



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

老
恒
和

**Environmental,
Social and
Governance
Report**

2016 環境、社會及管治報告

* For identification purposes only 僅供識別

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ABOUT THIS REPORT

關於本報告

OVERVIEW

This is the first Environmental, Social and Governance (“ESG”) Report issued by Honworld Group Limited for the purpose of providing information about the Company’s economic, social and environmental performances. It is expected that through this report you will have a better understanding of what we have done in achieving a sustainable development and revert to us your expectation so as to strengthen mutual communication.

BASIS OF PREPARATION

This report is prepared in accordance with the revised Environmental, Social and Governance Reporting Guide (“ESG Guide”) issued by The Stock Exchange of Hong Kong Limited in December 2016. The preparation of this report is to include the identification and enumeration of key stakeholders and important ESG topics, determination of the scope of this ESG Report, collection of relevant materials and evidence on which the information of this report is based, and review of the data contained herein.

INTERPRETATION

This report is issued on a yearly basis covering the period from 1 January 2016 to 31 December 2016. Part of the contents may refer to as far back as 2015 for comparison purpose. For interpretation purpose, “Lao Heng He (老恒和)”, the “Company” and “we” used herein shall refer to Honworld Group Limited. Terms used in this report have the same meaning as those defined in the 2016 Annual Report. Therefore, this report should be read in conjunction with the 2016 Annual Report. Information and cases disclosed in this report are derived from the Company’s official documents, statistics or publicly available information.

RELIABILITY GUARANTEE

The Company guarantees that there is no false statement, misleading representation or material omission. We undertake to be responsible for the truthfulness, accuracy and completeness of this report.

概覽

本報告是老恒和釀造有限公司發佈的首份環境、社會及管治(ESG)報告，重點披露本公司在經濟、社會和環境等方面表現的相關信息。希望本報告能使您更加瞭解我們為可持續發展作出的努力，同時向我們回饋您的期望，以增進彼此的溝通與信任。

編制依據

本報告主要參考香港聯交所於二零一六年十二月公佈經修訂的《環境、社會及管治報告指引》(簡稱ESG指引)。報告內容的編寫程序包括：識別和排列重要的利益相關方、識別和排列ESG相關重要議題、決定ESG報告的界限、收集相關材料和憑據、根據資料編制報告、對報告中的數據進行檢視等。

報告說明

本報告為年度報告，時間跨度為二零一六年一月一日至二零一六年十二月三十一日，部分內容向二零一五年以前適度延伸，以增強可比性。為便於表述，報告中「老恒和」、「公司」、「我們」均指代「老恒和釀造有限公司」。本報告使用與本公司《二零一六年度報告》相同釋義，應與本公司《二零一六年度報告》一併閱讀。報告所披露的資料與案例來自公司正式文件、統計報告或公開資料。

可靠性保證

公司保證本報告內容不存在任何虛假記載、誤導性陳述或重大遺漏。我們承諾對報告內容的真實性、準確性和完整性負責。

ABOUT THIS REPORT (CONTINUED) 關於本報告(續)

AVAILABILITY OF THIS REPORT

This report is prepared both in Chinese and English. In case of inconsistency, the Chinese version shall prevail over the English version. Electronic version of this report is available for downloading from the website of Honworld Group Limited at <http://www.hzlaohenghe.com/>. If you have any enquiry or suggestion regarding this report, please feel free to contact us at:

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報告索取

本報告以中英文兩種語言編制，如中英文版本有任何差異，請以中文版為準。本報告電子版本可在老恒和釀造有限公司官網<http://www.hzlaohenghe.com/>下載。若您對本報告內容有任何疑問或建議，歡迎來電或來函詢問，我們的聯繫方式如下：

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CHAIRMAN'S MESSAGE

主席致辭

"To induce patronage, it is essential for the business entity to have good-naturedness which leads to propitiousness and, in turn, century-long prosperity. We regard everlasting propitiousness as the fundamental of establishing a successful business." Adhering to its long-standing motto of "perseverance combined with good-naturedness and creditworthiness", Lao Heng He aims at brewing healthy and green condiments and makes it a mission to safeguard food safety, contribute to environmental protection and hold consumers' health in high regard. As one of the enterprises enjoying a status of "China Time-honored Brand" within the condiment industry, Lao Heng He inherits the century-old brewing methods and at the same time actively pursues innovation, working towards a bicentenary with tireless efforts.

In 2016, we continued to provide consumers with quality and healthy cooking wine as well as other condiments, including soy sauce, vinegar, soybean paste and fermented bean curd. As at the end of 2016, the Group recorded a revenue of RMB831.1 million, representing an increase of approximately 4.0% over the previous year, and was awarded various honors including "Top 100 Business Enterprises in Zhejiang" ("浙江省十二五商貿百強企業"), "Crucial Development Enterprises of Zhejiang Province" ("浙江省重點培育企業"), "Three Famous' Development Pilot Enterprises of Zhejiang Province" ("浙江省「三名」培育試點企業"), "Quality Award of Huzhou City Government" ("湖州市市政府質量獎") and "Premier Consumer Product of 2016 in the PRC" ("全國「二零一六年消費金品」"). Moreover, we have been selected as the supplier of food ingredients for the G20 Hangzhou Summit.

Meanwhile, as a responsible corporate citizen, Lao Heng He actively performs its social responsibilities by adhering to its philosophy of sustainable development in the course of management and operation so as to promote the sustainable development in terms of the economy, environment and society.

Tightening Quality Control, Ensuring Food Safety. As a condiment production enterprise, we hold product and service quality in high regard. Apart from the strict selection criteria of suppliers, the Group maintains stringent control over various factors that may affect product quality in the production process, including staff, infrastructure, key procedures, etc. As regards safety inspection, Lao Heng He has set up a food safety inspection team to perform regular in-house safety check on its food products and recall substandard products, thereby ensuring effective implementation of the Company's policy of quality and safety management. The Company's stringent quality control system proves successful and no food safety problems arose as at the end of 2016 as a result.

「開店迎客以和為貴，和能致祥，方求得百年興旺，恒和乃立業之本。」老恒和始終秉持「恒以持之，和信為本」的祖訓，致力於釀造健康、綠色的調味品，並以保障食品安全、助力環境保護和關注消費者健康為己任。作為調味品行業的一家「中華老字號」企業，老恒和在傳承古法釀造的同時銳意創新，以不斷進取的姿態邁向第二個百年夢。

二零一六年，我們持續向消費者提供優質、健康的料酒以及其他調味品，包括醬油、醋、黃豆醬、腐乳等。截至二零一六年末，本集團收入達人民幣831.1百萬元，較上一年度增長約4.0%，並榮獲浙江省十二五商貿百強企業、浙江省重點培育企業、浙江省「三名」培育試點企業、湖州市市政府質量獎和華東「二零一六年消費金品」等榮譽，並入選成為G20杭州峰會食材供應商。

與此同時，作為負責任的企業公民，老恒和也積極履行社會責任，在企業管理和業務運營的過程中貫徹可持續發展的理念，致力於推動經濟、環境與社會的可持續發展。

嚴控產品品質，保障食品安全。作為一家調味品生產企業，我們高度重視產品和服務品質。除嚴格甄選供應商，集團對生產過程中影響產品品質的各項因素進行控制，包括人員、基礎設施、關鍵工序等。在安全自檢方面，老恒和成立食品安全自查小組，定期對公司的食品安全進行全面自我檢查，回收不合格產品，有效落實公司的品質安全管理政策。公司嚴格的品質監控程序取得了良好的效果，截至二零一六年末未出現任何食品安全問題。

CHAIRMAN'S MESSAGE (CONTINUED)

主席致辭(續)

Protecting Environment, Developing Circular Economy.

Lao Heng He has been working diligently to minimize impacts to the surrounding ecological environment in terms of resource utilization, energy efficiency, emission reduction, monitoring and improvement. The Company has not only adopted effective harmless disposal of the residue of soya, acid-sludge, bean dregs, vinasse and liquid waste in the brewing process, but also instilled the concept of sustainable development into the manufacturing and enterprise operation to enhance the utilization efficiency of resources and energy while reducing the emission to the environment by adopting the pattern of circular economy. For example, the Company has reused the vinasse (the major by-product) produced in brewing yellow rice wine to produce vinassescented cooking wine and cream-form cooking wine, which improves the utilization efficiency of raw materials, and also reduces waste emission. In addition, the Company adopted technologies such as soaking soybean wastewater membrane processing recycle and heat recovery of spray sterilization, so as to improve the utilization efficiency of water resources and reduce wastewater discharges.

Caring for Employees, Promoting Culture of Harmony.

While growing persistently, Lao Heng He also shows concern for the well-being of its staff. We strive to raise the living standards of our staff on one hand and cater to their spiritual and cultural needs on the other hand. We have built well-equipped quarters for our staff and set up a "Home for the Staff" organizing various caring activities for them such as annual health check-up, pleasure tours and birthday parties. The Company has also established a "Green Passage" to provide assistance for staff in need. In addition, the Company has in place a comprehensive mechanism for training and promotion, providing a talent platform for every talented and capable staff.

Emphasizing Shared Value, Contributing to Win-Win Scenario.

We attach great importance to the value jointly created by stakeholders, such as investors, customers, suppliers and the community, towards a common corporate goal, promoting a win-win scenario through mutual cooperation. The steps we have taken are for the purpose of safeguarding the interests of stakeholders, such as investors, customers and suppliers, protecting intellectual property rights, and supporting community and charity causes.

保護生態環境，發展循環經濟。老恒和致力於減少對周圍生態環境的影響，主要體現在資源使用、節能降耗、污染物排放、監控與改善等多個方面。公司不僅採取了有效措施對釀造所產生的醬渣、醋渣、豆渣、酒糟、廢液等進行無害化處理，亦注重將可持續發展的理念融入產品製造及企業運營的過程中，以循環經濟的模式提升對資源、能源的利用效率，同時減少對環境的排放。例如，公司對黃酒釀造過程中產生的主要副產物黃酒糟進行二次開發利用，生產出糟香料酒、膏狀料酒等副產品，既提高了對生產原料的利用效率，也減少了對環境的廢棄物排放；公司還採用大豆浸泡廢水膜法處理回用、噴淋殺菌水餘熱回收等技術，提高對水資源的利用效率，減少廢水的排放。

關注員工幸福，營造和諧文化。老恒和在持續發展壯大的同時，亦積極關注員工幸福指數的提升，一方面致力於提高職工的物質生活水準，另一方面也大力滿足其精神文化方面的需求。我們為職工建造了設施齊備的公寓樓，設立了「職工之家」，並每年組織職工體檢、旅遊、生日會等多種形式的員工關愛活動，公司還設置了困難職工「綠色通道」，幫助困難職工解決問題。此外，公司設置了完善的人才培訓和晉升機制，讓每個有才華、有能力的職工都能找到自己的舞臺。

注重價值共享，致力合作共贏。我們注重與投資者、客戶、供應商、社區公眾等利益相關方共享企業發展所創造的價值，推動相互間的合作共贏。這些舉措既包括對投資者、客戶、供應商等利益相關方的合法權益的保護，也包括保護知識產權，防範貪腐現象，以及支持社會公益慈善事業等。

CHAIRMAN'S MESSAGE (CONTINUED)

主席致辭(續)

Looking ahead, we will, as always, uphold the spirit of “craftsmanship” to continue to offer naturally-brewed condiment products of safer, healthier and higher quality for the consumers and contribute to a sustainable development of the economy, environment and society.

展望未來，我們將一如既往地堅持「工匠精神」，繼續為消費者提供更優質、更安全和更健康的天然釀造的調味品，同時也為經濟、環境和社會的可持續發展繼續貢獻力量。



董事會主席兼首席執行官

陳衛忠

二零一七年六月八日

Chen Weizhong

Chairman of the Board and CEO

8 June 2017

ABOUT LAO HENG HE (老恒和)

關於老恒和

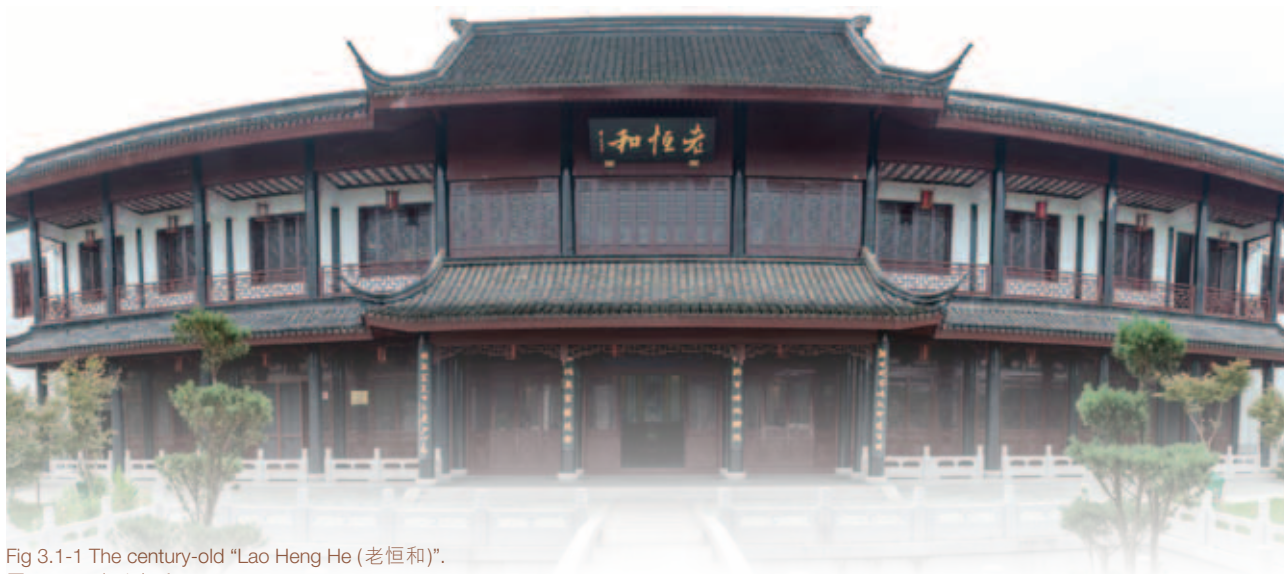


Fig 3.1-1 The century-old “Lao Heng He (老恒和)”.
圖3.1-1 百年老恒和。

INTRODUCTION TO THE ENTERPRISE

企業簡介

As one of the leading condiment manufacturers in China, Honworld Group Limited offers mainly condiments, including cooking wine, soy sauce, vinegar, soybean paste and fermented bean curd, to the market. “Lao Heng He (老恒和)”, formerly known as “Lao Yuan Da (老元大)”, was established during the the Qing Dynasty under the reign of Emperor Xianfeng (咸豐帝), and adopted its existing name later in the 19th year of the Republic of China (民國十九年). It has established itself as a century-old Chinese cooking wine brand and was recognised as China Time-honored Brand (中華老字號) by the Ministry of Commerce in 2010. In 2014, the Company was successfully listed on the Hong Kong Stock Exchange.

