



卫龙美味全球控股有限公司
 WEILONG DELICIOUS GLOBAL HOLDINGS LTD
 (Incorporated in the Cayman Islands with limited liability)
 Stock code: 09985.HK

2022

Environmental, Social and Governance Report



CONTENTS

About this Report 1

Message from the Management 3

01

For Responsibility: Corporate Governance

About Us	7
ESG Statement from the Board of Directors	12
ESG Governance	13
Risk Management and Control	17
Business Ethics	19
Information Security	21

02

For Quality: Food Safety

Quality First	25
Health and Innovation	29
Excellent Services	31
Supply Chain Management	33
Cohesion and Win-Win Results	37

03

For Environment: Green Development

Environment Management	41
Energy Management	43
Use of Resource	46
Emissions Management	48
Addressing Climate Change	51

04

For Employees: Joint Development

Inclusive Workplace	55
Career Development	58
Caring for Employees' Life	63
Health and Safety of Employees	66

05

For Community: Community Investment

Poverty Alleviation and Child Welfare	71
Rural Revitalization	72

HKEX GUIDE 73





About this Report

Overview

This report is the Environmental, Social, and Governance Report 2022 released by Weilong Delicious Global Holdings Ltd. ("Weilong" or "the Company") and its subsidiaries ("we" or "the Group") to disclose the performance of the Group to shareholders, customers, partners, employees, the environment, the community, and other key stakeholders, as well as its environmental, social, and governance (ESG) performance. The financial year from January 1 to December 31, 2022, which is referred to as "the reporting period" in this report, is covered. However, some of the information in this report can be dated back to prior years or ahead to 2022.

Scope of the Report

This report's policies and data cover the Group, and the scope of the report is consistent with the annual reports. Unless otherwise stated, all currencies in this report are expressed in RMB (yuan), and all intensity data are based on the Group's revenue data in 2022 as the denominator.

Preparation Basis

The Report is prepared in accordance with Appendix 27 *the Environmental, Social and Governance Reporting Guide* (the "Reporting Guide") of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("SEHK"). The contents of this Report have complied with the disclosure responsibilities and reporting principles of the Reporting Guide.

Confirmation and Approval

Upon confirmation by the management, the report has been approved by the Board of Directors (the Board) on March 23, 2023.

Source of Data and Assurance

The data and cases in this report mainly come from the Group's statistical report and relevant documents. The Board of Directors of the Group promises that this report does not contain any false and misleading statement, and is responsible for the authenticity, accuracy and completeness of its contents.

Access and Feedback to this Report

We highly value the views of stakeholders and the public on this report. If you have any inquiries or suggestions, please contact us on: ir@wvspjt.com



Message from the Management

The year 2022 marks a significant milestone in the history of Weilong, as it is also the first year in which we will publish an ESG report. We presented our ESG strategies to the public this year in the form of this report, promising that we will continuously improve our corporate governance structure and ESG management system, as well as integrate the key emphasis and implementation of ESG into all aspects of corporate culture and daily operations. We consistently emphasize the importance of sustainable development and corporate social responsibility, and we follow ESG governance and regulatory changes to encourage stakeholders to join our ESG collaboration.

Since our inception, our values and principles of faith and integrity have guided each of our decisions. We continued to improve the corporate governance structure, strengthened risk prevention and control, and improved the level of corporate governance continuously. We established a series of policies and measures to strengthen integrity management, put forth strict requirements for our employees, suppliers, and other partners, and vigorously strengthened integrity training, adhering to business ethics and making unrelenting efforts to create a clean and healthy corporate environment.

Weilong uphold the quality-oriented principle and view food safety as our "lifeline". We have established a three-tier food safety management process, formed a full chain of food safety management, created a one-product-one-code information system, and opened up a two-way traceability loop from raw materials to the end of the sales in a paperless and intelligent manner to achieve accurate product tracking and assign specific duties to specific personnel. We fully exploit the benefits of "Production-University-Research-Utilization" integrated with traditional food flavors, advanced mechanical manufacturing, online intelligent control, nutrition and health research, and other interdisciplinary technologies, to establish an industrial innovation base, making ground-breaking and innovative contributions to the product development and quality assurance of snack food. By enhancing our R&D capabilities, we are dedicated to providing consumers with innovative products which are safer, healthier, more delicious, and more diversified. In order to continuously innovate in new products, flavors, and techniques and to support the high-quality and sustainable development of the industry, we have partnered with the Chinese Institute of Food Science and Technology and many other renowned

universities in China.

With the core value of "serving customers with heart," we make every effort to fully protect and defend customers' legitimate rights and interests while providing first-class services. We have set up e-commerce customer service platforms, a service hotline, and a City Manager mechanism to provide timely feedback on customer demands and suggestions and to strengthen customer relationship management. In addition, we are committed to developing a sustainable supply chain by incorporating ESG indicators such as business ethics and product quality into the supply chain risk management and control system, as well as developing prevention and response measures for various risks, and thus jointly creating greater social values with our partners.

We actively undertook business restructuring and reorganization in a number of business units this year. We have created more recruitment channels to introduce talents in a comprehensive way in order to meet the demands of corporate development for talent. We are also committed to creating an equal, inclusive, and harmonious work environment for employees. In addition, we have enhanced the systems for compensation and performance management, optimized the channels for career advancement, and empowered employees through a number of tailored training programs with a focus on their well-being, thereby motivating them to develop themselves with the employer.

We strive to reduce the environmental impact of our operations and actively comply with climate change policies and regulations. With the Board's approval, we developed long-term environmental management goals in 2022, including carbon emission reduction, waste

reduction, energy efficiency improvement, water efficiency improvement, and environmental management certification. We have improved our environmental management system in order to achieve the goal of Green Plant with all of our might by improving corporate management, making technological innovations, and enhancing our green and sustainable development capabilities. The Sustainable Development Initiative of the United Nations and the national goals of Carbon Peaking and Carbon Neutrality will all be actively addressed in the future. We will also continue to develop environmental protection technologies and put those technologies into practice. Our firm conviction assures Weilong's green and sustainable development that environmental investment is not a cost but rather an investment. Through a number of environmental protection measures, we are dedicated to preserving clear waters and

lush mountains, preserving clear skies and white clouds, and promoting sustainable development.

We are fully aware of our responsibilities as a corporate citizen. To give back to society, we actively participate in charitable and public welfare endeavors. We have consistently invested in targeted poverty alleviation, industrial support, educational donations, and other fields over the years, to provide warmth to more people.

We are not only a promoter of traditional food but also an innovator of leisure snack and a supporter of a sustainable future, with the goal of "letting the world fall in love with Chinese flavors." We will use sustainable business practices and work with all partners to create an enterprise that adds more value to the world.



01 For Responsibility: Corporate Governance

- 1.1 About Us
- 1.2 ESG Statement from the Board of Directors
- 1.3 ESG Governance
- 1.4 Risk Management and Control
- 1.5 Business Ethics
- 1.6 Information Security

“

From business development to product processing, Our values and integrity principles guide every decision we make. To improve corporate governance efficiency, we continue to optimize our corporate governance structure, broaden the diversity and professionalism of the Board of Directors, strengthen risk prevention and control, and adhere to business ethics.

”

**For Responsibility:
Corporate Governance**



About Us

The Group Profile

20 years ago, inspired by traditional Chinese formulas, Our founders started their business with seasoned flour products, also commonly known as Latiao. Adhering to the "Maker Spirit", people in the Group have worked tirelessly to transform a small food processing factory into today's Weilong Delicious Global Holdings Ltd. As a leading spicy snack food company in China, Weilong has grown into a well-known snack food brand known throughout the country.

In 2022	The Company announced its listing on the main board of The Stock Exchange of Hong Kong Limited on December 15, 2022
In 2022	The Xinglin Plant in Luohe City was partially put into production
In 2021	Entered the pre-IPO round of financing and introduced strategic institutional investors
In 2020	Shanghai Weilong Biotechnology started operation. The construction of the manufacturing facility of Xinglin Plant in Luohe City commenced.
In 2019	Set up 22 marketing areas, and established an omni-channel sales and distribution network by integrating our online and offline resources. The manufacturing facility of Weidao Foods was completed and put into production, achieving greatly improved automation level and production capacity.
In 2017	Carried out rapid expansion of production capacity. Implemented the world-leading SAP information management system. Set up self-operated online stores on JD.com to further enhance online sales.
From 2015 to 2016	Implemented a series of brand and marketing strategies to improve brand image.
From 2010 to 2015	Introduced a number of celebrities to endorse Wei Long products and enhance brand awareness. Expanded the production capacities of seasoned flour products and bean-based products. Introduced stretch film wrapping machine and other automation equipment to streamline the production process. Established self-operated online stores on Tmall, one of the major e-commerce platforms in China, to achieve online brand promotion.
From 2006 to 2010	The second plant of Ping Ping Foods began construction and production. Wei Long Big Latiao and Mini Latiao snacks were introduced to the market.
In 2004	Ping Ping Foods was established and moved to Luohe Industrial Park.
In 2003	Applied for the trademark of Wei Long
In 2001	The founders Mr. Liu Weiping and Mr. Liu Fuping started the business in Luohe City, Henan Province and created the first Latiao snack.

Products and Business Development

Our products have accompanied the youthhood of China's millennials, who became our first batch of loyal customers. We are dedicated to making authentic Chinese gourmet more entertaining, casual, convenient, and affordable and introducing more spicy snack food products that provide consumers with a cheerful consumption experience. We are dedicated to using household food materials, such as soybean, flour and kelp, as our main ingredients and adhere to our product development philosophy of "maximizing the intrinsic value of nature with an industrialized approach".

Over the years, we have been dedicated to meet the changing needs of consumers through launching new products, upgrading existing products, introducing new product categories, as well as improving consumer experience. In recent years we have diversified into vegetable and bean-based product categories, and launched multiple brands such as our "Fengchi" and "KissBurn" series. In 2021, two of our product categories, namely our seasoned flour products and our vegetable products, each generated over RMB 1.0 billion in annual retail sales value; among them, four products, namely Big Latiao, Konjac Shuang, Kiss Burn and Mini Latiao, each generated over RMB 500.0 million in annual retail sales value.

We constantly adapt to changing purchasing behavior of consumers and have quickly expanded to supermarkets, chained convenience stores and e-commerce channels, which have wide exposure to young consumers. We currently cooperated with 1,847 offline distributors and our distributors' sales network cover the whole country, with significant potential for future expansion. Meanwhile, we have strengthened our presence on major e-commerce platforms. In addition, we use e-commerce and social media channels to build a trendy and engaging brand image through interactive marketing activities, turning young consumers into our natural brand promoters.

We actively explore new packaging size and style and consumer-friendly pricing policies to keep our products appealing to young consumers and to address a wide range of consumption scenarios. We have adopted brand building strategy that targets young consumers through content-based marketing, branding activities and the involvement of key opinion leaders.



Mission, Vision and Values



Our Mission

Let the world fall in love with Chinese flavors



Our Vision

Make authentic Chinese gourmet more entertaining, casual, convenient and affordable, embrace digital-intelligentization and ultimately build a great business that brings joy and happiness to people for 123 years.



Our Values

We are a consumer-centric and innovation-driven organization with integrity and virtue embedded into our culture.

Standards of Practicing Core Value

Being honest and keeping your words

I need to be honest and keep my words to make me trusted.

Business thinking and doing things

I will develop myself and work well because I want to make life even better.

Customer always comes first

I need to sincerely provide service for customers because they can help me fulfill my dream.

Focus on personal development

I need to learn and share because I need personal development.

Create changes

I need to constantly reflect and criticize myself, because I need to make constant innovation and surpass myself.

Awards and Honors

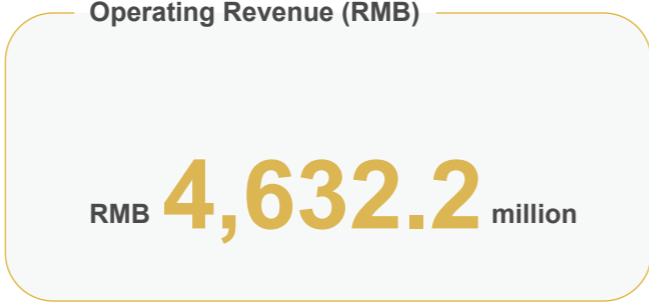




Business Performance

Weilong is a leading spicy snack food enterprise in China with strong growth momentum. According to Frost & Sullivan, we ranked first among all spicy snack food enterprises in China in terms of retail sales value in 2021, and also ranked first in each of the seasoned flour product and spicy vegetable snack product categories.

The Group announced its listing on the main board in Stock Exchange of Hong Kong on December 15, 2022. In 2022, our revenue increased rapidly, and our profitability increased significantly as a result of standardized operations and continuous adjustment of business strategies, with total revenue reaching RMB **4,632.2 million**.



ESG Statement from the Board of Directors

The Group strictly adheres to laws and regulations such as *the Company Law of the People's Republic of China*, *the Hong Kong Companies Ordinance*, the SEHK's Appendix 14 *Corporate Governance Code*, and Appendix 27 the Environmental, Social, and Governance Reporting Guide of the Rules Governing the Listing of Securities on SEHK, as well as local regulatory requirements, and continues to improve the corporate governance structure to ensure the stability of the Group's operation, efficient management works under the direction of the Board and its special committees, with clearly defined rights and responsibilities.

The Board is a standing decision-making body of the Group and is accountable to the general meeting of shareholders. The Directors take their responsibilities seriously to ensure the interests of all shareholders. We have established three committees under the Board, namely the Audit Committee, the Nomination Committee and the Remuneration Committee, to provide a comprehensive and responsive governance framework and to continue to modernize our governance system and capabilities.

Meanwhile, the Board assumes overall responsibility for ESG and is fully responsible for overseeing ESG management and risk management. The Board statement of ESG is as follows:

The Board shoulders the overall responsibility

The Board assumes the overall responsibility and plays a leading role in the Group's ESG strategy and governance. The responsibilities of the Board as defined in the ESG policy mainly include:

- Assess and identify ESG related risks and opportunities
- Approve the Group's ESG management strategies and policies
- Review the progress made by the Group in terms of ESG goals and performance regularly
- Approve the disclosure of the Group's ESG reports

Daily practice

- The ESG management team takes the lead in guiding and supervising the implementation of sustainable vision, goals, management policies, and other related work by the heads of functional departments and subsidiaries, to integrate sustainable development factors into daily operations, and regularly reporting the progress to the Board.

Analysis and evaluation of major ESG issues

- The ESG management team takes the lead in communicating with internal and external stakeholders, identifying and evaluating ESG issues, and determining the importance and priority of the identified issues. The Board reviews and approves the identification, evaluation, and prioritization of major issues, ensuring that the Group develops strategies and visions for major issues, and incorporates them into the Group's risk management framework.

ESG Governance

The Group has always regarded ESG governance as a strategic issue for corporate development in order to achieve sustainable development. Based on our business operations and industry trends, we developed an ESG concept that aligns with our long-term vision, and we gradually established an efficient, collaborative, and cohesive ESG team. Furthermore, we communicate with our stakeholders on a regular basis in order to foster trust.

ESG Concept

We have integrated ESG factors into our business strategies and operations as a well-known snack food enterprise and responsible enterprise in China. We have continued to promote innovation and focus on quality, delivering delicacy and enjoyment to every customer through high-quality products, adhering to a responsible attitude, and taking sound governance as the cornerstone of corporate development. We have fully realized that the development of a company depends on a good ecological environment and are committed to minimizing the impact of our entire value chain on the environment. We fully recognize that employees are the driving force behind corporate development and strive to empower and grow with them; We actively participate in public welfare and charity endeavors to give back to society and contribute to social development.

ESG Governance Structure

We have established an internal ESG management team to assist the Board in identifying and monitoring ESG risks, formulating sustainable development strategies, tracking ESG performance, and disclosing sustainability-related information. The Board serves as the top leader of the Group's ESG governance. As the executive body, each functional department and subsidiary is responsible for participating in and implementing work plans at various levels of ESG in business operations.



To improve ESG governance in the Group, we have established clear ESG responsibilities at all levels to ensure the effective implementation of ESG governance.

The Board

- The Board assumes overall responsibility for the Group's ESG strategies, policies, governance, and risks, and is fully responsible for supervising ESG governance. Please refer to the Board's statement for specific responsibilities.

ESG Management Team

- Assist the Board in formulating the Group's ESG strategies, policies, and risk management mechanism.
- Coordinate with all departments and subsidiaries to implement ESG related strategies, policies, and risk management mechanism.
- Supervise the progress and results of ESG related work conducted by all departments and subsidiaries.

ESG Working Group

- Cooperate with the ESG management team to conduct the Group's ESG related plans.
- Supervise the implementation of ESG governance in the department or subsidiary.
- Report the ESG governance results of the department or subsidiary to the ESG management team.

