and business opportunities. The courses covered topics such as food safety, safe resumption of work operations, contactless business operations, refining management, and policies on taxation, finance and employment. In addition, through partnerships with local government departments and industry organizations, Meituan launched more than 100 special training sessions. One particular session on food safety and pandemic prevention, conducted in partnership with the market supervision authorities of Henan province, attracted more than 100,000 merchant viewers.

### Safe resumption of production, work and services

Reinforcing the notion of “contactless” services, Meituan helped restaurant merchants abide by zero contact rules throughout the entire process, starting with food production and ending with food delivery. It also introduced “Safe-Dining Restaurants”, “Safe-Stay Hotels”, and “Safe-Visit Scenic Spots”, guiding the businesses to streamline and standardize their precautionary measures. These included checking temperatures, face masks and providing disinfection, as well as displaying merchants’ precautionary information online. For instance, restaurants will upload information about how they’ve disinfected their dining areas and kitchens, while hotels now show the sanitary measures carried out in guest rooms and public spaces. In addition, Meituan launched its “Safe Travel Booking” service and attractive, discounted presale campaigns for restaurants, hotels, attraction tickets and other services. Meituan also hosted the “Safe Travel Festival” in April to help the catering, hotel and tourism industries recover.

### Case Study Interpretating of “Chances among challenges”, by the founder of LaCésar

“The Meituan Waimai platform boasts very powerful background data analytics functions, proper use of these can improve business performance”, said Chen Ning, the founder of pizza restaurant chain LaCésar.

During the pandemic, the pizza restaurant LaCésar ran into a cash flow crisis. After reorganizing the processes for delivery services together with his staff, the founder Chen Ning started providing safer delivery services and promotional food items during the special period, which immediately added 30% more turnover to his business when compared to that of the previous day. At the same time, with Meituan’s help, Chen Ning obtained credit extension loans worth RMB 40 million from China Everbright Bank within three days. With help from this financial support, and Meituan’s data analysis tools, LaCésar was able to maintain normal cash flow operations during the pandemic.

### Launching blueprint growth plan for millions of merchants

In September 2020, as part of its “Spring Wind Project” campaign, Meituan launched a blueprint and development program for merchants to help restaurant businesses achieve digital transformation after the pandemic. The program was expected to help 1 million quality merchants achieve average online revenue growth of 30% within a year. The program provided merchant rewards and other resources, valued at RMB 2 billion, as well as over 100 customized courses to help with their growth.



## Restaurant Operations System (ROS)

For dine-in businesses, Meituan launched the Restaurant Operations System (ROS). Based on the “NPCIE (New, Price, Content, Increment, Extra Service) principle”, it guides online operations over five areas: online product design, smart discounting, digitalization of the store information, targeted promotions, and consumer insights. The system can also recommend stores to targeted user groups to boost online sales.

**116%**

Selected fast-growing merchants enrolled in Meituan’s merchant growth plans experienced a 116% increase in their online POI impressions in December 2020, when compared with the same period in October.



Restaurant Operations System (ROS):  
Online operations improved within 90 days

## “Merchant Evaluation Score” for stores

For food delivery scenarios, Meituan launched a “Merchant Evaluation Score” function, which evaluates stores based on their online operation performances, and provides operational guidance and incentive measures. Merchants can obtain a detailed breakdown of their online performance in the merchant App. The function has been introduced in trial operations in Kunming, Tai’an and parts of Beijing.



## Small Shops Bring Hope

As the “capillaries” of the urban economy, small stores play a significant role in promoting employment and improving people’s livelihoods. During the spread of the COVID-19 pandemic, small- and medium-sized merchants have been under severe pressure. Meituan launched assistance measures that have been continuously improved, leading to a V-shaped recovery trend.

### “Spring Wind Project” campaign for millions of small stores

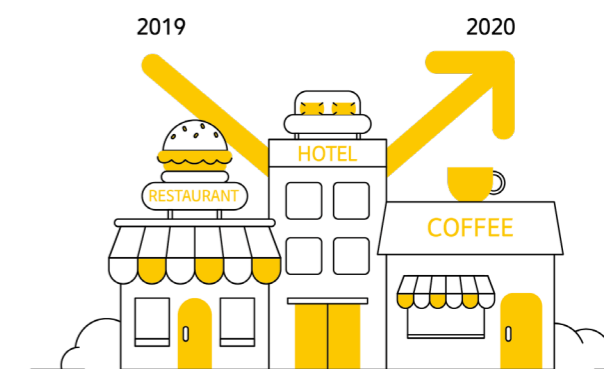
In May, Meituan launched the “Spring Wind Project” campaign to help one million small shops recover, covering six major measures.

#### Online operations

- Sped up the merchants’ application and review processes, enabling them to apply for and get stores up and running on Meituan’s platform in as quickly as three hours.
- Launched a “traffic bonus” program to help accelerate merchant recovery. For new online merchants that previously relied on dine-in customers and needed to open up online channels, Meituan provided them with online traffic resources each month. These were equivalent to RMB 400 million, and enabled them to conduct promotional campaigns. For existing online merchants, Meituan provided them with monthly traffic support resources that were equivalent to RMB 100 million.

#### Preferential loans

- Rolled out an interest-free loan service for newly-opened small food delivery merchants, as part of Meituan’s Business Loans initiative.
- Meituan, together with more than 10 partner banks, provided merchants with loans totaling RMB 20 billion at a preferential interest rates.
- Offered other value-added products for small merchants.



#### Consumption coupons

E-vouchers jointly launched by Meituan and local governments to increase small shop revenues by directing more visitors.

### Safer consumption

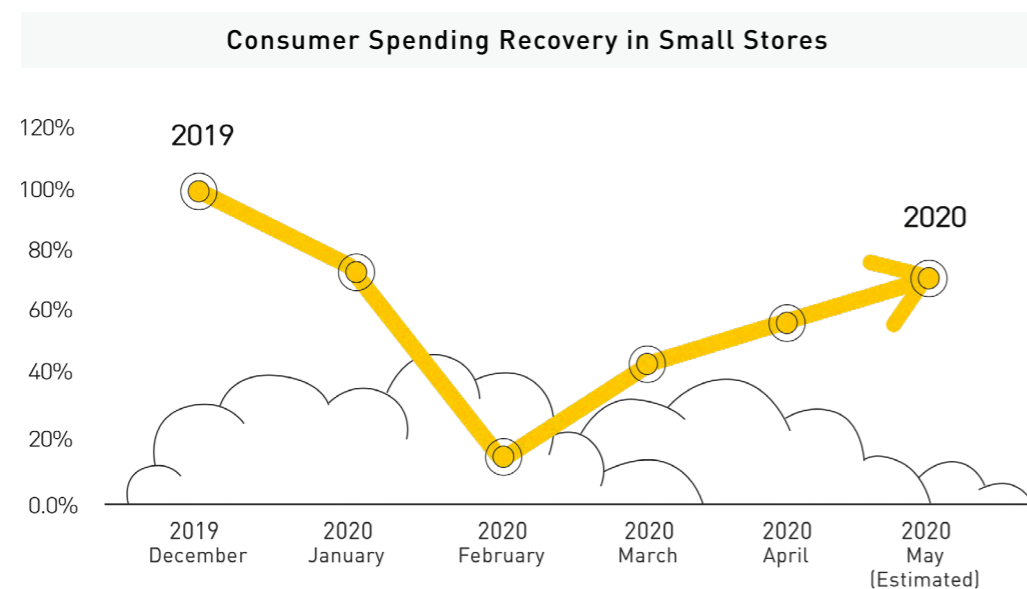
Meituan standardized pandemic response procedures for small shops by leveraging its digital capabilities. Small restaurants certified as “Safe-Dining Restaurants” by the platform can obtain the support from promotion resources.

