

# 2023 Environmental, Social and Governance Report

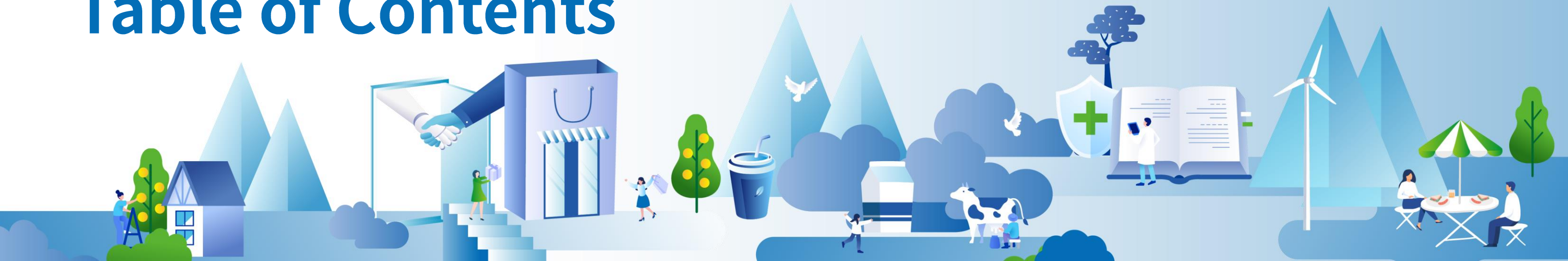


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# About this Report

## Introduction to the Report

Tian Tu Capital Co., Ltd. (the "Company" "Tian Tu Capital") and its subsidiaries ("the Group" "Group" "We") are pleased to release the first Environmental, Social and Governance Report (the "Report"), which aims to disclose the Group's policy system and performance in fulfilling the Environmental, Social and Governance ("ESG") requirements in 2023.

## Scope of the Report

This report covers the period from January 1, 2023 to December 31, 2023 (the "Reporting Period"), with some parts extended forward and backward as appropriate for comparability and completeness. The scope of disclosure in this report covers the Group's main business. For details of the business, please refer to the Company's Annual Report 2023.

## Basis of Preparation

This report has been prepared strictly in accordance with all the "Mandatory Disclosure Requirements" and "Explanatory Provisions for Non-Compliance" set out in Appendix C2 "Environmental, Social and Governance Reporting Guide" (the "ESG Guide") of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), and the disclosure highlights of the report are based on the degree of interest of the stakeholders in the respective issues.

## Source of Information

The information disclosed in this report has been obtained from the Group's internal official documents, statistical reports, statistics and relevant public information.

## Disclaimer

The investment cases studies cited in Chapter "Responsible Investment, Enabling Value Creation" are for the sole purpose of illustrating the Group's practice in the field of responsible investment, and the information therein is derived from publicly available information or provided by the investee companies. The Group does not guarantee the accuracy and completeness of such information, nor does it undertake to update inaccurate or outdated information, opinions and data, nor does it guarantee the fulfillment of its investment objectives or the success of its investment plans.

The portfolio companies mentioned in this report are for reference only, and the opinions and any description thereof are not intended to be indicative of their current or future performance, and do not constitute any recommendation, purchase or sale of any funds, equity products or other underlying assets that may be invested in, and any investment decisions made by investors on the basis of such information are not the responsibility of the Group.



## Reporting Principles

This report is based on the four principles of materiality, quantification, equilibrium and consistency:

Principle	Report Response
Materiality	The Group identifies the significance of the Group's ESG issues by taking into account the development trend of the industry and the concerns of stakeholders, focusing on factors such as excellent practices of industry peers, investment philosophy, operating factors and locations, and uses these factors as the basis for the preparation of this report.
Quantitative	Where practicable, information on the criteria, methodology, assumptions and/or calculation tools used for the quantification disclosed, as well as the sources of the conversion factors used, are explained to facilitate the reader's assessment and verification of the performance of the Group's ESG policies and practices.
Balance	This report provides a fair and comprehensive disclosure of the Group's sustainability performance based on objective information and facts and avoids statements or presentation formats that may inappropriately influence readers' decisions or judgments.
Consistency	As the first report, the KPI statistical approach and calculation methodology will be carefully considered and set out in this report to ensure consistency in the collection, calculation and disclosure of the Group's KPIs in the future.

## Report Access

This report is published simultaneously in April 2024 in both English and Chinese. You can access the report through the Regulatory Disclosure Platform and the Company's official website at <http://www.tiantucapital.com>.



## Message from the Chairman



At a time of change and recovery, the Group is pleased to release our first Environmental, Social and Governance (ESG) report to share our journey and achievements on the road to sustainability. During 2023, we have experienced an intense, complex and volatile market environment. We have responded to change with innovation, led change with innovation, and sought out investment opportunities brought about by technological advancement and consumer change with a responsible investment philosophy in every wave of brand and market emergence, so as to bring long-term sustainable investment returns to our investors.

Adhering to the investment philosophy of Value Creation, Inflection Point Investment, and Driven by Brands and Technologies, our insistence on value growth has been consistent throughout the growth of Tian Tu Capital. From now on, China unswervingly promotes the process of Chinese modernization, and global climate action is in full swing. As a long-term value investor, we are still committed to investing in enterprises with the value of solving social and environmental problems, integrating ESG factors into the "raising, investment, management and withdrawal" investment business process, and practicing responsible investment. Through effective capital allocation, scientific, professional and effective enabling mechanisms, we can help enterprises achieve commercial success while promoting social sustainable development.

We strive to enhance the quality of consumers' living experience, support the continuous growth of outstanding consumer brands in food, maternal and childcare, and skin care, which are closely related to living experience, and serve the growing needs of the public for a better life; we promote the steady growth of brands in the fruit and dairy sectors, and feed the win-win growth of green agriculture upstream of the value chain, thereby benignly empowering village revitalization; we lead the way for a green, low-carbon economy through technological innovation, and invest in the cultivation of outstanding recycling economy and environmental protection enterprises, and promoted the intelligent and efficient innovation of the recycling economy; we pay attention to the healthcare industry, and develop the "Life Science and Healthcare" track around great health, in order to provide consumers with smarter, more reliable medical experience.

In addition to investment, we still demand ourselves to be a responsible and socially caring corporate citizen and make the world a better place with our humble efforts. We advocate green travel for our employees, actively participate in social welfare, and fulfill our corporate social responsibility by taking every small action. We initiated the establishment of the iRead Foundation, which always pays attention to the children's reading cause, so that every child can enjoy the fun of reading.

Those who are wise prevents disasters before they happen, and those who are intelligent will plans for the future (明者防禍於未萌，智者圖患于將來). In the face of the unprecedented changes that has not been seen in the past hundred years, we cherish hope and insist on looking for the inflection points of changes with a sustainable development attitude. Based on our in-depth understanding of consumer brands, entrepreneurial spirit, organizational structure and consumers accumulated for more than 20 years, we will dig out entrepreneurs with the spirit of the times, cultivate emerging consumer brands, enhance the long-term value of the brands, facilitate the creation of great enterprises, and empower sustainable development of China's consumer industry.

## Wang Yonghua

Chairman  
Tian Tu Capital Co., Ltd.  
April 2024



# About Us

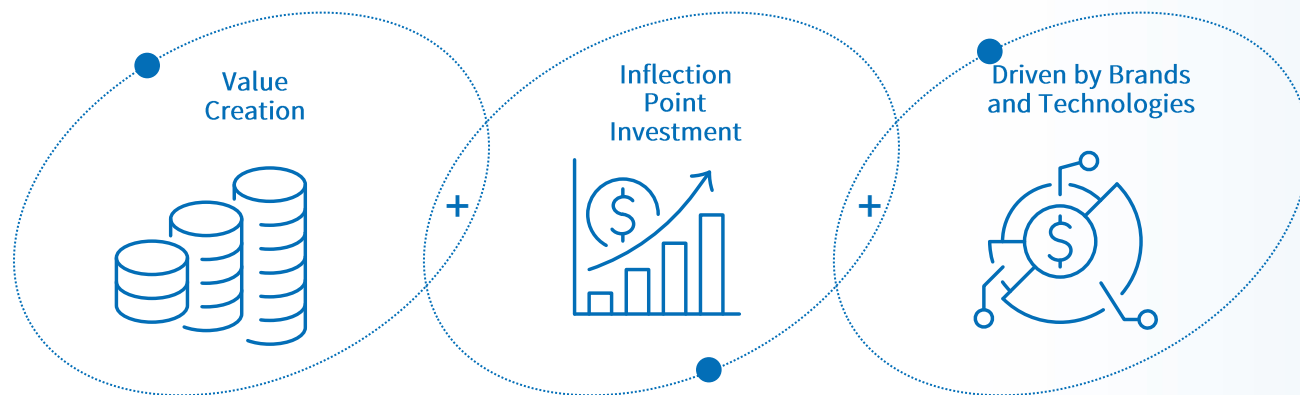
## Business Overview

The Group is a leading private equity investor committed to driving the growth of Chinese consumer brands, with in-depth research and specialization, dedicated to promoting the growth of China's consumer brands. Within-depth understanding of the consumer goods industry, the Group has accumulated rich industry resources and developed systematic investment theories and methodologies. The Group's investments cover a wide range of areas in the consumer industry, and it continues to focus on consumer-related areas such as healthcare, artificial intelligence and life sciences. In recent years, the Group's investments have contributed to the rapid growth of a number of leading brands in various subsectors, and the Group has gradually become a professional investment management organization with significant influence on the consumer industry in China.

The Group's fund investors include institutional investors such as insurance companies, banks, listed companies, government-led funds and high net worth individuals. The Group is committed to identifying and investing in outstanding enterprises and entrepreneurs with the spirit of the times, and acting as an investment institution to continuously empower our portfolio companies to achieve brand and corporate growth while generating outstanding returns for our investors. As at the end of 2023, the Group's total assets under management amounted to RMB24.4 billion, with 13 RMB funds and 3 USD funds under management.

## Company Philosophy

The Group firmly believes that focus is the path to professionalism. Through our in-depth understanding of consumer brands, entrepreneurship, organizational structure and consumer psychology accumulated over the past 20 years, we have built up in-depth knowledge and experience in key areas such as growth patterns, competitive strategies and branding operations of consumer enterprises, thereby establishing a solid research and investment system and continuing to occupy a dominant position in seizing the opportunities of China's consumer and investment industries. The Group's investment approach includes creation of The Group's investment approach includes value-creating investments, inflection point investments and brand plus technology driven.



## Summary of Annual ESG Performance

24.4

Total assets under management exceeded RMB24.4 billion

16

Managed 13 RMB funds and 3 USD funds

100+

Over 100 external fund investors with funds under management



189

Investing portfolio companies 189

12

Conducted 12 offline fund partner meetings in 2023

100+

Over 100 online investor meetings in 2023



100%

100% coverage of anti-corruption training

100%

Annual staff training coverage reached 100%

55.17%

55.17% of the staff were women



0

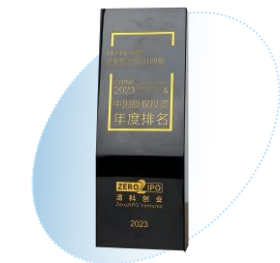
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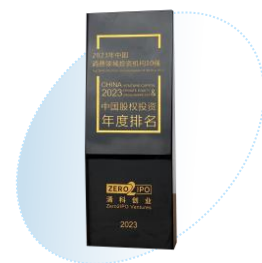


## Annual Honors

In recent years, the Group has received numerous awards from authoritative organizations, media and industry associations. Below are some of the awards received during the timespan covered by this report:



2023 Top 100 Venture Capital Organizations in China  
Zero2IPO Ventures



Top 10 Consumer Investment Institutions in China 2023  
Zero2IPO Ventures



2022 Top 30 Best Venture Capital Institutions in Guangdong, Hong Kong and Macao Greater Bay Area  
CVINFO



2022 Top 50 Best Venture Capital Institutions in China  
CVINFO



2022 Top 50 Best Chinese-funded Venture Capital Institutions in China  
CVINFO



2022 Top 30 Best Investment Institutions in China's New Consumer Industry  
CVINFO



2022-2023 Best Investment Institution in China's New Consumer Sector  
China Bridge



2022-2023 China Healthcare Investment Excellence  
China Bridge



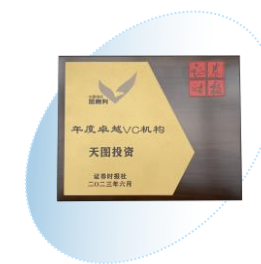
2022 Top 50 Impact VC Investment Institutions in China  
China Venture Capital Research Institute



2023 Top 100 Impact Investment Institutions in China  
China Venture Capital Research Institute



2023 Top 30 Best New Consumer Investment Institutions in China  
China Venture Capital Research Institute



2023 Venture Capital Golden Eagle Award - Outstanding VC Organization of the Year  
Securities Times



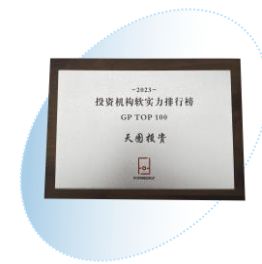
2023 China's most LP-recognized Venture Capital Institutions  
36 Kr



2023 Most Popular Investment Institutions for Entrepreneurs  
36 Kr



2023 Investment Institutions Soft Power Ranking - Consumer Top 20  
FOFWEEKLY



2023 Soft Power Ranking of Investment Institutions - GP TOP100 of Investment Institutions  
FOFWEEKLY



2023 China Consumer Investment Organization of the Year  
Yicai



2023 Most Admired Venture Capital Organizations  
CYzone



The 7th China Equity Investment Golden Bull Award - Outstanding Investment Institution in Consumer Life Field  
China Securities Journal



2023 China's Top Venture Capital Organizations  
Jiemian

# Sustainability Management





## Sustainability Philosophy

As a leading private equity investment institution focusing on China's consumer sector, the Group actively responds to national policies, incorporates sustainable development considerations into its investment management and all stages of the Group's operations, promotes the high-quality and sustainable development of Chinese consumer brands. Meanwhile, the Group continues to improve own governance, actively undertakes corporate social responsibility, promotes the synergistic development of economic, social and environmental benefits, and works together with stakeholders to move towards a sustainable future.

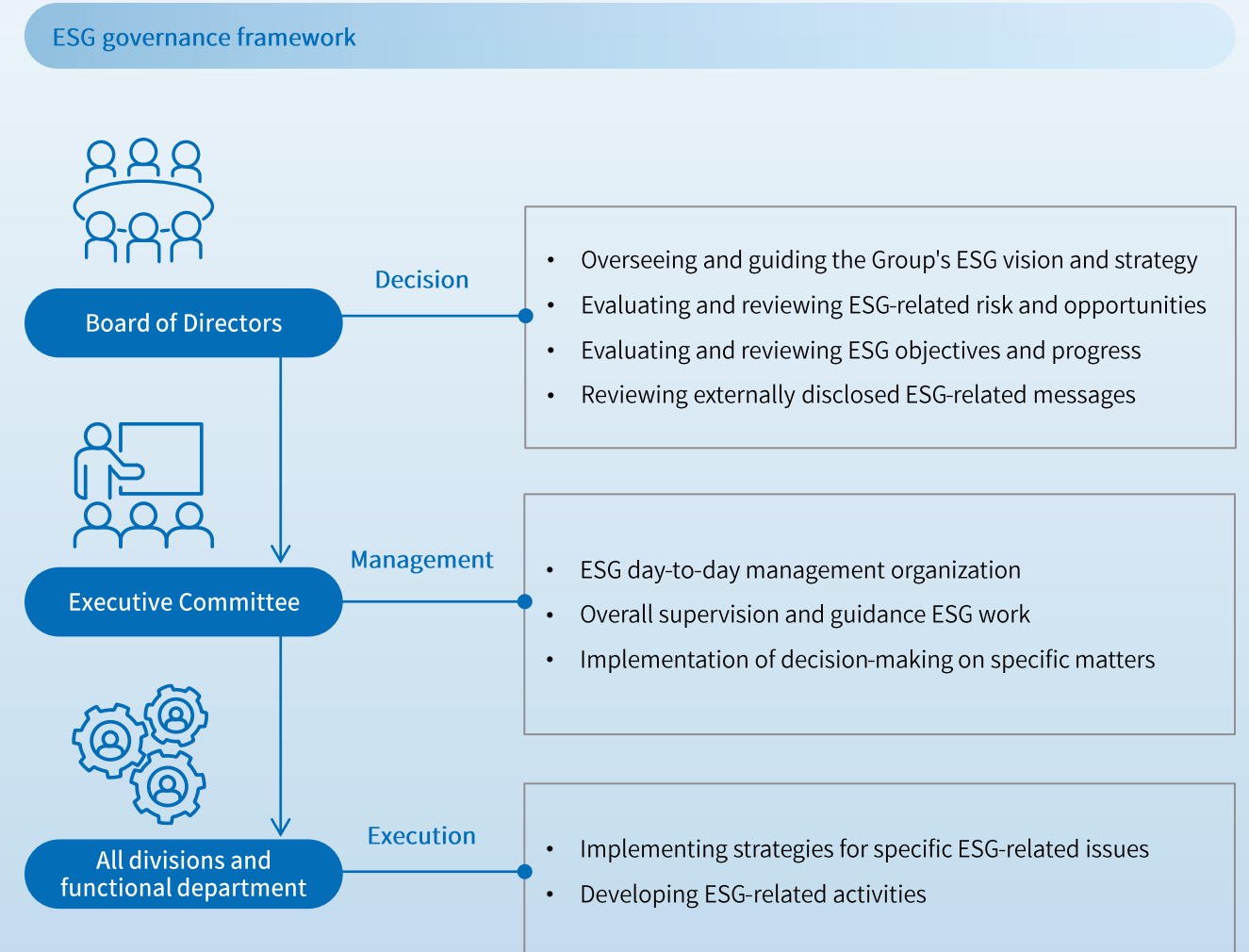
## Statement of the Board of Directors

The Board of Directors of the Company as the highest decision-making body, attaches great importance to the management of sustainable development. In accordance with the requirements of the ESG Guide of the Hong Kong Stock Exchange, the Board of Directors formulates and improves the ESG governance structure, comprehensively formulates and reviews the ESG management objective and progress made against ESG-related goals and targets, evaluates the Group's ESG risks, and reviews the ESG related issues. In 2023, the Board of Directors has reviewed and supervised the policies and measures on ESG-related issues such as compliant operations, support for the real economy development, protection of investors' rights and interests, risk management and response to climate change. The progress and effectiveness of the Group's work on the above and other ESG issues for the year 2023 have been disclosed detailedly in this report, which was reviewed and approved by the Board of Directors on April 30, 2024.