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主要向市場供應優質、健康的料酒、醬油、醋、黃豆醬、腐乳等調味品。「老恒和」原名「老元大」，創立於清咸豐年間，後於民國十九年正式更名，是具有百年歷史的中國料酒品牌，並於二零一零年被商務部認定為「中華老字號」。二零一四年，公司在港交所成功掛牌上市。



Fig 3.1-2, 3 Lao Heng He was listed on the Hong Kong Stock Exchange on 28 January 2014.
圖3.1-2、3 二零一四年一月二十八日，老恒和在香港聯合交易所上市。

CORPORATE GOVERNANCE (CONTINUED)

企業管治(續)



Fig 3.1-4 Key products of Lao Heng He.
圖 3.1-4 老恒和主要產品。

INTRODUCTION TO OUR BUSINESS

Lao Heng He mainly manufactures condiments including cooking wine, soy sauce, vinegar, soybean paste and fermented bean curd. In 2016, driven by the sales of products of different levels, total revenue of the Company reached RMB831.1 million, representing a growth of approximately 4.0% as compared to that of 2015.

In light of the ever-changing market demand, Lao Heng He adopted a new marketing strategy in 2016 to diversify marketing channels, shifting its focus of sales and marketing from distributing via the supermarket distribution channel to integrating the retail channels of segmented regional small retailers and tapping into the catering channels and e-commerce channels.

In order to support the Company's diversified channel development strategy, more resources have been committed to establishing a sales team and channel expansion. During the year, 179 new staff members were added to the sales team with a total workforce of 240 as at the end of 2016 and 531 new distributors were secured with a total of 898 as at the end of 2016, effectively expanding our product penetration and customer base in third and fourth-tier cities. At the same time, the Company also appointed Mr. Nicholas Tse as the brand ambassador of "Lao Heng He" cooking wine in Mainland China and sponsored Chef Nic (十二道鋒味), a cooking reality show hosted by Mr. Nicholas Tse, effectively promoting the brand reputation of the Company.

業務簡介

老恒和主要生產料酒、醬油、醋、黃豆醬、腐乳等調味品。二零一六年，在各檔次產品的銷售帶動下，本公司總收入達到人民幣831.1百萬元，較二零一五年增長約4.0%。

面對日新月異的市場需求，老恒和於二零一六年採取了新的經銷策略，開拓多元化的市場營銷渠道，將營銷重點從商超渠道分銷轉移至整合離散的區域性小型商戶零售渠道，並繼續開拓餐飲渠道和電商渠道。

為配套公司多元化的渠道發展戰略，我們在銷售隊伍建設及渠道拓展方面也投入了更多的資源，全年新增營銷人員179名，截至二零一六年末的營銷人員總數達到240名；新增經銷商531名，截至二零一六年末的經銷商總數達到898名，有效拓展了三四線城市的產品滲透率和客戶基礎；同時我們還聘請了謝霆鋒先生擔任「老恒和」料酒中國大陸地區形象代言人並贊助其美食真人秀「十二道鋒味」，從而有效提升了公司的品牌知名度。

CORPORATE GOVERNANCE (CONTINUED)

企業管治(續)

Alongside with the expansion of marketing and sales channels, the manufacturing strategy and product portfolio were also adjusted correspondingly. In 2016, we restructured and expanded our production facilities at our plants in Huzhou City, Zhejiang Province. We also acquired new production equipment and implemented various technical improvements to our production process. Cooking wine, our key product, remained a major source of revenue, representing 74.7% of the total revenue. The proportion of sales of our middle-end products also recorded certain degree of growth as compared with that in 2015.

伴隨營銷渠道的拓展，我們也對生產策略和產品組合進行了相應的調整。在二零一六年，我們改造和擴張了位於浙江省湖州市廠房內的生產設施，購置了新的生產設備，並對生產過程推行多項技術改進措施。我們的主要產品料酒繼續穩居最主要收入來源，在總收入當中的佔比達到74.7%，同時中端產品的銷售佔比也較二零一五年度實現了一定幅度的增長。



Fig 3.1-5 In 2016, Lao Heng He appointed Mr. Nicholas Tse as the brand ambassador of “Lao Heng He” cooking wine in Mainland China.

圖3.1-5 二零一六年，老恒和聘請謝霆鋒先生擔任「老恒和」料酒中國大陸地區形象代言人。



Fig 3.1-6 Mr. Nicholas Tse exchanged views with Mr. Chen Weizhong at Lao Heng He.

圖3.1-6 謝霆鋒先生在老恒和與陳衛忠先生交流。

Looking forward to 2017, we will actively respond to sustainable domestic consumption-led growth under the “New Normal (新常態)”. We will continue to upgrade our products and adopt the diversification strategy to optimise marketing and sales channels and product portfolio through a more reasonable allocation of resources and a focus on offering naturally-brewed condiment products of safer, healthier and higher quality to consumers.

展望2017年，我們將積極回應「新常態」下以本土消費為主導的可持續發展模式，繼續堅持產品升級和多元化戰略，以更合理的資源配置來優化經銷渠道和產品組合，專注於向消費者提供更優質、更安全和更健康的天然釀造的調味品。

CORPORATE GOVERNANCE (CONTINUED)

企業管治(續)

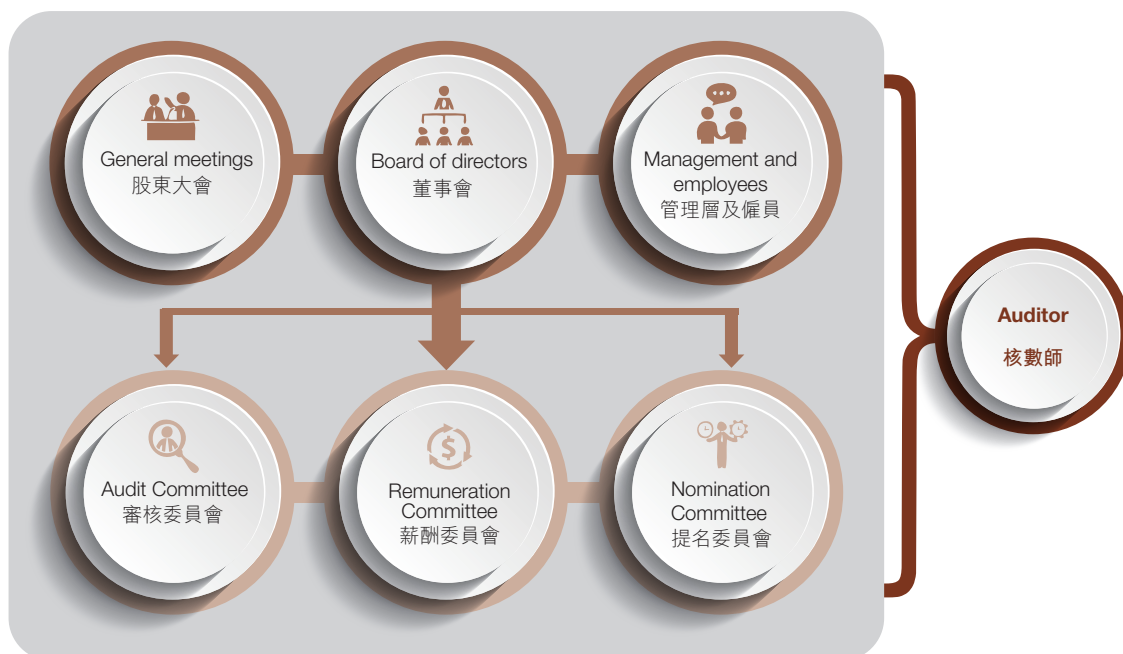
GOVERNANCE OF THE COMPANY

The Company has adopted the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the “Governance Code”) as contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) (the “Listing Rules”) as its corporate governance practices. At the same time, to ensure effectiveness of internal governance of the Company, we have established a corporate governance structure involving various parties. The internal governance structure comprises general meetings with shareholders, the board of directors, management and employees. External auditors conduct independent review on governance of the Company, assisting to optimise our internal governance. Relationship between the Company and other business associates also reflects the effectiveness of our corporate governance.

公司治理

本公司已採納香港聯合交易所有限公司證券上市規則(經不時修訂)(「上市規則」)附錄十四所載企業管治守則及企業管治報告(「管治守則」)所載的守則條文作為企業管治常規守則。同時，為了保證公司內部治理的有效性，我們構建了多方參與的企業管治架構。內部治理結構主要由股東大會、董事會、管理層及僱員組成。外聘核數師對公司管治進行獨立評審，以幫助我們優化內部治理；同時，公司與其他業務有關人士的關係也反映我們在企業管治方面的成效。

Structure of Management 管理架構



CORPORATE GOVERNANCE (CONTINUED)

企業管治(續)

Executive directors

Mr. Chen Weizhong (Chairman and CEO)
Mr. Sheng Mingjian
Mr. Wang Chao

Non-executive director

Mr. Sun Qingdong

Independent non-executive directors

Mr. Shen Zhenchang
Mr. Lei Jiasu
Mr. Ma Chaosong

Returns for shareholders

Lao Heng He believes that effective and proper investor relations play a vital role in creating shareholders' value, enhancing the corporate transparency as well as establishing market confidence. In this regard, we disclose information in a timely, fair, complete and accurate manner in compliance with the requirements of Listing Rules as well as relevant laws and regulations, and publish relevant reports and announcements periodically or casually. Relevant information is also published on website of the Company to maintain transparency of operating strategy, financial performance and development prospects of the Company, thereby enabling shareholders, investors as well as the public to make rational and informed decisions. The Company strives to maintain healthy communication with its shareholders. We provide channels like general meetings for shareholders to express their opinions and for us to answer queries from shareholders earnestly.

Meanwhile, we share the value arising from the Company's corporate growth with shareholders by striving for good operating results. As at the end of 2016, revenue of the Group reached approximately RMB831.1 million, profit attributable to ordinary equity holders of the parent was approximately RMB206.6 million and earnings per share attributable to ordinary equity holders of the parent was RMB38.4 cents.

Promoting integrity and good governance

Lao Heng He has been insisting in lawful operation. Through establishing relevant systems and culture, Lao Heng He actively promotes integrity and good governance with a view to being a corporate citizen that "knows, understands and abides by the laws (知法、懂法、守法)". In 2013, we set up the "Anti-corruption and whistle-blowing system (反貪污與舉報制度)" to enhance management and internal control of the Company and to protect legal interests of the Company and shareholders.

執行董事

陳衛忠先生(主席兼首席執行官)
盛明健先生
王超先生

非執行董事

孫卿東先生

獨立非執行董事

沈振昌先生
雷家驩先生
馬朝松先生

回報股東

老恒和相信，與投資者建立有效及適當的關係對營造股東價值、提高公司透明度及建立市場信心具有重要作用。為此，我們根據上市規則及有關法律法規的規定，及時、公正、完整、準確地進行信息披露，並定期或不定期刊發相關報告及公告，同時將相關資料及信息公佈於本公司網站，務求保持本公司經營策略、財務表現及發展前景的透明度，使股東、投資者及公眾人士能據此作出合理的知情決定。本公司亦竭力保持與股東的良性對話，通過股東大會等渠道為股東提供表達意見的機會，誠懇回應股東的詢問。

與此同時，我們通過不斷提升公司業績，與股東共享企業成長的價值。截至二零一六年末，本集團收入達到約人民幣831.1百萬元，母公司普通權益持有人應佔利潤約為人民幣206.6百萬元，母公司普通權益持有人應佔每股盈利為人民幣38.4分。

倡廉善治

老恒和堅持合法經營，以制度建設和文化建設為抓手，積極推進倡廉善治工作，做「知法、懂法、守法」的企業公民。我們於2013年制定了《反貪污與舉報制度》，以加強公司治理和內部控制，維護公司和股東的合法權益。

CORPORATE GOVERNANCE (CONTINUED)

企業管治(續)

Strict anti-corruption system of the Company showed satisfactory results with no corruption-related proceedings involving the Company or its employees in 2016.

公司嚴格的反貪污制度取得了良好的效果，二零一六年度未發生對公司或僱員提出的貪污訴訟案件。

Anti-corruption measures:

反貪腐措施：

- The board of directors supervises the management in establishing anti-fraud culture within the Company and setting up healthy internal control systems for preventing issues including frauds.
 - The management has established good internal control system and set up complaint reporting channels while proper and effective rectification measures have been adopted for fraud practices.
 - All employees are subject to the code of conduct of the Company, ethical requirements as well as laws and regulations applicable to the country and the industry. In the event of any fraud situations, they should be reported to the audit department through proper channels.
 - Administration department of the Company is responsible for handling hotlines and e-mail boxes for receiving fraud reports and complaints and accepting real name or anonymous reports from employees and external third parties, preparing written records accordingly and reporting to the management or the board of directors in a timely manner.
 - The Company will inflict disciplinary actions on employees proved guilty of fraud behaviors according to relevant requirement. Those who violate the criminal laws will be referred to judicial authorities for handling in accordance with the law.
- 董事會督促管理層建立公司範圍內的反舞弊文化環境，建立健全預防舞弊在內的內部控制體系。
 - 管理層建立良好的內控機制，設立舉報投訴渠道，並對舞弊行為採取適當且有效的補救措施。
 - 全體僱員應遵守公司行為準則、道德規範及國家、行業所涉及法律法規。如發現任何舞弊情況，應通過正當渠道向公司審計部進行舉報。
 - 公司行政部負責管理舞弊案件的舉報電話熱線、電子郵箱，接收僱員實名或匿名、外部第三方實名或匿名舉報，留下書面記錄並及時向管理層或董事會報告。
 - 對證實有舞弊行為的僱員，公司按相關規定予以相應的行政紀律處分；行為觸犯刑法的，移送司法機關依法處理。

Fig 4.1-2 Workflow for handling complaints and reports

圖 4.1-2 投訴舉報處理流程



RESPONSIBILITY MANAGEMENT

責任管理

CONCEPT AND MANAGEMENT SYSTEM ON RESPONSIBILITIES

Concept of Responsibilities

Lao Heng He is committed to maintaining high standard of corporate governance to safeguard the interests of shareholders and enhance corporate value. The Company has adopted the Corporate Governance Code as set out in Appendix 14 to the Listing Rules as its own standard of corporate governance and conducted business operation in compliance with the requirements of the code.