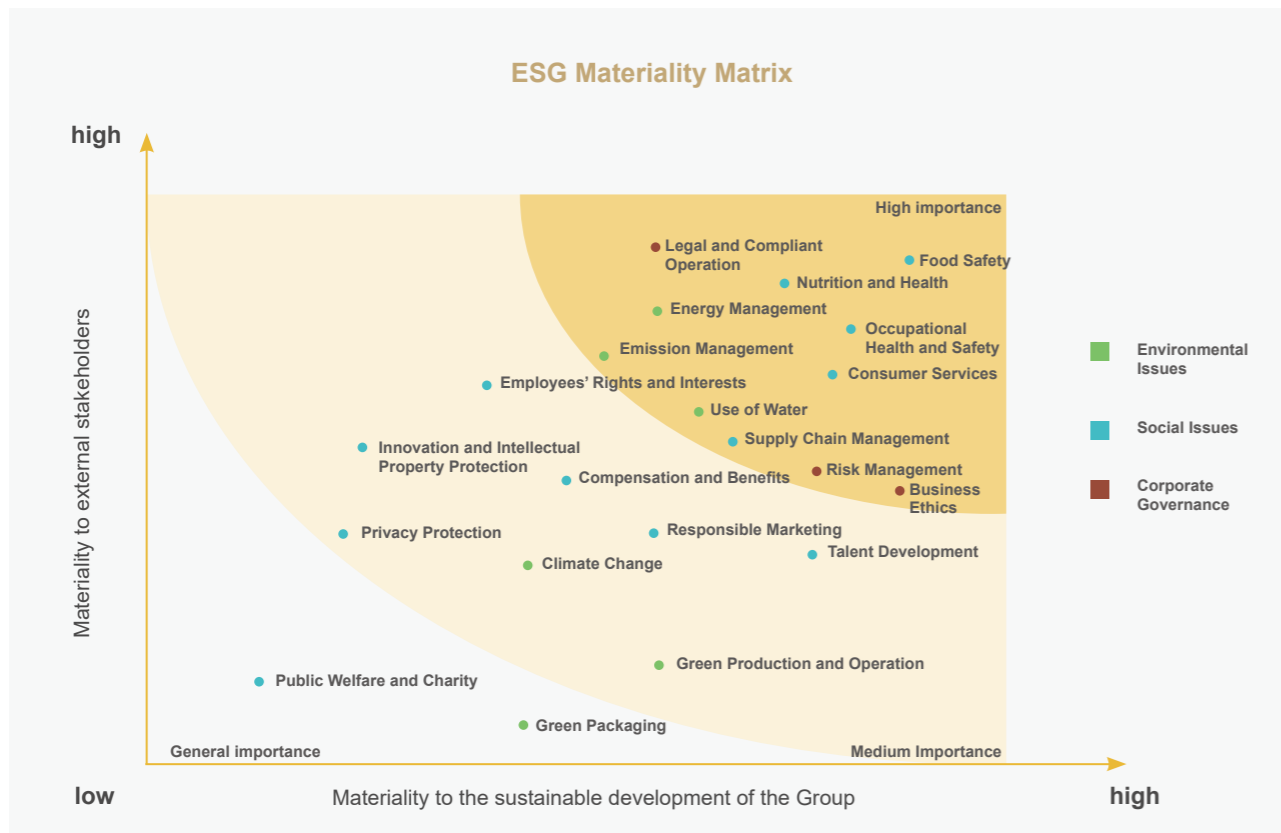
Stakeholder Communication

The Group values stakeholders' voices and strives to fully understand their expectations in order to improve ESG management and provide guidance for sustainable development. We communicate effectively with stakeholders via email, phone, on-site visits, industrial seminars and summits, and other channels.

Stakeholders	Key Communication Topics	Communication Channels
Shareholders/ Investors	<ul style="list-style-type: none"> Board diversity Compliance Anti-corruption Anti-monopoly and anti-unfair competition Information security and privacy protection 	<ul style="list-style-type: none"> Regular reports and announcements Emails for investors and meetings for communication
Employees	<ul style="list-style-type: none"> Employee remuneration and benefits Employee promotion and development Employee training and development Occupational health and safety Protection of employees' rights and interests Diversity and equal opportunities 	<ul style="list-style-type: none"> Regular employee meetings Regular communication and survey feedback Communication links of internal activities Training activities Labor Union
Suppliers	<ul style="list-style-type: none"> Supply chain management Product and service quality assurance Compliance 	<ul style="list-style-type: none"> Contracts and agreements Supplier evaluation Supplier communication and training
Government and Regulators	<ul style="list-style-type: none"> Compliance Anti-corruption Anti-monopoly and anti-unfair competition Social welfare Energy consumption management Water resources management Sustainable packaging 	<ul style="list-style-type: none"> Information disclosure and reporting Visitor reception Project cooperation Supervision and inspection

Stakeholders	Key Communication Topics	Communication Channels
Customers	<ul style="list-style-type: none"> Product quality and safety Customer privacy 	<ul style="list-style-type: none"> Customer visits Market surveys Nationwide customer service hotline
Media	<ul style="list-style-type: none"> Product and service quality assurance Users' complaint management Information security and privacy protection Suppliers and partners management Social welfare Respond to climate change Carbon emission management 	<ul style="list-style-type: none"> Daily communication and response Public opinion monitoring and response News disclosure on the Group's official website Interviews Offline activities Online forums
Communities	<ul style="list-style-type: none"> Community investment 	<ul style="list-style-type: none"> Volunteer services Community services

Our ESG management team identified the Group's ESG issues during the reporting period. We conducted interviews and questionnaires with external stakeholders such as distributors, investors, and consumers and combined the opinions and suggestions of internal stakeholders such as employees, senior management, and the Board to comprehensively analyze and evaluate ESG issues, resulting in the materiality matrix shown below.

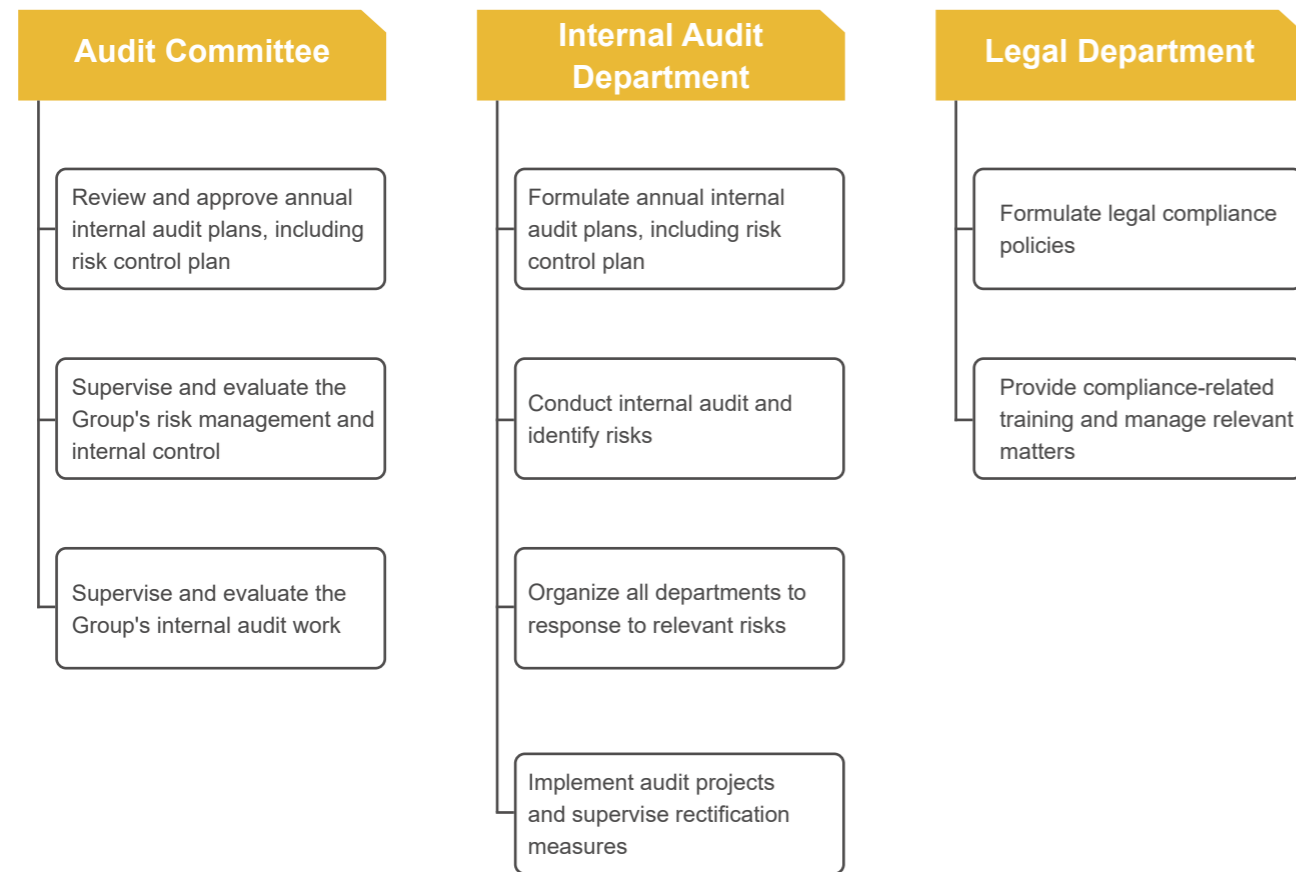


Issue hierarchy	No.	Material Issues	Category
Issues of high importance	1	Food Safety	Social issues
	2	Occupational Health and Safety	Social issues
	3	Business Ethics	Governance issues
	4	Legal and Compliant Operation	Governance issues
	5	Risk Management	Governance issues
	6	Consumer Services	Social issues
	7	Responsible Marketing	Social issues
	8	Supply Chain Management	Social issues
	9	Nutrition and Health	Social issues
	10	Water Usage	Environmental issues
	11	Energy Management	Environmental issues
Issues of medium importance	12	Emissions Management	Environmental issues
	13	Talent Development	Social issues
	14	Employees' Rights and Interests	Social issues
	15	Benefits and Remuneration	Social issues
	16	Innovation and Intellectual Property Protection	Social issues
	17	Privacy protection	Social issues
	18	Climate Change	Environmental issues
	19	Green Production and Operation	Environmental issues
Issues of general importance	20	Green Packaging	Environmental issues
	21	Public Welfare and Charity	Social issues

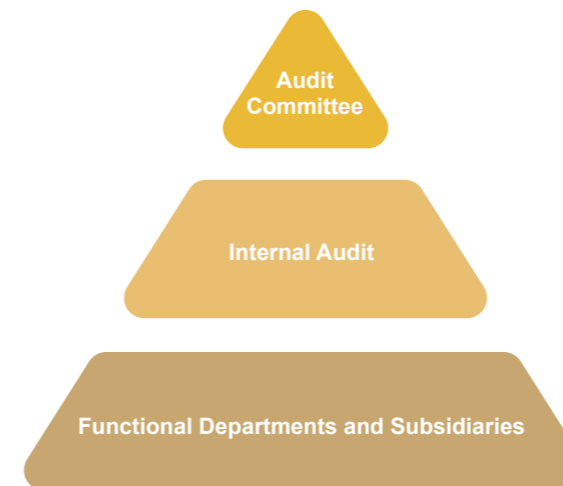
Risk Management and Control

The Group actively prevents and responds to risks in production and operation and has implemented a comprehensive internal control and risk management system to accomplish this. We have established an Audit Department to evaluate the risk management and internal control systems on a regular basis and make appropriate recommendations to management.

We have established a comprehensive risk management structure as well as a cross-departmental risk management collaboration mechanism, with the following specific responsibilities:



The Group's Internal Audit Department is critical to internal control and risk management. The Internal Audit Department, which is led by the Audit Committee and coordinated with other department heads, holds regular meetings to review and discuss the Group's annual risk evaluation and monitors the implementation of risk mitigation measures.



Following the methods of "identifying weak points" and "promoting rectification," our Internal Audit Department has formulated risk management measures. The Audit Department is in charge of auditing the business's policies, processes, standards, systems, and management requirements and determining whether there are any deficiencies or weak points, thereby identifying risks.

Identifying weak points: We conduct internal control evaluations on key links and control points in business modules such as material procurement, data handover, on-site management, quality management, equipment management, warehousing, and logistics of each production department, notify relevant departments of the risks and issues discovered, and conduct risk analysis in collaboration with the corresponding departments.

Promoting rectification: After completing the above procedures, we will urge relevant departments to develop and implement risk response plans for risks and issues discovered during the audit, such as design deficiencies or defects. After the corresponding departments have completed their rectification, the Audit Department will evaluate the results.

While successfully ensuring the effectiveness of risk and internal control procedures, this set of risk management measures of "identifying weak points" and "promoting rectification" also keeps the Group's risks under control, assisting the Group in conducting business activities in a compliant and efficient manner.



Business Ethics

We steadfastly protects the Group's and its shareholders' overall interests, strives to promote the Group's healthy operation and sustainable development, and has a "zero-tolerance" approach to corruption and violations of business ethics. Employees who violate business ethics or commit corruption will be dealt with in accordance with the Group's *Rewards and Punishment Management Measures*. Any business partner who engages in corruption or other violations of business ethics will be blacklisted and barred from future collaboration; any act involving a crime will be referred to judicial authorities.

We strictly comply with relevant laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China*, the *Civil Code of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, and the *Anti-Monopoly Law of the People's Republic of China*. We have formulated and issued internal documents such as *Anti-Money Laundering Internal Audit System*, *Rewards and Punishments Management Measures*, and *Weilong's Rewards Management Measures for Reporting*, including best business practices, interpretation of professional ethics, and prevention mechanisms, to standardize employees' behavior.

We have established an email and message-based complaint and reporting channel. We posted the reporting channel on each floor of the office areas and elevators, and we emailed it to all employees and partners.

Tel: 13939531914 (message only)

Email: liu_weipin@wlsplt.com

The Group implements strict confidentiality policies and an abstention doctrine to protect whistleblowers. We restrict the number of personnel who have access to reporting information and investigation clues, and we strictly prohibit the disclosure of problem clues and relevant handling methods. No one is permitted to access any clue without prior approval.

The Group also pays close attention to anti-corruption and business ethics management during daily operations. For example, on WeCom, we have established the *Employee Gift Receipt, and Return Report Form* and set up the process for gifts received in violation of regulations and not returned. The gifts received will be forwarded to our administrative management departments for centralized processing. The Audit Department will not hold those who

voluntarily declare and hand in gifts accountable and will only verify the whereabouts of gifts. In 2022, 13 employees declared and returned the gifts they received.

In the meantime, we developed the *Procurement Integrity Management Measures* and signed the *Business Integrity Commitment* document with our partners during the operation process, which makes it clear that our employees are not permitted to accept gifts, cash, or gift cards. We will never cooperate with a partner again if they do something that interferes with our ability to work together. Through our reporting mechanism, either side may report misconduct.

During holidays such as International Labour Day and the Mid-Autumn Festival, the Group will send a *Letter to Partners During Holidays* to each supplier via the Procurement Department, clarifying that the basis of cooperation between the two sides is to provide high-quality and low-cost products and that our employees are not permitted to accept gifts; this information will also be released via the Group's WeChat official account.

Furthermore, to achieve the popularization and normalization of integrity education, the Group continues to conduct anti-corruption activities that cover all employees and focus on key positions. In 2022, we held an annual integrity promotion meeting for the Board during the reporting period, in which all board members participated in anti-corruption training. We will sign integrity agreements with all employees and organize annual integrity culture training with all employees participating online or offline. During the reporting period, the average anti-corruption training duration of Board members was **2** hours and that of other employees was **9** hours.

We conducted anti-corruption training with **6,600** participants and a **100%** coverage rate in 2022.



Annual integrity training

We regularly conduct integrity training activities online to strengthen integrity education for key positions such as procurement and marketing.



Integrity training for procurement and marketing personnel

In addition, we regularly publish anti-corruption related articles and posters via platforms such as official WeChat account and Weilong Toutiao. We also made innovation by conducting activities with the theme of integrity.



Anti-corruption themed activities and articles

The Group sends integrity related articles to remind employees during periods prone to corruption issues, such as holidays.



Integrity related articles

We also guide employees to learn our rules and regulations via our internal Sharing Hall platform and build a strong ideological defense line against corruption.



Anti-corruption related articles shared on the Sharing Hall

We shoot and release integrity related videos to enhance employees' anti-corruption awareness and attract them to participate in relevant activities, gradually enhancing their integrity awareness.



Integrity themed videos

Through the above training and activities, the Group achieved the normalization of integrity education, ensuring the effectiveness of its anti-corruption and anti-bribery management. During the reporting period, there were no corruption-related lawsuits.

Information Security

We attach great importance to information security and strictly abide by laws, regulations, and relevant requirements such as the *Cyber Security Law of the People's Republic of China*, the *Information Security Classified Protection Management Rules*, the *Data Security Law of the People's Republic of China*, and the *Regulations on Security Protection of Computer Information System of the People's Republic of China*.

Information security and IT infrastructure maintenance is in charged by our Digital Department. Based on our current situation, we developed an internal *Information Security Management System* to ensure our information system's safety, integrity, reliability, and availability. This was done to ensure the reliable and stable operation of the Group's information system and to reduce or prevent risks caused by external or anthropogenic factors.

