

农夫山泉

NONGFU SPRING CO., LTD.

農夫山泉股份有限公司

可持續發展公共政策

Sustainable Development Public Policy



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Sustainable Development Policy

I. Purpose

In commitment to maintaining sustainable development in areas such as environment, product quality, employee rights and interests, corporate social responsibility, we not only incorporate sustainability into our strategy and daily operation and management, but also deliver and promote this concept further in various areas across the entire industry chain.

II. Scope

The Policy is applicable to Nongfu Spring Co., Ltd. and its affiliated companies. Suppliers, distributors and other stakeholders are encouraged to make reference to the Policy in their actions.

III. Policy

- **Environmental protection**

Facing up to the responsibility of environmental protection, we resort to policy initiatives, technical renovation and water source protection to achieve a sounder business operation in terms of efficiency, energy conservation and environmental protection as a proactive response to the national policy that calls for energy conservation and emission reduction.

We are committed to pursuing biodiversity protection to ward off adverse impact on the biodiverse development and ecosystem.

Paying attention to the climate change impact, we proactively optimize climate change countermeasures and energy management mechanisms as our committed contribution to the global climate change response.

- **Product quality assurance**

Sustainable raw material procurement has been secured by strictly controlling the quality of raw materials at the supply end with strict admittance, regular assessment,

counseling and elimination mechanisms against suppliers of raw and packaging materials.

Each management requirement has been effectively implemented relying on our established closed-loop product quality assurance system covering raw materials, R&D, manufacturing, and sales channels.

Such a quality control system has been extended to sections such as storage, transportation and sales by an assigned product assurance team through specialized channels with an information traceability system.

- **Service quality**

Strict inventory aging control at sales terminals has been achieved owing to our constant analysis, optimization and systematic management of distributor stocks through a sound national distribution network.

We have set up the nationwide service hotline “95077” to handle users' complaints and feedback to uphold the sales service quality.

- **Packaging materials**

Bending our efforts for better planning and management in sectors such as raw material procurement, manufacturing, sales and distribution, we have made constant exploring efforts to reduce the usage of packaging materials and increase their recycled leverage on the basis of the secured quality safety and consumer experience.

Positive efforts in the engagement and promotion of plastic waste recycling and disposal have been made to build up new business forms and models that are conducive to fostering normal waste recycling and reuse so as to lessen plastic pollution.

- **Employee rights and interests**

We hammer at forging a fair and equitable employment environment as well as a safe and healthy workplace for our employees.

We give a full respect for and safeguard the basic rights and interests of each employee, pay attention to their personal development, emphasize employee benefits, and encourage them to grow in joint efforts with the company to forge ahead.

- **Public welfare**

We have been long engaged in the public welfare causes with constant efforts in areas that are important to people's livelihood, such as post-disaster rescue, poverty relief, education improvement and public physical education.

In the event of disasters, timely efforts, in line with the company's emergency system and response mechanism, have been taken by us and our partners to address living and water drinking challenges for local residents in the disaster-hit areas, extending our care and love to those most in need.

All our plants, business operating regions and partners are encouraged to advance voluntary services as a joint effort to contribute to society.

We have proactively carried out healthy drinking water initiatives to deliver this living concept to society with an aim to guide a whole generation of our fellow countrymen to embrace a healthy lifestyle in order to fulfill the "Healthy China" initiative.

- **Food loss and waste reduction**

We are dedicated to taking strict management and control measures in sectors such as raw material procurement, storage, manufacturing, residue treatment to reduce food waste and losses, and sourcing and developing the alternative usages for wasted food.

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Environment and Climate Change Policy

I. Purpose

We have taken the responsibility of environmental protection, and followed strictly the laws and regulations on environmental protection, resort to policy initiatives, technical renovation and water source protection to achieve a sounder business operation in terms of efficiency, energy conservation and environmental protection as a proactive response to the national policy that calls for energy conservation and emission reduction.

II. Scope

The Policy is applicable to Nongfu Spring Co., Ltd. and its affiliated companies.