At the same time, Lao Heng He has also actively undertaken the mission of a responsible corporate citizen. To pursue comprehensive sustainable development, Lao Heng He has consciously integrated the concepts of environment, society and governance into the Company's mission, values, business and system, as well as the course of our day-to-day operation and risk management.

責任理念與管理機制

責任理念

老恒和致力於維持高水準的企業管治，以保障股東權益，提升企業價值。公司已採納上市規則附錄十四所載的企業管治守則作為其企業管治準則，並根據該守則的要求進行業務營運。

與此同時，老恒和主動承擔負責任的企業公民的使命，追求全面的可持續發展，自覺地將環境、社會及管治理念融入公司的使命、價值觀、業務、制度，以及日常營運和風險管理的過程中。

Fig 4.1-1 Composition of Social Responsibility of Lao Heng He



圖 4.1-1 老恒和的社會責任構成

- **Food Safety Responsibility 食品安全責任**
Ensuring food safety for the benefit of public health
確保食品安全，增益大眾健康
- **Product Responsibility 產品責任**
Safeguarding product quality and serving customers attentively
保障產品品質，悉心服務客戶
- **Compliance Responsibility 合規責任**
Operating in compliance with laws and regulations and upholding anti-corruption and integrity
合法合規經營，堅守廉潔誠信
- **Employment Responsibility 僱傭責任**
Protecting employees' interests and facilitating their development
保護員工權益，促進員工發展
- **Environmental Responsibility 環境責任**
Saving energy and reducing waste and emissions to protect the ecological environment
節能降污減排，保護生態環境
- **Community Responsibility 社區責任**
Concerning for the development of the community and participating in public welfare and charity
關注社區發展，參與公益慈善

RESPONSIBILITY MANAGEMENT (CONTINUED)

責任管理 (續)

Management of Responsibility

According to the requirements relating to the Environmental, Social and Governance Reporting Guide of Hong Kong Stock Exchange, board of directors of the Group is fully responsible for the strategy and reporting functions in respect of environment, society and governance of the Company. The board of directors is responsible for evaluating the risks of the Company regarding environment, society and governance aspects, ensuring effective risk management and internal control system on environment, society and governance established in the Company and monitoring the implementation thereof by respective departments and subsidiaries.

責任管理

根據聯交所《環境、社會及管治報告指引》，本集團董事會肩負著公司有關環境、社會及管治策略及彙報方面的全部責任。董事會負責評定本公司在環境、社會及管治方面的風險，確保公司制訂有效的環境、社會及管治風險管理及內部監控制度，並督促公司各相關部門、分子公司進行貫徹落實。

COMMUNICATION WITH STAKEHOLDERS

System of communication with stakeholders

Lao Heng He believes establishing effective communication system with stakeholders is important in enhancing transparency of the Company and building market confidence. The Company discloses information according to the Listing Rules and publishes regular reports to stakeholders and the general public, updating stakeholders, including shareholders, investors, creditors and suppliers, on the production and operation status of the Company.

與利益相關方的對話

利益相關方溝通機制

老恒和相信，與利益相關方建立有效的溝通機制對提高公司透明度、建立市場信心具有重要作用。公司根據上市規則披露資料，向利益相關方及公眾人士發佈定期報告，務求使股東、投資者、債權人、供應商等利益相關方及時瞭解公司的生產運營情況，有效維護自身的權益。

Identification of stakeholders 利益相關方識別	Objectives of communication 溝通目標	Means of communication 溝通渠道
Government departments and regulatory authorities 政府部門與監管機構	<ul style="list-style-type: none"> Complying with laws and regulations of place of business Paying tax in accordance with laws Maintaining good relationship with local government Supporting governance under laws of local government Meeting compliance requirements of regulatory authorities 遵守運營地法律法規 依法繳納稅款 與當地政府保持良好關係 支持當地政府依法治理 滿足監管機構的合規要求 	<ul style="list-style-type: none"> Understanding latest laws and regulations Understanding compliance requirements of regulatory authorities Active communication to promote mutual understanding 瞭解最新法律法規 瞭解各監管機構的合規要求 積極溝通、促進雙方瞭解

RESPONSIBILITY MANAGEMENT (CONTINUED)

責任管理 (續)

Identification of stakeholders 利益相關方識別	Objectives of communication 溝通目標	Means of communication 溝通渠道
Shareholders and investors	<ul style="list-style-type: none"> Updating investors on the latest development of the Company Gaining trust from investors Gaining investors' support to management decisions Bringing investment returns to investors 	<ul style="list-style-type: none"> Regular announcement of financial and operational information and data General meetings with shareholders Active communication and answering queries
股東及投資者	<ul style="list-style-type: none"> 讓投資者瞭解公司發展情況 獲取投資者信任 獲取投資者對管理層決策的支持 為投資者帶來投資回報 	<ul style="list-style-type: none"> 定期發佈財務和經營信息、數據 股東大會 主動溝通答疑
Employees	<ul style="list-style-type: none"> Understanding employees' opinion on development of the Company Collecting improvement suggestions from employees Understanding employees' needs Informing employees of direction of the Company Enhancing team spirit throughout the Company Providing good working environment to employees 	<ul style="list-style-type: none"> Trainings for employees on occupation, health and safety Caring for employees Public Recruitment Worker union in the enterprise Organizing cultural and recreational activities for employees Providing channels for feedbacks
企業僱員	<ul style="list-style-type: none"> 瞭解僱員對公司發展的意見 收集僱員的改善建議 瞭解僱員的需求 讓僱員瞭解公司發展方向 增強公司團隊向心力 為僱員提供良好的工作環境 	<ul style="list-style-type: none"> 僱員職業、健康、安全培訓 僱員關懷 公開招聘 企業工會 僱員文體活動 意見反饋渠道

RESPONSIBILITY MANAGEMENT (CONTINUED)

責任管理(續)

Identification of stakeholders 利益相關方識別	Objectives of communication 溝通目標	Means of communication 溝通渠道
Consumers 消費者	<ul style="list-style-type: none"> Understanding opinions of consumers towards products of the Company Offering products meeting consumers' needs Providing more attentive services to consumers Safeguarding personal information of consumers Setting up marketing strategies in compliance with business ethics 瞭解消費者對公司產品的意見 提供貼合消費者需求的產品 為消費者提供更貼心的服務 保障消費者的個人信息安全 制定符合商業道德的營銷策略 	<ul style="list-style-type: none"> Marketing and communication in compliance Disclosure of corporate information Disclosure of product information Channels for consumer complaints and feedbacks 合規營銷溝通 企業信息披露 產品信息公開 消費者投訴及意見反饋渠道
Business associates and suppliers 商業合作夥伴與供應商	<ul style="list-style-type: none"> Establishing good cooperation Creating win-win situation Creating cooperative atmosphere with mutual trust Jointly promoting sustainable development of supply chain 建立良好的合作關係 創造共贏的局面 營造互信的合作氛圍 共同推動供應鏈的可持續發展 	<ul style="list-style-type: none"> System of on-going communication Responsible purchasing policy Fair and open purchasing principles 持續溝通機制 負責任的採購政策 公平公開的採購原則
Local community 當地社區	<ul style="list-style-type: none"> Creating social values at the places of operation Enhancing economic development at the places of operation Protecting interests of local residents Protecting local environment 為運營所在地創造社會價值 促進運營所在地經濟發展 保障當地居民的權益 保護當地環境 	<ul style="list-style-type: none"> Organising activities for social and charitable causes In-depth communication with the community Protecting environment of community Active communication with local government authorities 舉辦社會公益活動 深入社區溝通 保護社區環境 和當地政府機構積極交流

RESPONSIBILITY MANAGEMENT (CONTINUED) 責任管理 (續)

In the course of preparing this environmental, social and governance report, we actively collected opinions from various stakeholders to understand their views on environmental, social and governance aspects of Lao Heng He which will be used as a key reference for devising our future strategies and policies. We have engaged third party professional institution to conduct comprehensive communication on all aspects with stakeholders by means of face-to-face communication, telephone interview, surveys with questionnaires and site visit. The topics that arouse most concern among stakeholders are selected and disclosed in this report.

在準備本次環境、社會及管治報告的過程中，我們通過各種渠道積極獲取各利益相關方群體的意見，以瞭解他們對老恒和在環境、社會與管治方面的看法，作為我們今後策略與政策制定的重要參考。通過聘請第三方專業機構，以面對面溝通、電話訪談、問卷調查、實地走訪等多種形式，從各個維度與各利益相關方群體進行全面溝通，最終選取了利益相關方最為關注的議題，在本次的報告中進行披露。

Analysis on Key ESG Topics ESG 重大議題分析



RESPONSIBILITY MANAGEMENT (CONTINUED)

責任管理(續)

Based on the findings of questionnaire surveys, topics are listed below according to their importance to stakeholders:

基於問卷調查的結果，我們得出利益相關方對各議題重要性的排列如下：

Table 4.2-1 List of important topics for 2016 ESG Report of Honworld Group Limited

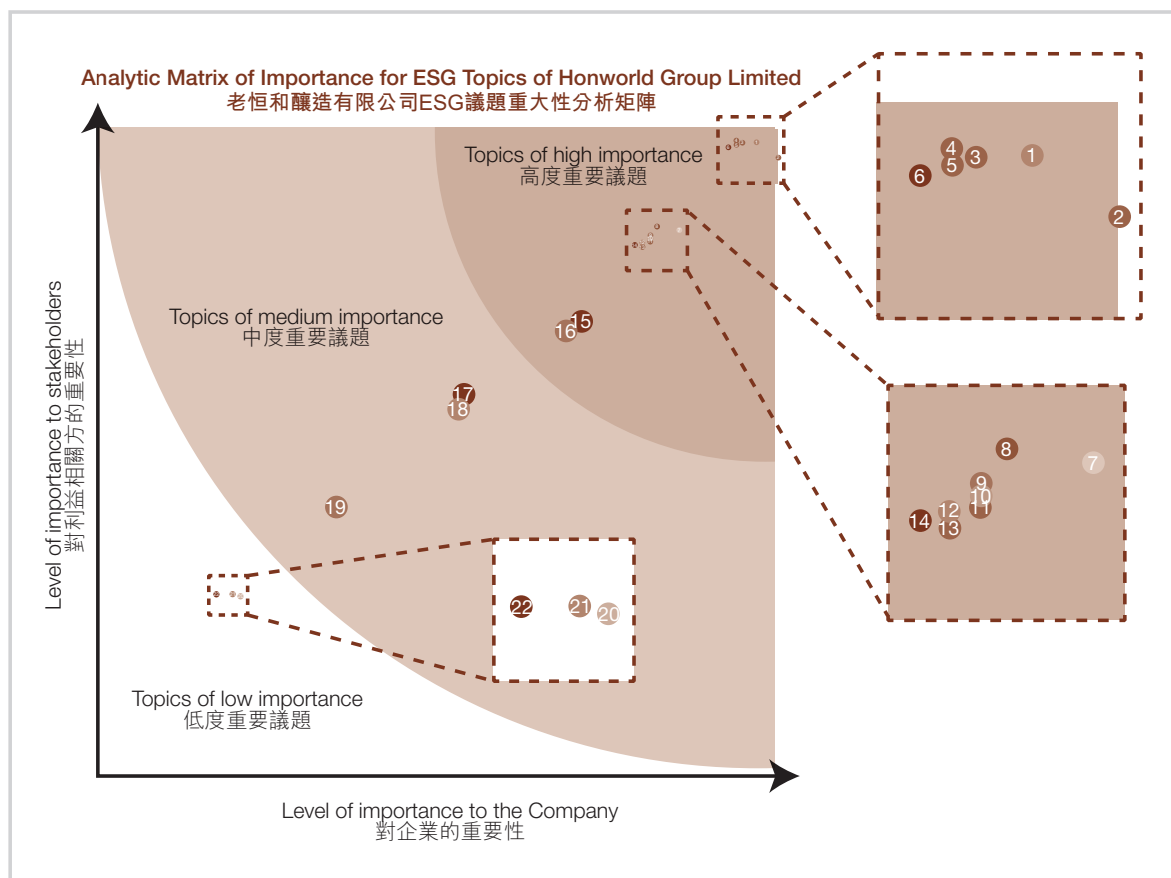
表4.2-1 老恒和釀造有限公司2016年度ESG報告重大性議題列表

Topics of high importance	高度重要議題	1	Avoiding child labour and forced labour	避免使用童工及強迫勞動
		2	Operation in compliance with laws and regulations and anti-corruption	合法合規經營及反貪腐
		3	Health and safety issues of products	產品健康與安全
		4	Protection of intellectual property rights	知識產權保護
		5	Complaints on products and services	產品及服務投訴
		6	Personal safety of employees	僱員人身安全
		7	Management of emissions	排放物管理
		8	Quality tests and recall of products	產品品質檢測和回收
		9	Occupational health and safety measures	職業健康與安全措施
		10	Use and management of water resources	水資源使用管理
		11	Employment status	僱傭情況
		12	Participation and investment in social issues	參與的社會議題類型及其投入
		13	Management of use of energy	能源使用管理
		14	Principles for engaging suppliers	供應商聘用原則
		15	Staff trainings and related commitments	僱員培訓及其投入
		16	Status of suppliers	供應商情況
Topics of medium importance	中度重要議題	17	Information safety and privacy of consumers	消費者信息安全及隱私
		18	Management of wastes	廢棄物管理
		19	Staff turnover	僱員流失率
Topics of low importance	低度重要議題	20	Environment and natural resources	環境及天然資源
		21	Management of packaging materials for products	產品包裝材料管理
		22	Management of greenhouse gases	溫室氣體管理

RESPONSIBILITY MANAGEMENT (CONTINUED) 責任管理(續)

Fig 4.2-1 Analytic Matrix of Topic Importance for 2016 ESG Report of Honworld Group Limited

圖 4.2-1 老恒和釀造有限公司 2016 年度 ESG 報告議題重大性分析矩陣



PRODUCT RESPONSIBILITY

產品責任

QUALITY OF PRODUCTS AND SERVICES

As a condiment manufacturer, quality of products and services is important for the viable development of Lao Heng He. We have implemented strict quality control on our products and services in different stages like purchasing, manufacturing, packing, testing and after-sales service. Documented Standards including “Management System for Purchase” (採購管理制度), “Management System for Production Process” (生產過程管理制度), “Standards for Inspection and Acceptance of Packaging Materials” (包裝材料驗收標準), “Management System for Substandard Products” (不合格品管理制度), “Management System for Self-check of Food Safety” (食品安全自查管理制度) and “Acceptance System for Consumer Complaints” (消費者投訴受理制度) were established to strictly safeguard quality of our products and ensure safety and health of our products, allowing customers to buy and consume our products with assurance.