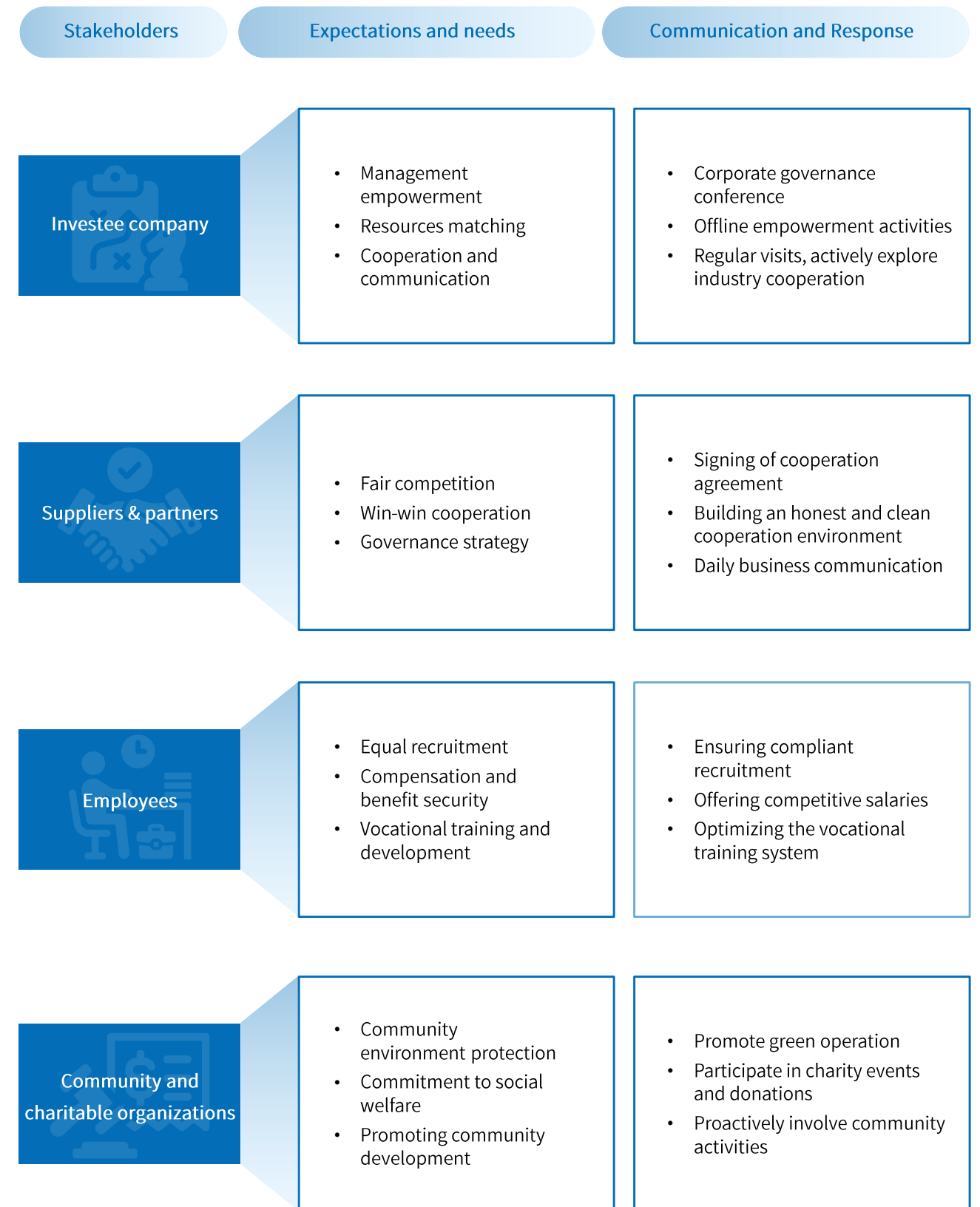
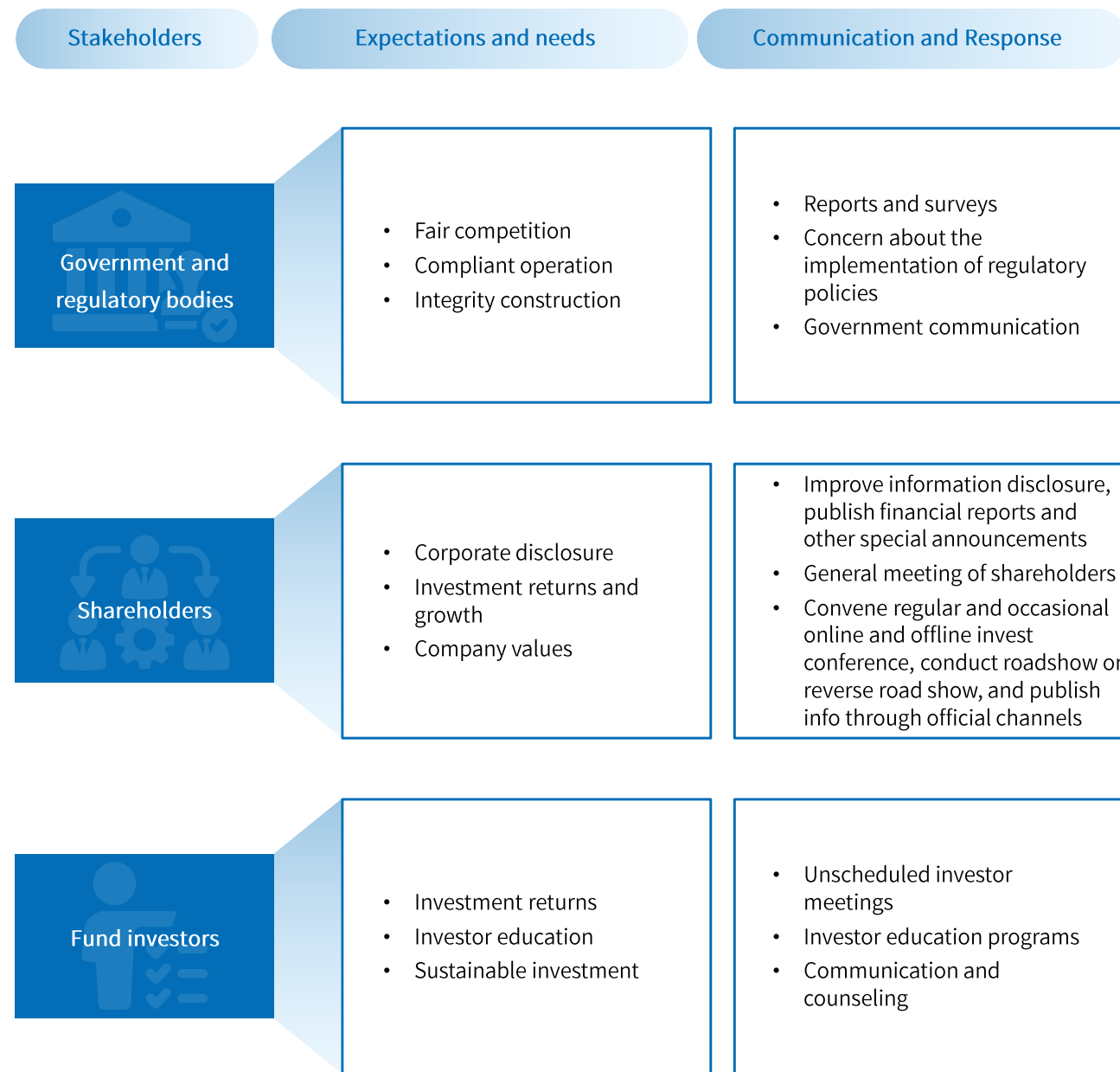
## ESG Governance Framework

The Group firmly believes that a scientific governance structure will provide a stable protection for the Group's business growth and sustainable development. In respect of ESG governance, an ESG governance structure has been established with the Board of Directors as the core, which is the highest ESG decision-making body responsible for the Group's sustainable performance, approving the disclosure of ESG information, regularly reviewing, evaluating and guiding the work in relation to sustainable development, examining the potential impact of ESG issues on business development, relevant risks and opportunities, and incorporating such risks and opportunities into management decisions. The Group has set up an executive committee at the management level. Under the leadership and supervision of the Board of Directors, the executive committee acts as a coordinating body responsible for designing, coordinating and harmonizing various resources to support the implementation of the Group's ESG strategy.



# Stakeholder Engagement

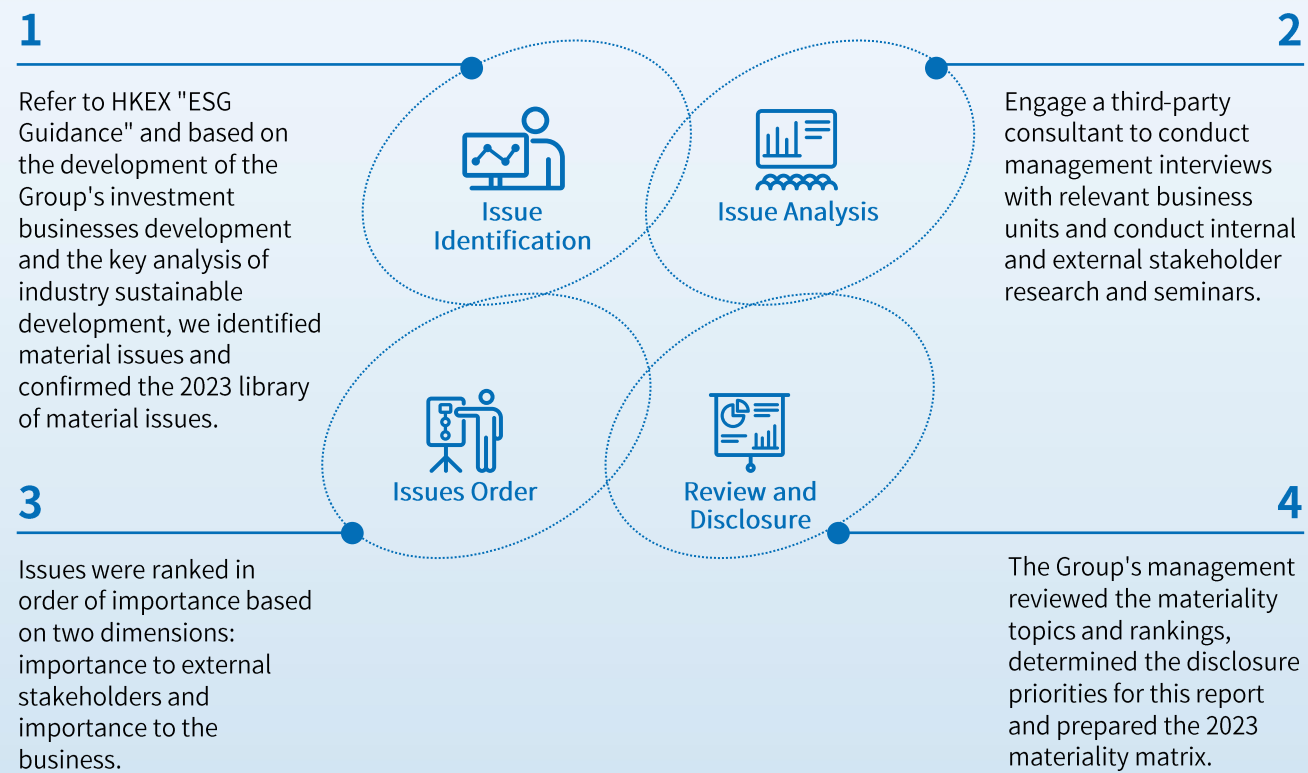
The Group attaches great importance to communication with its stakeholders, and actively understands and responds to the demands and expectations of various stakeholders by means of investor exchanges, industry exchanges and employee exchanges, etc., to assist the Group in setting sustainable development objectives and formulating measures to realize the concept of sustainable development. The current status of the Group's stakeholder communications can be summarized as follows:



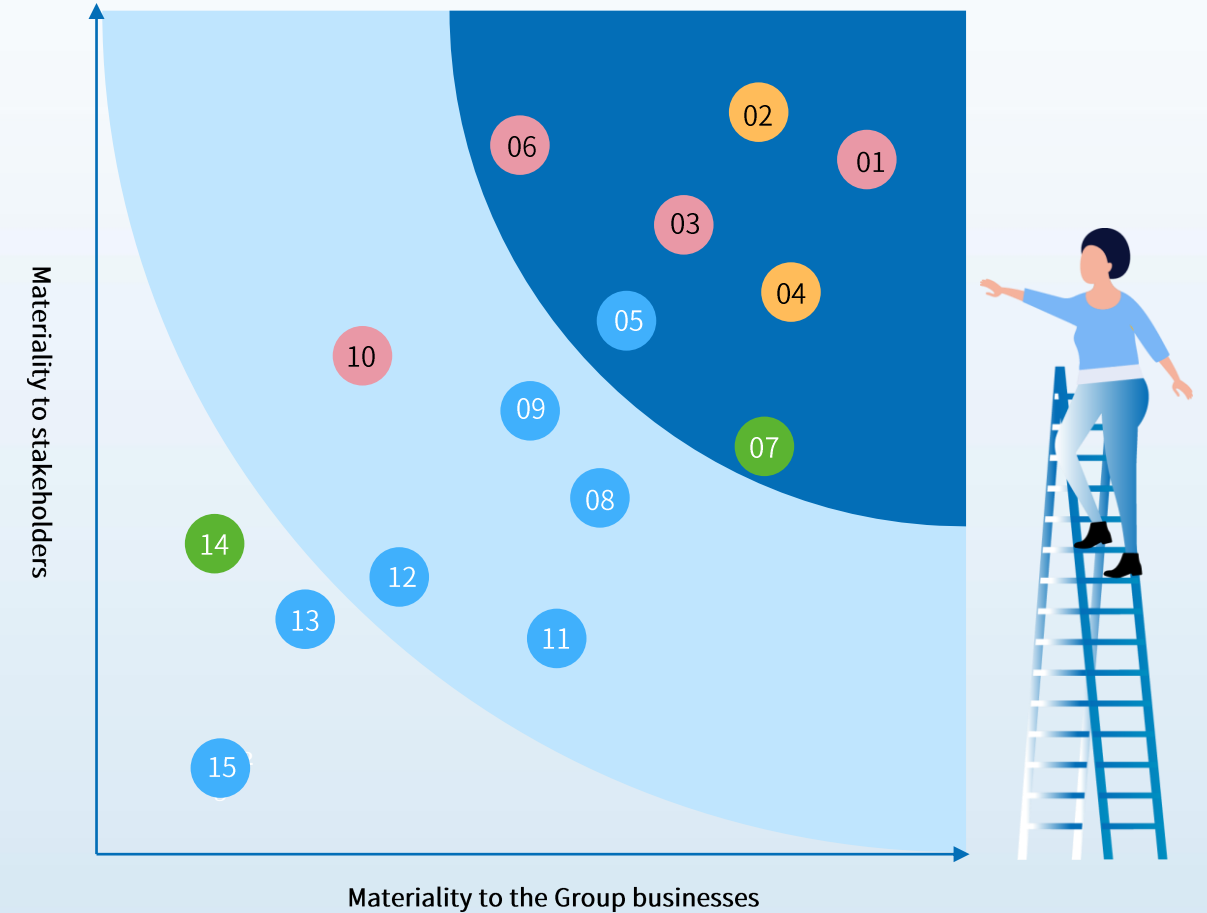
# Materiality Assessment

In order to systematically understand the key concerns of stakeholders regarding the Group's sustainable development and to improve the Group's sustainable development management and related information disclosure, the Group combined its investment philosophy, business development, industry characteristics and national policy environment with the expectations of stakeholders, to carry out a comprehensive assessment to analyze and rank important issues for 2023 through stakeholder communication, policy tracking and industry analysis.

