

BTN

贝泰妮集团
BOTANEE GROUP

Stock Code: 300957



2021 SOCIAL RESPONSIBILITY REPORT

and Environmental, Social and Governance (ESG) Report

Yunnan Botanee Bio-Technology Group Co., Ltd.



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ABOUT THE REPORT

This is the 1st Environmental, Social and Governance Report (“ESG Report” or “the Report”) issued by Yunnan Botanee Bio-Technology Group Co.,Ltd (for better presentation and readability, “the Company”, “Botanee” and “we”) to present the Company’s management practice in environmental, social and governance in 2021, as well as its performance in fulfilling environmental and social responsibilities. The Board of Directors is fully aware of its responsibility for the authenticity of the Report, assumes liabilities to the Company’s environmental and social governance strategies and reporting and has reviewed and approved the Report.

Reporting Period and Scope

The Report covers the management, initiatives and performance of the Company on environmental, social and governance issues during the period from 1 January 2021 to 31 December 2021 (the “Current Year” or the “Reporting Period”). Part of the content can be traced back to the previous year or extended to 2022, to make the Report more referable. The scope of the text disclosed in the Report is the same as that of the Company’s 2021 annual report. The environmental-related data cover the headquarters of Botanee located at No. 53, Keyi Road, high-tech Zone, Kunming. The social-related data cover the Company and its subsidiaries.

Main Reference Standards of the Report

The Report is prepared in accordance with the *Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange (Revised in 2022)* and the *No. 1 Self-regulatory Guidelines of the Shenzhen Stock Exchange for Listed Companies - Standardized Operation of Listed Companies*. The Report is also prepared with reference to the Corporate Social Responsibility Reporting Guidelines released by the Chinese Academy of Social Sciences (“CASS-CSR 4.0”) and the “core” option of the Global Reporting Initiative’s Sustainability Reporting Standards (“GRI Standards”) and the United Nations Sustainable Development Goals (SDGs). Unless otherwise stated, the currencies involved in the Report are all measured in RMB.

Definition

“The Company, Botanee, and we” refer to Yunnan Botanee Bio-Technology Group Co., Ltd.



Releasing Form

The electronic version of the Report can be downloaded from the official website of Yunnan Botanee Bio-Technology Group Co., Ltd (<https://www.botanee.com.cn>). This report is released in both Chinese and English versions. In case of discrepancies between the Chinese version and the English translation, the Chinese version shall prevail.

Contact Information

We attach great importance to the opinions of various stakeholders and the public on this report. If you have any inquiries or suggestions, please contact the Company through the following methods.

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Telephone: 0871-68281899

Postal Code: 650106

Email: ir@winona.cn

A MESSAGE FROM THE CHAIRMAN

2021 marked the first year of the 14th Five-Year Plan (14th FYP), a year in which China effectively controlled and prevented the spread of the COVID-19 pandemic, and another milestone year in Botanee's development. As a leading brand in functional skin care, we are focusing on building an ecosystem for dermatological health in China, while also developing a set of skin care offerings centred on the "Winona" brand. On 25 March 2021, Botanee was listed on the ChiNext board, signalling a new stage in the Company's development journey. Over the past year, we have maintained a close relationship with thousands of customers, shareholders and institutional investors by striving to uphold the principles of openness, liberty and professionalism. Meanwhile, we have continued to review the Company's products, services, organisational structure, management, innovation and employee development to identify and correct any mistakes and lay a solid foundation for sustainable development.

Dr. Guo Zhenyu

Chairman & President



Creating Value Under the Guidance of ESG Standards

We are striving to develop Botanee into a leading company that engages in safe operations, standardised management, and clean production, while also protecting the environment, conserving resources, and promoting employee health. In recent years, we have developed an ESG system in an effort to empower our corporate governance. Strategically, environmental, social, and corporate governance have become three major areas in which we evaluate the Company; and to improve our performance in these areas, we are working to update our management practices, improve the effectiveness of our capital and employees, and raise the efficiency with which our business lines provide feedback. In addition, with our insight into market trends, we have been able to develop a flexible model for promoting innovation and creating value. In this way, we are actively cultivating an ecosystem that revolves around dermatological research, concept formulation, flexible supply chains and social impact, so that we can work with various other parties to create value and ensure the Company's steady and sustainable development.