Selection of Suppliers

In the section “Supply Chain Management”, it is mentioned that the Company has various policies in place to control the purchasing process, ensuring the quality of materials required in manufacturing and testing equipment to meet the requirements of the Company. At the same time, qualifications of suppliers are regularly reviewed to ensure that the products they supply meet the Company’s standards, with a view to implementing strict quality control on the Company’s products right from the sources.

Control on Production Process

Lao Heng He has set up “Quality Control System in Production Process” (生產過程品質管制制度) to control various factors affecting product quality in the production process:

- **Control on Staff**

Production department proposes to general manager its requirements for talents to fill certain positions and submits training application to Integrated Centre (綜合中心). The Integrated Centre provides training for new/existing staff at different positions in accordance with “Human Resources Management System” (人力資源管理制度) to ensure they have relevant qualifications and competence for their jobs.

產品和服務品質

作為一家調味品生產企業，產品和服務品質對老恒和的生存發展至關重要。我們對採購、生產、包裝、檢查、售後等各個環節的產品和服務品質進行嚴格控制，制定了《採購管理制度》《生產過程管理制度》《包裝材料驗收標準》《不合格品管理制度》《食品安全自查管理制度》《消費者投訴受理制度》等規範性文件，對產品品質進行嚴格把關，確保產品的安全與健康，讓顧客放心購買，安心食用。

供應商甄選

在「供應鏈管理」章節中，我們將提到，公司制定了各項政策對採購過程進行控制，確保生產所需材料及各項測試設備的品質滿足公司的要求。同時，對供應商的資質進行定期考察，保證供應商提供的產品達到公司制定的標準，從源頭上對公司產品的品質安全進行嚴格控制。

生產程序控制

老恒和制定了《生產過程品質管制制度》對生產過程中影響產品品質的各項因素進行控制：

- **人員控制**

生產部根據崗位需要向總經理提出崗位人才需求並向綜合中心提出培訓申請，綜合中心按《人力資源管理制度》對新僱員／在崗僱員進行培訓，確保各崗位人員都具有相應的資格和能力勝任崗位工作。



Fig 5.1-1 Lao Heng He ensures employee competence.
圖 5.1-1 老恒和確保僱員勝任工作。

PRODUCT RESPONSIBILITY (CONTINUED)

產品責任(續)

• Control on Infrastructure

The factories should have appropriate height and ensure good ventilation and lighting. Floor of workshop should be covered with non-toxic, skidproof and hard materials while facilities should maintain pest and rodent control measures. The distance between buildings and other factory facilities should comply with safety requirement and manufacturing needs.

• 基礎設施控制

廠房應具有適宜高度，確保室內通風、採光良好；車間地面採用無毒、防滑的硬質材料鋪設並設置防蟲害、老鼠的設施；建築物和其他廠房設施的距離均應符合安全規定和生產要求。



Fig 5.1-2 Wine warehouse of Lao Heng He.
圖 5.1-2 老恒和酒存儲區域一角。

• Control on Key Procedures

Raw and ancillary materials for production must pass our checking and tests before use. Key quality control points are set up in the production process to determine control requirements and technical parameters which will be monitored and recorded by testing staff throughout the production process.

• 關鍵工序控制

投入生產使用的原輔材料必須經過檢驗，檢驗合格後方可投入使用；規定生產過程關鍵品質控制點，確定控制要求和工藝參數，對生產過程參數進行控制和記錄，由檢驗人員對生產過程實施監控。



Fig 5.1-3 Testing staff of Lao Heng He supervised the production process.
圖 5.1-3 老恒和的檢驗人員對生產過程實施監控。

PRODUCT RESPONSIBILITY (CONTINUED)

產品責任(續)

Standardising the packaging standard

Lao Heng He has set comprehensive “Standards for Inspection and Acceptance of Packaging Materials” (包裝材料驗收標準). Detailed requirements for PET bottles, packaging films, labels, glass bottles, sauce box (醬盒), tinplate cover, plastic caps, ceramic containers and cartons to meet our standards were set to ensure safety and hygiene of products in storage, in transit and in stock.

Comprehensive self-check on food safety

Lao Heng He has designated more than one management personnel from production centre, quality research centre and other departments respectively to form a team for self-check on food safety. The team regularly performs comprehensive self-checks on the Company's food safety to decide whether storage condition for raw materials is in compliance, whether production environment is clean and tidy, whether expired products are in stock, whether labeling for food is complete and clear and whether it is necessary to recall unsafe food products for elimination. In the event of any non-compliance, the self-check team would contact officers of relevant departments for rectification to ensure effective implementation of the Company's policies of quality and safety management.

Recall of Substandard Products

Lao Heng He has established “Management System for Substandard Products” (不合格品管理制度) for evaluation and recall of substandard products including materials used in the production process, work-in-progress, finished products and returns from customers. Quality Check Department (質檢部) procures relevant departments to evaluate and analyze the substandard products to find out the cause for the defects, determine the severity of non-compliance and which departments to blame, decide how to dispose of the substandard products and prepare evaluation record for substandard products. Rectifications are to be implemented upon approval of general manager.

Attentive After-sales Services

To realise the objective of the Company's “Service Quality of Handling 100% Feedbacks from Customers and Consumers (客戶及消費者資訊回饋處理率100%的服務品質)” consistently and build up our accountable product image, we have established “Acceptance System for Consumer Complaints” (消費者投訴受理制度) which set out in details the procedures and methods for handling complaints from customers and consumers, with an aim to provide attentive after-sales services for customers.

規範包裝標準

老恒和制定了詳細的《包裝材料驗收標準》，對PET壺、包裝塑膠膜、標籤、玻璃瓶、醬盒、馬口鐵蓋、塑膠瓶蓋、陶瓷缸和紙箱應滿足的標準作了詳細的規定，確保產品在存儲、運輸、貯藏過程中保持安全衛生。

全面食品安全自查

老恒和從生產中心、質研中心及其他部門各指定一名以上管理人員組成食品安全自查小組，定期對公司的食品安全進行全面自我檢查，包括原材料的貯存條件是否合規、生產環境是否保持整潔、成品倉庫是否有過期產品、食品標籤是否完整清晰、發現不安全食品是否召回並銷毀等。一旦發現不合規的現象，自查小組立即聯繫相關部門負責人進行整改，確保公司的品質安全管理政策得到有效落實。

回收不合格產品

老恒和制定了《不合格品管理制度》，對生產過程中的物料、半成品、成品以及客戶所退貨品等各類不合格品進行評估和回收。由質檢部組織有關部門對不合格產品進行評審，分析不合格的原因，確定不合格的嚴重程度和責任部門，作出對不合格品的處置決定，填寫不合格品評審記錄，由總經理批准後實施糾正。

周到售後服務

為貫徹執行公司「客戶及消費者資訊回饋處理率100%的服務品質」目標，樹立負責任的產品形象，我們制定了《消費者投訴受理制度》，詳細規定了客戶及消費者投訴的處理流程及方法，為客戶提供周到的售後服務。

PRODUCT RESPONSIBILITY (CONTINUED) 產品責任(續)

Upon receiving letters, phone calls and messages from commercial clients and general consumers by customer service department (客戶服務部), specialised staff will record the cases in "Dealing list of customer complaints (客戶投訴處理單)", specifying subject of the complaints and possible solutions. If no immediate solution for the relevant issues is available, customers would be notified the specific timing for the solutions. Having gathered information on customer complaints, Sales Centre (營銷中心) will promptly distribute to officers of relevant departments for decisions and handling. In case of request for return or exchange of products, it will be handled according to our return and exchange procedures. As for service requirement, it will be handled according to service management procedures. Upon settlement of complaints, officers in charge will enquire the customers about their level of satisfaction in this regard. Relevant feedback will be recorded and filed as one of the important criteria for assessing staff performance.

The strict quality control procedures of the Company have showed satisfactory results, with no product recall for safety or health reasons being required in respect of the products sold or delivered in 2016.

Rewards to Customers

The current development of Lao Heng He, being a market-oriented enterprise, is undoubtedly attributable to the support from customers. In view of this, Lao Heng He has been organising activities on a yearly basis to reward our customers by showing our heartfelt appreciation for and promoting communication with them.

客戶服務部收到商業客戶及普通消費者的來信、來電、來函之後，由專門人員將其錄入《客戶投訴處理單》，明確投訴的內容及可能的解決方案。如果不能立即解決，則告訴顧客具體的解決時間。營銷中心匯總消費者投訴信息後，及時分發給相關部門負責人進行決策和處理。消費者的需求如果屬於退換貨範疇，則依照退換貨流程進行處理；如果屬於服務要求範疇，則依照服務管理流程處理。負責處理的人員在處理完成後，要詢問顧客對投訴事件處理的滿意程度，並將相關反饋記錄存檔，作為考核僱員的重要指標之一。

公司嚴格的品質監控程序取得了良好的效果，二零一六年全年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為0%。

回饋客戶

作為一家市場化的企業，老恒和能夠取得今天的發展成績，與客戶的支持密不可分。因此，老恒和每年都會組織客戶答謝、交流活動，給予客戶最具誠意的回饋。

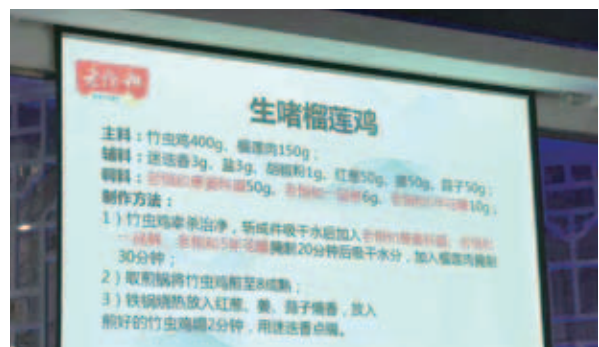


Fig 5.1-4, 5 "Heng He Recipe (恒和菜譜)" created by Lao Heng He helps disseminate great tastes far and wide.
圖 5.1-4、5 老恒和創造的「恒和菜譜」，讓美味傳遍千家萬戶。

PRODUCT RESPONSIBILITY (CONTINUED)

產品責任(續)



Fig 5.1-6, 7, 8, 9 In 2016, the Company organised customer appreciation and product introduction events across the nation.
圖5.1-6、7、8、9二零一六年，公司在全國多個城市舉辦客戶答謝及產品交流活動。

PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

To effectively protect intellectual property rights of the Company, motivate employees for active invention and intellectual creation, enhance management of research and development results and promote technology innovation, Lao Heng He has established "General Rules for Management of Intellectual Property Rights" (知識產權管理總則) pursuant to relevant national laws and regulations on intellectual property rights applicable to the industry to specify requirements on the management of the Company's intellectual property rights. Meanwhile, Lao Heng He has also established "Management System for Patents" (專利管理制度), "Management System for Trademarks" (商標管理制度), "Management System for Copyrights" (著作權管理制度) and "Management System for Trade Secrets" (商業秘密管理制度) to refine maintenance and protection of specific intellectual property rights. Detailed management control procedures for intellectual property rights were also established in four aspects (purchase, research and development, production and sales) to implement our intellectual property management system throughout each process of production and operation.

知識產權保護

為了有效保護公司知識產權、激勵僱員發明創造和智力創作的積極性，加強研究開發成果管理，促進技術創新活動，老恒和依據國家和行業有關的知識產權法律法規，制定了《知識產權管理總則》，對公司知識產權的管理作出了明確的規定。同時，老恒和還制定了《專利管理制度》《商標管理制度》《著作權管理制度》《商業秘密管理制度》等檔對具體知識產權的維護與保障進行了細化，並在採購、研發、生產及銷售四個環節制定了詳細的知識產權管理控制流程，將公司的知識產權管理制度落實到生產運營的各個環節中。

PRODUCT RESPONSIBILITY (CONTINUED)

產品責任(續)

Patent Protection

The Company's department of intellectual property rights (知識產權部) is responsible for patent-related affairs. Its main duties include establishing annual plan for patents of the Company, handling patent applications of the Company, building up database and dealing with legal affairs relating to patent disputes. Management system for patents clearly specifies requirements for application for patents, license of patents, protection and award and punishment of patents, with a view to making patent system a key driving force and protection mechanism of technology innovation, maximising operational value of patents and enhancing competitiveness and economic efficiency of the Company.

Trademark Protection

To raise creditworthiness of Lao Heng He's trademarks for market expansion, the Company has established Management System for Trademarks to clearly specify requirements for trademark registration, printing of trademarks, use of trademarks and license and assignment of trademarks, ensuring legal and proper use of trademarks of the Company and maximizing commercial values.

Copyright Protection

To enhance protection for copyrights and related interests, Lao Heng He has established Management System for Copyrights to protect works including engineering designs, drawings and description of product design, computer programmes and database, product advertisements and package designs. The system clearly specifies requirements for activities including creation and operation of works, filing registration for computer software, appraisal and evaluation of works, assignment of works and pledge of copyrights, effectively avoiding situations like unknown attribution of copyrights and copyright infringement.

Trade Secret Protection

To reasonably and effectively use and manage trade secrets of Lao Heng He, prevent employees or third parties from stealing, using without authorization or revealing the Company's trade secrets, we have established Management System for Trade Secrets to identify head of each department to be the primary responsible person of trade secrets for determining and amending issues and scope of trade secrets of the department and implementing effective management. At the same time, each department enhances education on confidentiality to employees. Active promotion of the purpose and effect of the protection of trade secrets is conducted through publications, broadcasting, conference and trainings to enhance employees' awareness of confidentiality.