III. Policy

- **Environment and biodiversity policy**

Having been well aware of the importance of protecting natural resources and biodiversity, we have carried out tasks such as water resources argumentation, environmental impact assessment, the planning of water and soil conservation schemes, and the protection and assessment of endemic fish resources, in accordance with local regulations on and professional institutions' suggestions about ecological protection.

In our day-to-day business operation, we are committed to pursuing biodiversity protection to ward off adverse impact on the biodiverse development and ecosystem. Efforts in water and soil preservation and environmental protection have been taken through the establishment of water source conservation areas and the cultivation of species of tree seedlings that are adaptable to the local environment.

In carrying out activities related to the environment, economic development and engineering in water source areas, we have included local environmental management into our plants' daily management tasks.

- **Pollutant emission policy**

We have strictly complied with the "Three Simultaneous" system (facilities of pollution prevention and governance in construction projects shall be simultaneously designed,

constructed and put into operation along with the main works), and have taken practical efforts in protecting the ecological environment of the construction areas.

We have implemented internal control indicators that are in strict compliance with but more rigorous than national or local pollutant emission standards. Wastewater, waste gas and solid wastes generated in production and operation processes have all been subject to effective internal treatment before emission or treated and disposed by entrusted third parties.

We have engaged, on an annual basis, third-party detection institutions with competent qualifications to detect pollutant emission concentrations such as waste gas, wastewater and noise to ensure our compliance with national standards of environmental protection.

We have forged ahead in pollutant emission reduction through approaches such as equipment renovation and wastewater treatment plant improvement and upgrading. Wastes have been reintroduced into the circulation of materials by the sorted collection of recyclable solid wastes to avoid wasting.

- **Climate change policy**

Paying attention to the impact on climate change, we proactively optimize climate change countermeasures and energy management mechanisms as our committed contribution to the global climate change response.

We have carried out production process optimization and energy-conserving technological renovation in our plants in pursuit of optimal energy efficiency and carbon emission reduction.

We hope to gradually increase the proportion of renewable energy sources such as biomass and green electricity, and encourage the use of low-carbon, high-efficiency, and energy-conserving equipment in procurement.

We have encouraged our suppliers, employees and customers to minimize carbon emission in daily business activities and boosted the process of including the carbon emission indicators into our supplier assessment management.

- **Resource utilization policy**

Energy utilization policy

In the light of sustainability, we are committed to leveraging clean, highly-efficient, economical and safe energy in production.

Complying with the laws and regulations on energy utilization, we have embraced the rational utilization of energy and resources and increased the usage of clean and renewable energy step by step. Energy utilization has been taken into consideration in the planning of the location and design of new projects and facilities.

We commit to trying our best to optimize energy use and promoting energy conservation and emission reduction, in addition to offering high-quality products and services to customers and devote ourselves to cooperating with other parties to promote sustainable development of our businesses.

Water resource use policy

Paying attention to the reasonable use of water resources, we have applied the philosophies of resource conservation and green production as the guidance of our

plants' daily operation.

A water conservation management group has been set up to guide the group company to formulate management systems concerning water utilization and consumption, standardize relevant measures and assessment systems for each sector in production, enhance water utilization management, and adjust the water usage structure so as to constantly optimize the utilization efficiency of water resources.

In commitment to the research and utilization of water-saving equipment, we have continuously improved the water recycling proportion, reduced wastewater emission, and decreased the wastewater processing load during the industrial production.

Water-saving objectives and orientations have been specified in our established long-term planning with an aim to continuously improve water utilization and reduce water consumption intensity. And regular review and examination of the plans have been carried out to evaluate the results.

We have routinely organized consumer to visit and explore water source areas, maintained publicity communication activities for water-saving and environmental protection in water source areas, and endeavored to enhance the public water-saving awareness.

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Talent Development And Employment Policy

I. Our aim

Nongfu Spring's achievements are credited to the joint efforts of our employees towards a shared mission. Offering employees secured and steady jobs, we aim to enable them to share the company's success based on their work performance. We recognize the individual efforts of each employee, and guarantee that all employees can realize a sense of individual satisfaction that they deserve by outstanding work performance.

