

奈雪的茶控股有限公司 NAYUKI HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2150

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021



ABOUT THIS REPORT

OVERVIEW

This Report is the first Environmental, Social and Governance (“ESG”) Report issued by Nayuki Holdings Limited (2150. HK). We have fully disclosed the concepts, practice and results of the Group on environmental, social and governance aspects to enhance the communication with stakeholders and facilitate the fulfillment of social responsibilities and sustainable development of the enterprise.



BASIS OF PREPARATION

This Report is prepared mainly with reference to the Environmental, Social and Governance Reporting Guide (the ESG Guide) under Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), and is reported in accordance with the principles of materiality, quantitative, balance and consistency included in the ESG Guide. The content index of the ESG Guide is included in Appendix 1 of this Report.

The content of this Report is determined according to a set of systematic procedures, which include identifying major stakeholders, identifying and assessing the materiality of ESG-related issues, defining the coverage of the ESG Report, collecting relevant materials and information, conducting information collation and aggregation, examining the figures in this Report, preparing this report and reviewing by the management.

SCOPE AND COVERAGE OF THE REPORT

Reporting scope: January 1, 2021 to December 31, 2021.

Reporting coverage: The Report mainly covers the information and key performance in respect of the fulfillment of the environmental, social and governance responsibilities of Nayuki Holdings Limited and its subsidiaries in 2021.

SALUTATION DESCRIPTION

For the convenience of presentation and reading, the “Nayuki Group”, “Group” and “we”/“us”/“our” all refer to “Nayuki Holdings Limited” and its subsidiaries in this Report.

Meanwhile, the short names of brands under the Group in the Report are defined as follows:

Nayuki	our <i>Nayuki</i> (奈雪的茶) brand
Tai Gai	our <i>Tai Gai</i> (台蓋) brand

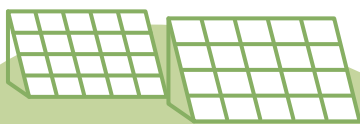
Unless otherwise stated, all the monetary amounts in this Report are denominated in RMB.

INFORMATION SOURCES AND RELIABILITY STATEMENT

Information and cases in this Report are primarily extracted from the statistical reports and internal documents of the Group. The Group undertakes that the Report contains no false representations or misleading statements, and assumes responsibility for the truthfulness, accuracy and completeness of its contents.

ACCESS TO THE REPORT

The electronic version of this Report will be available at the websites of the Group (<http://www.naixuecha.com>) and The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>).



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CHAIRMAN'S MESSAGE

2021 was a year of opportunities and challenges in the development history of our Group. We are overwhelmed with joy for the successful listing on the Main Board of the Hong Kong Stock Exchange, marking a major milestone in the history of our Group. Our phenomenal products launched in 2021 such as the "Supreme Emblica Tea" and "Phoenix Oolong Milk Tea" were hotly sought after. On the other hand, as consumers tend to be more cautious towards travel and consumption with the recurrence of the COVID-19 pandemic ("COVID-19"), especially when the corresponding public health control measures tightened in various regions in the second half of 2021. Under such backdrop, we, adhering to the strategy of "increasing store density", continued to open stores in premium locations in high-tier cities to cultivate consumption habits, while promoting digitalization by adopting automated teamaking facilities. In our efforts, our Group has successfully maintained the leading position in the new-style tea beverage market of China.

As of December 31, 2021, our Group has 817 self-owned *Nayuki* teahouses and 67 self-owned *Tai Gai* teahouses in 80 cities. In 2021, we newly opened 326 *Nayuki* teahouses and 3 *Tai Gai* teahouses. Impacted by COVID-19 continuously, our revenue for 2021 is RMB4,296.6 million, an increase by 40.5% as compared to 2020. The store-level operating profit of *Nayuki* for 2021 is RMB591.5 million, an increase by 68.4% as compared to 2020.

While ensuring the stable operation, we always care about the performance of our own social responsibilities regarding food safety, customer experience, environmental protection, green operation, staff development and charity and community works. We insist on formulating improvement plans and implement enhancement works, to continuously strengthen the standard of internal management, providing a long-lasting driving force for the long-term development of our Group.

Safeguarding food safety for achieving quality customer experience. Food safety is always our utmost responsibility. We constantly improve the standards on food safety and quality control, and implement a full-cycle tracking on the food life-cycle management, covering procurement inspection, food ingredients examination, ingredient processing, storage management to the operation of stores. We strive to provide customers with safe, reassuring and high-quality products and experience through meticulous selection of ingredients, diligent processing, careful supervision, attentive services, and the continuous development of new products.

Promoting green operation for safeguarding the nice environment. We advocate a harmonious development with the environment, thus promoting measures on energy saving and consumption reduction in the establishment of stores and the daily operation, and also actively using environment-friendly materials, implementing waste processing, including quantity reduction, harmless treatment and waste recycling, launching the "Beautiful Recycling" campaign. We step up efforts in calling for the public to practice green lifestyles in order to minimize the effect on environment brought by the operation, thus protecting the clear water and blue sky of our beautiful home.

Caring about the growth of the staff and communicating humanistic care. We always care about the protection of the rights of our staff. We established a comprehensive and systematic fostering system and an equal and diversified development platform in order to assist them to realize self-growth. Meanwhile, we safeguard the occupational safety of our staff, providing them assistance and care, thus creating a diversified, inclusive, harmonious and progressive working atmosphere for the staff.

Seeking for community efficiency to promote a win-win situation for parties concerned. We have been providing care to the less-privileged group in the community, and we actively devote ourselves in different kinds of community activities, including education, animal protection, poverty alleviation and volunteering services. We also deploy resources in an effort to provide assistance in tackling the Pandemic, safeguarding public health, and contributing to social development.

We persevere our present stance and look forward to the future. By continuously delivering operational excellence, we provide quality product and experience to consumers; we also uphold our value of safeguarding public health, establishing long-term development as our goal, and strictly complying the three bottom lines of economy, society and environment, we strive to create value for each stakeholder continuously.

ZHAO LIN
Chairman



SUSTAINABILITY MANAGEMENT

Sustainable development is the key to the long-term success of an enterprise. Our Group firmly believes that the management model with sustainable development enables us to create long-term value and interest to our stakeholders including shareholders, customers, employees, community and partners. The concept of sustainable development is incorporated into our daily operations, and our performances on environmental, society and governance are continuously monitored and enhanced, which in turn providing a safeguarding force to the long-term and stable development of the enterprise.

SUSTAINABILITY CONCEPT

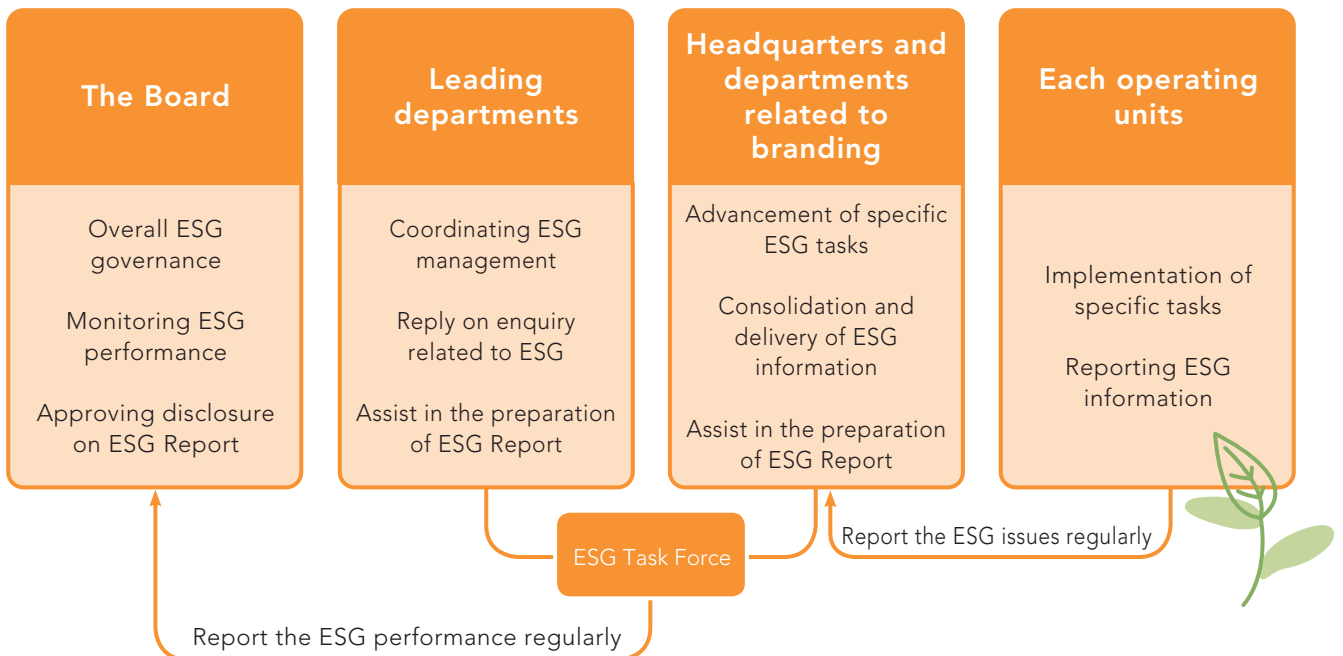
Our Group pays attention to its environmental, social and governance performance constantly. While actively undertaking economic responsibilities, we constantly identify key concerns of all stakeholders, maintain the sensitivity and insight on peers and market trends and consistently review and manage risks on sustainable development during operation. We integrate self-development with environmental and social responsibilities to achieve the harmonious integration of corporate benefits and extensive social responsibilities.

SUSTAINABILITY MANAGEMENT SYSTEM

To effectively practice the sustainability concept of the Group, the Group establishes a governance structure on sustainable development by setting an ESG Committee led by the Chairman of the Group and the General Manager. The ESG Committee is responsible for overseeing and guiding the Company’s ESG programme in order to promote the implementation of the Group’s ESG governance works in an orderly manner.

The Board of the Company and the ESG Committee assume overall responsibility on the environmental, social and governance performance of the Group, and are responsible for formulating the environmental, social and governance strategy of the Group, assess and determine the related environmental, social and governance risk and opportunities of the Group. They regularly review the Group’s environmental, social and governance performance, and approve the information disclosed in the ESG Report.

We have the ESG Task Force which involves departments related to ESG issues, including food safety, staff management, customer services, etc. and comprises people responsible for each of the key operational functions, including Public Relations, Legal Affairs, Human Resources, Finance, Operations, Construction and R&D departments and Supply Chain Management Centres. It is responsible for the advancement of management and implementation of ESG issues, and reports the same to the Board regularly. As the leading departments of ESG Task Force, the Media and Public Relations Department and the Investment, Financing and Legal Department from the headquarters are responsible for coordinating ESG tasks. The headquarters and departments related to branding are responsible for the advancement of specific ESG tasks and the consolidation and delivery of ESG information. Departments related to each operating units implement specific tasks in accordance to the requirements from ESG Task Force, and report the ESG information regularly.



SUSTAINABILITY MANAGEMENT

COMMUNICATION WITH STAKEHOLDERS

Our Group always considers consumers, employees, shareholders/investors, government/regulatory authorities, suppliers/partners, community and other stakeholders as companions on the development path. We attach great importance to the appeals of all stakeholders and regularly communicate with stakeholders through various channels, promptly understand about and respond to the comments and expectations of all stakeholders and set out phased key work in the sustainable development of the Group clearly, so as to fully enhance the level of sustainable development.

Stakeholders	Issues of Concern	Communication Channels	Response to Appeals
Shareholders/Investors	<ul style="list-style-type: none"> Operational strategies of the Group Compliance and honest operation Safeguarding investors' interests Stable investment returns Accurate and transparent information disclosure 	<ul style="list-style-type: none"> Information disclosure General meetings Investor meetings and roadshows Investors hotline/mailbox Official website 	<ul style="list-style-type: none"> Transparent and open information disclosure Enhancing corporate risk management Boosting value creation capabilities Improving brand value
Government/ Regulatory authorities	<ul style="list-style-type: none"> Legal and compliance operation Safe operation Sound internal control and risk management Energy saving and emission reduction Promoting economic development 	<ul style="list-style-type: none"> Regular visits Routine inspections Communication on policies Compliance reports Attendance at symposiums 	<ul style="list-style-type: none"> Tax payment in accordance with law Strengthening compliance operation Enhancing safety management
Consumers	<ul style="list-style-type: none"> Food safety Food quality Customer privacy protection Customer service experience 	<ul style="list-style-type: none"> Communication on services at stores Complaints mailbox/hotline Official WeChat Satisfaction survey 	<ul style="list-style-type: none"> Optimizing product quality Improving customer experience Safeguarding consumers' interests
Employees	<ul style="list-style-type: none"> Safeguarding legitimate interests of employees Occupational health and safety Equal employment opportunities Employees' remuneration and welfare Diversified development 	<ul style="list-style-type: none"> Labor contracts Performance management mechanism Trainings and communication Chairman's mailbox Employee representatives' meetings Internal WeChat platform 	<ul style="list-style-type: none"> Safeguarding employees' interests Conducting employee trainings Diversified occupational development Abundant employee activities
Suppliers/Partners	<ul style="list-style-type: none"> Fair procurement bidding Faithful performance of contracts Product quality guarantee Establishment of sustainable partnership 	<ul style="list-style-type: none"> Supplier assessment Cooperation agreements On-site inspections Supplier meetings 	<ul style="list-style-type: none"> Equal and fair procurement Enhancing supply chain management Promoting sustainable partnership
Community	<ul style="list-style-type: none"> Conducting social welfare activities Promoting community relations Green operation 	<ul style="list-style-type: none"> Community activities Community services 	<ul style="list-style-type: none"> Conducting charitable and voluntary activities Enhancing safety management of stores

SUSTAINABILITY MANAGEMENT

ESG ISSUES AND MATERIALITY

Concern on different ESG issues by the stakeholders and the judgement of materiality on the issues form the foundation of assessment on important issues of the Company. In 2021, the Group reviewed issues related to ESG management in the year in accordance to the Environmental, Social and Governance Reporting Guide of the Stock Exchange, and adjusted the important ESG issues by taking into account the business development trend of the Group for the year and by comparing standards from peers. In addition, we initiated a questionnaire survey with our stakeholders including management members, staff, customers, investors/shareholders and suppliers to understand the changes in views and demands from the critical stakeholder groups.

Assessment and expectation of stakeholders on the ESG performance of the Group are the main reference materials on assessing the materiality of issues. Meanwhile, we bear in mind the concerns and demands from stakeholders in order to optimize the ESG strategy and management policy of the Company in an orderly manner.

Procedures for Materiality Assessment of Issues

Establishment of the pool of issues

- With the Environmental, Social and Governance Reporting Guide (the ESG Guide) under Appendix 27 to the Listing Rules as the foundation, and based on the business development of the Group and appeals of stakeholders, the pool of ESG issues of Nayuki Group for 2021 was established with a total of 23 issues.

Participation of stakeholders

- We obtain the comments of stakeholders through questionnaires and interviews, which cover the management of the enterprise, employees, suppliers, customers and investors/shareholders, and more than 1,000 copies of valid questionnaires were collected.

Issues assessment

- Based on the focused concerns of all stakeholders, it assesses the materiality of issues from the dimensions of “materiality to stakeholders” and “materiality to the enterprise” to analyze and establish the materiality matrix and list of issues.