專利保護

公司的知識產權部是專利相關事務的主管部門，主要負責制定公司專利年度計劃，辦理公司專利申請、資料庫建立以及有關專利糾紛的法律事務等。專利管理制度對專利申請、專利的許可使用、專利的保護及獎懲有明確規定，務求使專利制度成為公司技術創新的主要動力和保護機制，以充分發揮專利運營價值，提高公司市場競爭力和經濟效益。

商標保護

為了不斷提高老恒和商標的信譽價值，爭創馳名商標，利用商標開拓市場，公司特制定《商標管理制度》，對商標註冊、商標印製、商標使用、商標的許可與受讓使用等事項作出了明確的規定，務求確保公司的商標依法正確使用，並發揮最大的商業價值。

著作權保護

為了加強對著作權及與著作權有關權益的保護，老恒和制定了《著作權管理制度》，對工程設計、產品設計圖紙及其說明、電腦程序及資料庫、公司產品廣告、包裝設計等作品進行保護。該制度對作品創作及實施、電腦軟體作品的備案登記、作品評價及評估、作品轉讓、著作權質押等活動作出了明確的規定，有效避免了著作權歸屬不明、著作權侵犯等現象。

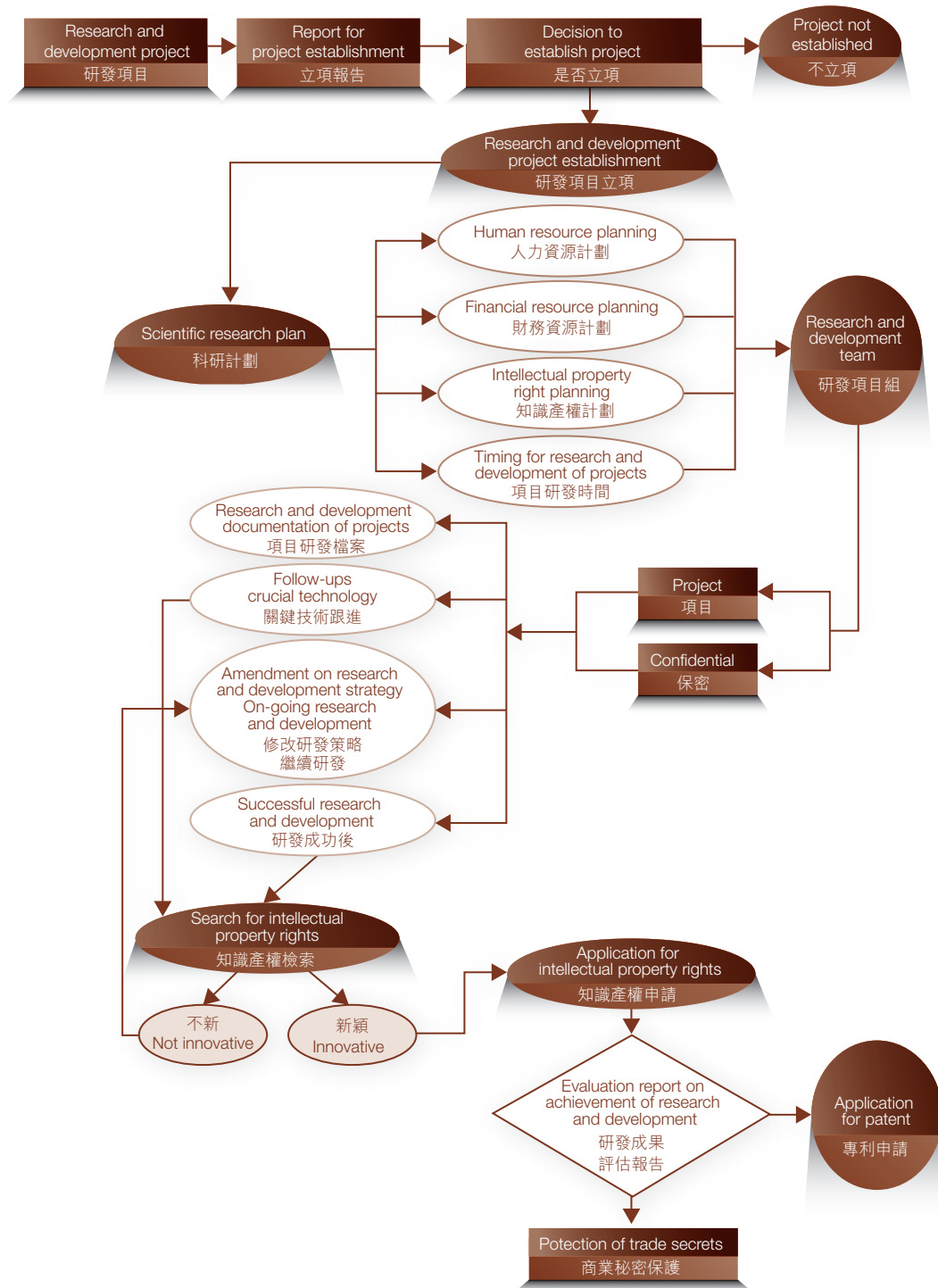
商業秘密保護

為了合理使用、有效管理老恒和的商業秘密，防止企業僱員或第三人違法竊取、使用和洩露公司的商業秘密，我們制定了《商業秘密管理制度》，確定各部門負責人為商業秘密保護的第一責任人，負責確定和修改該部門商業秘密的事項和範圍，並實施有效的管理。同時，各部門加強對僱員的保密教育，充分利用報刊、廣播、會議、培訓等形式，大力宣傳商業秘密保護的意義、作用，增強全員的保密意識。

PRODUCT RESPONSIBILITY (CONTINUED)

產品責任(續)

Fig 5.2-1 Management and Control Procedures for Research and Development Process of Intellectual Property Rights 圖 5.2-1 研發過程知識產權管理控制流程



ENVIRONMENTAL PROTECTION

環境保護

MANAGEMENT OF EMISSIONS

Policy for Managing Emissions

Lao Heng He holds environmental protection and ecological balance in high regard. Lao Heng He is committed to reducing pollution by wastes to the ecological environment and has been perfecting the relevant systems. The Company has successively set up and implemented policies including Management System for Wastes (廢棄物管理制度), Provisions for Classification and Management of Wastes (廢棄物分類及管理規定), Management and Monitoring of Emission of Noise, Wastewater and Exhaust Gases (噪聲、廢水、廢氣排放處理及監測) as well as Control System for Wastewater Discharges (廢水排放控制制度).

Types of Emission

To ensure proper classification, recycling and disposal of wastes, the regulations for classification of wastes of the Company are listed below.

管理排放物

排放物管理政策

老恒和重視環境保護和生態平衡，致力於減少廢棄物對周圍生態環境的污染，並不斷完善相關制度建設，公司相繼制定並實施了《廢棄物管理制度》《廢棄物分類及管理規定》《噪聲、廢水、廢氣排放處理及監測》《廢水排放控制制度》等政策。

排放物種類

為了保證廢棄物的正確分類、回收及處理，公司對各種廢棄物進行的分類處理規定載列如下。

ENVIRONMENTAL PROTECTION (CONTINUED)

環境保護(續)

Table 6.1-1 Types of Emission¹

表 6.1-1 排放物種類¹

Type 類別		Name 名稱	Collection 收集	Disposal 處理
General Waste	Non-recyclable Wastes	Domestic wastes like dust, fruit peels, leftover food, PVC packaging bags and glass shards, various used non-oil based pens, pen refills and floppy disks, etc.; oil and chemical-free used gloves and rags, etc.;	Deposited at general waste bin in refuse station of the Company	Engaging sanitation department for collection and disposal
一般廢棄物	不可回收廢棄物	塵土、果皮、殘餘食品、聚氯乙稀包裝袋、玻璃片等生活垃圾；各種非油性廢筆、筆芯、磁片等；不含油和化學品成份的廢手套、碎布等；	投放到公司垃圾站一般垃圾箱內	委託環衛部門收集處理
	Recyclable Wastes	Waste paper: Residual materials from margins of waste products, newspaper scrap and waste paper in office, etc.;	Deposited at waste paper recycling point in the Company or stacked in designated area in the Company	Destroying wastes with trademarks before delivering to paper manufacturers for recycling
	可回收廢棄物	廢紙類：廢產品邊角餘料、廢報紙、辦公廢紙等；	投放到公司廢紙回收站或集中堆放在公司指定位置	有商標的廢棄物經銷毀後，委託造紙廠回收
		Printed papers and papers for trial printing; 被印刷的紙張及試機紙；		
		Waste plastics: plastic films and packaging tapes, etc.;	Deposited at designated storage area in refuse station	Engaging waste treatment companies for disposal
		廢塑膠類：塑膠膜、包裝帶等；	投放到垃圾站規定的存放處	委託廢品商處理
		Scrap metal: scrap wire, components of retired machines, needles and threads (釘線), packaging cords and water pipes, etc. 廢金屬類：廢電線、廢機器零部件、釘線、包裝帶、水管等；		
		Waste wood: waste pallets and bamboo poles, etc.;		
		廢木材類：廢卡板、竹杆等；		
		Others: bottles of drink and cans of food, etc. 其他類：飲料瓶、食品罐等。		

ENVIRONMENTAL PROTECTION (CONTINUED)

環境保護 (續)

Type 類別	Name 名稱	Collection 收集	Disposal 處理
Hazardous waste		Collected with packaging containers and deposited at designated storage area in refuse station;	engaging qualified service providers to dispose of the hazardous waste
危險廢棄物	<p>Waste mineral oils: oils including waste machine oil, crude oil and heavy oil; 廢礦物油：廢機油、柴油、重油等油類；</p> <p>Waste photosensitive materials: developing solution, fixing solutions and films; 廢感光材料：顯影液、定影液、菲林；</p> <p>Waste dye and paints: waste ink (廢水墨), printing ink (油墨), paints, ink cartridges, correction fluids and oil markers, etc.; 廢染料塗料類：廢水墨、油墨、油漆、墨水匣、塗改液、油筆等；</p> <p>Waste polishing materials and waste glue, etc.; 廢上光材料、廢膠水等；</p> <p>Heavy metal contained: waste florescent light tubes, used battery cells, waste storage batteries and toner cartridges, etc.;</p> <p>含重金屬類：廢螢光燈管、廢電池、蓄電池、硒鼓等；</p> <p>Gloves and rags contaminated by the above hazardous materials; 上述危險物品污染的手套、碎布等；</p>	<p>利用包裝容器收集，放置垃圾站規定存放處；</p> <p>Deposited at designated corresponding area in refuse station 投放到垃圾站相應位置</p>	<p>委託有危險廢棄物處理資質的服務商處理</p>

ENVIRONMENTAL PROTECTION (CONTINUED)

環境保護(續)

Emission Reduction Measures

Lao Heng He continues to introduce state-of-the-art production equipment and technology, with a view to enhancing resource utilization efficiency and reducing the production and emission of pollutants. Detailed measures include the followings:

Resources recycling :

- Reuse of vinasse: the production volume of vinasse is generally about 20–30% of the amount of rice fed. The development of vinasse-scented cooking wine, a new seasoning liquid with the unique flavor of yellow rice wine, makes full use of aromatic substances such as amino acids and esters produced during the fermentation process of yellow rice wine;
- Reuse of scented vinasse: vinasse (the major by-product) produced in brewing yellow rice wine undergo aging process to turn into scented vinasse, the main material for cream-form cooking wine;
- Soaking soybean wastewater membrane processing recycling: suspended substances, nutrients and microorganisms in the wastewater are separated from the purified water by means of the selective retention of semipermeable membrane. Purified water is recycled for cooling;
- Water spray sterilization and residual heat recovery: wastewater is used for heat exchange. Residual heat in the wastewater is used to heat the fermentation tank. After filtering out quartz sand, wastewater is collected by means of microporous membrane and reused for spray sterilization of the cooling section or cleaning of used bottles. Excess recycled water can be used for floor cleaning and irrigation in daily production. Based on 10 hours production over 320 days per year and discounted by steam standard amount, 1,300 tons of coal and 13,000 tons of steam can be saved. Direct economic benefits increased by RMB0.90 million.

降污減排措施

老恒和持續引進先進的生產設備和工藝，努力提高資源利用效率，務求降低污染物的產生與排放。具體措施包括：

資源循環利用：

- 酒糟的二次利用：酒糟的產量一般為投料大米數量的20–30%左右，糟香料酒的開發充分利用黃酒發酵過程中產生的氨基酸、酯類等芳香性物質，配以黃酒糟特有的糟香風味，開發了新型的液體調味液；
- 香糟的二次利用：使用黃酒釀造中的主要副產物黃酒糟陳化成香糟為主要原料，轉化成膏狀料酒；
- 大豆浸泡廢水膜法處理回用：借助於半透膜的選擇截留作用把廢水中的懸浮物、營養物質、微生物與已淨化的水分開，淨化後的水作為循環冷卻水使用；
- 噴淋殺菌水及餘熱回收：對廢水進行熱交換，利用廢水中的餘熱來保溫發酵池，或對廢水進行石英砂過濾，再利用微孔濾膜過濾後收集回收，重新用於噴淋殺菌的降溫工段或舊瓶清洗，也可將多餘回收水用於日常生產中的地面沖洗、綠化澆灌。按每天生產10小時全年生產320天計，按蒸汽標準量折算，可節煤1,300噸，節水13,000噸，直接經濟效益提高人民幣90萬元。

ENVIRONMENTAL PROTECTION (CONTINUED)

環境保護(續)

Disposal of waste:

- Wastes generated by the Company's infrastructure projects shall be temporarily disposed of at the designated place and cleaned up regularly by the construction unit under the supervision of officer-in-charge to prevent adverse effects on the environment due to leakage and dispersion.
- Wastes generated within the Company should be classified as described above. Except for "reusable wastes" to be collected and disposed of according to the relevant provisions of the Company, the remaining wastes are collected and disposed of at the garbage storage shed by staff of administrative department. The staff is also responsible for regular cleaning up of wastes by category every day.
- "Recyclable wastes" are sorted, collected and recorded by the production department in a timely manner.
- "Non-recyclable wastes" are delivered to city sanitation stations and recorded by the production department and staff.
- Except for the relevant regulations of the Company, toxic and hazardous waste is disposed of pursuant to the agreements entered into between the administrative department and qualified processors. Upon collecting a certain amount of toxic and hazardous waste, qualified processors are notified to collect and dispose of such waste.
- Appropriate tools should be used during the transportation of wastes to designated location to prevent damage to packaging and dispersion of wastes.