Using Technology to Care for Sensitive Skin and Empower Beauty

Persistence is the key to success. We focus on sensitive skin and aim to provide targeted solutions that address pain points related to sensitive skin care. To this end, we have recruited specialists in the fields of dermatology, biology, botany, polymer chemistry and fine chemicals, forming a strong research & development (R&D) team of more than 150 people. We leverage Yunnan's unique botanical resources, dermatological theory, and multidisciplinary technologies such as biology and botany in our R&D efforts; and we deploy innovative technologies, including cutting-edge plant extraction and formulation technologies. Thanks to our vertical positioning and highly effective, professional products, we have become a leader in the consumer market for sensitive skin care goods.

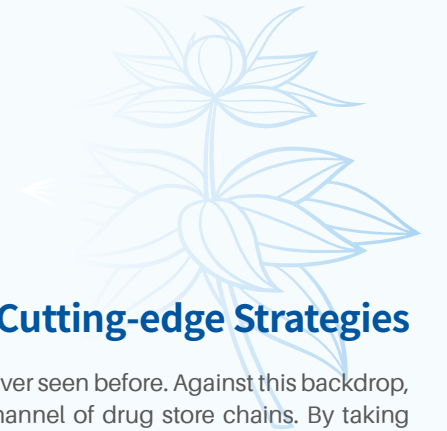
Expert Positioning, Market Segmentation and Cutting-edge Strategies

We are living in a connected world, and the industry is changing at a speed never seen before. Against this backdrop, we are embracing the Internet while also consolidating the professional channel of drug store chains. By taking advantage of the unlimited reach of the Internet, the huge user traffic on mainstream e-commerce platforms, and flexible marketing on new media, we have focused on communicating professional content about "sensitive skin care" and built a high-profile presence in the market. We have also effectively communicated to customers our commitment to creating high-quality products and engaged in other marketing initiatives that align with our corporate mission. Overall, we have successfully raised customer awareness and achieved extensive coverage of both offline and online consumers.

Protecting Biodiversity to Improve the Industry Chain

Botanee is rooted in Yunnan, the "floral kingdom" of China. The local plants in this region have been used as both food and medicine for hundreds of years, and they inspire us to create more natural and gentle materials and formulas. We have built our base for planting *Prinsepia utilis roylei* in Shangri-La, Yunnan, which helps increase the income of local farmers and revitalise this important rural area. Raw materials are directly and locally sourced from their place of origin to leverage Yunnan's rich botanical resources and improve the entire industry chain for functional skin care products. In the spirit of "never forget why you started, and your mission can be accomplished", Botanee is committed to striking a balance between corporate growth and the development of the community; and to this end, we donated RMB 1.5 million to the Yunnan Youth Development Foundation in 2021. The donation has been used to establish the "Botanee Foundation", which is the first foundation under Project Hope in Yunnan that focuses on ecological and environmental protection, including "biodiversity protection". By aiding in the construction of educational centres and eco-friendly toilets and providing financial subsidies to patrols in the Haba Snow Mountain Conservation Area in Shangri-La, we are helping local youth and tourists better understand the importance of biodiversity and enhancing awareness of biodiversity protection.

Change is afoot, and at Botanee, we embrace change. In the face of changes unseen in a century, Botanee will continue to enhance its operating and management capabilities, focus on the environmental issues facing mankind, promote a transparent corporate governance system, and earnestly practise the green business philosophy of "carbon neutrality". We will continue to consider the needs of the ecological community while developing the Company at a high speed and collaborate with community members to deeply implement the concept of sustainable development, with the ultimate goal of creating more value for our shareholders, consumers and employees, as well as society as a whole.



ABOUT BOTANEE

BTN

Vision: To bring health and beauty to everyone

Our Mission: To create China's skin health ecosystem

Our Core Values

Striving for excellence through coordination and innovation

Being honest, practical, simple, and transparent

Result-oriented team work

Company Profile

Incorporated in 2010, Yunnan Botanee Bio-Technology Group Co., Ltd. is a skin care Internet+ "big health" industrial group engaging in R&D, manufacturing and marketing activities and focusing on building an ecosystem for dermatological health and promoting skin care big health development in China. On 25 March 2021, Botanee was listed on ChiNext board of Shenzhen Stock Exchange, code 300957.