### Supply chain services

Kuailv Jinhua provided delivery merchants with quick access to online purchases of food materials, offering a total of 50,000 SKUs in 38 cities across the country. It also promised to guarantee sufficient, reasonably-priced supply with delivery times as fast as 7 hours.

### Targeted training

More than 2,500 free online courses were provided to merchants, attracting more than 90 million views. The online courses have been made available to small- and medium-sized enterprises on xuexi.cn and skills.kjcxchina.com.



The Report on Resilience of China's Small Stores by Meituan Research Institute indicates that small stores in China's service industry showed a V-shaped recovery after the pandemic, 2020.7.

In June, Meituan launched an expanded suite of “Spring Wind Project” services for small shops, including financial assistance, digital training and online operation support. For example, as part of the Meituan Business Loan initiative, small merchants could receive interest-free start-up funds and green channels for repayments, and go through faster new store application and approval processes on Meituan Instashopping in as quickly as 12 hours.

### Case Study Traditional snack bars survives the COVID-19 pandemic with the help of delivery services

Majishiduo is a traditional snack shop in Guangzhou, which faced the risks of closure when its turnover fell to a low of only 10% of its normal level due to the dine-in prohibitions during the spread of the pandemic. In order to keep the store going, the elderly manager's two daughters applied to bring the business online through Meituan's delivery platform. After a fast launch, they received 10 delivery orders on the first day, which jumped to more than 200 later. This grew to comprise two-thirds of their previous total dine-in revenue before the pandemic. With the pandemic now under control, dine-in services in the store has been restored, while delivery services continue to operate to provide more direct customer feedback for the store; this feedback better enables the two sisters to improve their dishes and services.



### Small stores by the number

**20,000**  
stores

In 2020, as part of the efforts from Meituan and its partner banks to provide financial support to merchants, more than 10,000 small shops in Hubei province were granted loans with 30% discounts, and more than 20,000 small shops across the country obtained loan assistance.

**107%**

In September and October of 2020, the consumer spending recovery rates in small stores in China's service industry were 107% and 104% respectively, higher than those of the previous years.

**300,000**

In the third quarter of 2020, nearly 300,000 small shops joined Meituan. Revenues of small stores across the Meituan platform increased 18.4% compared with the previous quarter.



## Technology Drives Industry Innovations

By leveraging accumulated technologies and data, Meituan helps people eat better and live better through applying and expanding scientific and technological innovation throughout local lifestyle services.

### Super Brain System --Meituan's on-demand smart dispatch system

Meituan's Super Brain System is a large scale, highly sophisticated, intelligent dispatch system that processes real-time on-demand delivery requests from a large number of users across multiple locations. Every time an order is placed, the system will send instructions and an optimal delivery route to the most appropriate delivery rider. Instructions are developed based on Meituan's big data and artificial intelligence algorithms, and over 100 variables such as location, weather, traffic conditions, expected time of delivery, merchant food preparation times, etc. The system not only greatly shortens waiting times for consumers, but also saves rider time and effort by providing the shortest possible route.

**2.9 billion**

Meituan's intelligent dispatch system assigns work to more than 800,000 riders across the country every day, with its maximum number of daily delivery orders surpassing 40 million. During peak periods, the system processes path planning algorithms about 2.9 billion times per hour.



### Supporting operations of merchants by Meituan Business Brain

The Meituan Business Brain is a knowledge graph platform that provides big-data empowered business operation analysis and advice for merchants in the life service industry. Based on Meituan's big data analysis capabilities, it examines the strengths and weaknesses of merchants, dish popularity trends, users' overall impression on the merchant and consumer preferences of flavor, price, restaurant environment and dining experience. It does so by "reading" through online user comments and other user engagement activities, using AI technology. Merchants can check the real-time business statuses of their stores over the Meituan system and receive business analyses and suggestions. The system helps boost new store promotions and membership marketing activities, improve operational efficiency, reduce costs, provide traffic support, and suggest store locations.

**8 billion**

Meituan has served 510 million annual transacting users and 6.8 million active merchants across the country as of the end of 2020. The Meituan platform has gathered nearly 8 billion online comments and more than 10 billion online pictures, all contributed by its users and merchants.

**20%**

Meituan's restaurant management systems help improve business operations, having averaged 20% increases in staff efficiency and 5% decreases in food materials costs for a select group of merchants.

### Case Study Jibobo's franchise management enhanced by Meituan's restaurant management tools

Jibobo is a chain store that specializes in instant boiled kebabs in Chengdu. It operates more than 200 franchise stores in China, which represents a big challenge and a test for brand expansion for Li Xiuying, Jibobo's operation director. Recommended by her friends, Ms. Li manages the chain stores using digital tools offered by Meituan's restaurant management system. Now, Li calculates whether the franchisee's operation is still within the management radius by collecting the information of franchisee's turnover, labor and food cost every month. In addition, the Meituan system automatically estimates sales volumes to help her understand the daily consumption of food material.



### Accelerating the use of autonomous delivery system

#### Meituan's autonomous delivery vehicles

The new generation of autonomous delivery vehicle of Meituan, Magic Pocket 20 has been put into use in Shunyi District, Beijing, marking a new stage of development of Meituan's autonomous delivery services with the capacity of large-scale mass production. It is estimated that in the next three years, Meituan will realize autonomous delivery services in Beijing, Shanghai, Shenzhen and other places among the sections like Meituan Waimai, Meituan Grocery, Meituan Instashopping and other business scenarios. In terms of time and area, Meituan will provide more efficient services for users through its empowered delivery service upon the cooperation between delivery riders and autonomous delivery vehicles, especially for extreme conditions and other scenarios.

During the outbreak of COVID-19 in early 2020, in order to support the pandemic response efforts with greater safety, Meituan officially launched autonomous delivery services in Beijing's Shunyi District. This is the first time Meituan's autonomous delivery vehicles are put in operations on public roads, after similar services were tested earlier in indoor and enclosed areas. As of March 2021, Meituan's autonomous vehicles have delivered more than 35,000 grocery orders in the Shunyi pilot program after operating for over a year.



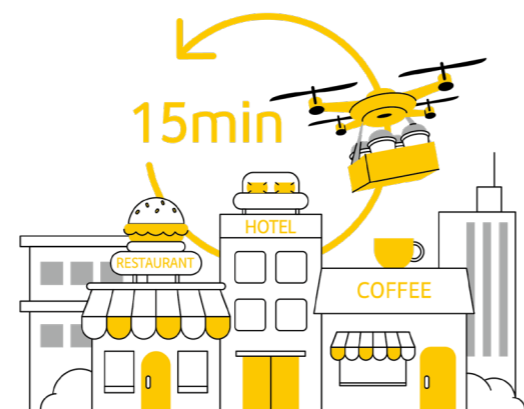
**Case Study Meituan's first AI shop opens in Beijing**

On October 13, 2020, Meituan launched its first AI-powered smart store (MAI Shop) in Beijing's Shougang Park. The shop is an autonomous micro warehouse which covers an area of about 200 square meters. When a user places an order on Meituan, the shop's automated guided vehicles (AGV) will automatically complete item selections from the shelves. Then the order is packaged with the assistance of machines, and delivered to the user in an autonomous vehicle. Meituan has set up different designated order pick-up areas in the park. When the vehicle arrives, users can collect their orders by simply inputting a verification code over their smart phones. Meituan's autonomous micro warehouse completes an order in an average of 100 seconds, and it can process up to 200 orders per hour, which is 7 times the speed of traditional warehouses. In a trial operation during the National Day holiday, the MAI Shop at Shougang Park recorded an average of 17 minutes for each delivery, with 95% of its orders delivered by autonomous vehicles.