Under the guidance and supervision of the Board of Directors, the Group took the following four steps to commence the 2023 materiality assessment:



As a result of the above process identification assessment, the Group's materiality matrix and issues ranking for 2023 is set out below:



- |  |  |  |  |
|--|--|--|--|
| <span style="color: green;">●</span> Environmental | <span style="color: blue;">●</span> Social     | <span style="color: pink;">●</span> Governance | <span style="color: orange;">●</span> Economic |
| 7. Responding to climate change                    | 5. Investor interest protection                | 1. Compliance operations                       | 2. Supporting real economic development        |
| 14. Green and low-carbon operations                | 8. Employee motivation and development         | 3. Business ethics and anti-corruption         | 4. Sustainable investment                      |
|  | 9. Information security and privacy protection | 6. Risk management                             |  |
|  | 11. Employee health and safety                 | 10. Fair competition                           |  |
|  | 12. Social responsibility and philanthropy     |  |  |
|  | 13. Diversity, equality and inclusion          |  |  |
|  | 15. Supplier management                        |  |  |

Based on the results of the materiality assessment in 2023, the Group will explain the management methods and significant performance of the issues in the subsequent report chapters to address the concerns and expectations of the stakeholders. In addition, the Group regularly evaluates its issue management methods through internal performance appraisals and stakeholder communications and will make reasonable adjustments to them when necessary to ensure the effectiveness of each issue management method.



# Stabilization and Improvement of Corporate Governance



## Governance Mechanism

A scientific and reliable governance mechanism is an important cornerstone to achieve stable business growth and long-term sustainable development. The Group strictly complies with the requirements of the Company Law of the People's Republic of China and other laws and regulations, as well as rules relevant for dual listing. The Company has established a modern corporate governance structure "three committee and one layer (三會一層)", comprising the general meeting of shareholders, the board of directors, the supervisory committee and the senior management, and has formulated and perfected series standardized documents and internal policies, such as Articles of Association and the Remuneration of Directors and Senior Management and the Board Evaluation Policy, laying a solid foundation for the establishment of a modern, professional, reliable and efficient venture capital firm.

The Board of Directors comprises nine directors, including four executive directors, two non-executive directors and three independent non-executive directors. The educational and professional backgrounds of the directors cover a wide range of fields such as finance, law, economics, accounting and risk, etc. They provide the Group with professional advice from different perspectives in the process of governance decision-making to ensure that the Group's decisions are scientific and effective. The Group has also initiated professional training on corporate governance for directors to enhance the professional governance capability of the Board. At the same time, the Group has formulated the Board Diversity Policy to guide the Nomination Committee in reviewing and evaluating directors with reference to diverse factors such as gender, age, language, cultural and professional backgrounds, and industries, etc., to help realize the objective of board diversity.



### 2023

Hong Kong Listing Compliance Training for Directors, Supervisors and Senior Executives



In order to strengthen its corporate governance capability and familiarize itself with the Company's listing operation rules, the Group launched a professional compliance training for directors, supervisors and senior management in November 2023, covering compliant governance, information disclosure and business ethics, strengthening the compliance awareness of the decision makers and enhancing the Group compliance capabilities.

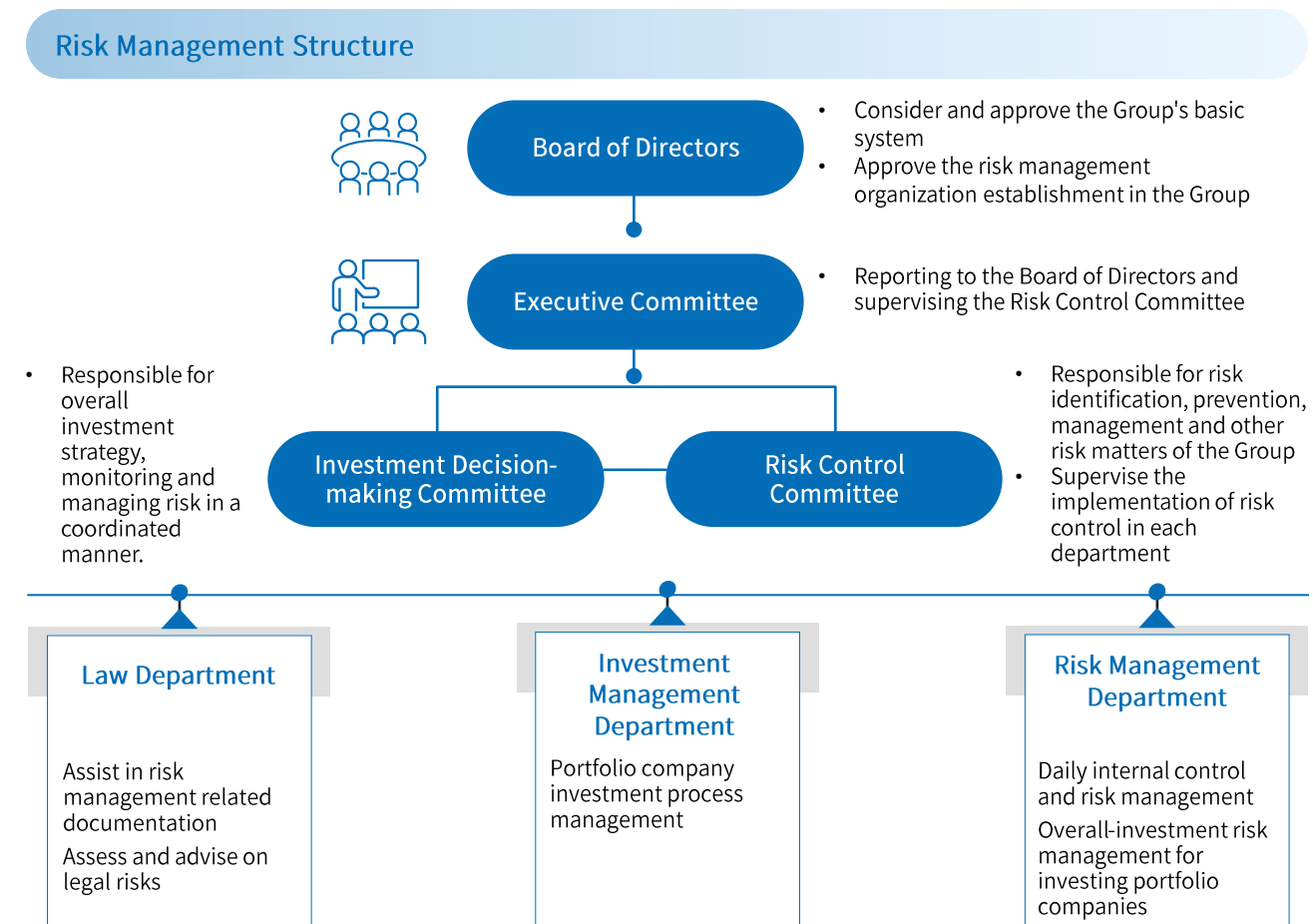
## Disclosure of Information

The Group has formulated internal systems such as the Rules Governing the Conduct of General Meetings of Shareholders, the Rules Governing the Conduct of Board Meetings, the Rules Governing the Conduct of Supervisory Committee Meetings, the System for the Management of Related Transactions, and the System for Maintaining Confidentiality and Filing Management in Relation to Overseas Offerings of Securities and Listings, etc., to establish and improve the information disclosure management system, guide the Group to systematically carry out the collection, analysis and compliant disclosure of information, so as to provide truthful, accurate and complete information to stakeholders and establish an information basis for investment decision-making. At the same time, the Group has established a variety of investor communication channels, including annual reports, announcements, general meetings, results presentation meetings, analysts meetings, roadshows, reverse roadshows, one-on-one communications, websites, media interviews and reports, information dissemination through official channels, on-site visits and telephone consultations, etc., and endeavors to conduct timely, extensive and in-depth exchanges of information with investors on the basis of ensuring efficient communication.

## Risk Management

A sound risk management system can provide protection for the safe operation and management of the Company's business. The Group has established a sound internal risk management mechanism. In accordance with the Guidelines on Internal Control for Private Equity Fund Managers, other laws, regulations and industry self-regulatory rules, the Group has established internal system documents, such as the Comprehensive Risk Management Policy, which guides the orderly commencement of risk management matters such as risk identification, risk assessment, risk analysis, risk control and risk reporting, and specifies relevant requirements in respect of the control of business processes, authorization, fund raising, separation of property, prevention of conflict of interest, investment control, custody control, outsourcing control, information system control and accounting system control. It also specifies relevant requirements for business process control, authorization control, fundraising control, separation of property, prevention of conflict of interest, investment control, custody control, outsourcing control, information system control and accounting system control, etc., so as to build a solid foundation for the Company's risk management capability.

The Group has established a multi-level risk control system with the Board of Directors taking the ultimate responsibility for risk management. The Executive Committee under the Board of Directors is responsible for reporting to the Board of Directors and supervising the Risk Control Committee as a regular management organization; the Risk Control Committee is responsible for the overall decision-making and supervision of the Group's risk management in all aspects; the Investment Decision-making Committee collaborates with the Risk Control Committee to carry out risk management-related work; and the level of each functional department has been clearly defined. The Investment Decision Committee collaborates with the Risk Control Committee to carry out risk management related work and clearly define the hierarchy of each functional department.



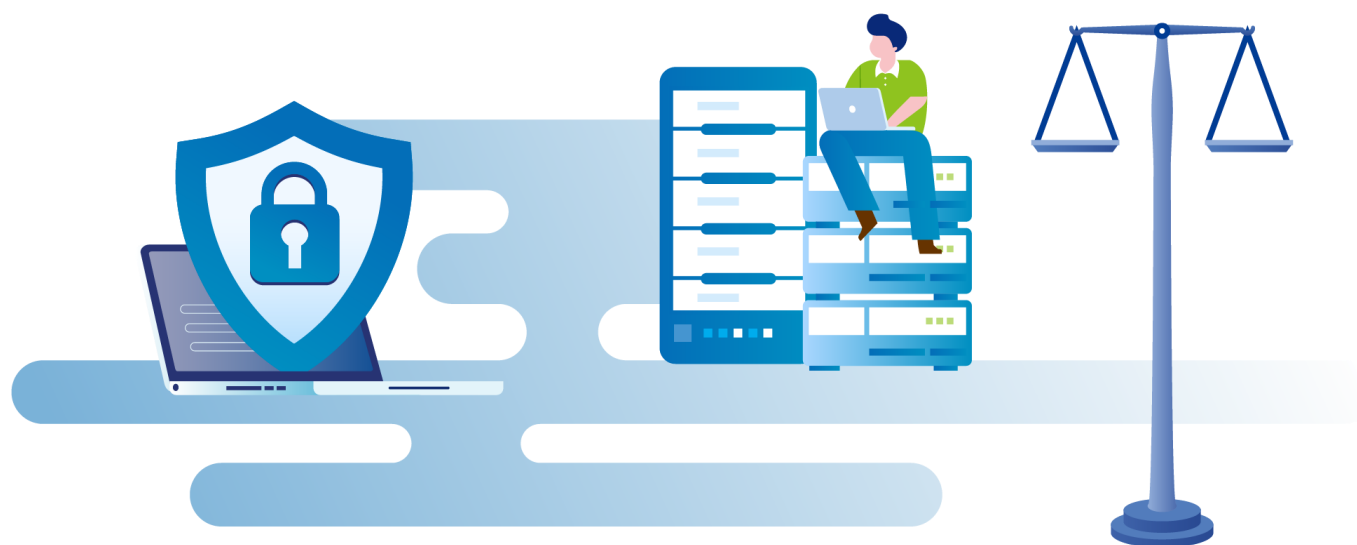
## Compliant Operation

The Group takes compliance and integrity as the cornerstone of its governance and takes various measures to ensure that its businesses operate in a lawful and compliant manner. The Group strictly complies with the Securities Investment Fund Law of the People's Republic of China, the Regulations on the Supervision and Administration of Private Equity Funds and Certain Provisions on Strengthening the Supervision of Private Equity Funds and other laws and regulations and departmental rules, and has formulated relevant systems for group governance, investment management, fund operation, business ethics and anti-corruption, and has strengthened its internal management in the areas of information disclosure, fundraising, information security and staff management to comprehensively enhance its compliance management capability.

## Anti-money Laundering

The Group strictly complies with the Anti-Money Laundering Law of the People's Republic of China, the Anti-Terrorism Law of the People's Republic of China and other anti-money laundering related laws and regulations, and has formulated the Anti-fraud, Anti-money Laundering, Anti-bribery and Anti-corruption Policy, to fulfill its anti-money laundering obligations in earnest. The Executive Committee of the Group, as the leading organization and the main organization responsible for anti-money laundering work, provides guidance and supervision on anti-money laundering work, while the Risk Management Department and the Law Department are responsible for identifying, investigating and handling anti-money laundering risks.

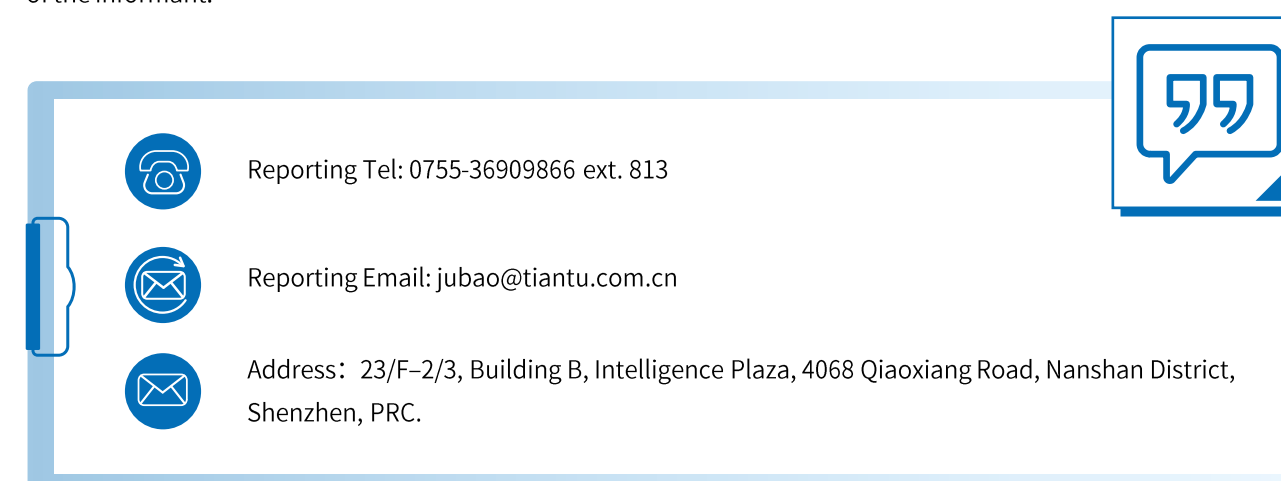
The Group has established a clear internal anti-money laundering workflow. At the fundraising stage, the Group strictly controls the risk of money laundering by reasonably examining the investor identity, filing and managing investor information, and scrutinizing and approving the input or removal of funds by investors; At the transaction stage, when large-value cash transactions and suspicious cash transactions are detected, the Group will verify the identity of the investors in a timely manner with valid certificates and authorization letters, etc., and preserve the identity information of the nominee and the agent and report the information to the internal authorities in the first instance. Suspicious transaction reports are scrutinized by the Risk Management Department and reviewed by the Executive Committee before being reported to the regulators. In addition, the Group also conducts anti-money laundering related audits on investee companies in the course of due diligence and day-to-day business operations to ensure that the investee companies are operating in compliance with the regulations. In 2023, the Group initiated 3 anti-money laundering related audits on new invested companies.



## Business Ethics

Abiding by business ethics is the foundation of an enterprise. The Group takes a "zero-tolerance" attitude towards acts of bribery and corruption, establishes a sound anti-corruption mechanism, compiles internal systems such as the Anti-fraud, Anti-money laundering, Anti-bribery and Anti-corruption Policy, clearly defines the red line behaviors of fraud, bribery, and corruption, and formulates an internal anti-fraud and anti-corruption internal control program, to regulate the practice of employees and build a clean and positive working environment.

