



**Honworld Group Limited**

**老恒和釀造有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

(於開曼群島註冊成立的有限公司)

**Stock code 股份代號: 2226**



**Environmental, Social and  
Governance Report**

**環境、社會及管治報告**

**2020**

\* For identification purposes only 僅供識別

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# BOARD STATEMENT

## 董事會聲明

Dear Stakeholders,

On behalf of the board (the “Board”) of directors (the “Directors”) of Honworld Group Limited (“Lao Heng He”, “we” or “us”, the “Company”) which together with its subsidiaries, collectively, the “Group”), I am pleased to present the fifth Environmental, Social and Governance Report (the “ESG Report”) of the Group for the year ended 31 December 2020 (the “FY2020”) for the purpose of demonstrating the Group’s policies, practices, measures and performance on environmental, social and governance (“ESG”) areas.

The Company is committed to implement various initiatives to address the ESG concerns as all of us, as well as our next generation, could be affected by ESG issues and the sustainability issues. As such, as a Hong Kong listed company, the Board evaluates and identifies the Group’s ESG-related risks and ensures that appropriate and effective ESG risk management and internal control systems are in place. It can be seen that stable ESG development can surely create value for the Group’s development.

The ESG Report demonstrates our continuous commitments to strengthen its performance in sustainability, such as environmental performance and targets, corporate governance, community participation, customers’ satisfaction and care to the employees of the Company.

The Board is responsible for the implementation of the ESG initiatives and the monitoring of the effectiveness of the ESG strategies, directions and policies of the Group. The Board believes that an effective corporate governance structure is crucial in order to achieve a successful integration and effective management of sustainability for the business development of the Group. In order to effectively manage and monitor the performance of the Group in the ESG areas, the Board has identified the ESG-related issues and potential risks and the Board would analyse and review the ESG risks and opportunities, performance, progress, goals and the ESG-targets of the Group regularly.

The Board will also ensure the effectiveness of the Group’s ESG risk management and internal control system and actively communicate with internal and external stakeholders and to understand their expectations and requirements. The Board believes that the Group’s ESG engagement will be highly beneficial to the areas of the long-term development of the Group. The Board will continue reviewing and monitoring the Group’s ESG performance and providing consistent, comparable and reliable ESG information to the stakeholders on an annual basis.

各位尊敬的持份者，

本人謹代表老恒和釀造有限公司(「老恒和」,「我們」,「本公司」,連同其附屬公司統稱「本集團」)的董事(「董事」)會(「董事會」),欣然提呈本集團截至二零二零年十二月三十一日止年度(「二零二零財政年度」)的第五份環境、社會及管治報告(「ESG報告」),旨在展示本集團在環境、社會及管治「ESG」領域方面的政策、實踐、措施及表現。

本公司致力於解決ESG議題,因為我們明白我們所有人和我們的下一代均可能受到可持續發展和ESG問題影響。因此,作為一家具有影響力的香港上市公司,董事會有責任評估和識別本集團的ESG相關風險,並確保建立適當有效的ESG風險管理和內部控制制度。由此可見,穩健的ESG確實能夠為本集團的發展創造價值。

本ESG報告表明我們不斷致力於在環境績效和目標、公司治理、社區參與、客戶滿意度和員工關懷等領域各方面提高我們的可持續發展表現。

董事會對本集團的ESG相關議題負主要責任,並監督其ESG策略、方向和政策。董事會相信,有效的管治結構對集團成功整合和有效管理可持續發展業務非常重要。為更有效地管理及監察本集團的ESG表現,我們已識別相關問題和潛在風險,董事會亦定期分析和審查本集團的ESG風險和機遇、表現、進展、目標和指標。

董事會亦會確保本集團ESG風險管理及內部監控系統的有效性,並積極與內外部持份者溝通,了解他們的期望和要求。董事會相信,本集團對ESG議題的參與將非常有利於本集團的長遠發展。董事會將繼續檢討及監察本集團的ESG表現,並每年向持份者提供一致、可比較及可靠的ESG信息。



# BOARD STATEMENT

## 董事會聲明

Upholding quality and crafting excellence. As always, Lao Heng He is motivated by the goal of “ensuring food safety, promoting environmental protection and enhancing consumers’ health”. With quality products and naturally-brewed cooking wine with no additives, we strive to set up an exemplar for the industry. Lao Heng He updates and improves internal management standards with reference to requirements higher than national standards. We also take the initiative to improve the control of key internal control indicators and are committed to provide customers with better quality, healthy and safe natural brewing condiment products. We uphold the flavour and quality of our products as well as actively promote the formulation of industry standards for the healthy development of the industry, so that consumers can enjoy without worrying.

Striving for mutual development and achieving the same goal. Lao Heng He always insists on being customer oriented. Since 2019, we improved the e-commerce service system to enhance the overall ability to respond to consumer needs and to offer customers with diversified and new retail experience. Meanwhile, we focus on working with upstream and downstream partners in the supply chain to create a fair, transparent and mutually beneficial environment for industry development. We select quality distributors in a rigorous manner, establish a reasonable assessment method and discuss improvement plan together with distributors for joint development promotion. Lao Heng He established a mechanism for following-up, assessment and evaluation of suppliers to implement management of suppliers by ratings and categories. We also provide suppliers with guidance and support, while supervising and continuously improving the supply chain management with an aim to create a healthy, win-win and responsible supply chain.

Gathering talents with recommendation and promotion mechanism. Adhering to the philosophy of “people-oriented”, Lao Heng He continues upholding the spirit of “craftsmanship” and work together with our employees. Since 2019, Lao Heng He adhered to the principle of openness and fairness which aims to select the “best person for the job”. We passed the ISO 45001 Certification of the “Occupational Health and Safety Management System” to fully protect employees’ occupational health and safety. By increasing investment in team building and employee training, we provide employees with competitive remuneration packages and social security. We also continuously improve employee communication and transparent promotion mechanism to provide employees with a fair working environment while enhancing employees’ sense of belonging. Meanwhile, we adopt the “three-tier training (三幫)” system, which creates a comprehensive development of “Lao Heng He’s person (老恒和人)” through three aspects, i.e. inheritance of technology and tradition, abilities enhancement and quality training with an ultimate aim of promoting the joint development of employees and the Company.

恆以釀質，誠品匠造。老恒和始終將「保障食品安全、推動環境保護及促進消費者健康」視為驅動力。憑藉高質量的產品，以零添加原釀料酒為突破口，力求成為行業的風向標。老恒和參照高於國家標準的要求，更新並完善內部管理標準，主動提升對關鍵內部控制指標的管控，致力於為消費者提供更為優質、健康、安全的天然釀造調味品。我們在確保產品風味和品質的同時，積極推動產品行業標準制定，帶動行業健康發展，讓更多消費者吃得安心、放心。

恆以共進，同道致遠。老恒和堅持以消費者為中心，自二零一九年起，我們已完善電商服務體系，全面提升響應消費者需求的能力，為消費者提供多元的新零售體驗。同時，我們亦注重與供應鏈上下游夥伴共同打造公平、透明、互利的行業發展環境。我們嚴格篩選優質經銷商，設定合理的考核方式，並共同探討提升方案，促進經銷商與我們共同發展。老恒和已建立一套供應商跟蹤與考核評價機制，對供應商進行分級分類管理，同時給予其輔導與支持，監督並不斷完善供應鏈管理，致力打造健康共贏的責任供應鏈。

和以聚力，採擷薦進。老恒和恪守「以人為本」的理念，通過不斷發揮匠人精神，與員工攜手共進。自二零一九年起，老恒和依舊秉承「公平公開、唯才是用」的原則挑選適宜的人才。我們已經通過ISO 45001職業健康安全管理体系認證，全面保障員工職業健康安全；通過增加對團隊建設的投入和員工培訓，為僱員提供在同行中具備競爭力的薪酬福利和社會保障；不斷完善員工溝通和透明的晉升渠道，為員工提供公平工作環境的同時增強員工歸屬感。同時，我們還通過「三幫」機制從技術傳承、能力提升以及素質培養三方面全面打造「老恒和人」，以最終促進員工與企業的共同成長。

# BOARD STATEMENT

## 董事會聲明

Pursuing environmental harmony and green development. Lao Heng He is well aware of the positive impact of environmental protection on sustainable development of the corporate. We obtained ISO 14001 Environmental Management System Certification. Through process optimisation, technological innovation, equipment transformation and other measures, we implemented and followed up the energy saving and consumption reduction target, promoted green plant and lean management. We also adopted intelligent online monitoring system to control energy and resource consumption and strived to improve resource and energy efficiency and reduce the impact of operations on the environment. Since 2019, Lao Heng He further underwent lightweight transformation of glass bottle packaging. Ensuring the strength of packaging, the weight-to-volume ratio of glass bottles was reduced to enhance eco-friendliness and economic efficiency of packaging, thus reducing carbon emissions arisen from the supply chain to a certain extent.

The outbreak of COVID-19 in late 2019 posed great challenges to every Lao Heng He person. While guarding employees' health and safety, we resumed operation and production in a steady and orderly manner. We also took initiative to offer support and assistance in terms of manpower, financial means and materials to Wuhan City, Hubei Province and other regions to fight against the impact that the pandemic has brought to the society. In future, Lao Heng He will, as always, offer safer, healthier naturally-brewed green condiment products with higher quality, and make greater contributions to the economy, environment and society together with all stakeholders.

Finally, I would like to express my gratitude to my fellow Directors, senior management, and all staff of the Group for their contributions to the business development of the Group. Furthermore, I would also like to take this opportunity to thank our customers, suppliers, business partners and shareholders of the Company for their continuous support and trust. I believe all members of the Group will continue dedicating their best endeavours to promote the business growth of the Group and strive to achieve the highest ESG standards.

For and on behalf of the Board

**Chen Wei**  
Chairman of the Board

和以自然，綠色發展。老恒和深知環境保護對於企業可持續發展的積極影響。我們已獲得ISO 14001環境管理體系認證證書，並通過流程優化、技術創新、設備改造等舉措，落實和跟進節能降耗目標，推進綠色工廠及精細化管理，採用智能在線監測系統對能源、資源消耗進行管控，努力提高資源、能源利用率，降低營運對環境造成的影響。自二零一九年起，老恒和進一步對玻璃瓶產品包裝進行輕量化改造，在保證包裝強度的基礎上，降低玻璃瓶的重容比，提高包裝的環保性與經濟性，在一定程度上降低供應鏈的碳排放。

二零一九年末，全球面臨著新型冠狀病毒肺炎疫情的威脅，老恒和在保障員工健康安全、穩步有序復工復產的同時，也積極為湖北省武漢市等多個地區，從人、財、物等方面提供支援與幫助，以盡綿薄之力為當地社區抗擊疫情所帶來的影響。未來，老恒和將一如既往為消費者提供更安全優質、更健康天然的綠色釀造調味品，攜手與各持份者在經濟、環境、社會等方面作出更大的貢獻。

最後，本人希望對本集團的董事會、管理層和本集團全體員工的辛勤付出表示最衷心的感謝。此外，本人亦希望藉此機會衷心感謝我們的客戶、供應商、商業夥伴以及股東一直以來的支持和信任。相信本集團全體成員將竭盡全力，推動業務增長，亦致力讓本集團的環境、社會及管治表現更上一層樓。

謹啟  
謹代表董事會

**陳偉**  
董事會主席



# ABOUT THIS REPORT

## 關於本報告

### OVERVIEW

This is the fifth Environmental, Social and Governance (ESG) Report issued by Honworld Group Limited for the purpose of providing information about Honworld's economic, social and environmental performances as well as our efforts in social responsibilities. It is expected that through this report you will have a better understanding of what we have done in achieving a sustainable development and we are looking forward to receiving your feedback.

### INTERPRETATION

This report is issued on a yearly basis covering the period from 1 January 2020 to 31 December 2020 (hereinafter referred to as the “reporting period” or “FY2020”), while certain information relates to previous years and 2021. For interpretation purpose, “Lao Heng He (老恒和)”, the “Company” and “we” or “us” used herein shall refer to Honworld Group Limited. The scope of this report is the same as that of the 2020 Annual Report of the Company. Unless otherwise indicated, all amounts presented in this report are dominated in Renminbi (RMB).

The ESG Report covers key performance indicators (“KPIs”) of the corporate office (“office”) and the representative project(s) of the Group during the FY2020 (“project(s)”).

### REPORTING BASIS AND PRINCIPLES

The ESG Report is prepared in accordance with the ESG Reporting Guide (the “ESG Guide”) as set out in Appendix 27 to the Listing Rules and is based on the four reporting principles — materiality, quantitative, balance and consistency:

- “Materiality” Principle:  
The Group identifies material ESG issues by stakeholder engagement and materiality assessment. Details are set forth in the section headed “Materiality Assessment”.
- “Quantitative” Principle:  
Information is presented with quantitative measure, whenever feasible, including information on the standards, methodologies, assumptions used, and provision of comparative data.

### 概覽

本報告是老恒和釀造有限公司發佈的第五份環境、社會及管治(ESG)報告，重點披露老恒和在環境、社會、經濟等方面績效表現的相關信息，以及我們在社會責任上的努力。希望本報告能使您更加了解我們的可持續發展之路，同時也希望能收到您對於本報告的反饋。

### 報告說明

本報告為年度報告，時間跨度為二零二零年一月一日至二零二零年十二月三十一日(以下簡稱「報告期」或「二零二零財政年度」)，部分信息涉及以往年份和二零二一年。為便於表述，報告中「老恒和」、「公司」、「我們」均代表「老恒和釀造有限公司」。報告覆蓋範圍與公司二零二零年年報相同。若無特別說明，本報告中所有涉及資金貨幣種類均指人民幣(元)。

本環境、社會及管治報告已披露於二零二零財政年度本集團的公司辦公室(「辦公室」)和代表項目(「項目」)的關鍵績效指標(「關鍵績效指標」)。

### 匯報基礎及原則

環境、社會及管治報告依循證券上市規則的附錄二十七所載之環境、社會及管治報告指引(「環境、社會及管治指引」)編製，並以四項匯報原則 — 重要性、量化、平衡及一致性為基準：

- 「重要性」準則：  
本集團通過持份者的參與和重要性評估來釐定重大環境、社會及管治議題。詳情在「重要性評估」一節闡釋。
- 「量化」準則：  
本集團於可行情況下以量化計量單位呈報資料，包括有關所用標準、方法、假設及提供比較數據的資料。



# ABOUT THIS REPORT

## 關於本報告

- “Balance” Principle:  
The ESG Report identifies the achievements and challenges faced by the Group.
- “Consistency” Principle:  
The ESG Report is the fifth ESG report of the Group. The ESG Report will continue using consistent methodologies and environmental performance indicators for comparisons in the following years, unless improvements in methodology are identified.

The ESG Report has complied with all “comply or explain” provisions and disclosures outlined in the ESG Guide.

The information contained in the ESG Report is derived from internal documents and statistics of the Group, as well as the control, management, and operations information provided by the subsidiaries in accordance with the Group’s internal management systems. A complete content index is appended to the last section of this ESG Report for reference. The ESG Report is prepared and published in both Chinese and English at the Stock Exchange’s website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company’s website (<http://www.hzlaohenghe.com/>). In the event of contradiction or inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

## REVIEW AND APPROVAL

The Board acknowledges its responsibility for ensuring the accuracy and completeness of the ESG Report and to the best of their knowledge, the ESG Report has addressed all relevant material issues and has fairly presented the ESG performance of the Group for the FY2020. The ESG Report was reviewed and approved by the Board on 28 September 2022.

## FEEDBACK

The Group respects your comments on this report. Should you have any opinion or suggestion on the ESG Report, please feel free to liaise with the Group as follows:

Address: 299 Zhongxing Avenue, Wuxing District, Huzhou City, Zhejiang Province, PRC  
Telephone: (86) 0572-2123225  
Fax: 0572-2568852  
Investor relation mailbox: [ir022226@hzlaohenghe.com](mailto:ir022226@hzlaohenghe.com)

- 「平衡」準則：  
本環境、社會及管治報告識別出本集團取得之成就及面臨之挑戰。
- 「一致性」準則：  
本環境、社會及管治報告是本集團的第五份環境、社會及管治報告。本環境、社會及管治報告未來數年將使用一致的方法作有意義的比較和環境績效指標，惟識別到方法改進除外。

本環境、社會及管治報告已按環境、社會及管治指引所述遵守所有「不遵守就解釋」條文。

本ESG報告所載資料均來自本集團的內部文件及統計數據，以及由附屬公司依據本集團內部管理制度提供的控制、管理及營運資料匯總。本ESG報告最後一節附有完整的內容索引，以便快速查閱。本ESG報告以中英文雙語編製及刊發，可於聯交所網站([www.hkexnews.hk](http://www.hkexnews.hk))及本公司網站(<http://www.hzlaohenghe.com/>)查閱。倘中英文版本有任何抵觸或不符之處，概以中文版本為準。

## 審閱及批准

董事會明白其有責任確保環境、社會及管治報告的準確性和完整性，且據彼等所深知，本環境、社會及管治報告涵蓋所有相關的重大議題，並公平呈列本集團在二零二零財政年度的ESG表現。董事會確認已於二零二二年九月二十八日審閱及批准本ESG報告。

## 意見反饋

本集團尊重閣下對本報告之意見。倘閣下有任何意見或建議，歡迎通過以下方式聯絡本集團：

公司地址：中國浙江省湖州市吳興區中興大道299號  
電話：(86) 0572-2123225  
傳真：0572-2568852  
投資者關係部郵箱：[ir022226@hzlaohenghe.com](mailto:ir022226@hzlaohenghe.com)



# PERFORMANCE HIGHLIGHTS IN 2020

## 二零二零年亮點績效

### OPERATING RESULTS

- Sales amounted to RMB226.3 million
- Sales from New Sales Channels<sup>1</sup> amounted to RMB199.6 million
- Sales from supermarket channels amounted to RMB32.6 million
- Our New Sales Channels have successfully covered over 30 provinces, autonomous regions and municipalities across 624 distributors
- 0 lawsuit relating to corruption

### WIN-WIN SITUATION FOR THE INDUSTRY

- 100% processing rate of customers' and consumers' feedback
- Satisfaction survey and evaluation were conducted, targeting over 600 distributors, covering aspects such as products, cooperation pattern and brand market, and overall satisfaction rate of the distributors reached 90.5 points

### STAFF SUPPORT

- A total of 394 employees received our trainings and total training hours were 2,841 hours
- Obtained the ISO 45001 Certification of "Occupational Health and Safety Management System"
- A total of 0 work-related injury during reporting period and the past 2 years

### 經營績效

- 銷售額約為人民幣226.3百萬元
- 新銷售渠道<sup>1</sup>的銷售額約為人民幣199.6百萬元
- 商超渠道的銷售額約為人民幣32.6百萬元
- 我們的新銷售渠道已經成功覆蓋全國30多個省、自治區及直轄市，並擁有624家經銷商
- 貪污腐敗訴訟案件為0起

### 產業共贏

- 客戶及消費者信息反饋處理率約100%
- 已對超過600家經銷商進行滿意度調研評估，評估包括產品、合作形式以及品牌市場等方面，經銷商綜合滿意度達到90.5分

### 員工支持

- 受訓員工人數達394人，培訓總時數達2,841小時
- 維持通過ISO 45001職業健康安全管理体系認證
- 報告期及過往2年間共發生工傷事件0起

<sup>1</sup> New Sales Channels refer to distribution channel, catering channel and e-commerce channel.

<sup>1</sup> 新銷售渠道指代流通渠道、餐飲渠道及電商渠道。

# PERFORMANCE HIGHLIGHTS IN 2020

## 二零二零年亮點績效

### ENVIRONMENTAL PROTECTION

- Comprehensive consumption amounted to around 10,879.99 MWh, representing a decrease of ~34% as compared to that of 2019
- Total greenhouse gas emissions (Scope 1 and Scope 2) amounted to 5,127.81 tCO<sub>2</sub>e, representing an increase of ~11% as compared to that of 2019
- Total water consumption amounted to 180,564 m<sup>3</sup>, representing a decrease of ~43.5% as compared to that of 2019
- Wastewater discharge amounted to 72,342 m<sup>3</sup>, representing a decrease of ~51.9% as compared to that of 2019

### 環境保護

- 綜合能耗10,879.99兆瓦時，較二零一九年下降約34%
- 溫室氣體排放總量(僅包括範圍一及範圍二)5,127.81噸二氧化碳，較二零一九年增加約11%
- 總用水量180,564立方米，較二零一九年下降約43.5%
- 污水排放量72,342立方米，較二零一九年下降約51.9%

### COMMUNITY INVOLVEMENT

- Lao Heng He cooperated with “Huzhou Charity Federation (湖州市慈善總會)”, 3 of our employees have participated in several charity donation activities and contributing a total of 20 voluntary work hours, Lao Heng He has contributed approximately RMB18,024 of materials and money donation

### 社區公益

- 老恒和與湖州市慈善總會合作，共有3名員工參與數次慈善總會物資捐贈活動，貢獻共20個慈善活動小時，期間老恒和共捐贈價值約18,024元的物資和捐款



# ABOUT LAO HENG HE

## 關於老恒和

### COMPANY OVERVIEW

As one of the leading condiment manufacturers in China, Honworld Group Limited always adheres to its long-standing motto “Perseverance combined with good-naturedness and creditworthiness (恆以持之，和信為本) since its establishment. With brewing experience of over hundreds of years in northern Zhejiang, we are committed to offer our customers with high quality and healthy brewed cooking wine, naturally-brewed soy sauce, naturally-brewed vinegar, soybean paste, sesame oil and fermented bean curd. In 2014, Lao Heng He was successfully listed on the Stock Exchange (stock code: 2226), and we strive to pass on and develop craftsmanship based on our rich cultural heritage.

### PRODUCT SERIES

Strictly following the “Comply with the weather, adapt to the earth’s atmosphere, use materials cleverly, make with skills” (天有時、地有氣、材有美、工有巧), Lao Heng He continues to establish itself as a diversified condiment manufacturer with cooking wine as a dominant product by pursuing in-depth development for the industry chain of condiment.

#### Brewing with traditional Chinese herbal recipe

- Adapting ancient skills as well as traditional Chinese herbal recipe, Lao Heng He’s cooking wine is hand-brewed and fermented in earthenware with selected quality Jin Chai Nuo (金釵糯) of Tai Lake and 15 natural spices.

#### Brewing with drying and dewing

- Adapting unique double-drying<sup>2</sup> and dewing techniques, Lao Heng He’s soy sauce is double brewed from early July to early October according to the seasonal and weather conditions.

### 公司概況

作為中國市場領先的調味品生產商之一，老恒和釀造有限公司自成立以來始終遵從「恆以持之，和信為本」的祖訓，濃縮浙北地區醬缸產業數百年的精華，致力於為消費者提供優質、健康的釀造料酒以及原釀醬油、原釀醋、黃豆醬、麻油和腐乳等產品。二零一四年，老恒和在聯交所成功掛牌上市(股票代號「2226」)，通過深厚文化底蘊的積累傳承和發揚匠造品質。

### 產品系列

老恒和認為「天有時、地有氣、材有美、工有巧」，通過深度開發調味品產業鏈，不斷向以料酒為主導產品的多元化調味品製造商邁進。

#### 官藥秘方，陳年釀造

- 老恒和承襲古法，以官藥秘方，精選太湖優質金釵糯，配以十五種天然香辛料，手工釀製、陶壇發酵而成。

#### 日曬夜露，陳年釀造

- 老恒和遵循節氣，小暑投料，寒露出油。通過特有的雙曬工藝<sup>2</sup>，兩次套釀經日曬夜露而得。

<sup>2</sup> Double drying: means naturally dry the soy source generated from the techniques of “natural drying” for the second time.