**Drones**

In order to further improve delivery efficiency, Meituan has carried out research and development on drone deliveries in Shenzhen, hoping to use technologies to empower an urban lifestyle where people enjoy convenient delivery services within 15 minutes.



**Case Study The drone exhibition center at Shenzhen built by Meituan to demonstrate air-ground integrated autonomous delivery system**

In January 2019, local authorities published the *Interim Measures for the Management of Light-weight Drones for Civilian Use in Shenzhen* to better regulate drone operations. In 2020, Meituan established a drone exhibition center in Shenzhen's Longhua District to demonstrate how the process of its drone delivery services works, starting from the receipt of orders over Meituan Apps to delivering the packages to the final users. In January 2020, Meituan drone delivery services completed a non-commercial flight test on their first real-life scenario route at Mission Hills Shenzhen.



**Collaborative Industry-Academia-Research (IAR) Innovation**

Meituan has been actively partnering with universities, scientific research institutions and think tanks to promote IAR cooperation and exchanges, the transformation of IAR achievements and the training of strong talent.

**Scientific research plan**

In order to further explore scientific and technological innovation, Meituan launched collaborative plans for scientific research projects with universities in early 2019. Through cooperating with scholars from more than 20 well-known universities and scientific research institutions, both at home and abroad, in the fields of artificial intelligence, autonomous driving, operations optimization, big data and Internet infrastructure, Meituan has published hundreds of papers in top international conferences and on journals in related fields, winning many second- and first-place prizes in top international events. Results from many joint scientific research projects conducted last year in fields such as voice synthesis, face recognition, knowledge graph, conversational AI and signboard recognition have been applied to a variety of businesses.

**Training Talents Together with Universities**

Through partnerships between Meituan and universities to train scientific and technological talent, real-life industry environments and challenging scenarios have been created for students to apply their knowledge in the structuring, development, modeling, analysis, measurement and application of business ideas in real-life companies, leveraging and sharing their prior knowledge to achieve win-win partnerships. In 2020, more than 1,000 students participated in four formal credit courses, namely *Commercial Application and Practice of Big Data Technology*, *Management of Internet Products*, *Intelligent Autonomous Delivery Service of Meituan and Practice on Information Design*, all of which were launched together by Meituan and Tsinghua University.

**Case Study Commercial Application and Practice of Big Data Technology jointly launched by Meituan and Tsinghua University**

The graduate credit course, *Commercial Application and Practice of Big Data Technology*, under the cooperation of Meituan's big data technology team and the Department of Electronic Engineering of Tsinghua University, has been taught at Tsinghua University every September since 2019. Designed for graduate students of various departments and some senior undergraduates of Tsinghua University, and combined with the commercial applications and usage of big data in Meituan's business, the course offers students an overall understanding and grasp of big data technology and its practical applications. This is done through theoretical training in class, interpretations of commercial applications and case studies, and the combination of courses and projects that based on actual big data systems, with the acquisition, storage, analysis and mining technology of big data.

**Meituan postdoctoral program**

With its focus on artificial intelligence, autonomous driving, machine learning, and so forth, the Meituan postdoctoral program is an important platform to promote Industry-Academia-Research integration and enhancing the ability to innovate throughout the entire company. In early 2020, the Meituan postdoctoral program launched a plan to recruit the first batch of talents; at present four PhDs work at Meituan as part of the program.



## Consistently Improving Delivery Rider Experiences by Listening to their Voices

The importance of delivery riders group as our business partners cannot be stressed enough. In November 2020, as part of an ever-improving rider care and benefits program, Meituan launched the “Tongzhou Project”, which focuses on improving riders’ job security, work experiences, career paths, and social well-being. The company has organized numerous discussion panels with riders to listen to their feedback and better understand their needs and challenges; the company has also been improving its products and services to improve riders’ work experiences.

### Ensuring job security

- Meituan is improving software and equipment for delivery riders; this includes smart earphones, smart helmets, voice control systems, protective reinforcement gear and improved reflective strips, etc. At the same time, Meituan will produce more smart helmets and distribute them in 2021.
- Improving rider training systems and regularly teaching training courses on traffic rules, rider safety, emergency management and dress code.
- Delivery partners are required to purchase “employer liability insurance” for different types of delivery riders, or “personal accident insurance” for riders working under joint Meituan partnerships; both types cover rider risks and provide more protection for their personal safety and property.



### Improving the rider experience

- Adding a function for riders to rate merchants.
- Meituan continues to improve its process of handling rider complaints so that common problems such as delayed deliveries can be solved within 24 hours.
- Accelerating the installment of intelligent pick-up lockers for food delivery. Currently, this program covers 18 cities and will be implemented nationwide in the future.
- Optimize App interfaces for riders and create a process through which experienced riders can guide new ones. New riders will adjust to their jobs faster when under the guidance of experienced riders.

### Career development

- Activities like “717 Riders Festival” and the National Basketball League of Riders are held to give riders respect and attention, improving their sense of self-accomplishment.
- Provide online courses to riders to expand their horizons, including an English course for delivery services, the first of its kind in the industry. In addition, vocational training and development systems are provided for riders, offering them high-quality career opportunities.



**Caring for riders' lives**

- A "health care package" is provided for riders, covering annual, free physical examinations, free online medical consultations, medicines for common minor diseases, psychological consultations, medical treatment, hospitalization for severe diseases, and funding for serious illnesses.
- The "Baby Kangaroo Charity Project", launched by the Meituan Charity Foundation, provides assistance for the delivery riders' children who encounter difficulties such as major diseases and accidental injuries.
- Physical and mental care are provided during major festivals and certain periods, such as exceedingly hot summers and bitterly cold winters.
- Meituan has opened a psychological hotline for delivery riders, providing free psychological consultations for them through partnerships with professional institutions.



**RMB 12.72 million**

As of December 31, 2020, the Rider Care Plan had allocated RMB 12.72 million to support 265 affected families.

**1.2 million riders trained per month**

In 2020, 24 online safety training courses for riders were completed, together with 827 internal safety notices and 213 partnership activities between local police and Meituan; together, these safety training efforts covered an average of 1.2 million delivery riders per month.

**76 rider discussion panels held**

In 2020, 76 discussion panels with delivery riders were held to understand their expectations and demands.

**77 medical aids packages distributed**

As of December 31, 2020, the "Baby Kangaroo Charity Project" had directly helped 77 children of delivery riders.



**Case Study "Baby Kangaroo Charity Project" brings hope to a mother and son**

Xiaoxian, Nong Ruirui's son, suffered from severe  $\beta$  thalassemia and at least RMB 300,000 was needed for bone marrow transplant surgery. In the spring of 2020, in order to make money and care for her family, Nong Ruirui became one of the few female delivery riders in her local area, working hard to receive more orders. Nong submitted her child's information after coming across the "Baby Kangaroo Charity Project" by chance. Unexpectedly, Meituan staff contacted Nong and visited her hometown in Jingxi, Guangxi, from Beijing. In November, after a journey of more than 2,600 kilometers, Nong took Xiaoxian to Beijing for medical treatment. The "Baby Kangaroo Charity Project" not only paid for part of Xiaoxian's treatment expenses, but it also initiated a public donation for his bone marrow transplant. Now, with his information secured in the China Bone Marrow Donor Program, Xiaoxian is waiting for a match.





# About Society

## Creating A Harmonious Society Together

The COVID-19 pandemic accelerated the digitalization of China's economy and society. Through partnerships with governments, industries, businesses and consumers, Meituan established a digital consumption and service ecosystem to explore people's livelihoods and employment, urban governance, environmental protection, rural revitalization and public welfare. This serves to solve rural-urban imbalances and build a more balanced and friendly digital society, using more advanced digital technology and more inclusive digital governance.