Adhering to the corporate values of "Altruism, Innovation, Teamwork, Integrity, Dedication, Passion", we have formulated internal rules such as the *Code of Business Conduct for Employees*, *Staff Rewards and Punishments Management Measures*, *Recruitment and Hiring Management Measures*, *Leave Management Measures*, *Grade Management Measures*, *Measures for Employee Performance Management* which upholds the principle of legal employment, and respects employees and safeguarded their legal rights and interests in pursuance to the *Labor Law of the People's Republic of China*, *Labor Contract Law of the People's Republic of China*, *Social Insurance Law of the People's Republic of China*, *Regulations on Work-Related Injury Insurance*, *Provisions on Prohibition of Child Labor* and other relevant laws and regulations.

We devote ourselves to creating an equal, fair, honest and trustworthy office environment and atmosphere, and make efforts to eliminate all kinds of biases and discriminations, with a view to avoiding discriminations or differentiated treatment by excuses of age, race, skin color, religion, gender, sexual orientation, nationality, inheritance, family status, disability, or political view, etc.

We believe in the importance of talent diversity to the company's sustainable development, and have been persistently committed to seeking, cultivating and retaining talents, and giving employees the space to expand their advantages, continuously improve their capabilities and co-develop with the company.

We respect the freedom of employees in association and expression, respect their right of collective bargaining, encourage them to express their personal views and maintain individual rights, broaden the channels of speech by means of seminars, public mailbox, office platform column and so on, and perfect all levels of corporate management based on the employees' opinions.

II. Scope of policy application

The Policy is applicable to all employees who have signed official labor contracts or employment contracts with Nongfu Spring Co., Ltd. or its affiliated companies pursuant to relevant laws and regulations. Suppliers, distributors and other stakeholders are encouraged to make reference to the Policy in their actions.

III. Policy

- **Employment policy**

We uphold a zero-tolerance policy towards any act of child labor, forced labor, harassment or abuse inside the company. When recruiting employees, we always treat all candidates equally without discrimination, and use qualifications, skills, performance and other indicators as the uniform measuring criteria based on openness, fairness and transparency, and do not impose restrictions on the introduction of excellent talents by discrimination. Besides, we emphasize the talent retention. In case of an abnormal brain drain, we will carry out timely analysis for continuous improvement.

We comply with applicable laws in respect of working hours, deploy the standard working hour system, comprehensive working hour system and flexible working hour system based on the nature of different job positions, pay overtime salaries or arrange rest time adjustment in case of overtime work, and encourage employees to strike a balance between their work and lives. Holidays, annual leave, sick leave, personal leave, marriage leave, maternity leave, funeral leave are all offered in accordance with relevant laws and regulations in the applicable countries or regions.

- **Remuneration and welfare policy**

Based on comprehensive factors such as departmental organizational performance, employee capabilities, and individual performance results of employees, and taking into account industry standards, we provide employees with reasonable remuneration, including monthly salary, subsidies, benefits, bonuses, etc., irrespective of genders or races etc. Besides, with the orientation to business performance, we set up diversified incentive measures to encourage employees to earn more through better performance. We carry out market remuneration surveys and investigations on a regular basis, continuously adjust the salary system based on market situations, and ensure competitive employee earnings in the industry.

We make due contributions to social securities and the housing provident funds for employees with whom we have entered into labor contracts, or provide compulsory insurances for concerned employees pursuant to applicable laws and regulations. On holidays and on employee birthdays, marriage and other concerned occasions, we grant holiday gifts, birthday gifts, marriage gifts and other benefits, and organize employee care activities on a regular basis.

- **Talent development policy**

Adhering to the philosophy that "talents are the driving force for the company's sustainable development", we provide employees with a platform for career development, internal promotion and capability improvement, respect employees' requirements of self-development, and safeguard sufficient short-term and long-term

talent supply. Employees are offered a dual-channel promotion scheme of "management" and "profession" to select a clear personal development path. We standardize different capability requirements and training plans for different job levels, and guide employee development through objective and fair evaluation and promotion procedures.