<sup>2</sup> 雙曬工藝：指將通過天然生曬出的醬油再進行生曬。

# ABOUT LAO HENG HE

## 關於老恒和

### Naturally brewed from rice

- With the unique climatic conditions of Huzhou, Jiangnan's rainy seasons, Lao Heng He's rose rice vinegar is brewed and naturally fermented once only during the rainy season every year.

### 大自然發酵，大米釀造

- 老恒和地處江南湖州，梅雨季節氣候獨特。老恒和的釀醋，每年只在這個時節釀製，一年只產一季，利用天然菌種自然生長發酵而成。

### Hand-brewed in pursuant to traditional craftsmanship

- With over 160 years of history of unique production craftsmanship, Lao Heng He's fermented bean curd is hand-brewed with a delicate and rigorous manner by steps like grinding, filtering, moulding, pressing and fermenting.

### 傳統工藝，手工製作

- 老恒和有一百六十多年獨特的腐乳生產工藝，製作工藝細膩嚴謹，通過磨漿、過濾、定型、壓乾、霉化手工操作而成。



# ABOUT LAO HENG HE

## 關於老恒和

### OPERATING RESULTS

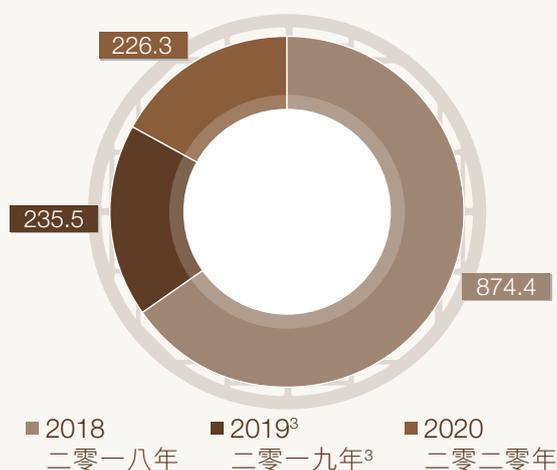
After the establishment of “New Sales Channels” over the years and timely adjustment of its own development channels, Lao Heng He’s sales channels have successfully covered over 30 provinces, autonomous regions and municipalities across the country with 624 distributors.

### 經營績效

經過多年以來對新零售渠道的建設，及時調整自身發展渠道，老恒和的新銷售渠道已成功覆蓋全國30多個省、自治區和直轄市，同時擁有624家經銷商。

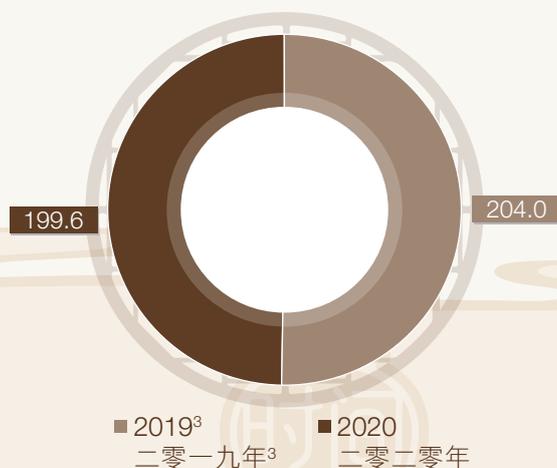
**Changes in sales volume from 2018–2020**  
(unit: RMB million)

二零一八至二零二零年銷售額變化情況  
(單位：百萬元)



**Changes in sales volume of New Sales Channels from 2019–2020**  
(unit: RMB million)

二零一九至二零二零年新銷售渠道銷售額變化情況  
(單位：百萬元)



<sup>3</sup> The total sales volume and sales volume of relevant sales channels in 2019 have been restated.

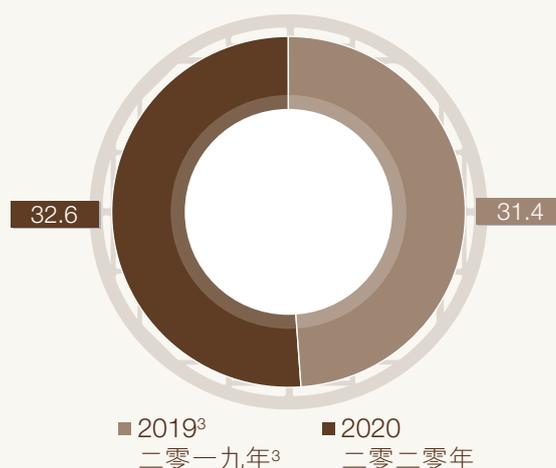
<sup>3</sup> 二零一九年銷售額及相關銷售數據已重列。

# ABOUT LAO HENG HE

## 關於老恒和

Changes in sales volume of supermarket channels from 2019–2020  
(unit: RMB million)

二零一九至二零二零年商超渠道銷售額變化情況  
(單位：百萬元)



## SOCIAL RECOGNITION

In 2020, Lao Heng He received the following major recognition:

- Lao Heng He was recognised as the “Model Enterprise of the Zhejiang Province Food Industry Corporate Integrity Management System Building (浙江省食品工業企業誠信管理體系建設示範企業)” by the Zhejiang Province Food Industry Association (浙江省食品工業協會)
- Lao Heng He was recognised as the “2020 National Rural Characteristic Products and Skilled Craftsmen (二零二零年全國鄉村特色產品和能工巧匠)” by the Rural Social Development Centre of the Ministry of Agriculture and Rural Affairs (農業農村部農村社會事業發展中心)
- Lao Heng He was accredited as the “National key leading enterprise in agricultural industrialisation (農業產業化國家重點龍頭企業)” by the Ministry of Agriculture and Rural Affairs (農業農村部), the National Development and Reform Commission (國家發展和改革委員會), the Ministry of Finance (財政部), the Ministry of Commerce (商務部), the People’s Bank of China (中國人民銀行), the State Administration of Taxation (國家稅務總局), the China Securities Regulatory Commission (中國證券監督管理委員會), and the All-China Federation of Supply and Marketing Cooperatives (中華全國供銷合作總社)

## 社會認可

二零二零年，老恒和主要獲得以下認可：

- 老恒和被中國浙江省食品工業協會評選為「浙江省食品工業企業誠信管理體系建設示範企業」
- 老恒和被農業農村部農村社會事業發展中心評選為「二零二零年全國鄉村特色產品和能工巧匠」
- 老恒和被農業農村部、國家發展和改革委員會、財政部、商務部、中國人民銀行、國家稅務總局、中國證券監督管理委員會、中華全國供銷合作總社聯合審定為「農業產業化國家重點龍頭企業」

# ABOUT LAO HENG HE

## 關於老恒和

- Lao Heng He was accredited as the “National Green Factory (國家綠色工廠)” by the Ministry of Industry and Information Technology of the People’s Republic of China (中華人民共和國工業和信息化部)
- Lao Heng He’s product, “Grain Brewing Cooking Wine (Class 1) (穀物釀造料酒(一級))”, was awarded the title of “Grain Brewing Cooking Wine Gold Award (穀物釀造料酒金獎)” by China Wine and Spirit Association (中國酒業協會)
- 老恒和被中華人民共和國工業和信息化部評選為「國家綠色工廠」
- 老恒和旗下產品「穀物釀造料酒(一級)」被中國酒業協會授予「穀物釀造料酒金獎」稱號



**National Green Factory**  
「國家綠色工廠」



**Grain Brewing Cooking Wine Gold Award**  
「穀物釀造料酒金獎」



**National key leading enterprise in agricultural industrialisation**  
「農業產業化國家重點龍頭企業」



# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

Adhering to its longstanding motto of “Perseverance combined with good naturalness and creditworthiness (恆以持之，和信為本)”, Lao Heng He has been dedicating to the quality of brewing and inheriting the craftsmanship of brewing, in order to continuously contribute to the development of the industry and optimise its operations in terms of responsible governance, quality and inheritance, win-win cooperation, employee unity, green development, and returning to the society. In the attitude of “self-discipline and self-improvement”, we will transform environmental, social and governance requirements into endogenous motivations to create value for government departments and regulatory authority, shareholders and investors, corporate employees, customers and consumers, business partners and communities.

### CORPORATE GOVERNANCE

Over the years, Lao Heng He always believes that a good corporate governance can effectively support internal management, corporate culture development, sustainable business growth and long-term value creation for shareholders. We continuously improve and optimise an effective accountability mechanism, comprehensively implements compliance activities such as anti-corruption, anti-monopoly and anti-unfair competition, protection of business information, and maintain high standard of corporate governance practices to increase accountability and transparency of the Company, with a view to protecting the long-term interests of the Company, customers and shareholders.

老恒和秉持「恆以持之，和信為本」的祖訓，深耕釀造品質，傳承釀造之藝，不斷助力行業發展，並在營運過程中圍繞責任管治、品質與傳承、合作共贏、聚力員工、綠色發展以及回報社會等方面不斷優化，以「律己、力行」的姿態將環境、社會及管治要求轉化為內生動力，為政府部門及監管機構、股東及投資者、企業僱員、客戶與消費者、商業合作夥伴及社區創造價值。

### 企業管治

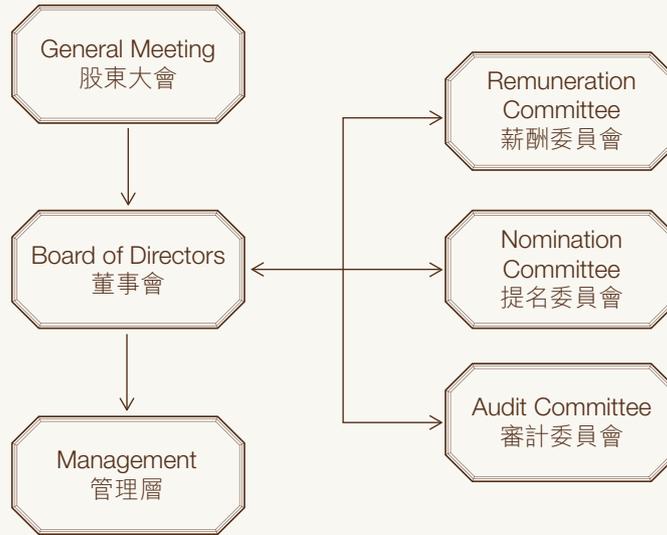
多年來，老恒和堅信良好企業管治能有效支持內部管理、企業文化發展、可持續業務增長以及股東長遠價值創造。我們不斷完善和健全權責機制，全面執行反貪腐、反不正當競爭以及商業信息保護等合規工作，以高標準的企業管治常規提高公司問責性及透明度，保障公司、客戶和股東的長遠利益。



# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

### Structure of Corporate Governance 企業管治構架



### Governance Framework

Lao Heng He strictly complies with the requirements of the “Company Law of the People’s Republic of China (中華人民共和國公司法)”, the “Securities Law of the People’s Republic of China (中華人民共和國證券法)”, the “Code of Corporate Governance for Listed Companies (上市公司治理準則)” and a listed corporate governance structure established in accordance with the regulatory requirements of the Hong Kong Stock Exchange. The board of directors is the Company’s highest governance body consisting of the audit committee, the nomination committee and the remuneration committee, which is responsible for overseeing and regularly reviewing the Company’s overall governance performance and bringing long-term benefits to the Company and stakeholders.

For more information on the corporate governance, please refer to the section headed “CORPORATE GOVERNANCE REPORT” of the 2020 Annual Report of Lao Heng He.

### 治理框架

老恒和已嚴格按照《中華人民共和國公司法》、《中華人民共和國證券法》、《上市公司治理準則》及香港聯交所監管要求建立上市企業管治架構。董事會是公司的最高管治機構，由審核委員會、提名委員會及薪酬委員會組成，負責監督和定期檢討公司整體管治表現，為公司和持份者帶來長遠利益。

更多企業管治信息，請參閱老恒和二零二零年年報「企業管治報告」章節。

# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

### Risk Management and Control

Lao Heng He follows the guidelines on risk management and control set out in the “Corporate Governance Code (企業管治守則)” of the Stock Exchange and regularly completes and discloses the annual internal control and evaluation report of the Company in accordance with the requirements of the regulatory authorities and the board of directors. The board of directors is responsible for maintaining effective risk management and internal control systems and reviewing the effectiveness of the Company’s risk management and internal control systems on a regular basis. The Company has established a set of procedures to identify, evaluate and manage the Company’s major risks.

### 風險管控

老恒和遵循聯交所《企業管治守則》有關風險管控的指引，按照監管機構和董事會要求定期完成並披露公司的年度內部控制評價報告。董事會負責維持有效的風險管理及內部監控制度並定期檢討公司風險管理及內部監控制度的有效性。公司已制訂一套供以辨認、評估及管理本公司重大風險的程序。

### Risk Management System

#### 風險管理體系



The Board and senior management review and evaluate the Group’s ESG performance regularly and approve the annual ESG Report.

董事會及高級管理層定期審查和檢視本集團的環境、社會及管治表現，而董事會亦會負責批准集團的年度 ESG 報告。



# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

Lao Heng He actively establishes an Internet platform and embraces “New Retail”. During the reporting period, we continued strengthening the risk management and control of the e-commerce business. In view of the possible risks of the Company’s current e-commerce business, we formulated the “E-commerce Platform Internal Control Management System (電商平台內控管理制度)” in the reporting period, and established basic regulations for e-commerce accounts, such as strictly approving the creation of accounts, expenditure, money transfer, sales and fund management, with the aim of minimising the possible risks. If relevant risk issues arise, we will promptly communicate with the Administration for Industry and Commerce and the Market Supervision Department to consolidate risk prevention measures.

老恒和積極建設互聯網平台，擁抱新零售。報告期內，我們持續加強對電商業務方面的風險管控，針對公司現階段的電商業務可能存在的風險，已於本財政年度年制定《電商平台內控管理制度》，就電商賬戶管理設立基本規定，如：嚴格審批開立賬戶、支出、轉賬、銷售以及資金管理；務求盡量將相關風險減至最低。若出現相關風險問題，我們將及時與工商及市場監督管理部門對接處理，鞏固風險防範措施。

## BUSINESS ETHICS

### Anti-Corruption Management

Lao Heng He strictly complies with laws and regulations such as the “The Criminal Law of the People’s Republic of China (中華人民共和國刑法)” and formulated the “Anti-corruption and whistle-blowing system (反舞弊與舉報制度)”, which sets out a clear definition of malpractices and responsibilities so as to and continuously regulate anti-corruption management and further prevent bribery, blackmail, fraud and money laundering.

## 商業道德

### 反貪腐管理

老恒和嚴格遵守《中華人民共和國刑法》等法律法規，並已制定《反舞弊與舉報制度》，對違規行為和職責歸屬作出界定，不斷規範反舞弊管理，進一步防止賄賂、勒索、欺詐及洗黑錢等行為的發生。

In order to create an integrity, honest, transparent and visioned operation, we have established a variety of whistle-blowing channels. Meanwhile, Lao Heng He is committed to protecting employees who assist in the investigation and avoiding discrimination, retaliation or hostile behaviour. Those who violate the rules and disclose the information of the informer or take revenge against the reporting personnel will be dismissed and the employment contract will be terminated. In case of law-breaking behaviours, those involved will be transferred to judicial departments for handling in accordance with laws.

為打造廉潔、誠信、透明、陽光的營運環境，我們已設立多種投訴舉報渠道。同時，老恒和致力保護協助調查的員工，避免歧視、報復或敵對行為的發生。對違規洩露檢舉人員信息或對舉報人員採取打擊報復的人員，將予以撤職和解除勞動合同；觸犯法律者，將被移送司法機關依法處理。

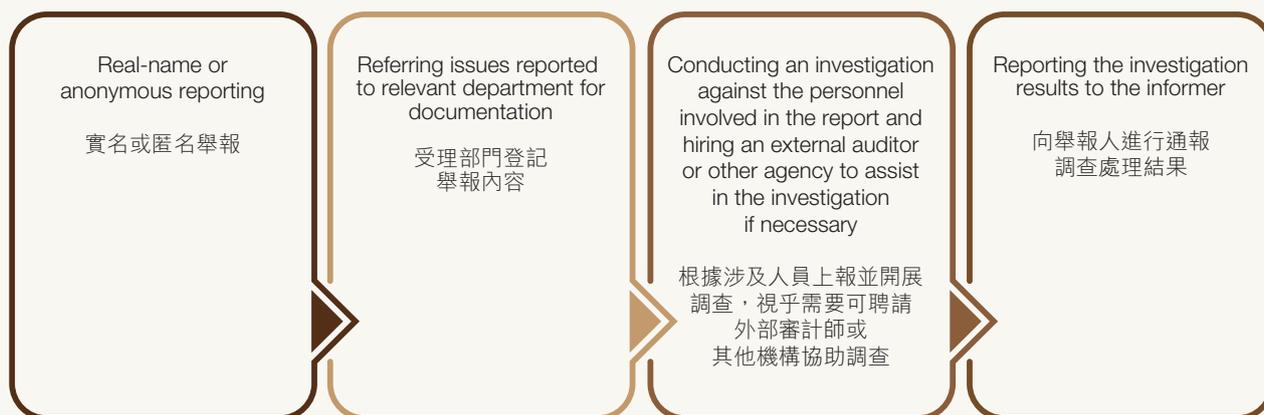


# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

### Complaints and Reports Handling Procedure

#### 投訴舉報處理流程



During the reporting period, Lao Heng He regarded anti-corruption propaganda as one of the basic works in respect to building integrity, and anti-corruption governance and applied corruption cases in the community to the actual situation of Lao Heng He. Through in-depth investigation into the reasons of corruption and introducing alerts and providing education, Lao Heng He strengthens anti-corruption advocacy and supervision, enhances management's awareness of integrity and self-discipline, and prevent corruption. The Group provides anti-corruption training for the Directors, senior management and general staff regularly. The Group has completed annual anti-corruption training for the Directors and selected senior management of the Group in 2020. During the reporting period, Lao Heng He did not involve in any lawsuits relating to corruption.

During the reporting period, Lao Heng He comprehensively strengthened the implementation of anti-corruption measures from procurement, administration, and sales to prevent violations of regulations and disciplines to conduct day-to-day business operation in compliance with laws and regulations.

報告期內，老恒和將廉政宣傳教育作為廉政建設與反腐敗的基礎性工作之一，以貪污事件作為案例，延伸至老恒和實際情況，透過深入剖析貪腐案件發生的原因並開展警示教育，強化反貪腐宣導與監督，提升管理層廉潔自律意識，預防貪污腐敗問題的發生。本集團定期為董事、高層管理人員和普通僱員組織反貪污培訓，本集團已於二零二零年完成董事和高層管理人員的年度反貪污培訓。報告期內，老恒和未發生貪污腐敗訴訟案件。

報告期內，為了在日常營運中合法合規地開展業務，老恒和從採購、行政以及銷售等營運環節，全面加强反貪腐舉措落實，防止違規違紀行為的發生。



# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

### Procurement process 採購環節

- A new clause was added while drafting contracts: "It is forbidden to directly or indirectly provide any form of personal benefits such as money, property etc., to any employee of either party. Once discovered, the innocent party has the right to terminate the contract and the guilty party shall be imposed penalties for breach of contract."  
在合同擬寫過程新增條款：「不得向任何一方員工直接或間接提供任何形式的金錢、財物等個人利益，一經發現無責任方有權解除合同，並處罰責任方作為違約金賠償。」
- Before signing the purchase contract, the internal audit department will conduct online inquiries on the prices involved and compare prices in the contracts with those in previous years. If there is a difference, the procurement will be suspended and not proceed to next step until explanation of such differences obtained  
在採購合同簽字前，與內審部共同對合同涉及的價格進行網上查詢及往年價格對比，如發現差異則會停止採購，待差異情況說明完成確定後再進行下一步流程

### Administration process 行政環節

- While reimbursement being process, we determine whether there is any violation of regulations based on the reimbursement system and the corresponding cost and route query methods  
在報銷過程中依據報銷制度及相應費用與路線查詢的方式，確定是否存在違規行為
- For reimbursement of accommodation expenses, payment with credit facility is strictly prohibited in order to prevent violations under the name of the Company by anonymous persons  
住宿費報銷過程中，杜絕掛賬行為，防止不明人員以公司名義進行相關違規行為

### Sales process 銷售環節

- As for the related expenses of supermarkets, we assign supervisors to conduct unannounced onsite investigation and deal with the disputed prices properly  
針對商超系統的相關費用，安排督導人員進行實地暗訪。針對異議價格妥善處置
- When the salesmen tendered their resignation, we will assign supervisors to carry out work inspections, and conduct interviews with distributors and other partners they have contacted to ensure that there are no violations and other circumstances before handing over  
在業務員離職過程中，安排督導人員進行工作核查，針對所接觸的經銷商及其他合作夥伴進行訪談，確定無違規及其他情形後再進行交接

### Anti-Unfair Competition

Lao Heng He strictly complies with laws and regulations such as the "The Anti-Unfair Competition Law of the People's Republic of China (中華人民共和國反不正當競爭法)", and monitors infringements in the market in all aspects and resists unfair competition that disrupts the market. During the reporting period, we continued strengthening our internal supervision mechanisms over unfair competition in the market, and established the "Code of Practice for Lao Heng He Salesmen (老恆和銷售人員操作守則)" to monitor and supervise the professional conduct of salesmen. The Group also requires employees from various departments to pay attention to and monitor infringements in the market and respond to infringements in a timely manner. If infringement is found, we will submit relevant infringement evidence and materials to the Administration for Industry and Commerce for processing or to the court for prosecution for unfair competition/patent infringement, and promote the rapid development of the entire industry in a fair and transparent market environment.

### 反不正當競爭

老恆和嚴格遵守《中華人民共和國反不正當競爭法》等法律及相關規定，全方位監控市場上的侵權行為，抵制擾亂市場的不正當競爭行為。報告期內，我們持續加強內部市場不正當競爭監督機制，並制定《老恆和銷售人員操作守則》以規範銷售人員的職業操守。另外，本集團亦要求各層級員工時刻關注並監測市場上的侵權行為，及時對侵權行為作出反應。若發現侵權情況，我們將提交相關侵權證據及材料至工商管理局處理，或提交至法院起訴其不正當競爭/專利侵犯行為，推動行業整體在公平、透明的市場環境中快速發展。

# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

### Protection of Business Secret and Intellectual Property

Lao Heng He established the “Management System for Business Secrets (商業秘密管理制度)” and the “Management System for Secret Protection (保密工作管理制度)” and resolutely opposes stealing, using without authorisation or revealing the Company’s business secrets by employees from any enterprises or third parties. The heads of each department are the primary responsible person for the protection of trade secrets. Each department designates a confidentiality officer to supervise the confidentiality measures, and the Corporate Management Department will investigate the cases of stealing, revealing and leaking of secrets, and penalise the personnel involved. During the reporting period, we continued strictly conforming to the monitoring of confidential information, including the Company’s major business decisions, business plans, business projects, production processes and procedure, etc. Meanwhile, we continued introducing confidentiality agreements to be executed by relevant personnel and signing the competition agreements with resigned personnel, strengthening the Company’s business information protection in all aspects consistently.

Lao Heng He believes that protecting intellectual property rights shows respect to research and development (R&D) achievements and employee innovation, and strictly complies with the “Patent Law of the People’s Republic of China (中華人民共和國專利法)”. Provisions on patent management duties, approval of application, licensing, protection and rewards and punishments were formulated, to protect R&D and innovation systematically.