## Improving Employment and Fostering New Jobs

The spread of the COVID-19 pandemic presented severe challenges to China's employment situation. The flexible employment of delivery riders made the industry both a pipeline and pool for employment, providing job opportunities for major groups of people such as migrant workers. At the same time, new business models and occupations in the field of lifestyle services boomed, creating more opportunities for employment and even entrepreneurship.

### Meituan's positive impact on employment

**4.7 million**

In 2020, more than 4.7 million delivery riders earned income from Meituan's platform.

**58%**

The first half of 2020 indicated that 58% of riders were employed in their home provinces.

**18.6%**

Among new riders recruited from January 20 to March 18, 2020, ex-factory workers ranked first, accounting for 18.6%, followed by sales personnel, which accounted for 14.3%. Self-employed people or F&B industry employees ranked third.

**21% 37.5%**

In the first half of 2020, in Meituan's shared bicycle maintenance department, approximately 21% of employees were unemployed people from poverty-stricken, urban families with zero employment; 37.5% of workers in the electric mopeds maintenance and operations departments were from the same group.

### Case Study "Chungui Campaign" to improve employment

In February 2020, Meituan undertook a series of measures through its "Chungui Campaign" to help stabilize employment, including the addition of 200,000 posts for long-term employment or flexible employment, more than 1,000 jobs for college graduates and more than 3,000 positions for normal recruitment. In August 2020, the improved "Chungui Campaign" was launched, offering 500,000 more flexible jobs as delivery riders, operations and maintenance personnel for shared bikes or drivers for Kuailv Jinhua under Meituan. Some 200,000 local employment opportunities in poverty-stricken counties were offered, and a series of improved support guarantees were provided to riders and rider families suffering from serious illnesses in impoverished regions. More than 2,000 jobs for school recruitment and more than 5,000 jobs for normal recruitment were created.

### Predicting new lifestyle services industry occupations in 2021



#### Group leaders for community group buying services

This new position is related to the new community e-commerce business model. It is estimated that there will be millions of group leaders by the end of 2021.



#### Battery maintenance specialists for e-bikes

The emergence of new shared e-bikes and mopeds business models will directly create more than hundreds of thousands of bike maintenance and operations jobs.



#### Internet operations specialists

Widely needed for delivery services in the F&B industry, hotel and bed-and-breakfast, leisure and entertainment industries, millions of tech-savvy internet operations specialists, who use digital tools to optimize businesses, will be in short supply in 2021.



#### Escape room designers

Escape rooms are experiencing growing popularity in China. As a result, China's original escape room designers, who play a key role in this new business model, are estimated to exceed 1,000 in 2021.



#### Meal set designers

As one of the new occupations in the traditional F&B industry, there will be more demand for meal set designers in 2021, with small dishes and half-size dishes to be offered in more and more restaurants.

### Help train digital professionals

Meituan has set up a training center to help train more professional talent in the lifestyle services industry. Its training programs cover services areas such as delivery, catering, hotel, beauty, leisure and entertainment, education and parent-child relations, bed-and-breakfast, etc.

In 2020, Meituan launched a system to train digital professionals, covering 10 positions such as delivery services operators, F&B services operators, hotel revenue managers and on-demand dispatchers for online orders. The system ran through the whole process to educate digital industry professionals, providing a clear path to educate and develop industry practitioners.

By the end of 2020, the first batch of delivery services operators and hotel revenue managers in China had been certified; the delivery services operators were jointly trained by the Education and Training Center of the Ministry of Human Resources and Social Security of PRC and Meituan. In terms of hotel revenue management, Meituan was recognized by the Ministry of Education as a training and evaluation organization which can offer vocational skills training and issue "hotel revenue management" certificates to applicants.

In addition, Meituan initiated and established the "Committee of the Development of Professionals for Service Economy" together with China Entrepreneur and the China International Electronic Commerce Center (CIECC), joining hands with industry associations and company representatives to promote the development of professionals for lifestyle services.



## Digital Technologies for Urban Co-Governance

With digital technologies, Meituan accumulated massive data sets that reflect residents' demands and urban system operations. These datasets are collected in real time, for accurate judgment, efficient decision-making and timely responses.

### Government-company communications as a new model of social co-governance

In order to promote the social co-governance of the new economy platform, Meituan has built a cloud-based digital supervision system for market supervision departments at all levels. Meituan "government-enterprise communication" realizes the co-governance of industries with the help of science and technology through deep integration of its big data, access to businesses in the lifestyle services industry and the administration of government departments. Based on the goals to "help small shops rejuvenate" and "promote collaborative governance", the system provides seven functions, including training and examinations for businesses, online license applications, publicity services, industry data analysis, qualification procedures, and a food safety "Sky Eye" monitoring system.

For example, the online licensing services for new businesses provided by "government-company communication" can serve as a supplement to the official online licensing channels of the government to improve license application efficiency in various jurisdictions. In addition, the food safety "Sky Eye" monitoring system, essentially a big data system for the public to evaluate restaurants, enables targeted supervision of food safety through the market supervision management system with "visualized data, predictable trends and early warning". The system quantifies food safety information through semantic recognition technology, based on Meituan's consumer feedback data.

**30**

As of December 31, 2020, Meituan's "government-company communication" had been applied in more than 30 provincial and municipal market supervision departments in China, including Beijing, Liaoning, Zhejiang, Hainan, Guangzhou, Suzhou and Dongguan, in addition to preparation for future partnerships with more than 20 market supervision departments.

#### Case Study

### The first "online certificate application" service in China was piloted through government-company cooperation in Shanghai

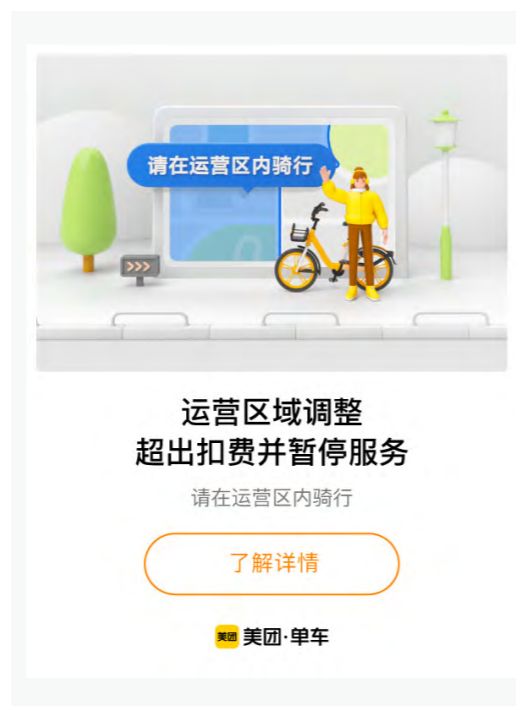
On July 13, 2020, Instant Approval for online applications was launched for food business licenses under government-company communication through the partnership of Meituan and the Administration for Market Regulation of Minhang District of Shanghai. This was the first pilot of "online license application" nationwide, that was under a partnership between government departments and an online platform. Businesses can wait for approval to obtain the license after completing real name authentication and uploading on-site videos and application files for verification over the Meituan App. On the same day, ten restaurants applied to change food business licenses online through the Meituan App and received approvals within just one working day. By the end of 2020, Meituan had provided access to "online license application" services for 115 cities in 10 provinces, and one municipality directly under the central government.

### Big data for urban transportation planning

Through active partnerships with urban traffic administration departments, Meituan explored new ways to optimize the urban traffic systems through technological innovation and big data from platform passengers.

#### Electronic, invisible fences were introduced

In order to resolve the inappropriate parking of shared bicycles and electric mopeds, Meituan introduced electronic fencing technology to improve the accuracy of vehicle parking space positions; this served to better manage parking and make it easier for users to find parking spots and bicycles.