We set up, promote, and continuously improve the training system, and design and develop differentiated study plans in accordance with employee development requirements of different job positions in different stages, and implement the training system and the study plans at varied organizational levels, such as departments, job categories, headquarters/regions/plants, etc.

We encourage employees to continuously expand business skills and fields, and cultivate composite talents through job rotation, project system, etc.

- **Health and safety policy**

In day-to-day work, we comply with all applicable laws in respect of employee health and safety, and provide healthy and safe workplaces for employees, and we carry out safety education and training on a regular basis to enhance the health and safety awareness of employees.

We provide free-of-charge health examinations for employees, and have separately founded the "Serious Disease Assistance Plan". Besides, we encourage employees to enhance physical fitness and health by providing "emergency rescue" training and health knowledge lectures, and organization of all kinds of sports clubs.

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Employee Occupational Health and Safety Policy

I. Purpose

The Policy aims to build up constant sound HSE (health, safety and environment) orders, achieve constant improvement and systematic management, gradually reduce the influence of production activities on employees' health and safety, and build a healthy and safety working environment.

II. Scope

The Policy is applicable to Nongfu Spring Co., Ltd. and its affiliated companies. Suppliers, distributors and other stakeholders are encouraged to make reference to the Policy in their actions.

III. Policy

We prosecute national, local and industrial laws, regulations and requirements in respect of occupational health and safety, and ensure implementation of working activities in a legal and compliance framework.

We adhere to the HSE management guideline of "People Oriented, Prevention Foremost. Total Involvement, Continuous Improvement", and urge our suppliers, distributors and other stakeholders to make reference thereto.

We have adequately formulated safety protective measures to protect personnel working safety and prohibit the occurrence of personal injury incidents.

We properly manage hazardous articles on a day-to-day basis, and take protective and preventive measures to prevent the occurrence of fire, explosion, leakage or other incidents in the process of storage and use.

We ensure that our own employees and special working personnel providing services or construction to us are competent with due qualifications and trained before performing their working duties.

We ensure that all personnel of the company comply with all operating procedures and document requirements in respect of health and safety operation activities. Besides, we

facilitate the primary-level organizations to formulate safety protection, management systems conforming to their own circumstances and strictly enforce the systems.

We create sound HSE orders including quantifiable health and safety objectives, highly-efficient and enforceable management systems, as well as rigorous supervisory management systems.

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Supplier Health, Safety and Environment Policy

I. Purpose

The Policy aims to ensure that our suppliers can steadily supply eligible, safe, healthy and environment-friendly products and services to the company in a long run.

II. Scope

The Policy is applicable to Nongfu Spring Co., Ltd. and its affiliated companies. Suppliers, distributors and other stakeholders are encouraged to make reference to the Policy in their actions.

III. Policy

We pay attention to supplier management at all times, and we conduct regular healthiness assessments on our suppliers in cooperation through the formulation of admission requirements, dynamic evaluation principles and knock-out normalization mechanism for suppliers, in order to identify potential sustainability risks in the supply chain.

The supplier HSE (health, safety and environment) performance is an important assessment indicator, and we preferentially cooperate with suppliers which demonstrate sound HSE performance.

We always choose to use recyclables or reusable materials if they are available, in lieu of the disposables.

We always choose to use lightweight packing materials if they are available, to meet product packing requirements.

We always choose to use supplier products that are able to reduce consumption of energy and water resources and carbon emission, and take into account of the influence created by packing materials and wastes.

We give preference to suppliers who conform to the following conditions:

- Established with policies in respect of HSE management or values of and commitments to sustainable development;

- With externally certified health and safety management systems or sustainable development certificates and awards;
- Conformity to the code of conduct for suppliers of Nongfu Spring, and all applicable environmental and social regulations.

Note

We are committed to responsibly managing and cherishing the natural resources affected by us and protecting biodiversity, and we always comprehend from the perspective of public interests and benefiting others to consider how to optimize the environmental and social influence and cost effectiveness in the processes of product and service procurement.

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Product Responsibility and Publicity Policy

I. Purpose

We strictly organize production and sales by law, ensure product conformity to national specification requirements and the company's standard requirements, continuously improve product quality, and constantly meet consumers' demand for quality products.