### 商業秘密及知識產權保護

老恒和已制定《商業秘密管理制度》及《保密工作管理制度》，堅決反對任何企業僱員或第三方違法竊取、使用和洩露公司的商業秘密。各部門負責人為商業秘密保護的第一責任人，並在各部門設立一名保密員對保密措施進行督查，由企業管理部對竊密、洩密、失密事件進行查處。報告期內，我們繼續嚴謹恪守對於保密信息內容進行的規範，包括公司的重大經營決策、經營規劃、經營項目、生產工藝及流程等，同時亦繼續維持相關人員的保密協議及離職人員的競業協議的簽訂，持續從各環節加強公司商業信息保護。

老恒和認為對知識產權的保護是對研發成果和員工創新的尊重，通過嚴格遵守《中華人民共和國專利法》，制定並不斷完善內部專利管理制度，對專利管理職責、申請審批、許可使用、保護及獎懲等方面的內容進行規定，從制度上為研發創新保駕護航。



# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

### ESG MANAGEMENT

#### Concept and Structure of Responsibility

Lao Heng He identifies its own sustainable development strategic direction as taking responsibility towards each ESG dimension involved in its operation, and actively assuming social environmental responsibility. In 2020, Lao Heng He continues sticking to its sustainable development responsibility system in the following six areas: food safety, compliance, community, environment, employment and product, and improved governance measures to fulfil its responsibility and commitments.

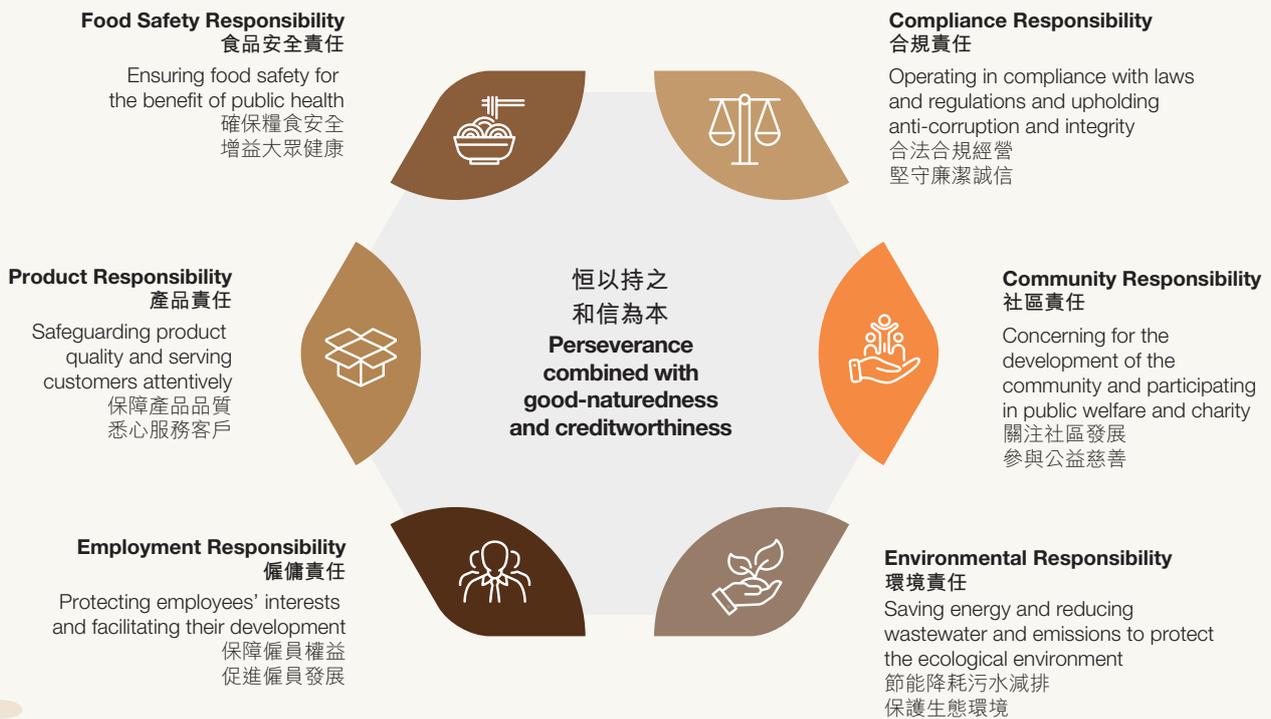
### ESG 管理

#### 責任理念與架構

老恒和通過對營運過程中涉及到的各ESG維度責任明確自身的可持續發展戰略方向，主動承擔社會環境責任。二零二零年，老恒和維持延續在食品安全、合規、社區、環境、僱傭、產品六大領域的可持續發展責任體系，並不斷完善管治措施，履行責任承諾。

#### Scope of Sustainable Development Responsibility of Lao Heng He

#### 老恒和可持續發展責任組成圖



By establishing an ESG working mechanism, Lao Heng He transforms its commitment to stakeholders into concrete actions. We built a top-down ESG management structure in accordance with the requirements of "ESG Guidelines" issued by the Stock Exchange and clearly prescribed the authorities and responsibilities of ESG tasks at all levels. The board of directors of Lao Heng He is responsible for the strategy and reporting functions in respect of ESG of the Company, monitoring the implementations of ESG tasks by all levels of staff within the Company.

老恒和通過構建ESG工作機制，將對持份者的承諾轉化為具體行動。我們依據聯交所《ESG指引》的要求自上而下建立ESG管理架構，明確各層級ESG工作權責。其中，老恒和董事會肩負公司ESG策略及匯報相關責任，並敦促公司各層級對ESG工作進行貫徹落實。

# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

### COMMUNICATION WITH STAKEHOLDERS 持份者溝通

By establishing a normalised communication mechanism with stakeholders who have significant impact on the Company's sustainable development, Lao Heng He deeply understands the demands, opinions and suggestions of all parties, integrates the stakeholders and their concerns into the Company's operation and decision-making process, realises the integration of ESG management and the Company's daily operations, and drives the Company's long-term sustainable development. During the reporting period, Lao Heng He engaged third-party professional agencies to conduct comprehensive communication with various stakeholders through diversified channels including live interviews, and site visits etc., so as to understand the overall development and ESG management of Lao Heng He that were most concerned by the stakeholders.

老恒和通過與對公司可持續發展有重要影響的持份者建立常態化溝通機制，深入了解各方訴求、意見和建議，將持份者及其關注點融入公司的營運和決策過程，實現 ESG 管理與公司日常營運相結合，驅動公司的長遠可持續發展。報告期內，老恒和聘請第三方專業機構，通過現場訪談、實地走訪等多樣化渠道與各持份者展開全方位溝通，以了解各方對老恒和整體發展及 ESG 管理最為關注的議題。

#### Identification of

#### stakeholders

持份者識別

#### Objectives of communication

溝通目標

#### Means of communication

溝通渠道

Government departments and regulatory authorities	<ul style="list-style-type: none"> <li>Complying with laws and regulations of places of operation</li> <li>Paying taxes in accordance with laws</li> <li>Maintaining good relationship with local government</li> <li>Supporting governance of local government in accordance with laws</li> <li>Meeting compliance requirements of regulatory authorities</li> </ul>	<ul style="list-style-type: none"> <li>Understanding latest laws and regulations</li> <li>Understanding compliance requirements of regulatory authorities</li> <li>Active communication to promote mutual understanding</li> </ul>
政府部門與監管機構	<ul style="list-style-type: none"> <li>遵守營運地點的法律法規</li> <li>依法繳納稅款</li> <li>與當地政府保持良好關係</li> <li>支持當地政府依法治理</li> <li>滿足監管機構的合規要求</li> </ul>	<ul style="list-style-type: none"> <li>了解最新法律法規</li> <li>了解各監管機構的合規要求</li> <li>積極溝通、促進雙方了解</li> </ul>
Shareholders and investors	<ul style="list-style-type: none"> <li>Updating investors on the latest development of the Company</li> <li>Gaining trust from investors</li> <li>Gaining investors' support to management decisions</li> <li>Maximising investment returns to investors</li> </ul>	<ul style="list-style-type: none"> <li>Regular announcement of financial and operational information and data, e.g. Annual Report, Mid-term Report, ESG Report, etc.</li> <li>General meetings with shareholders</li> <li>Active communication and answering queries</li> </ul>
股東及投資者	<ul style="list-style-type: none"> <li>讓投資者了解公司發展情況</li> <li>獲取投資者信任</li> <li>獲取投資者對管理層決策的支持</li> <li>為投資者帶來最大的投資回報</li> </ul>	<ul style="list-style-type: none"> <li>定期發佈財務和經營信息、數據，如：年報、中期報告、ESG 報告等</li> <li>股東大會</li> <li>主動溝通解答疑問</li> </ul>



# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

Identification of stakeholders 持份者識別	Objectives of communication 溝通目標	Means of communication 溝通渠道
Employees 企業僱員	<ul style="list-style-type: none"> <li>Understanding employees' opinion on development of the Company</li> <li>Collecting suggestions from employees on enhancement</li> <li>Understanding employees' needs</li> <li>Informing employees of direction of the Company</li> <li>Enhancing team spirit throughout the Company</li> <li>Providing good working environment to employees</li> <li>了解僱員對公司發展的意見</li> <li>收集僱員的改善建議</li> <li>了解僱員的需求</li> <li>讓僱員了解公司發展方向</li> <li>增強公司團隊向心力</li> <li>為僱員提供一個適合自身發展的工作環境</li> </ul>	<ul style="list-style-type: none"> <li>Trainings for employees on occupation, health and safety</li> <li>Caring for employees</li> <li>Public recruitment</li> <li>Worker union in the enterprise</li> <li>Organising cultural and recreational activities for employees</li> <li>Providing channels for feedbacks</li> <li>僱員職業、健康、安全培訓</li> <li>僱員關懷</li> <li>公開招聘</li> <li>企業工會</li> <li>僱員文藝體育活動</li> <li>意見反映平台</li> </ul>
Customers 客戶／消費者	<ul style="list-style-type: none"> <li>Understanding comments of consumers towards products of the Company</li> <li>Offering products meeting consumers' needs</li> <li>Providing more attentive services to consumers</li> <li>Safeguarding personal information of consumers</li> <li>Setting up marketing strategies in compliance with business ethics</li> <li>了解消費者對公司產品的意見</li> <li>提供貼合消費者需求的產品</li> <li>為消費者提供更貼心的服務</li> <li>保障消費者的個人信息安全</li> <li>制定更符合商業道德的營銷策略</li> </ul>	<ul style="list-style-type: none"> <li>Marketing and communication in compliance with requirements</li> <li>Disclosure of corporate information</li> <li>Disclosure of product information</li> <li>Channels for consumer complaints and feedbacks</li> <li>合規營銷溝通</li> <li>企業信息披露</li> <li>產品信息公開</li> <li>消費者投訴及意見反饋渠道</li> </ul>



# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

Identification of stakeholders 持份者識別	Objectives of communication 溝通目標	Means of communication 溝通渠道
Business partners (including suppliers and distributors)  商業合作夥伴 (含供應商、經銷商)	<ul style="list-style-type: none"> <li>Developing long — term and good cooperation</li> <li>Creating win-win situation</li> <li>Creating cooperative atmosphere with mutual trust</li> <li>Jointly handling environmental and social issues</li> </ul>	<ul style="list-style-type: none"> <li>On-going communication mechanism</li> <li>Responsible purchasing policy</li> <li>Fair and open purchasing principles</li> <li>Assessment and training for distributors</li> </ul>
Local community  當地社區	<ul style="list-style-type: none"> <li>Creating social values at the places of operation</li> <li>Enhancing economic development at the places of operation</li> <li>Protecting interests of local residents</li> <li>Protecting local environment</li> <li>為營運所在地創造社會價值</li> <li>促進營運所在地經濟發展</li> <li>保障當地居民的權益</li> <li>保護當地環境</li> </ul>	<ul style="list-style-type: none"> <li>Organising social and charitable activities</li> <li>In-depth communication with the community</li> <li>Active communication with local government authorities</li> <li>舉辦社會公益活動</li> <li>深入社區溝通</li> <li>和當地政府機構積極交流</li> </ul>



# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

### MATERIALITY ASSESSMENT

In preparing the ESG Report, the Group directly engaged with the following stakeholders as part of the materiality assessment process to identify and prioritise the issues to be included in the ESG Report which the Board believes would have significant impact on the Group's business and its stakeholders.

#### Process

- A selection of ESG issues that may reasonably be considered important for the Group and its stakeholders from various sources, including listing rules requirement, industry trends and internal policies. 28 issues were identified and grouped into 4 categories: Environment, Employment and Labour Practices, Operating Practices and Community.

從各種來源（包括上市規則規定、行業趨勢及內部政策）選出本集團及其持份者可能合理認為屬重要的環境、社會及管治議題。我們已識別出28個議題並將之劃分為4類：環境、僱傭及勞工常規、營運常規及社區。

#### Stage 1 — Identification 階段 1 — 識別

#### Stage 2 — Prioritisation 階段 2 — 確定優先級

- Conducted online surveys to rate the importance of each issue from the perspective of a stakeholder and the Group using a scale of 1 to 5. 進行線上意見調查，從持份者及本集團的角度對每個議題的重要性進行評分，評分範圍為1至5分。
- Developed the materiality matrix based on the scores of the surveys, set the threshold for materiality (i.e. at a score of average) and prioritised a list of sustainability issues. 根據意見調查的分數建立重要性矩陣，設定重要性的閾值（例如：平均值），並對可持續發展議題排序。

- Management reviewed the materiality matrix and the threshold for materiality. ESG issues, with a score of average or above from the perspective of a stakeholder and the Group, were prioritised as the most important sustainability issues for the Group to address and report on. 管理層檢討重要性矩陣及重要性閾值。從持份者及本集團的角度出發，分數為平均分或以上的環境、社會及管治議題被列為本集團需處理及就此作出匯報的最重要可持續發展議題。

#### Stage 3 — Validation 階段 3 — 審驗

### 重要性評估

於編製本ESG報告時，作為重要性評估流程的一環，本集團直接與以下持份者群體溝通，以確定本報告中涉及對本集團之業務及其持份者有重大影響的議題並加以排序。

#### 流程



# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

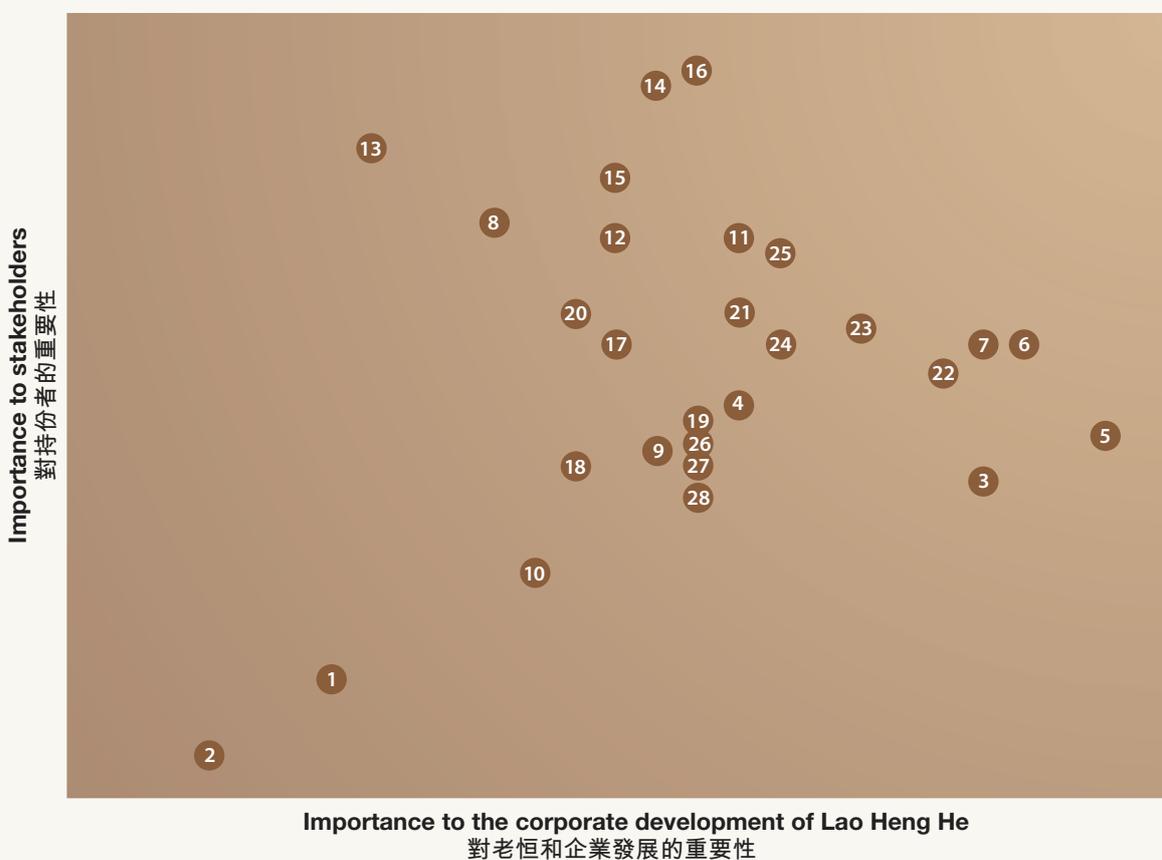
### Materiality Matrix

Based on the materiality matrix, the Board believes that the most pertinent sustainability issues which are material to both the Group and its stakeholders include the following:

### 重要性矩陣

基於重要性評估，董事會認為對本集團和其持份者最為相關的可持續發展議題包括以下各項：

Materiality Matrix  
重要性矩陣



# 1. SELF-DISCIPLINE AND RESPONSIBILITY AS OUR FIRST PRIORITY

## 1. 恆於律己，責任先行

In 2020, the identified material topics are as follows:

二零二零年，我們識別出的重要性議題如下：

Topics of high importance	高度重要議題	6	Water efficiency	用水效益
		7	Use of raw materials and packaging materials	原材料及包裝物料使用
		11	Employment practices	僱傭措施
		16	Prohibition of child labour and forced labour	防止僱傭童工和強制勞動
		21	Customer satisfaction	顧客滿意程度
		23	Safety of services/products	服務／產品安全
		24	Quality of services/products	服務／產品質素
		25	Business ethics	商業道德
		Topics of medium importance	中度重要議題	3
4	Waste management			廢棄物管理
5	Energy efficiency			能源效益
8	Environmental regulations compliance			遵守環境法規
12	Diversity and equal opportunities			員工多元化及平等機會
13	Anti-discrimination			反歧視
14	Staff occupational health and safety			員工的職業健康與安全
15	Staff development and training			員工發展與培訓
17	Responsible supply chain management			負責的供應鏈管理
19	Compliance with regulations on marketing, product and service labelling			遵守市場推廣及產品和服務標籤的法規
20	Customers' privacy and confidentiality			顧客私隱及資料保密
22	Intellectual property			知識產權
26	Anti-corruption training for management and employees			領導層和員工的反貪培訓
27	Contributions to the society	社區貢獻		
28	Communication and connection with local community	與當地社區的交流和聯繫		
Topics of lower importance	較低重要議題	1	Air Emissions	大氣污染物排放
		2	Greenhouse gas ("GHG") emissions	溫室氣體排放
		9	Land use, pollution and restoration	土地的使用、污染和恢復
		10	Climate change	氣候變化
		18	Environmental friendliness on products or service purchased	採購產品和服務的環境友好性



## 2. UPHOLDING QUALITY AND CRAFTING EXCELLENCE

### 2. 恆以釀質，誠品匠造

For Lao Heng He, brewing is not only a kind of craftsmanship, but also a kind of healthiness and affection. Lao Heng He has always relied on high quality products with zero-addition raw cooking wine as a turning point, aiming to become the vane of the industry. Lao Heng He also actively explores and innovates, so that the products can meet the needs of modern people in terms of diversification and health on the basis of maintaining the natural taste while inheriting the ancient recipe.

對老恆和而言，釀造是一種工藝，是一份健康，更是一種情懷。老恆和始終依靠高質量的產品，以零添加原釀料酒為突破口，旨在成為行業的風向標。老恆和亦積極探索創新，致力於在傳承古法同時保持自然之味的基礎上，滿足現代消費者多樣化、健康化的需求。

#### OPTIMISING QUALITY WITH INGENUITY

Practicing the quality concept of “justice, precision, timeliness, responsibility and innovation”, Lao Heng He has incorporated quality and safety into the Company’s strategy, and strictly complies with relevant requirements of laws and regulations such as “The Food Safety Law of the People’s Republic of China (中華人民共和國食品安全法)”. The quality and safety of products are controlled from system certification, management structure, equipment and environmental control, internal audit and non-conforming product management, and quality control measures are implemented in multiple dimensions.

#### 匠心品質

老恆和踐行「公正、精準、及時、責任、創新」的質量觀，將質量安全納入公司戰略，嚴格遵守《中華人民共和國食品安全法》及相關法律法規的要求，從體系認證、管理架構、設備及環境控制、內部審核及不合格品管理等方面對產品的質量與安全進行控制，多維度落實品質管控措施。

#### System Certification

In order to ensure food quality and safety, Lao Heng He has formulated more than 200 management documents. By including the quality and safety performance in the assessment indicators, the responsibility for the control of the raw and auxiliary materials acceptance standards, the processing process and the inspection procedures will be dismantled to each functional department to fully control the product quality and safety. During the reporting period, Lao Heng He passed the ISO 22000 Certification of the “Food Safety Management System” and the ISO 9001 Certification of the “Quality Management System”.

#### 體系認證

為保障食品質量與安全，老恆和制定了200多份管理文件，通過將質量安全績效列入考核指標，將對原輔材料驗收標準的把控、加工過程以及各道檢驗程序的責任拆解落實到各職能部門，全面管控產品質量安全。報告期內，老恆和通過了ISO 22000食品安全管理體系認證和ISO 9001質量管理體系認證。

With continual reference to the requirements of the group standard of T/ZJFIA 002 “Zhejiang Rosy Rice Vinegar (浙江玫瑰米醋)” which is higher than the national standard, Lao Heng He passed the revision of other internal management standards such as “Yellow Wine Product Testing Internal Control Standard (黃酒類產品檢測內控標準)”, “Soy Sauce Product Testing Internal Control Standard (醬油類產品檢測內控標準)”, “Rice Vinegar Product Testing Internal Control Standard (米醋類產品檢測內控標準)” and “Microbial Control Requirements (微生物控制要求)” to actively improve key internal control indicators and product quality.

老恆和一直參照高於國家標準的T/ZJFIA 002《浙江玫瑰米醋》團體標準等要求，通過修訂《黃酒類產品檢測內控標準》、《醬油類產品檢測內控標準》、《米醋類產品檢測內控標準》及《微生物控制要求》等內部管理標準，主動提升關鍵內控指標、提升產品品質。



## 2. UPHOLDING QUALITY AND CRAFTING EXCELLENCE

### 2. 恆以釀質，誠品匠造

#### Management Structure

Lao Heng He has established a self-inspection team for food safety with the chairman of the board of directors as the primary responsible person. Based on the “Position Responsibility System (崗位責任制度)”, we strictly carry out dynamic management of “publicity, measurement, analysis, decision-making and implementation”.

#### 管理架構

老恒和已建立以董事長為第一責任人的食品安全自查小組，通過各層級的管理架構，以《崗位責任制度》為基礎，嚴格開展「宣貫、測量、分析、決策及實施」的動態管理。

**Management Organisation and Structure for Food Quality and Safety of Lao Heng He**  
老恒和食品質量安全管理組織架構



Lao Heng He has set up 6S management dashboard in each production workshop to record the personnel sorting, rectification, clearing, cleaning, and quality and safety performance during the production process, and provided an objective basis for the subsequent correction measures on behaviour through filing of quality records. Furthermore, Lao Heng He introduced the Sustaining Competitive and Responsible Enterprises (SCORE) Project of the International Labour Organisation (ILO), so as to improve the Company's management of workplaces. By referencing the project team meeting mode, we analyse, evaluate and adopt reasonable suggestions and proposals put forward by employees in the workplace to improve the management of product quality.