Botanee is recognised as a national high-tech enterprise and an innovation team under the Ministry of Education. The Company's R&D centre is responsible for combining the industry, academics and research, integrating advanced technologies in dermatology, biology and botany to explore active ingredients from characteristic plants in Yunnan plateau, and developing a series of patented technologies and a new generation of functional skin care products. The Company's skin care brand "Winona" applies patented technologies and dermatological grade gentle formula and manufactures its products according to the *Good Manufacturing Practice of Cosmetics* (GMPC) applicable to cosmetics sold in the US and EU markets. The efficacy and safety of our products have been widely recognised by consumers and dermatologists.

Botanee has recorded high rates of annual growth since its incorporation. By establishing marketing channels, such as e-commerce channels over entire network, OTC channels through drug store chains, dermatological and beauty clinics, and introducing online platform of dermatological health and skin care services like Qiumei application, Botanee created a new retail system over all contact points to become a leading skin care Internet+ enterprise in China enabling cross-sector O2O marketing.

Based on the Company's strong R&D capability, differentiated operating model, years of professional expertise in skin care field and the strategy to embrace Internet, Botanee focuses on building a new ecosystem for dermatological health in the future.



Major Businesses and Brands

Centred on “Winona” brand, Botanee is a professional skin care and cosmetic manufacturer which is committed to manufacturing professional skin care products using all-natural botanical active ingredients targeted on sensitive skin, and deeply synchronises with the Internet in its marketing and sales channels. The Company’s products mainly include skin care products such as face cream, skin lotion, facial mask, essence, lotion and cosmetics products such as base cream, BB cream, makeup remover, as well as medical products for the protection and care of damaged skin after minimally invasive surgery such as hyaluronic acid repair biofilm, hyaluronic acid repair patch dressing, etc. According to Euromonitor’s statistics, during the Reporting Period, the Company’s brand, “Winona” was rated No.1 dermatological grade skin care products in the domestic market, and its market share rose by 2 percentage point year on year (YoY). Compared to that of 2020, the gap between “Winona” and No.2 and No.3 competitors in the market are continuously expanding. Winona has established a clear predominance by having a market share in China that almost equals the sum of No. 2 and No.3 competitors’ shares. The Company continues to do well in the skin care niche market. During the Reporting Period, market ranking of the Company’s toner (skin lotion) products rose from No.7 to No.4. Market ranking of facial mask products rose from No.8 to No.7. The Company has established clear first-mover advantage and leading position in the cosmetic industry we are operating.

Functional skin care brand matrix

<p>WINONA 薇诺娜</p>	<p>WINONA Baby</p>	
		
<p>3X 痘痘康</p>	<p>Beauty Answers</p>	<p>ZIRUN™ 资润</p>
		

WINONA 薇诺娜 Dermatological beauty and offline experience-based stores



Q. 速美 Online Consultation Qiumei Application

<p>速美 专注美丽 专注守护</p>	<p>肌肤测试 科学选择护肤品，自己种草自己拔</p>	<p>护肤分享 大家一起聊聊变美的经历</p>
		

Key Performance Overview

Operational

Botanee recorded a revenue of **RMB 4,022.4034 million** in 2021, representing an increase of **52.57%** YoY

In 2021, net profit attributable to the parent's shareholders is RMB

862.9229 million representing an increase of **58.77%** YoY

Tax payable is RMB

490.7474 million representing an increase of **31.19%** YoY

In 2021, the Company spent RMB

120.1128 million

or **2.99%** of its operating income on R&D activities, representing an increase of **74.45%** YoY

No.1

No.1 brand in the sales of dermatological grade efficacious skin care products in China

The only Chinese brand to be one of Top 10 best-selling beauty products during Tmall's Double 11 shopping festival for 4 consecutive years from 2018 to 2021

15.16 million members

Registered members over entire network

37%

Repurchase rate over entire network

Environmental

0.31 ton of carbon dioxide equivalent/RMB million

Greenhouse gas (GHG) emission intensity in 2021 (by output value)

500 kWh/RMB million

Electricity consumption intensity in 2021 (by output value)

7 cubic metres/RMB million

Water consumption intensity in 2021 (by output value)

0.01 ton/RMB million

Diesel consumption intensity in 2021 (by output value)

680.00 kWh/RMB million

Integrated energy consumption intensity in 2021 (by output value)