The Group has setup public reporting channels, encouraging stakeholders to monitor illegal and disciplinary behavior within the Group. Whistleblowers can make reports by letter, e-mail, telephone or face-to-face conversation. If the report is substantiated, the Group will tackle the relevant responsible persons in a timely manner and rectify the internal management deficiencies. Meanwhile, the Group commits to protect the informant during assisting the investigation and will not disclose the informant's identity information except with the consent of the informant.



A light blue rounded rectangular box containing reporting information. On the right side, there is a blue speech bubble icon with quotation marks. On the left side, there is a blue bracket icon. The text is as follows:

- Reporting Tel: 0755-36909866 ext. 813
- Reporting Email: jubao@tiantu.com.cn
- Address: 23/F-2/3, Building B, Intelligence Plaza, 4068 Qiaoxiang Road, Nanshan District, Shenzhen, PRC.

The Group is also committed to the cultivation of integrity awareness among its staff and enhance workplace ethics and staff business ethics level through the construction of an internal integrity culture and training on business ethics. In 2023, the Group launched an online training entitled "Business Ethics, Anti-Corruption and Failure Special Topic" for all directors and staff. The training covered business ethics issues involved in business scenarios such as conflict of interest, cross-border bribery, backdoor listing, insider trading, etc., and the awareness of anti-corruption and corruption among all staff was effectively enhanced.





# Responsible Investment Enabling Value Creation



## Investment Methods

As a private equity investment institution in China, the Group focuses on the consumer industry and has established a solid investment system and a systematic investment approach based on its deep knowledge and experience in key areas such as growth patterns, competitive strategies and brand operations of consumer enterprises. The Group adheres to the investment approach of "value creation", "inflection point investment" and "Driven by brands and technologies", and endeavors to identify investee companies with long-term and stable development potentials and start investment practices on a sustainable basis, so as to actively integrate into the overall situation of sustainable development, and to establish a model of responsible investment in the consumer sector.

### Value Creation:

While the Group is concerned about the financial returns brought by its investments, it is also concerned about the social value brought by the relevant investments. The Group pays attention to the future growth of the venture companies, such as whether the business model can significantly improve production and operational efficiency and save non-essential social resources; and provides value-added services to the investee companies in the areas of strategy, operation, talent and resource integration, etc., so as to help the investee companies to grow rapidly.

### Inflection Point Investing:

The Group seeks to capitalize on inflection points to help start-ups transition rapidly from a period of initial trial and error to a period of strategic expansion. As an investment institution, inflection point investment not only avoids the long incubation period and high investment costs associated with early or late investment, but also allows us to effectively manage investment risks by systematically researching and more accurately planning ahead for startups with great potential.

### Driven by Brands and Technologies:

The Group closely monitors changes in market trends and tends to invest in branded and technology driven consumer enterprises with outstanding performance and strong growth potential. Against the backdrop of consumer upgrading and technological innovation, the Group recognizes that strong brands are the core competitiveness of consumer enterprises, and actively focuses on the huge growth potential of technology-driven industries such as artificial intelligence and biotechnology.

## Investment Process and Responsible Investment Practices

### Collection Stage

The Group has formulated the Anti-Fraud, Anti-Money Laundering, Anti-Bribery and Anti-Corruption Policy in accordance with the national policies and regulatory requirements, and has implemented the requirements of qualified investor identification and investor suitability assessment during the fund raising stage, fully disclosed the investment risks to fund investors, and reasonably recommended investment products. At the same time, the Group has established a sound mechanism for customer privacy protection and complaint management to fully protect investors' rights and interests.

### Investment Stage

The investment decisions of each of the Group's funds are made independently by their respective investment decision-making committees, and each potential project is subject to three meetings prior to investment, namely project creation, preliminary review and final investment. In addition to conducting detailed and comprehensive regular due diligence, the Group pays active attention to the stability and growth of the management team of the portfolio companies, and considers the environmental and social benefits created by the business model of the companies as important factors for investment decisions.

In addition, the Group has established a unique statutory objection mechanism, whereby an internal senior professional is designated as the objector and authorized to challenge the investment thesis from a business perspective. This ensures that the members of the Investment Committee have a comprehensive and detailed understanding of the potential risks of the investment, including ESG risks, in the investment decision-making process, which is conducive to scientific decision-making and early risk management.

### Post-investment management

The Group has established a tracking, supervision and management empowerment mechanism for its portfolio companies, whereby the investment managers and/or appointed directors and supervisors of each project are required to conduct regular visits to the portfolio companies or participate in the board of directors, supervisory committee and shareholders' assembly of the portfolio companies, so as to gain a better understanding of the portfolio companies operating conditions and to export management experience and decision-making opinions. The Group actively pays attention to the sustainable development performance of the portfolio companies, monitors and collects information on the ESG performance of the companies, and encourages the companies to regularly disclose key ESG progress; through post-investment empowerment mechanisms such as "Consumer Brand Camp (also known as '磨刀會' in Chinese)", channel development, resource connection and other means to strengthen brand empowerment and enhance the sustainability of the portfolio companies. We actively pay attention to the sustainable development performance of our portfolio companies, monitor and collect their ESG performance, and encourage them to disclose their key ESG progress on a regular basis. We also strengthen our brand empowerment through post-investment empowerment mechanisms such as Consumer Brand Camp, channel development, and resource connection, so as to enhance the sustainable development capability of our portfolio companies and help them grow rapidly and with high quality.

#### Consumer Brand Camp



Consumer Brand Camp is a learning and communication platform for outstanding entrepreneurs in the field of consumer goods initiated by the Group in 2013, and has been held for 12 consecutive sessions so far, with nearly 1,000 participants. After several sessions of practice and iteration, the eco-entrepreneurs of Consumer Brand Camp have achieved cognitive progress and accelerated practice through researching brand management system, cultivating brand strategy and business model, and sharing frontline combat experience.



From 17 to 19 August 2023, with the theme of "Crisis and Coexistence, Sharpening the Blade", the Group invited 4 guests to conduct a 3-days and 2-nights training course for 92 participants on topics such as product portfolio, channel expansion, marketing management and other topics of branding strategy, and invited the participants to visit and learn from famous enterprises to help the management team of the invested enterprises to consolidate The program helped the management team of the investee companies to consolidate their brand management ability and provided empowerment for the growth of the companies.

In addition, apart from offline empowerment activities such as the Tiantu Entrepreneur Club and private seminars, the Group also provides consulting and value-added services such as brand strategy, business model, resource integration and talent introduction to its portfolio companies.

### Project Exit

The Group provides comprehensive and diversified management advice to the portfolio companies to facilitate their long-term and sustainable development. The Group closely monitors and evaluates investment exit opportunities for optimized returns, mainly through initial public offerings, mergers and acquisitions, equity transfers, repurchases, etc.



1

Leading Quality Consumption and Creating the Value of Good Life

As a leading private equity investor and fund manager for Chinese consumer brands and businesses, The Group has been firmly positioned to take advantage of the opportunities in China's consumer and investment industries over the past 20 years. With in-depth insight and understanding of consumer brands, entrepreneurship and consumer needs, we have advanced layout of key tracks and excellent projects. As of December 31, 2023, 155 of the Group's 189 existing portfolio companies are in the consumer sector (including consumer goods, consumer services and consumer channels).

Changes in fast-paced work and lifestyle habits have led to a growing concern for the health of the modern generation. The Group has always believed that investing in quality consumption is inline with consumers' aspirations for health and a better life, as well as the concept of sustainable development. By focusing on mass consumption circuits that are closely related to daily life, the Group works with enterprises to provide more convenient, diversified and healthier consumption choices to the general public. In addition, the Group assists its portfolio companies in strategy sorting, talent introduction, channel connection and cooperation, providing them with a two-way communication platform and maximizing their corporate value.



奈雪的茶

NAIXUE | Reducing plastic and disposable materials for a better sustainability

The Group invested in NAIXUE in January 2017

Founded in 2015, NAIXUE focuses on tea as the core of modern lifestyle, and has formed three business segments, namely "Making Tea on Site", "NAIXUE tea" and "Ready To Drink Bottled Tea". With the mission of becoming a "global tea beverage brand loved by customers", NAIXUE is committed to becoming an innovator and promoter of tea culture to the world. Currently, NAIXUE has been rated BBB by MSCI ESG for 2 consecutive years.

As the earliest and largest institutional shareholder of Nai Xue, the Group has led three consecutive rounds of investment to help Nai Xue go public, and leveraged the advantages of the portfolio company "Pagoda" and "Bama Tea", to liaise with the two companies to strengthen their supply chain partnership.

Agricultural support project  
「Green Farmer Program」



With its strong brand effect and purchasing scale, NAIXUE discovers and promotes high-quality agricultural products to help farmers increase their farming income. At the same time, NAIXUE cooperates with the Everbright Bank to develop 1+N factoring business based on the NAIXUE's supply chain, and to provide loans to farmers, so as to solve the capital turnover problems of fruit and tea farmers in the upstream supply chain.

Green and Low Carbon



Strictly restricting the use of non-biodegradable plastic bags and other disposable plastic products, and replacing plastic straws with paper straws and PLA-based environmentally friendly straws, replacing more than 100 million environmentally friendly straws, and reducing the amount of non-biodegradable plastic used by about 350 tons.

Aesthetic Education for Children



In collaboration with Bazaar Charity, the "NAIXUE Great Charity Program" was launched to build aesthetics classrooms, provide aesthetics education courses, give school bags and train rural aesthetics teachers for elementary school in Yudu Town, Jingchuan County, Pingliang City, Gansu Province, China.

Energy Management



Strictly control the usage time of sterilizer equipment, and use quick sensor door, LED energy-saving lighting system and high-efficiency exhaust fan in the factory. It is expected that by the end of 2032, the average annual electricity consumption of a single store will be 5% lower than that in 2022.

Healthy Tea Drinks



NAIXUE use premium tea instead of tea powder, fresh milk instead of creamer, and fresh fruits instead of syrup, insisting on a lower sugar and healthier recipe.





**Ishansong | Instantaneous express rush delivery platform**  
The Group invested in Ishansong in July 2015

Ishansong was founded in 2013, is the industry's leading rush platform for the same city instant delivery industry, focusing on the sharing economy and providing users with 7×24 courier services. Through its efficient, fast and considerate services, Ishansong has brought more beautiful experiences to the lives of customers, and has now landed in 260 cities across the country, with more than 100 million cumulative users.

**Eco-friendly**



- Promote the development of carbon reduction through green operation and green distribution:
- Through the integrated delivery model, it reduces the frequency of customers driving or taking a taxi to deliver items; in 2023, the cumulative mileage of riders' deliveries exceeds 6.347 billion kilometers, and the cumulative reduction of carbon emissions exceeds 1.7136 million tons;
  - Ishansong use all electronic receipts, and provide riders with biodegradable, recyclable delivery boxes and other green delivery appliances, greatly reducing environmental pollution and paper waste.



**WonderLab | Recycled small blue bottle, Eco-friendly and plastic reduction**  
The Group invested in WonderLab in March 2019

Founded in 2019, WonderLab focuses on the young generation's new needs for new scenarios in sports nutrition, gut health, sleep health, etc., and has already launched a number of product series such as probiotics, nutritional meal replacement shakes and dietary fibre.

**「Little Blue Bottle Return Program」**



The program, officially launched in 2022, aims to achieve sustainable recycling of packaging materials by crushing and granulating empty bottles into PP materials and making new living peripherals. Up to now, WonderLab has recycled 539,436 empty bottles, with a total recycling volume of 6,798kg and CO<sub>2</sub> emissions of 6,960.7kg.



**SATURNBIRD COFFEE | Recycling coffee empty bottles, promoting green "Returns"**  
The Group invested in SATURNBIRD COFFEE in March 2019

Founded in 2015, SATURNBIRD COFFEE is committed to continuously building a new coffee consumption scene for young people through innovative products, personalized design of small cans, tap-water style content dissemination, and online and offline cross-branding.

**「Return Program」**



Consumers can redeem their empty shells for themed items, and the recycled empty shells will be reused to make lifestyle peripheral products. The campaign has been running for 7 seasons, with more than 170,000 users participating in the campaign, receiving 240,000+ "return travelers" at 496 return points in 78 cities, and recycling about 32.2 million empty cans.

**Rebirth of Waste**



Recycling of coffee grounds waste and empty capsule shells, and the use of 3D printing technology to make unique design of coffee grounds ping-pong paddles, boomerangs, ring chairs and other cultural and creative products, for the daily use of the staff.



**LAN | "Pure, High-powered" skincare, green regeneration**  
The Group invested in LAN in October 2020

Founded in 2019, LAN is the first to create a national skincare brand of "skin care by oil", providing Chinese consumers with quality products that are "pure, organic, natural and non-irritating", and now has star products such as "Timeless Oil, Phoenix Oil, and Glazed Oil".

**Product Health and Safety**



Continuously increasing investment in R&D with top universities to develop proprietary active ingredients, and innovative purification processes and storage methods; formulas with both mildness and comfort, the new products listed have been qualified by a large number of internal tests and third-party verification.

**Green Formula**



The use of ingredients and materials from animal cruelty sources is prohibited, and the ingredients comply with green manufacturing standards.

**Environmentally Friendly**



The product boxes are made from recycled paper that complies with the global forest certification system FSC and are printed with eco-friendly soy ink.



**Smart Food+ | Defining the new data-driven fast food circuit**  
The Group invested in Smart Food+ in December 2021

Founded in 2019, "Smart Food+" is a new urban fast food brand with the concept of "fast food with data", empowering users to quantitatively manage nutritional composition, thereby realizing the health value of fast food consumption.

**Food Health and Safety**



The company has built its own central kitchen covering the whole chain of R&D, processing, cooking, packaging, inspection, storage and other end-to-end food production functions, with microbiology testing laboratories and nutrient testing laboratories to ensure food safety and nutrition.

**Product Format Innovation**



Each serving is labeled with detailed data such as protein, carbohydrates, fat, calories, salt content, dietary fiber, food diversity, weight, etc., which makes it convenient for consumers to quantify the nutritional composition of instant food through the online app.



### CLOVES COFFEE | "Coffee for Yunnan"

The Group's investment in CLOVES COFFEE in January 2022

Founded in 2021, CLOVES COFFEE is a home-grown coffee brand that is deeply rooted in China's coffee origins. Based on the brand concept of "one cup of coffee for Yunnan", CLOVES COFFEE insists on using Yunnan coffee beans, bringing Yunnan coffee into the daily lives of ordinary consumers, and practicing and promoting the globalization of Yunnan coffee.

#### Sustainable Raw Materials



Actively work with coffee bean suppliers that adopt sustainable agricultural practices to ensure that coffee beans are grown in an environmentally friendly manner that reduces deforestation and chemical use.

#### Promotion of Reuse



Encourage customers to use reusable coffee cups and give discounts to those who bring their own cups.



### Plantag | Using the power of plants to make people and the planet healthier

The Group invested in Plantag in January 2022

Founded in 2020, Plantag is a new generation plant-based nutrition brand, promotes eco-friendly and healthy living by replacing animal proteins with plant proteins and animal products with artificial plant products.

#### Plant-based Beverages with Eco-themed



In conjunction with the BLUE RIBBON OCEAN CONSERVATION ASSOCIATION(BROCA), an environmental public welfare organization, and more than 100 boutique cafes in Shanghai, Plantag has taken the lead in launching the "Earth COOL Up" environmental theme campaign and jointly created more than 100 plant-based beverages with an environmental theme. Plantag has gradually developed the "Earth COOL Up" environmental campaign into a series of multi-region IP events, and has organized them in Chengdu and Changsha, etc. Plantag has continued to co-create environmental-themed creative coffee with cafes to expand the influence of environmental awareness.



### HeyBetter | Safer, more comfortable, more innovative

The Group invested in HeyBetter in December 2021

Founded in 2021, HeyBetter, a children's lifestyle brand, develops functional apparel products for children ages 2-12 with innovative materials and designs to help them explore the world more freely.

#### Raw Material Requirements



Choose safer and healthier natural raw material ingredients, focusing on skin-friendliness, air permeability, absorbency and safety characteristics; safety standards require higher than Class A first-class products, and even most of them have to reach Class A premium products; products with zero formaldehyde, zero silicone oil, zero additives, zero heavy metals.

#### Environmental Design



HeyBetter use natural fibers such as Lysol, modal, and seaweed fibers, and follow the concept of sustainable and recyclable environmental protection in the fiber production process to reduce carbon emissions and environmental pollution.



### SUPER SEED | Build a green lifestyle with natural plants

The Group invested in Super Seed in July 2021

Founded in 2020, personal care brand Super Seed is committed to becoming an advocate and practitioner of "green lifestyle". With the brand's philosophy of "from plants, to nature", Super Seed strictly selects natural plant ingredients and uses biodegradable packaging materials to advocate a lifestyle of "symbiosis with plants".

#### "Return Program"



Simultaneously carry out the online and offline "Return Program" to recycle empty bottles, and practice the sustainable concept of low-carbon life with a little effort.