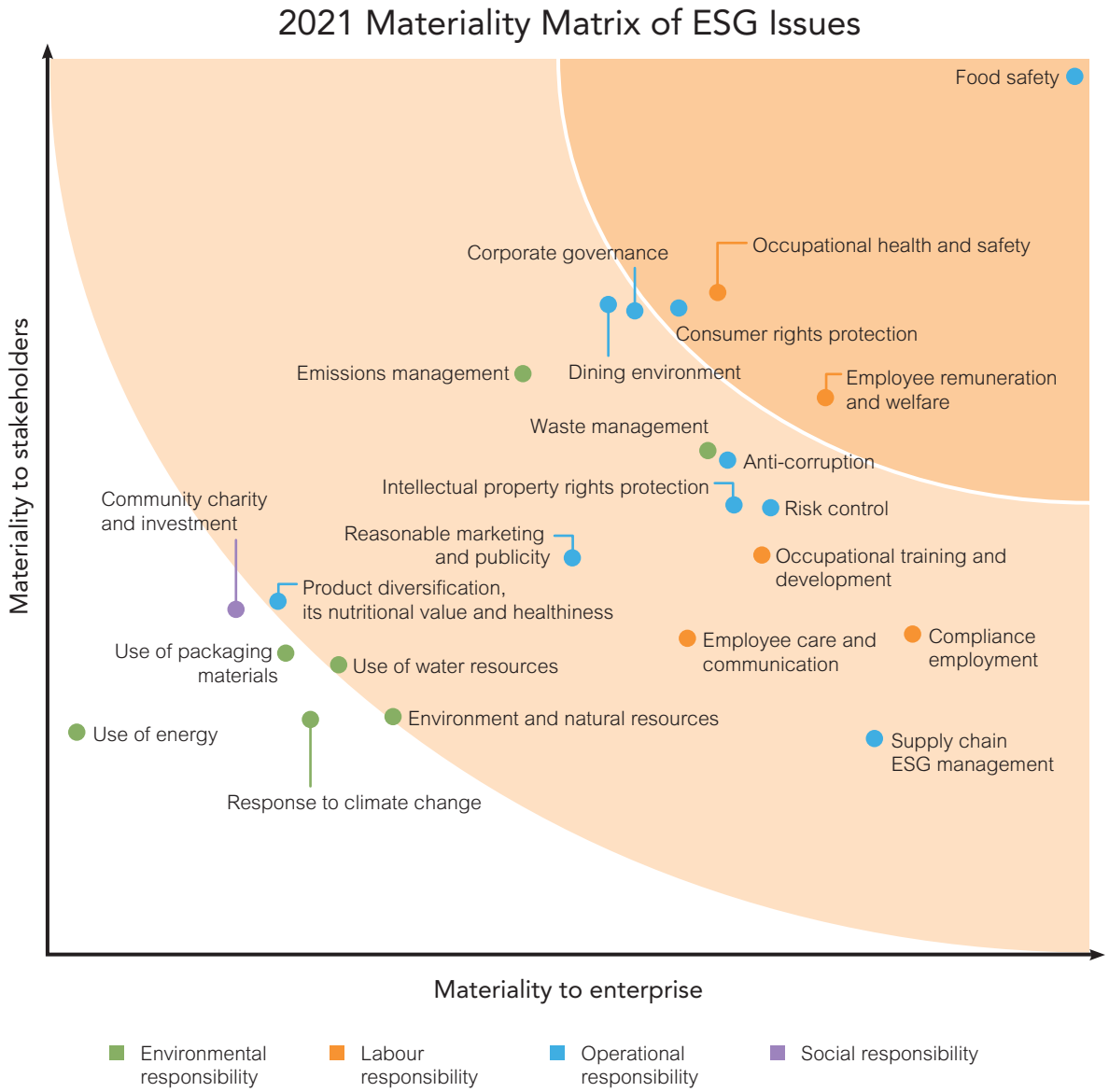
Review and confirmation

- The participation of stakeholders in the implementation of plans and the assessment results of important issues are submitted to the ESG Task Force and the Board for assessment, after which ESG-related risk of the Group are determined.

Materiality Matrix and List of Issues

Based on the material issues related to the sustainability of the Group and taking the concerns of stakeholders into account, we have systematically identified the following 23 ESG issues. Issues of high materiality are on the top right corner of the matrix while issues of low materiality are on the lower left corner of the matrix. The four issues of the highest materiality are food safety, employee remuneration and welfare, occupational health and safety and protection of consumers’ interests. We pay more attention to the performance of relevant issues and continuously communicate with stakeholders to consistently improve the governance level of the corresponding issues.

SUSTAINABILITY MANAGEMENT



SUSTAINABILITY MANAGEMENT

Materiality	Order	Issues
High materiality	1	Food safety
	2	Employee remuneration and welfare
	3	Occupational health and safety
	4	Consumer rights protection
Medium materiality	5	Corporate governance
	6	Dining environment
	7	Compliance employment
	8	Anti-corruption
	9	Risk control
	10	Waste management
	11	Intellectual property rights protection
	12	Occupational training and development
	13	Emissions management
	14	Supply chain ESG management
	15	Employee care and communication
	16	Reasonable marketing and publicity
	17	Environment and natural resources
	18	Use of water resources
	19	Product diversification, nutrition and health
Low materiality	20	Use of packaging materials
	21	Community charity and investment
	22	Respond to climate change
	23	Use of energy

ENTERPRISE HONORS

With years of efforts and input in the catering industry, the Group is widely recognized by the consumers and within the industry. Meanwhile, we continuously strengthen the exchange and communication in the industry, actively participate in industry associations and activities, and we constantly understand and explore the direction and development trends of the industry in order to promote the advancement of the industry.

ENTERPRISE HONORS

The Group continuously optimizes the product quality control and operation management capability and consistently improves brand image, which is deeply favored and supported by consumers and widely recognized in the industry.

Name of Awards	Issuing Authority
2020 Top 100 Catering Enterprises of China	China Cuisine Association
2021 Top 50 China Chain-Brand Influencers	China New Consumer Brand Conference Organizing Committee
2020-2021 China Smart Retail Model Innovation Award	China Smart Retail Conference Organizing Committee
Red Eagle Awards – 2021 Top 100 China Catering Brand	World Federation of Chinese Catering Industry, CNR News and www.canyin88.com
2021 CSR Model Award	CAIJING.COM.CN
2021 China New Consumption Annual Growth Brand	CBN and CBNDATA
2021 Best Employer Corporate Development Award	Shenzhen Best Employer Selection Organizing Committee and Shenzhen General Chamber of Commerce



ENTERPRISE HONORS

INDUSTRY ASSOCIATIONS

The Group consistently strengthens communication and exchange among enterprises and actively joins industry associations to promote innovation and development of the industry and achieve common progress with the industry.

Name of Associations	Participation Status
China Tea Science Society	Councilor entity
China Cuisine Association	Councilor entity
Cross-Straits Tea Exchanges Association	Councilor entity
China Chain Store & Franchise Association	Member entity
Newstyle Tea Beverage Committee	Member entity
Guangdong Chain Operations Association	Executive councilor entity
Shenzhen Smart Retail Association	Member entity
Shenzhen Franchise Association	Member entity
Shenzhen Retail Business Association	Member entity
Shenzhen General Chamber of Commerce	Executive vice president entity
Shenzhen Association of Enterprises with Foreign Investment	Member entity
Wuhan Catering Association	Councilor entity
Xi'an Chain Store & Franchise Association	Member entity
Shanghai Stores Cuisine Association	Councilor entity
Beijing Food and Beverage Industry Association	Councilor entity



SPECIAL HIGHLIGHT: PERSISTENCE ON PANDEMIC PREVENTION AND CONTROL FOR REST ASSURED TEAHOUSES

In 2021, the Group continued to keep abreast of the pandemic development and proactively responded to the pandemic prevention and control arrangements set by the government. By implementing various effective pandemic prevention measures, the Group contributed to safeguard public health.

EFFECTIVE DEPLOYMENT ON PANDEMIC PREVENTION AND CONTROL

The Group strictly complied with the *Nayuki's Emergency Plan on Pandemic Prevention and Control* (《奈雪的茶疫情防控緊急預案》) and organized senior management to establish a pandemic prevention and handling task force, which focuses on the guidance of pandemic prevention and control works of nationwide functions and staff at stores. The work force also paid close attention to the latest news on pandemic prevention and control, timely adjusted its responsive plans and secured the safety of over ten thousand staff nationwide.

For the regions affected by the lingering pandemic, the Group suspended the operation of stores in the corresponding regions to fully cooperate with local governments on virus prevention and control works while ensuring the health of our staff and customers. With regards to staff management during the pandemic, the Group commenced an online "Pandemic Information Collection" mechanism to monitor the health and safety of staff. Meanwhile, the Group published the pandemic prevention guidelines for staff in the internal office platform, call our staff to refrain from going out unnecessarily and strictly implemented personal protection measures.

Upon gradual relief of the pandemic, the Group followed the government's call on resuming work and operation by releasing the "Personal Health Registration for Resumption of Work" and *Guidebook on Pandemic Prevention and Control of Nayuki* (《奈雪的茶疫情防控指導手冊》) on its internal platform to guide stores, supply chain and various functions and departments on work resumption preparation, thereby effectively safeguarded the health and safety of consumers and staff.

STRINGENT IMPLEMENTATION OF PREVENTION AND CONTROL MEASURES

To effectively implement pandemic prevention, control and monitoring, the Group has established a food safety task force to monitor the implementation of food safety guidelines of the Group and our brands. Warehouse centers are requested to enhance the review of the nucleic acid testing results of imported goods, while our stores are required to comply with relevant requirements such as the *Operation Standards of Back Kitchen Food Safety during the Pandemic* and the *Operation Standards of Stores Food Safety during the Pandemic*. Our Group implemented prevention and control measures of, among other things, properly utilizing sterilized tools, and adjusting and widening table distance in the dining area.

To secure customers' health, the Group adds inspection related to pandemic prevention and control during quality inspection. At the same time, measures such as specific cleaning for every seat and periodic sterilization are carried out in stores, while staff are required to measure temperature twice per day. Customers are reminded to follow local pandemic prevention policies and measure their temperature before entry, register their personal information and use the sterilization supplies provided, so that they could dine in a safe environment, and encourage customers to order online to avoid queuing and crowding. For takeaway and delivery business, our stores have set up and periodically sterilized contactless meal collection areas. Before collection, delivery drivers are required to measure their temperature, register and sterilize their hands to reduce the risk of spreading the virus.

JOINING HANDS TO COMBAT THE PANDEMIC

In May 2021, *Nayuki* served thousands of drinks and soft breads to hospitals, centers for disease control (CDCs), HAS and nucleic acid testing sites in Guangzhou, Foshan and Shenzhen to ensure timely hydration and nutritional intake for frontline medical staff during their high-intensity work.

On the Dragon Boat Festival in 2021, *Nayuki* served nearly 4,000 zongzi gift boxes to 15 organizations in Guangzhou and Shenzhen, including hospitals, CDCs and hygiene and health bureaus, to express our respect and gratitude to the medical staff and community service workers at the front line of anti-epidemic.

In August 2021, *Nayuki* launched the "Thanks for Your Bravery (感謝每一个勇敢的你)" campaign to serve free drinks and bread to healthcare personnel and front-line workers nationwide, 300 thousand products with a total value of more than RMB7 million were delivered to pandemic prevention staff from 37 organizations in 14 cities across China, including Shenzhen, Guangzhou and Wuhan.



ABOUT US

Taking the responsibility as a listed company, while continuously expanding its business, the Group further optimizes the governance mechanism, continues to enhance risk control and anti-corruption control, facilitates compliance operation and helps the Group to enhance competitiveness, in order to realize sound and long-term development.

ENTERPRISE OVERVIEW

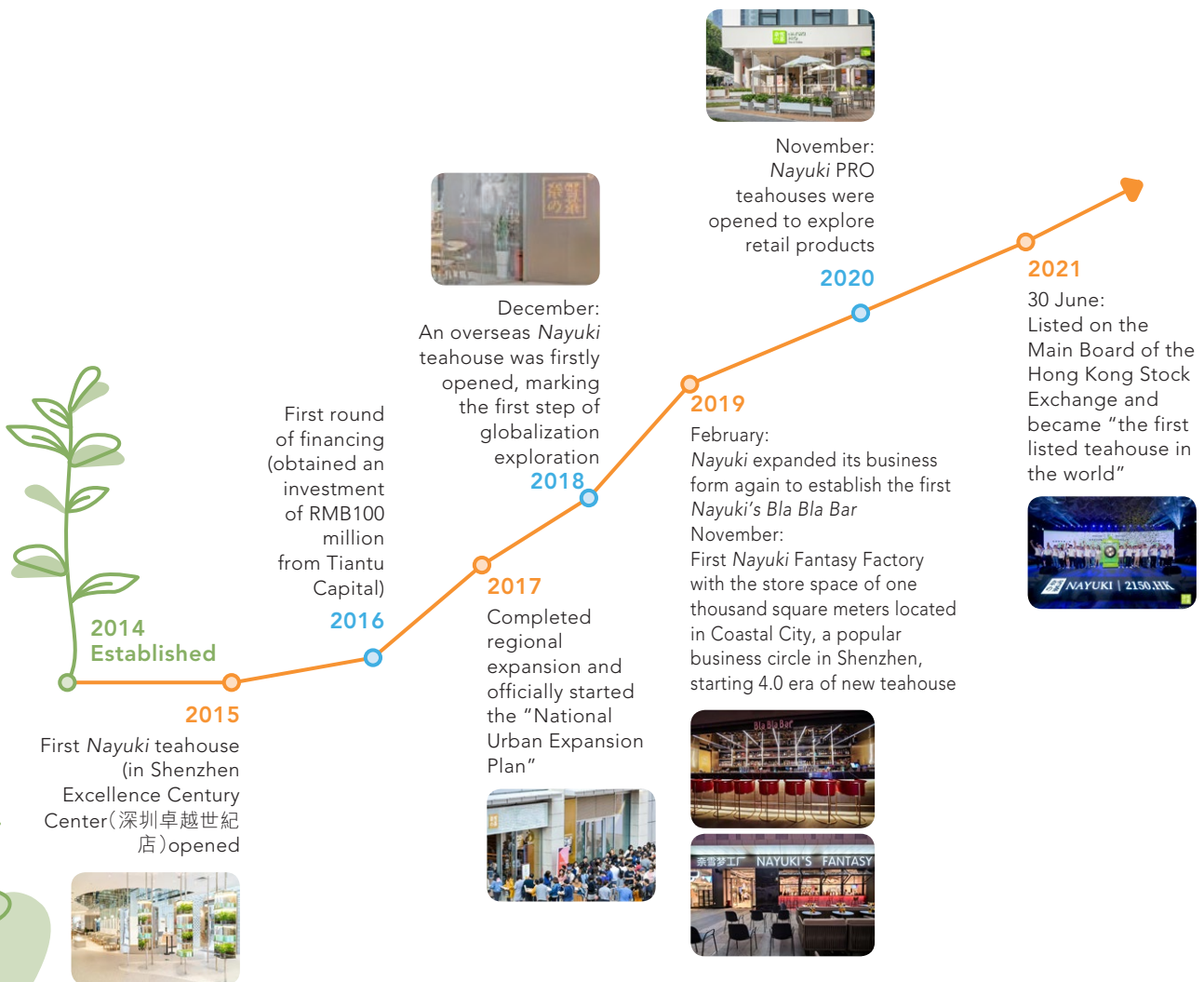
Established in Shenzhen City of Guangdong Province in 2014, the Group is a catering group principally engaged in Chinese freshly-made tea drinks chain operation. Our Company's shares were listed on the Main Board of the Hong Kong Stock Exchange on June 30, 2021. We mainly operate two teahouse brands—our flagship brand *Nayuki* and sub-brand *Tai Gai*. For *Nayuki*, we focus on offering a broad array of freshly-made tea drinks and handcrafted baked goods, whereas for *Tai Gai*, we mainly offer a selection of classic milk tea and lemon tea drinks, inspired by our goal to bring the original taste and fragrance of tea to young customers in China. As a leading manager and operator of premium modern teahouse brand in China, we establish a dual category model featured with “tea drinks + European soft bread” in line with meeting two kinds of pleasures by enjoying a nice cup of tea and a bite of European soft bread, and are committed to becoming a global teahouse brand loved by everyone, with creating and promoting the tea culture to the world as our brand vision. We make high-quality, healthy products with less sugar content, using high-quality ingredients such as fresh fruits, high-quality tea leaves and fresh milk instead of syrup, tea powder and creamer, building a lifestyle suitable for modern people through tea drinks. Through our self-operated premium modern teahouses, we have created a comfortable, upscale social space for our customers and communities to get together and enjoy. In order to promote the long-term development of our brand, we have continued to iterate on store space. As of December 2021, there were two types of *Nayuki* teahouses, namely (i) regular *Nayuki* teahouses, including diversified *Nayuki* concept teahouses such as *Nayuki Fantasy Factory*, *Nayuki's Gift* teahouses and *Nayuki's Bla Bla Bar*; and (ii) *Nayuki* PRO teahouses. As of December 31, 2021, our Group has 817 self-owned *Nayuki* teahouses and 67 self-owned *Tai Gai* teahouses in 80 cities. In 2021, we newly opened 326 *Nayuki* teahouses and 3 *Tai Gai* teahouses.

ABOUT US

DEVELOPMENT HISTORY

The history of the Group can be dated back to 2014 when Mr. Zhao Lin and Ms. Peng Xin, the founders, started the first teahouse in Shenzhen, Guangdong Province.