廢棄物處理：

- 公司基建產生的各種廢棄物，應在指定地點臨時堆放，並由基建負責人督促施工單位定期清理，防止因洩漏和散落對環境造成不利影響。
- 公司內廢棄物應按上述分類，除「可利用廢棄物」按公司有關規定收集、處理外，其餘廢棄物由行政部勤雜人員集中收集到垃圾儲存場所，並負責每天按種類定時清理。
- 對於「可回收廢棄物」，由生產車間按時分類、集中回收，並作好相應記錄。
- 對於「不可回收廢棄物」，由生產車間及勤雜人員集中移交給市環衛站處理，並作好相應記錄。
- 對於有毒有害廢棄物，除公司有關文件規定外，由行政部與有處理有毒有害廢棄物資質的處理商簽訂協定，待有毒有害廢棄物收集到一定數量後，通知有資質的處理商上門收集、處理。
- 在各種廢棄物移交過程中，應使用適當工具，防止損壞包裝及散落，送達指定的地點。

ENVIRONMENTAL PROTECTION (CONTINUED)

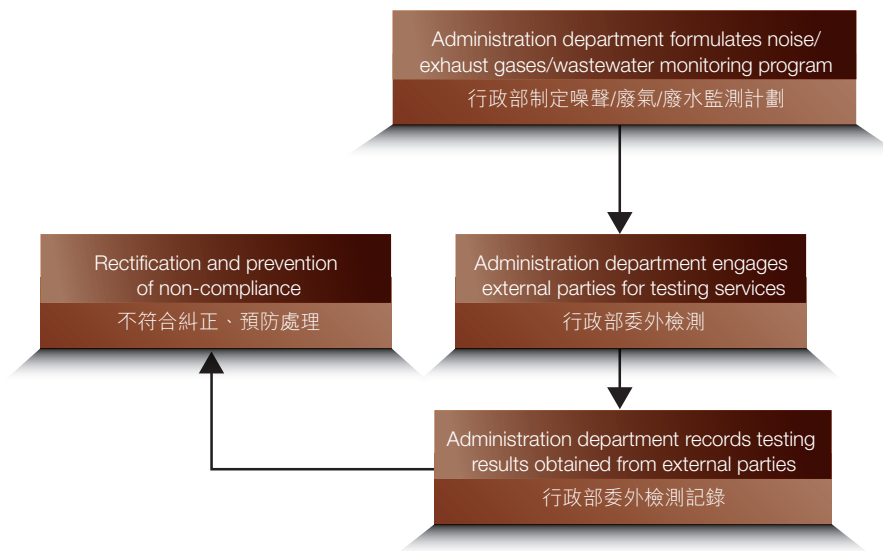
環境保護(續)

Treatment of Noise, Wastewater and Exhaust gases :

噪聲、廢水、廢氣排放處理：

Fig 6.1-2 Processing Procedures for Noise/Wastewater/Exhaust Gases²

圖 6.1-2 噪聲／廢水／廢氣排放處理流程²



The Company stays connected with the local environmental protection bureau online to share data and maintain real-time online monitoring of waste water discharges. To ensure a pollution-free environment, deodorant spray is applied to eliminate bad smells trapped.

公司的污水處理已經實現線上監控，隨時與當地環保局連線，資料共用，保持對排放污水的即時線上監控。對收集到的異味，已經進行了噴霧除臭，確保對周邊環境無污染。

Fig 6.1-3 Real-time Online Monitoring System of Wastewater Discharges

圖 6.1-3 污水排放即時線上監控系統



ENVIRONMENTAL PROTECTION (CONTINUED)

環境保護(續)

CONSERVATION OF ENERGY AND RESOURCES

Resource Utilization Policies

Lao Heng He attaches great importance to the efficient use of resources, conservation of energy and reduction of emission. It has been continuously perfecting the relevant systems and has implemented such policies as “Control Protocol of Resources and Energy”, “Regulation on Water and Electricity Conservation” and “Guiding Manual of Energy Efficiency” to ensure effective control on the use of the Company's resources.

We have commenced the publicity campaign on water and electricity conservation to promote the awareness of water and electricity conservation among its workforce by posting posters and distributing flyers throughout the premises of the Company. As a reminder of water and electricity conservation for the staff, slogans and signs highlighting this theme are placed at premises where water and electricity are consumed. Offices are managed by specific personnel to ensure our staff to turn off the lights on leaving the premises. Illumination and air-conditioning in unattended rooms as well as running taps are prohibited so as to avoid wastage of resources.

We encourage the Company to make good use of the wastewater treatment equipment and facilities installed within the plant to treat sewage and introduce a series of new technologies, namely clean production, recycling of cooling water, recycling of pickle brine, as well as recycling of soaking soybean wastewater and soaking rice wastewater, the implementation of which has achieved satisfactory results with the recycled water resources representing 20% of the total water consumption.

In the course of production, key materials and ancillary materials are subject to quantity control at production lines. Each production line applies the materials under the principle of reasonableness, safety and no-wastage by sticking to production plan or production schedule and the specific usage as well as caution of the relevant materials. Every time after a certain material is used, its container must be resealed afterwards to keep moisture away and avoid deterioration.

節約能源及資源

資源使用政策

老恒和十分重視資源使用的效率及節能減排工作，不斷完善相關制度建設，相繼制定並實施了《資源能源控制規程》《節約水、電管理規定》《節能降耗管理指導書》等政策，對公司資源的使用進行有效控制。

我們在全公司範圍內，採用壁報、宣傳手冊等方式開展節水節電宣傳教育，提高僱員節水節電意識。同時，全公司各用水、用電場所都設置了明顯的節水、節電標語和標誌，時刻提醒僱員節約資源。辦公區由專人進行管理，使用各種提醒標誌，保證人走燈滅，避免出現長明燈、長流水、無人空調等浪費資源的現象。

我們鼓勵公司內部通過生產車間內的污處理設備設施將生產過程中的污水進行無害化處理，並推行出清潔生產、冷卻水循環再利用、醃漬鹵水回收利用、大豆浸泡、浸米水回收再利用等一系列高新技術，通過這些項目的實施，循環再利用的水資源相當於總用水量的20%，取得了理想的效果。

在生產過程中，生產車間對主要物料及主要輔料進行定額控制，各車間依生產計劃或生產工作單、耗用比例添加有關物料，並依照物料使用注意事項，做到合理、安全、不浪費原則下使用物料。在添加物料之後，對剩餘物料進行密封儲存，以防止物料受潮或變質，避免資源浪費。

ENVIRONMENTAL PROTECTION (CONTINUED)

環境保護(續)

PROTECTION OF ECOLOGICAL ENVIRONMENT

Reduction of Impact on the Environment Policies

Lao Heng He shows concern for a balance between its operation and the natural environment. It aims at minimizing the impact of its operation on the ecological environment by formulating such policies as “Regulation on Environmental Protection”, “Identification and Evaluation Methods of Environmental Elements” and “Evaluation Scope of Environmental Elements”.

Control and Improvement Measures

According to the “Identification and Evaluation Methods of Environmental Elements” of Lao Heng He, in the course of production, the Company must identify and evaluate various environmental elements, including the treatment of wastewater discharges, gases, noise and solid wastes, the consumption of energy, resources and raw materials and the potential environmental hazards. We have been effectively monitoring the impact of the Company’s production activities on the ecological environment through identifying and evaluating the above elements by way of the process flow method, questionnaire survey method and on-site inspection.

We undertake to manage the impact of our production and sales businesses on the environment in a responsible manner. We have specific monitoring systems for measuring the amount of energy consumption and wastewater discharges. The impact of our operation on air quality mainly derives from the oily fume emitted from our staff canteen where systems have been installed to purify the oily fume. Residue of soya, acid-sludge, bean dregs and vinasse produced in the brewing process are delivered to third party professional entities (such as feed manufacturers) for treatment. Production is conducted, and facilities are operated, in compliance with the regulatory requirements at national and government levels.

We confirm that there were no incidents which had material effect on the environment and natural resources occurring in 2016.

保護生態環境

降低對環境影響的政策

老恒和關注企業運營與自然生態環境之間的平衡，通過制定《環境保護規章制度》《環境因素識別評價辦法》《環境因素評價規範》等政策，使公司運營活動對生態環境的影響減小到最低程度。

監控及改善措施

老恒和《環境因素識別評價辦法》規定，在公司生產活動過程中要識別和評價各項環境因素，包括水、氣、聲、固廢等污染物的排放處置，能源、資源、原材料的消耗以及潛在的環境事故等。通過工藝流程法、問卷調查法、現場觀察法等對上述因素進行識別和評價，有效監控公司生產活動對生態環境的影響。

我們承諾有責任的管理生產及銷售業務對環境的影響，我們的能源消耗、污水排放，都有明確的消耗量及排放量監控系統；我們對空氣品質的影響，主要源自於食堂油煙的排放，現已安裝油煙淨化系統；我們釀造所產生的醬渣、醋渣、豆渣、酒糟均交由專業第三方處理（如飼料廠），所有的生產行為及設施的運作均符合國家及政府的監管要求。

在二零一六年，我們確認沒有發生對環境和天然資源造成重大影響的事件。

LABOUR STANDARDS

Basic System and Employment Practices

Through the “Human Resources Management System”, “Control Procedures of Human Resources” and “Management System for Interns”, Lao Heng He has rationalized and concluded a basic principle of talent management, philosophy of talent and policy of human resources, expressly stipulating the requirements of recruitment, employment, promotion, dismissal, staff training, code of conduct, working hours, performance assessment, welfare and compensation as well as anti-discrimination.

As at the end of 2016, we have a total workforce of 561 full-time employees of whom 71% were male and 29% were female. The majority of our employees are under 50 years of age and approximately 25% are under 30. Approximately 78% of our employees are mainly stationed in the Eastern China.

Employment Policy

The Company bans the employment of child labour and forced labour. In the selection of appointment of certain vacancies, the Company will first consider internal promotion with priority being given to the existing staff members who meet the job requirements and have outstanding performance before accepting application from the public. The Company is an equal opportunity employer without discrimination against gender, ethnicity, religion and referee. We strive to provide a fair, equitable and open working environment for each of our employees to realize their full potential.

The Company has set up a labour union and a labour dispute mediation committee to address various complaints and protect the interests of its employees. In the event of such irregularities as forced labour, investigation is to be conducted into the production process of the plant initially. Certain compensation will be made to the employees in question. Reasonable adjustment will then be made to the manpower deployment of the plant to avoid recurrence of similar incidents.

勞工準則

基本制度與僱傭常規

老恒和通過《人力資源管理制度》《人力資源控制程序》《實習生管理制度》梳理並總結了公司人才管理的基本準則、人才理念以及人力資源政策，對僱員的招聘、錄用、晉升、解僱、職員培訓、行為準則、工作時間、績效考核、福利待遇、多元化與反歧視作出明確規定。

截至二零一六年末，我們的僱員總數為561人，均為全職員工；其中男性佔比71%，女性佔比29%；大多數員工年齡在50歲以下，約25%的員工年齡小於30歲；員工所在地區以華東為主，佔比約78%。

僱傭政策

公司嚴格杜絕聘用童工或強制勞工現象。錄用僱員時先從公司內部選拔，對公司內符合招聘職位要求及表現卓越僱員優先錄用，其次再考慮面向社會公開招聘。公司同時明確規定所有應聘者機會均等，不因應聘者性別、民族、宗教信仰和推薦人不同而給予不同的考慮。我們致力於為所有僱員營造一個公平、公正、公開的環境，讓每位僱員都能在合適的崗位上發揮最大的潛能。

公司設有工會和勞動糾紛調解委員會，處理各類投訴，保障僱員權益。當發現強制勞工等違規情況時，首先對車間生產情況進行分析，並給予僱員一定補償，其次合理調整車間勞工的配置，以避免此類情況再次發生。

CARE FOR EMPLOYEES (CONTINUED)

僱員關愛(續)

Remuneration and Benefits

To motivate the active commitments of the employees more effectively, promise its employees with satisfactory living conditions and materialize the common growth of the Company and its employees, the Company has formulated a remuneration scheme administered by the Remuneration Committee to ensure the reasonableness and fairness of the remuneration scheme. The employees' remuneration comprises basic salary, allowance, performance bonus and other incentives. The Company also provides for its employees benefit packages, including social insurance such as basic pension, basic medical insurance, basic unemployment insurance, etc. Female employees may enjoy maternity leave. Employees may be reimbursed the expenses incurred in relation to external training program.

Working Hours and Vacation

The Company has formulated its "System for Attendance, Vacation and Leave of Staff" pursuant to the relevant national laws and regulations. Employees may enjoy such paid leave as marriage leave, bereavement leave, maternity leave, lactation leave and work-related injury leave as well as sick leave and casual leave.

SAFETY AND HEALTH

Working Environment and Security Management

In order to protect and maintain the security and sanitation of offices, living quarters and production areas so as to prevent and minimize the occurrence of accidents and ensure the personal security of employees and customers as well as the safety of the property of the Company, Lao Heng He has formulated its "Working Environment and Security Management Regulations".

The regulations stipulate that each department and plant must rigorously implement the management system, strengthen supervision and examination, report the existence of problems in a timely fashion, execute reform measures, and procure gatekeepers to conduct questioning and enquiring on staff members carrying articles in and out of the Company's premises. Security and sanitation team conducts onsite inspection on security and sanitation on a monthly basis to ensure access to the premises is clear, production equipment is free of oily dirt, pipelines are leakage-free and electrical appliances are secured and in order. Equipment is operated according to proper operating procedures to ensure safety for equipment itself and its users.

薪酬與福利

為更有效的激勵僱員的工作積極性，保障僱員的生活美滿，實現企業、僱員共同發展，公司制定薪酬計劃，並由薪酬管理委員會系統管理公司薪酬，以確保薪酬計劃的合理性與公平性。公司僱員工資由基本工資、崗位補貼、績效獎金、其他補貼等組成。同時，公司還為僱員提供了各類福利，包括基本養老保險、基本醫療保險、基本失業保險等社會保險；為女性僱員提供產假補貼；僱員自助申請在外培訓的費用可申請報銷等。

工作時間與假期

公司根據國家相關法律法規，制定了《職員的考勤、休假、請假制度》。僱員可享受婚嫁、喪假、產假、哺乳假、工傷假等帶薪假期以及病假、事假等假期。

安全健康

工作環境與安全管理

為保障與維護辦公區、生活區、生產區的環境安全衛生，防止和減少生產安全事故，確保僱員、客戶人身和企業財產的安全，老恒和制定了《工作環境和安全管理條例》。

條例規定，各部門、車間要嚴格執行公司各項管理制度，加強監督與檢查，及時通報存在的問題，落實整改措施，相關門衛人員加強對攜帶物品進出大門人員的盤查和詢問；安全衛生檢查小組每月進行安全、衛生、現場檢查，確保通道暢通，生產設備無油污、各種管道介質無洩漏等現象；各類電器設備界限捆紮整齊，嚴格按設備安全操作規程操作，確保設備、人身安全。

CARE FOR EMPLOYEES (CONTINUED)

僱員關愛(續)

Occupational Health and Safety

In order to protect the health of our employees, prevent occupational diseases and enhance working efficiency, the Company has in accordance with relevant national laws and regulations formulated the “Management System of Occupational Health Check for Employees” the implementation of which is overseen by the labour union under the safety and environment department. The system mainly comprises the categories, specifics and cycle of health check-up as well as the handling and requirements of the check-up results.