#### Product Quality and Safety



Product Insisting on the "Ten No additives", Super Seed focus on keeping the taste and retaining the original color of plants, no flavorings, no colorings, non-GMO Safety technology, no synthetic and other risky ingredients. In the selection of raw materials, Super Seed adheres to the stringent organic agricultural production standards of "no chemical fertilizers, no pesticides and no artificial growth agents".



## 2

### Focusing on Green Agriculture to Help Revitalize Rural Areas

As a responsible investment institution, the Group understands that agricultural development is the foundation of the national economy, and actively focuses on investment opportunities in green agriculture to promote the transformation of agricultural production methods to green, environmentally friendly, and sustainable areas through investment in agricultural products consumption, and to assist in the national strategy of rural revitalization.

The Group is the earliest and largest institutional investor in Pagoda. With the mission of "Committed to Delivering Better Fruit", Pagoda has built a nationwide fruit retail network that is close to the community, online and offline, stores-as-warehouse features, as well as timely and next-day delivery, which coincides with the Group's investment philosophy of focusing on the new retail circuit.



Pagoda | Becoming China's "Quality Fruit Expert and Leader"

The Group invested in Pagoda in April 2015

Founded in 2001, Pagoda is China's largest fruit retailer, committed to enabling the world to enjoy a fruitful life through food safety and quality management along the entire chain. Currently, Pagoda has covered the entire industrial chain from fruit planting to retailing, and has over 6,000 stores in more than 170 cities in over 22 provinces. Meanwhile, Pagoda also provides customers with diversified online shopping channels, providing consumers with safe, healthy and high-quality agricultural products through its APP, WeChat Mini Program, Tik tok, Tmall.

All-round  
Creation of High-  
quality Fruits



- ❑ In the area of fruit and vegetable cultivation, Pagoda has increased the number of fruit and herbaceous planting techniques through technological empowerment and introduced the BLOF ecological harmony planting technique to continue to explore and promote the restoration of good ecology in the soil environment, and to guide farmers in realizing the "no chemical fertilizers, no chemical pesticides, and no chemical hormones" in the process of planting.
- ❑ In terms of fruit standards, Pagoda have pioneered in China in establishing a comprehensive and systematic flavor-oriented fruit quality classification system, which classifies fruits into four major grades according to the indicators of "sweetness and sourness, freshness, crispness, softness, flavor and safety, as well as other metrics such as size, color, and absence of defects".
- ❑ In terms of fruit warehousing and distribution, Pagoda's multiple entities, including the Dongguan warehouse and the Foshan warehouse, have passed the ISO 22000:2018 food safety management system certification. And Pagoda continue to optimise the digital intelligent storage system, through the whole process of temperature monitoring to ensure the quality of the fruit during transportation.
- ❑ In terms of after-sales service for fruit products, Pagoda has launched the "instant refund service" (no receipt, no physical goods, no reason to get money back) after-sales to provide consumers with a high-quality after-sales service scene.

In addition, Pagoda attaches great importance to ESG construction, and the Board of Directors has set up an ESG Committee to review and approve ESG objectives, strategies and other related matters. In terms of public welfare, in addition to the daily promotion of "Zespri Learning House Project", "Western Teaching Program" and other educational public welfare projects, but also through the "Zigui Navel Orange Helps Farmers in Warm Spring" activities to actively help consumer poverty, and to local farmers to teach planting skills, and to promote local employment.





**Feihe | "More Suitable for Chinese Babies" infant milk**  
The Group invested in Feihe in April 2019

Founded in 1962, Feihe is committed to the concept of "Green Development", creating "Green Products", "Green Farms" and "Green Factories", and leading the green development of the dairy industry with its unique "Feihe Model".

Carbon Reduction Across the Industrial Chain



In 2022, Feihe scientifically managed the use of various resources, such as electricity, natural gas and gasoline, to significantly reduce carbon emissions in the production process, saving a total of 2,393,400 kWh of energy, reducing greenhouse gas emissions by 3,133.95 ton of carbon dioxide, and saving 98,000 ton of water.

Supply Chain Management



Feihe pioneered the "Dual Carbon Closed Loop" model for the whole industrial chain, creating a complete carbon reduction chain for agricultural and animal husbandry workers, and integrating green and low-carbon practices into every link of the industry chain.

Contributing to Carbon Neutrality



Measured Carbon footprint of products and greenhouse gas emissions in 2023.

"Digital Pilot" Intelligent Production



Feihe has formulated and continued to implement the "3+2+2" digitalization planning strategy, which is based on intelligent manufacturing, ERP system construction and intelligent office, and supported by the data middle office and business middle office, to further promote the realization of the two core business objectives of new retail and intelligent supply chain.

ESG Standard Setting



- Collaborated with the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council and other organizations in the production of "Environmental, Social and Governance (ESG) Basic Teaching Materials", which provides professional support for ESG education and the construction of ESG valuation standards in China.
- Participated in the compilation of the "China Corporate Social Responsibility Reporting Guidelines 5.0 (CASS-CSR5.0)", as well as the "Guidelines for Corporate ESG Evaluation" and the "Requirements for Corporate ESG Management System", to continue to promote the construction of an ESG system with Chinese characteristics.

In 2022, with excellent performance in corporate governance, product safety and quality, Feihe's MSCI ESG rating has been upgraded from BBB to A, which is currently the highest rating for a Chinese food company.

- The company has been honored as one of the "China's 500 Most Valuable Brands" for six consecutive years;
- Selected as one of the "China ESG Listed Companies Pioneer 100" in 2023.



**Bama Tea | Let the world enjoy the health and happiness of tea, to create a national intangible cultural heritage oolong tea production process representative brand**

The Group invested in Bama Tea in November 2012

Founded in 1997, Bama Tea is founded by a representative heir of the national intangible cultural heritage program of oolong tea production techniques (Tieguanyin production techniques), Bama Tea has expanded its product portfolio to include a full range of teas, as well as tea utensils and tea foods, with the mission of "allowing the world to enjoy the health and happiness of tea".

Smart Tea Garden



Relying on the eco-technology demonstration site, applying core technologies such as big data, Internet of Things, information technology, cloud services, etc., to realise precise monitoring, intelligent management and intelligent decision-making in tea gardens.

High-quality Selection Criteria



Bama Tea follows the four standards of Bama Tea (safety, taste, authenticity, and stability) and the three selection criteria (masterpieces, traditional techniques, and golden production areas) to create high-quality products.



**Fansaoguang | Focus on developing green, healthy and authentic Sichuan-style rice dishes**

The Group invested in Fansaoguang in April 2014

Founded in 2000, Fansaoguang Group, with the corporate vision of making Sichuan flavor fragrant in the world and the responsibility of inheriting and promoting the Sichuan cuisine culture, has developed a variety of high-quality convenience Sichuan cuisine and various new Sichuan-style seasonings such as thick broad-bean sauce and seasoning oil, which are popularly sold in more than 80 countries and regions both at home and abroad.

Helping Farmers to Generate Income and Employment



Between 2020 and 2022, Fansaoguang Group has purchased 26,000 tons of fresh chili peppers, mustard greens, mustard greens and other agricultural by-products in Zitong County, Mianyang City, with a total capital of more than \$103 million, driving more than 9,000 farming households, creating more than 700 new permanent jobs and nearly 1,300 temporary jobs.

R&D of Green and Healthy Products



Fansaoguang Group adheres to the concept of green and healthy R&D. With the authentic Sichuan flavor and green raw materials such as bamboo shoots and aromatic mushrooms, supplemented by the industry's cutting-edge green processing technology, Fansaoguang focuses on the development of a series of green, healthy and high-quality convenience Sichuan cuisine products that can satisfy the eating habits of consumers in the new era.



Yoplait| Upholding the brand concept of "Natural, Delicious, Enjoy Life", Yoplait brings high quality dairy products to Chinese consumers

The Group invested in Yoplait in April 2019

Positioned in China's high-end market, Yoplait has launched four high-end low-temperature milk products since 2019. With increasing brand influence, strong R&D capabilities, quality milk sources and continuously improving sales execution, Yoplait will bring high-quality products to the high-end retail market in first-tier cities in Beijing and Shanghai, as well as to coffee and bakery-based catering companies.

Innovative and Diversified Quality Products



The R&D team combines high-quality raw materials with cutting-edge concepts in the field of life sciences to create innovative and high-quality products for different groups of people: fat-free and light-calorie "Icelandic Yoghurt" for fat-reducing people, and a customised yoghurt for children with a sucking-type packaging design.

Strict Control of Product Formulation



Adhering to the spirit of science and responsible attitude to implement category innovation, following the academic standards of strain selection strategy, regular tracking and continuous adjustment of the formula, the first high-quality low-temperature milk with high milk protein and high plateau calcium content.

Rooftop Photovoltaics Power Generation



In 2023, it will install photovoltaic modules on the rooftop of its Kunshan plant, generating 945,000 kWh of electricity annually, replacing 291 tonnes of standard coal, reducing CO<sub>2</sub> emissions by 653 tonnes/year, reducing SO<sub>2</sub> emissions by 28 tonnes/year, and planting 170,000 trees in an equivalent number of years.



Mengtian Dairy| Craftsmanship Mengtian, leading a new way of green and healthy lifestyle

The Group invested in Mengtian Dairy in 2018

Founded in 2018, Mengtian Dairy is a large-scale food industry group focusing on the research and development, production and sales of healthy beverages. It is committed to meeting consumers' ever-escalating demand for healthy beverages, and owns the brands of "Yuludo" lactobacillus beverages, and "Xiaomolu Shimizu" plant protein beverages.

Internationalized Standards to Create High-quality Products



Mengtian Dairy has introduced advanced international aseptic filling processing and inspection equipment. Adopting the technology of "5-15 seconds of ultra-high temperature temporary sterilization and 25 degrees of aseptic filling" to ensure the safety and health of the products; continuously developing new formulas and process, and cooperating with universities to build an integrated technology R&D center of IUR (Industry-University-Research), which has 3 technology R&D platforms, 5 research laboratories, and 90 scientific research experts.

Biogas Power Generation for Energy Saving and Emission Reduction



Through the cooperation with GD Power Development Co.,Ltd, Victoria Farming and Livestock has realized biogas power generation. The solids produced are heated and dried to be used as bedding material for cattle beds, and the liquids are anaerobically treated to be used for green storage and planting, which reduces manure discharge by 182,500 cubic meters per annum, generates electricity of 7.3 million kilowatt-hours, and reduces the use of standard coal by approximately 2,300 tones.





### 3

## Contribute to Environmental Protection and Promote the Development of Circular Economy

The Group firmly believes that the circular economy industry can effectively extend the lifecycle of materials and products, and is an important technological means to achieve "carbon neutrality", as it is centered on the efficient and recycled utilization of resources and is characterized by "low consumption", "low emission" and "high efficiency". The Group invests in and nurtures outstanding enterprises in the field of circular economy and green environmental protection to help realize the country's dual-carbon goals.

ATRENEW is a circular economy enterprise that specializes in the recycling of 3C electronic products and gradually builds up a "C2B+B2B+B2C whole industry chain" covering a wide range of products. The company integrates ESG with its inherent business model, strives to become a leading industry benchmark enterprise in carbon footprint management, and endeavors to radiate more business partners through the influence of the supply chain. The Group has led two consecutive rounds of investment in ATRENEW since the Series C round, and has increased its proportionate support in subsequent financing rounds, working with ATRENEW to develop from a "C-end cellphone recycling business" into a "Internet + environmental protection" attribute of the recycling economy enterprise.



ATRENEW | A leader in the digital circular economy

The Group invested in ATRENEW in August 2015

Founded in 2011, ATRENEW has four key offerings: AHS Recycle(a C2B recycling platform for second-hand 3C products), PJT Marketplace(a B2B trading platform for second-hand 3C products), Paipai Marketplace(a B2C retail platform for second-hand premium products) and AHS Device. ATRENEW. Adhering to the mission of "making the best use of the unused", Everything New Life is committed to building ESG sample enterprises and integrating social responsibility into business practices.

Building a "Green Circular Economy Template"



ATRENEW has built a "Green Circular Economy Template", redefining the life cycle of 3C products through the recovery circular and recycling of 3C products, and continuously exploring ways to economy promote the sustainable development of the industry as well as the template reduction of low-carbon emissions.

- ❑ Green Packaging: Purchase more environmentally friendly and durable packaging materials, and actively promote the standardization, greening, recycling and reduction of item packaging. 18 tons of parcel fillers for To B business and 36,000 pieces of packaging materials for To C business will be recycled in 2022.
- ❑ Green Office: Following the principles of low-cost, high-quality, non-polluting procurement to ensure that employees have a healthy and green office environment; fully exploiting its own characteristics, staff office configuration recycled second-hand electronic products, encouraging employees to purchase second-hand goods, advocating green consumption.
- ❑ Green Disposal: ATRENEW emphasizes on the whole lifecycle management of products, take the initiative to undertake the responsibility of end-of-life disposal of products, cooperate with third parties with the qualification of recycling operation, and carry out environmentally friendly dismantling of machines, so as to reduce the environmental hazards caused by heavy metals in the discarded products. 2022, the ATRENEW will have traded a total of 32 million units of second-hand commodities, and environmentally friendly dismantling of 270,000 units of used and discarded electronic equipment, thus reducing the pollution of electronic products by 43.2 tons in total.

Digital Sponsorship Program for Rural Children



ATRENEW and One Window Project jointly launched the "Recycling Love for Rural Children's Digital Sponsorship Program in Villages", targeting idle and unused electronic devices for donation, which helps children in mountain villages broaden their horizons through online education and extends the lifespan of the electronic devices at the same time. As of the end of 2022, the program has supported 56 schools, completed 2,068 hours of instruction, and covered a total of 10,770 students.





AKA ROBOTICS| With the mission of "Clean World, Safe Work" and the core value of "Specialized in Thinking, Knowing and Doing", become a specialized and leading company in the field of special robots

The Group invested in AKA ROBOTICS in September 2023

Founded in 2017, AKA ROBOTICS has grown to be the world's top, leading brand of intelligent specialty robots and green integrated solutions for multiple scenarios such as rust removal, cleaning, spraying, sanding, and inspection of large-scale steel structure facades, and its products have been widely used in the shipbuilding, petrochemical, wind power and other industries.

#### Green Cleaning Solutions



- ❑ In the marine field, AKA ROBOTICS has launched the "W" series of wheeled wall-climbing robots and the "T" series of crawler wall climbing robots, which fill in the blank of the domestic marine ultra-high- pressure water rust removal and cleaning robots, and increase the efficiency by 4-6 times compared with the traditional manual sand blasting and rust removal, which completely liberate the workers from the poor working environment with high danger and pollution, and greatly increase the operation efficiency and profit margin;
- ❑ In the petrochemical field, the "Ex" series of explosion-proof wall climbing robot was launched, which adopts remote control operation by workers to avoid injuries and deaths caused by tank explosions and leakage of toxic and hazardous gases, and has been cooperating with a number of customers such as Sinopec Group;
- ❑ In the field of wind power, the company launched the "Wp" series of wind turbine blade de-icing robots, which have the features of small weight, large load, strong wind resistance, and flexible and stable movement, and are equipped with an injection system to accurately spray ice-melting agent on the blades of the wind turbine through visual guidance to realize efficient and safe de-icing of the blades;
- ❑ In the field of special wall-climbing robots, it has the only core intelligent control algorithm in China, which supports intelligent path planning and intelligent human-machine interaction, and adopts modular design to facilitate rapid assembly and adaptation to different application industries and scenes, leading the transformation and upgrading of the industry in terms of automation, intelligence, and green and low-carbonization.

#### Product Innovation and R&D



The founding team was derived from a team of experts in the robotics research field of Shenzhen Institute of Advanced Technology, Chinese Academy of Sciences, and has obtained nearly one hundred patents and Software copyright in the fields of wall-climbing robot core technology, intelligent control algorithms, controllers, ultra-high- pressure waterjet technology, and machine vision, etc.