We officially started the operation under the brand *Nayuki* in 2015. In 2016, we obtained an investment of RMB100 million from Tiantu Capital in the first round of financing. In 2017, we completed regional expansion and officially started the "National Urban Expansion Plan". In December 2018, an overseas *Nayuki* teahouse was firstly opened, marking the first step of globalization exploration. In February 2019, *Nayuki* expanded its business form again to establish the first *Nayuki's Bla Bla Bar*, and the first *Nayuki Fantasy Factory* with the store space of one thousand square meters located in Coastal City, a popular business circle in Shenzhen in November, and achieved a sales volume of 1 million in three days. In November 2021, *Nayuki PRO* teahouse, a new teahouse format, was opened. *Nayuki* gradually becomes a leading operator and manager of new teahouse brand in more than 6 years of development, and has been awarded as one of China's Top 100 catering enterprises for three times from 2019 to 2021. On June 30, 2021, *Nayuki* was listed on the Main Board of the Hong Kong Stock Exchange, becoming "the first listed new-type teahouse".



ABOUT US

PRINCIPAL BUSINESS

We mainly operate two teahouse brands—our flagship brand *Nayuki* and sub-brand *Tai Gai*. We differentiate *Nayuki* and *Tai Gai* by offering diverse products and targeting different customer bases. *Nayuki* focuses on offering a broad array of freshly-made tea drinks and handcrafted baked goods, whereas for *Tai Gai*, we mainly offer a selection of classic milk tea and lemon tea drinks. Unlike *Nayuki* which mainly attracts the rising affluent urban population with a wider age group, *Tai Gai* mainly focuses on the younger generation of customers, including students and young office workers who are generally more price sensitive. Compared with *Tai Gai*, we deploy a broader network of teahouses for *Nayuki*. The Group expands to more market segments through a multi-brand strategy, which reduces risks of competition among its owned-brands. All brand teams focus on the research and development of products in the sectors they are familiar with which promote the rapid development of brands. Besides, we keep abreast of changes in market demand at all times. Apart from operating the principal business, we also explore takeaway service and retail business via third party online delivery platform and self-operated online platform with a view to expand the Group's scope of operation and offer customers with high-quality products and services.

Major Product Display



Supreme Fruit Tea



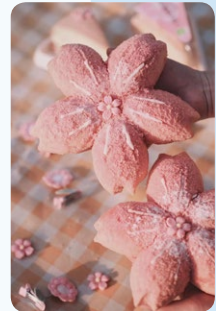
Treasure Milk Tea



Supreme Emblica Tea



Blended Coffee Series



Handcrafted Baked Goods



Retail Baked Product



Chinese Dim Sum



Sparkling Water



Gift Tea Box



Snack

ABOUT US

GROUP GOVERNANCE

In strict compliance with applicable laws and regulations, the Group adheres to the compliance-based operation. It consistently improves governance structure, optimizes the establishment of corporate anti-corruption and risk management structure, as well as advances the building of corporate integrity to elevate the level of governance of the Group to promote the enhancement of quality and efficiency of operation and management.

Governance Mechanism

Our Group strictly abides by the Corporate Governance Code in Appendix 14 to the Listing Rules and other laws and regulations in operation. Based on the actual conditions in production and operation, we have formulated the Corporate Governance System, as well as established a scientific, standardized and reasonable governance structure and procedural rules covering the management, functional departments at the headquarters, brand functional departments and subsidiaries. Meanwhile, we consistently improve the internal management systems in line with the development of the Group by specifying the scope of duties and authorities on decision-making, implementation, supervision and other aspects to improve the level of governance of the Group and provide organizational supports and system guarantees for the Group's development. For details about the governance structure of the Group, the governance mechanism of the Group, the shareholding structure of the Group and controlling shareholders, please refer to the 2021 Annual Report of the Group.

The Chairman of the Group provides leadership to the Board by ensuring the Board works effectively and discharges its responsibilities in a timely manner. The Board comprises three executive Directors, two non-executive Directors and three independent non-executive Directors. The Board is responsible for the direction and control of the Group's business as well as the overall governance, supervision and regular review of the Group and guarantees the long-term interests of the Group and stakeholders. The Board has established three Board committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee for overseeing particular aspects of the Group's affairs. For details about the composition and duty performance of the Board, the duties of the Board and the management, duty performance of independent Directors, please refer to the 2021 Annual Report of the Group.

The Group has formulated a Shareholders' Communication Policy to ensure that Shareholders' views and concerns are appropriately addressed and regularly reviews the policy to ensure its effectiveness. Shareholders' meeting is one of the key channels for the communication between the Board and shareholders, and separate resolutions are proposed at shareholders' meetings for each substantial issue for Shareholders' consideration and voting to guarantee the effective communication with shareholders.



ABOUT US

Risk Control

On the foundation of enhancing internal control and risk management, the Group further facilitates the commencement of anti-corruption works. The Board is fully responsible for evaluating and determining the nature and extent of the risks it is willing to take to achieve the Group's strategic objectives, and for establishing and maintaining appropriate and effective risk management and internal control systems to safeguard Shareholders' investments and the Group's assets. The Audit Committee assists the Board in, among other things, overseeing the design and implementation of the risk management and internal control systems, reviewing the financial results and reports, financial reporting and compliance procedures, internal control and risk management systems, as well as re-appointing external auditors.

The Group has developed internal management systems such as the *Policies and Procedures in Relation to Risk Management* and the *Policies on Inside Information Disclosure*, and established a risk management process comprising four parts, namely risk identification, risk evaluation, risk monitoring and risk reporting, specifying the inside information reporting mechanism and requirements on information confidentiality. Internal evaluation would be conducted annually to confirm the implementation of the risk management and internal control policy. The Group strictly follows the requirements of the Corporate Governance Code of the Hong Kong Stock Exchange and has set up the Risk Management Committee to conduct independent and regular reviews on the effectiveness of the procurement system of the Group. The headquarters of the Group has set up the Internal Audit Department to be responsible for the formulation of regulations on internal control. In 2021, the Group conducted more than 10 special audit projects on various sectors, including capital management, contract management and supplier management, and has carried out special rectification and improvement for the defects found, which promoted all employees to participate in supervision and improved internal control and business ethics.

ABOUT US

Anti-corruption

The Group advocates the culture of honesty and integrity. In accordance with the *Anti-Money Laundering Law of the People's Republic of China*, the *Law of the People's Republic of China Against Unfair Competition* and other relevant laws and regulations, the Group has formulated internal systems such as the *Anti-corruption Policies* and the *System of Reward for Reporting by Employees of the Group*, while updated the *Notice on Strictly Prohibiting Gifts Acceptance and Commercial Bribery*, the *Notice on Integrity* and the *Letter of Commitment on Integrity of Suppliers* in 2021 to further regulate the acts of our staff and suppliers. Meanwhile, the Group continued to improve anti-corruption management and optimize reporting mechanism, while enhanced integrity education to promote honest operation. During the reporting year, the Group had no litigation involving corruption, bribery, blackmail, fraud and money laundering.

Standardizing employee behaviors	We have formulated the <i>Standards on Procurement Behaviors</i> to guide the equal and fair procurement practices of procurement employees, and formulated the <i>Notice on Integrity</i> to refrain our employees from accepting commercial bribery of any form. Any breach of regulations and disciplines will be taken seriously and held accountable according to the requirements.
Conducting anti-corruption training	We proactively implement integrity promotion, training and education campaigns for senior management, contracted employees, outsourced employees and suppliers of the Group. Through the publication of various integrity promotion articles in our office system and the publication of various videos on integrity education by the Internal Audit Department at the headquarter with the organization and development department in the Group's public account, we conducted anti-corruption promotion for all staff. At the same time, we have convened 2 integrity training sessions for functional departments, and integrated contents related to anti-corruption into 4 orientation training sessions for new staff with approximately 200 participants, which have further enhanced the integrity and self-discipline awareness among staff at a basic level. WeChat groups are established for directors of the Company by the Internal Audit Department, with internal work progress on anti-malpractice and anti-bribery shared on an irregular basis and various kinds of anti-corruption information forwarded in these groups to edge up the awareness on integrity among directors. In addition, we targeted at our partners and conducted 1 integrity training session for project suppliers to promote the Group's requirements on anti-corruption to suppliers and regulate their acts.
Protecting whistleblowers	<p>The Group has set up specific means such as reporting mailbox, reporting hotline and reporting WeChat account as smooth reporting channels, while proactively carried out special investigations on the reported matters. Upon receiving reports and complaints, our Internal Audit Department will lead the investigations on reporting related to malpractice and bribery. Investigation results and treatment will be reported to the Chairman of the Group upon inspection and verification, which will then be addressed by relevant personnel. Meanwhile, the Internal Audit Department has established ledgers for reporting and complaint registration, recorded reported matters and complaints, evidences and investigation results, enhanced the regulation and management of reporting hotline, and effectively implemented clue tracking. In 2021, the Group received 16 complaints and reported matters, which were addressed and followed up in accordance with working procedures.</p> <p>Besides, we strictly follow internal requirements, regulate the reporting and investigation procedures, commit to keep all reporting information strictly confidential, only report the reported matters and investigation results in the reporting process, make no disclosure on sensitive information of whistleblowers, and protect the interests of whistleblowers. We also request units under investigations and subjects of reporting not to take revenge acts against whistleblowers, and if such acts are found out, we will take serious actions thereon.</p>



ABOUT US

<p>Anti-corruption policy for suppliers</p>	<p>The Group greatly fosters integrity education and behavior regulation for our suppliers. Supplier WeChat management platform is established to promote corporate integrity culture to our suppliers irregularly. Also, the <i>Notice on Strictly Prohibiting Gifts Acceptance and Commercial Bribery</i> is launched to enhance business departments' integrity reminder for suppliers, and expressly establishes a transparent and sustainable cooperation relation with suppliers. At the same time, we have formulated the <i>Letter of Commitment on Integrity of Suppliers</i> as an attachment to contracts, for which all suppliers are required to sign before the approval stage. It is stipulated that cooperation parties commit not to conduct commercial bribery of any form to our staff nor conduct any breach act in violation of the principle of honesty. In 2021, we selected some suppliers and confirmed whether any improper acts such as soliciting bribes by our staff exist via telephone contact to ensure that there was no act that would impair the interests of the Company.</p>
<p>Participating in external association exchange</p>	<p>The Group proactively participates in external anti-corruption communication and exchange. By sharing frequent issues and work experience on anti-corruption with member enterprises, the Group could learn from outstanding enterprise on anti-corruption practice, continuously optimize our anti-corruption management mechanism, and further enhance our anti-corruption capability.</p>
<p>Anti-money laundering policy</p>	<p>The Group has formulated an internal system such as the <i>Notice on Integrity</i>. The Finance department is responsible for the centralized fundraising, utilization, balance and deployment of the Group, and continuously conducts store capital monitoring. Extraordinary store consumption data is aggregated and analyzed on a regular basis to implement capital safety alert. We also stay alert at all times, supervise all staff and suppliers to perform practices of, among other things, anti-money laundering, anti-terrorist financing and anti-improper benefits, while insisting on compliance operation.</p>

ABOUT US

Protection of Trademarks and Intellectual Property Rights

The Group strictly abides by the *Civil Code of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, the *Law of the People's Republic of China Against Unfair Competition* and other relevant laws and regulations and resolutely safeguards its own interests according to the laws. We conduct strict and standard management on trademarks, patents and other intellectual property rights and joined third-party institutes in establishing teams on intellectual property rights protection. We strive to safeguard the brands, goodwill and image of the Group through self-initiated inspections on infringements in the market via online searching, investigation and verification, complaints to platforms, request for administrative interference, filing lawsuits to courts and other channels. Meanwhile, the Group respects others' intellectual property rights, states the sources based on the quotation requirements on external information, while engages external professional compliance advisor to undergo dual compliance confirmation on the use of external information. The Group encourages and protects fair competition and strives to safeguard others' legitimate rights from being infringed. As of 2021, the Group had 860 trademark registrations in Mainland China and 366 trademark registrations in other regions and countries. We also had 31 patent registrations, 155 copyright registrations and 27 domain registrations in Mainland China.



GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

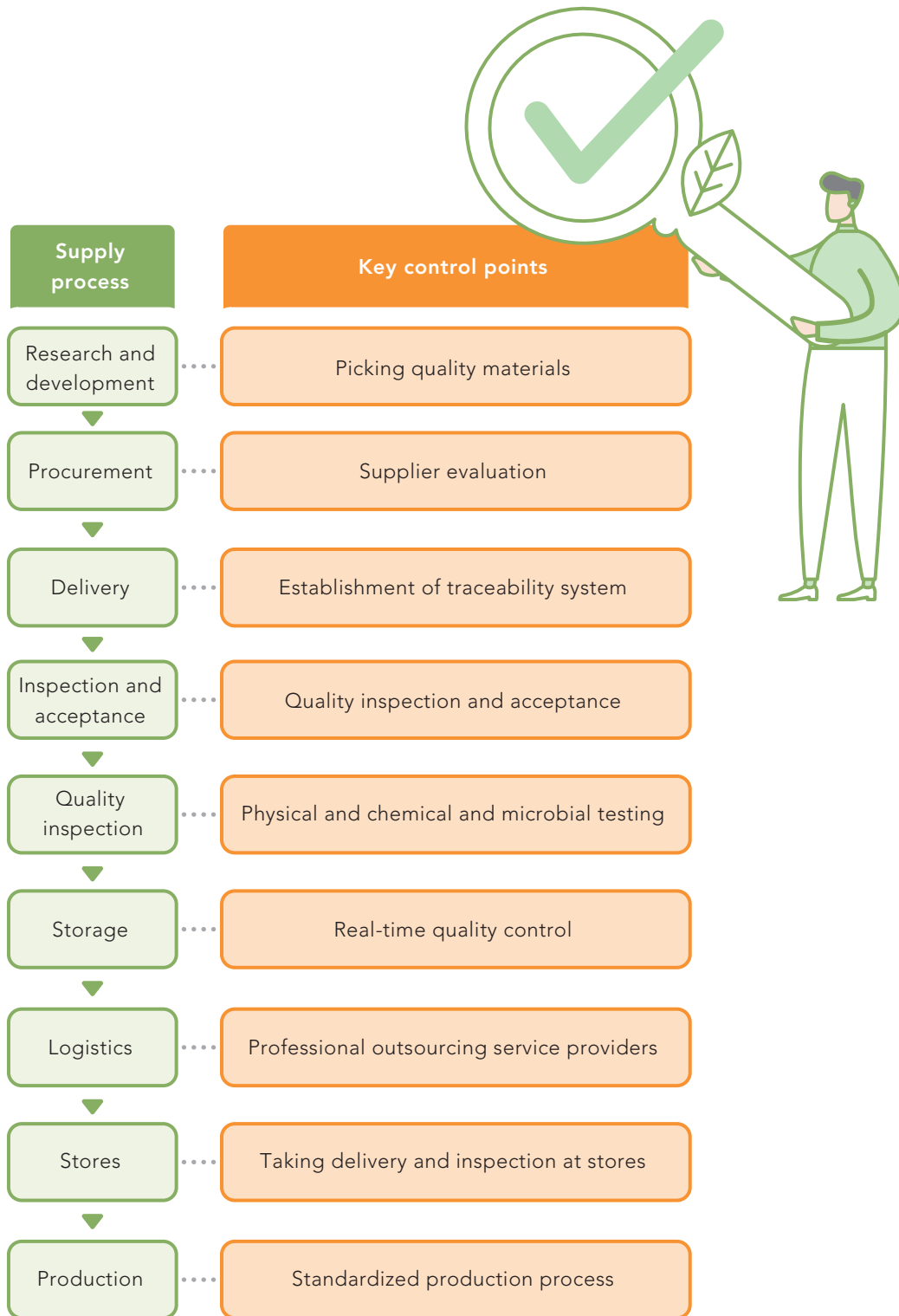
Aspects of the ESG Guide involved in this chapter	
B5. Supply Chain Management, B6. Product Responsibilities	
ESG issues involved in this chapter and their materiality	
Food safety (High materiality)	Consumer rights protection (High materiality)
Dining environment (Medium materiality)	Supply chain ESG management (Medium materiality)
Reasonable marketing and publicity (Medium materiality)	Product diversification, nutrition and health (Medium materiality)

Food safety is always a responsibility of the Group. Food quality, dining environment and service quality are also our eternal pursuits. With consistent innovation, research and development as well as improvement, we strived to provide customers with fresh, delicious and quality products and services.