70% 90%

After the launch of the electronic fencing technology, the number of Meituan shared electric mopeds inappropriately parked in no parking areas dropped by more than 70%, and as much as 90% in some areas. Meituan sent over one million messages to remind users not to illegally park their shared electric mopeds.

#### “Blue Bike Lane” co-constructed in Shenzhen

In 2020, a brand-new blue bike lane for non-motorized vehicles was built in Zhenzhong Road and Hongli Road, Futian District, Shenzhen under the cooperation of Meituan and Shenzhen municipal government. With electric vehicles driving on the clearly-marked blue bike lane, the chaos of mixed traffic between motor vehicles and non-motorized ones was remedied, despite having plagued citizens and delivery riders for many years.



## Motivating Stakeholders to Participate in Environmental Protection

Clear waters and lush mountains are invaluable assets. In 2020, Meituan motivated ecological stakeholders to participate in environmental protection by actively promoting the formulation of a carbon neutral action plan, as well as the further promotion of the Blue Mountain Project and the full life cycle management of shared bicycles.

### Blue Mountain Project

Meituan launched the Blue Mountain Project, the first environmental protection initiative in the food delivery industry in 2017. It aims to bring together efforts from merchants and industry partners to drive sustainability and reduce the environmental impact of the food industry.

#### Environmental protection concept advocacy

- The “Meituan Waimai Environmental Protection Day” campaign, which is celebrated on the last day of each month online, has been run for 42 consecutive sessions, reaching more than 1 billion impressions.
- Activities on advocating environmental protection were carried out on important days such as China’s Tree Planting Day, Earth Day, and World Environment Day, as well as a campaign to encourage users to place orders without requesting plastic tableware.
- Meituan organized competitions for creativity in packaging and funded programs the public can participate in to enhance the public awareness of environmental protection.
- Meituan has hosted multiple offline activities, including public exhibitions, a demonstration of delivery boxes recycling at the the Rye Music Festival in Beijing, and a milk-tea bottle recycling initiative with HeyTea. Over one million people participated in these activities.



### Joint research with industry on methods of environmental protection

- Research on the environmental impact of the whole cycle of the delivery service industry was conducted through the cooperation with Tsinghua University's School of Environment.
- The environmental protection advisory group was established with China Environmental Protection Foundation (CEPF) to carry out forward-looking research and industry seminars.
- The industry's first *Popular Science Report on Packaging for Delivery Services* was jointly released with Beijing Technology and Business University.
- *Report on Insight on Environmental Protection of the Delivery Services Industry* was issued, offering updates on the Blue Mountain Project over the past three years.
- *Guide for Sustainable Catering Business* was issued jointly with the China Hospitality Association.

### Packaging reduction promoted by scientific exploration

- Self-provided tableware is recommended and the option of "no disposable cutlery" is initiated.
- A campaign was launched to issue reward points to users if they opted for no disposable cutlery when making their delivery orders. Users could exchange the reward points for virtual donations. More than 1.5 million people participated in the virtual donations.
- More than 20 million biodegradable packaging bags and 1 million paper lunch boxes were distributed to Meituan merchants in a pilot project.
- Meituan jointly released a list of green packaging recommendations together with the Degradable Plastics Committee of China Plastics Processing Industry Association (DPC of CPPIA) and China National Pulp and Paper Research Institute, which included 87 environment-friendly packaging products for delivery services. Some 350,000 innovative environmental protection packaging products in 20 categories were incubated for free trials.
- More than 350 pilot projects for plastic food delivery box recycling were carried out nationwide, with the highest recycle rate at 74%.
- The application of green recycled plastics and the construction of green plastics supply chain were promoted after joining the Joint Working Group of Green Recycled Plastics Supply Chain initiated by the China Petroleum and Chemical Industry Federation.

### Environmental protection and charity platform campaign promotes the construction of a beautiful land for all

- An initial investment of RMB 3 million was put into the Blue Mountain Fund, which was jointly established with the China Environmental Protection Foundation to support the research on and implementation of environmental protection and public welfare projects.
- A sum of RMB 14 million had been invested in environmental protection and public welfare undertakings by the end of 2020 through the Blue Mountain Charity Project. More than 350,000 businesses participated in the project online, with more than 1 billion orders from 190 million people.
- More than 3000 mu (200 hectares) of forests were planted and optimized in nine provinces including Qinghai, Guizhou and Yunnan, benefiting more than 15,000 people from over 1,800 registered poverty-stricken households.

In August 2020, on the third anniversary of the Blue Mountain Project, Meituan proposed the goals expected to be achieved by the year 2025 through the cooperation with industry partners.

### New Goal of 2025 for Blue Mountain Project

|  |  |
|--|--|
|  | <p>A green packaging supply chain will be established to provide the recyclable, degradable or reusable packaging solution for all merchants on the platform.</p>  |
|  | <p>The construction of a recycling market-oriented mechanism will be promoted through establishing a regular food delivery box recycling system with industry partners in more than 20 provinces in China.</p> |
|  | <p>Optimize Meituan's product operations and promote sustainable consumption by encouraging 100 million users to opt out of disposable cutlery in their food delivery orders.</p>                              |

### Life cycle management of shared bicycles

Meituan has taken the industry lead in proposing and implementing environmentally-friendly concepts in the life cycle management of shared bicycles, having realized a 100% recyclable rate for its retired bikes.

In 2020, Meituan Bikes launched a project to make sports grounds from the discarded tires of retired bicycles:

**8**  
Donated 8 sports grounds to people in remote areas.

**1.48 million**  
Over 1.48 million bicycle tires were reused.



## Emphasizing the County Economy for Rural Revitalization

In 2020, China's poverty alleviation tasks were completed on schedule. In 2021, the focus on "Agriculture, Rural Areas and Farmers" will be shifted to comprehensive rural revitalization. Steadily giving full play to its business strength and characteristics, Meituan helps facilitate economic development in counties and forms an effective connection between poverty alleviation and rural revitalization.

### A new starting point in the county poverty alleviation model

#### Employment in counties

In order to help lift disadvantaged people out of poverty in their home provinces, Meituan has provided 200,000 delivery rider jobs to people in poverty-stricken counties since June 2020. Meituan is giving priority to people from poverty-stricken counties and registered poor households in their home or neighboring provinces.

#### Digitalization in counties

Meituan looks to increase the income of caterers and tourism merchants in poverty-stricken areas through online promotion and traffic support, so as to help the supply-side digital transformation of the local lifestyle services industry.

#### New tourism in counties

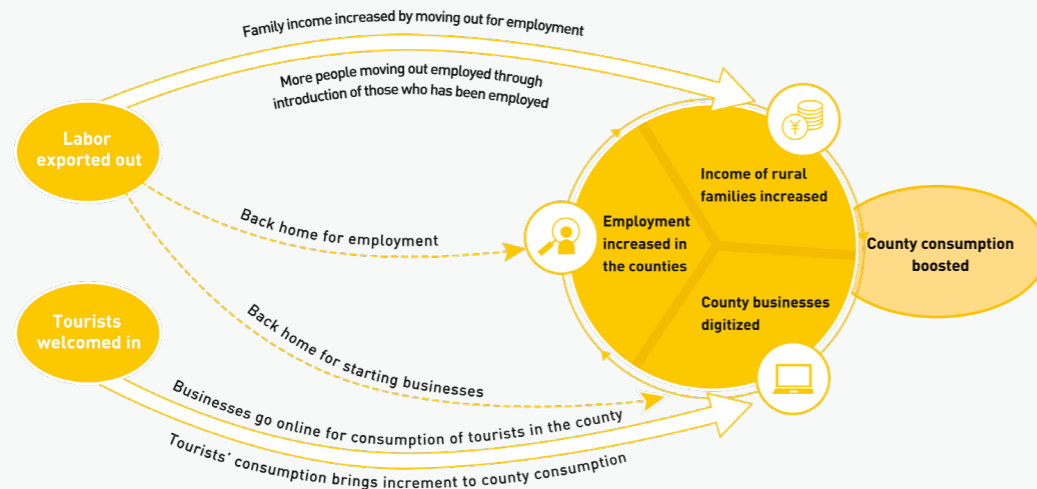
Meituan created the "Most Beautiful Township" tourism live broadcasts for poverty-stricken counties, and helped impoverished counties promote their brands as "the Most Beautiful Village", "the Most Beautiful Homestay" and "the Most Beautiful Native Dishes" in order to help promote the long-term development of tourism in poverty-stricken counties.