老恒和在各生產車間設立6S管理看板，記錄生產過程中的人員整理、整頓、清掃、清潔、素養及安全表現，並通過質量記錄歸檔為後期行為糾偏措施提供客觀依據。此外，老恒和引入ILO SCORE項目（國際勞工組織企業可持續發展項目），促進公司對工作場所的管理趨向完善化，通過引用項目小組會議模式，對員工在工作場所中提出的合理化建議及提案進行分析評估及採納，從而提升對產品品質的管理。

## 2. UPHOLDING QUALITY AND CRAFTING EXCELLENCE

### 2. 恆以釀質，誠品匠造

#### Control of Equipment and Environment

Lao Heng He has identified food safety as its top priority, hence a clean production environment is an essential factor to ensure food safety. Lao Heng He strictly complies with regulations on production environment such as the “Hygiene Management System (衛生管理制度)”, “Pest Control System (蟲害控制制度)” and “System for Utilisation of Toxic and Hazardous Chemicals (有毒有害化學品使用制度)”. We conduct regular supervision and inspections on production environment hygiene, hygiene of tool and equipment as well as employees’ personal hygiene so as to ensure the food safety. Meanwhile, Lao Heng He assigns the responsibility of cleaning the work environment to employees, and penalises those involve in negligence of duty in accordance with internal and external regulations and rules.

Good operation of equipment is one of the prerequisites to ensure product quality and safety. Based on the “Equipment Management System (設備管理制度)”, the “Infrastructure and Maintenance Control Procedures (基礎設施和維護方案控制程序)” and the “Equipment Overhaul Procedures (檢修設備程序)” and the “Fixed Assets Management System (Trial) (固定資產管理制度(試行))”, Lao Heng He conducts repair, maintenance and overhaul testing of production equipment and its fixed assets to guarantee the precision and safety of equipment operations. Meanwhile, Lao Heng He requires equipment operators and maintenance personnel to maintain “three conditions (三好)” (optimal, usable and repaired), acquire “four abilities (四會)” (able to use, able to maintain, able to check and able to troubleshoot) and exercise “three rights (三項權利)” (the rights to stop running equipment that is not prepared nor approved for overload operation; the rights to stop running equipment that is not checked and reported within the stipulated period; and the rights to carry out lubrication management of equipment), with a view to fundamentally ensuring food quality and safety.

#### Internal Review

Lao Heng He actively carries out internal reviews and improvement actions of product quality and food safety management systems, aiming to ensure that the Company’s product quality and food safety policies are implemented and achieve the goals of product quality and food safety. Lao Heng He conducts potential hazards analysis from three aspects of biology, chemistry and physics in each production link. By identifying critical control points, formulating critical limits, and clarifying monitoring objects, methods, frequencies, personnel, and corrective actions, we organise and implement the construction of quality and food safety management system to strengthen internal review and continuous improvement.

#### 設備及環境控制

老恒和一直將食品安全放在首位，潔淨的生產環境是保障食品安全的必要因素，老恒和嚴格執行《衛生管理制度》、《蟲害控制制度》及《有毒有害化學品使用制度》等生產環境相關的內部規定，對生產環境衛生、工器具與設備衛生、員工個人衛生等方面進行定期督導和檢查，為食品安全保駕護航。同時，老恒和將工作環境的清潔責任落實到人，並按相關內外部法規條例處置生產環境中的失職人員。

設備的良好運作是保障產品質量和安全的先決條件之一，老恒和基於《設備管理制度》、《基礎設施和維護方案控制程序》、《檢修設備程序》及《固定資產管理制度(試行)》對生產設備和固定資產進行維護、保養和檢修測試，為設備運行的精度和安全性提供保障。同時，老恒和要求設備操作及維修人員做到「三好」(最好、用好、修好)、「四會」(會使用、會保養、會檢查、會排除故障)以及行使「三項權利」(有權停止使用未採取措施或未經審批超負荷運轉的設備、有權停止使用逾期不檢查但未上報的設備、有權對企業設備進行潤滑管理)，從根本上保障食品質量安全。

#### 內部審核

老恒和積極開展產品質量、食品安全管理體系的內部審核及改進行動，旨在確保公司產品質量和食品安全方針得到貫徹落實，實現產品質量和食品安全目標。老恒和在每個生產環節從生物、化學、物理三方面進行潛在危害分析，通過確定關鍵控制點，制定關鍵限值，明確監控對象、方法、頻率、人員、糾偏行動內容等途徑，組織落實質量、食品安全管理體系建設工作，以強化內審和持續改進。



## 2. UPHOLDING QUALITY AND CRAFTING EXCELLENCE

### 2. 恆以釀質，誠品匠造

The Results of Achieving the Food Quality and Safety Related Objectives of Lao Heng He  
老恒和食品質量安全相關目標實踐結果



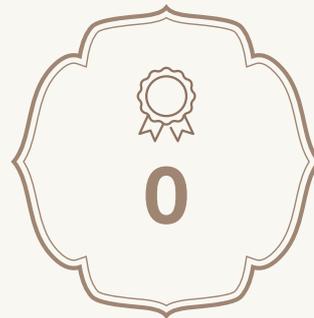
Pass rate of raw materials, semi-finished products, and finished products  
來料、半成品、成品檢驗合格率



First-time pass rate of products and pass rate of finished products  
一次產品合格率及出廠產品合格率



Pass rate of sample testing in market  
市場抽檢合格率



Food safety incidents  
食品安全事故數量

Meanwhile, Lao Heng He also streamlines and inspects the Company's food quality and safety on a regular basis to identify the risks of non-compliance arising from the storage of raw materials, the production environment, the shelf life of finished products, the product label, the product traceability and the recall process, and coordinates with the relevant responsible persons to carry out timely rectification. During the reporting period, Lao Heng He carried out internal training programs for laboratory skills, and conducted 7 training programs related to work-skills enhancement, including Laboratory safety knowledge, waste disposal training, management of microbiology room, use of laboratory precision instruments; preparation and preservation of commonly used standard solutions and culture media; management of laboratory chemicals, use, maintenance and maintenance of laboratory instruments and equipment, etc. During the reporting period, Lao Heng He further improved the accuracy of product testing data, and had not found any abnormalities in the testing data.

同時，老恒和亦定期對公司的食品質量安全情況進行全方位梳理和檢查，鑒別原材料存儲、生產環境、成品保質期情況、產品標籤、產品追溯及召回過程中存在的風險，協調相關負責人及時整改。報告期內，老恒和已開展內部化驗室技能培訓項目，通過不同性質的培訓計劃開展與工作相關的技能提升培訓活動共7次，內容包括化驗室安全知識、廢棄物處置培訓、微生物室的管理、化驗室精密儀器的使用；常用標準溶液、培養基的配製、保存；化驗室化學品的管理、化驗室儀器設備的使用、保養、維護等。報告期內，老恒和尚未發現檢測數據異常的情況。

## 2. UPHOLDING QUALITY AND CRAFTING EXCELLENCE

### 2. 恆以釀質，誠品匠造

#### Management of non-conforming product

In order to determine the causes of non-conforming products, reduce the frequency of non-conforming products, and ensure the correct disposal and management of non-conforming products, Lao Heng He has formulated the “Management System for Non-conforming Product (不合格品管理制度)”. According to this system, Lao Heng He detailed the reasons for the unintended use and delivery of non-conforming products such as materials, semi-finished products, finished products and products returned by customers. In the event that the raw materials are unqualified, or that safety problems are discovered during the production process, or that the whole batch of products is unqualified, we will immediately activate the “Control Procedures for Corrective and Preventive Measures (不符合及糾正措施控制程序)” to take corrective measures and follow-up verifications according to the regulation. Furthermore, Lao Heng He implements a “one vote veto” mechanism for major quality and safety issues. During the reporting period, Lao Heng He had not found any non-conforming product in large quantities.

#### 不合格品管理

為確定不合格品產生的原因，降低不合格品的出現頻率，確保正確處置、管理不合格品，老恒和已制定《不合格品管理制度》。依據該制度，老恒和細化了物料、半成品、成品及客戶所退貨品等不合格品中非預期使用和交付的原因。如果發生因來料不合格、生產過程中發現安全危害或整批次產品出現不合格等情況，我們將立即啟動《不符合及糾正措施控制程序》，根據規定採取糾正措施並進行跟蹤驗證。此外，老恒和對重大質量安全問題實施「一票否決」制度，報告期內，老恒和未發生大批量產品不合格的情況。

#### Management process of non-conforming product

##### 不合格品管理流程



## 2. UPHOLDING QUALITY AND CRAFTING EXCELLENCE

### 2. 恆以釀質，誠品匠造

#### Industry Contribution

In the development process of the industry, unclear industry standards and consumers' low awareness of the industry will cause industry price wars and make inferior products spread all over the market. Lao Heng He concerns about the development of the cooking wine industry. By introducing the standards for brewed cooking wine, we distinguish between "brewed cooking wine" and "formulated cooking wine" to further promote the standardisation of the cooking wine market and increase the share of pure brewing cooking wine products in the cooking wine market.

Since 2018, Lao Heng He has actively participated in the formulation of the association standards for "Cereal-based Brewed Cooking Wine (穀物釀造料酒)" of the China Alcoholic Drinks Association, and has finished drawing up related documents. Previously, configuring cooking wine can be made at low production threshold with only edible alcohol, salt, MSG and caramel colorant, resulting in a large number of low quality, cheap and alcohol-based synthetic products on the market with low minimum threshold. Since the official release of the association standards for "Cereal based Brewed Cooking Wine (穀物釀造料酒)" in 2019, brewed cooking wine and formulated cooking wine from the standard and label can be distinguished. Therefore, in addition to protecting the development of high-quality brands in the industry, accelerating the development of the brewing wine industry, and promoting the cooking wine industry from price competition to quality competition, it will also promote the transformation of brewed cooking wine production enterprises to produce cereal brewed cooking wine, and also lead the industry to develop towards high quality and meet consumer demand for high-quality health products. Looking ahead, if there is any relevant new standard introduced in future, as the leading brand in the cooking wine industry, Lao Heng He will certainly participate enthusiastically in related work.

#### 行業貢獻

在行業的發展進程中，行業標準不明確，消費者對行業的認知度不高，將會造成行業價格戰、劣品以及殘次品遍布市場的狀況發生。老恆和心繫料酒行業的發展，通過推動釀造料酒標準的出台，將「釀造型料酒」和「配製型料酒」進行區分，進一步促進料酒市場的規範化，提升純釀造料酒產品在料酒市場的佔有率。

自二零一八年起，老恆和積極參與中國酒業協會《穀物釀造料酒》團體標準的制定，並已經完成相關編製。此前，僅以食用酒精、食用鹽、味精和焦糖色素就能完成配置料酒的最低門檻要求，使得市場上大量存在劣質廉價及酒精勾兌而成的合成品。自二零一九年《穀物釀造料酒》團體標準正式發佈後，使得釀造料酒與配製料酒可以從標準及標識上進行區分。此舉不僅保護行業優質品牌發展，加快釀造料酒行業發展速度，促進製酒行業從價格競爭到品質競爭，而且還將促進配製料酒生產企業轉型生產穀物釀造料酒，引領行業向高品質發展，滿足消費者對優質健康產品的需求。展望未來，如有相關新標準推行，老恆和作為公司料酒領導品牌，必定積極參與有關工作。



## 2. UPHOLDING QUALITY AND CRAFTING EXCELLENCE

### 2. 恆以釀質，誠品匠造

#### INHERITANCE OF HEALTH

##### Promoting Healthy Lifestyle

Nowadays, as consumers are paying more attention to nutrition and healthy diet, brewed products are more favoured by the market. Lao Heng He has inherited its brewing skills for more than 160 years and strictly follows four fundamental elements of “Comply with the weather, adapt to the earth’s atmosphere, use material cleverly, make with skills” (天有時、地有氣、材有美、工有巧) for brewing. In the process of continuing the traditional craftsmanship, we continue improving the craftsmanship to create healthy and delicious high-quality condiments.

#### 健康傳承

##### 引領健康

在消費者日益注重營養健康飲食的今天，釀造產品日得到市場更多的青睞。老恒和釀造技藝已傳承160多年，嚴格遵循「天有時、地有氣、材有美、工有巧」四要素進行釀造，在延續傳統工藝的過程中，不斷對工藝進行改良，打造健康及美味的優質調味品。

#### Ancient soy sauce brewing process of Lao Heng He

##### 老恒和醬油古法釀造工藝

The soy sauce brewed by ancient brewing process of Lao Heng He combines the high-salt dilute state process with ancient brewing techniques. As for raw materials, we select non-GMO soybeans and refined edible salt; as for crafts, we carry out natural drying by using the techniques of “natural drying” and “double drying” for more than 6 months. Compared with similar products, the content of amino acid nitrogen is higher.

老恒和古法釀造工藝釀製的醬油，將高鹽稀態工藝與古法釀造手法相結合。在原料上，精選非轉基因大豆及精製食用鹽；在工藝上，採用「天然曬製」和「雙曬工藝」進行6個多月的自然曬製，相比同類產品氨基酸態氮含量高。

In order to ensure the health, safety and nutrition of Lao Heng He’s products, Lao Heng He invited a third-party testing enterprise to conduct an annual review of organic products in June 2020. All of the organic soy sauce, organic rice vinegar, organic fermented bean curd and organic yellow wine passed certification.

為確保老恒和產品的健康、安全、營養，老恒和已於二零二零年六月邀請第三方檢測公司對有機產品進行年度覆審。有機醬油、有機米醋、有機腐乳、有機黃酒均獲得認證。



# 3. STRIVING FOR MUTUAL DEVELOPMENT AND ACHIEVING THE SAME GOAL

## 3. 恆以共進，同道致遠

Under the fierce competition and vigorous development of the condiment market, we insist on being consumer-centric, focusing on providing healthier and safer products and better quality services, and strive to continuously improve customer satisfaction. We continue expanding channels in diversified development, so as to strengthen supplier management and communication, strengthen cooperation with powerful distributors and work together to promote the healthy development of the industry.

### CUSTOMER-ORIENTED

Lao Heng He strictly complies with relevant requirements of laws and regulations such as “The Law of the People’s Republic of China on the Protection of Consumer Rights and Interests (中華人民共和國消費者權益保護法)”, “The E-Commerce Law of the People’s Republic of China (中華人民共和國電子商務法)” and “The Advertising Law of the People’s Republic of China (中華人民共和國廣告法)” so as to safeguard consumer rights and provide “reliable and healthy” products to the customer with the aim of implementing the Company’s service quality targets of “100% processing rate of customers’ and consumers’ feedback”. The Group requires the employees to carefully review the advertising materials for the purpose of making sure that there is no incorrect or misleading information in the advertisements published by the Group. The Group is committed to providing sufficient and accurate information and product label to customers, and considers such commitment as an extended responsibility of product safety management.

### Membership System Update

Lao Heng He officially converted all of its e-commerce to self-operating model in a comprehensive manner, which widely enhanced the ability to immediate respond to consumer needs since 2019. Meanwhile, we have improved the membership system of e-commerce and divided it into four levels, i.e. ordinary members, senior members, VIP members and supreme VIP members. Member consumers of each level can enjoy respective rights. In addition, we actively held interesting events for customers to increase interaction with consumers and provide them with diverse and interesting new retail experiences on the basis of improving consumer stickiness.

在調味品市場競爭激烈而又蓬勃發展的背景下，我們堅持以消費者為中心，專注於提供更健康安全的产品和更優質完善的服務，致力不斷提升客戶的滿意度。我們在多元化發展中不斷拓展渠道，加強供貨商管理與交流，與有實力的經銷商加強合作，攜手推進行業的健康發展。

### 客戶為先

老恆和嚴格遵守《中華人民共和國消費者權益保護法》、《中華人民共和國電子商務法》及《中華人民共和國廣告法》等法律法規的相關要求，保障消費者權益，致力堅持將「放心健康」的產品提供給客戶，貫徹執行公司「客戶及消費者信息反饋處理率100%」的服務質量目標。本集團要求員工仔細審查廣告材料，以確保本集團發布的廣告中不存在錯誤或誤導性信息。本集團致力於向客戶提供充分和準確的信息和產品標籤，並視之為產品安全管理的延伸責任。

### 更新會員體系

自二零一九年起，老恆和電商全業務正式轉為全自營運作，並全面提升第一時間響應消費者需求的能力。同時，我們亦已完善電商會員體系，將其劃分為普通會員、高級會員、VIP會員以及至尊VIP會員四個等級，每個等級的會員消費者均可享受與其相應的權益。此外，我們積極開展趣味消費者參與活動，增加與消費者的互動，在提高消費者黏性的基礎上，為消費者提供多元有趣的新零售體驗。



# 3. STRIVING FOR MUTUAL DEVELOPMENT AND ACHIEVING THE SAME GOAL

## 3. 恆以共進，同道致遠

### Benefits for Members

During the reporting period, we provided benefits to all members, such as issuing exclusive coupons, to provide consumers with a better consumption experience.

As a sustainable business with more than 160 years of history, Lao Heng He continues pursuing the strategy of “diversification” to provide consumers with products with high-cost performance and diverse combinations. By aiming subject industry products, analysing customer needs and tracking market feedback, we carry out a series of product innovation and marketing activities, and strive to provide more consumers with products that meet their individual needs with the aim of being the first choice of consumers.

### 會員福利

報告期內，我們針對所有會員發放福利，例如發放專享優惠券等舉措為消費者提供更優質的消費體驗。

作為一所擁有160多年歷史的可持續企業，老恒和繼續奉行「多元化」策略，為消費者提供高性價比和多樣性組合的產品。我們對標行業產品、分析客戶需求、追蹤市場反饋，開展系列產品創新和營銷活動，著力為更多消費者提供滿足其個性化需求的產品，矢志成為消費者的首選。

### Measures and Feedback to Improve Consumer Service

#### 提升消費者服務舉措及反饋



# 3. STRIVING FOR MUTUAL DEVELOPMENT AND ACHIEVING THE SAME GOAL

## 3. 恆以共進，同道致遠

### Product Return Policy

Lao Heng He maintains the usual high quality for its products and services, meanwhile, the Group has arranged for the return and compensation of products. There will also be follow-up arrangements to satisfy customers' needs on the basis of balancing both customers and the Group's interest. For any customers who are affected by quality issues, including product return, the Group will adopt the standard procedure to ensure appropriate responses are provided to our customers in a consistent manner.

### Customer Feedback

The establishment of effective communication channels is the key to ensure that Lao Heng He can obtain consumer feedback timely. We have connected different types of communication, including hotline, online channels (e.g. email, SNS), offline channels (e.g. interview) etc. to keep abreast of consumer suggestions and demands, and improve service procedures. Meanwhile, we actively carry out offline activities with consumers, invite consumers to visit on-site and conduct face-to-face communication.

In order to achieve the Company's service quality targets of "100% processing rate of customers' and consumers' feedback", we continue implementing the "Customer Complaint Handling Procedures (客戶投訴處理程序)", which are used for information feedback and complaint handling of various products and services of the Company, and stipulate the principle duty and responsibility of each staff at all levels so as to ensure that customer complaints are dealt with end-to-end process on a timely, effective and standardised basis.

### 產品退回政策

老恒和保持一貫高質量的產品和服務，同時，本集團會根據銷售合同中的條款，對有質量問題的產品進行退貨並安排相關跟進事宜，以確保在平衡雙方利益的同時，盡力滿足客戶需求。對於任何受到質量問題，包括受產品退貨影響的客戶，本集團會作出適當回應，並確保有關規範實施的一致性。

### 客戶溝通反饋

構建有效的溝通渠道是保證老恒和能及時獲消費者的反饋的關鍵。我們已開放豐富的溝通形式，包括熱線電話、線上渠道(電子郵件、社交媒體)、線下方式(拜訪)等，及時了解消費者的建議及訴求，從而完善服務流程。同時，我們亦積極開展與消費者的線下活動，邀請消費者實地訪問，並進行面對面交流。

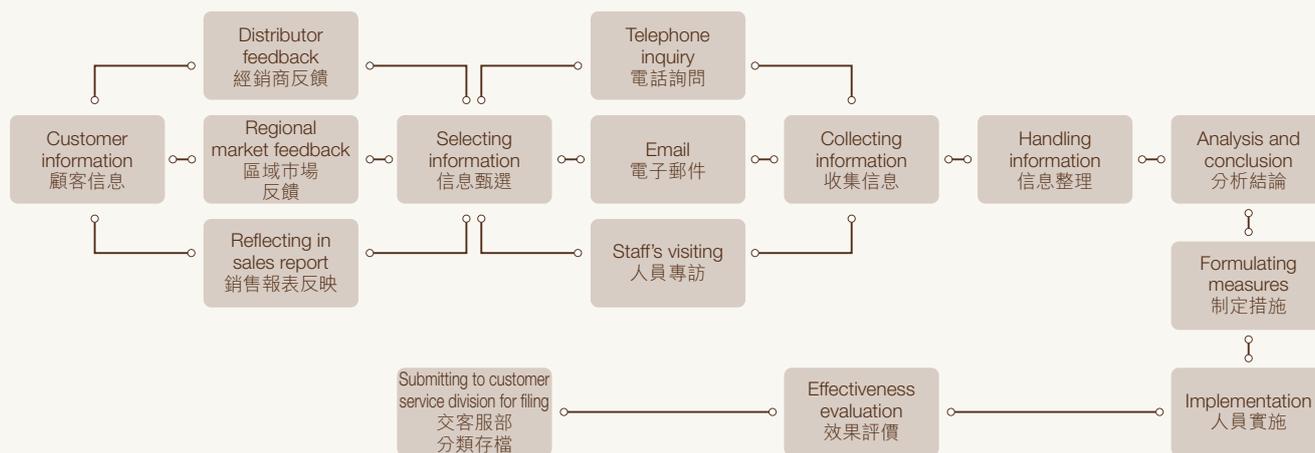
為貫徹執行公司「客戶及消費者信息反饋處理率100%」的服務質量目標，我們延續執行《客戶投訴處理程序》，該制度文件適用於公司的各類產品和服務的信息反饋及投訴處理，並明確定義各職位員工的職責主要工作內容，確保客戶反饋的投訴得到點到點的及時、有效、規範的閉環處理。



### 3. STRIVING FOR MUTUAL DEVELOPMENT AND ACHIEVING THE SAME GOAL

### 3. 恆以共進，同道致遠

Customer Feedback Handling Procedures  
消費者信息反饋流程



We categorise the feedback information from customers in order to process customer feedback in an efficient and orderly manner. We select and organise customer information from telephone inquiries, emails or on-site interviews, and formulate targeted measures based on the conclusions of customer feedback.

我們將接收到的客戶反饋信息進行分類以便後期高效有序的處理客戶反饋信息。通過電話詢問、電子郵件或人員實地專訪等方式進行客戶信息的甄選和整理，並根據客戶反饋信息的結論制定針對性舉措。

In the process of implementing corrective measures, we require relevant internal departments to carry out supervision and inspection work and provide timely training to employees with dissemination of valuable experience and useful measures so as to improve their practical abilities and avoid the re-occurrence of similar situations. During the reporting period, we received 23 complaints which had been properly handled with 100% processing rate. We did not involve in any sold or shipped products that were subject to recalls.

在糾正措施實施過程中，我們要求內部相關部門進行督促檢查工作，並適時對員工進行培訓，把寶貴的經驗和有效的措施普及到相關員工，提升員工實踐能力，避免類似情況再次發生。報告期內，我們共收到23起投訴，均已妥善處理，投訴處理率100%，未發生任何銷售產品召回事件。



# 3. STRIVING FOR MUTUAL DEVELOPMENT AND ACHIEVING THE SAME GOAL

## 3. 恆以共進，同道致遠

### Privacy Protection

As for protection of consumers' personal privacy, Lao Heng He strictly protects the legitimate rights and interests of consumers according to "The Law of the People's Republic of China on the Protection of Consumer Rights and Interests (中華人民共和國消費者權益保護法)". We have formulated the "Commercial Confidentiality Management System (商業秘密管理制度)" which strictly regulates the confidentiality of customer information involved in the business service process and fully protects customer privacy rights.