To effectively protect the Group's basic IT facilities, information systems, business data, and employee privacy, we have launched professional security systems such

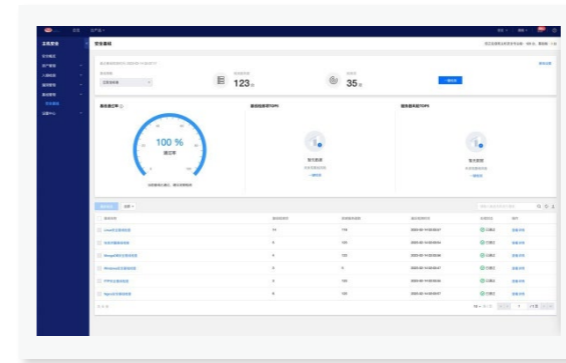
as the IOA Zero Trust Security Management, Endpoint Detection and Response (EDR), Next Generation Firewall (NGFW), Web Application Firewall (WAF) based on Alibaba Cloud, email firewall, Data Leak Prevention (DLP), disaster recovery platform, and Cloud Mirror server security management platform, to ensure the security of all endpoint equipment, servers, networks, public information systems, and websites from being attacked.

We have implemented a stringent assessment system and take a zero-tolerance approach to information security incidents. Since 2018, we have had no incidents involving information security.

Meanwhile, we have established an Information Security Management Committee and developed an internal information security incident handling process to ensure the timely handling of information security incidents and the prevention of risks. The following are our cyber security incident management framework and responsibilities:



In order to monitor information security and carry out risk management, we have developed an information security detection platform, which will issue early warnings for information security incidents and carry out real-time detection and repair through a real-time updatable mainframe security management system.



Information security detection platform

In order to further increase the management's and the employees' awareness of information security, we also provided information security training to them through online and offline training platforms. We conducted annual training on information security awareness and standards for management and staff during the reporting period, with a coverage rate of **75%**.



Training for information security for the management

Every month, the Digital Department sends out WeCom announcements about hot security management events to all employees to raise their information security awareness and prevent incidents.



Information security related WeCom announcement

We hire a third party to conduct annual external audits of our information security, analyze problems discovered, design response plans, and carry out rectification to ensure that our information security meets external audit requirements.

The Group's information system has obtained the information security management system certification. The certificate GB/T22080-2016/ISO/IEC27001:2013 is shown below:



information security management system certification

02

For Quality: Food Safety

- 2.1 Quality First
- 2.2 Health and Innovation
- 2.3 Excellent Services
- 2.4 Supply Chain Management
- 2.5 Cohesion and Win-Win Results



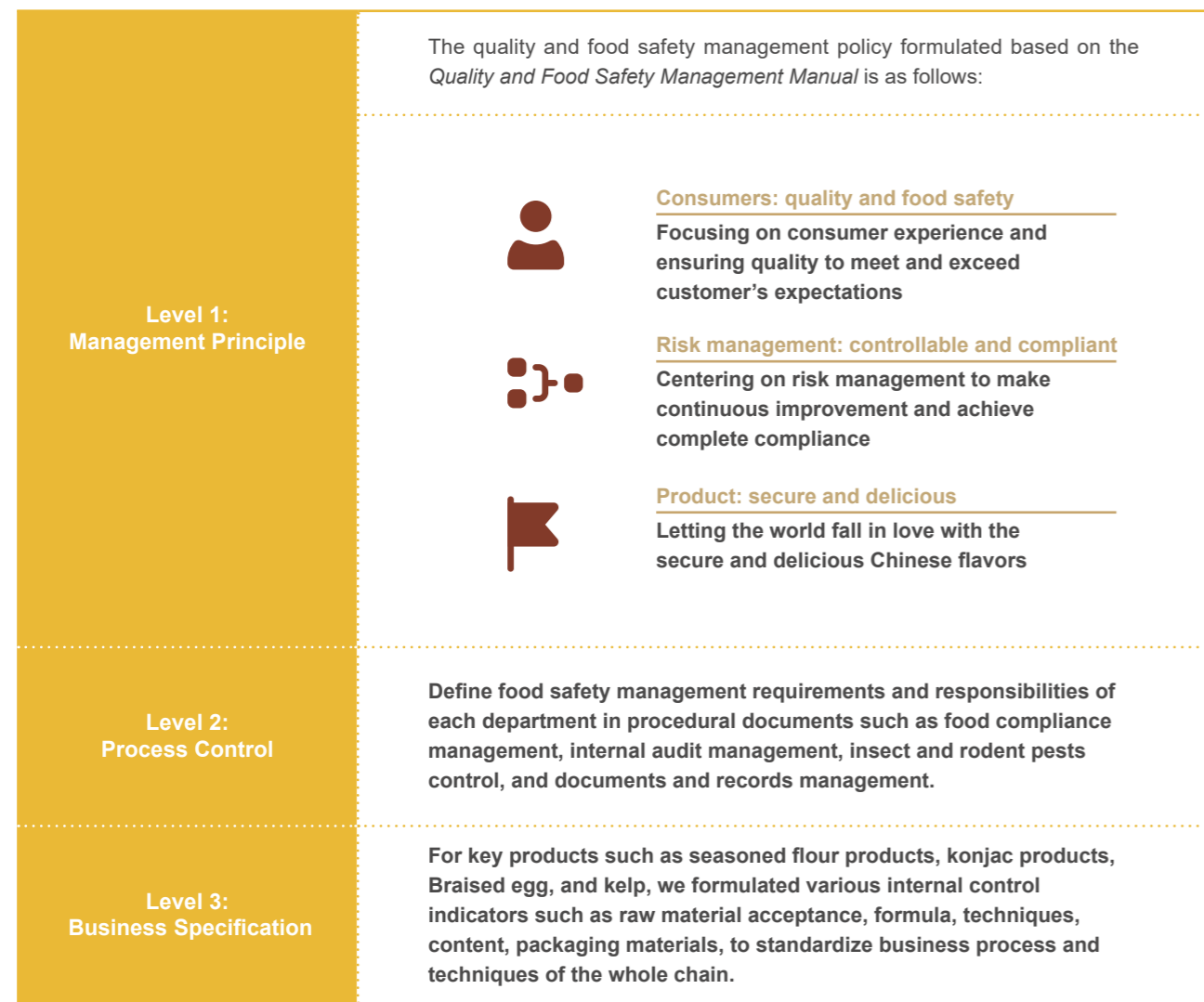
“ Adhering to the tenet of quality first, Weilong always upholds the principle of taking food safety as the lifeblood of the Group and continues to optimize its food safety system and safety culture cultivation. We stick to our product quality bottom line to ensure food safety and promote innovation and R&D, striving to provide healthier and more delicious snack food for consumers. We value customer services and safeguard the legitimate rights and interests of consumers while providing first-class services. To reduce quality risks from the source, we attach great importance to supply chain management. By contributing to the co-construction of the industry, we empowered upstream and downstream enterprises to create a sustainable future. ”

For Quality:
Food Safety

Quality First

Food Safety System

In strict compliance with the *Food Safety Law of the People's Republic of China*, the *Product Quality Law of the People's Republic of China*, the *National Food Safety Standards* and other laws and regulations, the Group has formulated internal documents such as *Food Safety Management Manual* and the *Specification for Food Safety Monitoring and Evaluation* and established a three-tier food safety management process, forming a full chain management model for food safety.



The Group has established comprehensive food safety systems. The FSSC 22000 food safety system certification and HACCP hazard analysis and critical control point system certification have 100% covered all production plants including Pingping, Weilai, Weidao, and Xinglin Plants in Luohe City as well as Weilai Plants in Zhumadian City, and other plants.

Food Safety Actions

The Group performs full lifecycle control over product quality in order to comprehensively improve works in various aspects such as raw material introduction, production environment management, technology upgrading, product inspection, and product traceability.

In 2022, the Group was honored with numerous honors and awards, including the National Product and Service Quality Integrity Demonstration Enterprise, the National Consumer Quality and Reputation Guarantee Products, and the National Product and Service Quality Integrity Brands, highlighting society's recognition of our product quality.



Food Safety Risks Management and Control

To manage food safety risks from the beginning to the end, the Group has established a Food Safety Risk Assessment Team, which consists of 194 full-time food safety management staff members who cover various links, including production, inspection, and sales.

The Team has set up specially-assigned personnel to gather and integrate data from the entire food industrial chain, analyze and identify risks posed by internal and external factors like laws and regulations, updated standards, raw material usage, and production processes on food safety management, and then distribute them to the responsible departments according to different grades of pre-warning, ensuring the effectiveness of risk prevention

and control. Meanwhile, each department organizes the control procedures based on the risk identification results, clarifies the monitoring frequency, and establishes inspection standards for various processes such as raw materials, formulas, manufacturing environment, and packaging to ensure product quality and safety.

Case: Transparent workshops

In response to the food safety risks existing in the production process, the Group established a transparent workshop system, which divides each production link into three categories, namely operation area, quasi-clean operation area, and clean operation area, to monitor the operation of its own plants, external plants, and OEM plants all hours. We strictly implements the "6S standard" of seiri (organize), seiton (rectify), seiso (clean), seioetsu (maintain), shitsuke (good manners), and safety. By implementing the principles of "three areas" and "6S", we have established transparent workshops, promoted standardized production, and strengthened positive interaction with consumers, ensuring that food safety management free of hidden hazards.

Quality Management Inspection

The Group places a high value on the detection and monitoring of product quality. We vigorously construct our Quality Inspection Centre and introduce advanced and sophisticated instruments and equipment like rapid microbial detection equipment, LC-MS, GC-MS, and IPS-MS to monitor 107 conventional indicators such as additives, pesticide residues, plasticizers, mycotoxins, and pathogenic bacteria throughout the production process.

In addition, the Group has also developed annual monitoring plans for all products and signed strategic cooperation agreements with outside professional institutions like SGS, the world's leading testing, inspection, and certification company, and the Henan Institute of Food Inspection and Research and fully manage product quality through data collection and analysis, indicator curve change tracking, and product stability monitoring.

Product Recall and Traceability

According to the *Provisions on the Administration of Food Recall*, the Group has established the *Product Withdrawal and Recall Control Procedure* and *Identification and Traceability Control Procedure* to standardize the product recall process and abnormal product management. In the meantime, the Group actively runs product recall drills, including forward and backward tracing, which can be completed within 4 hours with both traceability rate and material balance meeting the standards, demonstrating the efficiency of product traceability and recall procedures.

Product withdrawal and recall procedures



The Group continues to improve the food safety traceability system by establishing a one-product-one-code information system and opening up a two-way traceability loop from raw materials to the end of the sales in a paperless and intelligent manner to achieve accurate product tracing and allocate specific duties to specific personnel.

During the reporting period, there were no safety and health-related product recalls in the Group.



Food Safety Culture

The Group actively creates a cultural atmosphere of food safety and strives to enhance the awareness of quality across the Group. According to the internal *Food Safety Culture Control Procedure* requirements, the Group formulates implementation plans for food safety culture every year to comprehensively create food safety culture from multiple dimensions such as training and education, employee communication, and performance evaluation.

In 2022, the Group conducted 248 training sessions related to food safety and quality, covering relevant laws and regulations, the introduction of raw materials, production process control, quality management, etc.

Training duration	1,242 hours
Participants	7,128
Training coverage	96%
Pass rate of examination	98%

Case 1: The Quality Month event for quality improvement

In 2022, the Group launched a three-month Quality Month event themed "Cleaning up neglected areas and eliminating hazards of foreign materials", during which a total of 7 quality meetings, 70 special training sessions, and 7 knowledge competitions were held, covering a total of 2,370 employees. The Group advocates all employees to actively participate in quality improvement and conducts a management model of "daily tracing, weekly review, and monthly summary" to promote the effectiveness of quality improvement measures.



Case 2: SGS professional training

To better promote and implement quality and food safety management systems, the Food Safety Risk Assessment Team of the headquarters and the Food Safety Team of each subsidiary participated in the FSSC 22000 and HACCP standard implementation training organized by SGS during the reporting period.

In addition, we specially invited experts from SGS to interpret the core contents of ISO 9001 Quality Management System standards and completed training on FSSC 22000 and HACCP standards and core contents, internal audit skills, and other special courses. Currently, we have cultivated 36 internal auditors for quality and food safety management systems to further consolidate our internal management system.



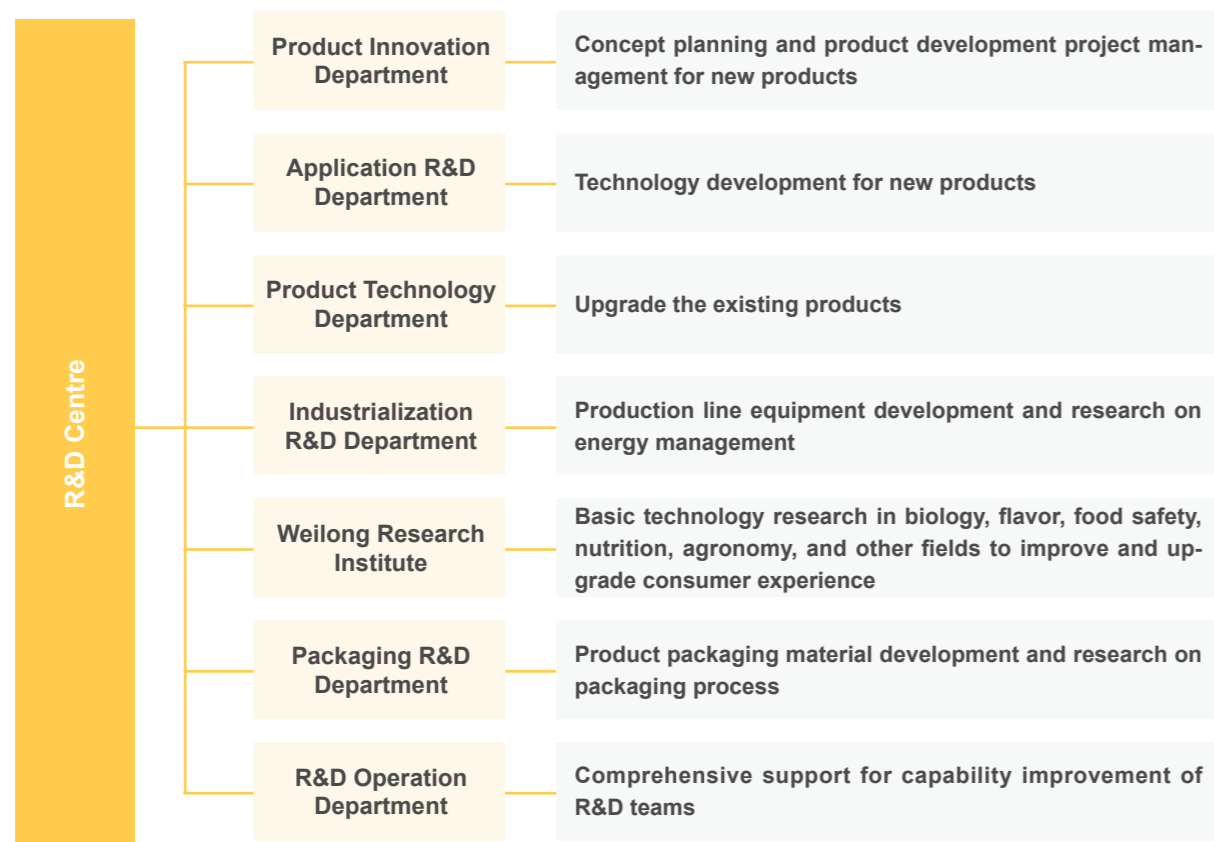
Health and Innovation

The Group has always focused on consumer experience and is committed to bringing consumers various safer, healthier, more delicious, and innovative products by constantly improving R&D capabilities.

Innovating R&D system

The Group continues to improve its innovative R&D management capabilities by focusing on the consumer experience as the strategic core and scientific research as the driving force for development. The Group has established a complete project management system and standardized the research, declaration, evaluation, implementation, and review processes of product development through internal management documents such as the *New Product Development Management Process* and *New Product Launching Management Procedure*.

The Group's R&D centre includes seven branch teams to conduct comprehensive R&D work from different aspects such as product, technology, equipment, energy management, etc.




In 2022, the Group conducted a total of 112 R&D projects, including 31 product projects, 76 technology projects, and 5 management projects.

Nutritious and Healthy Products


In response to national plans such as the "Healthy China 2030" Planning Outline, the National Nutrition Plan (2017-2030), and the Dietary Guidelines for Chinese Residents, while meeting consumers' growing demands for healthy diet, the Group has accelerated the R&D of nutritious and healthy products and formed specific goals such as salt reduction, oil reduction, and clean label, striving to bring nutrition and health while bring happiness and taste to consumers.

Nutrition optimization




Konjac Products:

The fat content of Konjac Shuang has decreased from 9.6% to 7.5% by optimizing production process.



Seasoned Flour Products:

Select high-quality wheat and first-grade soybean oil and adopt extrusion cooking and non-fried technologies. Achieve the product upgrades of 0 sodium cyclamate and 0 trans fatty acid through optimizing formula and production process for multiple products such as Big Latiao, Mini Latiao, and Hot Stick.



Egg products:

Adopt pasteurization to ensure food safety of the 78 ° Braised egg product, which is rich in protein with NRV nutrient reference value of 23%.