CREATING QUALITY FOOD WITH SINCERITY

Following the policy of “putting food safety first and focusing on prevention with comprehensive governance” and strictly abiding by the *Food Safety Law of the People’s Republic of China*, *Law of the People’s Republic of China on Product Quality*, *Law of the People’s Republic of China on Agricultural Product Quality* and relevant laws and regulations of the place where it operates, the Group formulated relevant internal management policies such as *Food Safety Management System*, *Food Safety, Cleaning and Disinfection Management Requirements* and *Food Safety Standard and Prerequisite Program at Store*, and established its food safety management system and inspection and evaluation system. The Group standardized the supply of raw materials, strengthened food safety and quality control with various measures, established a designated department for managing food safety, and practically implemented supervision on food safety. Through careful selection of ingredients and a meticulous preparation, customers can enjoy the food at ease.

GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY



Key control points of safety management system

GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

Building Defense Line on Food Safety

The Group considered food safety as the foundation for survival as well as the code of conduct to be followed by all its employees. We established systems for food safety management, formulated and implemented food safety management systems and quality standards including the *Food Safety Management System, Food Safety, Cleaning and Disinfection Management Requirements* and *Food Safety Standard and Prerequisite Program at Store*, and comprehensively controlled the safety management of all processes of tests on food ingredients, processing, storage management and store operation and strictly adhered to the bottom line of food safety.

Case: Striving to develop reliable food quality and safety

Review on incident

In August 2021, the media reported on the food safety issues at two *Nayuki* teahouses in Beijing and the enforcement actions by relevant government departments in Guangdong Province to conduct food safety inspections on certain *Nayuki* teahouses.

Subsequent improvement

The Group is committed to complying with food safety and product quality requirements in its daily business operations. We have immediately set up a special task force to investigate the matters mentioned in the news report. The two *Nayuki* teahouses in Beijing involved have been immediately suspended for the Group to conduct a full investigation. The Group has also actively cooperated with the relevant government departments to conduct door-to-door inspections of the two *Nayuki* teahouses involved, and rectified the operation of the above two *Nayuki* teahouses in accordance with the guidance of the relevant government departments, so as to ensure that they would meet the relevant applicable food safety requirements. In order to further ensure food safety and avoid the recurrence of such incidents, the Company (i) increase the frequency of hiring external service providers to conduct disinfection for the above two *Nayuki* teahouses in Beijing; (ii) further enhance the degree of automation of the Group's store operations, including the in-store inventory management system, to accurately track and intelligently analyze the inventory levels and the expiration date of key raw materials, thereby ensuring that in-store staff strictly comply with and implement the Group's quality control policies and procedures regarding food safety and product quality.

Protection on food safety system

The Group attached importance to the standardization of food safety management. We improved our internal food safety and quality standards with reference to ISO22000 system of food safety management, and implemented safety management on food research and development, procurement, production, processing, transport and sales according to Hazard Analysis and Critical Control Points (HACCP system). In order to improve our system of food safety management, the quality management department regularly reported the major food safety issues and its responses to the Group's management and the Board, and regularly reported the results of food safety inspections directly to the Chairman so as to assure the Group's management fully understand its conditions of food safety management. In our management framework of food safety, the quality management department of the head office was responsible for the control of general food safety on procurement activities, big warehouse and stores. In addition, the research and development department of the Group were responsible for the quality control of the production process of central factories. Furthermore, the stores strictly complied with the standard operation procedures of dishes formulated by the Group, with inspections on food safety of stores regularly organized by the Group's standard management department.

GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

Sources of and tests on food ingredients

Committed to standardizing the compliance responsibilities in procurement of the Group, we always pay close attention to the production sources and quality inspections of food ingredients. We selected quality procurement sources for various food ingredients with an aim to assure their quality and freshness. In addition, we established and implemented internal policies, including the *System for the Acceptance of Food Procurement* and the *System for the Inspection of Incoming Goods*, clarified the inspection and acceptance standards on various materials such as fresh fruits, conducted inspection on incoming goods regarding various aspects including label, appearance, specifications, and packaging and conducted quality examination on key raw materials such as fresh fruits, to assure that the residues of pesticide and other chemical substance conform to the national standards. In accordance with the requirements of national laws and regulations such as the *Food Safety Law* and the *General Hygiene Standards for Catering Services*, we established a food safety management system covering the head office, warehouses and operating stores, as well as a supervision, inspection and assessment system for suppliers, warehouses and stores, and regularly conducted internal self-examination to ensure the effective operation and continuous improvement of the systems. For the implementation of national requirements on prevention and control of pandemic, we strictly complied with national and local pandemic prevention requirements in 2021 and required our suppliers to provide information such as entry inspection and quarantine certificate, nucleic acid test report and imported raw material disinfection certificate for every batch of goods, to effectively implement the safety supervision on imported cold-chain food.

Storage management

We set appropriate environment and conditions for the storage of food ingredients. We have updated the Supplier Contract to require suppliers to assure the temperature and humidity for storing food ingredients in the delivery process to meet the requirements of quality assurance, and not to deliver food with poisonous and hazardous chemicals in the same vehicle. Upon delivery to central factories, warehouses or stores, our employees will store the food ingredients under appropriate temperature and conditions, and they shall truthfully fill in record logs to effectively manage the traceability of documents to assure the conditions of food ingredients before storage. In light of the wide distribution of our store network, we have established a storage network of ten leased storage centers in selected cities in China for proximate production, process and distribution and planned to establish new warehouse centers according to the application standards of food production license with an aim to protect the freshness of raw materials.

Food processing control

In order to control the quality of food processing, we have formulated internal policies such as the *System for the Management of Food Additives* and *System for the Management of Workshop Hygiene* to clarify the standards on the usage of food additives and store hygiene. In order to standardize operation, the R&D department and operational standards department organized to prepare standard operating procedures (SOP) and operating guidebook on new products and regularly improved the operating procedures and guidebook on existing products, and the designated training department was responsible for training the staff of stores on production standards and giving feedback to the R&D department and operational standards department with an aim to standardize the management on food processing. In addition, designated staff of the food safety department set up a special position for managing the quality of the central factories for processing and regularly inspected the implementation of product standardization procedures, food safety management and staff health in central factories according to the *Regulations on the Management of Quality Control, Inspection and Points Deduction*, and the results of daily quality control inspections were linked to the performance appraisal of the workshops and persons in charge to assure safety and quality in the process of centralized food production.



GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

Store management

As for the production of products, based on *Food Safety Management System* of the Company, we have formulated standardized production SOPs and production post implementation standards for all products. At the same time, for the production management and control in store operations, we have formulated and implemented internal policies such as *Guidebook on Food Safety*, *Food Safety Operating Standards for Back Kitchens during the Pandemic* and *Food Safety Operating Standards for Front Dining Room during the Pandemic*. These policies standardize the management and control of production links such as goods procurement and purchase management, store goods storage management, personnel health and hygiene management, production cleaning and disinfection, pest control, and production document management system. In order to implement the standards for relevant production links, and according to the management needs of the Group as a national chain enterprise, we cooperate with third-party companies to create an online learning platform. The storage and release of standard data, advanced trainings for employees, and employee skill appraisal and follow-up have all achieved unification, standardization and efficiency. We also have each individual to implement the production standards and food management and control.

In addition to the standards established, we have also established a strict management and control system and an independent production inspection department. The inspection department has formulated two inspection tables, *Inspection Table on Food Safety* and *Inspection Table on Product Quality*, which covered standards on areas of food safety and product quality such as flavor, appearance and hygiene of dishes as well as control of pandemic. The implementation side of this management and control system includes a total of three parts, i.e., monthly self-inspection of stores, monthly monitoring inspection by the inspection department, and quarterly on-site random inspection. And with the development of the online platform, an online inspection management platform is built to realize the digitalization of records.

We also hire an external third-party food safety consulting company to plan to start a food safety inspection project. This evaluation project conducts a comprehensive review and evaluation from the headquarters to the stores of chain catering companies according to the requirements of regulations such as *Food Safety Law*, *GB 31654-2021 National Food Safety Standard – Common Hygiene Regulations of Catering Services*, *Conduct Code on Food Safety of Catering-2018*. We conduct random inspections on management from the source, i.e., the headquarters. We face the actual situation of the Company objectively with an absolutely fair, just and open attitude. And we cooperate with various departments such as the operation department, quality control department and engineering department to review the results of each random inspection, sort out the problems and seek solutions.

Takeaway product management

For takeaway products, we have added online business items to the business license in accordance with local regulatory requirements of the stores to better meet compliance requirements. At the same time, we design takeaway packaging with practicality based on factors such as product preservation, hot drink and overflowing cups, formulate takeaway product labels and reminder information in strict accordance with relevant standards, and require stores to implement reinforcement and food safety protection measures such as sticking safety stickers on takeaway packaging to control the food safety of takeaway products. We have a full-time team to collect quality complaints about takeaway products to ensure that each complaint can be dealt with in a timely manner, and then timely give feedbacks to and conduct investigations on relevant parties such as stores and suppliers, and require relevant parties to make timely rectification for further improvement.

GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

Performance of Food Safety Management in 2021

Food processing

- Conducted 1,205 microbial sampling inspections on products of central factories with passing rate at 99.9%;
- Formulated 12 standard operating procedures for products.

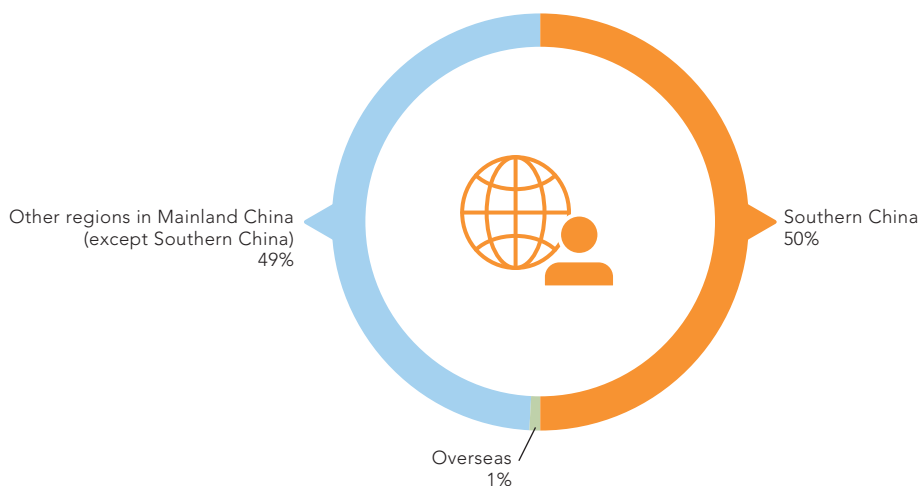
Store inspection

- Conducted production quality inspections on each self-operated store on a monthly basis with a national average score of 89.6 for the whole 2021;
- The Company's inspection department conducting unannounced inspections: quarterly spotted check on 50% of stores, with a national average score of 87.4 for the whole 2021.

Strengthening Supply Chain Management

The quality of food ingredients is essential to the quality of food. The Group adopted concentrated procurement to improve its supplier management, proceed with quality inspection and acceptance and strengthen its cold chain management on an ongoing basis so as to protect its raw materials. We established the procurement center which is responsible for quality control on dishes during the whole process from the places of origins to the sight of our customers. We also formulated and implemented related internal policies such as the *Supplier Quality Control System*, the *Supplier Access Review Management System*, as well as the *Supplier Quality and Performance Management Code* so as to standardize the management of suppliers. In 2021, we implemented strict access review on suppliers of food and direct food contact packaging materials, and resolutely eliminated suppliers with serious food safety problems found in the review. As of the end of the Reporting Period, we had a total of more than 350 suppliers (excluding suppliers of engineering equipment), of which 50% was from Southern China. In 2021, we reviewed 98% of suppliers of food and direct food contact packaging materials, of which 9 suppliers were included in the elimination list.

Number of suppliers in 2021



GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

Strict access control**Access review:**

Specifying inspections on capital strength, supply guarantee, reputation and other aspects on supplier access, and conduct on-site quality review and evaluation on candidate suppliers, which cover areas such as qualifications and licenses, productivity, testing capability, technology standards, quality control standards and third-party assessment proof, and will finally issue a review report and file accordingly for inspection.

**Quality responsibilities:**

At the stage of access review, evaluation will be conducted on the quality management systems, third party accreditations, food production licenses, material examination reports of candidate suppliers. In addition, sampling inspection will be conducted on the samples provided by candidate suppliers and the admitted suppliers will be requested to sign Quality Guarantee Agreement to fulfill their quality guarantee responsibilities on supplies.

GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

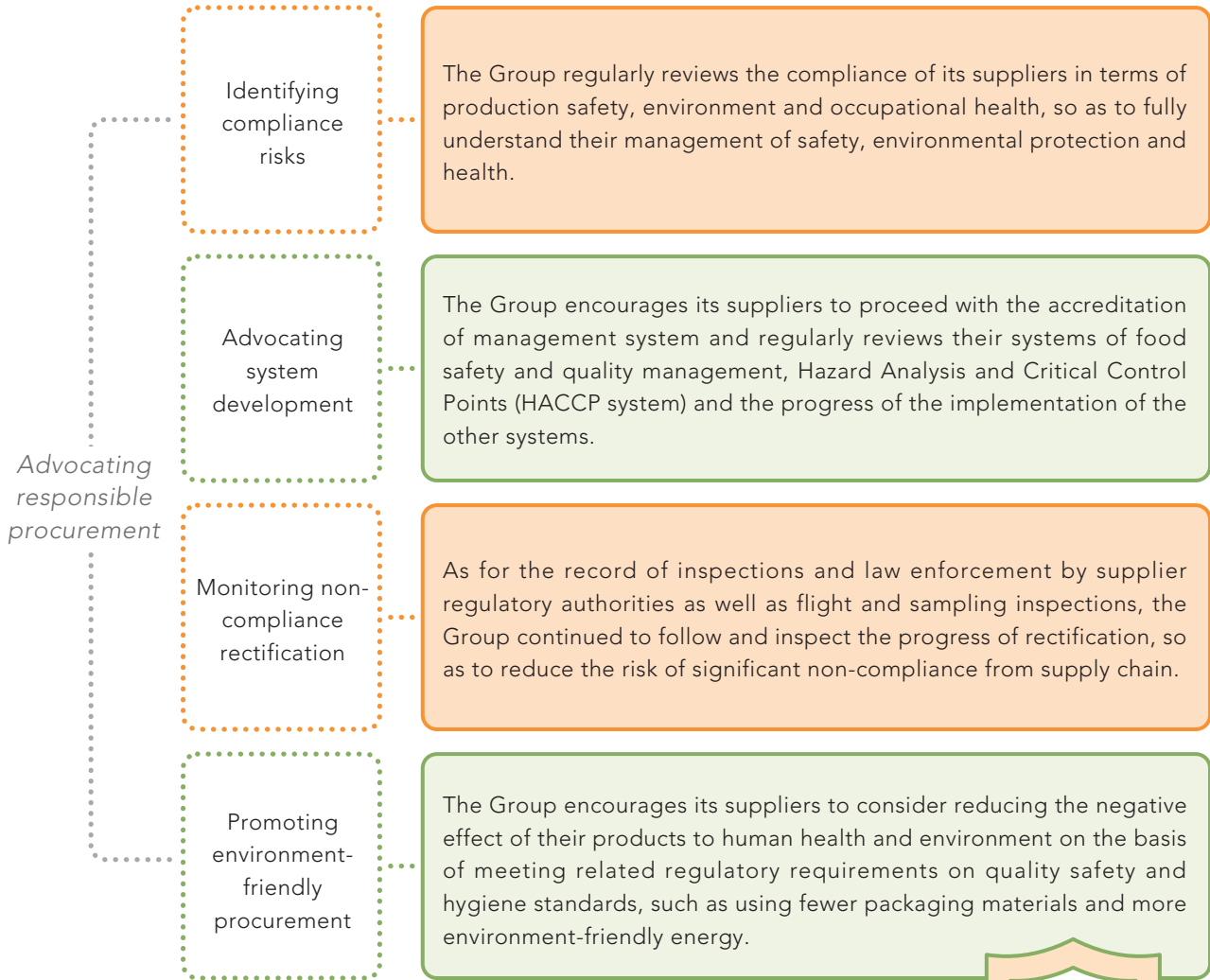
Disciplined management		
System assurance	Quality requirements	The Company and its suppliers have established Product Specifications that meet the requirements of the relevant standards to clarify product quality and acceptance standards. The supply contract sets out that quality issues such as pesticide and veterinary drug residue, biotoxin and excessive food additives that do not meet the standards of food safety should not exist in supplies, and the standards on supplies inspection and acceptance are clarified with non-food material chemical substances, use of recycled food and forged certificate categorized as major issues.
	Issue classification	The classification of issues and corresponding punishments are clarified in the Standards on Rewarding and Managing Suppliers and quality issues such as excessive micro-organism, pesticide or veterinary drug residue, moldy products, media reports on quality issues are rated at the highest level, and quality issues are included in the evaluation of supplier performance.
	Accountability requirements	Suppliers will be liable to any loss resulting from the occurrence of anything against consumer safety, violating laws and regulations, not meeting quality requirements of warehouse centers and hiding quality issues in the products supplied by them in accordance with the Quality Guarantee Agreement.



GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

Disciplined management		
<i>Multi-party supervision</i>	Internal assessment	Appraisal will be conducted quarterly on the product quality, supply stability, pricing and auxiliary services of suppliers. Suppliers that have major quality issues and potential problems, forged qualifications will be blacklisted and eliminated.
	Rectification	Products that fail to pass the national examination and sampling inspection of government departments or with quality issues reported by media will be removed from shelves by the Group and handled with the suppliers based on the severity. Suppliers should inform and assist the Group to remove all batches of related products from shelves if they are informed first. The Group requests suppliers to investigate and reply within 24 hours for products with potential food safety problems.
<i>Quality improvement</i>	Quality improvement	Quality control personnel provide necessary training to suppliers, so as to assure that the food and supplies delivered meet the required standards.
<i>Safeguarding the supply</i>	Diversified cooperation	To ensure the stable supply of key ingredient, the Group has entered into cooperation agreements with certain suppliers of tea leaves and fresh fruits in order to secure stable and high quality supply of raw materials. The Group has been actively monitoring the growth process and processing procedures to ensure that the raw materials meet its food safety and quality standards and that the quality and quantity of supplies will remain stable.
	Regular tracking	The Group regularly traces the completion rate of order and the punctuality of delivery by suppliers. Once the supplier failed to deliver, we will immediately seek for new supplier for replacement, thus ensuring stability in supply.

GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY



GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

CONSIDERATELY IMPROVING CUSTOMER EXPERIENCE

The Group continued to proceed with the research and development on its products, innovated and provided diversified and healthy choice, relaxing and comfortable dining environment and delightful service experience. In addition, we strived to protect the rights of our customers and continued to develop ourselves with the momentum derived from customer satisfaction.

Diversified Products for Selection

Developing unique products

We strived to improve the quality of our products and innovation, and continued to launch fresh, seasonal, unique and innovative products. We kept on improving our research and development procedures for standardized products as well as launching procedures, and organized a professional team for boosting our internal research and development capability and develop more popular products.

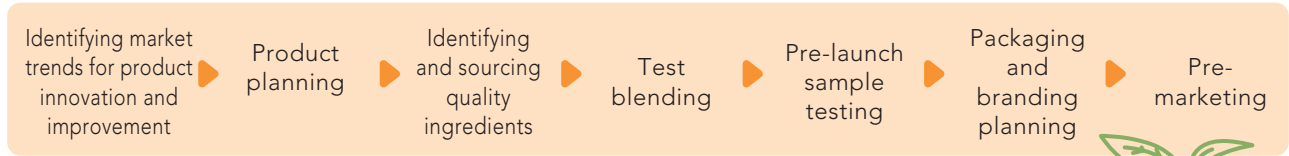
We strive to ensure the highest quality products and promote product innovation. According to CIC, we are the first in China to make freshly brewed tea drinks with fresh fruit and we have been promoting the concept of pairing freshly-made tea drinks with handcrafted freshly baked goods in China. Headed by our co-founder and General Manager, our product development team refines our menu with new items. By experimenting with different combinations of high-quality tea leaves, seasonal fresh fruits, light cheese ingredients and other quality ingredients, we strive to deliver trendy freshly-made tea drinks with great taste. This has led to a core *Nayuki* menu of over 25 varieties of classic tea drinks and over 25 varieties of baked goods. To keep our offerings fresh, we also continuously refine our core menu, with approximately one new drink launched every week on average and approximately 60 seasonal products introduced since 2018. Our tea drinks include fresh fruit teas, milk teas and pure teas—all freshly prepared using premium tea leaves and ingredients sourced from quality suppliers. In addition, we offer a wide selection of retail products, such as gift tea boxes, snacks and ready-to-drink tea beverages, catering to the diversified needs and preferences of our customers.

Headed by our co-founder and General Manager, Ms. Peng Xin, our product development team consisted of 24 employees with relevant work experience in the food and beverage industry. The department team leader has more than 10 years of experience in product research and development, and the department team also employs professionals related to ingredient management, food nutrition and quality control to provide intellectual support for creating nutritious and healthy products.

GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY



R&D Process of Products



New Products of Nayuki



Baked Goods –
A Bunch of Grapes
(一串葡萄軟歐包)



Supreme Cheese Hawthorn
and Strawberry Tea
(霸氣芝士山楂草莓)



Supreme Pandan
Coconut
(霸氣生椰斑斕)



Christmas New Products



Supreme Wampee
(霸氣金玉黃皮)



Supreme Phoenix
Oolong Milk Tea
(霸氣鴨屎香寶藏茶)

Promoting healthy tea drinks

We are concerned about product diversification and nutrition matching. Since its inception, the Group has pioneered the use of high-quality tea leaves, fresh milk and fresh fruit instead of tea powder, creamer and syrup, insisting on less sugar content to bring consumers a more diversified and healthy product experience. With natural and high quality in mind, the Group has also further injected health concepts into the product innovation. Based on data analysis, we have introduced new healthy ingredients such as 0-calorie sugar (0卡糖) and Ranbaojun (燃爆菌) based on young people's taste, and launched a variety of healthy products such as Future Burger (未來漢堡), Green Star Burger (綠星漢堡), Mexican Roll (墨西哥卷) and Black Pepper Plant-based Meat Sandwich (黑椒植物肉三明治) with plant-based meat cuisine. In terms of tea drinks, plant-based products such as soy milk, coconut milk and oat milk have also been innovatively applied, with the launch of new products such as Oolong Soy Milk Tea (豆乳撞撞寶藏茶), Supreme Coconut (霸氣好椰) and Oats Latte, as well as our first original Oats Milk Cream, which has been well received by consumers. We have also introduced new healthy retail products such as nutritional meal replacement milkshakes and sparkling bottled water to meet the needs of more consumers on our official Tmall flagship store.



GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

Considerate Customer Services

The Group strived to provide extraordinary services to its customers, stuck to customer experience as our orientation and kept on improving its service quality. We provided considerate services to our customers through responding to customer feedback and reinforcing our interaction, and continued to improve customer experience by combining the usage of information technology, with an aim to increase our customer satisfaction.

Providing unique services

Based on the culture of different brands, we established standards and procedures for store services, actively implemented inspection and appraisal on store services, set out differentiated standards on greetings, services, cleaning and other aspects and established warning lines on stores management to provide customers with standardized services. We created a leisure and comfortable dining atmosphere, and our service staff maintained a polite and appropriate service attitude. In addition, we combined the different store types and provided different styles of services to our customers in terms of store design, uniform and the way of speaking of the service staff.

Improving customer service experience

We actively promoted the application of new technologies in customer services. All stores supported smart QR code menu where our customers can access our one-stop services, including ordering, payment, review and invoice issuing, through the smart order applet on their smart phones, which are available for dine-in, pick-up and delivery and improve the efficiency of our service. In 2021, we proceeded with user interface design optimization to our smart order applet with an aim to improve customer experience through the smoother and simpler interfaces. In addition, we automatically synchronize orders and customers' reviews from third-party platforms to our own information system in real time to improve our response time and ensure our service quality and efficiency. Our order applet could display the order progress and status, and dynamically update the waiting time to optimize customers' waiting experience.

GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

Strengthening interaction with customers

We continued to launch various online and offline customer events, such as Blind Quiz for new product preview, IP Interaction at the birthday season, CUP Museum series activities, Buy-3-Get-1-Free on Monday, Coffee-Half-Price on Wednesday and Chinese Dim Sum Day on Friday, to increase our interaction with customers and maintain our harmonious relationship, so as to enhance our brand awareness and customer loyalty. As of the reporting period, subscribers of the WeChat official account of *Nayuki* exceeded 5 million, and those of the Weibo official account of *Nayuki* exceeded 1.3 million. As of December 31, 2021, the number of registered members of *Nayuki* reached approximately 43.3 million, including approximately 7 million active members with a repeat purchase rate of approximately 35.3%, higher than the industry standard.



Sixth Anniversary of *Nayuki*



Nayuki Charity Interaction under the Theme of "Doing Kind Things Together"



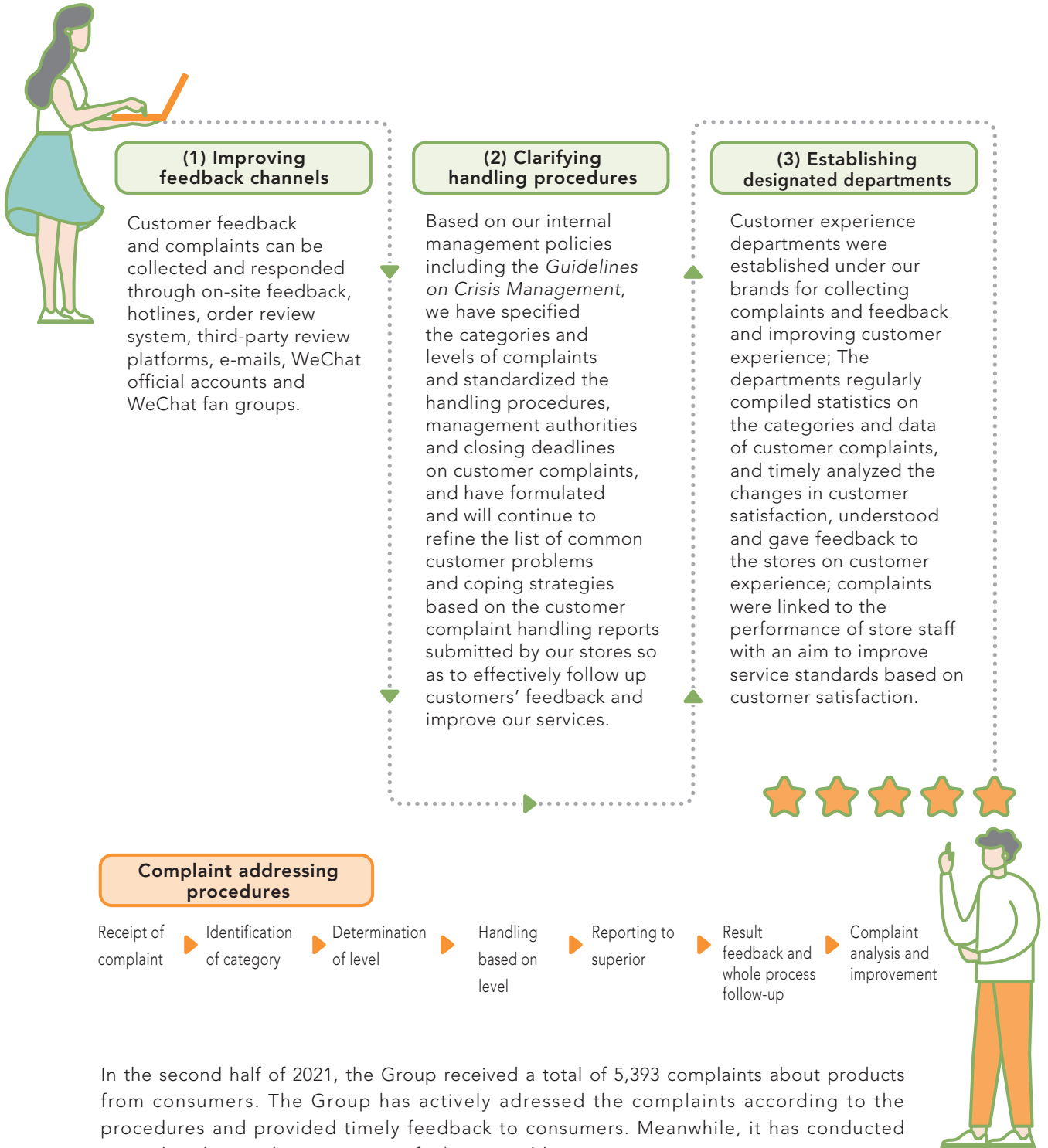
Nayuki "Green Life" Environmental Campaign



GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

Customer communication and feedback

We stressed the importance of communicating with customers and actively proceeded with the following work:



In the second half of 2021, the Group received a total of 5,393 complaints about products from consumers. The Group has actively addressed the complaints according to the procedures and provided timely feedback to consumers. Meanwhile, it has conducted internal analysis and improvement of relevant problems.

GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

Upgrading Dining Environment

We have always been exploring different types of *Nayuki* teahouses to meet different customer demands. Our *Nayuki* teahouses currently come in two formats, namely (i) the regular *Nayuki* teahouses including those with diversified *Nayuki* concepts such as the *Nayuki Fantasy Factory*, *Nayuki's Gift* teahouses as well as *Nayuki's Bla Bla Bars*, and (ii) the *Nayuki PRO* teahouses. We launched our *Nayuki PRO* teahouses in November 2020 to achieve a broader customer reach, increase operational efficiency and provide customers with a more convenient and personalized experience, with a goal to make *Nayuki* ubiquitous to our customers everyday life.

We hope our customers to come to our teahouses and feel at home, comfortable and relaxed. That is why we purposefully designed our *Nayuki* teahouses with a contemporary leisure and social concept. A typical *Nayuki* teahouse is between 180 and 350 square meters in size. Each *Nayuki* teahouse is uniquely designed with artistic elements. The atmosphere and design of *Nayuki* teahouses evoke the tea ceremony, as well as the modern day fine living experience in terms of the quality of space, furniture, decorations, lighting, and background music. Each *Nayuki* teahouse is meticulously designed to reflect a comfortable ambiance associated with the core *Nayuki* brand values. We believe that these contributes to create a unique in-store ambiance, refine the customer experience and create a lasting impression of our *Nayuki* brand, thereby driving the amount of time our customers spend in our *Nayuki* teahouses.



GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

Protection of Customer Interests

The Group respects the legitimate interests of customers and fully implemented guarantees on safety and hygiene, privacy management and compliance marketing to avoid consumers' interests from being infringed.

Safety protection

We strictly abided by the *Law of the People's Republic of China on Work Safety*, the *Fire Protection Law of the People's Republic of China* and other relevant laws and regulations and actively implemented safety management of stores. For the construction of stores, we formulated the *Table of Ancillary Conditions for Construction Projects* for all brand stores and specified standards on store acceptance such as facades, electrical and mechanical settings, water supply and drainage systems, with an aim to develop safe, quality and beautiful dining environment for our customers. In order to further standardize the inspection and acceptance of construction, the design department, engineering department and other corresponding departments have conducted offline and on-site inspection and acceptance. In the process of on-site inspection, the brand department will evaluate on the quality of materials and construction techniques, and timely give feedback and follow construction progress online, so as to assure punctual and quality delivery of stores. In order to assure the quality of store design and construction, the engineering department regularly provided training on inspection and acceptance to related staff and clarified the standards of design, so as to improve the quality of store renovation on an ongoing basis.

During the operating period of stores, we requested them to apply for necessary licenses, such as fire and security inspection licenses according to the requirements in their places of operation, with an aim to assure compliance and a safe operation. In addition, we also regularly carried out safety assessment on fire prevention and maintenance on stores and equipment to assure the normal operation of facilities and equipment and avoid safety incidents. Furthermore, we requested our stores to implement measures such as increasing partitions in dining areas, regularly cleaning environment, frequently disinfecting utensils, detecting customer temperature at entrance, so as to reinforce pandemic control and protect the health of customers.

Privacy protection

In accordance with the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, the *Cybersecurity Law of the People's Republic of China* and other laws and regulations, the Group formulated internal policies such as *Administrative Systems on Information Safety of the Group*, the *Systems on Prevention of Information and System Risks* and the *Administrative Systems on Data Backup and Safety of the Group*, so as to standardize the management of information safety and protection of customer privacy, and lawfully protect the privacy of consumers.

GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY

Reinforcing
information
safety

Sense reinforcement

- Specifying the obligations of employees on confidential information and they should not disclose the confidential and important documents of the Company;
- Employees should have training on risk prevention and confidentiality before starting their jobs, and should receive regular confidentiality inspections to assure information safety;

Protection upgrade

- Information department regularly conducted virus checking to the computers in office and timely instructed the employees through the office system to timely update antivirus software and install key patches;

Authority management

- Employees should apply for internal system authority based on business needs and could only access relevant information after approval;
- The authorities will be revoked or under control after the employees left the company;

Timely backup

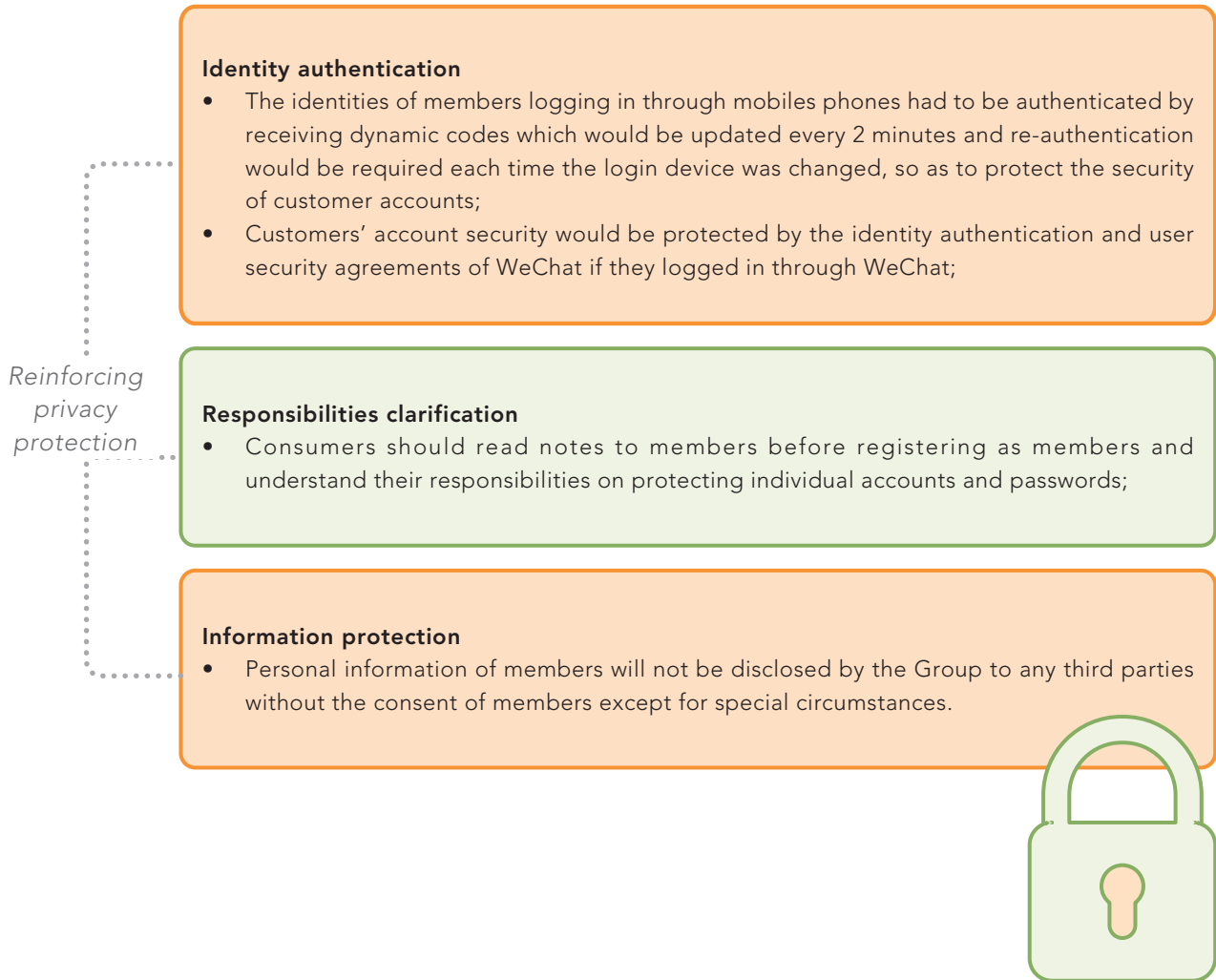
- Employees regularly backed up data in internal systems based on the user information distributed, with an aim to prevent the loss of data resulting from reasons such as hardware failure;

Password management

- Employees were requested to set passwords for their business computers, mailboxes and office systems and changed regularly to assure information security.



GUARDIAN OF FOOD SAFETY AND PRODUCT QUALITY



Compliance marketing

Respect and protection for the legitimate interests of customers are the foundation for us to provide quality products and services. In strict compliance with the *Advertising 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* and other legal and regulatory requirements, we formulated internal management systems such as *Regulations on Copy Review* to continuously regulate the promotion of products, thereby effectively safeguarding the legitimate interests of customers.

The Group prohibits any form of non-compliant advertising. In order to ensure the authenticity, legality and accuracy of promotional materials, we have established a system for promotional materials review, where promotional materials shall be published only after approval. For any non-compliance during the marketing and promotion, we will promptly ascertain the causes for such non-compliance to prevent the recurrence of similar incidents.

PRACTITIONER OF GREEN OPERATION

Aspects of the ESG Guide involved in this chapter	
A1. Emissions, A2. Use of Resources, A3. The Environment and Natural Resources, A4. Climate Change	
ESG issues involved and their materiality	
Waste management (Medium materiality)	Emissions management (Medium materiality)
Environment and natural resources (Medium materiality)	Use of water resources (Medium materiality)
Use of packaging materials (Low materiality)	Response to climate change (Low materiality)
Use of energy (Low materiality)	

The Group continually monitors the impact from its operations on the environment. With the ultimate concern of sustainable development, we always improve the efficiency of resource utilization, rigorously control emissions and waste, actively promote the concept of environmental protection, and incorporate the response to climate change into our daily operations, so as to take actions for achieving the target of carbon neutral and contribute to the sustainable development of our society.

OPTIMIZATION OF RESOURCES USE

In strict compliance with the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China* and other laws and regulations of the country and the places of its operations, the Group constantly improved the efficiency of resource utilization including energy, water resources and packaging materials during the course of operation and reduced unnecessary resource waste, so as to minimize the impact on the environment.



PRACTITIONER OF GREEN OPERATION

Energy management

We adopted effective energy control measures on supply and storage facilities, central factories and stores operation. In 2021, we continued to proceed with the monitoring of energy utilization and improvement for energy saving, so as to improve the efficiency of energy utilization.

In the procurement and supply processes, the Group followed the internal documents such as the *Administrative Systems on Energy Consumption at Warehouse Centers*, with the administrative approach and guidelines of “saving energy, improving efficiency, consistently optimizing and building green warehouse centers”, implemented a three-level energy consumption management system and set up energy consumption management groups to coordinate energy consumption management. It also arranged energy consumption managers at all departments to perform the management of budget on energy consumption. In addition, we regularly convened routine meetings on saving energy, reviewed the monthly energy consumption, and regularly reviewed and analyzed the implementation of energy saving. We also set out appraisal indicators on quarterly energy consumption as the evaluation basis for awarding and punishing departments on the implementation of energy consumption control. Furthermore, we carried out the following energy control measures:

- Staff at headquarter and stores are required to cut the electrical appliances such as lighting and air conditioner powers off during off-work hours and those appliances in meeting rooms and other areas during unoccupied time to save energy.
- Optimizing the routes of logistics distribution based on the cyclical demand and orders of stores, such that the load of logistics vehicles was increased on weekdays and allocation of logistics vehicles was increased in weekends to reduce unnecessary energy consumption in transport. In addition, the temperature inside the vehicles was monitored in the whole process to reduce loss of energy as a result of frequent temperature adjustment.
- Storage facilities were retrofitted for energy saving purposes and LED lamps were adopted for saving electricity.

Stores and central factories are major energy consumption units of the Group. In stores, we strictly followed internal systems such as the *Energy Management Color Dot Marking Guidelines*, rigorously controlled the time of using equipment such as disinfection cabinet, adopted energy-saving LED lamps, so as to reduce the energy consumption of equipment. We regularly carried out general maintenance on electrical equipment, with an aim to assure its normal operation and reduce unnecessary energy consumption. In central factories, we saved energy by adopting equipment such as high-speed automatic doors, energy-saving LED lighting systems and highly efficient exhaust fans.

PRACTITIONER OF GREEN OPERATION

In 2021, the total energy consumption of the Group was 8,438,793 KWh, and the total energy consumption intensity was 1,964.33 KWh/RMB1 million of revenue.

Water resources management

Obtaining reliable water resources is critical to the operations of a teahouse enterprise. We took actions to save water in every aspect of our daily operations. We reduced the wastage of water resources by adopting water-saving equipment and recycling water. During the reporting year, the Group recorded a total water consumption of 179,740 cubic meters and a total water consumption intensity of 41.83 cubic meters/RMB1 million of revenue. The Group adopted the following water-saving measures:

- Cleaning the ground with equipment cooling water in warehouses and central factories.
- Conducting various purification levels of water in stores, and installing corresponding pipelines in accordance with the different water demand to avoid a large demand for water.
- Installing induction taps in preparation room in stores and eliminating long-time flowing water during the production.
- Promoting the use of water-saving taps and sanitary wares in stores, optimising production process, upgrading the way of disinfection to reduce water consumption.
- Optimizing equipment of ice maker by replacing cooling from compression with cooling from coolants to reduce water consumption.
- Conducting regular inspections on water use at central factories and stores and timely turn off relevant equipment not in use to reduce the water resources wastage.

Reducing the use of disposal materials

We are always devoted to reducing the use of disposable materials in logistics and transportation, store operation and office areas.

As for packaging materials, we followed the Law of the *People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste*, *Opinions on Further Strengthening the Treatment of Plastic Pollution* and other relevant laws and regulations, strictly restricted the use of disposable plastic products such as non-degradable plastic bags and we have stopped using non-degradable disposable plastic straws since the end of 2020.

Since July 2020, the packaging cup tray of *Nayuki* has been replaced with those making from "reclaimed pulp". Since September 2020, all stores of *Nayuki* across the country have been adopting paper straws and gradually reducing the supply of plastic straws. During the eight-day consisting of National Day and Mid-Autumn Festival in 2020, all stores of *Nayuki* across the country consumed more than 1 million paper straws, and more than 340,000 consumers chose to drinking directly instead of using straws.



PRACTITIONER OF GREEN OPERATION

Since January 1, 2021, all *Nayuki* stores nationwide have been replaced straws with environmentally-friendly paper straws. In addition, materials, such as doggie bag, inner bread bag, *Nayuki's* three-piece cutlery set bag, cream spoon, have been completely replaced with environmentally-friendly materials. In order to provide customers with a better experience, *Nayuki* has also offered environmentally-friendly PLA straws for choice. The usage rate of PLA straws of our *Nayuki* stores across the country reached 90% in August 2021.

On April 16, 2021, *Nayuki* launched Supreme Bayberry Tea and the "Echo Project", recovering the handheld fans, handbags and other related accessories of Supreme Bayberry Tea for previous years in offline stores nationwide, and gave away hand-made Supreme Bayberry Tea surprise blind box for customers participating in the Echo Project for Supreme Bayberry Tea.

Meanwhile, *Nayuki* launched several environmental protection activities such as "Discount off RMB2 for Self-owned Cup", "Beautiful Regeneration", "Supreme Emblica Tea Drifting Bottle Plan" and Ant Forest Energy for paperless ordering. In addition, *Nayuki* cooperated with green charity brands and artists for many times to recycle discarded beverage bottles and launch backpacks, raincoats and other accessories made of renewable resources, so as to propose everyone to use more environmentally-friendly materials for the environmental protection.

Besides, we used recyclable turnover boxes to replace disposable paper boxes in storage and logistics processes, thereby reducing the usage of disposable packaging materials. We promoted reusing paper in office areas and paperless office, so as to reduce the use of paper. We promoted smart ordering system at store, with an aim to reduce the use of paper in the process of queuing, dish selection, ordering, payment and evaluation.



PRACTITIONER OF GREEN OPERATION

霸气杨梅

回声 ECHO PROJECT 计划

or

DOUBLE
双倍果肉

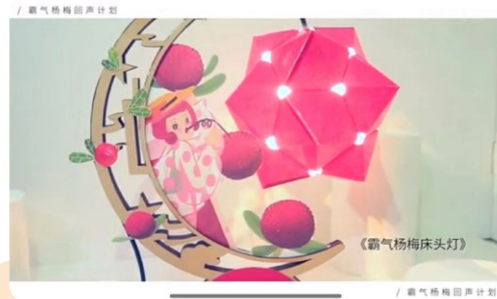
→ 4.16-4.18

将2016年-2020年霸气杨梅主题纸袋或摇摇扇交给门店单处店员回收
说出：“我要参加霸气杨梅回声计划”
扫码领取霸气杨梅双倍果肉券

→ 5.5-5.9

到全国门店购买霸气杨梅时
均可凭券兑换

温馨提示
霸气杨梅双倍果肉券
仅限线下门店单处使用



PRACTITIONER OF GREEN OPERATION

EMISSIONS MANAGEMENT

The Group strictly abided by the *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste*, the *Law of the People's Republic of China on Prevention and Control of Water Pollution* and other relevant laws and regulations on emissions management, proceeded with environmental protection filings and upgrades in noise and drainage works for new and renovation projects and started third-party environmental inspection on its new stores, with an aim to assure compliance on the areas of wastewater discharge, air quality and noise. Based on the characteristics of catering operation, we have established internal policies such as the *Waste Management System* to carry out reasonable treatment of kitchen waste and other waste according to the requirements of local environmental protection department on waste sorting, so as to reduce the impacts of emissions on the environment. In 2021, the Group did not have environmental non-compliance incident.

Waste classification

In order to respond to the relevant requirements of governments on waste classification in the places of operations, stores over the country started to implement kitchen waste classification, and facilitate the management of waste resources.

Kitchen waste management

We have implemented kitchen waste treatment management system and appointed dedicated staff responsible for the management of kitchen waste.

We have implemented kitchen waste management ledger system to record in detail information such as category, amount, destination and use of kitchen waste.

For kitchen waste without value for reusing, the Group collected such waste and delivered them to qualified recyclers or municipal sanitation authorities for handling in accordance with requirements of the state or the place where it operates.

Wastewater management

We conducted waste discharge filing and regular monitoring on all stores and central factories to guarantee that the discharge of wastewater from stores and central factories meet the standards.

All stores and central factories installed and used their own wastewater pre-treatment facilities according to their own conditions on the generation of wastewater and in accordance with property management requirements, with an aim to reduce the impact of discharge on the environment.

We engaged qualified institutes to collect and treat oily waste water and implement records management to strictly manage the discharge of waste water.

Waste oil management

During the construction of stores and central factories, we designed and installed oil and residue separation tanks that fulfilled regulatory requirements, and consistently optimized the design on oil separation to reduce possibility of pipe blockage and guarantee the results of oil filtration.

We cooperated with qualified third-party organizations, regularly collected and recycled waste oil and kept records in accounts to implement waste oil management.

PRACTITIONER OF GREEN OPERATION

Waste gas management

During the construction of stores and central factories, we regulated the design and installation of waste gas purification equipment and facilities, required contractors to provide acceptance documents issued by environmental protection authorities and engaged relevant management departments to maintain, check and manage stores' waste gas purification equipment and facilities to assure the waste gas after treatments met relevant requirements in relation to discharging.

Hazardous waste management

According to the business nature and actual operation of the Group, our waste mainly originates from store operating, central factory production and offices, with no generation of waste under the *National Hazardous Waste Inventory of the People's Republic of China* (中華人民共和國危險廢棄物名錄).

Besides, during the waste sorting, we classified and disposed the waste tubes/bulbs, and also promoted the use of LED lamps, which are more environmentally friendly and have longer service life, with a view to reduce lamp replacement and waste.

Case: Actions in response to climate change

Climate change has resulted in more extreme weather, which has material impact on the operation of businesses. We identified the risks of climate change which might or have materially affected the Group, of which most of the dining areas are in shopping centers or malls, therefore already possessed certain effect of earthquake resistance and temperature adjustment. Kitchen areas are indoor space, which could have risks of high temperature and flood, we started a series of actions to ease the impact from the risks of climate change.

High temperature risks

- (a) Installing new air system in kitchens to increase the air circulation and adjust humidity and temperature indoor.
- (b) Air-conditioning equipment gradually installed in kitchens to assure suitable temperature and humidity through the exchange of heat and moisture in the air.



Flood risks

- (a) Floor tiles with non-slippery and quick water absorption features were selected for kitchens.
- (b) The four sides of kitchen floors are designed with an appropriate downward slope to facilitate quick drainage.



PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Aspects of the ESG Guide involved in this chapter	
B1. Employment, B2. Health and Safety, B3. Development and Training, B4. Labor Standards, B8. Community Investment	
ESG issues involved and their materiality	
Employees' remuneration and welfare (High materiality)	Occupational health and safety (High materiality)
Compliance employment (Medium materiality)	Occupational training and development (Medium materiality)
Employee care and communication (Medium materiality)	Community charity and investment (Low materiality)

The Group adheres to the "people-oriented" principle and always pays attention to the legitimate interests of employees. It has established a scientific training system and a diversified development platform to create a safe, healthy, harmonious and progressive working environment for employees and support the long-term development of the enterprise with the growth of talent. At the same time, we actively fulfill our social responsibilities and work with all parties to build a harmonious society.

SAFEGUARDING EMPLOYEES' INTERESTS

We adhere to the operating principle of "putting employees first" and earnestly safeguard the interests of employees. We have established internal management policies, including the *Manual of Conduct on Human Resources Management Practices*, the *Handbook for Functional Staff* and the *Handbook for Business Employees*. These measures cover various aspects such as anti-discrimination, anti-child labor and anti-forced labor, health and safety, remuneration and welfare, recruitment, dismissal, working time, rest periods. We also actively promote democratic management to protect the basic interests of employees.

Compliance Employment

In strict accordance with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and other relevant laws and regulations, the Group keeps optimizing our human resources management mechanism. We adhere to equal recruitment principles and actively expand recruitment channels to provide guarantees to the sustainable development of the talent team. We are committed to promoting gender diversity by continuously optimizing the employee structure to achieve a fair distribution of gender, age and region. As of the end of 2021, the Group had a total of 10,671 full-time employees, of which female employees accounted for 53.8%. During the reporting year, the labor contract signing rate was 100%.

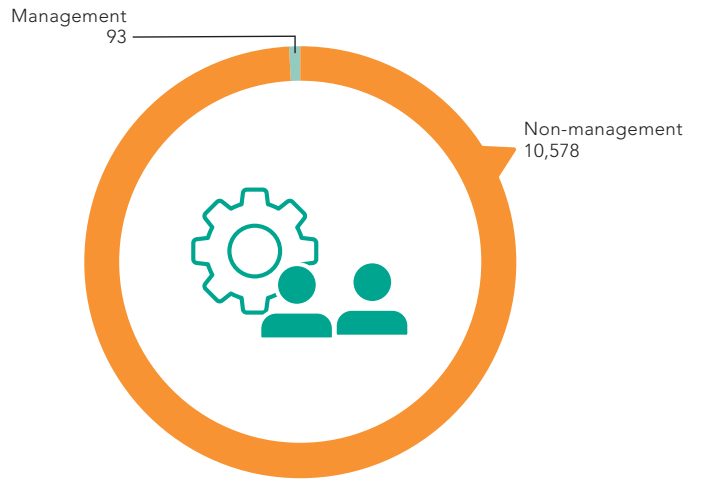
PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Employee structure of the Group

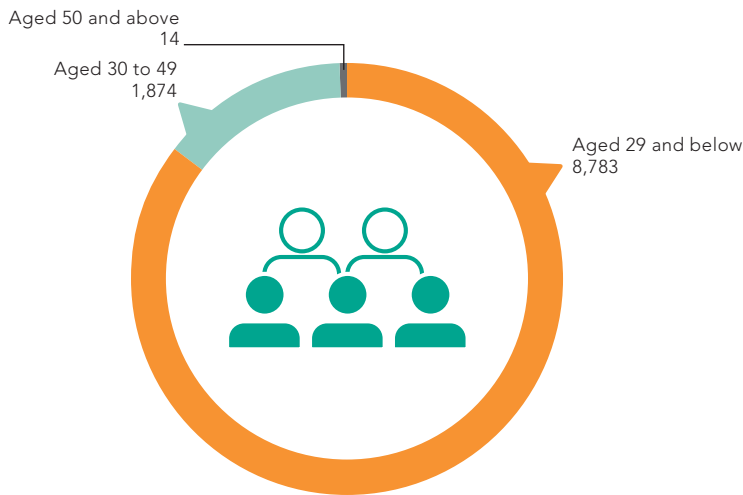
Gender Structure



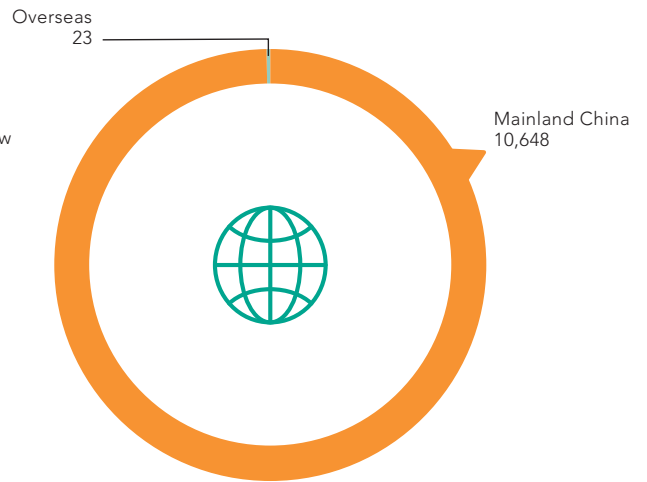
Employment Type Structure



Age Group Structure



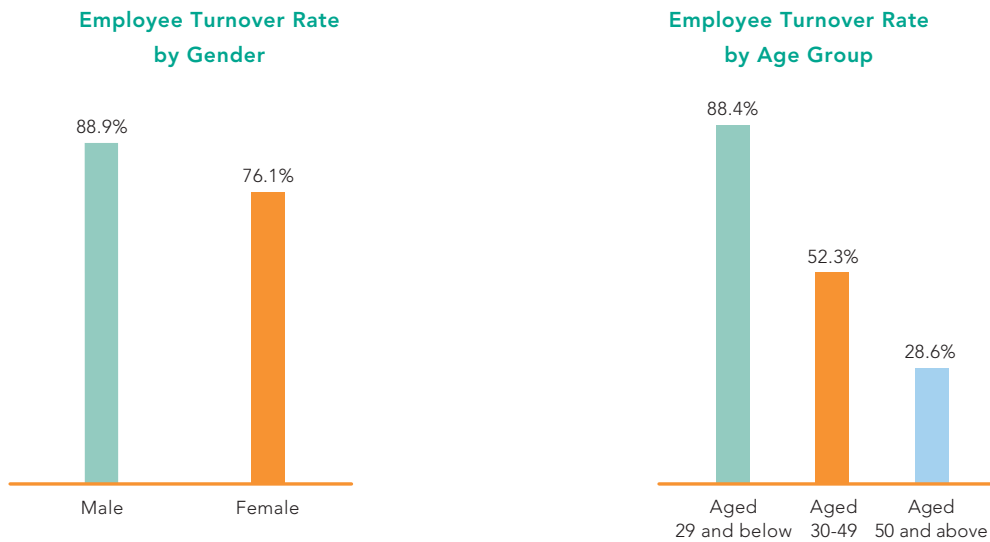
Geographical Region Structure



PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Employee turnover rate of the Group⁽¹⁾

- The employee turnover rate of the Group was 82.0%



Note: ⁽¹⁾The Group's employee turnover rate = (number of full-time staff who left during the reporting year/number of full-time staff at the end of the reporting year)*100%. The employee turnover rate reflects the number of full-time staff who left (due to voluntary departure, dismissal or retirement).

PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Compliance with equal employment

We strictly abide by the relevant provisions of the *Labor Law of the People's Republic of China*. When appointing employees and arranging jobs, all employees are treated equally regardless of their gender, age, ethnicity, race, nationality, native place, religion, sexual orientation, political affiliation, marital status and other social identities. Moreover, we set out the recruitment conditions for each position and the contracts applicable to different types of employment in the staff handbook and enter into a labor contract with all regular employees and a service contract with interns and temporary workers to effectively protect the legitimate interests of employees.

Strictly prohibiting forced and child labor

We respect labor rights and strictly abide by the relevant provisions of the *Provisions on the Prohibition of Using Child Labor of the People's Republic of China* and the *Law of the People's Republic of China on the Protection of Minors*. It is strictly prohibited for any operation unit or cooperative unit to hire any kind of child and forced labor. We ensure that applicants reach the labor age stipulated by the state in recruitment, conduct related background checks on those to be employed and make relevant departments and units accountable for any illegal practice of forced labor to avoid the illegal employment of child and forced labor. During the reporting period, the Group had no labor disputes and violations in relation to the employment of child or forced labor.

Promoting employment diversification

We advocate a diverse and inclusive workplace culture and actively develop recruitment channels on campus, in society and through internal recommendation. By cooperating with vocational schools and colleges, we provide students with internship and employment opportunities for the timely introduction of high-caliber talent into the Company. We also continue to optimize the employee structure to achieve a fair distribution of gender, age and region to provide adequate human resources for the Company's development. In addition, the Group provides equal employment opportunities for people with disabilities, ensures equal opportunities for all people and encourages employees to collaborate effectively in a diverse culture. During the reporting period, the Group employed a total of 42 people with disabilities.

Promoting electronic contract

We promote the use of electronic labor contracts and ensure that employees in different regions are entitled to the same rights and interests by unifying the terms of electronic labor contracts. Meanwhile, contracts are encrypted to effectively prevent the exposure of confidential information such as employee salaries and eradicate unilateral tampering to avoid labor disputes to the greatest extent.



PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Remuneration and Welfare

We observe the remuneration and welfare policies formulated by the state and the Group, provide employees with competitive remuneration and comprehensive welfare coverage and respect their work and contribution.

Remuneration structure

The Group has established a remuneration structure lawfully and in compliance covering basic salary, performance-based bonus, position/skill-related allowances and other welfare to reflect the value of their jobs adequately. Moreover, we adopt a performance evaluation system to measure the performance of employees and link it to performance-based bonuses to embody the principle of “more pay for more work”. For directors, senior management and core department managers, we have implemented a “share option scheme” to offer equity incentives and formulated performance-based bonus plans for employees in different positions to reward them with complementary short-term and long-term incentives. During the pandemic, the Group made full payment of salaries and benefits to employees on time and granted share options as planned to provide basic coverage to employees.

Welfare benefits

We care about the basic welfare of employees and provide them with various additional welfare coverage. Besides the five types of statutory social insurance (pension, work injury, maternity, unemployment and medical insurance), the provident fund and statutory holidays, we also provide employees with paid annual leave, quarterly bonus, annual performance-based bonus, employee’s birthday benefits, employee’s activity benefits, employment anniversaries, cash gift for wedding, physical examinations, dining discount, high-temperature allowance, telephone charge subsidy and other internal welfare to improve the living standards of employees. In 2021, social insurance coverage reached 100% of the Group’s employees, and employees enjoyed paid annual leave of 5 days on average.

PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Democratic Management

The Group always cares about the opinions of employees and continues to improve the bottom-up democratic feedback mechanism. The Group's internal policies and activities are published through the OA office system, Xuanxing platform, House of Pindao (品道之家), Work E-mail and bulletin boards in the office area so that employees can keep abreast of the Company's latest development. Employees are encouraged to make suggestions in a positive and timely manner. Furthermore, we have developed communication channels such as the Group's official WeCom account, Xuanxing platform, House of Pindao(品道之家), Work E-mail, Internal Community Panel to fully understand the true demands of employees. We also organize employee representatives' meetings to allow employees to truly participate in management. In particular, through the WeCom of the Group, employees may leave suggestions and feedback regarding internal management and share innovative ideas to enable internal interaction and communication.



2021 Employee representatives' meeting

PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

PROMOTING EMPLOYEES DEVELOPMENT

We firmly believe that employees are an important driver of corporate development. We have built a comprehensive and scientific training system for employees and established a transparent and fair promotion mechanism to guide employees' diversified career development, encourage continuous learning, enhance their capabilities and improve the competitiveness of them and the Group.

Employees Training

The Group attaches great importance to the self-growth of employees and sets up online and offline talent cultivation courses based on different needs in business sectors. It has formulated the courses, including the *New Management Team Course*, the *Pindao Store Manager Class*, the *Production/Service/Retail On-duty Management*, the *Public Relations/Food Safety/Security Crisis Management*, the *Marketing/Inventory/Ordering Financial Management*, the *Recruiting/Training/Scheduling Personnel Management* and the *Return on Investment/Profit and Loss Analysis Business Diagnosis*. We specify the unified standard on talent appraisal of the Group, including but not limit to value creation, honest communication, efficient teams, results orientation, cooperation and win-win results as well as strategic thinking. In 2021, 312 cumulative learning tasks were pushed, with 100% employee coverage and 86% completion rate. The cumulative learning time amounted to 311,667 hours in total, and the average learning time per employee was 20.78 hours.

For store employees, we have developed a series of training courses covering store operation, management skills, customer communication, team building and other aspects, issued a staff training manual and operation manuals to standardize standard operating procedures, service manners and hygiene standards and set up an online learning platform to encourage employees to have a better understanding of our corporate culture and improve their professional skills. For management personnel, the Group's Talent Development Centre have launched the Open University of China × Pindao Academic Education Cooperating Class (國家開放大學×品道學歷教育合作班) with the aim of cultivating internal management personnel. Senior management of the Group, professors in management and professional corporate trainers are engaged to enhance employees' communication skills, leadership and strategic thinking through practical training by means of scenario simulation, case study and interaction to help employees improve their competitiveness.

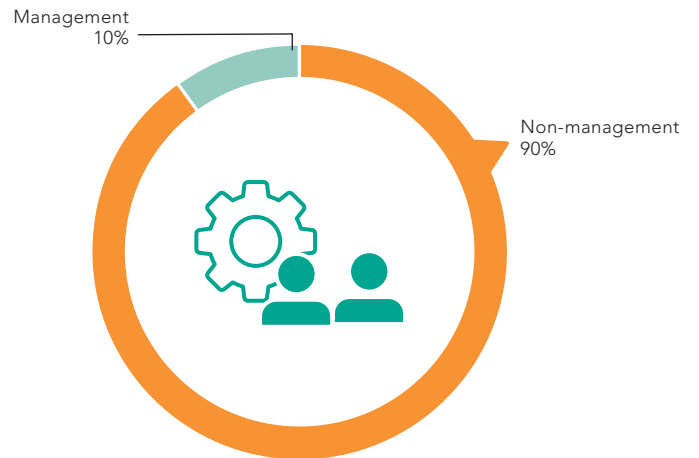
PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Training received by employees of the Group

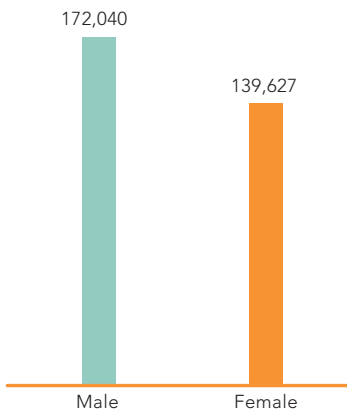
Training by Gender



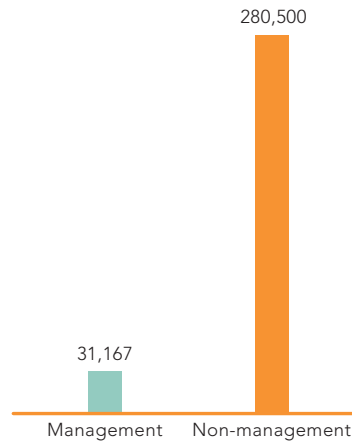
Training by Employee Category



Average Training Time by Gender (hours)



Average Training Time by Employee Category (hours)



PURSUER FOR COMPANIONS AND WIN-WIN RESULTS



Career Development

Talent is an important resource of the Group. We have established a fair and open promotion mechanism for employees and adopted the professional competence and the leadership attributes of employees as the basis for promotion evaluation. We have also paved various growth paths to encourage the diverse development of employees. Meanwhile, we have set out the *Administrative Scheme of the Group to Compete for Middle Management Posts* to specify the qualifications and procedures required to compete for middle management positions. Eligible employees are being selected after going through qualification check, speech and defense sessions, and the discussions by the competitive recruitment committee, in order to further strengthen the middle management team of the Company. In addition, we facilitate the virtuous flow of talent within the Group through various channels, such as competition for middle management positions, internal transfer and the establishment of the internal recruitment platform. We are also building an internal talent pool gradually to allow the timely transfer and filling of vacancy with premium talent reserve to support the steady development of the Company.

PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

CONVEYING CARE AT WORKPLACE

We take the protection of employees' occupational safety and health as our own responsibility and insist on building a safe and non-hazardous working environment for them. We also pay attention to employees' feelings and roll out various caring activities to enhance their sense of happiness and cohesion in the workplace.

Safety and Health

The Group strictly abides by the *Law of the People's Republic of China on Work Safety*, the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* and other laws and regulations and has formulated the *Fire Emergency Plan*, the *Fire Safety Guidelines for Stores* (《門店消防設施安全指引》), the *Fire Inspection Specification and Checklist for Stores* (《門店消防檢查規範及檢查表》), the *Fire Specification and Checklist for Engineers* (《工程人員消防規範及檢查表》), the *Safety Production Management System* and other internal management systems to regulate production safety and safeguard employees' occupational health. In the past three years, there was no work-related death incident occurred in the Group. In 2021, the days lost due to injury were 4,603.

Strengthening production safety

We have established a safety management committee and require staff at all levels to sign the letter of responsibility on safe production for the implementation of such. We have also engaged professional safety officers to conduct regular workplace inspections and safety equipment testing to ensure the normal operation of such facilities and equipment. Moreover, we have dedicated staff responsible for safety training, policy implementation and safety inspection in limited space and regularly engage external professionals to inspect ceilings, hanging beams and other workplace hazards to stave off safety incidents. To enhance employees' awareness of safety, we organize special safety training for new hires every quarter, covering management of major hazards, prevention of major incidents and emergency management. We also organize fire drills twice a year and actively participate in the safety training activities of government departments to improve our skills of safe operation and ability to rescue ourselves in an emergency.



PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Staying sound in mind and body

We always pay attention to the health of our employees. We provide annual physical examinations for employees at headquarters and regional offices and management at the stores of the Group. We make sure that store employees have valid health certificates to ensure their health. Meanwhile, we regularly engage professional third-party organizations to test workplace hazards such as methanol and temperature, establish employee health records and provide employees in special positions with protective equipment to ensure workplace safety and improve employee occupational health management. In addition, we also pay attention to the mental health of employees. We encourage them to work out and organize various stress-relieving activities for their wellbeing.

Fighting against the pandemic

To effectively implement pandemic prevention, control and monitoring, the Group has established a food safety task force to monitor the implementation of food safety guidelines of the Group. Warehouse centers are requested to enhance the review on the nucleic acid testing results of imported goods, while stores are required to comply with relevant requirements such as the *Operation Standards of Back Kitchen Food Safety during the Pandemic* and the *Operation Standards of Stores Food Safety during the Pandemic*. Our Group implemented prevention and control measures of, among other things, properly utilizing sterilized tools and adjusting and widening table distance in the dining area. We have implemented the internal policies of the Group and adopted a series of pandemic prevention and personal protection measures. We continue to enlarge our reserve of supplies by procuring protective equipment such as masks, disinfectant powder and hand sanitizer for personal protection. We actively promote prevention and control at the employee level by monitoring their health in real time through measures such as daily temperature measurement, post-holiday tracking, health reports of employees in dormitories and nucleic acid testing after business trips. We have fully implemented preventive and control measures in the office area, including regular disinfection, maintaining indoor ventilation, distributing protective supplies and packing and separating meals to protect the health of employees.

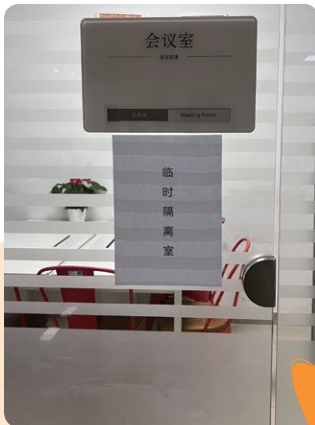
For the supply center and central kitchen where staff are densely gathered, we require all employees to provide their whereabouts and implement anti-epidemic measures such as outgoing reporting, daily temperature registration and temperature measurement at dormitories. For cold chain workers with a higher risk of infection, measures such as nucleic acid testing once a week and wearing protective clothing and goggles during work are implemented to effectively protect the health of employees. In response to the risk of a potential outbreak, the Group has devised a contingency plan for pandemic prevention and control to arrange for the closure of the supply center and the transfer of its processing work to another supply center when a confirmed case occurs to reduce the impact on operations.

PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

To secure customers' health, the Group adds inspection related to pandemic prevention and control during quality inspection. At the same time, measures such as specific cleaning for every seat and periodic sterilization are carried out in stores, while staff are required to measure temperature twice per day. Customers are reminded to follow local pandemic prevention policies and measure their temperature before entry, register their personal information and use the sterilization supplies provided, so that they could dine in a safe environment, and encourage customers to order online to avoid queuing and crowding. For takeaway and delivery business, our stores have set up and periodically sterilized contactless meal collection areas. Before collection, delivery drivers are required to measure their temperature, register and sterilize their hands to reduce the risk of spreading the virus.



Pandemic prevention at the store



Pandemic prevention at the office



PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Staff Care

We actively promote various staff care activities to boost the team spirit and sense of belonging of employees. In 2021, the Group established the Pindao Care and Mutual Aid Foundation (品道關愛互助基金會) to help employees in need. In particular, it assists employees and their immediate family members in solving financial difficulties in the wake of a major illness or serious accident or when pursuing further education, showcasing the humanistic nature of the Group. During the reporting period, the foundation had more than 200 members.



REPAYING SOCIETY GRACEFULLY

We insist on fulfilling our social responsibilities in actual practice. Over the years, we have joined hands with public welfare organizations and community public welfare partners to actively participate in public welfare activities and contribute to a harmonious society. In 2021, the Group donated RMB3.2 million for the flood control and rescue actions in Henan Province and donated supplies of around RMB10 million in total value for the national preventive efforts against COVID-19 as well as the flood control and rescue actions in Henan Province. In 2021, Nayuki continued to practice the brand concept of "Goodliness has its own power (美好自有力量)" and make efforts in various public welfare areas such as rural revitalization, low-carbon environmental protection and social care to spread the power of goodliness.

PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Devoted to Social Welfare

Caring for the City's Front-line Workers

On November 17, 2021, under the guidance of the Organization Department of Futian District Committee and the Publicity Department of Futian District Committee (Civilization Office), the Youth League Committee and the Women's Federation of Futian District organized the City Runner "Warm Bee Action (暖蜂行动)" with the theme of "Hand in Hand with the Youth for Warm Companionship (青春携手·温暖同行)" at 17 sites in Futian District. This event, in conjunction with *Nayuki*, provided 1,200 cups of tea to the couriers, delivery riders and taxi drivers working on the front line to bring "warmth" for their busy work.

On November 25, 2021 (i.e. Thanksgiving Day), the "Love Meal for One Yuan (爱心餐一块捐)" function was launched on the *Nayuki* order mini program. Customers can choose to donate an extra yuan when they order. The donations will be directly remitted into the account of the Beautiful Shenzhen Charity Foundation and used to provide love meals for Shenzhen sanitation workers.

In summer, *Nayuki* will also send refreshing drinks to the "loveliest people" such as sanitation workers and traffic police who work outdoors under high temperatures, thanking the front-line workers in the city.



Animal Protection

Nayuki is also concerned about animal protection. In December 2019, *Nayuki* jointed hands with artists to promote "adoption instead of buying" with the theme of "A Fairy Tale Life". In November 2020, *Nayuki* cooperated with China Small Animal Protection Association to raise nearly RMB100,000 for stray small animals through the activity of purchasing additional cat paw cup plugs.

Art + Charity

Nayuki also tries the way of "Art + Charity". In September 2020, *Nayuki* worked with Shenzhen Autism Society and artists to bring a special "art class" to the autistic children.

In order to allow rural children to enjoy better aesthetic education, in June 2020, *Nayuki* and Bazaar Charity Fund launched the "Bazaar•One Hour After Class" aesthetic education charity project at Yudu Town Center Primary School, renovated an aesthetic education classroom for the school, and provided them with aesthetic education curriculum resources, teacher training and other support.

In September 2021, *Nayuki* also joined Tencent Charity and Bazaar Charity Fund to launch the "Nayuki Doing Good with You" public welfare project online for *Nayuki* users, with a view to guarding the aesthetic education dream of rural children together.

PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Environmental Protection through Plastic Restriction

Nowadays, carbon peak and carbon neutrality have been integrated into the broad picture of social and economic development. "How to Contribute for Creating 'a Better Planet' " to embrace all-win harmony of enterprises and the environment is the question in front of enterprises during the course of development, particularly for catering enterprises, every small step in the practice of green environmental protection will emerge as a huge step in influencing people's lifestyles and promoting low-carbon concept.

Since January 1, 2021, all *Nayuki* stores nationwide have been replaced straws with environmentally-friendly paper straws. In addition, materials, such as doggie bag, inner bread bag, *Nayuki's* three-piece cutlery set bag, cream spoon, have been completely replaced with environmentally-friendly materials. In order to provide customers with a better experience, *Nayuki* has also offered environmentally-friendly PLA straws for choice. From January 1 to December 31, 2021, *Nayuki* replaced with and consumed aggregated over 100 million environmentally-friendly straws, significantly reducing approximately 350 tons of non-degradable plastic.

Far more than just, *Nayuki* launched several environmental protection activities such as "Discount off RMB2 for Self-owned Cup", "Beautiful Regeneration" and Ant Forest Energy for paperless ordering. In addition, *Nayuki* cooperated with green charity brands and artists for many times to launch backpacks, raincoats and other accessories made of renewable resources, so as to propose everyone to use more environmentally-friendly materials for the environmental protection. On April 16, 2021, *Nayuki* launched Supreme Bayberry Tea, recovering the handheld fans, handbags and other related accessories of Supreme Bayberry Tea for previous years in offline stores nationwide, and gave away hand-made Supreme Bayberry Tea surprise blind box for customers participating in the Echo Project for Supreme Bayberry Tea.



PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Rural Revitalization

Comprehensive promotion of rural revitalization is a major task of realizing the great rejuvenation of the Chinese Nation. One of the quite important aspects of which is to support the endogenous power of rural revitalization, where social forces can support. The upstream suppliers of *Nayuki* are mostly fruit and tea farmers. *Nayuki*, always committed to facilitating the development of advanced characteristic industries in raw material origin with its brand benefit and product development, has grown into a new force for rural revitalization.

For example, the new product of Supreme Emblica Tea launched by *Nayuki* in March 2021 is a series of tea products made from a niche variety of fresh and sweet emblica grew in Chaozhou-Shantou region and has accounted for up to 25% in the sales volume of *Nayuki*'s tea products since launch. Henceforth, the little-known fruit emblica has become the most out-of-stock product snatched up in the tea industry. The purchase price of upstream emblica has surged nearly tenfold, which has significantly increased the income of local farmers and also built up the brand of emblica in Chaozhou-Shantou region, thereby promoting the mass production of local emblica.

Take strawberries as an example, from January 1 to December 31, 2021, *Nayuki* purchased more than 3,000 tons of strawberries in total, and extensively cooperated with strawberry-producing areas, which promoted the scale development of American strawberry, while also brought long-term and stable income for farmers.

In addition, *Nayuki* has also established long-term cooperation with tea farms in various regions such as Sichuan, Yunnan and Taiwan. The traditional quality tea developed by *Nayuki* has repeatedly won many tea awards. For example, *Nayuki* Dew Tea was awarded the First Prize and the Special Prize of China Taiwan Winter Tea Contest, and *Nayuki* Jasmine Tea has won the Gold Award of 12th National Jasmine Tea Quality.

Furthermore, *Nayuki* is also exploring to establish a more long-term and standardized agricultural support model. In November 2021, *Nayuki* and the Shenzhen Branch of China Everbright Bank held a business cooperation conference, in which both parties will jointly promote the charity projects of rural revitalization, and carry out cooperation in 1+N factoring business based on *Nayuki*'s supply chain and loans to farmers, so as to solve the capital flow problem of fruit and tea farmers in the upstream supply chain and to further support, benefit and revitalize farmers.



PURSUER FOR COMPANIONS AND WIN-WIN RESULTS

Fighting Against the Pandemic Together

Under the regular prevention and control measures against the COVID-19 pandemic, numerous medical workers are still on the front line of the fight against the pandemic. *Nayuki* also continues to care about the frontline fighters after providing tea drinks for the first batch of medical teams dispatched to Wuhan Leishenshan Hospital in 2020. Since 2021, *Nayuki* has served thousands of drinks and soft breads to hospitals and CDCs in Guangzhou, Foshan and Shenzhen.

As the Dragon Boat Festival approached in June 2021, the COVID-19 pandemic recurred in Guangzhou and Shenzhen. *Nayuki* served nearly 4,000 zongzi to the frontline medical workers in Guangzhou and Shenzhen to express our respect and gratitude to the medical staff and community service workers at the front line of anti-pandemic. On August 11, 2021, *Nayuki* launched the “Thanks for Your Bravery (感謝每一個勇敢的你)” campaign to serve free drinks and bread to healthcare personnel and front line workers nationwide. On that day, nearly 7,000 *Nayuki* tea drinks and baked products were delivered to pandemic prevention staff from 37 organizations in 14 cities across China, including Shenzhen, Guangzhou and Wuhan. In addition, as of the evening of August 13, 2021, *Nayuki* teahouses nationwide have delivered nearly 300,000 products worth more than RMB7 million. *Nayuki* hopes to alleviate the fatigue of anti-pandemic workers with their tea drinks.

On July 21, 2021, after learning about the flood in Henan, *Nayuki* donated all the profits from all nine teahouses in Zhengzhou for the first half of the year in an aggregate amount of RMB3.2 million, as well as supplies with a total value of RMB2 million to the Henan Charity General Federation, hoping to contribute to the flood relief work.



APPENDIX 1: ESG INDICATORS INDEX

Disclosure Requirements		Chapter
Governance Structure		Sustainability Management <ul style="list-style-type: none"> Sustainability Management System
Reporting Principles		About This Report <ul style="list-style-type: none"> Basis of Preparation
Reporting Scope		About This Report <ul style="list-style-type: none"> Scope and Coverage of the Report
Aspect A1: Emissions	General Disclosure	Practitioner of Green Operation <ul style="list-style-type: none"> Emissions Management * As the company has not been listed on the Stock Exchange before the second half of 2021, the annual emission data for the whole 2021 has not been completely recorded.
	A1.1	
	A1.2	
	A1.3	
	A1.4	
	A1.5	
	A1.6	
Aspect A2: Use of Resources	General Disclosure	Practitioner of Green Operation <ul style="list-style-type: none"> Optimization of Resources Use * As the company has not been listed on the Stock Exchange before the second half of 2021, the annual packaging materials consumption data for the whole 2021 has not been completely recorded.
	A2.1	
	A2.2	
	A2.3	
	A2.4	
	A2.5	
Aspect A3: The Environment and Natural Resources	General Disclosure	Practitioner of Green Operation
	A3.1	
Aspect A4: Climate Change	General Disclosure	Practitioner of Green Operation
	A4.1	
Aspect B1: Employment	General Disclosure	Pursuer for Companions and Win-win Results
	B1.1	
	B1.2	



APPENDIX 1: ESG INDICATORS INDEX

Disclosure Requirements		Chapter
Aspect B2: Health and Safety	General Disclosure	Pursuer for Companions and Win-win Results • Conveying Care at Workplace
	B2.1	
	B2.2	
	B2.3	
Aspect B3: Development and Training	General Disclosure	Pursuer for Companions and Win-win Results • Promoting Employees Development
	B3.1	
	B3.2	
Aspect B4: Labour Standards	General Disclosure	Pursuer for Companions and Win-win Results • Compliance Employment
	B4.1	
	B4.2	
Aspect B5: Supply Chain Management	General Disclosure	Guardian of Food Safety and Product Quality • Strengthening Supply Chain Management
	B5.1	
	B5.2	
	B5.3	
	B5.4	
Aspect B6: Product Responsibility	General Disclosure	Guardian of Food Safety and Product Quality • Creating Quality Food with Sincerity • Considerately Improving Customer Experience
	B6.1	
	B6.2	
	B6.3	
	B6.4	
	B6.5	
Aspect B7: Anti-corruption	General Disclosure	About Us • Anti-corruption
	B7.1	
	B7.2	
	B7.3	

APPENDIX 1: ESG INDICATORS INDEX

Disclosure Requirements		Chapter
Aspect B8: Community Investment	General Disclosure	Pursuer for Companions and Win-win Results
	B8.1	
	B8.2	<ul style="list-style-type: none">• Repaying Society Gracefully





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