The business conduct of our products involved in advertising and publicity complies with relevant laws and regulations, and continuously shares the concept and practice of health products.

II. Scope

The Policy is applicable to Nongfu Spring Co., Ltd. and its affiliated companies.

III. Policy

- **Product quality policy**

We organize production in strict accordance with the requirements of the *Food Safety Law* and relevant laws and regulations, strictly enforce product safety and quality control specifications, and take corresponding management and governance measures to ensure that our products conform to corresponding national safety standards and more rigorous internal quality standards of the company.

We have established a closed-loop enterprise quality management system conforming to international standards, which covers raw materials and packing materials supply chain, product manufacturing, warehousing, logistics and sales. We continuously optimize the multi-level quality monitoring mechanism of plant control and management, headquarters supervision, audit and inspection to ensure effective implementation of various management requirements.

We enforce a mechanism of strict admission, regular assessment, guidance and knock-out for raw materials and packing materials to strictly control raw material quality on the supply end.

We have formulated food safety risk monitoring plans and organized implementation

of the plans to carry out risk monitoring of raw materials, intermediate products and terminal products and to effectively identify and prevent risks.

We improve and perfect our quality management information system, and extend quality control to the links of storage & transport and sales through the information traceability system.

We continuously implement quality improvement activities, enhance the total-employee quality awareness, create a sound atmosphere of quality improvement involving each employee, and continuously meet consumers' demand for quality products.

We have also put programs in place to handle consumer complaints, including the consumer service hotline 95077 that is open to the public and other feedback mechanisms. When handling consumer complaints, we commit to timely contacting and communicating with consumers, and carry out quality investigation procedures where necessary.

Each of our production plants has formulated the product recall procedure, and carries out at least one product recall rehearsal every year, with a view to making all possible endeavors to mitigate the risks created by food safety problems.

- **Product publicity policy**

The business conduct of our product advertising and publicity complies with the *Advertising Law of the People's Republic of China*, the *Food Safety Law of the People's Republic of China* and the requirements of other relevant laws and regulations. Our product labeling and identification complies with the *Food Safety Law of the People's Republic of China*, the *Implementation Regulations on the Food Safety Law of the People's Republic of China*, the *General Rules for Prepackaged Food Labeling of Food Safety National Standards (GB-7718)* and the requirements of other relevant laws, regulations and specifications.

For the publicity of product scientific knowledge, the content is made sure to be authentic, scientific and accurate, and provides accurate product introductions on the factual and scientific basis, positively popularizes food nutrition knowledge and healthy dieting concepts to our consumers and partners, and shares our concept and practice of health products.

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Anti-corruption Policy

I. Purpose

We formulate specialized systems to prevent and investigate any act involved in fraud, corruption, bribery and breach of laws and regulations inside and outside the company, in order to enhance the level of corporate management and the level of governance transparency, maintain a good image of the company, and realize the work style of integrity and honesty.

II. Scope

The Policy is applicable to Nongfu Spring Co., Ltd. and its affiliated companies. Suppliers, distributors and other stakeholders are encouraged to make reference to the Policy in their actions.

III. Policy

In the Policy, fraud refers to the act of deceiving large amounts of public and/or private property by fabricating facts or concealing truth for the purpose of illegal possession; corruption refers to the act that an employee takes advantage of its job position to embezzle, steal, swindle or otherwise illegally possess a company's property; and bribery refers to the act of giving another person property or other benefits in order to seek illegitimate benefits.

In the Policy, fraud, corruption, bribery and other illegal acts include, but are not limited to, the following acts:

- Borrowings, loans, handled monies and other economic dealings incurred on any account, and payment of any costs payable by a person
- Conspiracy with customers, suppliers, distributors or competitors, etc., with a view to damaging the company's interests
- Illegal encroachment and misuse of the company's resources;
- Private embezzlement of the company's funds, or lending the company's funds to other persons without authorization;

- Act of unfair competition;
- Receipt and acceptance of gifts and other economic benefits in any manner (including without limitation to cash, negotiable securities, payment vouchers, communication equipment and various valuable items, etc.)
- Any act of bribery during the term of office in the company or during the period of cooperation with the company;
- Misuse of insider information or conduct of insider dealing.