### 隱私保護

在消費者隱私保護方面，老恒和嚴格依照《中華人民共和國消費者權益保護法》等法律法規保障消費者的合法權益，並已制定《商業秘密管理制度》，及對經營服務過程中涉及到的客戶信息保密環節進行嚴格規範，充分保障客戶私隱權利。

### Measures for Privacy Protection

#### 私隱保護舉措

#### Standards for Employees 員工規範

- In order to safeguard personal information of our consumers, we regulate employees according to the system and require our employees to sign the confidentiality agreement upon their induction  
為保護客戶的信息安全，我們從制度上對員工進行約束，要求員工在入職時簽訂相關保密條款

#### Standards for Third Party Partnerships 第三方合作夥伴規範

- For the necessary customer information required for thirdparty business, we have signed relevant customer confidentiality agreements with third-party research companies to strictly regulate the third-party's access to customer information and ensure the maximum security of customer information  
對於第三方業務需求所需要使用的客戶信息，我們與第三方調研公司簽署相關客戶保密協議，嚴格規範第三方對客戶信息的取用，最大程度保障客戶信息安全

#### Standards for E-commerce Platform 電商平台規範

- We strictly comply with the privacy rules of third-party online platforms such as JD.com and Tmall, and do our best to ensure the safety of consumers' personal information  
我們嚴格遵守第三方網絡平台如京東、天貓等保障客戶私隱規則，盡最大努力保證用戶及消費者的個人信息安全



# 3. STRIVING FOR MUTUAL DEVELOPMENT AND ACHIEVING THE SAME GOAL

## 3. 恆以共進，同道致遠

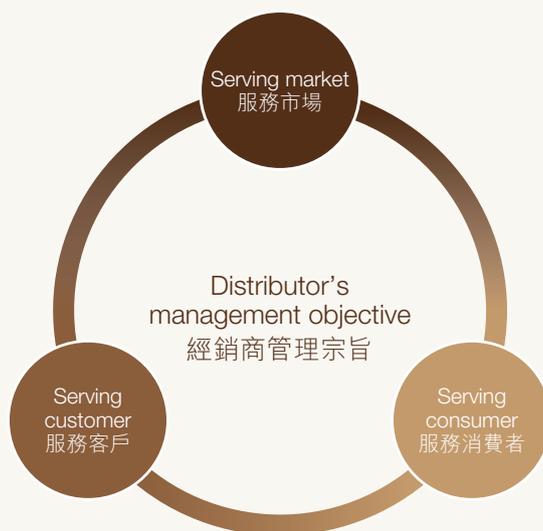
### CHANNELS FOR MUTUAL SUCCESS

The distributor is an important partner of Lao Heng He. In order to improve the overall quality of the distribution team and regional market expansion capabilities, and guarantee the level and ability of Lao Heng He in serving consumers, we continued implementing the system documents such as “Distributor Management Manual (經銷商管理手冊)” during the reporting period, which provides detailed regulations on the aspects of sales, inventory and regional brand maintenance of distributors to improve their management level.

### 渠道共贏

經銷商是老恒和的重要合作夥伴。為提升經銷商隊伍的整體素質和區域市場拓展能力，保障老恒和服務消費者的水平和能力，報告期內，我們持續執行《經銷商管理手冊》等制度文件，對經銷商銷售、經銷商庫存及區域品牌維護等方面進行詳細規定，提升經銷商管理水平。

### Management Purposes of Distributor 經銷商管理宗旨



# 3. STRIVING FOR MUTUAL DEVELOPMENT AND ACHIEVING THE SAME GOAL

## 3. 恆以共進，同道致遠

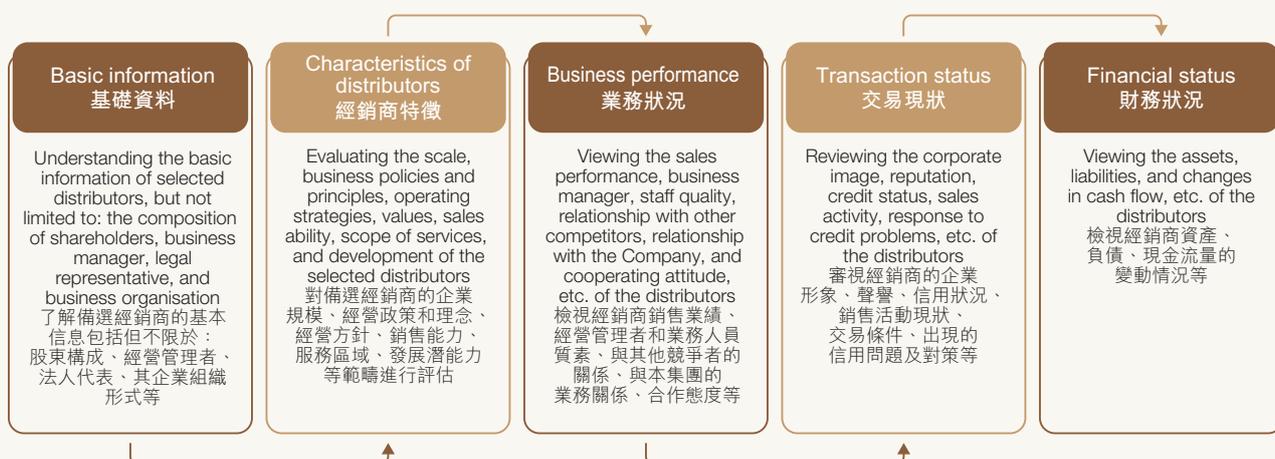
### Management and Assessment

Lao Heng He formulated and implemented “Distributor Management Manual (經銷商管理手冊)”. We strictly select qualified and high-quality distributors in accordance with the five criteria, and work together to promote the healthy development of the industry by assessment and screening different dimensions of distributors’ related business capabilities.

### 管理與考核

老恒和制定並執行《經銷商管理手冊》，嚴格按照五大評分指標篩選合格優質的經銷商，通過對經銷商的業務相關能力多方面進行考核篩選，攜手推進行業的健康發展。

### Specific assessment and screening methods of the selection of distributors 經銷商具體考核指標



In last reporting period, we engaged with third-party marketing experts to conduct in-depth brand research on Lao Heng He. During the reporting period, we have not conducted this. However, we have planned to conduct in-depth brand research on the industry itself, competitors, customers, sales channels, and internal visit of the Company in next reporting period. The training analyses the uniqueness of the industry, the strengths and weaknesses of the brand and its marketing effectiveness. It is hoped that the Group can continue improving its business as a result, as well as to grow together with distributors.

上一個報告期，我們聘請第三方營銷專家對老恒和進行了品牌全案深度市場調研。本報告期內未有為品牌進行品牌全案深度市場調研，但我們準備於下個報告期為行業自身、競爭對手、消費者、銷售渠道、企業內訪。培訓從上述角度深入剖析行業獨特性、集團品牌的優劣勢、營銷成效等，希望藉此幫助集團持續改善業務的同時，亦致力與經銷商共同成長。



# 3. STRIVING FOR MUTUAL DEVELOPMENT AND ACHIEVING THE SAME GOAL

## 3. 恆以共進，同道致遠

### Communication with Distributors

Distributors' satisfaction has a vital guiding value for marketing strategy and operation of Lao Heng He. During the reporting period, we conducted a satisfaction survey and evaluation of 624 distributors including the evaluation on products, approaches to cooperation and brand market. The distributors' overall satisfaction level scored 90.5 points.

Lao Heng He jointly held various types of activities with distributors to support the business promotion of distributors. By holding various connoisseur sessions, such as Huzhou Culinary Exchange Conference for SME Chefs (湖州中小餐飲廚師交流會) and online live-streaming marketing activities, etc., more chefs will be able to understand and recognise our products, thereby expanding our catering channels and promoting the sales of our catering products. Meanwhile, we have actively set up a sales team for catering channels, developed specialised catering distributors on our own, and organised interactive marketing activities targeting catering outlets in several cities to fully support distributors and achieve a win-win situation.

### 經銷商溝通

經銷商滿意度對老恒和的營銷策略及經營有著至關重要的指導價值。報告期內，我們對624家經銷商進行了滿意度調研評估，評估包括產品、合作形式以及品牌市場等方面，經銷商綜合滿意度達到90.5分。

老恒和攜手經銷商共同舉辦多種類型的活動，全力協助經銷商的業務推廣。我們通過舉辦各類餐飲品鑒會，比如湖州中小餐飲廚師交流會、直播促銷活動等，讓更多廚師了解並認可我們的產品，拓展餐飲渠道，促進餐飲類產品的銷售。同時，我們積極組建餐飲銷售團隊，單獨開發專業餐飲經銷商，在多個城市組織開展餐飲終端聯動鋪市活動，為經銷商提供充分支持，實現共贏。



Online live-streaming marketing activities  
直播促銷活動



# 3. STRIVING FOR MUTUAL DEVELOPMENT AND ACHIEVING THE SAME GOAL

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### RESPONSIBLE SUPPLIES

Stable and high-quality supplier resources are able to assist Lao Heng He to ensure the safety and quality of products from the source. We continue improving supply chain management with execution of the management systems such as “Supplier Management Procedure (供應商管理程序)”, “Procurement Contract Management Policy (採購合同管理制度)” and “Procurement Management Procedure (採購管理程序)”, so as to implement the Company’s procurement procedures, supplier assessment methods and the monitoring procedures in the process of cooperation, striving to create a high-quality responsible supply chain.

#### Supply Chain Management

During the reporting period, we classified suppliers according to the importance of purchased materials (i.e. Category A important materials, Category B general materials and Category C auxiliary materials), and adopted differentiated management strategies for different types of suppliers to optimise supplier resources and structure.

The Group has established a set of standard procedures for the selection of new suppliers or service providers. We will conduct qualification assessments and the criteria include: (A) if there is any relevant qualification certificate, such as business license, food production license, etc.; (B) whether the products or services provided have social risks, such as the quality and safety of supply sample, customer’s level of satisfaction, etc.; (C) supply capability. Upon passing, we will require new suppliers to send relevant materials for production testing. After quality inspection, the Group’s production trial, quality inspection centre, and the supply chain centre will evaluate the capacity, equipment and production process of those suppliers, and complete a “New Supplier Qualification Form (新供應商資格審查表)” and “Supplier Evaluation Questionnaire (供應商調查表)”. On the other hand, the Purchasing Department, Quality Assurance and R&D Department, Production Department, etc. will carry out live inspection based on four criteria: the suppliers’ guaranteed capability, contractual capacity, logistics support capability, and services and technical support. When suppliers passed the above inspection, their materials can be used in small batch in the Group’s operations. After our evaluation, they can be included into the “List of Approved Suppliers (合格供應商名錄)”, and we will review and update the list from time to time. Lao Heng He has also strived to improve its supplier selection process. Our management of suppliers will also enhance from the perspective of environmental risks, including whether there is environmental pollution risk in the production and service process, the ability of environmental protection management, and whether more environmentally-friendly products and services will be used in the production process.

### 責任供應

穩定且優質的供應商資源能夠協助老恒和從源頭保障產品的安全及質量，我們不斷完善供應鏈管理，持續執行《供應商管理程序》、《採購合同管理制度》及《採購管理程序》等管理制度，落實公司的採購程序、供貨商考核方式以及合作過程中的監督程序，致力打造高質量的責任供應鏈。

#### 供應鏈管理

報告期內，我們根據採購物資的重要性對供應商進行分類(重要物資A類、一般物資B類、輔助物資C類)，針對不同類型的供應商分別採取差異化的管理策略，優化供應商資源和結構。

本集團在選擇新供應商或服務提供商時建立了一套既定程序，我們會進行資格審查，準則包括：(甲)有否相關合格證照，如營業執照、食品生產許可證等；(乙)所提供的產品或服務會否有社會風險，如供貨樣品的質量以及安全性、客戶滿意度等；(丙)供貨能力。合格後，要求新供應商發送相關材料以作生產試用，在通過品質檢測後，本集團的生產試用、質檢中心、供應鏈中心會對該供應商進行產能、設備、生產過程控制等方面的審查，及後填寫《新供應商資格審查表》和《供應商調查表》。另一方面，採購部、組織質量與研發部、生產部等部門對供應商進行現場審核，就供應商的質量保證能力、履約能力、後勤保障能力、服務和技術支持四方面進行綜合評價。供應商在通過上述審查後，其所提供的材料將獲本集團小批量應用於業務流程當中，在經我們評估審批後，將其納入《合格供應商名錄》，並會對名單中的供應商適時進行審核和更新。老恒和一直致力完善其供應商選擇流程，我們對供應商的管理亦會從環境風險角度作為考量，包括生產和服務過程是否產生環境污染風險、環保治理能力如何、生產過程會否更多使用環保產品及服務等。

# 3. STRIVING FOR MUTUAL DEVELOPMENT AND ACHIEVING THE SAME GOAL

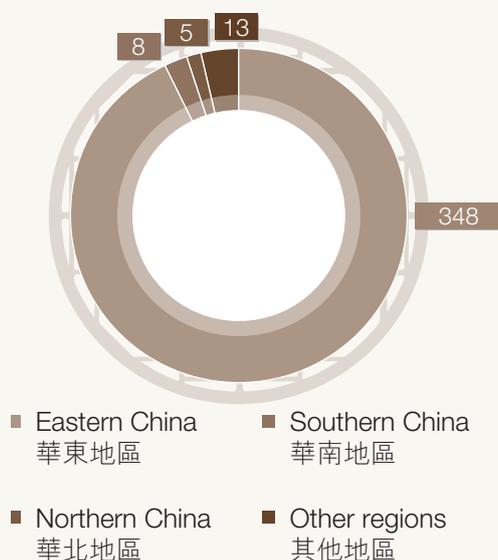
## 3. 恆以共進，同道致遠

As of 31 December 2020, Lao Heng He had an aggregate of 374 suppliers spreading from the southern, eastern to northern parts of China. Meanwhile, Lao Heng He actively supports the development of local supply chains and creates employment opportunities. During the reporting period, the suppliers in eastern China accounted for ~93% of the total number of suppliers.

截至二零二零年十二月三十一日，老恒和供應商總數達374家，遍布華南、華東和華北等區域。同時，老恒和積極支持本地供應鏈發展，創造就業機會。報告期內，華東地區的供應商佔總數約93%。

Distribution of Suppliers

供應商分佈(家)



### Supplier evaluation and communication

In order to monitor the supply chain risks, Lao Heng He has established a set of mechanisms on supplier tracking and evaluation. During the reporting period, internal procurement specialists tracked each purchase order in real time with the evaluation dimensions of delivery time, delivery quality after arrival, punctuality of delivery and consistency of delivery type, and adopted different supplier management measures in a timely manner according to the real-time assessment situation. Meanwhile, the Company personnel with qualifications of internal auditors of relevant management systems conduct on-site verification or program reviews of major suppliers every year.

### 供應商評估及交流

為監控供應鏈風險，老恒和已建立一套供應商跟蹤與考核評價機制。報告期內，採購內勤專員對每個採購訂單進行實時跟蹤，考核維度包括供貨時間、到庫後送貨質量、送貨及時度、送貨品種是否符合，並根據實時考核情況及時採取不同的供應商管理舉措。同時，公司持有相關管理體系內審員資質的人員每年對主要供應商進行現場驗證或程序審核。

# 3. STRIVING FOR MUTUAL DEVELOPMENT AND ACHIEVING THE SAME GOAL

## 3. 恆以共進，同道致遠

### Issues concerning the quality of supplied products

- “Supplier’s Incoming Material Quality Feedback List (供方來料品質不良反饋單)” is issued by the quality inspection department of the Company’s with the descriptions on defective products made by the production department, quality inspection department and purchasing department. Supplier will formulate and amend the rectification measures, which will be finally verified by the production and quality inspection departments upon amendment to ensure that the product quality meets the requirements before repeated purchasing.
- For suppliers who have been found to supply seriously unqualified products for 1 time or downgrading for 2 or more times or failing to deliver products on time for 3 times in a year, we will reduce purchasing their products accordingly, and observe if defective products were continued to be found. If the product quality can be improved later, they can continue to serve as a qualified supplier. Otherwise, their qualifications as qualified suppliers will be terminated.

### Return supplied products due to substantial non conforming

- Suppliers who have been returned their supplied products due to substantial non-conforming for 2 times or more, their qualifications as qualified suppliers will be terminated.

### Management Measures after Supplier Evaluation

It is very important for Lao Heng He to maintain good and effective daily communication with suppliers. During the reporting period, we provided external help and support to our suppliers to jointly discover and solve problems together, striving to create a win-win collaborative ecosystem. During the reporting period, Lao Heng He helped to promote the production of lightweight Lao Heng He Premium Soy Sauce (鮮上鮮) containers, which reduced the weight of glass containers from 300g to 260g. This could reduce the weight, cost and carbon emission during transportation.

### 供貨產品質量問題

- 由公司品質檢驗部門出具《供方來料品質不良反饋單》，生產部門、質檢部門、採購部門均對出現不良品進行描述，最終由供應商制定整改措施並進行整改，整改後由生產、質檢部門進行驗證，確保產品質量符合要求後方可再次採購。
- 對於一年內出現1次供貨嚴重不合格退貨或2次及以上次數的降級或出現3次沒有按時交貨的供應商，我們會相應縮減採購數量，並對其進行觀察。若後期能夠提高產品品質方可繼續作為合格供應商，否則將取消其合格供應商資格。

### 供貨有重大不合格而發生退貨的情況

- 每年出現2次及以上供貨有重大不合格而發生退貨情況的供應商，將取消其合格供應商資格。

### 供應商評估後管理舉措

與供應商保持良好、有效的日常溝通對老恆和來說至關重要。報告期內，我們為供應商給予外部幫助與支持，與其共同發現問題、解決問題，努力打造共贏的協作生態。報告期間，老恆和協助推動降低「鮮上鮮」產品器皿的重量，玻璃瓶從300克降低到260克，從而減低運輸時的重量、成本和碳排放。



## 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

### 4. 和以聚力，採擢薦進

Lao Heng He adheres to the philosophy of “people-oriented” and regards employees as family and one of the most valuable assets for enterprise development. By constantly exerting the spirit of craftsmanship, we join hands and move forward with employees. Lao Heng He continues increasing investment in team building and employee training, provides employees with competitive salaries and benefits and social security among peers, enhances employee communication and promotion prospects, and is committed to providing employees with a fair working environment while enhancing their sense of belonging.

#### EMPLOYMENT OVERVIEW

Lao Heng He strictly complies with the requirements of laws and regulations, such as “The Labour Law of the People’s Republic of China (中華人民共和國勞動法)”, “The Employment Promotion Law of the People’s Republic of China (中華人民共和國就業促進法)”, “The Labour Dispute Mediation and Arbitration Law of the People’s Republic of China (中華人民共和國勞動爭議調解仲裁法)” and “Regulations on Labour Security Supervision (勞動保障監察條例)”, and continuously improves internal policies, such as “Regulations on management of Human Resources (人力資源管理規定)”, “Control Procedures on Human Resources (人力資源控制程序)”, “Procedures on Recruitment, Employment and Dismissal (招聘、錄用、解聘程序)”, “Remuneration plan of the company (公司薪酬計劃)” and “Employee Performance Management System (員工績效管理制度)”, and also systematically regulates and manages various aspects regarding recruitment, employment, promotion, dismissal, code of conduct, working hours, performance assessment, welfare and benefits, diversity and anti-discrimination, to protect the legitimate rights and interests of employees.

Lao Heng He is determined to be a responsible employer and in this connection, the Group has implemented good employment practice and promoted the ethical and human rights at the workplace. Lao Heng He strictly prohibits the employment of child labour, forced labour and any other illegal employment behaviours. The Group only hires lawful employees and will not hire any child labour. During the recruitment process, candidates must submit photocopies of their identity cards and subsequently present originals for verification purposes.

老恒和恪守「以人為本」的理念，視員工為家人和企業發展最寶貴的財富之一。通過不斷發揮匠人精神，與員工攜手共進。老恒和不斷增加對團隊建設的投入和員工培訓投入，為員工提供在同行中具備競爭力的薪酬福利和社會保障，完善員工溝通和晉升渠道，致力於為員工提供公平工作環境的同時，亦能增強員工歸屬感。

#### 僱傭概況

老恒和嚴格遵守《中華人民共和國勞動法》、《中華人民共和國就業促進法》、《中華人民共和國勞動爭議調解仲裁法》及《勞動保障監察條例》等法律法規的要求，並不斷完善《人力資源管理規定》、《人力資源控制程序》、《招聘、錄用、解聘程序》、《公司薪酬計劃》及《員工績效管理制度》等內部政策，就員工招聘、錄用、晉升、解僱、行為準則、工作時間、績效考核、福利待遇、多元文化與反歧視等方面進行了系統性的規範與管理，以維護員工的正當權益。

老恒和為成為負責任之僱主一直不遺餘力，而本集團致力實行良好僱傭慣例，於工作場所提倡道德及人權。老恒和嚴厲禁止僱傭童工、強制勞動等不合法的僱傭行為發生。本集團只聘請合法員工而不會聘用任何不符合適用法例及法規規定之最低工作年齡人士。於招聘過程中，應徵者必須提交身份證明文件副本及出示正本以作核實。



## 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

### 4. 和以聚力，採擢薦進

Lao Heng He has in place an internal policy and “Employees’ Handbook” (員工手冊) which prohibits any form of child labour and set out the process of resignation and dismissal of employees in order to safeguard the Group’s and employees’ rights and eliminate the possibilities of forced labour. The Human Resources department will review the employment practice regularly to prevent the possibility of child and forced labour. If we find any employee employment situations that violate relevant national or local laws and regulations, we will take immediate measures to protect the legitimate rights and interests of employees: for the employment of child labour, we will require the relevant department to send the child labour back to their original places of residence within the specified time limit and the person in charge of the department involved shall receive severe punishments; for forced labour, we will handle the case according to the specific circumstances in accordance with laws and regulations through the labour union and labour dispute mediation committee. During the reporting period, Lao Heng He had not committed any illegal acts including the employment of child labour and forced labour.

For staff recruitment, Lao Heng He adheres to the principle of “Fairness, Openness, and Meritocracy” to select the most suitable talent for the job. Lao Heng He attaches great importance to diversity of staff, but also respects employees’ gender, age, national culture, marriage and family conditions, and religious beliefs with an aim to create a fair, healthy, enterprising, and warm working atmosphere for employees. During the reporting period, Lao Heng He had a total of 422 employees and according to gender, age and employment type were as follows:

老恒和有妥善的內部政策及《員工手冊》，禁止任何形式的童工，並清晰列明僱員辭任及離職之過程，以保障本公司及僱員之權利，消除強迫勞動的可能性。人力資源部將定期檢討僱傭慣例，以防止錄用童工和強迫勞動的可能性。如若發現任何違反國家或地方相關法律法規的員工僱傭情況，我們將立即採取措施，以保障員工合法權益：對於僱傭童工行為，我們將強制要求涉事部門在規定期限內將童工送回原居住地並對涉事部門負責人進行嚴懲；對於強迫勞動行為，我們通過工會和勞動糾紛調節委員會，根據事件具體情況依法依規處理。報告期內，老恒和未發生任何包括僱傭童工和強制勞動在內的違法行為。

在員工招聘上，老恒和秉承「公平公開、唯才是用」的原則為崗位挑選最適宜的人才。老恒和重視員工多元化的同時亦尊重員工的性別、年齡、民族文化、婚姻及家庭情況、宗教信仰，致力於為員工打造公正、健康、進取、溫暖的工作氛圍。報告期內，老恒和共有全職員工422人，按性別、年齡、僱員類型劃分的員工情況如下：



## 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

### 4. 和以聚力，採擢薦進

#### Employment Profile

#### 僱傭概況

<b>Workforce As at 31 December</b>	<b>僱員 截至十二月三十一日</b>	<b>2019 二零一九年 No. of Staff 僱員人數</b>	<b>2020 二零二零年 No. of Staff 僱員人數</b>
<b>By Gender</b>	<b>按性別</b>		
Male	男	187	263
Female	女	351	159
<b>By Age Group</b>	<b>按年齡組別</b>		
Below 30	30歲以下	86	29
30–50	30–50歲	320	252
Over 50	50歲以上	132	141
<b>By Employment Type</b>	<b>按僱傭類型</b>		
Full time	全職	Not disclosed 未有披露	422
Part time	兼職	Not disclosed 未有披露	0
<b>By Function</b>	<b>按僱員類型</b>		
Production	生產類	272	236
Sales and Marketing	業務銷售類	142	83
Administration	行政管理類	18	21
Technical	技術類	106	82
<b>By Geographical Region</b>	<b>按地區</b>		
Mainland China	中國內地	538	422
Hong Kong, China	香港	0	0
<b>Total</b>	<b>整體</b>	<b>538</b>	<b>422</b>



## 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

### 4. 和以聚力，採擢薦進

#### EMPLOYEE RETENTION AND COMMUNICATION WITH CARING

##### Remuneration and Compensation

The Group offers competitive compensation to retain talents. Currently, we mainly determine employees' compensation based on two systems: monthly-based and hourly-based. The remuneration package of each employee is determined with reference to a number of factors, including educational background, job duties, professional skills, technical capabilities and experience, whereas hourly compensation is based on the corresponding labour quota and efficiency of the position.