282.66 tons

Recyclable solid wastes in 2021

Social

Consumer satisfaction: **90.33**

Number of patents: **80**

In 2021, the Company spent

RMB 16.66 million

to support **12 charitable projects** that benefit a total of

190,000 people

2,378 employees

The Company had 2,378 in-service employees in 2021

51%

Percentage of women in management roles in 2021

11%

Percentage of employees from ethnic minorities over total employees in 2021 is approximately 11%

The Company had

236 researchers in 2021,

which accounted for

10% of total employees

14,841.5

In 2021, the Company had organised 14,841.5 hours of training





ISO9001& ISO14001& ISO 18001

ISO 13485:2016 Medical devices — Quality management systems — Requirements for regulatory purposes

ISO 22716:2007 Cosmetics — Good Manufacturing Practices (GMP) — Guidelines on Good Manufacturing Practices



STANDARDISING GOVERNANCE TO PURSUE EXCELLENCE



Supporting Robust Management and Efficient Operations

- Governance Mechanism
- Information Disclosure
- Investor Relations



Using ESG to Promote High-quality Development

- ESG Governance Structure
- Stakeholder Communication
- Materiality Assessment
- Responses to the UN Sustainable Development Goals (SDGs)



Comprehensive Risk Management and Control

- Risk Management
- Supervision
- Reporting

Supporting Robust Management and Efficient Operations

Governance Mechanism

In 2021, Botanee has been included in the list of constituents of three indices, namely SZSE Component Index, SZSE GEM Price Index and the SZSE 100 Index (collectively referred to as "1+2" core indices). In Botanee's long-term corporate governance practice, Botanee has continuously optimized and improved its corporate governance system, through mutual supervision and control among investors, the board of directors, the supervisory board and the proprietors, in order to promote scientific choices and continuous improvement of the management level, and to guarantee the sustainable and healthy development of the enterprise.

The Shareholders Meeting enjoys the decision-making rights stipulated by laws and regulations and the *Articles of Association of the Company* and exercise the right to decide on major matters such as the Company's business policy, financing, investment, and profit distribution in accordance with the law.

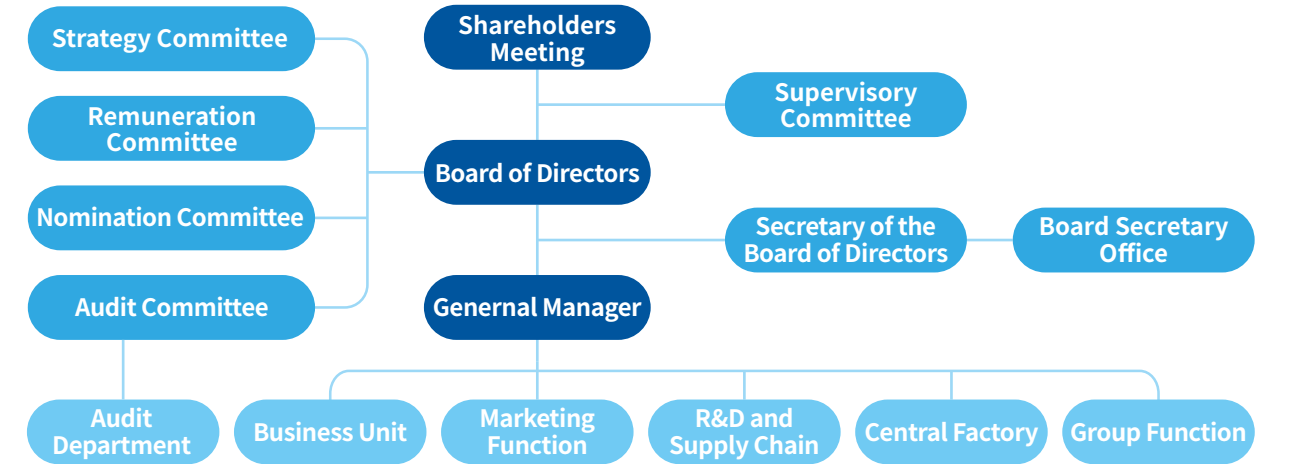
The Board of Directors of the Company shall be responsible to the shareholders' meeting and shall exercise the power of management of the Company in accordance with the law. The Board of Directors has established four professional committees: Strategy Committee, Remuneration and Evaluation Committee, Nomination Committee and Audit Committee, to improve the operational efficiency of the Board of Directors. The current nine directors (of which one is a woman) include three independent directors.