The system stipulates that regular health check-ups required by the Company consist of non-occupational health check-up and body check-up for staff taking up positions that may be exposed to toxic and hazardous threats. Apart from regular health check-up, the Company also requires staff responsible for hazardous operations to undergo occupational health check-up before they are assigned with and removed from the relevant duties. In addition, the Company will also arrange its employees to undergo regular health check-up in the disease control centre of the city and works with the relevant third party professional entities to perfect its occupational disease prevention solution with annual assessment. As at the end of 2016, no significant casualties were recorded.

TRAINING AND DEVELOPMENT

To raise the personal quality, job skill and integrity management standards of the employees, the Company has specifically formulated the “Training Management System” which includes induction training, on-the-job training and professional training. Induction training encompasses the introduction of the Company’s constitution and the duties of various business units as well as training on the awareness of integrity. Supervisors at all levels should give their subordinates proper instructions from time to time for the purpose of raising their standards of job skills and integrity. Meanwhile, the Company will, depending on its business needs, select outstanding employees to receive professional training from outside training institutions and then relay what they have learnt to their colleagues, or invite experts and scholars to provide in-house training on specific topics. Besides external training procured by the Company, its employees may apply for attending external training programs on its own. The employees will be reimbursed the tuition fees in full upon successful completion of the training program and passing the examination.

In 2016, Lao Heng He arranged trainings for its employees with a total attendance of 2,101 (all being full-time employees of whom 71% are male and 29% are female) and a total number of training hours of 11,694. Subjects of training encompass occupational health, environmental protection, fire safety, effective marketing skills, management skills and production techniques. Over 98% of our employees have undergone such training programs.

職業健康安全

為保障僱員的身體健康、預防職業病的發生及提高勞動效率，公司根據國家相關法律法規制定了《職工職業健康體檢管理制度》，並由安環部工會負責監督僱員體檢管理工作的落實。制度主要內容包括體檢類別、體檢內容與週期和體檢結果處理及要求。

制度規定，公司的定期體檢一般分為非職業性健康檢查與有毒有害崗位體檢兩項。除了定期體檢，公司亦要求從事有害作業人員必須於就業前、離崗前等階段進行職業性健康檢查。此外，公司安排僱員定期在市疾控中心進行健康體檢，並與相關的專業第三方合作完善公司職業病防治方案，每年進行監督評審。截至二零一六年末，公司未發生重大傷亡事件。

培訓發展

為提高僱員的自身素質、工作技能和誠信管理水準，公司特制定《培訓管理制度》。培訓分為職前培訓、在職培訓、專業培訓三種。職前培訓包括對公司規程、業務部門職責的講解，以及誠信意識的培訓。各級主管應隨時施教，提升僱員的本職技能與誠信水準。與此同時，公司會視業務的需要，挑選優秀的僱員參加培訓機構的專業培訓，回公司後將學習的內容傳授給其他同事；或邀請專家學者來公司做專題培訓。除了企業為僱員安排外部培訓，僱員亦可以自主申請在外培訓。如果僱員參與培訓後考試通過，培訓費用將予以 100% 報銷。

二零一六年，老恒和組織員工參加培訓人數達2,101人次(受訓者均為全職員工，其中男性員工佔比71%，女性員工佔比29%)，培訓總時數達到11,694小時，培訓內容涉及職業健康、環境保護、消防安全、金牌營銷技巧、管理技能、生產技能等多方面，員工受訓率超過98%。

CARE FOR EMPLOYEES (CONTINUED)

僱員關愛(續)



Fig 7.3-1, 2 Lao Heng He holds the “Ceremony for Inheritance of the Time-honored Brewing Method” every three years, signifying the passing down of this long-lasting brewing method through generations to offer the general public tasty and healthy condiments.
圖 7.3-1、2 老恒和每三年舉辦一次「古法釀造技藝傳承拜師儀式」，讓古法釀造技藝代代傳承，讓美味健康的調味品走進千家萬戶。



Fig 7.3-3 Training program entitled “恒 星 店 長 (Chief of the Ever-shining Star)”.
圖 7.3-3 「恒星店長」培訓。



Fig 7.3-4 The Company organized a trip to the birthplace of the Chinese Communist Revolution for its employees who are members of the Chinese Communist Party to study the spirit of the Red Army.
圖 7.3-4 公司組織黨員前往革命根據地進行「紅色學習」。

CARE FOR EMPLOYEE ACTIVITIES

Lao Heng He regards its employees as the most valued business partners and spares no efforts to contribute to the well-being of its employees. We have built well-equipped quarters for our staff and set up a “Home for the Staff” organizing various caring activities for them such as annual health check-up, pleasure tours and birthday parties. The Company has also established a “Green Passage” to provide assistance for the staff in need.

員工關愛活動

老恒和視員工為珍貴的事業夥伴，積極致力於員工幸福指數的提升。我們為職工建造了設施齊備的公寓樓，設立了「職工之家」，並每年組織職工體檢、旅遊、運動會、生日會等多種形式的員工關愛活動，公司還設置了困難職工「綠色通道」，幫助困難職工解決問題。



Fig7.4-1 Leadership of the Company delivered special purchases for the Spring Festival and consolation money to the staff in need.
圖 7.4-1 公司領導向困難職工送去年貨和慰問金。



Fig7.4-2 The Company organized pleasure tour for all its employees to enjoy.
圖 7.4-2 公司組織員工集體旅遊。

SUPPLY CHAIN MANAGEMENT

供應鏈管理

SUPPLIER MANAGEMENT POLICY

Lao Heng He believes that the development of the Company is closely related to its suppliers. In order to enhance the quality of its products and services, Lao Heng He has formulated policies such as “Supplier Management System”, “Purchase Contract Management System” and “Procurement Control Procedures” to specify the procurement procedures and requirements to be fulfilled by suppliers. These policies ensure the satisfaction of the requirements of products and services purchased as well as the effective management of the Company’s projects or engineering works.

Procurement Responsibility

According to Lao Heng He’s “Supplier Management System”, we mainly take the following measures to manage the Company’s procurement activities in an effective manner:

- All suppliers are required to provide business licenses, production permits, third-party quality inspection reports and other qualification certificates;
- Suppliers are required to provide samples for quality testing and trial;
- Our staff of procurement center, production center and quality control center conduct on-site evaluation of the suppliers’ production capacity, site management, production technology, supply capacity and financial condition;
- Suppliers are subject to annual assessment in terms of degree of accuracy, eligibility and punctuality. Unqualified suppliers are removed;
- Purchase prices for bulk raw materials, packaging materials, equipment and construction projects are determined by inviting tenders or comparing quotations obtained from three or more qualified suppliers;
- All purchases are subject to internal check upon acceptance.

Diversified and localized procurement

Lao Heng He identifies suppliers across the nations by adhering to its “Quality First” principle. In 2016, we had an aggregate of 252 suppliers spreading around the southern, eastern and northern parts of China, among which the suppliers in eastern China accounted for 96% of the total number of suppliers.

供應商管理政策

老恒和相信，公司的發展與供應商息息相關，為提升公司產品與服務的品質，老恒和制定了《供應商管理制度》《採購合同管理制度》《採購控制程序》等政策，對公司的採購程序及供應商應滿足的條件進行了明確的規定，確保所採購的產品和服務符合規定要求，同時滿足公司對專案或工程的有效管理。

責任採購

根據老恒和《供應商管理制度》，我們主要採取以下措施對公司的採購行為進行有效管理：

- 要求所有供應商提供營業執照、生產許可證、第三方質檢報告等資質證明文件；
- 要求供應商提供樣品進行品質檢測與試用；
- 組織採購中心、生產中心、品質中心三部門前往供應商處對其生產能力、現場管理、生產技術、供貨能力、資金狀況等進行現場評價；
- 每年對供應商供貨準確率、合格率、及時率進行考核，剔除不合格供應商；
- 大宗原材料、包裝物、設備、建築工程等採購均要進行招標或尋找三家以上合格供應商進行比價後確定採購價格；
- 所有採購的物資均需要通過內部驗收後方可入帳。

多元化與本地化採購

老恒和堅持「品質第一」的原則在全國範圍內挑選供應商。二零一六年，我們的供應商總數達到252家，遍佈華南、華東和華北各個區域，其中華東地區的供應商佔比達到96%。

SUPPORT THE COMMUNITY

社區支持

PUBLIC WELFARE AND CHARITY

Over the years Lao Heng He has been committed to public welfare and charity causes. In 2016, we donated supplies and cash with an aggregate worth of RMB62,000 to Huzhou City Charity Federation (湖州市慈善總會) and Wuxing District Balidian Rehabilitation Center (吳興區八裡店康復中心).



Fig 9.1-1 The Company donated condiments to Wuxing District Balidian Rehabilitation Center.

圖 9.1-1 公司向吳興區八裡店康復中心捐贈調味品。

公益慈善

多年來，老恒和一直堅持參與公益慈善事業，在二零一六年，我們先後向湖州市慈善總會、吳興區八裡店康復中心給予公益慈善捐贈，捐贈物資及現金價值共計人民幣 62,000 元。



Fig 9.1-2 The Company set up "relief shelves" in charity supermarkets, affiliates of Huzhou City Charity Federation.

圖 9.1-2 公司在湖州市慈善總會下屬機構——慈善超市設立安心專櫃。

COMMUNITY INTEGRATION

As part of the community, Lao Heng He shoulders the responsibility of promoting community integration. In 2016, we brought health, joy and harmony to the community by organizing food safety promotion activities, "Buy Soy Sauce at New Year's Day", a traditional activity of cultural experience, as well as industrial tours to Lao Heng He Plants.



Fig 9.2-1, 2 Staff spread the general knowledge of food to help arouse health awareness among the public.

圖 9.2-1、2 公司組織員工向市民宣傳普及食品知識，幫助市民提升健康意識。

社區共融

作為所在社區的一分子，老恒和也始終不忘支持社區共融的責任，在二零一六年，我們通過組織食品安全宣傳普及活動、「元旦打醬油」傳統文化體驗活動以及老恒和廠區工業旅遊活動等，為社區居民帶去健康、歡樂與祥和。



SUPPORT THE COMMUNITY (CONTINUED) 社區支持(續)



Fig 9.2-3, 4 The Company organized the “Buy Soy Sauce” activities every New Year’s Day at our plants and the adjacent cities, allowing residents to experience the traditional culture and to call up childhood memories. “Bring an empty bottle and buy soy sauce” has now become the “customs” of thousands of households of Hucheng.

圖9.2-3、4 公司每年元旦都會在廠區和周邊各大城市舉辦「打醬油」活動，帶領社區居民體驗傳統文化，回味兒時樂趣。現在，「元旦帶著空瓶去打醬油」已經成為傳遍湖城千家萬戶的「風俗」。



Fig 9.2-5, 6 Every year the Company receives over tens of thousands of visitors who may experience the production process of condiment and get a better understanding of Lao Heng He’s long history and culture.

圖9.2-5、6 公司每年接待外地遊客約上萬人次，使遊客在親身體驗調味品生產過程的同時，又能體驗到老恒和悠久歷史文化的底蘊。

FUTURE DEVELOPMENT

未來發展

In the future, we will adjust and enhance Lao Heng He's social responsibility objectives according to actual situations to fully demonstrate our efforts in dealing with social and environmental issues. At the same time, we will work with more stakeholders to create business ecology with a sense of social responsibility, with a view to realizing commercial values and social benefits and creating a win-win situation for all. We undertake to stakeholders to fulfill the following objectives in 2017:

在未來，我們將根據實際情況對老恒和的社會責任目標進行調整和提升，更全面地展示老恒和對於社會及環境議題的努力，同時聯動更多的利益相關方，共同創造一個富有社會責任的商業生態圈，實現商業價值和社會效益的多贏。2017年，我們對各利益相關方作出以下承諾：

ESG issues ESG 議題	Commitment 承諾
A1 Emissions	Introduce advanced equipment and production technology. Improve resource utilization efficiency and reduce emissions
排放物	Track and record the emission of greenhouse gases in the course of the Company's operation. Formulate emission reduction plans 引進先進的設備和生產工藝，提高資源使用效率，減少排放 跟蹤記錄公司運營過程中溫室氣體排放量，制定減排計劃
A2 Use of Resources	Strengthen clean production and application of a series of technologies, namely cooling water recycling, pickle brine recycling, recycling of soybean and rice soaking water
資源使用	Track and record the use of gasoline, electricity, production materials and packaging materials in the course of the Company's the operation and formulate a resources utilization efficiency plan 加強清潔生產、冷卻水循環再利用、醃漬鹵水回收利用、大豆浸泡、浸米水回收再利用等一系列技術的應用 跟蹤記錄公司運營過程中汽油、電能、生產原料、包裝材料的使用量，制定資源使用效益計劃
A3 The Environment and Natural Resources 環境及天然資源	Strengthen the classification and recycling of production waste to protect the ecological environment 加強生產廢料的分類回收，保護生態環境
B1 Employment 僱傭	Strict enforcement of anti-discrimination recruitment policies to promote workforce diversity 嚴格執行反歧視的招聘政策，促進員工多元化
B2 Employees' Health and Safety 員工安全與健康	Strengthen safety education. Provide employees with occupational health and safety checks in various stages 加強安全教育，為員工提供階段性職業健康安全檢查

FUTURE DEVELOPMENT (CONTINUED)

未來發展 (續)