To attract and retain talents, the Group also offers a variety of benefits, including bonuses, "Social Security and Housing Provident Fund in the PRC (中國社保及住房公積金)", statutory welfare scheme contributions for the benefit of employees by the relevant legal requirements in the PRC, including but not limited to the social insurance payments in the PRC, injury compensation and insurance and overtime allowance.

##### Rest Period and Working Hours

The Group provides reasonable working hours and rest periods to employees. The resting time of the Group's employees is well respected and the employees are also entitled to paid holidays under statutory requirements or otherwise under their respective employment contracts such as annual leave, sick leave, work injury leave, maternity leave and marriage leave.

#### 僱員留用與溝通關愛

##### 薪酬及報酬

本集團提供具競爭力薪酬以吸引人才。而我們目前主要按月薪以及綜合工時兩種薪酬制度安排僱員薪酬。每名僱員之薪酬將參考多項因素而釐定，包括教育背景、工作職責、專業技能、技術能力及經驗；而綜合工時薪酬則取決其崗位對應的勞動定額以及效率等。

為吸引及挽留人才，本集團提供各項福利，包括年終獎金、中國社保及住房公積金、根據中國之相關法律規定為僱員作出法定福利計劃供款，包括中國社會保險付款、工傷賠償及保險、加班補償等。

##### 休假及工作時間

本集團為僱工提供合理的工作時間和休息時間。本集團僱員之休息時間備受尊重，僱員亦享有根據法例規定或彼等各自之僱傭合約所規定之有薪假期，例如年假、病假、工傷假、產假及婚假等。



## 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

### 4. 和以聚力，採擢薦進

#### Employee Turnover

During the FY2020, the Group has an overall turnover rate of 36.9%. The detailed turnover numbers and percentage are set forth below:

#### 僱員流失比率

於二零二零財政年度期間，本集團整體流失率為36.9%。詳細僱員流失數目和比率如下：

Turnover	流失比率	2020 二零二零年 Turnover rate (%) 流失比率 (%)
<b>By Gender</b>	<b>按性別</b>	
Male	男	34.1
Female	女	41.1
<b>By Age Group</b>	<b>按年齡組別</b>	
Below 30	30歲以下	59.7
30-50	30-50歲	38.5
Over 50	50歲以上	24.6
<b>By Function</b>	<b>按僱員類型</b>	
Production	生產類	35.5
Sales and Marketing	業務銷售類	50.9
Administration	行政管理類	19.2
Technical	技術類	24.1
<b>By Geographical Region</b>	<b>按地區</b>	
Mainland China	中國內地	36.9
Hong Kong, China	香港	0.0
<b>Overall</b>	<b>整體</b>	<b>36.9</b>



# 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

## 4. 和以聚力，採擢薦進

### Employee welfare

Lao Heng He respects the contributions of its employees to the Company and spares no effort in providing competitive staff welfares that are comparable to market terms. We have formulated and continuously modified the “Remuneration and Compensation Policy (薪酬及補償政策)” and established a remuneration committee that is responsible for managing remuneration related matters, so as to continuously improve the remuneration system for our employees. Lao Heng He provides employees with medical insurance, pension insurance, unemployment insurance, work-related injury insurance and housing provident fund, as well as other related expenses in accordance with the laws. Employees are also provided with a basic salary, post allowance, performance bonus, seniority allowance and other allowances. In order to ensure equal pay for equal work and fair and reasonable allowance, Lao Heng He has set up 4 major indicators and 29 indicators for the provision of job allowance to employees.

As for welfare, Lao Heng He strives to create a home-like atmosphere for its staff. Family rooms and couple rooms are provided to cater to the special needs of our employees and their families. As a leader in the seasoning industry, Lao Heng He regularly customises and updates the canteen menu to meet the diverse eating habits of its staff and to allow them to enjoy a better quality of life brought by excellent seasonings.

### Employee Activities

Lao Heng He cares for the mental health of our employees and organised a variety of activities to motivate and to enhance the overall morale of its employees. During the reporting period, we sent representatives to attend the “1 July Chinese Communist Party (CCP)” themed activity, Yuhang and Deqing CCP Members Activity Day Tour, etc. In the future, we will continue showing our love and care for our employees by standing in their shoes and meeting their needs, as if they were our family members.

### 僱員福利

老恒和尊重員工為企業的付出，致力於為員工提供與市場標準相比具備競爭性的員工福利，通過制定並不斷完善《薪酬及補償政策》，成立薪酬委員會負責管理薪酬相關事項，持續完善員工薪酬福利制度。老恒和為員工依法繳納醫療保險、養老保險、失業保險、工傷保險及住房公積金以及支付相關費用，並為員工提供基本工資、崗位補貼、績效獎金、工齡補貼以及其他補貼。其中，為保障同工同酬以及補貼的公平合理性，老恒和為員工提供的崗位補貼一項便設置了4大指標29項指標。

在福利方面，老恒和致力於為員工營造「家」的氛圍，根據員工特殊需求提供母子房、夫妻房等，為員工及其家屬創造方便。作為調味品行業的領導者，老恒和亦定期定制和更換食堂菜單，在滿足員工飲食習慣差異的同時，讓員工體驗優質調味品帶來的生活之美。

### 僱員活動

老恒和關愛員工的心理健康並組織了各種活動來激勵和提高員工的整體士氣，報告期間，我們派代表出席「七一」主題黨日活動、余杭及德清黨員活動一日遊等。未來，我們將延續並發揚對員工的關愛，做到如家人般「想員工之所想，急員工之所急」。



“1 July Chinese Communist Party (CCP)”  
themed activity  
「七一」主題黨日活動



Yuhang and Deqing CCP Members Activity  
余杭及德清黨員活動

# 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

## 4. 和以聚力，採擢薦進

### HEALTH AND SAFETY

Lao Heng He strictly complies with related laws and regulations and local regulations, such as “The Work Safety Law of the People’s Republic of China (中華人民共和國安全生產法)”, “Occupational Disease Prevention and Control Law of the People’s Republic of China (中華人民共和國職業病防治法)”, “Provisions on the Supervision and Administration of Occupational Health in the Workplace (工作場所職業衛生監督管理規定)”, “Occupational Disease Diagnosis and Identification Management Measures (職業病診斷及鑒定管理辦法)”, “Regulation on Work-Related Injury Insurance (工傷保險條例)” and “Regulations on Safety Production in Zhejiang Province (浙江省安全生產條例)” etc., formulates and continuously improves internal systems such as the “Occupational Hazard Factor Monitoring and Classification Management Regulations for Companies (公司職業危害因素監測及分級管理規定)”, “Identification of Hazardous Elements, Evaluation and Update Procedures (危險有害因素識別、評價與更新程序)” and “Occupational Health Physical Examination System (職業健康體檢制度)”, and passed the ISO 45001 “Occupational Health and Safety Management System” to fully safeguard the occupational health and safety of employees.

### 健康與安全

老恒和嚴格遵守《中華人民共和國安全生產法》、《中華人民共和國職業病防治法》、《工作場所職業衛生監督管理規定》、《職業病診斷及鑒定管理辦法》、《工傷保險條例》及《浙江省安全生產條例》等相關法律法規和地方管理辦法，制定並不斷完善《公司職業危害因素監測及分級管理規定》、《危險有害因素識別、評價與更新程序》及《職業健康體檢制度》等內部制度，並通過了ISO 45001職業健康安全管理体系認證，全面保障員工職業健康安全。



ISO 45001 Certification of the “Occupational Health and Safety Management System”  
ISO 45001 職業健康安全管理体系認證

# 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

## 4. 和以聚力，採擢薦進

### Occupational Measures

The below sets forth a few examples of the practices adopted by the Group in accordance with the applicable local laws and regulations in relation to workplace safety:

### Our Attempt

- Ensuring the Group maintain the requirements of ISO 9001: 2015 (Quality management), ISO 14001: 2015 (Environmental Management), and ISO 45001: 2018 (Occupational health and safety);
- Ensuring the Group's employees maintain accident insurance;
- Production Centre is responsible for arranging regular inspection of fire safety equipment in production facility and office premises;
- Human Resources Department is responsible for arranging health checks to staff members as appropriate;
- Providing safety equipment such as fire extinguishers at the workplace;
- Installing surveillance cameras at the main entrances of the production facility and offices;
- Employing security guards guarding at various entrances and carrying out 24-hour patrol;
- Prohibiting smoking at the workplace;
- Providing safety training to staff members and practising from time-to-time emergency responses in the case of fire and establishing contingency plan for other possible hazards that our industry may be exposed to;
- Regular garbage removal; and
- Providing precautionary measures and equipment (such as disinfectant and mask) to protect the staff from the COVID-19 pandemic.

#### 1. Emergency Preparedness

"Contingency Preparation Procedures in Response to Emergencies" (應急準備、響應控制程序) is established in response to emergency situations such as fire, electrical failure, chemical leakage or oil spill, heat stress, etc.

### 職業措施

下文載列本集團已採納常規之若干例子，以遵守有關工作安全並適用的本地法律及法規：

### 我們的措施

- 確保本集團達到ISO 9001: 2015(質量管理)、ISO 14001: 2015(環境管理)和ISO 45001: 2018(職業健康和 safety)的要求；
- 確保本集團僱員購買意外保險；
- 生產中心負責定期安排消防部門檢查生產設施和辦公場所的消防安全設備；
- 由人力資源部負責為員工組織健康檢查(如適用)；
- 於工作場所提供滅火器等安全設備；
- 於生產設施和辦公場所的主要出入口安裝監控攝像機；
- 僱用保安員，負責於不同入口看守及進行24小時巡邏；
- 禁止於工作場所吸煙；
- 為員工提供安全培訓，並不時進行火警及針對本行業可能會遭遇的其他危險制定應急預案；
- 定期清理垃圾；及
- 提供預防措施和設備(如消毒劑和口罩)，以保護員工免受新冠病毒疫情影響。

#### 1. 應急計劃準備能力

為應對火災、電力事故、化學品洩漏、中暑等突發事件制定《應急準備、響應控制程序》。

## 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

### 4. 和以聚力，採擢薦進

#### Safety Production

Lao Heng He implements routine safety management measures, carries out regular hazard source screening, identifies hazard sources in each production stage, and carries out rectification and follow-up work in a timely manner to ensure employees' safety. Lao Heng He encourages employees to take initiatives to identify and raise concerns about safety risks and hazards found during the working process and report them in time. We formulate various occupational safety knowledge topics for employees and explain to them in morning meetings and trainings. We require that every workshop must hold a regular safety meeting every Friday to summarize the existing safety hazards and the rectification period and strengthen the "prevention" mechanism. In addition, by signing the "Fire Responsibility Statement (消防責任書)" with employees, we actively respond to the government's fire drills, continuously expand the scale of fire drill training, improve the authenticity of fire drills and increase employees' awareness of safety responsibility.

#### 安全生產

老恒和推進常規安全管理舉措，定期開展危險源篩查，對每一個生產環節中的危險源進行識別，並及時進行整改和跟進，以保障員工安全。老恒和鼓勵員工主動識別並提出在工作過程中發現的安全風險及生產。我們為員工制定各類職業安全知識專題並以晨會、培訓等形式進行宣貫。我們要求每一車間每周五必須舉行安全例會，總結存在的安全隱患及整改期限，強化「事前預防」機制。此外，我們通過與員工簽訂《消防責任書》，積極響應政府消防演練，不斷擴大消防演練受訓規模，提高消防演練的真實程度，增加員工安全責任意識。

#### Key Points for Safety Management of Lao Heng He

##### 老恒和安全管理重點舉措



During the reporting period, Lao Heng He had no major work-related fatalities, reportable accidents as well as lost days due to work injuries.

報告期內，老恒和未發生因工作導致的重大傷亡事件。

## 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

### 4. 和以聚力，採擢薦進

#### Protection of Health

The health of employees is one of the foundations for the steady operation of Lao Heng He. By defining occupational disease hazard factors and monitoring procedures, as well as clarifying the types of health check, content periods, and processing of health check results, Lao Heng He carries out employee occupational health management from the two dimensions, “control of harmful factors” and “tracking of health status”. If an employee is diagnosed with an occupational disease in the occupational disease hazard test, Lao Heng He will compensate the employee who is diagnosed with the occupational disease, and conduct a comprehensive investigation and rectification of the employee’s working environment. During the reporting period, Lao Heng He had not found any significant cases of occupational diseases.

Since late 2019, the outbreak of COVID-19 has been affecting people in China and all over the world. Since the “battle against the epidemic” began, Lao Heng He has responded quickly and has done its best to carry out epidemic prevention and control work. Lao Heng He formulated emergency response plans and implemented a linkage investigation mechanism at all levels, cooperating with the communal and national anti-epidemic strategies and measures, fight against the “silent epidemic” to the best of its ability.

#### 健康保障

員工的健康是老恒和得以穩健營運的基礎之一。通過對職業病危害因素界定、監測程序做出規定，以及明確體檢類別、內容周期、體檢結果處理等內容，老恒和從「有害因素管控」和「健康狀態跟蹤」兩個維度開展員工職業健康管理工作。如有員工在職業病危害檢測中確診，老恒和將對確診職業病的員工進行補償，並對該員工的工作環境進行全面排查和整改。報告期內，老恒和暫未發現顯著的職業病個案。

二零一九年末，一場由新型冠狀病毒感染引起的肺炎疫情牽動中國乃至全球的人心，自這場「戰疫」打響以來，老恒和迅速響應，全力以赴開展疫情防控工作。老恒和在第一時間制定應急響應預案並實施各級組織聯動排查機制，配合社區和國家的抗疫措施及策略，全力支援這場無聲的戰「疫」。



# 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

## 4. 和以聚力，採擢薦進

### SUPPORT AND DEVELOPMENT

Lao Heng He recognizes that talents are the cornerstone of long-term development of an enterprise. By focusing on the cultivation of core talents, Lao Heng He provides training opportunities and fair promotion channels for every employee with inclusive minds, and continuously cultivates high quality management talent echelons.

#### Empowered training

Lao Heng He provides employees with diversified training, aiming to improve the quality of employees in terms of professionalism and work skills. Lao Heng He has formulated and continuously improved the “Training Management System (培訓管理制度)”, which provides targeted training content for employees at different levels by clarifying the training content and scope of orientation training, on-the-job training, and professional training.

### 助力成長

老恒和深知人才是企業長期發展的基石，通過聚焦核心人才培養，以包容之心為每一位員工提供培訓機會和公平的晉升渠道，不斷培養高素質經營人才梯隊。

#### 培訓賦能

老恒和為員工提供多樣化的員工培訓，旨在從專業素養、工作技能水平等方面提高員工素質。老恒和制定並不斷完善《培訓管理制度》，通過明確職前培訓、在職培訓、專業培訓的培訓內容和培訓範圍，為不同層級的員工提供針對性的培訓內容。



## 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

### 4. 和以聚力，採擢薦進

To preserve and pass on Lao Heng He's ancestral motto of "Perseverance combined with good-naturedness and creditworthiness" and ancient brewing skills, our winemakers and wine tasters will receive regular wine culture training and skills training. Meanwhile, Lao Heng He also implies the "three-tier training (三幫)" system, namely "apprenticeship, new and old employees, rotation (師徒幫帶、新老幫帶、輪崗幫提)", to develop "Lao Heng He's person (老恒和人)" through three aspects, namely inheritance of technology and tradition, abilities enhancement and quality training, and achieves the common development of employees and the enterprise. We have originally planned to hold the "Ancient Brewing Technique Inheritance Ceremony" every three years, but in order to prevent the spread of the COVID-19, the Ceremony was suspended during the reporting period, to express our respect and gratitude to the Lao Heng He's previous generation of brewers, and also to start the long-term and systematic training of the next generation of brewers. During the process of learning in Lao Heng He, young brewers can learn not only the Lao Heng He's ancient brewing skills, but also the spirit of being down-to-earth, striving for perfection and perseverance.

During the FY2020, a total of 394 employee in Mainland China have received training and have been offered 2,841 training hours in total. The details are as follows:

為不斷傳承並弘揚老恒和「恆以持之，和信為本」的祖訓以及古法釀造的技藝，我們的釀酒師和品酒師會定期接受酒文化培訓和酒業協會技能職稱培訓。同時，老恒和還通過「師徒幫帶、新老幫帶、輪崗幫提」的「三幫」機制從技術傳承、能力提升以及素質培養三方面全面打造「老恒和人」，實現員工與企業的共同發展。我們原定每三年舉辦一次「古法釀造技藝傳承拜師儀式」，然而為防止新冠肺炎病毒傳播，報告期間暫緩舉辦該儀式。在對上一代老恒和釀造師表達敬意和謝意的同時開啟對下一代釀造師的長期、及有系統的培養。在老恒和，年輕技工們在從師學藝的過程中，學到的不僅僅是老恒和古法釀造的技藝，更是老恒和腳踏實地、精益求精、持之以恆的精神。

於二零二零財政年度期間，本集團中國內地共有394名僱員參與培訓，共計提供2,841小時的培訓。具體情況如下：

Percentage of Employee Receiving Training <sup>4</sup>	受訓員工百分比 <sup>4</sup>	2020 二零二零年
<b>By Gender</b>	<b>按性別</b>	
Male	男	92.40
Female	女	94.97
<b>By Employment Type</b>	<b>按僱員類型</b>	
Production	生產類	94.49
Sales and Marketing	業務銷售類	97.59
Administration	行政管理類	90.48
Technical	技術類	86.59
<b>Overall</b>	<b>整體</b>	<b>93.36</b>

<sup>4</sup> Percentage of trained employee = Total number of employees received training towards the end of the reporting period / Total number of employees as at the end of the reporting period.

<sup>4</sup> 受訓僱員百分比 = 報告期間受訓僱員總數除以報告期末僱員總數。

## 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

### 4. 和以聚力，採擢薦進

		2020 二零二零年 Hours per Employee 時數／僱員
<b>Average Training Hours<sup>5</sup></b>	平均培訓時長 <sup>5</sup>	
<b>By Gender</b>	按性別	
Male	男	6.49
Female	女	7.13
<b>By Employment Type</b>	按僱員類型	
Production	生產類	5.59
Sales and Marketing	業務銷售類	4.77
Administration	行政管理類	39.00
Technical	技術類	3.74
<b>Overall</b>	整體	6.73

<sup>5</sup> Average training hours = Total training hours during the reporting period / Total number of employees as at the end of the reporting period.

<sup>5</sup> 平均培訓時長 = 報告期間培訓總時數除以報告期末僱員總數。



## 4. GATHERING TALENTS WITH RECOMMENDATION AND PROMOTION MECHANISM

### 4. 和以聚力，採擢薦進

#### Promotion and development

To enhance the vocational and professional levels of our team, Lao Heng He not only implements a strict gate-keeping system for talent recruitment and provides systematic training to improve their skills, but also promotes the continuing development of talents by developing a multi-dimensional appraisal system and fair and impartial evaluation and motivation system. We continue improving our internal management system, such as the “Employee Performance Management System (員工績效管理制度)” and the “Management Measures on Incentive Promotion (激勵晉升管理辦法)”, to examine, analyse and evaluate the performance of our employees in terms of work results, behavioural issues, work attitude and overall quality, so as to improve the quality of our employees and unlock their potential.

Lao Heng He has established transparent promotion channels for its employees. Employees are constantly promoted for self-improvement, and a comprehensive performance appraisal is conducted every year. According to the “Management Measures on Incentive Promotion (激勵晉升管理辦法)”, Lao Heng He classifies its employees into A+/A/B/C/D/E grades based on their comprehensive appraisal results and provides them with performance rewards according to different grades. For those employees who have outstanding performance in the comprehensive appraisal and made great contributions to the technical/management innovation of the Company, Lao Heng He will give awards and offer promotion opportunities. For those employees with poor performance, Lao Heng He requires the department heads to arrange a performance review within one week after the appraisal to review, analyse and improve their performance, and to copy and retain the original review record within 10 days after the appraisal as the basis for the next year’s appraisal and performance review.

#### 晉升發展

為提升員工團隊的職業化和專業化，老恒和除了在引進人才時嚴格把關、通過系統化培訓提升能力外，亦通過立體多維的考核、公平公正的評估激勵體系，促進人才的不斷成長。我們不斷完善《員工績效管理制度》和《激勵晉升管理辦法》等內部管理制度，從員工工作結果、行為表現、工作態度以及綜合素質等各方面對員工的表現進行檢測、分析和評價，從而提高員工素質，挖掘員工潛力。

老恒和為員工打造透明晉升渠道，不斷促進員工進行自我提升，並於每年對員工進行綜合績效測評。老恒和根據《激勵晉升管理辦法》以及員工的綜合績效考評結果將員工分為A+/A/B/C/D/E等級，並根據不同等級提供績效獎勵。對於綜合績效考評結果優秀且對企業技術/管理革新做出重大貢獻的員工，老恒和將給予嘉獎並提供晉升機會。而對於表現較差的員工，老恒和要求各部門主管在考核結束後一星期內安排績效面談，進行回顧、分析和提升，並在考核結束後的十日內將面談記錄原件複印留存，作為下一年績效考核及績效面談的依據。



## 5. PURSUING ENVIRONMENTAL HARMONY AND GREEN DEVELOPMENT

### 5. 和以自然，綠色發展

Lao Heng He strictly complies with the relevant laws, local regulations and rules such as “The Environmental Protection Law of the People’s Republic of China (中華人民共和國環境保護法)”, “The Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes (中華人民共和國固體廢物污染環境防治法)”, “The Atmospheric Pollution Prevention and Control Law of the People’s Republic of China (中華人民共和國大氣污染防治法)” and continuously improves the internal systems, such as “Regulations on Environmental Protection and Management (環境保護管理制度)” and “Control Protocol of Resources and Energy (資源能源控制規程)” to enhance our green production and operation. Through the identification and evaluation of environmental factors, we evaluate the energy use and emission management in all aspects of production and operation, effectively improving the energy efficiency in the operation and production process and minimising the impact on the ecological environment.

老恒和嚴格遵守《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》與《中華人民共和國水污染防治法》等國家和地區環境相關法律法規，持續完善內部《環境保護管理制度》和《資源能源控制規程》等內部制度，提升綠色生產運營水準。我們通過環境因素識別評價生產營運全環節的能源使用和排放管理，有效提升營運生產過程中的能源使用效率，最大程度降低對生態環境的影響。

#### Identification and evaluation of environmental elements

##### 環境因素識別評價



Identification and evaluation of the discharge of pollutants, the consumption of energy, resources and raw materials, potential environmental accidents, etc.

識別和評價污染物的排放處置，能源、資源、原材料的消耗，以及潛在的環境事故等

In addition, Lao Heng He promotes energy savings and carbon reduction to achieve sustainable business operations. To this end, we will continue reducing exhaust gas, greenhouse gas emissions, waste production, and energy and water consumption in its business operations. We aim to do our best to comply with the goals of the local and central government on reduction targets.