In 2022, the Group will further improve existing products by analyzing and evaluating them and increasing their nutritional value. In terms of new product development, the Group conducted nutritional formula research and nutritional value analysis and created documents covering nutritional formula composition, additive dosage, and processing flow based on multi-dimensional information such as product characteristics, raw material selection, processing technology, and consumers to ensure that the products are healthy and safe.

Simplifying packaging



Focus on the R&D of packaging specifications suitable for different consumption scenarios, and launch small packaging and shared packaging for products such as Big Latiao and Spicy & Spicy products, bringing delicious enjoyment to consumers while helping them control calorie-intake.

Intellectual Property Protection

The Group attaches great importance to intellectual property management and strictly complies with laws and regulations such as the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*. To further standardize the entire management process of intellectual property application, acquisition, maintenance, and rights protection, the Group developed the *Intellectual Property Control and Management Procedure* to severely combat any infringement while respecting others' intellectual property rights, making intellectual property a core driving force for its development. During the reporting period, the Group has applied 69 authorized patents, 24 patent applications, and 46 registered trademarks are newly achieved. By the end of 2022, the Group had obtained 176 authorized patents and 934 registered trademarks.

Furthermore, the Group actively conducts training and promotion of intellectual property-related laws and regulations, covering frontline employees and management personnel in various departments such as R&D, sales, and legal affairs, and continues to deepen intellectual property awareness cultivation.

Excellent Services

With the core value of "serving customers with care," we strive to protect customers' rights and interests, improve service quality, and meet their needs, resulting in a high-quality brand that customers love and trust.

Customer Services

In accordance with the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, Wei Long established an after-sales service system based on the *Customer Complaint Handling Control Procedure*. The Group uses a dedicated follow-up mechanism on its customer service platform to achieve real-time tracking and assign responsibility to specific personnel via a closed-loop processing mode from complaint acceptance to problem resolution. During the reporting period, the Group received a total of 7,828 product and service-related complaints, with a customer complaint settlement rate of **98%**.

The Group offers multiple communication channels to customers and is constantly working to improve the timeliness and effectiveness of customer complaint processing.

E-commerce Customer Service Platform

- Adopt AI robot for customer service to ensure that customer's questions are answered within 2 seconds by intelligent assistant

400-199-9085 Service Hotline

- Develop the *Marketing 400 Hotline Management Specification* to clarify the customer complaint handling process and standardized terms for customer services
- Optimize the voice guide system of hotline to ensure smooth complaint channels

City Manager

- Set up city managers in key marketing cities to provide timely feedback on customer needs and suggestions, and strengthen customer relationship management

In 2022, to further improve the level of customer service, the Group set up a system for quality inspection of the service, hired full-time inspectors to assess the quality of the service on a daily basis in real-time, and enhanced the skills of the customer service teams through training that included the promotion and education of internal policies, common case studies, and service words training. The Group has set up a customer complaint account to relay client complaints to the production teams. The Group also conducts monthly problem analyses and unique improvement plans to offer customers better and more satisfactory products.

Rights and Interests of Customers

Responsible Marketing

The Group strictly abides by laws and regulations such as the *Advertising Law of the People's Republic of China* and the *Food Safety Law of the People's Republic of China* and has formulated internal management standards such as the *Audit Measures for Packaging, Advertising, and Publicity*

Paperwork and the Product Packaging Design, Production, and Printing Process System. Marketing, production, legal affairs, and quality departments conduct multiple audits and comprehensive risk control on various marketing links such as packaging, labeling, and advertising to ensure legal and compliant marketing and to protect consumers' right to know and choose.

Considering distributor management to be an important component of responsible marketing, the Group incorporates key indicators such as legal and compliant operation, service quality, and employees' rights and interests into distributor evaluation and assessment standards in the *Distributor Management Specifications* to ensure marketing compliance in all sales channels.

During the reporting period, the Group established a Compliance Audit Team and provided responsible marketing training on marketing skills, brand management, product features, and other related topics to marketing teams and distributors.

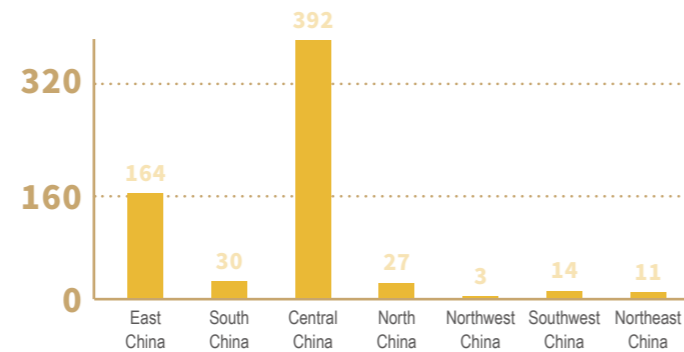
Privacy Protection

The Group attaches great importance to customer information security and privacy protection and strictly complies with relevant laws and regulations such as the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests* and the *Personal Information Protection Law of the People's Republic of China*, and clarifies the requirements for customer privacy protection in the internal *Information Security Management System*. In terms of online sales, the Group selects third-party platforms with information security qualifications and removes all sensitive information from customer orders. The Group adopts HTTPS security encryption (Hypertext Transfer Protocol Secure) for information shared with distributors and implements a tiered and decentralized system to prevent customer privacy disclosure. There were no customer privacy and business information-related lawsuits during the reporting period.



Supply Chain Management

A stable and healthy supply chain is an important guarantee of product quality. We continue to optimize supplier management systems and ensure food safety in collaboration with suppliers and partners, with responsible supply being one of its top priorities. As of December 31, 2022, the Group had 641 suppliers, including 107 raw and auxiliary material suppliers, 60 packaging material suppliers, 203 equipment suppliers, and 271 others. Here are the specifics:



Supplier Access

To get access to high-quality suppliers and optimize the supply chain, the Group formulated the *Supplier Access Management Measures* to comprehensively standardize the requirements and processes for suppliers of sourcing, access, and selection.



Supplier Assessment

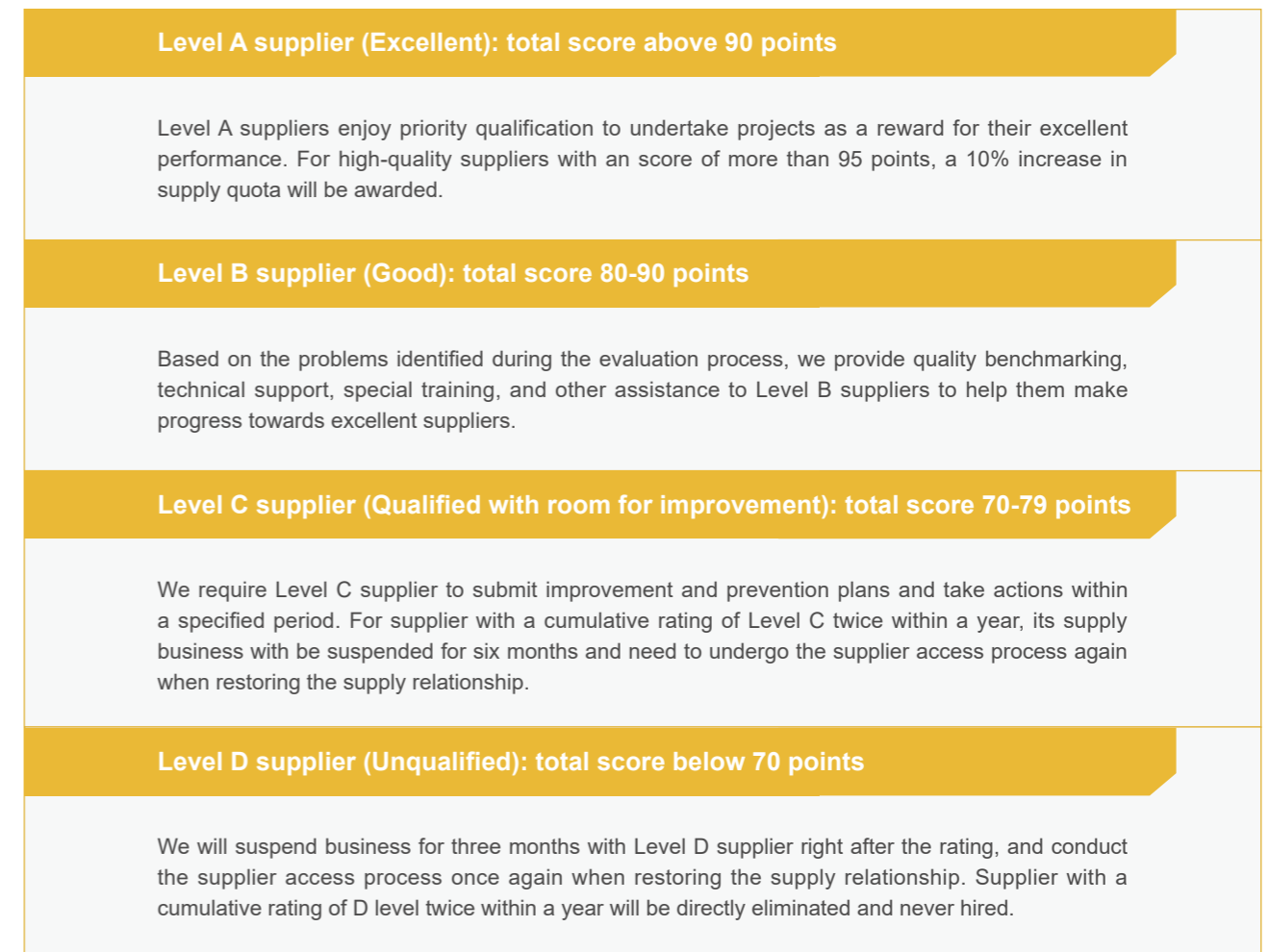
To further improve the supplier management system, the Group conducted a comprehensive evaluation of suppliers and developed a tiered supplier management system per the *Supplier Performance Assessment Measures* to improve the supply chain continuously.

The Group evaluates suppliers' performance on a monthly or quarterly basis in terms of compliance management, supply quality, and service and delivery performance. Meanwhile, the Group conducts on-site evaluations of key suppliers in accordance with annual plant-visiting plans and performs supplier rating, rectification, and elimination based

on the evaluation score (a full score of 100 points). In 2022, we reviewed a total of 167 suppliers.

The Group imposes stringent environmental protection requirements on all suppliers and strictly prohibits them from using vehicles that emit less than the National V emission standard for supplied materials. Furthermore, to improve its environmental performance, the Group encourages suppliers to promote the recycling of materials such as packaging turnover boxes, flour sacks, and ingredient buckets.

Tiered Supplier Management System



Supply Chain Risk Management and Control

The Group is dedicated to developing a sustainable supply chain by incorporating ESG indicators such as business ethics, climate change, and product quality into the supply chain risk management and control system and developing prevention and response measures for various risks.

Supply Chain Integrity Management

The Group continues to standardize the integrity and discipline of procurement business and ensure supply chain management's integrity, efficiency, and fairness by adhering to the philosophy of "integrity and inclusive management." The Group has developed *Procurement Integrity Management Measures* to define prohibited behaviors and punishment measures in various business processes, and it is determined to combat commercial bribery.

All suppliers are required to sign a *Business Integrity Commitment*; suppliers who violate business ethics will be blacklisted and will never work with the Group again. Meanwhile, as a member of the China Anti-Fraud Alliance,

The Group shares supplier lists with other member units to increase dishonest units' social costs and create a fair and honest business environment.

During supplier bidding and daily inspections in 2022, the Group conducted anti-corruption training and publicity activities, clarified major regulations in the *Procurement Integrity Management Measures*, and required all suppliers to view the Group's integrity education videos.

Supply Chain Stability Guarantee

To mitigate the negative impact of various risk factors on the supply chain, the Group developed the *Management Measures for Procurement and Supply Emergency Plans*, which outline the emergency response process, responsibilities for each department, and response times for various risks. In the event of an emergency that disrupts production for more than 2 hours, the responsible unit should issue a risk early warning notice as soon as possible, and the corresponding subsidiary should immediately form a cross-departmental emergency response team and develop a written response plan within four hours. Currently, the following are the main risk points identified:

Risks	Emergency response team	Response time
Climate risk Impact of typhoons, rainstorms, snowstorms, floods and other disastrous weather on production and logistics transportation		1 hour
Policy regulatory risks Impact of policies related to environmental inspection, production and electricity restrictions on raw material development and production plans	Production and Marketing Coordination Department Procurement Centre	2 hours
Quality risk Impact of supplier violations such as cutting corners and shoddy goods on product quality	Quality Centre Marketing Centre	4 hours
Social emergency risk Impact of emergencies such as public health, social security, and accidents on supply chain		Immediate response (No more than 20 minutes)

In 2022, the Group's supply chain maintained steady with a timely arrival rate of **99.81%** and an incoming-material qualification rate of **95.23%**. To further stabilize the supply chain, the Group has signed long-term strategic agreements with multiple key suppliers, delegated supply business to suppliers in various locations, and continued to control supply chain risks by increasing safety stock and decentralizing suppliers.



Cohesion and Win-Win Results

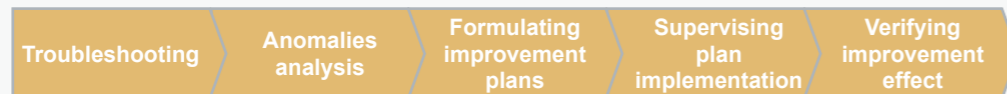
The Group actively plays to its advantages as a leading firm in the spicy snack food market while focusing on innovation and assuring product quality. The Group also encourages the shared development of the industry through ongoing learning, sharing, innovation, and progress with all partners.

Supplier Empowerment

The Group focuses on supplier development and willing to establish stable and friendly partnerships with various suppliers. The Group continues to empower suppliers through various initiatives such as supplier communication, training, and assistance.

Improving special technique of suppliers

For anomalies encountered by suppliers, the Group organizes one-on-one special analysis and communication meetings monthly to promote and supervise the improvement of suppliers' technique.



Supplier training and exchange

The Group regularly organizes supplier exchange and mutual assistance activities, and conducts supplier training in terms of relevant laws and regulations, industrial standards, new products, and new technologies.



SRM Supplier Management System Training

Training on raw material acceptance standards

Training on root cause analysis of raw material anomalies

Industrial Cooperation

The Group gives full play to its advantages of "Industry-University-Research-Utilization" to build an industrial innovation and talent cultivation base by integrating multi-disciplinary and interdisciplinary technologies such as traditional food flavor, advanced machine manufacturing, online intelligent control, and nutrition and health research, making original and groundbreaking contributions to the product development and quality guarantee of snack food.

Scientific Research Development and Talent Cultivation

The Group cooperates with the Chinese Institute of Food Science and Technology and several well-known universities in China to continuously innovate in new products, new flavors, new processes, and other aspects.

To promote the nutritional value of products, The Group, together with the academician Zhu Beiwei's team from Dalian Polytechnic University, conducted in-depth research on the role and substitutes of salt in the processing of seasoned flour products, thereby seeking solutions and development paths for the "three reductions and three health" goal of the food industry.

Meanwhile, the Group established the Jiangnan University Traditional Gastronomy Joint Laboratory together with Jiangnan University, the Graduate Joint Training Practice Base with Huazhong Agricultural University, and the Modern Food Industry College with Dalian Polytechnic University, to continuously provide high-quality talents for the food industry and promote high-quality and sustainable development of the industry.

Actively participating in the revision of industry standards

With the implementation of the "Healthy China 2030" Planning Outline, The Group, as a leading enterprise in the food industry shouldering the corporate mission of "Let the world fall in love with Chinese flavors", deeply participates in the drafting and revision of industrial standards for *seasoned flour products*, actively shares its leading production standards, techniques, and management experience, and is committed to making the industry more standardized and healthier and providing consumers with safer, nutritious, healthy, and delicious spicy snack foods.

In 2022, The Group participated in the revision of six group standards, including QB/T 5729-2022 industrial standards for *Seasoned Flour Product* and the *Food Grade Lubricants*, the *Runny Eggs*, etc.



03

For Environment: Green Development

- 3.1 Environment Management
- 3.2 Energy Management
- 3.3 Use of Resource
- 3.4 Emissions Management
- 3.5 Addressing Climate Change

“

The Group, with environmental protection as its key task for long-term development, always adheres to the legal bottom line, system red line, and defense line of measures, constantly develops internal environmental protection technologies and promotes the implementation of relevant measures. We are convinced that environmental investment is not a cost but a powerful guarantee of our green and sustainable development. We are dedicated to preserving the clear waters and lush mountains, as well as the clear sky and white clouds, and to ensuring green development through a variety of environmental protection measures.

”



**For Environment:
Green Development**

Environment Management

The Group strictly abides by more than 40 national environmental protection related laws and regulations, including the *Environmental Protection Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Air Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste*, the *Law of the People's Republic of China on Noise Pollution Prevention and Control*, the *Law of the People's Republic of China on Environmental Impact Assessment*, and has established and improved the internal environmental management system based on the ISO environmental management standards, fully covering environmental issues such as energy management, emissions management, resource usage, climate change risks identification and response.