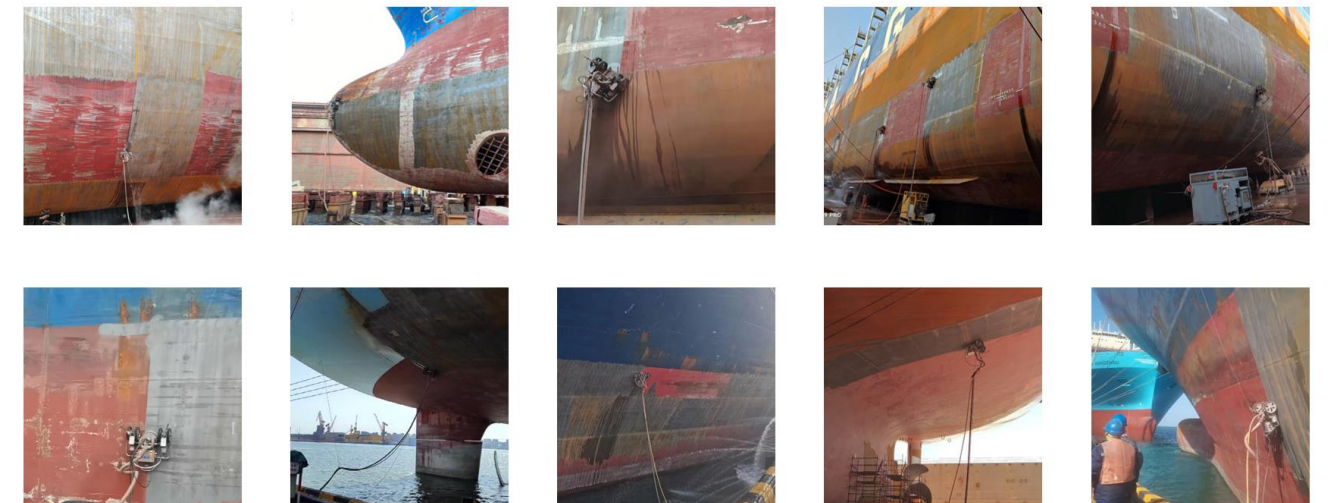
#### Waste Treatment



Operational wastewater passes through the "SR" series of wastewater recycling devices and then through the "ST" series of wastewater treatment devices for recycling and treatment, which is green and environmentally friendly, and at the same time prevents the wall from rusting.



#### Working Scene Display





4

Protecting Public Health, Innovating Medical Service Experience

The medical industry, which is mainly composed of medical service organizations, and the pharmaceutical industry, which is mainly composed of pharmaceuticals, medical devices and other medical consumables, are two important groups in the medical and healthcare industry in China. Investments in the medical and healthcare sector have a significant impact on protecting people's lives and health and addressing the growing demand for medical services. The Group proactively identifies a number of innovative biomedical and medical service enterprises with competitive potential, and supports the interconnection of medical drugs, medical equipment and medical institutions with artificial intelligence and Internet cloud service providers through investment empowerment to enhance the accessibility of medical and healthcare services, and joins hands with investee enterprises to provide more convenient and effective services to the general public. The investee companies will work together to provide more convenient, efficient and quality medical services to the public and actively respond to the Healthy China Strategy.



Distinct HealthCare | With the philosophy of "Back to the origin of healthcare", provide excellent healthcare and quality services to our clients

The Group invested in Distinct HealthCare in August 2017

Distinct HealthCare was founded in 2012, by adopting a new model of integrated online and offline services, offering medical services that include post-diagnostic online follow-up, online consultation, drug delivery, video emergency care, health management, and chronic disease management, among others, and leveraging technology to better embody the concept of "Back to the origin of healthcare".



Zdeer | Focused on family health, a full-scope consumer healthcare and healthy living solutions provider

The Group invested in Zdeer in April 2020

Founded in 2014, Zdeer "empowers healthcare with technology and maintains a core of consumer healthcare", and has formed two major business segments, namely technology-based healthcare and healthy living, around family health and the healthcare industry.

Product Development



Zdeer has continuously invested in research and development and product innovation, and has set up innovative R&D centers in Wuhan and Shenzhen. By the end of 2023, Zdeer had applied for more than 3,000 patents of various types and received 1,547 patents, and obtained 16 certificates for Class II medical devices.

Social Responsibility



In 2022, Zdeer launched the "Sound Aid Program", with an annual special fund of RMB 1 million to donate hearing aids to elderly people who are hearing impaired, aiming to help them achieve self-reliant listening and barrier-free communication.



**Cdfortis | A third-party network service platform that utilizes audio-visual and Internet technologies to provide basic pharmacy and basic medical services to the general public**

The Group invested in Cdfortis in July 2015

Founded in 2014, Cdfortis is an Internet pharmacy service platform that provides "pharmacy remote consultation service" and "pharmaceutical e-commerce one-stop service" solutions. Patients can connect to the video consultation through the pharmacy's consultation terminal, and the doctor will write an electronic prescription for the patient. After the real-time review and approval by a licensed pharmacist, the patient can purchase the prescribed medication offline at the pharmacy.



**META Pharmaceuticals | Innovating autoimmune treatment and opening new medical possibilities**

The Group invested in META Pharmaceuticals in March 2022

Founded in 2021, META Pharmaceuticals is the first commercial company in China to develop original drugs for autoimmune diseases, focusing on exploring the biological mechanisms that regulate the interplay between immune cells and nutrient metabolism. The company has made a breakthrough in the discovery of "Immuno-metabolic pathway modulation strategies" for the treatment of various chronic diseases caused by disorders of the immune system and metabolic system.



**ReviR Therapeutics | AI and gene technology fusion, pioneering a new era of RNA drugs**

The Group invested in ReviR Therapeutics in January 2022

Founded in 2021, ReviR Therapeutics focuses on the computation of RNA spatial structure, digitizing the structure of RNA through algorithms and large-scale sequencing, and then targeting the active sites in the RNA structure through small molecules to achieve the activation of "non-druggable" targets at the protein level.



**Leman Biotech | Develop breakthrough immunotherapy for tumor metabolism to cure solid tumors**

The Group invested in Leman Biotech in January 2022

Founded in 2021, Leman Biotech has developed a biomolecule drug platform for immuno- metabolic reprogramming, a metabolism-enhancing immune cell therapy platform, and a super-immune metabolism-regulating factor research and development platform based on AI computation, all of which are based on the innovative Meta 10 immuno- metabolism reprogramming technology at the source.



**TG ImmunoPharma | Leading NK Cell Immunotherapy, Innovating New Heights of Pharmaceutical Industry**

The Group invested in TG ImmunoPharma in April 2022

TG ImmunoPharma was founded in 2020 with the goal of enhancing the anticancer function of human NK cells and related immune cells. It focuses on the research and development of antibody-based immune drugs, and aims to deploy in the field of global anticancer immune macromolecular drugs through source innovation and high-speed transformation and development. The group actively participates in the shareholders' meeting of TG ImmunoPharma and proposes management suggestions to help improve its corporate governance level.





**PAM²L Biotechnologies | Fusion of BT+IT technology to revolutionize the biomaterials industry**

The Group invested in PAM²L Biotechnologies in May 2022

Founded in 2021, PAM²L Biotechnologies is dedicated to developing new functional, low-cost, green and sustainable innovative biomaterials through a dual-core driven technology platform of high-throughput synthetic biology and artificial intelligence (BT+IT). By establishing a complete end-to-end commercial closure of innovative biomaterials design, synthesis, application, and products, PAM²L Biotechnologies promotes synthetic biotechnology to empower traditional industries and provide green and efficient solutions.



**CDG Tech | Creating a new generation of life science intelligence laboratory based on the "definition of software"**

The Group invested in CDG Tech in December 2021

Founded in 2020, CDG Tech focusing on utilizing AI, robotics, and edge cloud computing technology to empower life science and the medical industry. Currently, its business has covered scenarios such as core bioengineering process equipment, automated molecular diagnostic pipelines, and bioinformatics edge computing, and has become a partner and supplier to many domestic Top 10 molecular diagnostic companies. The group provides post-investment empowerment by assisting in contacting investment institutions, maintaining government relations, supporting the implementation of major strategies, building talent teams, organizing industry exchanges, and other methods.



**Signet | Organoid disease modeling + AI for innovative targeted cancer drug development company**

The Group invested in Signet in April 2021

Founded in 2020, Signet is a disease-model-based company developing innovative targeted drugs for cancer. Signet combines AI artificial intelligence to design, synthesize and optimize small molecule drugs, enabling faster and more accurate screening and evaluation of targets and molecules, and is committed to turning highly lethal malignant cancers into manageable chronic diseases through precisely targeted therapies.



**Xbiome | Using micro-ecology to guard human health**

The Group invested in Xbiome in March 2021

Founded in 2017, Xbiome is an industry-leading AI+BT microbiome research and product development platform, aiming to achieve disease treatment through microbial therapeutics such as formulated bacteria, genetically engineered microorganisms, and intestinal bacteria transplants, using intestinal bacterial flora as a new drug target. Unknown has built the world's leading bioinformatics analysis platform and transformation and production platform to drive the discovery of key strains of bacteria with data, and to open up the whole chain of transformation from "data" to "drug", realizing the complete closed loop of microbial drug research and development.



**CrystalO Biopharma | Ion channel research pioneers to reshape the medical field of critical diseases**

The Group invested in CrystalO Biopharma in December 2020

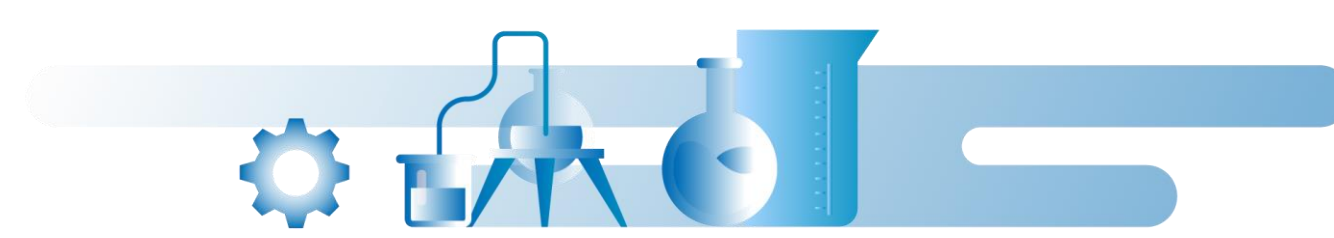
Founded in 2019, CrystalO Biopharma is a class of innovative drug research and development enterprise targeting membrane proteins (G protein-coupled receptors and ion channels, etc.). Its core team comes from Harvard University and Shanghai Institute of Pharmaceutical Sciences (SIPAS) of the Chinese Academy of Sciences (CAS), and has extensive experience in the areas of structural analysis of drug targets, screening of nanobody for membrane proteins, production of antigens for membrane proteins, as well as structural- and artificial-intelligence-based drug research and development.



**Evergreen | AI drives global innovation, navigating the new era of drug R&D**

The Group invested in Evergreen in April 2021

Founded in 2019, Evergreen always prioritizes the treatment of diseases with urgent clinical needs. Based on artificial intelligence technology and the efficient verification of "dry and wet combination" in the laboratory, Eglin develops the world's only (Me-only) drug to achieve precise indication selection and drug candidate identification, realizing a new business model in which the R&D of its own pipeline and AI services are driving together.



# Customer-oriented and Quality Service







The Group had over

100

private equity investors

## Protecting the Interests of Customers

The Group adheres to a "customer-oriented" philosophy and is committed to providing quality and responsible products and services to its customers. With years of accumulation in the field of consumer goods investment, the Group has served a large number of well-known multinational corporations and institutional investors such as financial institutions and government-led funds, as well as high net worth individual investors. As of December 31, 2023, the Group had over 100 private equity investors.

### Appropriateness Assessment

The Group emphasizes on the appropriateness assessment of qualified investors based on their risk appetite before offering diversified investment products and solutions to fund investors. With reference to the requirements of the China Securities and Funds Association, the Group performs due diligence on prospective investors in terms of their identity, financial status, investment knowledge, past investment experience and risk appetite, and requires them to complete an investor risk analysis questionnaire, and scores their answers in accordance with the scoring system using a robust scoring method. The Group differentiates investors' risk tolerance according to the results of the questionnaire, prudently confirms the risk suitability of prospective investors and fulfills its risk warning and notification obligations, emphasizing that investors need to be fully aware of their own risk tolerance and match the risk level of the products.

### Customer Communication

The Group upholds a responsible governance attitude and attaches great importance to fund investor relations management. The Group has established a sound information disclosure management system in accordance with the Measures for the Administration of Information Disclosure of Private Equity Investment Funds. The Group has dedicated staff responsible for the collection, analysis and compliance disclosure of the Group's systematic information so as to provide fund investors with true, accurate and complete information on progress related to the Group's business development and sustainable development for investment decision-making.

The Group attaches great importance to the investor services of the funds. Every year, the Group reports to the partners on the operation of the funds through the general meetings of the funds' partners and collects partners' opinions and suggestions after the meetings. In addition, the Group regularly discloses the major investments and relevant financial data of the funds to the investors through the funds' annual audit reports, operation reports and custody reports, etc., so as to ensure that the investors are able to obtain the relevant dynamic information of the funds in a timely manner, and to realize two-way communication and positive interaction.



The Group held a total of

12

offline meetings of the partners of the fund

## General Meeting of the Partners of the Fund

In 2023, the Group held a total of 12 offline meetings and over 100 online meetings.



General Meeting of the Partners of the Fund

## Complaint Handling

The Group continues to deepen the fund's investor relations management, established the Investor Complaint Handling Mechanism, standardized the complaint handling process, and strengthened its ability to provide rapid feedback and emergency handling of relevant complaints. Upon receipt of a complaint, the Group requires its staff to fill in a complaint registration form and report to a higher level as required. In addition, the Group conducts return visits and follow-ups with fund investors from time to time, and launches the promotion and training of the complaint handling system for all staff. In 2023, the Group did not receive any formal complaints in relation to investment services.

### Principle of Proactivity

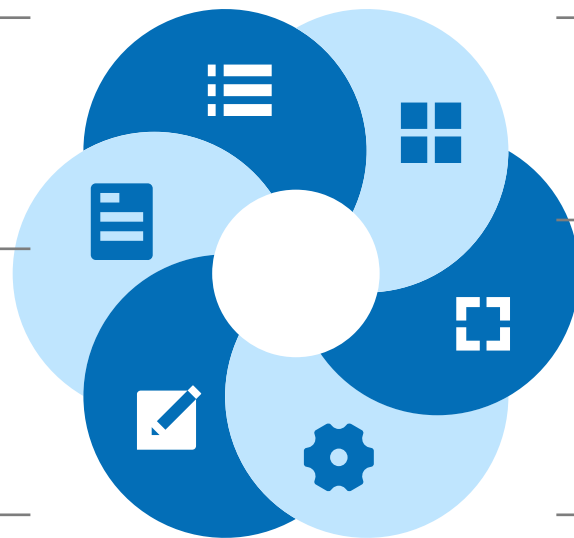
Take a proactive approach to customer complaints

### Principle of Objectivity and Impartiality

Treat customer complaints objectively and rationally, and verify them in a fair and honest manner

### Principle of Professionalism

Handle complaints with professionalism



### Principle of efficiency

Implementation of the "Accountability"

### Principle of Compliance

Respect for complainant's privacy;  
Enhance risk and compliance awareness

### Principle of Difference

Classify the complaints by category



## Information Security and Privacy

The Group respects and protects the privacy and data security of its customers by strictly complying with the Data Security Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China and other relevant laws and regulations, and has formulated internal policies and systems for information security and privacy protection, such as the Measures for the Management of Computer Virus Prevention and Control, the Password Management System, the Management and Maintenance of Access to and Maintenance of Computer Rooms, and the Backup System for Data and Systems, etc., as well as established a specialized information security team comprising IT professionals to ensure the effective protection of customers' privacy data. We have also established a specialized information security team composed of IT professionals to ensure the effective protection of customers' private data.

In terms of information security, the Group has established a dual-machine backup procedure for data and systems, whereby files are backed up and protected on a daily basis and important files are encrypted; all server and system data are backed up to an external medium every month and kept in a safe deposit box for at least six months; and system administrators conduct a backup test once every six months to ensure the validity of the data. Meanwhile, the Group strictly enforces the regulations on access to the server rooms, which are only accessible by authorized information technology personnel.

In terms of customer privacy protection, the Group adheres to the principle of minimizing the collection of customer information and data by excluding sensitive information such as identity cards and home addresses from data entry and avoiding the excessive collection and storage of non-essential personal information; and encrypting confidential information during the transfer and storage process to ensure the security, confidentiality and privacy of the fund investors' sensitive information such as personal data, as well as the Group's intellectual property rights and trade secrets. Encryption of confidential information during transfer and storage In addition, the Group keeps official records of fund investors obtained during investor due diligence, and keeps appropriate information on the type of investors, their risk tolerance, suitability assessment results and the amount of funds they have invested in.

In respect of digital construction, the Group is considering transferring the storage of project due diligence data and business process approval to the OA system and storing the relevant data in the cloud servers, so as to enhance the security of information storage while taking practical actions to facilitate paperless office operation. The Group plans to add functions such as data authority classification and data encryption to the OA system to continuously enhance the Group's information security operation and management capabilities. At the same time, the Group organizes annual training and publicity activities on information security and privacy protection from time to time to raise the awareness and level of information security and privacy protection of all staff members, and in 2023, the Group did not have any confirmed major information security and customer privacy leakage incidents.