此外，老恒和倡導節能減碳，致力於實現可持續業務營運。為此，我們將繼續不遺餘力地於其業務過程中減少廢氣、溫室氣體排放、廢物產生、能源以及水資源消耗，務求盡力配合各地減排目標。



# 5. PURSUING ENVIRONMENTAL HARMONY AND GREEN DEVELOPMENT

## 5. 和以自然，綠色發展

### RESOURCE OPTIMISATION

Lao Heng He has formulated and implemented several policies, such as “Guiding Manual on Water and Electricity Conservation (節約水、電管理作業指導書)” and “Guiding Manual of Energy Conservation and Consumption Reduction (節能降耗管理作業指導書)” to integrate environmental protection into our daily operation. Starting from the details and management of each energy-using process, the Company keeps resources such as electricity, steam, water, and packaging materials in the production process under effective control, improves resource efficiency through equipment renovation, and continues adopting lightweight packaging, so as to minimise the impact of our production and operation activities on the environment.

#### Energy Management

As for energy usage management, we improve the efficiency of electricity usage with the aid of an intelligent platform and improve our equipment to reduce energy consumption. By means of the intelligent electricity usage system in cooperation with a third-party energy management company, we use the system to record and analyse the condition of electrical circuits and relevant energy usage data, formulate the annual energy saving and consumption reduction plan based on operating conditions, and develop initiatives to achieve the annual plan. During the reporting period, in order to reduce the consumption of energy, the Group carried out technical improvement in the second half of 2020, by upgrading the cooking wine sterilisation process in the Workshop of Packaging of the Production Centre from spray sterilisation method to high-temperature filling method and saved 60 kWh of electricity after the upgrade.

### 資源優化

老恒和制定並實施《節約水、電管理作業指導書》和《節能降耗管理作業指導書》等政策，將環保理念貫穿於日常營運之中。公司從各能源使用的工藝細節及管理層面入手，對生產過程中的電力、蒸汽、水、包裝材料等資源進行有效控制，通過設備改造等提升資源使用效率，並持續採用輕量化包裝，最大程度減少生產經營活動對環境的影響。

#### 能源管理

在能源使用管理方面，我們借助智能化平台提升電力使用效率，並改造設備降低能源消耗使用。通過與第三方能源管理公司合作的智能用電系統，我們利用該系統記錄和分析電氣線路情況及相關能源使用數據，並結合營運情況制定年度節能降耗計劃，並制定相關舉措以達成年度計劃。報告期內，本集團為了減少電源消耗，在二零二零下半年通過進行技術改進，將生產中心包裝車間部的料酒滅菌方式從噴淋滅菌改成高溫灌裝方式降低能源消耗，改造後節電60千瓦時。



## 5. PURSUING ENVIRONMENTAL HARMONY AND GREEN DEVELOPMENT

### 5. 和以自然，綠色發展

During the reporting period, Lao Heng He's energy consumption was as follows: 報告期內，老恒和能源使用情況如下：

Types of energy	能源種類	Unit	單位	2019 二零一九年	2020 二零二零年
Unleaded petrol	無鉛汽油	Liter	公升	196,354	17,490.26
Diesel	柴油	Liter	公升	218,073	8,691.78
Electricity	電力	MWh	兆瓦時	199	2,257.78
Purchased natural gas	外購天然氣	m <sup>3</sup>	立方米	Not disclosed 未有披露	6,037
Purchased steam	外購蒸汽	tonnes	噸	11,833	10,815

Energy Consumption	能源消耗	Unit	單位	2019 二零一九年	2020 二零二零年
Direct energy consumption	直接能源消耗	MWh	兆瓦時	3,876	314.80
Indirect energy consumption	間接能源消耗	MWh	兆瓦時	12,581	10,565.19
Total energy consumption	綜合能源消耗	MWh	兆瓦時	16,457	10,879.99
Intensity	能源消耗密度	MWh/10,000 RMB of revenue	兆瓦時／萬元收入	0.70 <sup>6</sup>	0.48 <sup>7</sup>

#### Water Management

Lao Heng He mainly manages domestic water and production water. It has established a strict water management system based on the production process and relevant local laws, regulations and standards to ensure the scientific, rational and efficient use of water resources. During the reporting period, Lao Heng He continued promoting water optimisation projects and modify the cleaning process, so as to enhance the efficiency of water consumption.

#### 水資源管理

老恒和主要涉及生活用水以及生產用水，並結合生產工藝情況和當地相關法律法規及標準建立了嚴格的水資源管理制度，確保水資源使用的科學性、合理性和高效性。報告期內，老恒和持續推動水資源優化項目，優化改造清洗流程，提升了水資源的利用效率。

<sup>6</sup> The total revenue of the Group in FY2019 is approximately RMB235,500k.

<sup>7</sup> The total revenue of the Group during the reporting period is approximately RMB226,331k.

<sup>6</sup> 本集團於二零一九年度的總收入約為人民幣235,500千元。

<sup>7</sup> 本集團於報告期間的總收入約為人民幣226,331千元。

## 5. PURSUING ENVIRONMENTAL HARMONY AND GREEN DEVELOPMENT

### 5. 和以自然，綠色發展

During the reporting period, Lao Heng He's water consumption was as follows:

報告期內，老恒和水資源使用情況如下：

Water Consumption	水資源	Unit	單位	2019 二零一九年	2020 二零二零年
Municipal water consumption	市政用水量	m <sup>3</sup>	立方米	319,489	180,564
Water consumption intensity	密度	m <sup>3</sup> /10,000 RMB of revenue	立方米/萬元收入	13.57 <sup>6</sup>	7.98 <sup>7</sup>

#### Packaging Materials

The packaging materials used by Lao Heng He in the production process are mainly paper, glass and plastic. During the reporting period, Lao Heng He started with improving its packaging, to reduce the use of resources, we have changed the disposable corrugated backing board used in each layer of glass containers to PP Plate sheet so that they can be reused. Since this reporting period, we have changed wooden pallets to plastic pallets step by step to increase usability and reduce wood consumption, with the aim of improving the environmental friendliness and cost-effectiveness of the packaging process.

#### 包裝材料

老恒和在生產過程中使用的包裝材料主要為紙類、玻璃以及塑料等。報告期內，老恒和從改善包裝方式開始著手，以降低資源的使用，我們已將玻璃瓶每層使用的一次性瓦楞墊板改為塑料萬通板，使之能可重複使用。自本財政年度起，我們將木托盤逐步改為塑料托盤以增加可用次數並減少木材消耗，旨在提高包裝過程中的環保性與經濟性。

Meanwhile, we actively promote the recycling of packaging materials. Part of the recyclable packaging materials shall be recycled in a unified manner, stored at a fixed point in the warehouse, recycled or disposed by the suppliers.

同時，我們積極推行包材回收利用，將部分可回收包材統一進行回收，定點存放至倉庫，循環使用或由供應商統一回收處理。

During the reporting period, packaging materials of the most typical 500 ml cooking wine bottles used by Lao Heng He were as follows:

報告期內，老恒和產品所使用的最典型500毫升料酒玻璃瓶包裝材料使用情況如下：

Packaging Materials <sup>9</sup>	包裝材料 <sup>9</sup>	Usage (tonnes)	Intensity (tonnes/ million bottles <sup>8</sup> )
		使用量(噸) 2020 二零二零年	密度 (噸/百萬件 <sup>8</sup> ) 2020 二零二零年
Glass	玻璃	7,786.74	2,087.60
Metal	金屬	63.19	16.94
Paper	紙質	936.73	251.13

<sup>8</sup> During the reporting period, the total production volume of various cooking wine products in 500 ml glass containers was 3.73 million units.

<sup>9</sup> The data scope of packaging materials only includes various cooking wine products in 500 ml glass containers.

<sup>8</sup> 報告期間，500毫升玻璃瓶包裝的各類料酒產品總產量為3.73百萬件。

<sup>9</sup> 包裝材料數據範圍僅包括500毫升玻璃瓶包裝的各類料酒產品。

# 5. PURSUING ENVIRONMENTAL HARMONY AND GREEN DEVELOPMENT

## 5. 和以自然，綠色發展

### DISCHARGE MANAGEMENT

Lao Heng He strictly complies with the relevant laws, local regulations and rules such as “The Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes (中華人民共和國固體廢物污染環境防治法)”, “The Atmospheric Pollution Prevention and Control Law of the People’s Republic of China (中華人民共和國大氣污染防治法)” and “Regulation on the Safety Management of Hazardous Chemicals (危險化學品安全管理條例)”. We closely monitor and record pollutant discharge to minimise pollution to the environment.

#### Wastewater Discharge Management

Lao Heng He strictly follows “The Water Pollution Prevention and Control Law of the People’s Republic of China (中華人民共和國水污染防治法)”, “The Integrated Wastewater Discharge Standards (污水綜合排放標準)” and “The Indirect Discharge Limitation of Industrial Wastewater Containing Nitrogen and Phosphorus (工業企業廢水氮、磷污染物間接排放限值)”. We have established internal management systems such as the “Wastewater Discharge Control System (廢水排放控制制度)” and the “Operation Guidelines on Wastewater Treatment (廢水處理作業指導書)”. The Company regulates the discharge management of wastewater generated from production and operation, such as wastewater from each workshop, wastewater used for cooling, washing and greening, and domestic wastewater used in canteens, washrooms, and toilets, etc.

During the reporting period, Lao Heng He’s wastewater discharge was as follows:

### 排放管理

老恒和嚴格遵守《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國大氣污染防治法》和《危險化學品安全管理條例》等法律和地方法規、規章，嚴格執行污染物排放的監測和記錄，最大程度的降低對環境的污染。

#### 污水排放管理

老恒和嚴格遵循《中華人民共和國水污染防治法》、《污水綜合排放標準》和《工業企業廢水氮、磷污染物間接排放限值》，制定了《廢水排放控制制度》與《廢水處理作業指導書》等內部管理制度。公司對生產營運中產生的廢水如車間廢水、冷卻廢水、沖洗廢水、綠化產生的廢水以及食堂用水、洗手間和廁所產生的生活污水等進行規範排放管理。

報告期內，老恒和廢水排放情況如下：

Types of wastewater discharge	廢水排放類別	Units	單位	2019 二零一九年	2020 二零二零年
Total discharge of wastewater	廢水排放總量	m <sup>3</sup>	立方米	150,527	72,342
Total discharge of COD	COD 排放濃度	mg/liter	毫克/升	33.5	29.8
Total discharge of ammonia-nitrogen	氨氮排放濃度	mg/liter	毫克/升	6.95	0.45



# 5. PURSUING ENVIRONMENTAL HARMONY AND GREEN DEVELOPMENT

## 5. 和以自然，綠色發展

### Solid Waste Management

Lao Heng He strictly complies with relevant laws, regulations and management measures such as “The Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes (中華人民共和國固體廢物污染環境防治法)”, “The National Hazardous Waste List (國家危險廢棄物名錄)”, “The Measures for the Prevention and Control of Environmental Pollution by Discarded Dangerous Chemicals (廢棄危險化學品污染環境防治辦法)” and “The Measures for the Administration of the Transfer of Hazardous Wastes (危險廢棄物轉移聯繫管理辦法)”, as well as internal systems such as the “Waste Management Control Procedure (廢棄物管理控制程序)” and the “Guiding Manual on Classification, Collection and Handling of Wastes (廢棄物分類收集、處理作業指導書)”, which ensure proper disposal of wastes.

We divide wastes generated from production and operation into production wastes, domestic and office wastes, and hazardous wastes, and strictly enforce the internal guidelines such as the Operation Guidelines on Classification, Collection and Disposal of Wastes (廢棄物分類收集、處理作業指導書) and the Operation Guidelines on Collection and Disposal of Chemical Wastes and Containers, Waste Oils and Sludge (廢化學品液及容器、廢油及廢泥收集與處理作業指導書). We segregate, store, transport and dispose of wastes according to their nature in accordance with the laws. Hazardous wastes, mainly including waste organic solvents, waste oils, etc., will be disposed of at designated storage sites in refuse collection points and entrusted to a service provider with hazardous waste treatment qualifications for disposal.

### 固體廢棄物管理

老恒和嚴格遵守《中華人民共和國固體廢物污染環境防治法》、《國家危險廢棄物名錄》、《廢棄危險化學品污染環境防治辦法》及《危險廢棄物轉移聯繫管理辦法》等相關法律法規及管理辦法，並嚴格遵循《廢棄物管理控制程序》和《廢棄物分類收集、處理作業指導書》等內部制度，確保廢棄物得以妥善處置。

我們將生產營運中產生的廢棄物分為生產廢棄物、生活及辦公廢棄物和危險廢棄物，並嚴格執行內部《廢棄物分類收集、處理作業指導書》及《廢化學品液及容器、廢油及廢泥收集與處理作業指導書》等指導政策。我們根據廢棄物的性質合規地實施分類投放、儲存、搬運以及處置，其中對於危險廢棄物主要包括廢有機溶劑、廢油類等，放置在垃圾站規定存放處，並委託有危險廢棄物處理資質的服務商處理。



## 5. PURSUING ENVIRONMENTAL HARMONY AND GREEN DEVELOPMENT

### 5. 和以自然，綠色發展

During the reporting period, Lao Heng He's solid waste discharge was as follows: 報告期內，老恒和固體廢棄物排放情況如下：

<b>Production wastes</b>		<b>生產廢棄物</b>			
		<b>Units</b>	<b>單位</b>	2019 <sup>6</sup> 二零一九年	<b>2020<sup>7</sup></b> 二零二零年
Soy sauce bean dregs	醬油豆渣	tonnes	噸	470	<b>218</b>
Wine vinasse/Vinegar residue	酒糟/醋渣	tonnes	噸	7,815	<b>405</b>
Fermented bean curd residue	腐乳渣	tonnes	噸	240	<b>315</b>
Sludge	污泥	tonnes	噸	576	<b>310</b>
Total	總量	tonnes	噸	9,101	<b>1,248</b>
Intensity	密度	tonnes/million RMB of revenue	噸/百萬元收入	38.65 <sup>6</sup>	<b>5.51<sup>7</sup></b>

<b>Domestic and office wastes</b>		<b>生活及辦公廢棄物</b>			
		<b>Units</b>	<b>單位</b>	2019 二零一九年	<b>2020</b> 二零二零年
Total	總量	tonnes	噸	351	<b>50</b>
Intensity	密度	tonnes/million RMB of revenue	噸/百萬元收入	1.49 <sup>6</sup>	<b>0.22<sup>7</sup></b>

<b>Hazardous wastes</b>		<b>危險廢棄物</b>			
		<b>Units</b>	<b>單位</b>	2019 二零一九年	<b>2020</b> 二零二零年
Total	總量	kg	千克	40	<b>25</b>
Intensity	密度	kg/million RMB of revenue	千克/百萬元收入	0.17 <sup>6</sup>	<b>0.11<sup>7</sup></b>



## 5. PURSUING ENVIRONMENTAL HARMONY AND GREEN DEVELOPMENT

### 5. 和以自然，綠色發展

#### Exhaust Gas Management

The exhaust gas generated from production and operation of Lao Heng He is mainly attributable to the boiler emissions and the cooking fume emissions from canteens. We strictly enforce “The Atmospheric Pollution Prevention and Control Law of the People’s Republic of China (中華人民共和國大氣污染防治法)” and comply with regulatory requirements in our production and operation, so as to control total emissions and ensure compliance with emission standards.

During the reporting period, Lao Heng He’s greenhouse gas emissions were as follows:

#### 廢氣管理

老恒和在生產經營過程中產生的廢氣主要來自鍋爐的排放以及食堂產生的油煙排放。我們嚴格執行《中華人民共和國大氣污染防治法》，在生產營運過程中，嚴格遵守監管要求，控制廢氣排放總量，確保排放達標。

報告期內，老恒和溫室氣體排放情況如下：

Greenhouse gas emission	溫室氣體排放	Unit	單位	2019 二零一九年	2020 二零二零年
Greenhouse gas emission (Scope 1) <sup>10</sup>	溫室氣體排放(範圍一) <sup>10</sup>	tonnes CO <sub>2</sub> -equivalent	噸二氧化碳	984	62.49
Greenhouse gas emission (Scope 2) <sup>11</sup>	溫室氣體排放(範圍二) <sup>11</sup>	tonnes CO <sub>2</sub> -equivalent	噸二氧化碳	3,646	5,065.32
Total (Scope 1 and Scope 2)	排放總量(僅包括範圍一及範圍二)	tonnes CO <sub>2</sub> -equivalent	噸二氧化碳	4,630	5,127.81
Intensity	排放密度	tonnes CO <sub>2</sub> -equivalent/ 10,000 RMB of revenue	噸二氧化碳/ 萬元收入	0.20 <sup>6</sup>	0.23 <sup>7</sup>

Scope 1 emission from fossil fuel consumption in our operations contributed to around 1.2% only of our total emissions, including diesel and petroleum consumption for our generators and mobile vehicles. Lao Heng He will continue to assess, record, and disclose its GHG emissions annually and will continue to refine the data collection system and develop reduction strategies if appropriate.

由我們營運所產生的化石燃料消耗的範圍一排放僅佔我們排放總量約1.2%，包括我們的發電機和車輛的柴油和石油消耗的排放。老恒和將繼續每年評估、記錄和披露其溫室氣體排放量。本集團將繼續完善數據收集系統並制定適當的減排策略。

In addition to the direct emissions from the combustion of fuels, the use of electricity, natural gas and steam from the electricity generation process as well as the supply of natural gas and steam to Lao Heng He are also indirectly attributable to the production of GHG. With reference to the kilowatt-hour power generation to carbon dioxide emission ratio respectively published by the PRC government, during the FY2020, approximately 5,100 tonnes of carbon dioxide were attributable to the Group’s production facilities and office electricity, gas and steam usage in the operation process.

除燃燒燃料的直接排放外，老恒和用電、天然氣以及蒸汽亦間接導致產生溫室氣體，其為來自產電、供應天然氣以及蒸汽的過程。經參考中國政府於報告期間分別發佈的千瓦時產電量與二氧化碳排放量的比率，於二零二零財政年度期間，約五千一百噸的二氧化碳來自本集團的生產設施和辦公室的營運過程中的用電、燃氣及蒸汽量。

<sup>10</sup> Greenhouse gas emission (Scope 1): Direct emission from the business operations owned or controlled by the Group, such as emissions from diesel and petroleum burnt on site.

<sup>10</sup> 溫室氣體排放(範圍一)：涵蓋本集團無鉛汽油和柴油燃燒產生的溫室氣體排放。

<sup>11</sup> Greenhouse gas emission (Scope 2): Indirect emissions from the external purchased electricity and steam consumption by the Group.

<sup>11</sup> 溫室氣體排放(範圍二)：涵蓋本集團因使用外購電力和外購蒸汽而間接產生的溫室氣體排放。

# 5. PURSUING ENVIRONMENTAL HARMONY AND GREEN DEVELOPMENT

## 5. 和以自然，綠色發展

### Noise Management

As a manufacturer, we strictly comply with “The Law of the People’s Republic of China on Prevention and Control of Pollution from Environmental Noise (中華人民共和國環境噪聲污染防治法)”, and actively take corresponding measures to further reduce the noise at our factory boundaries, so as to reduce the impact of the noise generated by our increasing production projects on the surrounding residents. During the reporting period, the Company required that the noise made by the plants shall meet the level 3 standard under the “Noise Standards for Industrial Enterprises and Plants (工業企業廠界噪聲標準)” to protect the occupational health of employees and reduce the impact on the surrounding environment.

### Air Emissions

The principle types of emission and waste generated from Lao Heng He’s business operations are set forth below and we consider that the emission and waste would not have any significant adverse impact on the environment.

Emission data of Nitrogen oxides (NO<sub>x</sub>), Sulphur oxides (SO<sub>x</sub>), and Particulate matter (PM) are set forth in the table below:

Air Pollutant <sup>12</sup>	空氣污染物 <sup>12</sup>	Unit	單位	2019 二零一九年	2020 二零二零年
Nitrogen oxides (“NO <sub>x</sub> ”)	氮氧化物(「NO <sub>x</sub> 」)	kg	千克	Not disclosed 未有披露	26.62
Sulphur oxides (“SO <sub>x</sub> ”)	硫氧化物(「SO <sub>x</sub> 」)	kg	千克	Not disclosed 未有披露	5.39
Particulate matter (“PM”)	顆粒物(「PM」)	kg	千克	Not disclosed 未有披露	2.36

Lao Heng He will continue to improve our internal data collection mechanism for a complete disclosure in the coming years.

### 噪聲管理

作為生產製造廠商，我們嚴格遵循《中華人民共和國環境噪聲污染防治法》，積極地開展相應舉措進一步降低廠界噪聲，以減少生產項目逐漸疊加產生的噪聲對周邊居民的影響。報告期內，公司要求自身廠界噪聲達到《工業企業廠界噪聲標準》三類標準，以保障員工的職業健康，降低對周邊環境的影響。

### 空氣排放

老恒和業務營運所產生的主要排放物和廢棄物種類列示如下，我們認為這些排放物和廢棄物不會對環境產生重大的負面影響。

氮氧化物(NO<sub>x</sub>)、硫氧化物(SO<sub>x</sub>)和顆粒物(PM)的排放數據如下：

老恒和將持續改進其內部數據收集機制，以便在未來幾年內全面披露。

<sup>12</sup> Only emissions from petrol and diesel consumption of mobile sources are covered. The calculation method of the corresponding air emission assessment figures and the emission factors used in the calculation are based on “How to Prepare an ESG Report” and its attachment “Appendix II: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange of Hong Kong and “Technical Guide for Air Pollutant Emission Inventory for On-road Vehicles (Trial Implementation)” issued by the Ministry of Ecology and Environment of People’s Republic of China.

<sup>12</sup> 僅涵蓋汽油及柴油移動消耗產生的排放。相應的空氣排放物評估數字的計算方法及用於計算的排放因子根據香港聯合交易所發佈之《如何編備社會、環境及管治報告》及其附件《附錄二：環境關鍵績效指標匯報指引》、中華人民共和國生態環境部發佈之《道路機動車大氣污染物排放清單編製技術指南(試行)》。

## 5. PURSUING ENVIRONMENTAL HARMONY AND GREEN DEVELOPMENT

### 5. 和以自然，綠色發展

#### • **Measures undertaken to reduce emissions and wastes**

To minimise the environmental impacts brought by the mentioned emissions and wastes, Lao Heng He has adopted the following measures during the FY2020 to supplement its “Measures for the Prevention and Control of Sewage, Waste Gas and Noise Pollution (廢水、廢氣、噪聲污染防治管理辦法)” and “Environmental Protection Management System (環境保護管理制度)” and other related policies:

- o Utilising electric vehicles step by step within the production facility in the future to replace fossil fuel-powered vehicles to reduce emissions from sources;
- o Periodically arranging environmental compliance inspections to ensure the Group’s compliance with the applicable PRC environmental laws relating to the Group’s operations.

#### • **已採取措施減少排放及廢物**

為將有關排放及廢物造成的環境影響減至最低，老恒和於二零二零財政年度期間已採納以下措施以配合其《廢水、廢氣、噪聲污染防治管理辦法》、《環境保護管理制度》和其他相關政策：

- o 在生產設施內逐步使用電動汽車以取代以化石燃料驅動的汽車，從源頭減少排放；
- o 安排定期進行環境合規審查，確保本集團就適用於與其營運有關的中國環境法例的合規性。

### ENVIRONMENTAL COMPLIANCE

During the FY2020, Lao Heng He was not aware of any significant non-compliance issues regarding emission, noise, waste disposal, and sewage discharge. We believe that the emissions, disposed wastes, and discharged sewage during our business operation does not pose material impact to the surrounding environment which is different from local domestic emissions, waste disposals, or sewage discharges. To avoid any occurrences of non-compliance in the future, we will continue upholding our environmental awareness.