The Supervisory Committee of the Company is responsible to the shareholders' meeting and exercises the authority to inspect the Company's finances and supervise the conduct of directors and senior management in the execution of their duties for the benefit of the Company, shareholders, and employees in accordance with the law. The Company has 3 supervisors.

The management of the Company is responsible for the production and management of the Company, organizing and implementing the resolutions of the Board of Directors, the annual plan and investment program of the Company, formulating specific regulations of the Company, as well as other powers granted by the *Articles of Association of the Company* or the Board of Directors. At the same time, the Company has established primary-level Party organization, labour union, women union, and other group organizations, and give full play to the pioneering role of the CPC members to Strengthen the deep integration of party building work and enterprise culture and safeguard the legitimate interests of the Company's employees.

The Company held 1 shareholders meeting, 1 extraordinary shareholders meeting, 11 meetings of the board of directors, 3 meetings of the Strategy Committee, 5 meetings of the Audit Committee, 1 meeting of the Remuneration Committee, 1 meeting of the Nomination Committee and 5 meetings of the Supervisory Committee.

Organizational Structure



Information Disclosure

While conscientiously implementing its business development strategy and continuously improving its operation and management, the Company fulfils its obligation to disclose information of listed companies, safeguards the legitimate rights and interests of shareholders and protect the legitimate rights of investors, especially small and medium-sized investors, to access company information, enjoy asset returns, participate in major decisions and choose managers, etc. in accordance with the law. Botanee always upholds the concept of truthfulness, accuracy, completeness, timeliness, and compliance, disclosing company announcements and letter documents in designated media.

The Company disclosed a total of **160** documents for various announcements in 2021.

Investor Relations

The Company attaches great importance to investor relations and has formulated a comprehensive investor relations management system to actively develops communication and contact with investors in a fair, transparent, and equitable manner.



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Using ESG to Promote High-quality Development

ESG Governance Structure

The chairman is the first responsible person for ESG report information disclosure, the secretary of the board of directors is the specific executive and contact person for ESG report information disclosure of the Company, and the board secretary office is the daily working department for ESG report disclosure. Under the guidance of the Strategy Committee, the Secretary of the Board of Directors leads the board secretary office to undertake ESG-related overall work, and organize and coordinate the Company's ESG report information disclosure.



Stakeholder Communication

Stakeholders	Expectations and Claims	Communication and Response
Government	<ul style="list-style-type: none"> Comply with the Law Employment Promotion Tax Transparency Boosting Local Economy 	<ul style="list-style-type: none"> Strengthen compliance operation management Labour localization, promoting local employment Acceptance of supervision and assessment Boosting regional economic development with high quality
Stakeholders	<ul style="list-style-type: none"> Stable Business Sustainable Development Revenue Return Maintain Communication 	<ul style="list-style-type: none"> Enhance corporate competitiveness and profitability Green supply chain and biodiversity conservation activities Continuously generate income returns for shareholders Timely disclosure of information and conducting investor communication activities
Customers	<ul style="list-style-type: none"> Honest Performance Quality Assurance Quality Service 	<ul style="list-style-type: none"> Guarantee the stability of product supply and product quality Strengthening product quality management and continuous product optimization Conducting customer satisfaction surveys
Staff	<ul style="list-style-type: none"> Compensation and Benefits Employee Rights and Benefits Career Development Health and Safety Caring for Employees 	<ul style="list-style-type: none"> Medical insurance, holiday gift Organizing labour union and labour union activities Perfect training system and career development platform Regular health check-ups, safety and first aid training Rich employee activities, opening up the lines of communication
Environment	<ul style="list-style-type: none"> Responding to Climate Change Biodiversity Conservation Water Resources Energy Saving and Emission Reduction 	<ul style="list-style-type: none"> Analysis of the relevance of climate change to business operations Active promotion of local biodiversity conservation activities Water conservation and upgrading of water resources equipment Energy saving and consumption reduction in various aspects
Business Partners	<ul style="list-style-type: none"> Business Ethics Transparent Sourcing Mutual Benefit 	<ul style="list-style-type: none"> Sign standardized contracts and execute faithfully Open procurement, improve supplier management Business exchange and cooperation, common development
Communities	<ul style="list-style-type: none"> Community Development Public Welfare Activities Increase Employment 	<ul style="list-style-type: none"> Concerned about community, take an active part in community activities Donate and volunteer Employment localization and Procurement localization
Industries	<ul style="list-style-type: none"> Fair Competition Promote the Progress of the Industry Promote the Development of the Industry Chain 	<ul style="list-style-type: none"> Reject improper business practices and vicious competition Carry out experience exchange, seek co-prosperity Technological innovation