## Protection of Intellectual Property Rights

The Group complies with the Copyright Law of the People's Republic of China, the Trademark Law of the People's Republic of China, the Patent Law of the People's Republic of China and other laws and regulations relating to intellectual property, and regulates the management of intellectual property rights to prevent infringement of the Group's intellectual property rights and to protect the Group's intangible assets by filing applications for intellectual property rights in a timely manner. At the same time, the Group fully respects the achievements of external intellectual property rights and strictly prohibits the infringement of intellectual property rights by its employees. When cooperating with third parties, the Group specifies the requirements for intellectual property rights protection in the contracts and strictly prohibits the infringement of external intellectual property rights in the cooperation.



## Regulating Procurement Management

The Group does not involve in large-scale procurement of materials and services due to the characteristics of its business, however, the Group has continued to strengthen the standardized management of daily procurement to enhance the efficiency of the use of funds while fulfilling its corporate social responsibilities. The Group strictly complies with the relevant laws and regulations such as the Tender Law of the People's Republic of China and the Civil Code of the People's Republic of China, and specifies the relevant requirements for procurement management in the Administrative Management Policy, continuously improves the supplier management system, enhances the efficiency of procurement, and strengthens the Group's operational capability.

The Group also pays attention to ESG risk management of suppliers and prioritizes the selection of suppliers in line with the Group's ESG philosophy. In terms of environmental protection, we practice the principle of green procurement and give priority to energy-saving and environmentally-friendly products under the same conditions. In addition, the Group emphasizes on the management of suppliers' internal compliance, data and information security, and intellectual property protection to protect the interests of the Group and its customers from the procurement side.

### Number and distribution of the Group's suppliers

Southern Region of Chinese Mainland	Northern Region of Chinese Mainland	Hong Kong, Macao and Taiwan	Overseas	Total
130 suppliers	27 suppliers	55 suppliers	5 suppliers	217 suppliers

## Facilitating industry development

While the Group focuses on the steady growth of its own business and explores the path of sustainable development, it also actively participates in industry exchanges and contributes to the vigorous development of the industry. In recent years, the Group has actively participated in various industry events and forums to share its experience and insights in consumer growth, technological innovation and value investment with partners from all walks of life, and to draw on the creativity and wisdom of other partners in the course of exchanges and cooperation, as well as to enter into strategic cooperation with industry partners to help the industry develop and to create a better future for sustainable development.



In January 2023, participated in the "China Brand Future Summit" to explore the power of brand rebound and share views on the sustainable development of Chinese consumer brands.



In February 2023, participated in the 2022 Unicorn Summit for New Consumer Brands and shared our insights on whether consumption has recovered, whether consumption investment can rebound, and the investment directions we favor.



In April 2023, participated in the 2023 China Investment Annual Conference organized by China Venture, and conducted a deep discussion on the topic of "Are Unicorns on the Decline During the Investment Dormant Period?"



In June 2023, as one of the first venture capital institutions to sign a contract and settle in, officially settled in the Shenzhen International Venture Capital and Investment Center.



In August 2023, participated in the China Consumer Brand Growth Summit and the China Consumer Innovation Forum Over the Past Two Decades, and discussed the topic of "Consumption Investment: From Speed to Endurance".



In September 2023, reached a strategic cooperation with Futian Capital to strengthen the connection between capital and industry, and further support the development of Futian's physical industries.



In October 2023, participated in the Chongqing Venture Capital Conference 2023 and delivered a keynote speech on "Driving Consumption Upgrade with Technology" at the conference.



# Inclusive Development to Facilitate Employee Growth



## Equality and Diversity

The Group adheres to the concept of "people-oriented" to recruit talents from all walks of life and is committed to building a fair and inclusive workplace culture. The Group strictly complies with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other laws and regulations, and has formulated policies such as the Recruitment Management and Exit Management System and the Measures for the Administration of Labor Contracts, aiming to establish a transparent and clear recruitment management process, define clear selection process and comprehensive competency requirements for candidates and eradicate all forms of discrimination in employment, creating a diversified and equal working environment.

The Group adheres to the principle of fairness and openness, undertakes to adopt the professional competence required for the position as the selection standard in the recruitment and promotion process, adheres to the policy of equal pay for work of equal value in terms of remuneration and incentives, and commits to not relying on non-job-related factors, such as race, nationality, ethnicity, gender, age, marital status, religious beliefs or physical disability of employees as the basis for making decisions on the employment, promotion, remuneration and training opportunities of the employees at work, dedicated to build an equal, respectful and transparent working platform for all employees.

As at the end of 2023



## Employee Benefits

The Group attaches great importance to the protection of employees' rights and interests and has taken various measures to protect the legitimate rights and interests of employees. The Group adopts a zero-tolerance attitude towards illegal employment practices such as child labor and forced labor, and conducts stringent background checks on candidates during the recruitment process, and never recruits involuntary workers or persons under the legal age of 18. During the reporting period, the Group did not have any illegal incidents related to child labor or forced labor.

The Group has signed labor contracts with each employee, pays their monthly salaries on time, pays the full amount of "five-insurance and one-fund", withholds and pays personal taxes on their behalf, so as to ensure the protection of their rights and interests in the workplace. In addition, the Group endeavors to establish equal, complete and democratic internal communication channels and has formulated the Internal Reporting Management Policy to guide employees to report operational deficiencies or violations of laws and regulations of the Group in a timely manner, providing a channel for employee to voice out their rights and interests. Employees may blow the whistle to the Internal Reporting Management and Leadership Team Office in the Group by means of letters, e-mails, instant messengers, face-to-face interviews and telephone calls. If the reported matter involves the Group's directors, senior management or internal control departments, employees could also choose to report the matter directly to the Chairman of the Group to safeguard their own rights and interests and to protect the Group's long-term and stable development.

## Development & Training

A professional and efficient talent team is an important cornerstone for the Group to realize sustainable development. Based on the performance management principles of "performance-led, fair and just, classified assessment, scientific and reasonable", the Group has formulated the Performance Assessment Management Rules, Pay Incentive System Management Rules and other systems to establish a fair, scientific and competitive pay incentive mechanism on the basis of protecting the basic rights and interests of the employees, so as to encourage the employees work with the Group to create more value together and realize a two-way win-win.

At the same time, focusing on its own business development and the needs of employees career growth, the Group continues to improve its internal staff training system to provide employees with diversified resources for capacity enhancement, so as to promote the healthy growth of the Group's business and the realization of the long-term strategies through talent training. The Group has launched new employee induction training, professional training for fund practitioners and specialized training for its employees through multiple channels such as online videos and offline courses, helping employees to realize multi-dimensional enhancement of professional and comprehensive abilities.

### Training types and contents

- 
**Orientation**
  - Help employees to understand the corporate culture, management system, organizational structure, etc., to facilitate new employees to adapt and integrate into the company.
- 
**Professional Training**
  - Provide professional training, such as fund qualification training, to enhance employee professional knowledge and improve their industry insight.
- 
**Strategy Sharing**
  - In the investment strategy meetings held by the Group and the divisions, staff members share their industry insights and opinions for whole-staff learning, thus realizing healthy exchanges and growth.
- 
**ESG Training**
  - Invite professional consulting organizations to provide ESG training for employees, strengthening their understanding of ESG concepts and responsible investment and learning from domestic and international excellent peer practice experience.



## New Employee Orientation



New Employee Orientation

In May 2023, the Group provided a professional and refined induction training for new employees, introducing basic administration, finance, IT and other related matters, sharing value concepts, strategic ideas and investment business frameworks, enhancing the office efficiency of the new employees and strengthening their knowledge of the Group's investment culture, to help the new employee integrate Tiantu family efficiently.

## Health & Welfare

The Group cares each employee, provides them with rich benefits and attentive care, and organizes a variety of employee activities to continuously enhance their sense of belonging and happiness. In terms of employees' occupational health, the Group has launched a series of health protection measures to take care of the physical and mental health of its employees, including arranging health check-ups for all employees every year, and equipping them with ergonomic office chairs to create a safe, healthy and comfortable office environment for them. In terms of employee safety, the Group regularly conducts fire emergency safety drills and cooperates with the property and firefighting units in the inspection of firefighting equipment, minimizing the risk of office security in the workplace.

In addition, the Group is committed to creating a comfortable, diversified and positive working atmosphere for employees, providing various kinds of cultural and sports activities to allow them exercise their body and mind and cultivate their emotions after work, thereby enhancing their sense of well-being. The Group has set up internal interest associations such as basketball and badminton associations, and organizes related activities on a regular basis to foster a healthy corporate culture while facilitating the multi-dimensional development of employees and promoting communication among them. In addition, the Group organizes various thematic activities for employees during holidays and provides them with heart-warming gifts, so that they can feel the warmth from Tiantu family.



Children's Day Event



Badminton Event



Basketball Event



Annual Meeting Site



Women's Day Event



Annual Meeting Site



Annual Meeting Site



# Green Offices for a Low Carbon Environment



## Green Office

The Group integrates the concept of environmental protection into its daily operation and management, strictly complies with the Environmental Protection Law of the People's Republic of China and other laws and regulations, and has formulated policies such as the Administrative Management Policy and the Guidelines on Employee Occupational Behavior, to create an energy-saving, high-efficiency and environmentally friendly office environment. During the year, the Group set out its targets for emissions and resource utilization in accordance with the relevant requirements of the HKEX ESG Guide and reviewed the progress of the targets on a yearly basis, with a view to continuously improving and optimizing its environmental management initiatives.

### Energy Management and Greenhouse Gas Emissions

The Group is committed to practicing green operation concepts in its daily office operations and implementing various energy saving and emission reduction initiatives, starting from every little drop to minimize the negative impacts on the environment caused by improper management and operation. The Group takes energy management and greenhouse gas emission objectives as means to implement green operations continuously, enhancing energy efficiency and reducing greenhouse gas emissions.

With this objective in mind, the Group has developed and implemented the following initiatives:



Advocate staff to choose walking or public transportation, practice green travel.



Encourage staff to conduct online meetings to reduce unnecessary travel.



Install standardized LED lighting in office areas, post signs on energy conservation and environmental protection, and require employees to turn on and off the lights timely in meeting rooms, training rooms and other public areas.



Formulate the Duty Calendar, arrange staff responsible for the daily shutdown inspection of office area air-conditioning, lighting and other electrical facilities and faucets after-work to ensure that the equipment is properly shut down when there is no one around; formulate the inspection schedule of duty staff, trace back the causes of the duty anomalies as well as energy-consumption anomalies and rectify them in a timely manner.



Promote the use of green stuff, encourage and advocate reusable office stationery, use products with energy-saving certifications for electronic office equipment, repair or adopt replacement parts for maintenance, so as to reduce the frequency of purchasing new materials.

## Water Resources Management

The Group also focuses on the proper management of water resources and has formulated and implemented various water conservation measures with a view to realizing the efficient utilization of water resources in operations. During the reporting period, the Group did not have any problem in obtaining suitable water sources.

The Group's objective of water resources management is to rationalize the utilization of water resources and to progressively enhance water efficiency.

With this objective, the Group has developed and implemented the following initiatives:

Install water-saving tap, enhance daily maintenance and management, minimize wastage of water resources.

Raise awareness of water conservation among employees and cleaning staff by posting environmental labels.



### Energy-saving automatic sprinkler system



The Group has installed an energy-saving automatic sprinkler system in the rooftop garden of the Shenzhen office. The system automatically adjusts the sprinkler water consumption according to the real-time weather conditions and rainwater collection to effectively control the use of water resources. When necessary, the relevant staff also manually adjusts the sprinkler duration according to the actual demand of plant growth to ensure the reasonableness and efficiency of irrigation and to enhance water efficiency.

Energy-saving automatic sprinkler system

## Waste Management

The Group strictly manages the discharge and treatment of wastes in compliance with regulations and systems such as the Law on the Prevention and Control of Pollution of the Environment by Solid Wastes and adheres to the principles of reduction, recycling and harmlessness. The Group's waste mainly consists of emissions from official vehicles, office garbage and a small amount of used and waste electronic equipment, and does not involve the disposal of waste to water sources or land or the direct discharge of pollutants. The Group's waste management objectives are to reduce the intensity of office waste year by year and to explore the possibility of material recycling.

With this objective, the Group has developed and implemented the following initiatives:



In addition, in terms of office landscaping maintenance, the Group insists on adopting environmentally friendly methods, avoiding the use of chemical agents, and choosing natural fertilizers and organic plant protection products, so as to ensure the healthy growth of plants as well as reduce the negative impact on the environment. As for the cultivation of employees' environmental awareness, the Group has continuously carried out green and low-carbon publicity and training to enhance the environmental awareness of all employees, with a view to jointly creating an energy-saving, efficient and environmentally friendly office environment.

## Responding Climate Change

Responding climate change is a growing global concern. The Group actively focuses on climate change issues to ensure that risks arising from climate change are effectively identified and take measures to mitigate the potential impact of climate change on the business. In 2023, the Group has referred to the recommended framework of the Task Force on Climate-Related Financial Disclosures to conduct a comprehensive identification and analysis of the transformational and physical risks arising from climate change and launched a series of climate risk response measures accordingly to enhance the Group's adaptability and responsiveness in climate change area.

	Risk Type	Risk Description	Response
Transformational Risks	Policy regimes and legal regulations	With the country's pursuit of carbon peaking and carbon neutrality, more stringent carbon emission reporting and disclosure requirements may be introduced in the future, and the scope of carbon trading may be expanded.	Continue to pay attention to changes in national regulations and systems related to climate change and actively promote energy saving and consumption reduction measures to effectively reduce greenhouse gas emissions.
	Investment and market capital flows	As ESG factors become more influential in investment decisions, capital flows are likely to trend towards environmentally friendly sustainable projects and companies.	Optimize the investment portfolio, gradually establish and improve the ESG investment system, and increase the proportion of investment in environmental protection and sustainable projects.
	Reputation	Poor performance or negative news on environmental protection and climate change could have an impact on the reputation of the Group's brands.	Strengthen the brand establishment, actively take up the environmental responsibility, fully disclose the measures and achievements in environmental protection and climate change tackling, to build up a positive and responsible corporate image among the public and the industry.
Physical Risks	Acute risk	Natural disasters, such as typhoons, floods, droughts or extreme weather events, may result in power and water outages, which may affect the Group's daily operations.	Gradually migrate critical business operations and data services to the cloud platform to reduce reliance on physical server rooms and improve business continuity; and improve the disaster prevention capabilities of datacenters and critical facilities, including but not limited to flood prevention and heat resistance.
	Chronic risk	Long-term environmental changes due to climate change, such as increase in average temperature and sea level rise, may pose potential threats to the office environment and data infrastructure.	Perform regular tests of backup procedures to ensure that backup media are properly labeled and stored, to ensure data validity and to document the results of the checks. Implement flexible working arrangements and remote working policy to cope with possible changes in the office environment.

The Group is fully cognizant of the various transformational and physical risks it may face in, actively engaged in strategic planning and adjustments to mitigate the potential impact of these risks on our business. Looking ahead, the Group will continue to pay attention to the development trend of global climate change and continuously improve and optimize its response measures to ensure a steady progress on the path of sustainable development.



# Upward for Good, Gathering the Power of Love



## Social Welfare

On the road to sustainable development, the Group insists on doing good to the world, actively engages in social welfare undertakings, encourages all employees to participate in community welfare activities, joins hands with partners from all walks of life to solve social and environmental problems, to promote the construction of a harmonious society through practical actions and write a new chapter of a better society together.

### World Earth Day - "Beach Cleaning" Activity in Shenzhen Bay



"Beach Cleaning" Activity in Shenzhen Bay

On 22 April 2023 (World Earth Day), the Group organized all staff to go to Shenzhen Bay Park to carry out a "Beach Cleaning" activity to collect and dispose of beach garbage. Through this activity, the staff further developed their awareness of green environmental protection and took practical actions to mobilize more forces to participate in environmental protection.



The Group also cooperates with various alumni associations, foundations and other public welfare organizations, such as making charitable donations to the Xiangtan Alumni Association in Shenzhen, assisting in the organization of alumni activities, and personally helping families of alumni in difficulties, etc., to contribute to the harmonious development of the society from every little step.

## iRead Foundation

Shenzhen iRead Foundation ("the Foundation") was initiated by the predecessor company of the Group, Tiantu Venture Capital Co., Ltd., and has been the largest donor for a long time. With the vision of "high quality children's reading can promote a better future", the Foundation is committed to promoting the development of children's reading and improving the children reading quality, so that every child can open the door to exploring the world through quality reading, enjoying the pleasure of reading and growing into a lifelong reader. Since its establishment, the Group staff has been actively participating in activities organized by the Foundation and contributing to children's reading by setting a good example.

Over the years, the Group has actively participated in various public welfare activities organized by the Foundation, such as the National Early Children's Reading Development and Education Conference, the Reading Marathon and the "Read for the Future" Reading Support Project for Children in Urban Villages, encouraging children to understand, deepen and accept multiculturalism, enhancing their scientific thinking skills and fostering their ability to empathize with others, so as to make a small contribution to promoting the healthy growth of children in China.

The Group participates in the "12.28 Parent-Child Reading Day" initiated by the Foundation every year, organizing the Group's staff to read together with their children, and encouraging parents to participate deeply in their children's early reading education through actions, which will bring about a positive impact on children's growth, family harmony and social progress.