### 環境合規

於二零二零財政年度期間，老恒和並無接獲任何通知有關排放、噪音、廢物處置和污水排放的違規事宜。本集團認為在我們的業務營運期間的排放、處置廢物及排放污水並不對周邊環境造成重大影響。為避免日後出現任何違規行為，我們將繼續秉持環保意識。



## 5. PURSUING ENVIRONMENTAL HARMONY AND GREEN DEVELOPMENT

### 5. 和以自然，綠色發展

#### ENVIRONMENTAL IMPACTS FROM OUR OPERATIONS AND MITIGATION MEASURES

The generation of air pollutants, GHG, noise emissions and sewage discharge from the operation of Lao Heng He's production facilities complies with the requirements under the relevant PRC laws and regulations. In order to minimise the environmental impact of the Group's business operation to the surrounding environment, the Group has established the "Measures for the Prevention and Control of Sewage, Waste Gas and Noise Pollution (廢水、廢氣、噪聲污染防治管理辦法)" and "Environmental Protection Management System (環境保護管理制度)", so as to provide specific guidelines for the ways to reduce and mitigate the environmental impacts from our daily operations. The Group has also introduced other mitigate measures on other related areas to the environment. For details, please refer to relevant chapters in "5. Pursuing Environmental Harmony and Green Development".

During the FY2020, to the best of the Directors' knowledge, the Group has achieved all yearly emission limitation targets and no complaint has been received from its customers or other parties in respect of environmental protection issues. During the reporting period, Lao Heng He has not experienced any material environmental incidents arising from its business operations.

#### 我們營運產生的環境影響及緩解措施

老恒和的生產設施運作會產生空氣污染物、溫室氣體、噪音和污水排放，相關排放均符合中國相關法律和法規。為將本集團的營運對周圍環境的影響減至最低，本集團已建立《廢水、廢氣、噪聲污染防治管理辦法》和《環境保護管理制度》，從而為如何減少及緩解因日常營運而構成的環境影響提供具體指引。本集團亦有就不同環境相關範疇提出適切的緩解措施，詳情可參閱「5. 和以自然，綠色發展」的相關章節。

於二零二零財政年度期間，據董事所知，本集團並無從其客戶或其他人士接獲任何與環保問題有關之任何投訴，及並無經歷任何由其營運引起之重大環境事故。於報告期間，老恒和一概無因違反環境法律或法規而受到對其營運造成不利影響之重大行政處罰或懲處。



## 6. PERFORMING GOOD DEEDS WITH PASSION AND RIGHTEOUSNESS

### 6. 和以歸善，恆情有義

While seizing opportunities as they arise and keep moving forward, Lao Heng He also supports the inheritance of history and culture. Lao Heng He regards promoting sustainable development as its own responsibility and fulfills its social responsibility as a corporate citizen.

老恒和在緊抓時代機遇，不斷進取的同時，亦支持並傳承歷史文化。老恒和視推動可持續發展為己任，履行企業公民的社會責任。

#### CULTURAL HERITAGE

Lao Heng He abides by its ancestral precepts, follows the ancient method, and absorbs different natural strains at different temperatures and times with the techniques passed down over a century to brew high quality condiments with excellent colour, smell, and taste. As one of the leading condiment manufacturers in China, Lao Heng He not only brings the profound cultural flavour and excellent quality of condiments to consumers, but is also committed to the inheritance and spreading of Chinese culture with condiments and food as carriers.

#### 文化傳承

老恒和恪守祖訓，沿襲古法，憑藉百年傳承的技藝，用不同的溫度、不同的時間吸收不同的自然菌種，釀造出色、香、味俱佳的優質調味品。作為中國市場領先的調味品生產商之一，老恒和不僅將調味品中深厚的文化韻味和優良品質帶給消費者，更致力於以調味品和食物為載體，傳承和傳播中華文化。

Besides, through the WeChat public platform, Lao Heng He plays a proactive role in sharing traditional festival allusions and traditional food cooking techniques while promoting the brand and is committed to conveying the cultural connotation of the Chinese nation to younger consumers.

此外，老恒和通過微信公眾平台，在品牌推廣的同時，主動作為傳統節日典故、傳統食物做法的傳播載體，致力將中華民族的文化內涵，傳達給新時代的消費者。

#### Dajiangyou (打醬油) activity during the Chinese New Year 元旦「打醬油」活動

In 2020, Lao Heng He has kept the Dajiangyou (打醬油) activity as it is a traditional custom during the Chinese New Year. We hope that the reputation and influence of the brand of Lao Heng He could be promoted locally as a result.

二零二零年，老恒和持續當地元旦「打醬油」傳承傳統文化，藉此將老恒和品牌的口碑以及其影響力在當地宣傳。



## 6. PERFORMING GOOD DEEDS WITH PASSION AND RIGHTEOUSNESS

### 6. 和以歸善，恆情有義

#### CONTRIBUTION TO SOCIETY

Lao Heng He understands that the development of an enterprise is closely related to the connection and interaction of the surrounding communities and helps the surrounding communities to the best of its ability. During the reporting period, we cooperated with Huzhou Charity Federation, 3 of our employees have participated in several charity donation activities and contributing a total of 20 voluntary work hours, Lao Heng He has contributed approximately RMB18,024 of materials and money donation.

#### 回報社會

老恒和深知企業的發展與周邊社區的聯繫和互動息息相關，為周邊社區提供力所能及的幫助。報告期間，我們與湖州市慈善總會合作，老恒和共有3名員工參與數次湖州市慈善總會物資捐贈活動，貢獻共20個慈善活動小時，期間老恒和共捐贈價值約18,024元的物資和捐款。



Donate materials to Huzhou Charity Federation  
捐贈物資予湖州市慈善總會



# LIST OF LAWS AND REGULATIONS<sup>13</sup>

## 法律法規遵守列表<sup>13</sup>

### External laws and regulations:

The Code of Corporate Governance for Listed Companies  
 The Corporate Governance Code  
 The Company Law of the People's Republic of China  
 The Securities Law of the People's Republic of China  
 The Criminal Law of the People's Republic of China  
 The Anti-Unfair Competition Law of the People's Republic of China  
 The Law of the People's Republic of China on the Protection of Consumer Rights and Interests  
 The E-Commerce Law of the People's Republic of China  
 The Advertising Law of the People's Republic of China  
 The Food Safety Law of the People's Republic of China  
 The Labour Law of the People's Republic of China  
 The Employment Promotion Law of the People's Republic of China  
 The Labour Dispute Mediation and Arbitration Law of the People's Republic of China  
 Regulations on Labour Security Supervision  
 The Work Safety Law of the People's Republic of China  
 Occupational Disease Prevention and Control Law of the People's Republic of China  
 The Provisions on the Supervision and Administration of Occupational Health in the Workplace  
 Occupational Disease Diagnosis and Identification Management Measures  
 Regulation on Work-Related Injury Insurance  
 Regulations on Safety Production in Zhejiang Province  
 The Environmental Protection Law of the People's Republic of China  
 The Atmospheric Pollution Prevention and Control Law of the People's Republic of China  
 The Water Pollution Prevention and Control Law of the People's Republic of China  
 The Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes  
 The Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise  
 The Patent Law of the People's Republic of China  
 Regulation on the Safety Management of Hazardous Chemicals  
 Identification of Hazardous Elements, Evaluation and Update Procedures  
 The Measures for the Administration of the Transfer of Hazardous Wastes  
 The Integrated Wastewater Discharge Standards  
 The Indirect Discharge Limitation of Industrial Wastewater Containing Nitrogen and Phosphorus  
 Noise Standards for Industrial Enterprises and Plants  
 The National Hazardous Waste List  
 The Measures for the Prevention and Control of Environmental Pollution by Discarded Dangerous Chemicals

### 外部法律法規：

《上市公司治理準則》  
 《企業管治守則》  
 《中華人民共和國公司法》  
 《中華人民共和國證券法》  
 《中華人民共和國刑法》  
 《中華人民共和國反不正當競爭法》  
 《中華人民共和國消費者權益保護法》  
 《中華人民共和國電子商務法》  
 《中華人民共和國廣告法》  
 《中華人民共和國食品安全法》  
 《中華人民共和國勞動法》  
 《中華人民共和國就業促進法》  
 《中華人民共和國勞動爭議調解仲裁法》  
 《勞動保障監察條例》  
 《中華人民共和國安全生產法》  
 《中華人民共和國職業病防治法》  
 《工作場所職業衛生監督管理規定》  
 《職業病診斷及鑒定管理辦法》  
 《工傷保險條例》  
 《浙江省安全生產條例》  
 《中華人民共和國環境保護法》  
 《中華人民共和國大氣污染防治法》  
 《中華人民共和國水污染防治法》  
 《中華人民共和國固體廢物污染環境防治法》  
 《中華人民共和國環境噪聲污染防治法》  
 《中華人民共和國專利法》  
 《危險化學品安全管理條例》  
 《危險有害因素識別、評價與更新程序》  
 《危險廢棄物轉移聯繫管理辦法》  
 《污水綜合排放標準》  
 《工業企業廢水氮、磷污染物間接排放限值》  
 《工業企業廠界噪聲標準》  
 《國家危險廢棄物名錄》  
 《廢棄危險化學品污染環境防治辦法》

<sup>13</sup> The English translation of Chinese names or words in this Report, where indicated, are included for information purpose only, and should not be regarded as its official English translation of such Chinese names or words.

<sup>13</sup> 本報告中的中文名稱或詞彙的英文翻譯僅供參考，不應被視為該中文名稱或詞彙的官方英文翻譯。

# LIST OF LAWS AND REGULATIONS<sup>13</sup>

## 法律法規遵守列表<sup>13</sup>

### Internal policy:

Code of Practice for Lao Heng He Salesmen  
 Anti-corruption and Whistle-blowing System  
 Management System for Business Secrets  
 Management System for Secret Protection  
 Customer Complaint Handling Procedures  
 Zhejiang Rose Rice Vinegar  
 Internal Control Standards for Yellow Wine Products  
 Internal Control Standards for Soy Sauce Products  
 Internal Control Standards for Rice Vinegar Products  
 Microbial Control Requirements  
 Position Responsibility System  
 Hygiene Management System  
 Pest Control System  
 System for Utilisation of Toxic and Hazardous Chemicals  
 Equipment Management System  
 Infrastructure and Maintenance Control Procedures  
 Equipment Overhaul Procedures  
 Fixed Assets Management System (Trial)  
 List of Approved Suppliers  
 Management System for Non-conforming Products  
 Control Procedures for Corrective and Preventive Measures  
 Cereal-based Brewed Cooking Wine  
 Regulations on Management of Human Resources  
 Control Procedures on Human Resources  
 Procedures on Recruitment, Employment and Dismissal  
 Corporate Remuneration Plan  
 Employee Performance Management System  
 Regulations on Monitoring and Classification of Occupational Hazards of the Company  
 Occupational Health Physical Examination System  
 Employees' Handbook  
 Fire Responsibility Statement  
 E-commerce Platform Internal Control Management System  
 Contingency Preparation Procedures in Response to Emergencies  
 Training Management System  
 Management Measures on Incentive Promotion  
 Remuneration and Compensation Policy  
 Distributor Management Manual  
 Supplier Management Procedures  
 Procurement Contract Management Policy  
 Procurement Management Procedure  
 Regulatory Regime for Environmental Protection Management  
 Control Protocol of Resources and Energy  
 Guiding Manual on Water and Electricity Conservation  
 Guiding Manual of Energy Conservation and Consumption Reduction  
 Wastewater Discharge Control System  
 Operation Guidelines on Wastewater Treatment  
 Measures for the Prevention and Control of Sewage, Waste Gas and Noise Pollution  
 Waste Management Control Procedure  
 Operation Guidelines on Classification, Collection and Disposal of Wastes  
 Operation Guidelines on Collection and Disposal of Chemical Wastes and Containers, Waste Oils and Sludge

### 內部政策：

《老恒和銷售人員操作守則》  
 《反舞弊與舉報制度》  
 《商業秘密管理制度》  
 《保密工作管理制度》  
 《客戶投訴處理程序》  
 《浙江玫瑰米醋》  
 《黃酒類產品檢測內控標準》  
 《醬油類產品檢測內控標準》  
 《米醋類產品檢測內控標準》  
 《微生物控制要求》  
 《崗位責任制度》  
 《衛生管理制度》  
 《蟲害控制制度》  
 《有毒有害化學品使用制度》  
 《設備管理制度》  
 《基礎設施和維護方案控制程序》  
 《檢修設備程序》  
 《固定資產管理制度(試行)》  
 《合格供應商名錄》  
 《不合格品管理制度》  
 《不符合及糾正措施控制程序》  
 《穀物釀造料酒》  
 《人力資源管理規定》  
 《人力資源控制程序》  
 《招聘、錄用、解聘程序》  
 《公司薪酬計劃》  
 《員工績效管理制度》  
 《公司職業危害因素監測及分級管理規定》  
 《職業健康體檢制度》  
 《員工手冊》  
 《消防責任書》  
 《電商平台管理制度》  
 《應急準備、響應控制程序》  
 《培訓管理制度》  
 《激勵晉升管理辦法》  
 《薪酬及補償政策》  
 《經銷商管理手冊》  
 《供應商管理程序》  
 《採購合同管理制度》  
 《採購管理程序》  
 《環境保護管理制度》  
 《資源能源控制規程》  
 《節約水、電管作業指導書》  
 《節能降耗管理作業指導書》  
 《廢水排放控制制度》  
 《廢水處理作業指導書》  
 《廢水、廢氣、噪聲污染防治管理辦法》  
 《廢棄物管理控制程序》  
 《廢棄物分類收集、處理作業指導書》  
 《廢化學品液及容器、廢油及廢泥收集與處理作業指導書》

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE INDEX

## 香港聯交所《環境、社會及管治報告指引》內容索引

Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs) (Note 1)		Section/Statement
主要範疇、層面、一般披露、關鍵績效指標(備註1)		章節/聲明
<b>A. Environmental</b>		
<b>A. 環境</b>		
<b>Aspect A1 Emissions</b>		
<b>層面 A1：排放物</b>		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	5. Pursuing Environmental Harmony and Green Development — Discharge Management 5. 和以自然，綠色發展 — 排放管理
KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	5. Pursuing Environmental Harmony and Green Development — Discharge Management 5. 和以自然，綠色發展 — 排放管理
KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total and, where appropriate, intensity. 溫室氣體總排放量及(如適用)密度。	5. Pursuing Environmental Harmony and Green Development — Discharge Management 5. 和以自然，綠色發展 — 排放管理
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced and, where appropriate, intensity. 所產生有害廢棄物總量及(如適用)密度。	5. Pursuing Environmental Harmony and Green Development — Discharge Management 5. 和以自然，綠色發展 — 排放管理
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced and, where appropriate, intensity. 所產生無害廢棄物總量及(如適用)密度。	5. Pursuing Environmental Harmony and Green Development — Discharge Management 5. 和以自然，綠色發展 — 排放管理

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主要範疇、層面、一般披露、關鍵績效指標(備註1)		章節/聲明
KPI A1.5 關鍵績效指標 A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	5. Pursuing Environmental Harmony and Green Development — Discharge Management 5. 和以自然，綠色發展 — 排放管理
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	5. Pursuing Environmental Harmony and Green Development — Discharge Management; Packaging Materials 5. 和以自然，綠色發展 — 排放管理；包裝材料
<b>Aspect A2 Uses of Resources</b>		
層面 A2：資源使用		
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	5. Pursuing Environmental Harmony and Green Development — Resource Optimisation; Energy Management; Water Management 5. 和以自然，綠色發展 — 資源優化；能源管理；水資源管理
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type in total and intensity. 按類型劃分的直接及/或間接能源總耗量及密度。	5. Pursuing Environmental Harmony and Green Development — Energy Management 5. 和以自然，綠色發展 — 能源管理
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity. 總耗水量及密度。	5. Pursuing Environmental Harmony and Green Development — Water Management 5. 和以自然，綠色發展 — 水資源管理
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	5. Pursuing Environmental Harmony and Green Development — Energy Management 5. 和以自然，綠色發展 — 能源管理

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主要範疇、層面、一般披露、關鍵績效指標(備註1)		章節/聲明
KPI A2.4 關鍵績效指標A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	5. Pursuing Environmental Harmony and Green Development – Water Management 5. 和以自然，綠色發展 – 水資源管理
KPI A2.5 關鍵績效指標A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量及(如適用)每生產單位佔量。	5. Pursuing Environmental Harmony and Green Development – Packaging Materials 5. 和以自然，綠色發展 – 包裝材料
<b>Aspect A3 The Environment and Natural Resources</b> <b>層面A3：環境及天然資源</b>		
General Disclosure 一般披露	Policies on minimising the issuer's significant impacts on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	5. Pursuing Environmental Harmony and Green Development 5. 和以自然，綠色發展
KPI A3.1 關鍵績效指標A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	5. Pursuing Environmental Harmony and Green Development – Environmental Impacts from our Operations and Mitigation Measures 5. 和以自然，綠色發展 – 我們營運產生的環境影響及緩解措施
<b>B. Social</b> <b>B. 社會</b>		
<b>Employment and Labour Practices</b> <b>僱傭及勞工常規</b>		
<b>Aspect B1 Employment</b> <b>層面B1：僱傭</b>		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	4. Gathering Talents with Recommendation and Promotion Mechanism 4. 和以聚力，採擢薦進

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## 香港聯交所《環境、社會及管治報告指引》內容索引

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主要範疇、層面、一般披露、關鍵績效指標(備註1)		章節/聲明
KPI B1.1 關鍵績效指標 B1.1	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	4. Gathering Talents with Recommendation and Promotion Mechanism – Employment Overview 4. 和以聚力·採擢薦進 – 僱傭概況
KPI B1.2 關鍵績效指標 B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	4. Gathering Talents with Recommendation and Promotion Mechanism – Employee Retention and Communication with Caring 4. 和以聚力·採擢薦進 – 僱員留用與溝通關愛
<b>Aspect B2 Health and Safety</b> <b>層面 B2：健康與安全</b>		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	4. Gathering Talents with Recommendation and Promotion Mechanism – Health and Safety 4. 和以聚力·採擢薦進 – 健康與安全
KPI B2.1 關鍵績效指標 B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	4. Gathering Talents with Recommendation and Promotion Mechanism – Health and Safety 4. 和以聚力·採擢薦進 – 健康與安全
KPI B2.2 關鍵績效指標 B2.2	Lost days due to work injury. 因工傷損失工作日數。	4. Gathering Talents with Recommendation and Promotion Mechanism – Health and Safety 4. 和以聚力·採擢薦進 – 健康與安全
KPI B2.3 關鍵績效指標 B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	4. Gathering Talents with Recommendation and Promotion Mechanism – Health and Safety 4. 和以聚力·採擢薦進 – 健康與安全

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Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs) (Note 1)		Section/Statement
主要範疇、層面、一般披露、關鍵績效指標(備註1)		章節/聲明
<b>Aspect B3 Development and Training</b> 層面 B3：發展及培訓		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。培訓指職業培訓，可包括由僱主付費的內外部課程。	4. Gathering Talents with Recommendation and Promotion Mechanism — Support and Development 4. 和以聚力，採擢薦進 — 助力成長
KPI B3.1 關鍵績效指標 B3.1	The percentage of employees trained by gender and employee category. 按性別及僱員類別劃分的受訓僱員百分比。	4. Gathering Talents with Recommendation and Promotion Mechanism — Support and Development 4. 和以聚力，採擢薦進 — 助力成長
KPI B3.2 關鍵績效指標 B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	4. Gathering Talents with Recommendation and Promotion Mechanism — Support and Development 4. 和以聚力，採擢薦進 — 助力成長
<b>Aspect B4 Labour Standards</b> 層面 B4：勞工準則		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	4. Gathering Talents with Recommendation and Promotion Mechanism — Employment Overview 4. 和以聚力，採擢薦進 — 僱傭概況
KPI B4.1 關鍵績效指標 B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	4. Gathering Talents with Recommendation and Promotion Mechanism — Employment Overview 4. 和以聚力，採擢薦進 — 僱傭概況

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KPI B4.2 關鍵績效指標 B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	4. Gathering Talents with Recommendation and Promotion Mechanism — Employment Overview 4. 和以聚力，採擷薦進 — 僱傭概況
<b>Operating Practices</b> 營運慣例		
<b>Aspect B5 Supply Chain Management</b> 層面 B5：供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of supply chain. 管理供應鏈的環境及社會風險政策。	3. Striving for Mutual Development and Achieving the Same Goal — Responsible Supplies 3. 恆以共進，同道致遠 — 責任供應
KPI B5.1 關鍵績效指標 B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	3. Striving for Mutual Development and Achieving the Same Goal — Responsible Supplies 3. 恆以共進，同道致遠 — 責任供應
KPI B5.2 關鍵績效指標 B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目，以及相關執行及監察方法。	3. Striving for Mutual Development and Achieving the Same Goal — Responsible Supplies 3. 恆以共進，同道致遠 — 責任供應
<b>Aspect B6 Product Responsibility</b> 層面 B6：產品責任		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	2. Upholding Quality and Crafting Excellence 2. 恆以釀質，誠品匠造

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主要範疇、層面、一般披露、關鍵績效指標(備註1)		章節/聲明
KPI B6.1 關鍵績效指標 B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	2. Upholding Quality and Crafting Excellence — Optimising Quality with Ingenuity 2. 恆以釀質，誠品匠造 — 匠心品質
KPI B6.2 關鍵績效指標 B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	3. Striving for Mutual Development and Achieving the Same Goal — Customer-oriented 3. 恆以共進，同道致遠 — 客戶為先
KPI B6.3 關鍵績效指標 B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	1. Self-Discipline and Responsibility as our First Priority — Business Ethics 1. 恆於律己，責任先行 — 商業道德
KPI B6.4 關鍵績效指標 B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	2. Upholding Quality and Crafting Excellence — Optimising Quality with Ingenuity 2. 恆以釀質，誠品匠造 — 匠心品質
KPI B6.5 關鍵績效指標 B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	3. Striving for Mutual Development and Achieving the Same Goal — Customer-oriented 3. 恆以共進，同道致遠 — 客戶為先
<b>Aspect B7 Anti-corruption</b>		
<b>層面 B7：反貪污</b>		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	1. Self-discipline and Responsibility as our First Priority — Business Ethics 1. 恆於律己，責任先行 — 商業道德

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KPI B7.1 關鍵績效指標 B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	1. Self-discipline and Responsibility as our First Priority — Business Ethics 1. 恆於律己，責任先行 — 商業道德
KPI B7.2 關鍵績效指標 B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	1. Self-discipline and Responsibility as our First Priority — Business Ethics 1. 恆於律己，責任先行 — 商業道德
<b>Community</b> 社區		
<b>Aspect B8 Community Investment</b> 層面 B8：社區投資		
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	6. Performing Good Deeds with Passion and Righteousness 6. 和以歸善，恆情有義
KPI B8.1 關鍵績效指標 B8.1	Focus areas of contribution. 專注貢獻範疇。	6. Performing Good Deeds with Passion and Righteousness – Cultural Heritage; Contribution to Society 6. 和以歸善，恆情有義 — 文化傳承；回報社會
KPI B8.2 關鍵績效指標 B8.2	Resources contributed to the focus areas. 在專注範疇所動用資源。	6. Performing Good Deeds with Passion and Righteousness – Contribution to Society 6. 和以歸善，恆情有義 — 回報社會

Note 1: All general disclosures and KPIs under "Subject Area A. Environmental" comply with the "comply or explain" provisions, while others are recommended disclosures set out in the ESG Guide.

備註1：「主要範疇A — 環境」下的所有一般披露及關鍵績效指標均為「不遵守就解釋」的規定，而其他範疇下的一般披露及關鍵績效指標則為建議披露。





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