Materiality Assessment

As the first ESG report, we focused on internal stakeholders, especially leaders at all levels related to ESG issues, and conducted interviews and questionnaires with 20 members of the governing body (to understand executives' views on the Company's future ESG strategy) and 34 internal stakeholders (including employees from different departments) to evaluate the 34 ESG issues in the issue database along two dimensions: "importance to stakeholders" and "importance to management". The materiality matrix for ESG issues was ranked and presented these issues into three levels: high importance, importance, and relevance.

2021 Botanee ESG Report Materiality Assessment Process

01 ESG Issue Identification and Validation

- ▶ Reference to ESG issues concerned by domestic peers, domestic companies with similar characteristics, and international leaders in the industry;
- ▶ Benchmarking the environmental, social and governance issues focused on by the ESG reporting framework and guidelines; and
- ▶ Based on the actual business operation and development plan, we comprehensively sorted out the main points of the Company's sustainable development work and feedback from various stakeholders, and combined with external experts' opinions, we built a material issue pool for Botanee's ESG report.

02 Stakeholder Communication and Research

- ▶ Conducting interviews with stakeholders from governing bodies and non-governing bodies to collect feedback and suggestions from various stakeholders on the Company's sustainable development practices, as well as their views on future sustainable development strategies;
- ▶ We prepared an online questionnaire for ESG material issues, invited stakeholders to score the materiality of the corresponding ESG issues, and collated and analysed the final research results and the overall rating of stakeholders' satisfaction with the Company's sustainable development. The governing body gave Botanee an overall rating of 4.1 out of 5 for its overall performance in the area of sustainability, and stakeholders gave Botanee an overall rating of 4.5 out of 5 for its overall performance in the area of sustainability, which is a high overall rating.

03 Material Issue Assessment

- ▶ Based on the results of the stakeholder questionnaire, the ESG issues are evaluated in two dimensions: "importance to stakeholders" and "importance to management", and the ESG issues are ranked in order of their materiality and a matrix is generated.

During the year, the Company gave increased attention to the following ESG issues: IP protection & science and technology innovation, information security & customer privacy, product health & safety, promotion & marketing, supply chain management, anti-corruption, employee management and community investment.

In the future, we will maintain continuous attention to each stakeholder, constantly review and update substantive ESG issues, and bring in external stakeholders when conditions are right, so that we can more accurately and fully understand the demands of multiple parties and provide guidance and direction for the development of corporate management and environmental and social governance work.

Botanee 2021 ESG Report Material Issue List

High Importance

- 14 Employee rights & benefits
- 15 Occupational health & safety
- 16 Development & training
- 18 Supply chain management
- 19 Product health & safety
- 20 Promotion & marketing
- 21 Anti-corruption
- 22 Community investment
- 23 Information security & customer privacy
- 24 IP protection & science and technology innovation