We provide restatement and training in respect of anti-fraud, corruption and bribery requirements to the management, all employees, distributors and suppliers on a regular basis. For instance, we regularly organize red-line studies and examinations, promote the corporate integrity culture by different means, and share relevant cases.

We require the management to strictly comply with the *Code of Business Conduct for Employees of Nongfu Spring*, and the *Measures for the Management of Cadres*, and enter into the *Letter of Commitment for Integrity and Self-discipline* with the members of the management and subject the management to studying the *Discipline Course of Nongfu Spring*, concurrently when concluding the labor contracts with them.

We require the employees to strictly comply with the *Code of Business Conduct for Employees of Nongfu Spring*, and we enter into the *Letter of Commitment for Integrity and Self-discipline* with the employees and subject the employees to studying the *Discipline Course of Nongfu Spring*, concurrently when concluding the labor contracts with them.

We require our distributors and suppliers to strictly comply with the *Rules of Mutual Supervision on Anti-commercial Bribery and Anti-Fraud* and other requirements of the company with regard to anti-fraud, anti-corruption and anti-bribery, and we enter into the *Rules of Mutual Supervision on Anti-commercial Bribery and Anti-Fraud* with our distributors and suppliers concurrently when concluding commercial contracts with them.

Multiple whistleblowing channels are available (email: nfsqtsjb@mail.nfsq.com.cn; tel.: 0571-26692735; mailing address: Audit and Inspection Center, No.181, Geyazhuang, Xihu District, Hangzhou City, and real-name whistleblowing is also encouraged.

Our audit and inspection department will carry out investigations on the issues of whistleblowing according to procedures, keep strict confidentiality of whistleblower identity, identify the accountability based on the investigation results, and claim for criminal liability in case of breach of laws and regulations.

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Whistleblowing Policy

I. Purpose

The Policy aims to build an effective risk management mechanism and improve the company's management level and governance transparency. We formulate and announce the whistleblowing system to reveal any act of fraud, corruption, bribery and material fraudulent practice that may appear inside and outside the company, and thus to provide approaches and guidance of whistleblowing to employees, partners and stakeholders, and ensure that all issues of whistleblowing can be properly handled and the company's level of management and governance transparency can be improved.

II. Scope

The Policy is applicable to Nongfu Spring Co., Ltd. and its affiliated companies. Suppliers, distributors and other stakeholders are encouraged to make reference to the Policy in their actions.

III. Policy

We have formulated and are now strictly performing the *Code of Business Conduct for Employees of Nongfu Spring* and the *Rules of Mutual Supervision on Anti-commercial Bribery and Anti-Fraud*, which clearly stipulates that any act of fraud, corruption or bribery (hereinafter "Issues of Whistleblowing") is absolutely prohibited.

Issues of Whistleblowing include, but are not limited to:

- Breach of laws and regulations;
- Fraud, corrupt practice and other misconducts in relation to financial reports, internal monitoring, accounting and audit;
- Abuse of the company's resources, conspiracy with partners to deceive the company's interests, or other acts causing damage to the company's interests;
- Breach of the company's rules and regulations;
- Act of bribery;

- Act of unfair competition;
- Use, reproduction, distribution or leakage of confidential information or information with use restrictions;
- Misuse of insider information or conduct of insider dealing.

We accept all issues of whistleblowing of which our employees and stakeholders are convinced. Our employees and stakeholders must be responsible for the authenticity of the whistleblowing information.

We urge whistleblowers to report with real names for the convenience of carrying out the investigation and evidence collection. We will keep the whistleblower identity information strictly confidential. Under special circumstances, e.g. where it is compulsory to disclose a whistleblower's identity as required by legal procedures, we will protect the legal rights and interests of the whistleblower.

Multiple whistleblowing channels are available (email: nfsqtsjb@mail.nfsq.com.cn; tel.: 0571-26692735; mailing address: Audit and Inspection Center, No.181, Geyazhuang, Xihu District, Hangzhou City).