Parent-Child Reading Day



## Appendix 1: The Group’s Participation in Industry Associations

As of December 31, 2023, the Group's participation in industry association organizations and memberships is as follows:

No.	Main Entity	Association	Membership
1	Tian Tu Capital Co., Ltd.	Shenzhen Venture Capital Association	Vice President Unit
2	Tian Tu Capital Co., Ltd.	Shenzhen Asset Management Association	Private Equity Class Members
3	Tianjin Tiantu Xingsheng Equity Investment Fund Partnership (Limited Partnership)	Tianjin Venture Capital Association	Council Members
4	Tianjin Tiantu Xinghua Equity Investment Partnership (Limited Partnership)	Tianjin Venture Capital Association	Council Members
5	Tian Tu Capital Co., Ltd.	Chinese Digital Economy Investment and Financing Alliance	Members
6	Shenzhen Tiantu Capital Management Center (Limited Partnership)	Asset Management Association of China	Observer Members
7	Shenzhen Tiantu Capital Management Center (Limited Partnership)	Insurance Asset Management Association of China	Members
8	Shenzhen Tiantu Capital Management Center (Limited Partnership)	Shenzhen Private Equity Funds Association	Executive Members

## Appendix 2: List of Policies and Regulations

ESG Indicator	Compliance with Statutes and Regulations	Internal Policies and Systems
A1 Emissions	Environmental Protection Law of the People's Republic of China	Administrative Management Policy Guidelines on Employee Occupational Behavior
	Law of the People's Republic of China on Prevention and Control of Noise Pollution	
	Law of the People's Republic of China on Prevention and Control of Air Pollution	
	Law of the People's Republic of China on Prevention and Control of Water Pollution	
	Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste	
A2 Use of Resources	National Directory of Hazardous Wastes	Administrative Management Policy Guidelines on Employee Occupational Behavior
	Technical Guidelines for the Development of Hazardous Waste Management Plans and Management Accounts	
	Law of the People's Republic of China on the Promotion of Circular Economy	
A3 The Environment and Natural Resources	Law of the People's Republic of China on Energy Conservation	Administrative Management Policy Guidelines on Employee Occupational Behavior
	Law of the People's Republic of China on Environmental Protection.	
	Environmental Protection Law of the People's Republic of China	
A4 Climate Change	Law of the People's Republic of China on Energy Conservation	Administrative Management Policy Guidelines on Employee Occupational Behavior
	Environmental Protection Law of the People's Republic of China	

ESG Indicator	Compliance with Statutes and Regulations	Internal Policies and Systems
B1 Employment	Labor Law of the People's Republic of China	Measures for the Administration of Labor Contracts Policy Attendance and Leave Management Scheme Recruitment Management and Exit Management Policy
	Law of the People's Republic of China on Labor Contracts	
	Law of the People's Republic of China on Employment Promotion	
	Social Insurance Law of the People's Republic of China	
	Minimum Wage Regulations	
	Law of the People's Republic of China on the Protection of Disabled Persons.	
B2 Health and Safety	Labor Law of the People's Republic of China	Administrative Management Policy
	Law of the People's Republic of China on Prevention and Control of Occupational Diseases	
	Production Safety Law of the People's Republic of China	
	Fire Services Law of the People's Republic of China	
	Regulations on the Safe Management of Dangerous Chemicals	
	Law of the People's Republic of China on Response to Emergencies	
	Interim Provisions on Investigation and Management of Hidden Dangers in Safety Production Accidents	
	Work Injury Insurance Ordinance	
	Regulations on Management of Occupational Hygiene in Workplaces	
	Classification and Catalog of Occupational Diseases	
B3 Development and Training	Regulations on the Supervision and Administration of Private Equity Funds	Recruitment Management and Exit Management Policy Performance Assessment Management Rules, Pay Incentive System Management Rules

ESG Indicator	Compliance with Statutes and Regulations	Internal Policies and Systems
B4 Labour Standards	Regulations Prohibiting the Use of Child Labor	Guidelines on Employee Occupational Behavior Measures for the Administration of Labor Contracts Policy
	Labor Law of the People's Republic of China	
	Law of the People's Republic of China on Labor Contracts	
	Measures for National Holidays on Annual Festivals and Commemorative Days	
	Measures for the Implementation of Paid Annual Vacation for Enterprise Employees Regulations on the Medical Treatment Period for Sickness or Non-Work-Related Injury of Enterprise Employees.	
B5 Supply Chain Management	Law of the People's Republic of China on Tenders and Bids	Administrative Management Policy
	Civil Code of the People's Republic of China	
B6 Product Responsibility	Copyright Law of the People's Republic of China	Investment Management Policy Risk Management Policy Post-cast Management Policy Financing Management Policy System for the Management of Archives and Information Fee Administration Regulations Comprehensive Risk Management Policy Investor Complaint Handling Mechanism
	Law of the People's Republic of China on Securities Investment Funds	
	Provisional Measures for the Supervision and Administration of Private Investment Funds	
	Regulation on Supervision and Administration of Private Investment Funds	
	Certain Provisions on Strengthening the Supervision of Private Equity Funds	
B7 Anti Corruption	Provisional Provisions on the Prohibition of Commercial Bribery	Anti-fraud, Anti-money laundering, Anti-bribery and Anti-corruption Policy
	Anti-Money Laundering Law of the People's Republic of China	
	Anti-Unfair Competition Law of the People's Republic of China	
	Anti-Monopoly Law of the People's Republic of China	
B8 Community Investment	Law of the People's Republic of China on Charity	--



# Appendix 3: Environmental and Social KPI Table

## Scope A Environmental

No	Key performance indicators	Unit (of measure)	2023
A1.1	Nitrogen oxide emissions	kilogram	2.08
	Sulfur Oxide Emissions	kilogram	0.03
	Particulate emissions	kilogram	0.15
A1.2	Greenhouse Gas Emissions	tCO <sub>2</sub> e	111.25
	GHG emission intensity (total GHG emissions/office space)	tCO <sub>2</sub> e /'000 m <sup>2</sup>	37.08
	Direct GHG emissions (Scope 1)	tCO <sub>2</sub> e	6.43
	Energy indirect GHG emissions (Scope 2)	tCO <sub>2</sub> e	104.82
A1.3	Total hazardous waste produced	kilogram	6.60
	Weight of waste batteries	kilogram	0.60
	Weight of waste mercury containing fluorescent tubes and other waste mercury-containing electric light sources	kilogram	6.00
A1.4	Non-hazardous waste produced	kilogram	480.00
	Weight of office paper waste	kilogram	420.00
	Weight of general office waste	kilogram	60.00
A2.1	Total energy consumption	'000 kWh	206.08
	Energy intensity (total energy consumption/office space)	'000 kWh/'000 m <sup>2</sup>	68.69
	Non-renewable fuel (direct) consumption	'000 kWh	22.29

No	Key performance indicators	Unit (of measure)	2023
A2.1	Total consumption of Gasoline	'000 kWh	22.29
	Purchased energy (indirect) consumption	'000 kWh	183.79
	Electricity consumption	'000 kWh	183.79
A2.2	Total Water Consumption	m <sup>3</sup>	2,685.00
	Water Consumption Density (Total Water Consumption/Office Area)	m <sup>3</sup> /m <sup>2</sup>	0.89

### Description of Environmental Key Performance Indicators:

- (1) The Environmental KPI disclosure timeframe covers the period January 1, 2023 to December 31, 2023
- (2) The disclosure entity for the environmental KPIs cover the Group's Shenzhen office.
- (3) Sources of emission factors:① When calculating emissions, the main reference is the HKEX's "How to prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs"; ②When calculating GHG emissions, the emission factor for natural gas, stationary gasoline, and the emission factor for heat refer to the Guidelines for Accounting Methods and Reporting of GHG Emissions from Public Buildings and Operating Enterprises published by the National Development and Reform Commission, and the emission factor for purchased electricity refer to the latest national grid average emission factor published by the Ministry of Environment, and the emission factors for other energy sources refer to the "How to prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs" published by the HKEX. For the coefficients of greenhouse gas emissions from purchased electricity, please refer to "Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions from Public Buildings Operation Enterprises" published by the National Development and Reform Commission.
- (4) In 2023, GHG emissions (Scope 1) come from direct combustion of gasoline and diesel fuel in motor vehicles; GHG emissions (Scope 2) come from indirect GHG emissions from purchased electricity.
- (5) Hazardous wastes are waste batteries and waste ink cartridges/toner cartridges.
- (6) Hazardous waste is office waste generated from administrative offices.
- (7) The total water consumption was derived from government water supply. In 2023, the total water consumption increased as compared to previous years due to the completion of a rooftop garden at the in Shenzhen office.
- (8) The greenhouse gas emission intensity, energy consumption intensity and water consumption intensity were calculated using the office area of the Group's Shenzhen office as the denominator for the year 2023.

## Scope B Social

### B1 Employment

B1.1 Total number of employees by sex, employment type, age group and district		Number of persons (unit: persons)
Total number of employees		87
By gender	Male	39
	Female	48
By type of employment	Full-time	87
	Senior management	6
	Middle management	20
By staff grade	General staff	61
	Under 30	16
	30 to 50 years	55
By age group	Over 50 years old	16
	Chinese Mainland	79
By geographical region	Hong Kong, China	8
	B1.2 Employees turnover rates by gender, age and geographical region	
Total employee turnover rate		8.05%
By gender	Male	2.50%
	Female	11.11%
By age group	Under 30	15.79%
	30 to 50 years	5.17%
	Over 50 years old	5.88%
By geographical region	Chinese Mainland	8.86%
	Hong Kong, China	0.00%

### B2 Health and Safety

B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Deaths due to work-related injuries (Unit: persons)	Fatalities due to work-related injuries
2023	0	0
2022	0	0
2021	0	0
B2.2 Lost days due to work injury	Number of working days lost due to work-related injuries in 2023 (Unit: days)	
	0	

### B3 Development and Training

B3.1 The percentage of employees trained by gender and employee category		Percentage of employees trained	Number of trained workers (Unit: persons)
Number of employees trained		Total	100.00%
By gender	Male	100.00%	39
	Female	100.00%	48
By staff grade	Senior management	100.00%	6
	Middle management	100.00%	20
	General staff	100.00%	61

B3.2 The average training hours completed per employee by gender and employee category		Average training hours (Unit: hours/person)	Training hours (Unit: hours/person)
Average training hours employees	Total	7.72	672
By gender	Male	8.69	339
	Female	6.94	333
By staff grade	Senior management	13.50	81
	Middle management	11.50	230
	General staff	5.92	361

## B5 Supply Chain Management

B5.1 Number of suppliers by region	Number of suppliers	Percentage
Southern Region of Chinese Mainland	130	59.91%
Northern Region of Chinese Mainland	27	12.44%
Hong Kong, Macao and Taiwan	55	25.35%
Overseas countries	5	2.30%

## B6 Product Responsibility

B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons		Not applicable to the Group business
B6.2 Number of products and service related complaints received and how they are dealt with.	Number of formal investor-initiated complaints received (Unit: from)	Client complaint resolution rate (%)
0	-	-

## B7 Anti-corruption

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		
Number of litigation cases (unit: cases)		0
Litigation Results		Not applicable
B7.3 Anti-Corruption Training for Directors and Staff	Training Hours (Unit: hours)	Participation rate
All Directors and Employees	92	100.00%

## B8 Community Investment

B8.2 Resources contributed to the focus area.	Volunteer hours (Unit: hours)
Social Welfare	51

Description of Social Key Performance Indicators:

- (1) Unless otherwise stated, the social dimension KPIs cover all entities of the Group are included in the scope of listing during 2023.
- (2) Unless otherwise stated, the criteria, methods of calculation, assumptions and/or calculation tools used for the Social Key Performance Indicators (KPIs) follow the Guidelines for Reporting on Social Key Performance Indicators (Appendix 3: Guidelines for Reporting on Social Key Performance Indicators) of How to Prepare an ESG Report published by the Hong Kong Stock Exchange in March 2020.
- (3) During the reporting period, the Group's employees were full-time employees.
- (4) During the reporting period, the Group's employees were hierarchically defined as follows: senior management, middle management and general staff.
- (5) During the reporting period, the Group's staff were based in Chinese Mainland and Hong Kong, China.
- (6) The data on social investment only include the quantifiable part.



# Appendix 4: HKEX Environmental, Social and Governance Reporting Guide Content Index

ESG Indicator	Disclosure Status	Chapters in the report
<b>A1 General Disclosure</b>		
	Information on the policies; and 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.	Disclosed Green Office
<b>A1.1</b>	The types of emissions and respective emissions data.	Disclosed Appendix 3
<b>A1.2</b>	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).	Disclosed Appendix 3
<b>A1.3</b>	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Disclosed Appendix 3
<b>A1.4</b>	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Disclosed Appendix 3
<b>A1.5</b>	Description of emissions target(s) set and steps taken to achieve them.	Disclosed Green Office
<b>A1.6</b>	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Disclosed Green Office
<b>A2 General Disclosure</b>		
	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed Green Office
<b>A2.1</b>	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).	Disclosed Appendix 3
<b>A2.2</b>	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Disclosed Appendix 3
<b>A2.3</b>	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed Green Office
<b>A2.4</b>	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.	Disclosed Green Office

ESG Indicator	Disclosure Status	Chapters in the report
<b>A2.5</b>	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable, the Group operations do not involve packaging
<b>A3 General Disclosure</b>		
	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Disclosed Green Office
<b>A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed Green Office
<b>A4 General Disclosure</b>		
	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Disclosed Responding Climate Change
<b>A4.1</b>	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Disclosed Responding Climate Change
<b>B1 General Disclosure</b>		
	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer and other benefits and welfare relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination.	Disclosed Equity and Diversity Employee Benefits
<b>B1.1</b>	Total workforce by gender, employment type (for example, full- or part- time), age group and geographical region.	Disclosed Equity and Diversity Employee Benefits Appendix 3
<b>B1.2</b>	Employee turnover rate by gender, age group and geographical region.	Disclosed Equity and Diversity Employee Benefits Appendix 3
<b>B2 General Disclosure</b>		
	Information on the policies; and 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.	Disclosed Equity and Diversity Employee Benefits Health & Welfare
<b>B2.1</b>	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed Health & Welfare Appendix 3
<b>B2.2</b>	Lost days due to work injury.	Disclosed Appendix 3
<b>B2.3</b>	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed Health & Welfare

ESG Indicator		Disclosure Status	Chapters in the report
<b>B3 General Disclosure</b>	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	Development & Training
<b>B3.1</b>	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	Disclosed	Development & Training Appendix 3
<b>B3.2</b>	The average training hours completed per employee by gender and employee category.	Disclosed	Development & Training Appendix 3
<b>B4 General Disclosure</b>	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Disclosed	Equity and Diversity Employee Interest
<b>B4.1</b>	Description of measures to review employment practices to avoid child and forced labor.	Disclosed	Equity and Diversity Employee Interest
<b>B4.2</b>	Description of steps taken to eliminate such practices when discovered.	Disclosed	Equity and Diversity Employee Interest
<b>B5 General Disclosure</b>	Policies on managing environmental and social risks of the supply chain.	Disclosed	Regulating Procurement Management
<b>B5.1</b>	Number of suppliers by geographical region.	Disclosed	Regulating Procurement Management Appendix 3
<b>B5.2</b>	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	Regulating Procurement Management
<b>B5.3</b>	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	Regulating Procurement Management
<b>B5.4</b>	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	Regulating Procurement Management
<b>B6 General Disclosure</b>	Information on the policies; and 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.	Disclosed	Protecting the Interests of Customers

ESG Indicator		Disclosure Status	Chapters in the report
<b>B6.1</b>	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable, the Group operations do not involve product recalls	
<b>B6.2</b>	Number of products and services related complaints received and how they are dealt with.	Disclosed	Protecting the interests of customers
<b>B6.3</b>	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	Protection of Intellectual Property Rights
<b>B6.4</b>	Description of quality assurance process and recall procedures.	Not applicable, the Group operations do not involve product recalls	
<b>B6.5</b>	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	Information Security and Privacy
<b>B7 General Disclosure</b>	Information on the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	Anti-Money Laundering
<b>B7.1</b>	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.	Disclosed	Compliant Operation Appendix 3
<b>B7.2</b>	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	Business Ethics
<b>B7.3</b>	Description of anti-corruption training provided to directors and staff.	Disclosed	Business Ethics Appendix 3
<b>B8 General Disclosure</b>	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.	Disclosed	Social Welfare iRead Foundation
<b>B8.1</b>	Focus areas of contribution (e.g., education, environmental concerns, labor needs, health, culture, sport).	Disclosed	Social Welfare iRead Foundation Appendix 3
<b>B8.2</b>	Resources contributed (e.g., money or time) to the focus area.	Disclosed	Social Welfare iRead Foundation Appendix 3