#### New training in counties

Through "New Youth Dream Chasing Plan", Meituan provides free employment and entrepreneurship training as well as on-site teaching for entrepreneurs in catering, homestay service, rural restaurants and entertainment in poor areas.

#### New charity events in county areas

Meituan supports the construction of kindergartens and playgrounds in mountainous areas, as well as charity events that targeted at improving local ecosystems and the environment.



**2.3 million**

By the end of 2020, more than 9.5 million delivery riders, including 2.3 million from poverty-stricken areas, have obtained income through job opportunities provided by the Meituan platform.

**590,000** delivery riders

By the end of 2020, 590,000 Meituan delivery riders were from registered poor households, and 189,000 of them were newly-hired riders in 2020.

**RMB 22.39 billion**

In the first nine months of 2020, Meituan processed 450 million orders for 408,000 merchants in 819 poverty-stricken counties, with total online transactions reaching nearly RMB 22.39 billion in value.

**5,000** people

As of the end of September 2020, 31 practical trainings had been given through Meituan's "New Youth Dream Chasing Plan" in nine provinces and cities in China, with nearly 5,000 people trained.

### Case Study Rider from poverty-stricken county becomes able to feed family of six

Qinglong County used to be one of the nine impoverished counties in Guizhou. In 2017, Yi Congbin, who comes from a small county, became a delivery rider for Meituan after returning to Guiyang from his work in an eastern coastal city, and got the pay of his first month as a rider up to more than RMB 5,000. Now, he lives in Guiyang with his wife and children, making enough monthly income from his job as a delivery rider to support the six members of his family. Also the flexibility of this job allows him to go back home for harvesting during the farming seasons. In the first half of 2020 alone, nearly 400 people from Qinglong County became delivery riders for Meituan.





### Farmers' income improved through the "Agricultural Produce Direct Sourcing" program

In December 2020, the program for the "Agricultural Produce Direct Sourcing" program was launched by Meituan Select, benefiting urban residents while increasing farmers' income at the same time. The program leverages the advantages of the platform to enhance production, distribution, circulation and consumption of agricultural products. Through partnerships with many local governments, the program speeds up the direct transportation of high-quality agricultural products from the origin to the community, increasing the volume of direct purchases and streamlining the supply chain.

To consolidate the achievements of poverty alleviation and keep aligned with the strategy of rural revitalization, the program will continue leveraging Meituan's digital capabilities to help local county economies grow, prioritizing partnerships with the provinces and regions that have recently been lifted out of poverty, such as Guangxi, Yunnan, Guizhou and Gansu, so as to speed up the sales of their quality agricultural products.

From navel oranges of Zigui, Hubei; fertile oranges of Wuming, Guangxi; purple sweet potatoes from Jianshui, Yunnan; apples from Zhaotong, Yunnan; and honeydew melon from Xiaomi, Hainan, more and more quality agricultural products were served on tables in urban communities after being transported from where they were grown, with the help of Meituan Select.

#### Case Study How unsellable purple sweet potatoes turned into an urban dining table "Internet celebrity"

In December 2020, the purple sweet potatoes grown by Li Hongmei, a farmer in Jianshui County, Yunnan province, were ripe for the taking. Jianshui purple sweet potatoes, sweet and soft with thin skin and thick flesh, were popular among urban residents. However, due to poor road infrastructure and the low added value of selling the purple sweet potatoes, few wholesalers were willing to buy them, with prices averaging as low as RMB 0.8 per kilogram. After field research was conducted by its Yunnan team, Meituan Select purchased the high-quality purple sweet potatoes at a price of RMB 1.3 per kilogram and arranged for special distributions in the urban communities. With the help of Meituan Select, nearly 2000 mu (about 133.33 hectares) of Jianshui purple sweet potatoes were sold within a month.

According to the farmer, before, all of their purple sweet potatoes could only be sold at that price as dyes, regardless of the quality. Now her income has increased substantially because of the higher prices. "Our potatoes sell fast at reasonable prices, so much so that we can celebrate a happy year. And we are planning to grow another three to five mu (about 0.067 hectares) of purple sweet potatoes next year!" said Li Hongmei with a smile.



## Fulfilling Social Responsibilities through Charity

Meituan Charity, an online platform for fund-raising designated by the Ministry of Civil Affairs of the PRC, incorporates charities into the daily consumer spending of online users. It enables simple, safe and convenient participation in public welfare projects. People are given access to charity events in daily purchases, thanks to their multi-scenario coverage in the field of lifestyle services.

### The Meituan Charity Platform: In 2020



### Getting users involved in charity

By incorporating charity into daily consumer spending, Meituan Charity gets its users involved in charity in their daily lives through pop-up stores and festival operations. Examples include the charity projects centered on pandemic control, which are recommended on the settlement page of Meituan's orders, the "Child Care" project for Children's Day, and the "Elderly Care" project during the Double Nine Festival, which calls for the care and support for elderly people living alone.

### Getting merchants involved in charity

In 2020, through its "Meituan Merchant Charity Project", Meituan incorporates charity into the daily activities of businesses. By the end of 2020, the project had covered catering, hotel, delivery service and ticket businesses, with more than 390,000 merchants involved.



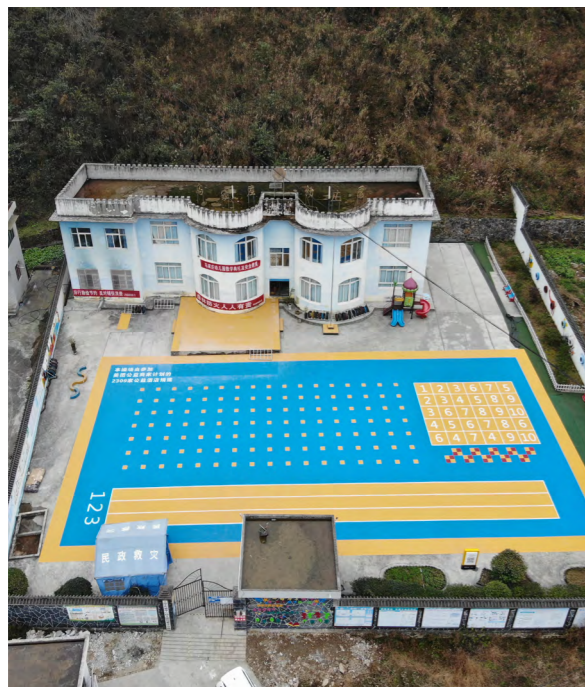
Charity projects centered on pandemic control were recommended on the settlement page of Meituan orders

**Case Study** Playgrounds brought new hopes for the children in the mountainous areas

In August 2020, a project to bring playgrounds to kindergartens in the mountainous areas was initiated by Meituan Charity together with charitable merchants and One Foundation. The project built multifunctional playgrounds for public kindergartens in remote mountainous areas and villages and provided the outdoor sports outfits and teacher training, helping children there grow healthily and happily. Every playground is made up of a large amount of PP boards, each of which is sponsored by charitable merchants with a donation worth RMB 20. In August 2020, the first playground was put into use in Bijie City, Guizhou Province. After looking at the children's happy faces, the teachers said, "Such a playground brings new hope for our kindergarten!"