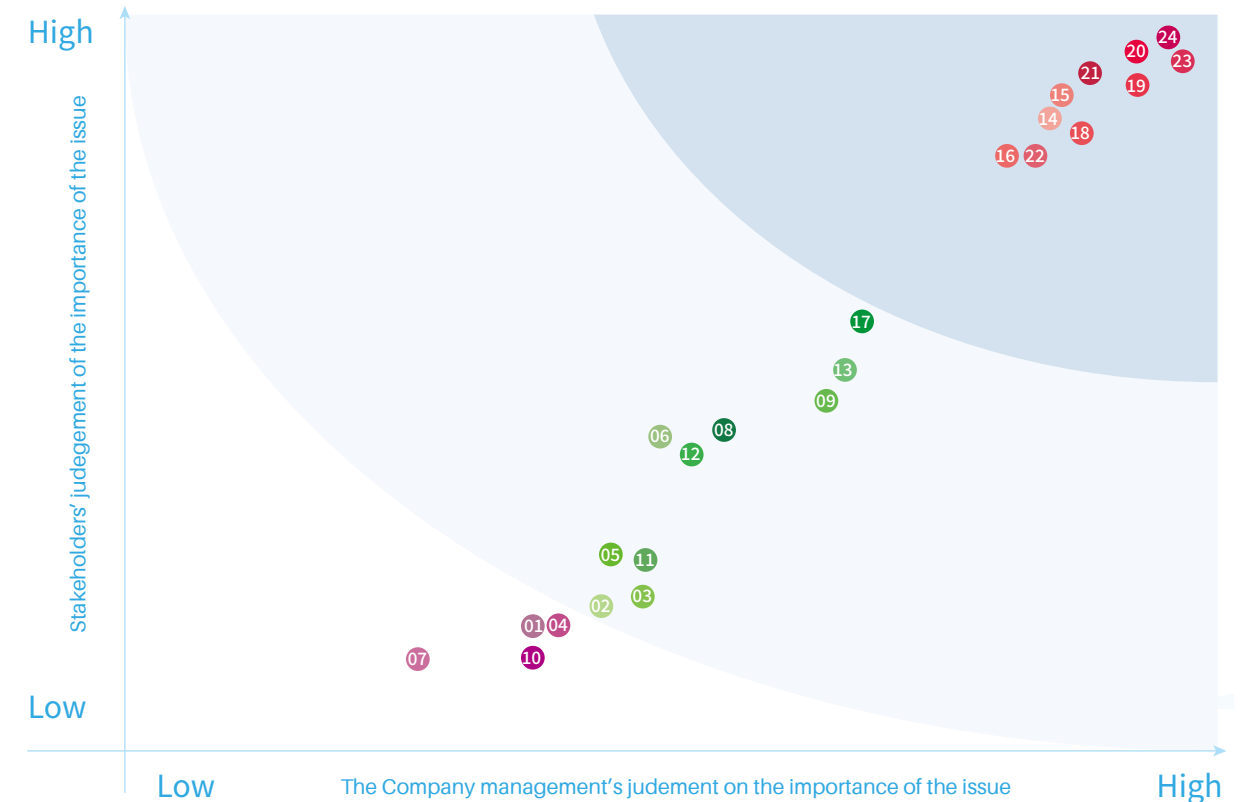
Importance

- 02 Exhaust emissions
- 03 Hazardous Waste Generation
- 05 Wastewater emissions
- 06 Indirect energy
- 08 Water resources
- 09 Use of packaging materials
- 11 Climate change
- 12 Diversity & equal opportunity
- 13 Employment & labour practices
- 17 Employee rights & guidelines

Relevance

- 01 Greenhouse gas emission
- 04 Non-hazardous waste generation
- 07 Direct energy
- 10 Potential impact of the environment and natural resources on the Company

Materiality Assessment Matrix of Botanee's 2021 ESG Report



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Responses to the UN Sustainable Development Goals (SDGs)

We currently benchmark SDGs with our ESG actions and results and respond to 10 of these issues.