After receiving a whistleblowing report, we will acquire the data and materials in relation to the whistleblowing evidence, and determine the investigation plan. We will collect evidence in the field, verify the evidence with relevant persons, release the investigation conclusion and propose handling recommendations; if a criminal offence is involved, we will hand over the case to the legal department to investigate and affix legal liability, urge competent departments to improve management, and provide recommendations to the amendment of systems and rules.

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Packaging Material Sustainable Development Policy

I. Purpose

We are committed to enhancing planning and management in the links of raw material procurement, product manufacturing, sales and distribution, etc.; On the basis of ensuring product safety and consumer experience, we continuously explore opportunities of reducing the usage of packaging materials and increasing recycling of packaging materials, and make positive efforts to reduce the impact created by the company's production and operation on the environment.

II. Scope

The Policy is applicable to Nongfu Spring Co., Ltd. and its affiliated companies.

III. Policy

We pay close attention to the specific laws, regulations and implementation rules in respect of recycling and disposal of plastic wastes in the country and place of operation, and take measures to respond timely and accordingly.

We explore the recycling mechanism of plastics step by step, and have developed a recycling system of waste packaging materials and plastic wastes by virtue of plastic wastes recycling and treatment and with the support of external cooperation, in order to reduce the emission of waste plastics to the external environment.

We are committed to packaging renovation and reducing the usage of packaging materials, and we have rolled out lightweight packaging through optimization of materials and structures, whereby sound application performance of the packaging materials can be ensured, contributing to the global efforts of plastic reduction.

We positively carry out research and study on the application of recycled plastics to bottle production, explore the approaches of reducing native plastic usage, and make our contribution in the improvement of global plastic pollution.

We prosecute the national policy of waste classification and encourage consumers to carry out reuse of packaging materials and classification disposal by improving labeling and educating consumers.

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Community Investment Policy

I. Purpose

We have been long engaged in the public welfare causes with constant efforts in areas that are important to people's livelihood, such as post-disaster rescue, poverty relief, education improvement and public physical education. We continuously pay attention to community needs and positively take part in community development, continuously facilitate public welfare investment, volunteer activities, science popularization education, emergency rescue and other caring actions in communities, in order to practice our social responsibility and devote ourselves to realizing synergy development of the company with the society.

II. Scope

The Policy is applicable to Nongfu Spring Co., Ltd. and its affiliated companies. Suppliers, distributors and other stakeholders are encouraged to make reference to the Policy in their actions.

III. Policy

We positively carry out public welfare programs to care for the needs of communities, while planning public welfare programs suitable for local communities through our community operation network of Nongfu Spring, as a supplement to the local efforts of public welfare.

We have carried out programs such as caring for disadvantaged groups, helping farmers and poverty alleviation, and compassion to students for scholarship in accordance with actual situations of different communities and local conditions, making our enterprise contribution to the well-being and development of the communities.

All our plants, business operating regions and partners are encouraged to advance voluntary services as a joint effort to contribute to the communities.

We positively cooperate with local community organizations and stakeholders, and cultivate volunteer groups with the enterprise employees as its core, local personnel as supplement and meeting local needs as its objective, with a view to meeting the

improvement and development requirements of the communities.

We respond to the national food safety strategy, positively carry out science popularization of food nutrition and healthy dieting to consumers and partners, share our concepts and practices of healthy food, and promote co-governance of community food safety.

We popularize knowledge of water resources protection, healthy drinking water and food safety through the "Source Seeking Program", "Water Drop Program", and "Nutrition Knowledge Popularization Program" so as to promote the awareness of water conservation and food saving among community residents, as well as rational diet and healthy living.

In case of emergencies, timely efforts, in line with the company's emergency system and response mechanism, will be taken by us and our partners to address living and water drinking challenges for local residents in the disaster-hit areas, extending our care and love to those most in need. In close cooperation with local governments and public welfare groups and organizations, we maintain the channels and transport routes for continuous distribution of supplies, and endeavor to reduce the impact on the residents in the communities in case of emergencies.