This project adopted the Meituan's Donation Track System (DTS) for the first time. By matching online donations of the merchants to project execution, each merchant can view its own charity files in the background, and locate the donated PP board in the playground of a certain kindergarten in the mountainous areas. With clear and transparent tracking and feedback of each donation, DTS improves the donor's experience of participation, making charity more transparent so that it wins more public trust.

By the end of December 2020, the project to introduce playgrounds for the kindergartens in the mountainous areas had been implemented in Hezhang County, Weining County, Nayong County and Zhijin County of Bijie City, Guizhou Province. More than 13,000 merchants have donated funds to help build 12 multifunctional playgrounds for kindergartens in Guizhou.



### Getting employees involved in charity

Meituan employees are important participants in charity as well. Meituan has hosted multiple events for employees to help them understand the social value of charitable causes.

Monthly donation: In May 2020, Meituan launched a monthly donation project for its employees, encouraging them to donate RMB 1 per day to the “Baby Kangaroo Charity Project” to help the children of the delivery riders. From May 28, 2020 when the project was launched, to December 31, 2020, 10,033 employees participated in the project and donated RMB 835,843, which was used to help 22 children.

Monthly Donation Project: From May 28, 2020 to December 31, 2020.

**10,033** people

10,033 employees in total.

**RMB 835,843**

Donated RMB 835,843.

**RMB 835,000**

Spent RMB 835,000 for donation.

**22** kids

Supported 22 kids through Baby Kangaroo Charity Project.



Meituan provides staff training for first-aid & safety measures on the company's Charity Day



A Meituan volunteer visits a child aided by the “Baby Kangaroo Charity Project”

# Taking Responsibility to Promote Development

Meituan has continued to create value for users, the industry and society. The company has consistently improved its methods and practices for social responsibility management to protect the long-term interests of the company and its stakeholders.

## Corporate Governance

### Corporate governance

Meituan has always adhered to high standards of business ethics and corporate governance, and strictly complied with the relevant provisions of the Hong Kong Stock Exchange Listing Rules on corporate governance. Meituan prides itself on compliance with the principles of trust and fairness in the decision-making process, and the disclosure of information in a timely and transparent manner. The company's Board of Directors is responsible for leading and controlling the decision-making and operations of Meituan to ensure a high standard of corporate governance. The Board of Directors consists of four committees, namely the Audit Committee, Remuneration Committee, Nomination Committee and Corporate Governance Committee. As of December 31, 2020, the company's Board of Directors had eight directors, including three executive directors, two non-executive directors and three independent non-executive directors.

### Risk control

Meituan attaches great importance to its anti-fraud practices, and strictly abides by the relevant laws and regulations of the state that aim to curb corruption, bribery and unfair competition. Meituan consistently works to strengthen its anti-fraud management, to spread awareness of the importance of integrity and honesty in the defense against corruption, and the need to shape a culture of honesty and integrity in order to ensure the company's healthy development. We have formulated and implemented the Code of Conduct for "Sunny Workplace" and other internal systems, the Sunshine Committee adopts the trinity model of prevention, investigation and publicity to stabilize the operation of the anti-fraud system. At the same time, combining the "three-line model" with the actual conditions, we have built a multilateral risk management system covering all staff members to reduce the risk of fraud.

In 2020, we conducted 292 internal training sessions and briefings on integrity for our employees, with 32,991 participants.

### Social responsibility management

To better practice the concept of social responsibility, we have built a social responsibility management system. The Board of Directors is responsible for the strategic direction and major decisions concerning the company's social responsibility, and it reviews and evaluates the performance of relevant social responsibility practices. The company's Social Responsibility Committee was set up in 2020 to coordinate in overall social responsibility efforts, and the relevant functional departments and business groups are responsible for the implementation of social responsibility in specific fields such as environment, our employees and communities in which we operate. We identify the main stakeholder groups according to the characteristics of our business and operation, and listen to and respond to the demands of stakeholders through various communication channels.

① For details of the risk management system, please refer to the chapter of "corporate governance report - risk management and internal control - risk management organizational structure" in Meituan 2020 Annual Report.

### Communications among stakeholders

| Stakeholders                           | Social responsibility of major concern   | Communications and practices of responsibilities   |
|--|--|--|
| Users                                  | Quality service, user experience, consumer guarantee, healthy lifestyles and green consumption     | We adhere to the "customer-centric" value to provide users with convenient and quality products and services. Through multiple channels such as customer service hotline and social media, we follow the advice and suggestions of customers to improve the customer security system.  |
| Merchants                              | Industry upgrading, industry ecology   | We help the supply-side digitization and grow together with the merchants through six categories of services. A mechanism is established for close communication and cooperation with our merchant partners through meetings, visits and industry conferences.   |
| Delivery riders                        | Employment, growth, and public welfare   | We provide job opportunities and career development for delivery riders, and have taken multiple initiatives such as Rider Care Plan, Baby Kangaroo Charity Project, Tongzhou Project, as well as earnest talks with the delivery riders to hear their voice, so as to provide guarantee for them.   |
| Employees                              | Employment, growth, benefits, health and safety  | Our human resources department coordinates the labor security system, the Internet+University to provide timely training for employees on-demand. We have various internal communication channels to listen to and respond to employee's demands, suggestions or opinions, and several employee clubs to enrich their cultural lives after work. |
| Governments and regulatory departments | Employment, growth, public governance, industry ecosystem, social welfare, supply chain management | A government affairs department has been established to create a good communication mechanism with the government and regulatory authorities through policy consultation, event reporting, information disclosure, etc.  |

| Stakeholders               | Social responsibility issues of major concerns  | Communication and practice of responsibility   |
|----------------------------|---|--|
| Shareholders and investors | Corporate governance, asset preservation and appreciation   | We have a well-functioning Board of Directors, hold regular shareholders' meetings, and communicate with shareholders and investors through regular announcements and official websites.   |
| Suppliers/partners         | Industrial upgrade and industry ecosystem   | We've set up a definite system to regulate the procurement management process. Regular supplier visits and supplier meetings are conducted for a qualified supplier database to ensure good cooperation and quality delivery of products and services.   |
| Media and NGOs             | Environment management, healthy life, green consumption, social welfare and supply chain management                   | A good communication mechanism has been established using social media, official websites, press conferences, meetings and special customer services. An online fundraising platform has been built to provide charity fundraising information services for qualified charity organizations.         |
| Communities                | Environment management, healthy life, green consumption, poverty alleviation, social welfare, supply chain management | We take strict measures to control environmental impact, advocate positive and healthy lifestyles through products, technology and operation activities, carry out targeted poverty alleviation leveraging business advantages, and spread public welfare culture through online donation platforms. |

### Supply chain management

Meituan attaches great importance to the environmental and social risk management of the supply chain. In the process of supplier access and cooperation, Meituan pays close attention to the environmental and social risks of suppliers. In the process of supplier access, we laid particular requirements on qualifications concerning environmental management system and occupational health and safety management system for specific categories of suppliers. At the same time, we introduced a third-party on-site inspection mechanism for suppliers to carry out on-site risk assessment and information verification for major suppliers. In the process of the performance of the suppliers, we continuously manage and track the performance of suppliers, so as to constantly update the evaluation of their ability of service.

## Platform Governance

### Network order

Meituan has always taken a "zero tolerance" approach to illegal industries and illicit click farming practices on internet e-commerce platforms. Through "Clean Wind Action", a campaign to crack down on click farming activities jointly launched with the government, Meituan assisted supervision and law enforcement departments across China to investigate and deal with a large number of illegal cases, handling 33.69 million fake or questionable comments, and punishing 45,000 merchants and 44,000 users who engaged in click farming activities in 2020. These efforts have greatly helped to curb illegal content on the platform and prevented illegal click farming from further expanding.