Management System

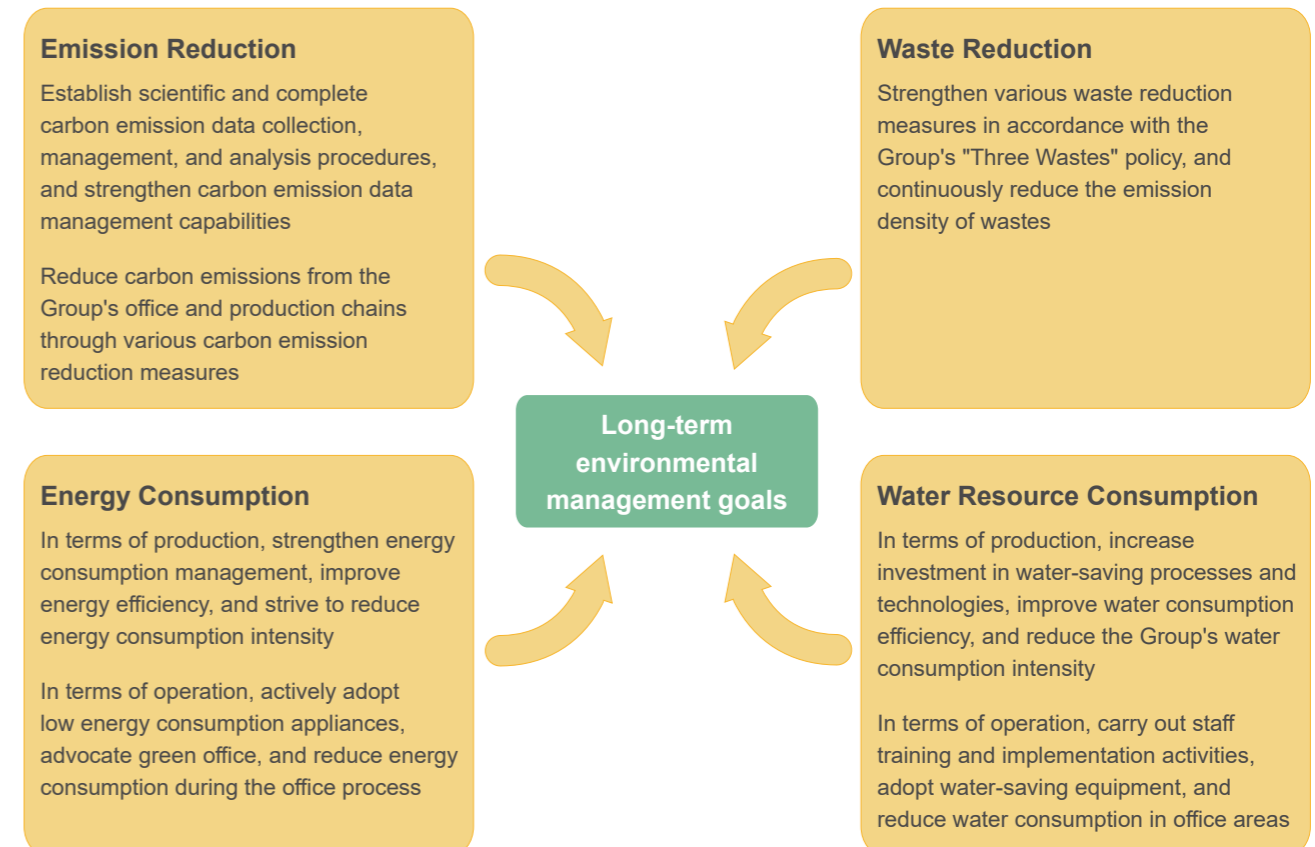
To ensure the effectiveness of the Group's environmental management system and to improve environmental management performance further, The Group established a corporate environmental management framework that includes levels of decision-making, management, implementation, and supervision, thus breaking down environmental management work level by level and implementing management item by item.

The Board	The Board is in charge of reviewing and approving pertinent environmental management documents for the Group, the environmental goals developed by the Environmental Safety Department and the Equipment Management Department, and regularly monitoring the system's implementation and the goals' advancement.
Environmental Safety Department and Equipment Management Department	The Group's Equipment Management Department and Environmental Safety Department are each in charge of managing emissions, energy use, and resources. They are also in charge of developing environmental management-related policies, systems, and goals based on national laws and regulations, best industry practices, and the actual situation of the Group and submitting them to the Board for review. The Environmental Safety Department and the Equipment Management Department are also in charge of gathering and integrating environmental data, as well as overseeing environmental issues generally in daily production and office operations.
Legal Affairs Department and Audit Department	During the operation process, the Legal Affairs Department and the Audit Department conduct regular internal control evaluations on the systems, processes, standards, and systems related to environmental management and report any problems or defects to management.

To improve the existing environmental management system, we developed environmental management-related systems such as the *"Three Simultaneous" Management System for Environmental Protection*, with the goal of strictly controlling pollution emissions, improving resource efficiency, and regularly monitoring and evaluating the operation of the environmental management system in production plants to ensure the system's implementation and effective operation. As of December 31, 2022, the Group's environmental management system had covered all subsidiary production plants.

Environmental Goals

In order to provide guidance for environmental management in the future, we developed four long-term environmental management goals, including emission reduction, waste reduction, energy consumption, and water resource consumption. These goals were developed in accordance with SEHK's disclosure guidelines for environmental key performance indicators for ESG reports, the management styles of peers both domestically and abroad, and our own operational characteristics. The Group has also established annual environmental quantitative goals, defined the year's environmental management focus, and accomplished all of the year's environmental quantitative goals.



Item	Performance in 2022
Standard-reaching rate of wastewater treatment	100 %
Standard-reaching rate of waste gas treatment	100 %
Standard-reaching rate of solid waste treatment	100 %
Environmental penalty	0 case

Environmental performance in 2022¹

¹ Reference standards:

Wastewater: Integrated wastewater discharge standard GB8978-1996 (《废水综合排放标准》GB8978-1996)

Waste gas: Emission standards for odor pollutants GB14554-93 (《恶臭污染物排放标准》GB14554-93), Integrated emission standard for air pollutants GB16297-1996 (《大气污染物综合排放标准》GB16297-1996)

Solid waste: Standard for pollution control on hazardous waste storage (Revised in 2013) National Standards of the People's Republic of China GB 18597-2001 (《危险废物贮存污染控制标准(2013年修订)》中华人民共和国国家标准 GB 18597-2001)

Energy Management

The "Dual Carbon" goal has also emerged as the primary focus of energy transformation for Chinese businesses as climate change has grown to be a significant cause for concern on a global scale. On the one hand, we have integrated the identification and management of climate change risks into the current risk management system at the corporate level. On the other hand, the Group also adopted a low-carbon, environmentally friendly development strategy by taking a variety of steps to conserve energy and cut back on consumption.

Use of Energy

In accordance with national laws and regulations such as the *Measures for Energy Conservation Management of Key Energy Utilization Units*, the *Energy Conservation Law of the People's Republic of China*, and the *Renewable Energy Law of the People's Republic of China*, we have formulated the *Weilong Energy Management Specifications* applicable to itself and its subordinate plants, and established an internal energy management system to improve the energy efficiency through management improvement and technical innovation.

The main energy consumption of the Group includes power plant steam, natural gas from pipelines, and State Grid Power. In addition, the Group provides certain power and steam support for production and operation through photovoltaic power generation and biogas boiler projects.

Photovoltaic power generation

From September 2021 to June 2022, The Group successively launched the Phase I, Phase II, and Phase III photovoltaic power generation projects of Weidao Plant and Phase I photovoltaic power generation project of Xinglin Plant.

The electricity generated by projects was mainly for the Group's production, and the surplus was input into the State Grid. As of the end of the reporting period, the cumulative power generation capacity of the photovoltaic projects of Weidao Plant was 8,017,500 kWh, with 7,192,200 kWh for self-use. The cumulative power generation capacity of the photovoltaic project of Xinglin Plant was 2,839,700 kWh, with 2,136,200 kWh for self-use.

In 2022, the Group achieved 5,319.99² tonnes of carbon dioxide emission reduction through using photovoltaic power generation instead of outsourced power.



Biogas boiler

The Group has invested in the biogas boiler project since 2021 to generate steam via biogas from the sewage anaerobic system.

The steam generated by the biogas boiler projects was used by the production workshops. As of the end of the reporting period, the project has generated a total of 5,624 tonnes of steam, achieving energy recycling and reducing outsourced steam procurement, thereby enabling the Group gradually achieve energy conservation and emission reduction goals.



² The emission reduction was calculated according to the *Notice on Doing a Good Job in the Management of Greenhouse Gas Emission Reports for Enterprises in the Power Generation Industry from 2023 to 2025* published by the Ministry of Ecology and Environment of the People's Republic of China, which stated that the average emission factor of the State Grid in 2022 was 0.5703 tonnes of CO₂/MWh.

The Group's energy categories and corresponding energy consumption in this year is shown in the table below. The Group implemented a system to link the achievement of energy consumption goals with the performance of the senior management, thereby demonstrating the responsibility for energy management of the management and enhancing its participation in energy management.

Energy/Indicator	Amount/density
Natural gas (pipeline gas)	368.4 thousand m ³
Biomass fuel	325.0 thousand m ³
Purchased steam (power plant steam)	188.9 thousand tonnes
Gasoline	4,408.74 liter
Purchased electricity (State Grid power)	83.0 million kWh
Photovoltaic power generation	9.3 million kWh
Total direct energy consumption	1,812 tonnes of standard coal
Total direct energy consumption density	0.39 tonnes of standard coal/million revenue
Total indirect energy consumption	27,941 tonnes of standard coal
Total indirect energy consumption density	6.03 tonnes of standard coal/million revenue
Overall energy consumption	29,753 tonnes of standard coal
Overall energy consumption density	6.42 tonnes of standard coal/million revenue

Energy consumption in 2022³

³ Energy consumptions in this table are calculated using the all kinds of energy discount standard coal principle and all kinds of energy discount standard coal reference coefficient contained in GB/T 2589 General Principles for Calculation of Comprehensive Energy Consumption 《GB/T 2589 综合能耗计算通则》.

⁴ Scope 1 in this table is calculated based on the energy lower heating values contained in China Energy Statistical Yearbook 2013 《中国能源统计年鉴 2013》, carbon content per unit of calorific values and carbon oxidation rates contained in Provincial Greenhouse Gas Inventory Preparation Guidelines (Trial) 《省级温室气体清单指南(试行)》. Scope 2 in this table is calculated based on 0.5703t CO₂/MWh, the average carbon dioxide emission factor of China's regional power grid in 2022 set out in the Notice on Effectively Managing the Report of Greenhouse Gas Emissions of Power Generation Enterprises from 2023 to 2025 《关于做好 2023-2025 年发电行业企业温室气体排放报告管理有关工作的通知》.

The greenhouse gas (GHG) emissions of The Group in 2022 are detailed in the table below:

Indicator	Amount/density
Scope 1 GHG emissions	805.92 tonnes of carbon dioxide equivalent (CO ₂ e)
Scope 2 GHG emissions	104,466.57 tonnes of carbon dioxide equivalent (CO ₂ e)
Total GHG emissions	105,272.49 tonnes of carbon dioxide equivalent (CO ₂ e)
GHG emission density	22.73 tonnes of carbon dioxide equivalent (CO ₂ e)/million revenue

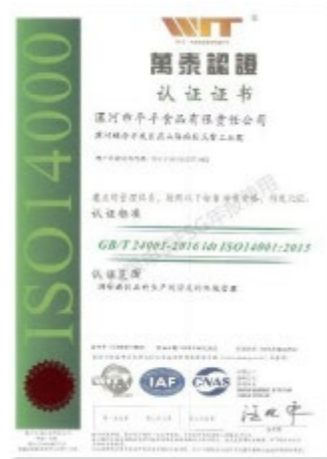
GHG emissions in 2022⁴

Green Plant

In the context of strained energy supplies at home and abroad, the Group has implemented a number of measures to ensure plant productivity while improving energy efficiency, with the goal of creating a national green plant and promoting the Group's green and sustainable development.

Main research projects and energy-saving transformation projects implemented for Green Plant construction:	
Microthermodynamic analysis and optimization of techniques	Review techniques from the perspective of microthermodynamics and heat transfer theory in food processing, and replace high energy consumption and unnecessary processing measures with high energy efficiency processing technologies
Intelligent platform for refined energy management	Achieve refined energy-saving operation management of energy equipment by creating an intelligent monitoring and management platform for public & auxiliary facilities
Waste heat recovery project	Make full use of the high-temperature hot water discharged from the cooking pool of the production line, and recycle the waste heat to the production line through heat exchangers, water pump pipelines, and other facilities to reduce steam consumption
Residual cool recovery project	Make full use of the cold water generated when thawing konjac in the thawing tank, the cold water generated by thawing is applied to the air conditioning of the outsourcing workshop through heat exchangers, water pumps, and pipelines, thereby saving electricity for the air conditioning, raising the temperature of the thawing tank, and reducing steam consumption in the thawing tank in the subsequent processes.
Air compressor heat recovery project	Recover the heat generated by air compressors via heat recovery units, raise the water temperature of the tap water to about 60 °C by exchanging heat with the tap water through a heat exchanger, and send the water to production workshops, domestic water tanks, and office buildings for use, achieving the goal of steam-saving
Cold storage compressor heat recovery project	Exchange the high-temperature gas discharged from the compressor of the cold storage with the heat exchanger, and heat the tap water to 50-60 °C before applying to the production and domestic water tanks, achieving the goal of steam-saving
Power conservation project of cold storage	Reduce the per ton consumption by 15% in some cold storages by studying the operating data of the optimized compressor and refrigeration system, improving the frost flushing water system, and optimizing the operating procedures of the air cooler
Power conservation project of high-power water pump	While ensuring production, replace the high-power water pump in operation with a low-power one, and achieve the goal of electricity conservation by adding frequency converters

The Group's investment in energy conservation and consumption reduction of plants has been recognized by international third-party certification bodies. The Pingping Plant has obtained ISO 14001 environmental management system certification.



ISO14001 Certification Certificate of The Group's Pingping Plant

Joint Efforts for Consumption Reduction

The Group actively responds to the government upwardly and conducts training and publicity activities downwardly to save energy and reduce consumption in collaboration with the government, subsidiaries, and employees, thereby realizing compliance and energy conservation goals and promoting green society development. This year, in accordance with *Henan Province's Detailed Rules for the Implementation of Power Demand Response (Trail)*, the Group adjusted production time and capacity and completely shut down production during the evening peak of power consumption in response to the government's off-peak power consumption initiative, ensuring electricity supply for the masses.

Furthermore, the Group conducted several employee training and promotional activities, allowing them to understand the necessity and importance of energy conservation and consumption reduction, as well as sharing with employees feasible measures for production processes and office, thereby increasing employee awareness and encouraging them to take practical actions, and jointly seeking green development.

Use of Resource

The Group focuses on resource utilization efficiency by strictly adhering to laws and regulations such as the *Water Law of the People's Republic of China* and the Group's resource management strategies, implementing measures such as water-saving technology transformation, production process optimization, and packaging material R&D to achieve resource utilization goals, publicize green production in plants, and promote green development.

Use of Water

Every year, Weidao compiles comprehensive statistics and analyses on its own water resource consumption and establishes annual water consumption targets based on its own production situation. The Group's water consumption plan for products like konjac and kelp has been reduced by 8% compared to 2021. The Group met its 2022 water consumption target through a variety of measures, including water resource recycling, water leakage point investigation in the workshop, and production process upgrading.

Water recycling	The production lines adopting water resource recycling include those of konjac and kelp products. For example, the third soaking pool water and pre thawing pool water of the Konjac 1-5 production lines are recycled water, and the first, second, and third liquid storage tanks of the 6-10 production lines are respectively recycled for the negative pressure soaking tank to achieve water recycling; In the kelp production process, the cleaning water from the desalting tank is recycled to the recovery tank, and used in the front bubble cleaning machine and then discharged to the sewer pipe; All plants under the Group conducted reclaimed water recovery projects. The reclaimed water that meets the standard in the sewage treatment station is filtered by sand filter tanks, and then used for bathroom flushing, greening, road cleaning, and other links through constant pressure water supply equipment, to improve the efficiency of water resource utilization. In addition, this years, based on the quality of reclaimed water, Pingping Factory softened and processed the qualified water and use it for summer water replenishment of cooling towers to reduce tap water consumption.
Water conservation in plants	This year, the Group conducted a comprehensive inspection of water leakage points in production workshop, and promptly took remedial measures to reduce waste; This year, Weidao Plant has reformed the kelp production process, and canceled the blanching process while meeting production requirements, saving electricity, steam as well as tap water used at this process and reducing product water consumption per ton by 38%.

During the reporting period, the main source of water intake for the Group was municipal water. The Group sends water samples to a third party for testing annually to make sure that the water source meets the GB5749 drinking water hygiene standard. The water consumption of the Group in 2022 is as follows:

Indicator	Amount/density
Total water consumption	1,662.88 thousand m ³
Water consumption density	358.98 m ³ /million revenue

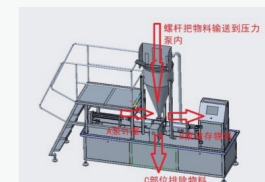
Amount and density of water consumption in 2022

Use of Food Raw Materials

A food production enterprise relies heavily on raw food materials. The Group is committed to improving the efficiency of food raw material usage through a series of production optimization measures in order to achieve sustainable development, respond to the initiative of "Cherishing grain, saving grain, and practicing economy" and ensure product quality.