ESG issues ESG 議題	Commitment 承諾
B3 Employees' Development and Training 員工培訓與發展	Develop proper training program to enhance the employees' work skills and professionalism 制定合理的培訓計劃，提升員工的工作技能與職業素養
B4 Labour Standards 勞工準則	Child and forced labour are strictly prohibited 嚴格禁止童工和強制勞工
B5 Supply Chain Management 供應鏈管理	Convey Lao Heng He's idea of corporate social responsibility to suppliers. Suppliers are required to strictly follow Lao Heng He's practice relating to products and services. Unqualified suppliers are removed on a timely basis 向供應商傳達老恒和的企業社會責任理念，要求供應商嚴格執行老恒和有關產品及服務的慣例，及時剔除不合格供應商
B6 Product Responsibility 產品責任	Enhance quality control on products and services in respect of procurement, production, packaging, inspection and after-sales to ensure product safety and health Enhance the research and development investment in the production process. Protect the intellectual property rights. Encourage and motivate employees for innovation and creation of intellectual property 加強對採購、生產、包裝、檢查、售後等各個環節的產品和服務品質控制，確保產品安全與健康 加強對生產環節的研發投入，保護知識產權，激勵員工發明創造和智力創作的積極性
B7 Anti-corruption 反貪腐	Advocate integrity and good governance. Optimize anti-corruption measures and whistle-blowing procedures 積極推進倡廉善治工作，完善反貪腐措施及舉報程序
B8 Community Investment 社區投資	Formulate guidelines for community investment and organize community activities Organize staff to participate in volunteering activities 制定社區投資指引，積極開展社區公益活動 組織員工參與各項志願服務活動

POLICY LIST

政策列表

ESG issues ESG 議題	Policies 政策
A1 Emissions 排放物	“Regulations on Classification and Management of Wastes” “Waste Management System” “Operation Guidelines on Classification, Collection and Disposal of Wastes” “Disposal and Measurement of Noise, Wastewater, Exhaust Gases” “Operation Guidelines on Collection and Disposal of Chemical Waste and Containers, Waste Oils and Sludge” “Operation Guidelines on Wastewater Treatment” “Clean Production Management System” 《廢棄物分類及管理規定》 《廢棄物管理制度》 《廢棄物分類收集、處理作業指導書》 《噪聲、廢水、廢氣排放處理及檢測》 《廢化學品液及容器、廢油及廢泥收集與處理作業指導書》 《廢水處理作業指導書》 《清潔生產管理制度》
A2 Use of Resources 資源使用	“Procedures on Resources and Energy Control” “Wastewater Discharge Control System” “Operation Guidelines on Management of Water and Electricity Conservation” “Operation Guidelines on Management of Energy Efficiency” 《資源能源控制規程》 《廢水排放控制制度》 《節約水、電管理作業指導書》 《節能降耗管理作業指導書》
A3 The Environment and Natural Resources 環境及天然資源	“Identification and Evaluation Methods of Environmental Elements ” “Evaluation Specification of Key Environmental Elements” “Control Procedures on Environmental Monitoring and Measurement” “Management System for Environmental Protection” 《環境因素識別評價辦法》 《重要環境因素評價規範》 《環境監視和測量控制程序》 《環境保護管理制度》

POLICY LIST (CONTINUED)

政策列表(續)

ESG issues ESG 議題	Policies 政策
B1 Employment 僱傭	“Procedures on Recruitment, Employment and Dismissal” “Human Resources Management System” “Management Procedures on Calculation, Review and Approval of Employees’ Salary ” “Implementation Measures on Performance Management and Assessment” “Employees’ Performance Appraisal System” “Control Procedures on Human Resource” 《招聘、錄用、解聘程序》 《人力資源管理制度》 《僱員工資計算、覆核和審批管理流程》 《績效管理與績效考核實施辦法》 《僱員績效考核制度》 《人力資源控制程序》
B2 Employees’ Health and Safety 員工安全與健康	“Management Measures on Working Environment and Safety” “Management Regulations on Monitoring and Classification of Occupational Hazards” “Management System on Employees’ Occupational Health Check” 《工作環境和安全管理辦法》 《職業危害因素監測與分級管理規定》 《職工職業健康體檢管理制度》
B3 Employees’ Development and Training 員工培訓與發展	“Training Management System” 《培訓管理制度》
B4 Labour Standards 勞工準則	“Procedures on Recruitment, Employment and Dismissal” “Human Resources Management System” “Control Procedures on Human Resources” 《招聘、錄用、解聘程序》 《人力資源管理制度》 《人力資源控制程序》

POLICY LIST (CONTINUED)

政策列表(續)

ESG issues ESG 議題	Policies 政策
B5 Supply Chain Management 供應鏈管理	“Supplier Management System” “Management Procedures on Suppliers” “Control Procedures on Procurement” “Management System on Procurement Centre” 《供應商管理制度》 《供應商管理程序》 《採購控制程序》 《採購中心管理制度》
B6 Product Responsibility 產品責任	“Standards for Inspection and Acceptance of Packaging Materials” “Control Procedures on Procurement” “Control Procedures on Labeling, Tracking and Recall of Products” “Control Procedures on Planning, Implementation and Evaluation of Product Verification” “Control Procedures on Assessment Measures of Food Hazards” “Control Procedures on Substandard Products and Potentially Substandard Products” “Control Procedures on Rectification and Preventive Measures on Substandard Products” “Standards of Inspection and Acceptance for Raw Materials” “Food Quality and Safety Management System” “General Management Principles of Intellectual Property Rights” “Patent Management System” “Trademark Management System” “Copyright Management System” “Trade Secret Management System” “Control Procedures on Evaluation of Intellectual Property Rights” etc 《包裝材料驗收標準》 《採購控制程序》 《標識 — 追溯 — 撤回控制程序》 《驗證活動策劃、實施、評價控制程序》 《食品危害評估辦法控制程序》 《不合格品和潛在不合格品控制程序》 《不符合、糾正和預防措施控制程序》 《原材料驗收標準》 《食品品質安全管理制度》 《知識產權管理總則》 《專利管理制度》 《商標管理制度》 《著作權管理制度》 《商業秘密管理制度》 《知識產權評估控制程序》等

POLICY LIST (CONTINUED)

政策列表(續)

ESG issues ESG 議題	Policies 政策
B7 Anti-corruption 反貪腐	"Anti-fraud and Whistle-blowing System" 《反舞弊與舉報制度》
B8 Community Investment 社區投資	Nil 無

REPORTING GUIDE

指標索引

This reporting guide illustrates the Company's compliance with provisions of each indicator of "comply or explain" and with disclosure requirement of indicators regarding "recommended disclosures" set out in the Environmental, Social and Governance Reporting Guide during the reporting period.

本指標索引說明了公司於報告期間遵守《環境、社會及管治報告指引》的每一項「不遵守即解釋」指標及披露「建議披露」指標的情況。

	ESG issues ESG 議題	Disclosure 披露情況	Section 對應章節	Note 註釋
A. Environment A. 環境				
A1 Emissions 排放物	General disclosure: policies relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 一般披露： 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政策。	●	Environmental protection 環境保護	
A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	◐	Environmental protection 環境保護	
A1.2	Greenhouse gas emissions and intensity. 溫室氣體總排放量及密度。	○	—	
A1.3	Total hazardous waste and intensity. 有害廢棄物總量及密度。	○	—	
A1.4	Total non-hazardous waste and intensity. 無害廢棄物總量及密度	○	—	
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。	●	Environmental protection 環境保護	
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。	●	Environmental protection 環境保護	
A2 Use of Resources 資源使用	General disclosure: policies on the efficient use of resources, including energy, water and other raw materials. 一般披露： 有效使用資源(包括能源、水及其他原材料)的政策。	●	Environmental protection 環境保護	

REPORTING GUIDE (CONTINUED)

指標索引(續)

	ESG issues ESG 議題	Disclosure 披露情況	Section 對應章節	Note 註釋
A2.1	Energy consumption and intensity. 能源總耗量及密度。	○	–	
A2.2	Water consumption in total and intensity. 總耗水量及密度。	○	–	
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。	●	Environmental protection 環境保護	
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。	●	Environmental protection 環境保護	
A2.5	Total packaging material used for finished products and with reference to per unit produced. 製成品所用包材料的總量及每生產單位佔量。	○	–	
A3 The Environment and Natural Resources 環境及天然資源	General Disclosure: Policies on minimising the issuer's significant impact on the environment and natural resources. 一般披露：減低發行人對環境及天然資源造成重大影響的政策。	●	Environmental protection 環境保護	
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。	●	Environmental protection 環境保護	

REPORTING GUIDE (CONTINUED)

指標索引(續)

	ESG issues ESG 議題	Disclosure 披露情況	Section 對應章節	Note 註釋
B. Social B. 社會				
B1 Employment	General Disclosure: policies relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, and information on compliance with relevant laws and regulations that have a significant impact on the issuer.	●	Care for Employees	
僱傭	一般披露： 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政策及遵守對發行人有重大影響的相關法律及規例的資料。		僱員關愛	
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。	●	Care for Employees 僱員關愛	
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。	○	—	
B2 Health and Safety	General Disclosure: policies relating to providing a safe working environment and protecting employees from occupational hazards, and information on compliance with relevant laws and regulations that have a significant impact on the issuer.	●	Care for Employees	
安全與健康	一般披露： 有關提供安全工作環境及保障僱員避免職業性危害的政策及遵守對發行人有重大影響的相關法律及規例的資料。		僱員關愛	
B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	●	Care for Employees 僱員關愛	
B2.2	Lost days due to work injury. 因工傷損失工作日數。	○	—	
B2.3	Description of occupational health and safety measures adopted, 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。	●	Care for Employees 僱員關愛	

REPORTING GUIDE (CONTINUED)

指標索引(續)

	ESG issues ESG 議題	Disclosure 披露情況	Section 對應章節	Note 註釋
B3 Training and Development 培訓與發展	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 一般披露： 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。	●	Care for Employees 僱員關愛	
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。	●	Care for Employees 僱員關愛	
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。	○	—	
B4 Labour Standards 勞工準則	General Disclosure: policies relating to preventing child and forced labour, and information on compliance with relevant laws and regulations that have a significant impact on the issuer. 一般披露： 有關防止童工或強制勞工的政策及遵守對發行人有重大影響的相關法律及規例的資料。	●	Care for Employees 僱員關愛	
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。	●	Care for Employees 僱員關愛	
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。	●	Care for Employees 僱員關愛	
B5 Supply Chain Management 供應鏈管理	General Disclosure: Policies on managing environmental and social risks of the supply chain. 一般披露： 管理供應鏈的環境及社會風險政策。	●	Supply chain management 供應鏈管理	
B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	●	Supply chain management 供應鏈管理	
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, 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、以及有關慣例的執行及監察方法。	●	Supply chain management 供應鏈管理	

REPORTING GUIDE (CONTINUED)

指標索引(續)

	ESG issues ESG 議題	Disclosure 披露情況	Section 對應章節	Note 註釋
B6 Product Responsibility 產品責任	<p>General Disclosure: policies relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress, and information on compliance with relevant laws and regulations that have a significant impact on the issuer.</p> <p>一般披露：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政策及遵守對發行人有重大影響的相關法律及規例的資料。</p>	●	Product responsibility 產品責任	
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送總數中因安全與健康理由而須回收的百分比。	●	Product responsibility 產品責任	
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。	◐	Product responsibility 產品責任	
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。	●	Product responsibility 產品責任	
B6.4	Description of quality assurance process and recall procedures. 描述品質檢定過程及產品回收程序。	●	Product responsibility 產品責任	
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，及相關執行及監察方法。	N/A	—	
B7 Anti-corruption 反貪腐	<p>General Disclosure: policies relating to bribery, extortion, fraud and money laundering, and information on compliance with relevant laws and regulations that have a significant impact on the issuer.</p> <p>一般披露：有關防止賄賂、勒索、欺詐及洗黑錢的政策及遵守對發行人有重大影響的相關法律及規例的資料。</p>	●	Corporate governance 企業管治	
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. 於彙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。	●	Corporate governance 企業管治	

REPORTING GUIDE (CONTINUED)

指標索引(續)

	ESG issues ESG 議題	Disclosure 披露情況	Section 對應章節	Note 註釋
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。	●	Corporate governance 企業管治	
B8 Community Investment 社區投資	General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 一般披露： 有關以社區參與來瞭解營運所在社區需要和確保其業務活動考慮社區利益的政策。	●	Community support 社區支持	
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。	●	Community support 社區支持	
B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)。	●	Community support 社區支持	

Note: ● — disclosed in the report; ● — not fully disclosed; ○ — not disclosed;
N/A — indicators not applicable to the Company.

註：● 表示已在報告中披露；● 表示不完全披露；○ 表示未披露；N/A 表示該指標不適用於本公司。

FEEDBACK QUESTIONNAIRE

意見回饋表

Dear Readers,
尊敬的讀者：

Thank you for reading our first Environmental, Social and Governance (ESG) Report. We appreciate if you would give us your invaluable comments and opinions on this report. It will help us improve the reporting on an on-going basis.

感謝您閱讀本報告！這是我們發佈的首份環境、社會及管治 (ESG) 報告，因此我們非常希望您能夠對本報告進行評價，並提出您的寶貴意見，幫助我們對報告進行持續改進。

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“Feedback Questionnaire regarding 2016 Environmental, Social and Governance Report of Honworld Group Limited”

《老恒和釀造有限公司二零一六年度環境、社會及管治報告意見回饋表》

Name

姓名

Department in
the Company

工作單位

Responsibility

職務

Telephone

聯繫電話

Email

電子郵箱

FEEDBACK QUESTIONNAIRE (CONTINUED)

意見回饋表(續)

Opinions on this report: (please tick the appropriate boxes)

您對本報告的評價：(請在相應位置打✓)

	Very good 很好	Good 較好	Fair 一般	Poor 較差	Very poor 很差
Does the report fully reflect the material information on environmental, social and governance issues of the Company? 您認為本報告是否突出反映公司在環境、社會及管治方面的重要資訊	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are the information and index disclosed in the report clear, accurate and complete? 您認為本報告披露的資訊、指標是否清晰、準確、完整	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you think the content and layout design of the report easy to read? 您認為本報告的內容編排和風格設計是否便於閱讀	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Which parts of the report are you most concerned about?

您對報告哪一部分內容最感興趣？

Is there any other information you need but not reflected in the report?

您認為還有哪些需要瞭解的資訊沒有在本報告中反映？

What suggestions do you have for our future Environmental, Social and Governance Report?

您對我們今後發佈環境、社會及管治報告有什麼建議？



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* For identification purposes only 僅供識別