### Brand protection

Meituan protects brand information on its platform through a brand keyword library and handling of infringement complaints. On the front end, Meituan keeps track of well-known brand names with high risks of infringement in a keyword library, and has intercepted unauthorized knock-off stores. In 2020, more than 200,000 stores triggered keyword alerts when they tried to get onto the platform, 80% of which were effectively blocked, while the remaining 20% were accepted after submitting further authorization materials or altering their content. On the back end, Meituan has built a platform for intellectual property rights protection, moved traditional offline complaints online, and transparently displays all complaints' progress and results. At present, more than 6,800 brands have been covered by the rights protection platform, and more than 40,000 infringement complaints have been received and handled.

### Platform rules

Platform rules are the key to governing the platform's ecosystem, coordinating the relationship between consumers and merchants and creating a fair market. Meituan launched the Meituan Rules Center to display the relevant principles and rules for its business operations, protection of consumers' rights and interests, general laws, privacy policies, etc., to inform consumers and merchants of service agreements and transaction policies.

### Public review mechanism

Meituan is building a Public Review Mechanism on both the Meituan and Dianping Apps, inviting users to review the evaluation reports and trade disputes initiated by other users or merchants. This enables transparent co-governance and co-construction of the platform for both users and merchants, aiming to protect the legitimate rights and interests of the two sides, and ensure fairness and justice for all parties.

## Environmental Management

### Eco-friendly working environment

Meituan has been continuously improving the efficiency of workplace environment management through the online management of data on energy and resource consumption, waste disposal and other items.

#### Energy conservation

Meituan has gradually expanded the use of LED energy-saving lamps, dispatched regular patrols to investigate 24/7 lighting in unmanned offices to save power. In some meeting rooms and dining areas, air conditioning systems are equipped with centralized control to monitor temperature and equipment usage to save power; some electricity-powered equipment in workplaces and bathrooms will also be turned off during non-working hours.

#### Resource conservation

Inductive water-saving sanitary wares were installed; water-saving and paper-saving signs were posted in the office area; all printers were set to the double-sided printing mode by default, with double-sided copies as the first choice. Waste paper recycling boxes were put on the side of the printers.

#### Waste disposal

Strictly abiding by the waste-disposal standards of the locality, Meituan has set up classified garbage waste disposal cans in its office areas in Beijing and Shanghai to practice waste classification; hazardous wastes (such as fluorescent lamps, batteries, toner cartridges, etc.) produced in the office are collected separately and handed over to qualified institutions for treatment.

### Green data center

In 2020, we continued to rent a data center in Zhongwei City, Ningxia Hui Autonomous Region. The data center is more than 50% powered by clean energy (hydropower, wind power and photovoltaic power generation, etc.), while its energy efficiency rates are among the best in the industry.

## Employee Growth and Care

With the commitment to creating comfortable and harmonious workplaces, Meituan practices the equal hiring policy, protects the rights and interests of employees, provides competitive salary and benefits, and ensures sufficient learning resources and opportunities.

### Equal employment

Meituan chooses the best applicant on the premise that their competence meets the needs of the posts, and guarantees equal opportunities for admission and development regardless of race, nationality, gender, age or religious belief. In 2020, we further improved the equal hiring policy, and continuously optimized the recruitment process through organizing recruitment training and regular reviews to ensure the effective implementation of equal and diversified employment policies.

### Compensation and benefits

Meituan provides competitive pay, performance-based cash incentives and other ways of motivation. At the same time, we provide employees with supplementary medical insurance and various subsidies. We have established an employee care fund to help employees and their families out of difficulties.

### Work-life balance

Meituan provides employees with statutory leave, incentive annual leave and fully-paid sick leave. In addition, more than 40 interest clubs for sports and entertainment have been set up for our employees to freely participate in activities to enrich their lives in their spare time.

### Health and safety

Meituan pays attention to the physical and mental health of its employees. We run quality tests on air, drinking water and lighting in the office to ensure a comfortable office environment. Employees can get health-consulting services and basic medical supplies at the health stations. We provide physical examinations and medical examination report explanation as welfare for employees every year and hold health lectures. The Employee Care Plan (EAP) is carried out by cooperating with external professional institutions to set up a mental health consultation hotline and hold regular mental health sessions.

### Training and career development

We provide employees with training on a regular basis. Through our internal training program “Internet + University” and “Comprehensive Learning Map”, we’ve built a training system that covers corporate culture, general skills, professional skills and leadership. We’ve carried out face-to-face teaching, online courses and various activities, covering different positions, ranks and stages of the growth of our employees.

|  | Target Trainees  | Key Projects   |
|--|--|--|
| Training for Leadership  | Management   | Budding Project Shady Project Luxuriate Project<br>Evergreen Project (general managers only) |
| Training for Professional Skills                                       | Staff in technology, product, design, BI and marketing department  | Industry Seminars Shady Project Luxuriate Project  |
| Training for General Skill   | All the staff  | Robust Project Super Sharer Project  |
| Training for Adaptation of Corporate Culture                           | New staff including interns, college graduates and social recruits | Seeds Project<br>Sprout Project (for social recruits and college graduates)                  |
| <b>Online learning platforms, course library, lecturers and cases.</b> |  |  |

By the end of 2020, we opened 1,335 employee training courses and employed 3,178 internal lecturers.

In 2020, the average internal training hours (including online learning and face-to-face lectures) for each employee was 23.04 hours.

## About this Report

This report is the third Corporate Social Responsibility Report released by Meituan.

### About the time span of this report

The time span of this report is primarily from January 1 to December 31, 2020, and some of the content also covers data and cases that are beyond the period.

### About the data of this report

The data in the report is derived from Meituan’s internal statistics, corporate documents and reports, third-party surveys and interviews, etc.

### About the content of this report

This report is free from false information and misleading statements, and Meituan guarantees the truthfulness, accuracy and completeness of its contents. In the event of any discrepancy between the data disclosed in this report and the company’s annual report, the annual report data shall prevail. Unless otherwise indicated, the amounts disclosed in the report are measured in RMB.

### Get a copy of this report

This report is published in both electronic and printed forms.

The electronic version is available on the Meituan website at <https://about.meituan.com/details/society/responsibility>

To obtain a hard copy of the report or if you have any suggestions or comments, please feel free to contact us at:

Office of Social Responsibility Committee, Meituan

E-mail: [cap.csr@meituan.com](mailto:cap.csr@meituan.com)

## Meituan and the United Nations 2030 Sustainable Development Goals (SDGs)

| Theme   | SDGs   |
|---|--|
| <p><b>About Users:<br/>Creating a Better Life Together</b></p>                |    |
| <p><b>About the Industry:<br/>Creating a Prosperous Industry Together</b></p> |   |
| <p><b>About Society:<br/>Creating a Harmonious Society Together</b></p>       |  |
| <p><b>Taking Responsibility to Promote Development</b></p>                    |  |

## About Meituan

The mission of Meituan is “We help people eat better, live better”. As China’s e-commerce platform for services, Meituan places its focus on the “Food+ Platform” strategy and always takes “eating” as the core of its businesses. Resorting to its advantages in scientific innovation, Meituan joins hands with a vast number of merchants and diverse partners to offer consumers quality services and accelerate the digital upgrade of the life service industry on both demand and supply sides.

Officially listed on the Main Board of the Stock Exchange of Hong Kong Limited on September 20, 2018, Meituan has always centered on customers and kept increasing investment in scientific R&D, thus better fulfilling its social responsibilities, creating more values for the society, and seeking win-win cooperation with all partners.