Improving techniques and upgrading equipment to save food raw materials

This year, in response to the oil leakage and material leakage of the packaging machine of konjac and kelp products, the Group's Weidao No. 2 Plant actively modified the blanking device according to its own product mix. Under the premise of ensuring consistent product quality, the amount of water (water, oil, and seasoning) from the inner packaging of kelp products was reduced from 3.8% to 0%, effectively reducing the consumption of food raw materials in the konjac and kelp production lines.



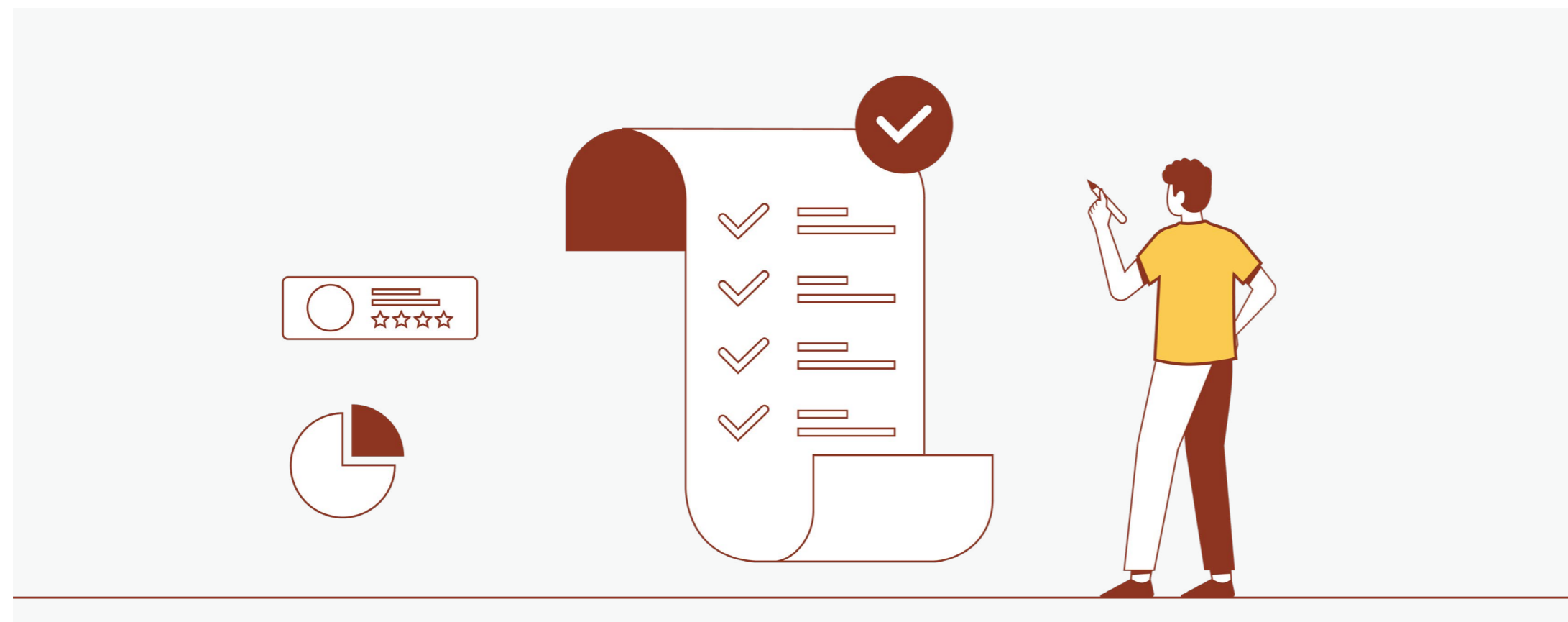
Use of packaging materials

For packaging material R&D and design, we follow the "3R principle" of Reduce, Reuse, and Recycle and strives to meet environmental requirements for product packaging. In addition, the Group is constantly investigating and seeking innovative solutions to reduce resource consumption and promote more diverse green packaging practices.

The amount and density of packaging materials used as well as the amount saved by the Group in 2022 are as follows:

Indicator	Amount/density
Metal	858 tonnes
Paper	30,381 tonnes
Plastic	17,432 tonnes
Packing material usage density	10.51 tonnes/million revenue
Packaging materials saved	282 tonnes

Usage of packaging materials in 2022



Emissions Management

The Group strictly controls waste gas, wastewater, and solid waste emissions, complies with national laws and regulations, and has developed a series of policies and systems for various emissions, such as the *Three Wastes Management System*, the *Pollution Discharge Permit Declaration and Implementation Management System*, and the *Hazardous Waste Management System*, to clarify the responsibilities and goals for three wastes management and to implement the three wastes control measures.

Wastewater Management

The Group strictly implements the *Water Pollution Prevention and Control Law of the People's Republic of China* and relevant national wastewater discharge standards in the production and operation process, reduce wastewater production by improving systems and upgrading equipment, and maintains wastewater discharge data management

through third-party monitoring and self-monitoring, improving its control and management capabilities for wastewater discharge throughout the entire process.

The Group is committed to improving water resource recycling efficiency and refuses to discharge wastewater that cannot be recycled after compliant treatment. Various methods, such as oil separation tanks, pretreatment, anaerobic treatment, aerobic treatment, advanced treatment, and so on, are used at each plant to ensure that wastewater treatment meets standards. Our wastewater discharge compliance rate was 100% during the reporting period.

To continuously detect indicators such as wastewater discharge flow, chemical oxygen demand, ammonia nitrogen, total phosphorus, and pH value, online detection systems are installed at the discharge outlets of each plant's wastewater station. Among them, the wastewater discharge outlet detection systems of the Weidao Plant and Pingping Plant have been integrated into the online management network of Luohe City's local environmental protection bureau, allowing the local Environmental Protection Bureau to inspect the plants' wastewater discharge online constantly.

At the same time, the Group entrusts a qualified third-party institution to inspect each plant's wastewater discharge and issue a semi-annual inspection report. Combining self-correction and inspection, third-party inspection, and external supervision, the Group provides a triple guarantee for the up-to-standard discharge of factory wastewater.





The Group has not been held accountable or punished during the reporting period for substandard wastewater discharge.

Indicator	Amount/density
Total industrial wastewater discharge	1,541.6 thousand tonnes
COD emissions	16.85 tonnes
Ammonia nitrogen emission	0.99 tonnes

Wastewater indicators in 2022

Exhaust Gas Management




The Group strictly enforces the *Law of the People's Republic of China on Prevention and Control of Air Pollution* and relevant national exhaust emission standards in production and operation, reduces the amount of exhaust gas produced by improving relevant systems and upgrading equipment, and continuously monitors the amount of exhaust gas produced, improving the Group's control and management capabilities for exhaust gas emissions. The Group's standard-reaching rate of exhaust gas emissions was 100% during the reporting period.

<p>Exhaust gas from wastewater treatment</p> <p>Treat odor gas, hydrogen sulfide, and ammonia via deodorization spray tower equipment</p>  <p>Deodorization spray tower equipment for plant sewage station</p>	<p>Oil fume from production workshop</p> <p>Adopt oil fume purifier device+UV photolysis low-temperature plasma device+exhaust funnel for oil fume treatment</p>  <p>Exhaust gas collection facilities in workshop</p>	<p>Dust from production workshop</p> <p>Adopt bag filter+exhaust funnel for dust treatment</p>  <p>Dust treatment facilities in plants</p>	<p>Oil fume from central kitchen and restaurant</p> <p>Adopt oil fume purifier device+exhaust funnel for oil fume treatment</p>  <p>Collection and treatment facilities for oil smoke and exhaust gas in plant restaurants</p>
--	--	---	--

Waste management

The Group has developed waste management systems such as the *Hazardous Waste Management System*, the *Management System for Temporary Storage Room of Hazardous Waste*, the *6S Management System*, and the *Waste Warehouse Management System*, and has put in place a series of measures to manage solid waste by category throughout the entire process.

According to their nature and recycling implementation, the solid wastes generated in our plants' manufacturing processes are classified as hazardous wastes, general solid wastes, Grade III products, and garbage. Hazardous waste, general solid waste, and Grade III products, among others, are subjected to harmless treatment and recycling by qualified units, and garbage is regularly treated by sanitation stations in accordance with signed agreements. The Group dispatches dedicated personnel to manage the waste station of each plant and conducts irregular publicity and training activities for employees to conduct waste classification.

 <p>Hazardous waste transfer</p>	 <p>Hazardous waste warehousing</p>	 <p>Temporary storage of hazardous wastes</p>
---	--	---

Indicator	Amount/density
Total harmless waste	4,375 tonnes
Density of harmless waste	0.94 tonnes/million revenue
Total hazardous waste	13.57 tonnes
Hazardous waste density	0.003 tonnes/million revenue

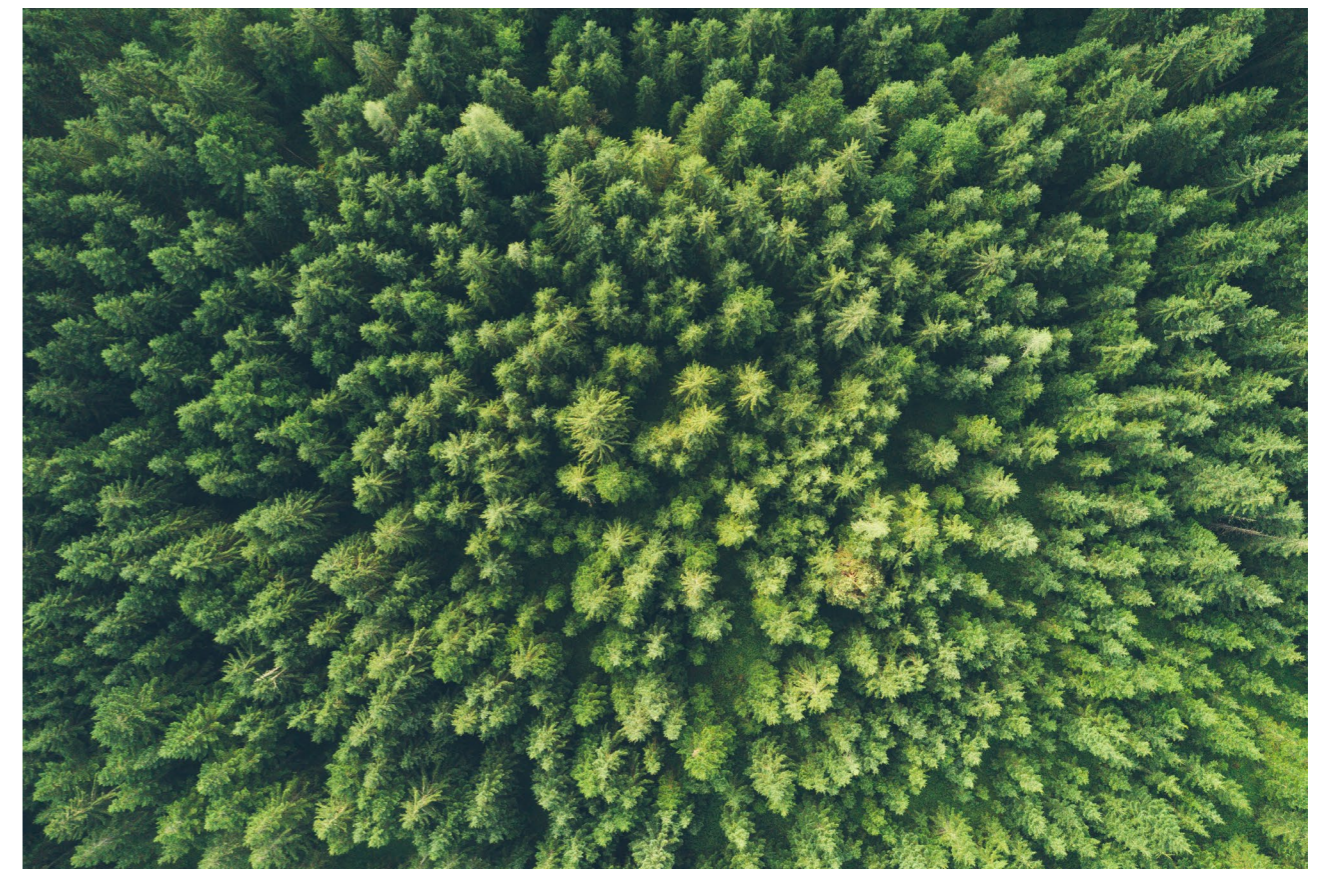


Addressing Climate Change

The Group has always considered climate change to be an important issue in environmental management. We began identifying climate change risks earlier this year. We will continue to conduct climate change risk assessments, develop effective response strategies, and continuously improve the Group's ability to address climate change risks in the future.

Risk Category	Item	Risk Description	Countermeasures
Transition Risks	Policy and Law	The increasingly strict laws, regulations, and policies related to carbon emissions post higher requirements on the carbon emissions and data accuracy of enterprises	Continuously pay close attention to and comply with new laws, regulations, and policies. Transfer energy used to low emission ones, and continuously improve product carbon emission standards and supplier selection standards. Improve the energy management system and strictly follow the guidance of regulatory authorities for data submission and disclosure
	Technology	Production cost increase caused by low carbon technology transformation, which contains risks of investment failure	Conduct low-carbon technological transformation in production and packaging processes, and reduce carbon emissions generated by new technologies. Conduct a comprehensive and in-depth assessment of project risks before implementing low-carbon technology transformation to reduce the risk of investment failure. Establish stable partnership with green technology suppliers to reduce investment costs
	Market	Consumers prefer green and low emission products while focusing on the quality of products and services. Purchasing green raw materials or insufficient supply of raw materials due to climate change, resulting in increased procurement cost	Fully disclose the green and low-carbon related features of products to form a good market image. Communicate with suppliers and integrate resources to reduce procurement risks
	Reputation	Stakeholders' increasing concerns about corporate responsibility and negative feedback	Continuously improve disclosure related to sustainable development and climate change and ensure compliance with disclosure requirements. Incorporate environmental impact reduction and climate change risk into corporate strategies, develop relevant measures, and continue to focus on capital market rating results

Risk Category	Item	Risk Description	Countermeasures
Physical Risks	Acute Risks	The impact of extreme weather such as hurricanes, floods, extreme heat, extreme cold, and drought on employee commuting, supply chain transportation, and production operation	Analyze typical cases of extreme weather in recent years, develop emergency plans, and improve the prevention ability, response ability, and the quality of improvement afterwards
	Chronic Risks	The impact of rainfall fluctuation, extreme weather fluctuations, rising average temperatures, and rising sea levels on operating locations and operating costs	Prospective risk identification and assessment of chronic climate risks



04

For Employees: Joint Development

- 4.1 Inclusive Workplace
- 4.2 Career Development
- 4.3 Caring for Employees' Life
- 4.4 Health and Safety of Employees



“ We are always concerned with our employees' well-being, prioritizes their interests, and are dedicated to growing together with them to build a better future. We work hard to create an inclusive workplace, ensure compliant recruitment and workplace diversity, and provide competitive compensation and benefits to our employees. We also conduct targeted training activities to promote employee development. We are concerned about the lives of our employees, so we have established a democratic communication system with smooth channels and an equal atmosphere, as well as organized various employee-caring activities. In terms of health and safety, we established and continued to improve our management system to ensure that various health and safety measures were implemented. ”

**For Employees :
Joint Development**

Inclusive Workplace

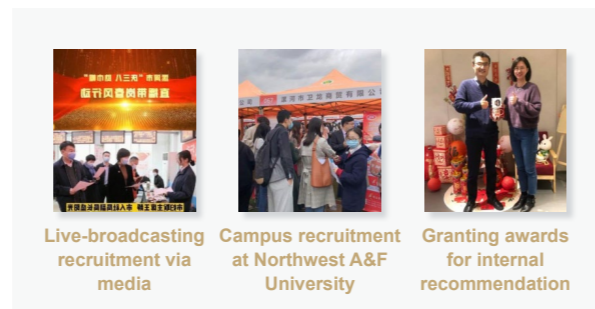
The Group is always committed to creating an equal, inclusive, and harmonious workplace for all employees. We empower employees, provide benefits to them, and protect their rights and interests, encouraging them to grow with the Group.

Compliant Employment

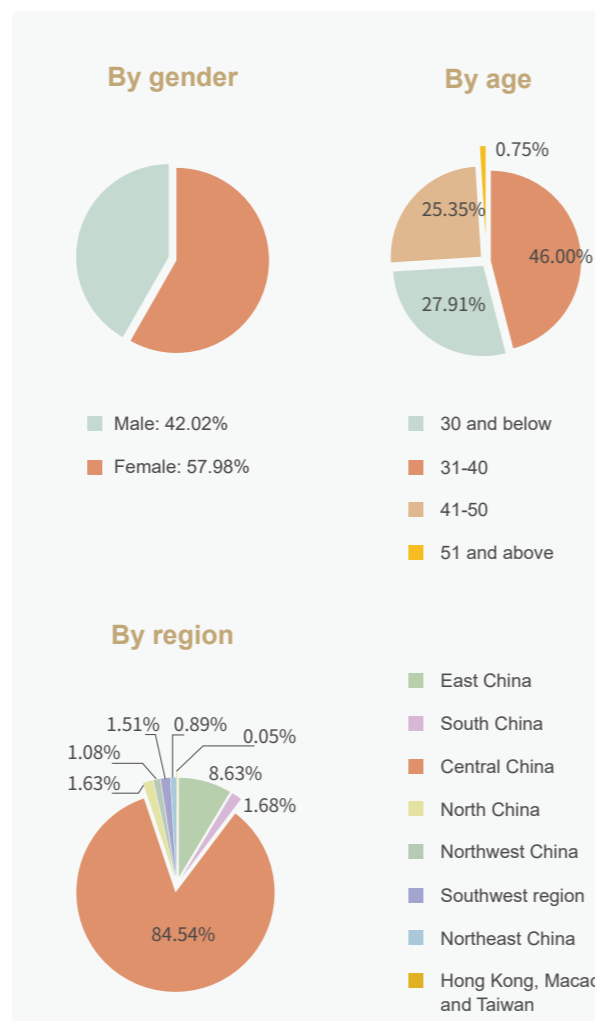
We strictly abide by the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, *Provisions on the Prohibition of Using Child Labor*, *Provisions of the State Council on Working Hours of Workers and Staff*, *Measures on Having a holiday for National Annual Leaves and Memorial Days*, and other laws and regulations applicable to the region we operate. We have formulated the *Recruitment Management System* and *Recruitment Information Release Management Specification*, established relevant management procedures and clearly stipulated that recruitment information should not include any restrictive ambiguity. We advocate the concept of "work with enjoyment and live with heart", and actively create an equal, healthy and safe working environment.

As a responsible employer, we effectively guarantee equal pay for equal work for both male and female employees, have a strict zero-tolerance policy for child labor and forced labor, and ensure that all employees reach the legal age for employment by verifying new employees' identity information to avoid illegal non-compliance employment. We organize recruitment on the basis of fairness and voluntariness, and we strictly prohibit any forced or fraudulent employment. There were no cases of child labor or forced labor in the Group during the reporting period.

Through various channels such as social recruitment, third-party RPO, online and multi-media platforms, job fairs, and internal recommendations, we recruit courageous and progressive talents who share common values with the Group. We organized special brand activities in 2022 and promoted our internal recommendation bonus system even more, to increase employee engagement in an internal recommendation.



As of the end of the reporting period, we have a total of 6,307 full-time and no part-time employees. The details are as follows:



Social indicators	2022
Number of current employees (Person)	
Total number of employees	6,307
By gender	
Male	2,650
Female	3,657
By age	
30 and below	1,760
31-40	2,901
41-50	1,599
51 and above	47
By region	
East China (Shandong Province, Jiangsu Province, Anhui Province, Zhejiang Province, Fujian Province, Shanghai)	544
South China (Guangdong Province, Guangxi Zhuang Autonomous Region, Hainan Province)	106
Central China (Hubei Province, Hunan Province, Henan Province, Jiangxi Province)	5,332
North China (Beijing, Tianjin, Hebei Province, Shanxi Province, Inner Mongolia Autonomous Region)	103
Northwest China (Ningxia Hui Autonomous Region, Xinjiang Uygur Autonomous Region, Qinghai Province, Shaanxi Province, Gansu Province)	68
Southwest China (Sichuan Province, Yunnan Province, Guizhou Province, Tibet, Chongqing)	95
Northeast China (Liaoning Province, Jilin Province, Heilongjiang Province)	56
Hong Kong, Macao and Taiwan (Hong Kong, Macao, Taiwan)	3

Remuneration and Benefit

We compensate employees in accordance with applicable laws, conduct annual salary adjustments, and provide basic social benefits such as social insurance and a housing fund to all employees. Meanwhile, we provide annual health exams, holiday gifts, and other benefits to ensure our employees' well-being through a variety of benefit measures. Furthermore, we establish various awards and commendations, such as the Sales Performance Incentive Plan, to recognize and reward employees who perform exceptionally well.

We included the employee turnover rate in our operational assessment indicators during the reporting period to encourage management to retain talent better. We developed talent retention plans and reduced wage fluctuations during the slack and peak seasons through flexible employment mechanisms to improve talent retention rates.

Employee Diversity

We have a zero-tolerance policy for any form of unethical behavior, including discrimination, intimidation, harassment, violence, and violation of personal dignity, as a responsible employer. To ensure employee diversity and a fair and upright corporate culture, we are committed to ensuring that all labor-related policies are free of discrimination or bias based on personal characteristics such as gender, ethnicity, age, physical condition, sexuality, and marriage.

We have developed a *Reward and Punishment Management Manual* that states unequivocally that no one shall abuse, beat, or threaten others with violence and that no one shall engage in any form of sexual harassment against

other employees while exercising their positional rights. Employees who are subjected to discrimination or harassment can report it to the appropriate departments. Following the verification of the report, we will impose punishment, such as termination of employment.

Furthermore, we emphasized in our *Three Major Disciplines and Eight Caveats* that no one shall insult, intimidate, or abuse others and that no one shall retaliate or maliciously suppress others. We steadfastly apply our internal management principles to ensure a fair and diverse working environment.

The Group received no reports of discrimination or harassment during the reporting period.

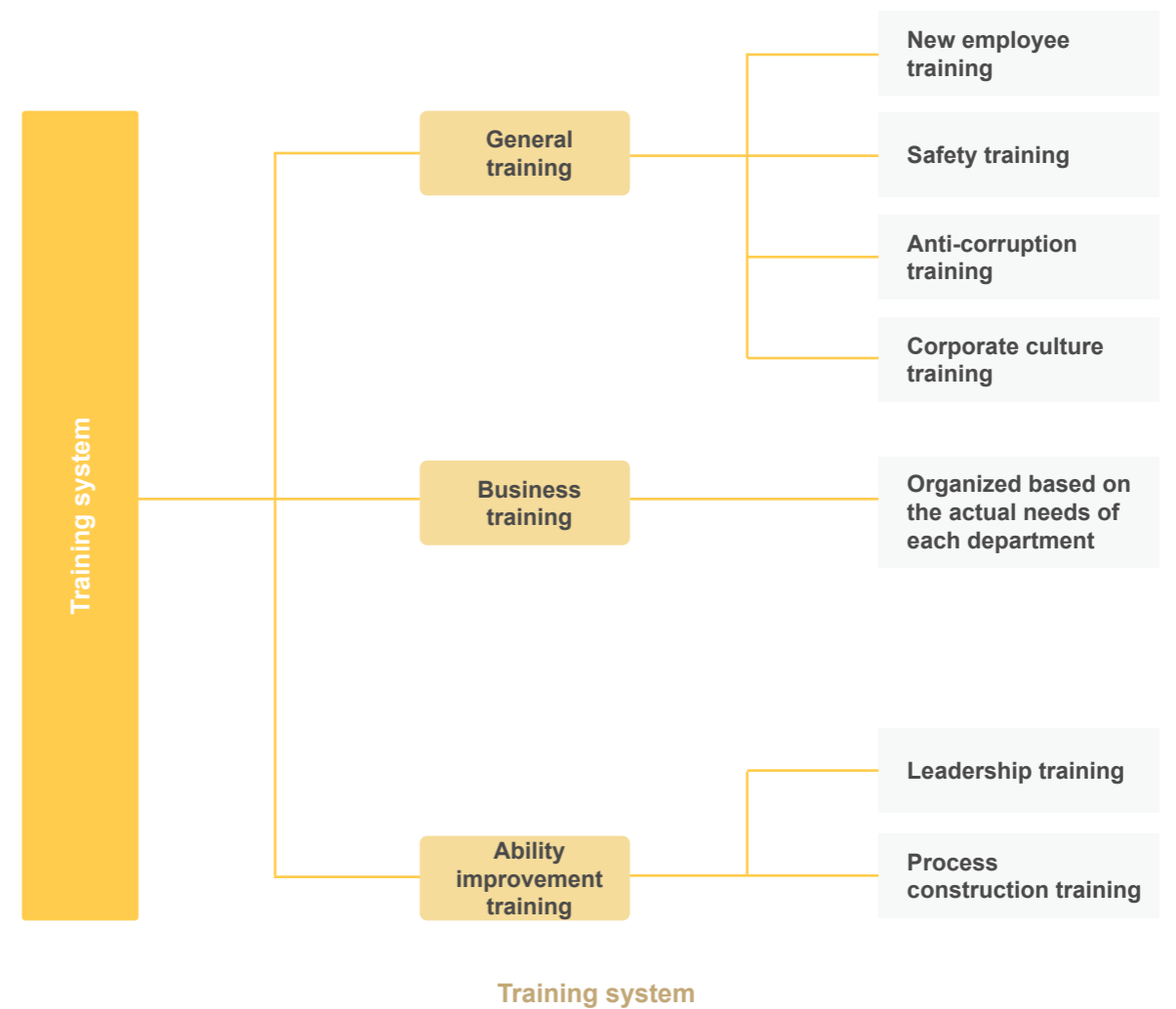


Career Development

The secret to a company's and its business' ongoing development is staff development. The Group has optimized the training system and established a "three-channel" promotion system and performance appraisal system covering management, profession, and operation, opening up cross-business career development channels to encourage the development of employees. These measures were taken to better the abilities of diverse employees, meet their career development needs, and produce high-quality products for customers.

Employee Training

We launched a training system covering three aspects based on the Group's strategic development needs: general training, professional business training, and ability improvement training. Meanwhile, we combined online and offline training methods and created an online learning platform to recommend courses on a regular basis and encourage employees to study on their own in their spare time. Our online and offline courses offer various training options to meet all parties' needs better.



In terms of new employee training, we used various methods for different people to ensure that all new employees from various backgrounds received effective and comprehensive training.



New employee training for the production line



New employee training for non-frontline positions (such as functional, R&D, and marketing departments)

Each year, each business centre of the Group evaluates its own professional and competency differences in light of strategic goals and develops annual training plans. To meet the needs of each business department for professional training, the Human Resources Department will assist each centre in integrating internal, external, online, and offline training resources and conducting training plans in an orderly manner.

Professional Training 1: R&D centre - Six Sigma Offline Special Training

In 2022, we organized 2 sessions of the three-day training for management personnel and engineers of R&D centre. The training mainly covers the six sigma courses to help R&D engineers master basic statistical skills and risk analysis skills of R&D experiments, enabling engineers and relevant personnel to apply the knowledge to their work and create greater value.



Six Sigma Offline Special Training

Professional Training 2: Food Safety Training for the Quality Department

The Quality Department regularly organizes internal food safety training activities themed food related laws and regulations, system operation standards, etc, and adjusts training content rationally for different training objects, to popularize basic knowledge of food safety for employees.



For Weilong, 2022 has been a remarkable year. Throughout the year, the Group actively deployed and adjusted various business sectors, introducing a large number of professional and management talents. The Group organized leadership training for management in order to cultivate new managers' leadership, assist them in integrating into the workplace, and improve their coordination ability. Meanwhile, in response to our process construction's strategic development needs, we conducted process construction training for relevant management personnel and key talents to increase their awareness and share relevant methods, laying a solid foundation for follow-up work.

Furthermore, the Group places a high value on the development of corporate culture. We organized senior management group building workshops themed Executive "cultural one-on-one" communication and hired external professional teams to customize a comprehensive set of corporate culture planning programs for new executives. The "Creator Culture Activity" was launched in 2022 to deepen management personnel's understanding of corporate culture and to continuously improve our corporate culture by creating cultural atmospheres as well as cultural training and sharing activities, thereby making us a better workplace.

"Process construction training" for the management

In December 2022, the Group invited process management experts to conduct process construction training for relevant personnel and key talents. The training provided a detailed interpretation of the importance of process construction, process design criteria, and implementation methods. All participants have engaged carefully to lay a solid foundation for process construction.



Process construction training

During the reporting period, our employee training coverage rate was **99.7%**, with an average training duration of **8** hours per capita. The detailed statistics are as follows:

Social Indicators	2022
Percentage of trained employees	
Percentage of total trained employees	99.7%
By gender	
Male	42.0%
Female	58.0%
By position	
Senior management	0.2%
Middle management	3.1%
Grassroots management	96.7%

Social Indicators	2022
Training duration per employee (Unit: hour)	
Training duration per capita	8.0
By gender	
Male	9.6
Female	6.9
By position	
Senior management	13.8
Middle management	9.4
Grassroots management	8.0

Employee Development

Performance Management

The Group has established a comprehensive performance management mechanism to provide all employees with fair and transparent promotion opportunities. We evaluate performance based on the characteristics of various positions and set multiple evaluation frequencies such as monthly, quarterly, and annual. The evaluation indicators include the company level or department level OGSM⁵ and job responsibilities to ensure that our strategies are divided and undertaken from top to bottom, that performance management tools guide strategy implementation, and that we finally achieve strategic objectives. The following is the evaluation mechanism:



Performance evaluation category

Following each cycle of performance evaluation, management personnel at all levels will conduct performance interviews to confirm the accomplishments of those with excellent performance and set higher requirements and expectations, assist those with average performance in meeting their goals and providing guidance for improvement, clarify the direction of improvement for those with poor performance, and provide assistance and conduct regular follow-up checks.

⁵ OGSM: Objective, Goal, Strategy, Measurement, a planning and implementation management tool.

Employee Promotion

We have formulated a complete grade system of posts and established career development channels for employees based on the system: the management, professional, and operation channels. The three career development channels are graded to form a clear grade system of posts and provide a foundation for employee promotion management.

We continue to optimize our promotion system, develop qualification standards for various positions, and conduct detailed planning in terms of basic qualifications, knowledge, skills, and abilities, allowing us to conduct scientific and reasonable talent evaluations based on the corresponding standards of each channel. We conducted promotion evaluations for employees at the end of 2022 based on their business contributions and development potential, providing excellent employees with promotion opportunities and internal job transfer opportunities to encourage them to advance.

We also support employees' career development and learning, encourage them to compare their knowledge, skills, abilities, and qualities with the qualifications standards at their respective job levels, combine individual learning with group learning, and help them develop the corresponding skills and abilities to support career development through formal education, interpersonal interaction, on-the-job practice, and other methods. Also, by working in critical positions, employees can further advance their professional growth while also addressing the Group's personnel needs.

By the end of 2022, the employee turnover rate of the Group was 29.4%, with specific data as follows:

Social Indicators	2022
Employee turnover rate	
Total employees turnover rate	29.4%
By gender	
Male	30.5%
Female	28.7%

Social Indicators	2022
Employee turnover rate	
By age	
30 and below	36.9%
31-40	28.5%
41-50	20.8%
51 and above	37.3%
By region	
East China (Shandong Province, Jiangsu Province, Anhui Province, Zhejiang Province, Fujian Province, Shanghai)	22.8%
South China (Guangdong Province, Guangxi Zhuang Autonomous Region, Hainan Province)	19.4%
Central China (Hubei Province, Hunan Province, Henan Province, Jiangxi Province)	30.7%
North China (Beijing, Tianjin, Hebei Province, Shanxi Province, Inner Mongolia Autonomous Region)	16.5%
Northwest China (Ningxia Hui Autonomous Region, Xinjiang Uygur Autonomous Region, Qinghai Province, Shaanxi Province, Gansu Province)	25.6%
Southwest China (Sichuan Province, Yunnan Province, Guizhou Province, Tibet, Chongqing)	22.0%
Northeast China (Liaoning Province, Jilin Province, Heilongjiang Province)	13.9%
Hong Kong, Macao and Taiwan (Hong Kong, Macao, Taiwan)	0



Caring for Employees' Life

The Group provides employees with a competitive welfare system and caring mechanism, as well as more attention to their voices, to create a harmonious workplace and enable employees to enjoy their work and life, thereby creating a sustainable future based on the views and advice of all employees.

Caring for Employees

The Group respects and values every employee's work and strives to convey its concerns to them. We care about our employees' health, well-being, and career development, and we strive to improve employee cohesion and create a talent team with a sense of belonging by organizing a variety of activities.

Optimizing employees' experience

- Provide gift package for new employee
- Formulate the induction guidance manual and the integration period guidance manual for new employees to help them quickly integrate into new environment
- Optimize office area facilities of units in Shanghai to provide a comfortable working environment
- Improve entertainment/leisure facilities such as gym, basketball court, billiards room, library, etc., and open them for all employees; Add supermarkets and vending machines in office areas and canteens
- Dormitory: Various types of apartments with complete facilities to meet the living needs of different employees, providing them with comfortable living experience and convenient environment
- Central kitchen to ensure food safety and balanced nutrition for employees and meet their diversified food demands

Optimizing corporate atmosphere

- Establish a communication and response mechanism for employees' appeals, feedback, and response and issue the Code of Conduct for Senior Executives in 2022 to eliminate barriers of communication between the top and bottom levels
- Set up a publicity team, establish a culture & honor system, and organize corporate culture activities, such as the Creator Cultural Activity, Wonderful Weilong People publicity activity (an activity with more than 30 representatives to publicize corporate culture), etc.
- Carry out employee activities: In 2022, the Group organized 236 employee activities to create an atmosphere of happy work and happy life

Concerns for Employee

The lives and work of our employees are always important to us. In 2022, we improved the training system for new hires, established a new hire orientation period, held monthly seminars for them, and promoted the Guiding the New Blood incentive scheme. As a result, we constructed an employee care management mechanism. Also, we arrange a monthly memorial service for workers in their housing complexes, which is overseen by the manager of the plant. This enables management to comprehend the living circumstances of workers quickly, hear their concerns, and find solutions for them.

The management visiting employees to express solicitude

The management regularly visits employees' dormitories to express their solicitude and solve problems in daily life for employees.



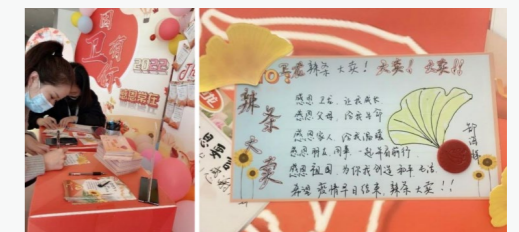
Throughout the reporting period, we conducted employee satisfaction surveys on topics such as living experience, working environment, problem feedback, and employee care. Employee satisfaction in 2022 was 87.3% on average. We focus on employee problems and continue to assist them, thereby increasing their happiness and sense of belonging.

We conduct a variety of activities in our spare time to assist employees in striking a balance between work

and life and pursuing significant personal and corporate development in a better state. To enrich employees' spare time and bring vitality, we organized a total of 236 activities in 2022, including the Spring Festival caring activity, the 2022 Happy New Year - fortunetelling activity, Women's Day event, the first corporate culture sharing activity, the online tea party for management, the induction tea party for new employees, the e-commerce products knowledge competition, the marketing learning camp, and the birthday party for employees.

Thanksgiving activities - "Everlasting gratitude for you"

On the Thanksgiving Day, we held an "Everlasting gratitude for you" event. Employees wrote letters on cards to express their gratitude to their family, colleagues, and the Group.



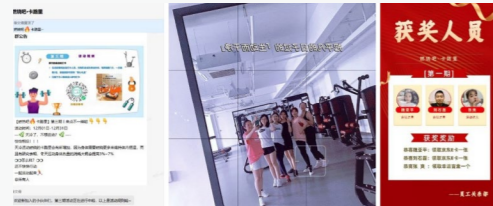
Birthday parties

Each department/plant of the Group regularly holds birthday parties for employees to express our blessings.



Sports Club - daily check-in exercising activity

We established a sports club, and held a daily check-in exercising activity in 2022 to provide bonus for athletic people, encouraging employees to participate in physical exercise and improving their physique.



By offering discounted health examinations for their families, releasing free medical consultations, and helping employees in need, we always care about the well-being of our employees. We will continue to prioritize improving employees' quality of life and safeguarding their physical and mental health, create systems for providing care and support, effectively assist those who are having problems, and genuinely uphold the tenet of "thinking about employees' needs" so that they can feel the Group's concern.

"Famous doctors entering famous enterprise" - free medical consultation

In 2022, we organized a free medical consultation themed "famous doctors entering famous enterprise", and invited traditional Chinese medicine physicians to our factories to answer employees' health related questions, letting them to have a deeper understanding of their own bodies and master the knowledge of disease prevention.



Employee Communication

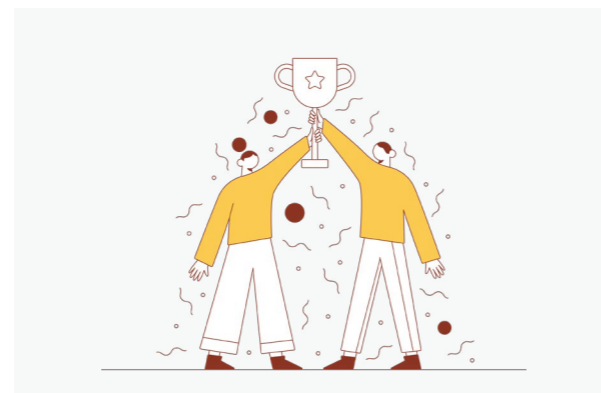
The Group values the exchange of information between employees and the Group. Through activities, questionnaire surveys, interviews, conversations, morning meetings, weekly and monthly meetings, and other measures, the Group achieved information synchronization with employees and collected opinions from employees through work consultation and interactive communication. In the meantime, we set up suggestion boxes, actively solved problems, and provided feedback. We will investigate and verify employee complaints and reports as soon as we receive them, and we will punish offenders appropriately.

Employee Conversation

The Group regularly holds employee conversations to convey internal information to employees, interact with them, and collect their problems to help them find solutions and provide feedback.



We identify problems through multiple channels, such as dormitory visits, employee conversations, Partnership Committee, and suggestion boxes, and disclose problem-solving progress. Our employee satisfaction has been improved through the joint efforts of HR, administration, and production departments.



Health and Safety of Employees

One of the Group's top priorities is employee health and safety. To provide employees with a safe and healthy working environment, we have developed an internal mechanism for health and safety management, established a safety risk management system, and implemented various measures in terms of production safety and employee health.

Management System

We strictly abide by a total of 21 laws and regulations including *the Law of the People's Republic of China on Prevention and Control of Occupational Diseases*, *the Regulations on Labor Protection in Workplaces Where Toxic Substances Are Used*, *the Special Provisions on Labor Protection for Female Employees*, and *the Regulations on Occupational Health Management in Workplace*, eliminate and reduce occupational hazards before putting into operation, and establish and improve the occupational health management system, thereby ensuring the occupational health and safety of the Group.

The Group has formulated 27 internal health and safety management documents, including *the Management Measures for Safety Production Goals*, *Management Measures for Environmental Safety Inspection*, *Management Measures for Operation in Confined Spaces*, and *Management Measures for External Construction Activities*. Among them, the *Management Measures for Safety Production Goals* clearly stipulate our safety goals, responsibilities, and reward and punishment measures. To ensure the implementation of the safety production management system through clear rewards and punishments mechanisms, we have delegated safety responsibilities at various levels from our Safety Management Leading Group to safety management personnel and established six levels of subjects of liability with clear responsibilities and rights.

In response to the "dual prevention mechanism" promoted by the People's Republic of China's Ministry of Emergency Management, we established a comprehensive occupational health and safety risk control system, including a tiered management and control mechanism for safety risk assessment and a hazards identification and governance mechanism. In 2019, we first implemented a risk management system in the Pingping and Weilai plants. After the municipal safety supervision departments confirmed its effectiveness, we adopted it to the Weidao and Xinglin plants. Currently, the safety risk management and control system has been adopted by all subsidiaries and plants.

Our safety system has been optimized based on the guidance of a third party and has obtained the Level 3 Safety Standardization Certification. During the reporting period, we implemented company-level hazard investigation and conducted hazard and defect inspection and rectification in accordance with relevant management systems, ensuring the effectiveness of safety risks identification and response.

Health and Safety Management Measures

To ensure compliance with project construction and guide the Group's health and safety management, we have developed rules and regulations, operating procedures, and emergency rescue plans for production safety accidents involving various occupational health and safety dimensions such as company safety, firefighting, environmental protection, and occupational health. We also developed and implemented various related measures, such as training, observing and monitoring safety behavior, and drills, to ensure that risk control procedures are fully implemented.

Occupational health and safety training

- Safety education and training include: new employee training, education and training on safety, firefighting, environmental protection, and occupational health, plant level safety education and training, annual safety education and training, tiered safety training for different sections of construction projects, special operation certification training, first aid training, and the on-site safety behavior observation among workers.

Monitoring of occupational hazards

- Promptly inform all employees who may be involved in occupational hazards the hazards that they may be exposed to at work, and post an *Occupational Hazard Notice* on site;
- Establish health monitoring records for employees and regularly monitor occupational health hazards and risks;
- Require employees to wear labor protection equipment such as earplugs and masks in hazardous environment;
- Use and regularly replace the activated carbon and 3m-6001 type masks at sites using chemical products.

Occupational Health Examination

- We provide occupational health examination for employees exposed to occupational hazards.

Emergency Drills

- Carry out emergency drills such as firefighting and evacuation, chemical poisoning and leakage, and flood prevention.

During the reporting period, we conducted a series of safety production activities aiming to improve the safety awareness of employees and identify safety risks, and achieved remarkable results.

Safety Production Month event themed "Abiding by the Safety Production Law, and shouldering the responsibilities in the first place"

In June 2022, all subsidiaries and plants of the Group launched a Safety Production Month event themed "Abiding by the Safety Production Law, and shouldering the responsibilities in the first place", aimed at spreading safety-centred culture and improving the safety awareness of employees.



Kickoff meeting of the Safety Production Month event

1. Everyone should shoulder the responsibilities for safety production in the first place for his own

To convey the spirit of implementing responsibility to every single person and strengthen safety atmosphere, our subsidiaries simultaneously held the kickoff meetings of the Safety Production Month event, encouraging employees to sign on banners to enhance their sense of responsibility for safety.



Employees signing on the banner of the Safety Production Month event

2. Safety knowledge competition

During the Safety Production Month event, we held safety knowledge competitions and won the wide participation of employees. Based on the competition results, we selected employees and provided them prizes, achieving excellent results of safety knowledge publicity.



Awarding prizes for outstanding employees in safety knowledge competitions

"119" Firefighting Publicity Month event

In 2022, to improve employees' fire prevention awareness and identify potential fire safety hazards in advance, we held the "119" Firefighting Publicity Month event and organized activities such as the kickoff meeting of Firefighting Publicity Month, case study of fire safety accident, fire safety publicity at passageways and billboards, fire hazards investigation, fire emergency evacuation, and firefighting drills.



Firefighting drills



Fire evacuation drills



Fire evacuation drills and firefighting skills training

Special emergency drill for flood prevention and rescue

Our plants organized special emergency drills for flood prevention and rescue. During the drills, our emergency teams responded according to relevant procedures with the active cooperation of relevant personnel, greatly improving employees' emergency response speeds and abilities for meteorological disasters.



Emergency drills for flood prevention

During the reporting period, the Group's lost days due to work injury was 2,004 days. In the past three years from 2020 to 2022, there have been no work-related deaths, with a death rate of zero.

05 For Community: Community Investment

- 5.1 Poverty Alleviation and Child Welfare
- 5.2 Rural Revitalization

品—中国味道

卫龙 抗击疫情献爱心 卫龙食品在行动



献爱心 卫龙食品在行动

“ Weilong attaches great importance to its social responsibilities and focuses on public welfare undertakings. We have taken roots in society, rely on society and are also committed to giving back to our society. The Group devoted itself to public welfare activities such as disaster relief, poverty alleviation, and industrial revitalization in terms of community investment. The Group invested a total of RMB 11.69 million in 2021 for community investment and RMB 2.02 million in 2022. ”

For Community:
Community Investment

Poverty Alleviation and Child Welfare

Adhering to the principle of common prosperity, the Group established a "mutual love and poverty alleviation fund" to help needy people. Meanwhile, we pay attention to the physical and mental health of the young generation, provide financial support for children in need, and organize donations for education.

Donation activity for Qingmingli Primary School



Qingmingli Primary School became our target of aid in May 2022. We contacted and communicated with the school and developed a targeted donation plan based on its actual situation. On May 31, 2022 we donated one LED screen to Qingmingli Primary School worth of more than RMB 30,000.

Caring activities for special vulnerable children



Concerning about the actual needs of local special groups, the Group's Public Relations Department communicated with the Children's Relief Center in Taiyang Village, Xinxiang City, formulated a donation plan, and donated RMB 200,000 to solve difficulties in daily life and provide education aid for local vulnerable children.

Targeted poverty alleviation



The Group conducted targeted poverty alleviation activities jointly with the government. Together with the Party Committee Office of the district, the Group's Public Relations Department actively contacted the families with financial or material difficulties and carried out targeted poverty alleviation activities, subsidizing five needy households in the development zone with more than RMB 100,000.

Rural Revitalization

In China, the most arduous and difficult task of achieving common prosperity remains in rural areas, and the key to rural revitalization lies in promoting high-quality development of rural areas. As a leading snack food enterprise, the Group focused on the issue of rural revitalization, boosted industrial revitalization of rural villages, and made every effort to promote the sustainable development of rural economy.

Pepper harvesting

With a large demand for high-quality pepper raw materials, the Group purchases goods from farmers in Luohe City to drive the development of planting areas, assist local farmers and increase their income.



Chinese prickly ash harvesting

The Group has strict standards for raw materials. The Group directly purchases first-hand goods from farmers to promote the development of the local pepper planting industry, and helping farmers increase their income.



HKEX GUIDE

ESG aspects and general disclosure and key performance indicators (KPI)			Chapter
A. Environmental			
Aspect A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NO _x , SO _x , and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	For Environment: Green Development Environment Management For Environment: Green Development Emissions Management
	A1.1	The types of emissions and respective emissions data.	For Environment: Green Development Emissions Management
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	For Environment: Green Development Energy Management
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	For Environment: Green Development Emissions Management
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	For Environment: Green Development Emissions Management
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	For Environment: Green Development Emissions Management
Aspect A2: Use of Resources	General Disclosure	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	For Environment: Green Development Emissions Management
	A2.1	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	For Environment: Green Development Energy Management
	A2.2	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	For Environment: Green Development Energy Management
	A2.3	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	For Environment: Green Development Use of Resource
	A2.4	Description of energy use efficiency target(s) set and steps taken to achieve them.	For Environment: Green Development Environment Management
	A2.5	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	For Environment: Green Development Environment Management
Aspect A3: The Environment and Natural Resources	General Disclosure	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	For Environment: Green Development Use of Resource
	A3.1	Policies on minimising the issuer's significant impacts on the environment and natural resources.	For Environment: Green Development Emissions Management
Aspect A4: Climate Change	General Disclosure	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	For Environment: Green Development Emissions Management
	A4.1	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	For Environment: Green Development Addressing Climate Change
Aspect B1: Employment	General Disclosure	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	For Environment: Green Development Addressing Climate Change
	B1.1	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	For Employees: Joint Development Building an Inclusive Workplace
	B1.2	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	For Employees: Joint Development Building an Inclusive Workplace
B1.2	Employee turnover rate by gender, age group and geographical region.	For Employees: Joint Development Building an Inclusive Workplace	

ESG aspects and general disclosure and key performance indicators (KPI)			Chapter
Aspect B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	For Employees: Joint Development Health and Safety of Employees
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	For Employees: Joint Development Health and Safety of Employees
	B2.2	Lost days due to work injury.	For Employees: Joint Development Health and Safety of Employees
B3: Development and Training	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	For Employees: Joint Development Health and Safety of Employees
	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	For Employees: Joint Development Promoting Career Development-Employee Training
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	For Employees: Joint Development Promoting Career Development-Employee Training
Aspect B4: Labour Standards	B3.2	The average training hours completed per employee by gender and employee category.	For Employees: Joint Development Promoting Career Development-Employee Training
	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	For Employees: Joint Development Building an Inclusive Workplace-Compliant Employment
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	For Employees: Joint Development Building an Inclusive Workplace-Compliant Employment
Aspect B5: Supply Chain Management	B4.2	Description of steps taken to eliminate such practices when discovered.	For Employees: Joint Development Building an Inclusive Workplace-Compliant Employment
	General Disclosure	Description of measures to review employment practices to avoid child and forced labour.	For Employees: Joint Development Building an Inclusive Workplace-Compliant Employment
	B5.1	Description of steps taken to eliminate such practices when discovered.	For Employees: Joint Development Building an Inclusive Workplace-Compliant Employment
Aspect B6: Product Responsibility	B5.2	Policies on managing environmental and social risks of the supply chain.	For Quality: Food Safety Supply Chain Management
	B5.3	Number of suppliers by geographical region.	For Quality: Food Safety Supply Chain Management
	B5.4	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	For Quality: Food Safety Supply Chain Management
	B5.5	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	For Quality: Food Safety Supply Chain Management
Aspect B7: Anti-corruption	B5.6	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	For Quality: Food Safety Supply Chain Management
	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	For Quality: Food Safety
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	For Quality: Food Safety Quality First
	B6.2	Number of products and service related complaints received and how they are dealt with.	For Quality: Food Safety Excellent Services
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	For Quality: Food Safety Health and Innovation
Aspect B8: Community Investment	B6.4	Description of quality assurance process and recall procedures.	For Quality: Food Safety Quality First
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	For Quality: Food Safety Excellent Services
	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	For Responsibility: Corporate Governance Business Ethics
Aspect B8: Community Investment	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	For Responsibility: Corporate Governance Business Ethics
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	For Responsibility: Corporate Governance Business Ethics
	B7.3	Description of anti-corruption training provided to directors and staff.	For Responsibility: Corporate Governance Business Ethics
Aspect B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	For Community: Community Investment
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	For Quality: Food Safety Cohesion and Win-Win ResultsFor Community
	B8.2	Resources contributed (e.g. money or time) to the focus area.	For Community: Community Investment



E-mail: ir@wlsajt.com

Address: Southwest Corner Intersection of Dongfanghong Road and Zhongshan Road,
Shaoling District, Luohe, Henan, the PRC
5th Floor, MT1 Building, Wanxiang Enterprise Center, 229 Haowen Street,
Minhang District, Shanghai, the PRC