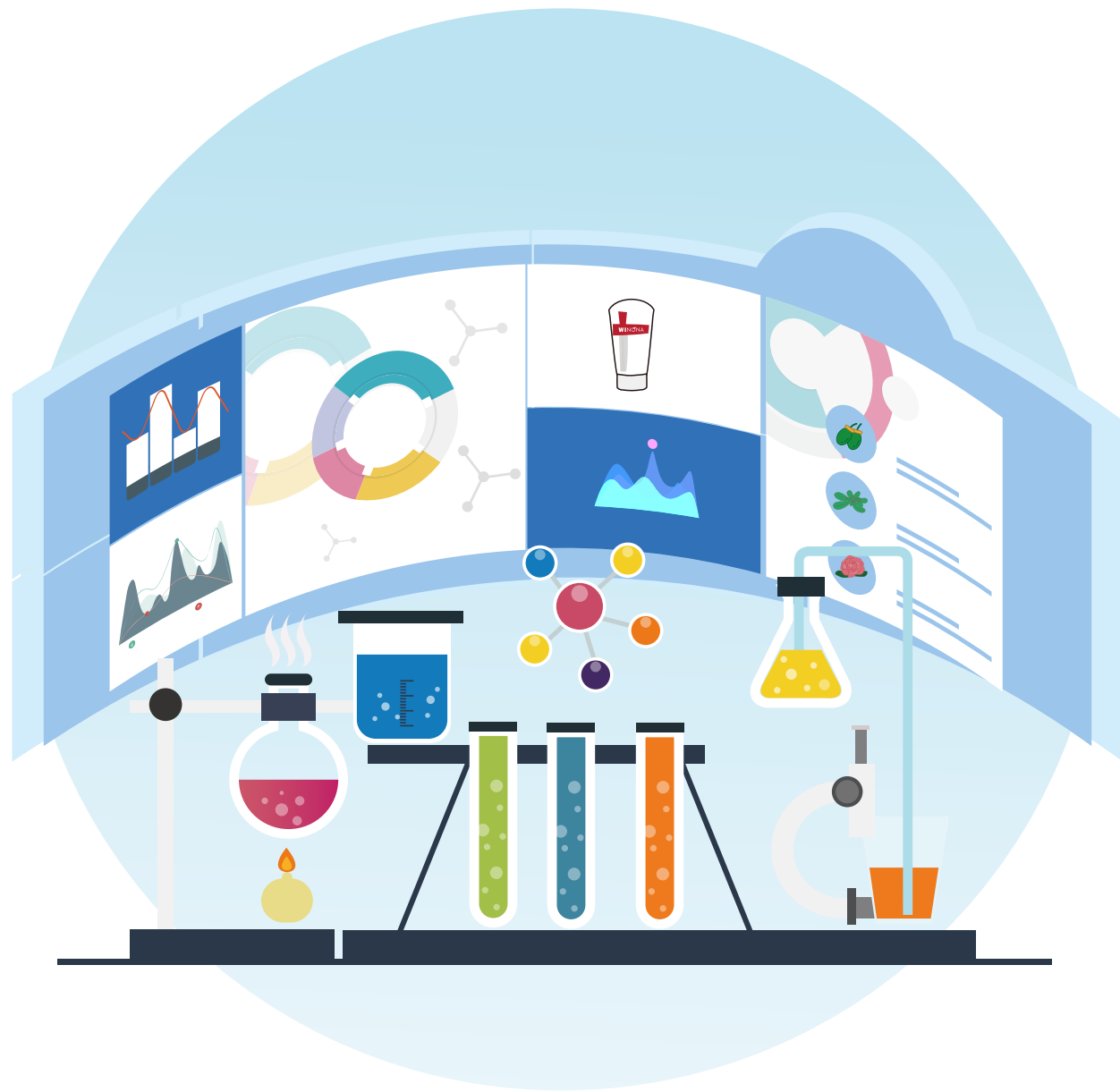
01 No Poverty		Supporting Education to Promote Rural Revitalisation Giving Back to Society and Supporting Those in Need
02 Zero Hunger		Supporting Education to Promote Rural Revitalisation Giving Back to Society and Supporting Those in Need
03 Good Health and Well-being		Supporting Education to Promote Rural Revitalisation Scientific Skin Care and Responsible Marketing Giving Back to the Society and Giving Support to Those in Need
05 Gender Equality		Regulated Employment and Diversified Structure
06 Clean Water and Sanitation		Energy Conservation and Green Development Addressing Climate Change and Protecting Biodiversity
07 Affordable and Clean Energy		Energy Conservation and Green Development
08 Decent Work and Economic Growth		Regulated Employment and Diversified Structure Recruit Talents to Boost Development
09 Industry, Innovation and Infrastructure		Innovation and Intellectual Property Protection Protect Biodiversity and Fulfil Social Corporate Responsibilities
12 Responsible Consumption and Production		Product Responsibility Green Supply Chain to Practise ESG Concepts Protect Biodiversity and Fulfil Social Corporate Responsibilities
15 Life on Land		Addressing Climate Change and Protecting Biodiversity

Comprehensive Risk Management and Control

Botanee always insists on operating in compliance with the law, strives to create value for the society and shareholders, consumers and employees, resolutely resists all improper behaviors in business activities such as embezzlement, corruption, unfair competition and money laundering, etc. According to external laws and regulations, the Company formulates relevant anti-corruption, anti-fraud and other system specifications and establishes a sound internal control system.

Risk Management	Supervision	Reporting
<p>The Company has formulated a number of systems such as <i>Anti-Corruption System of Yunnan Botanee Bio-Technology Group Co. LTD, Misconduct Complaint Management Operating Procedures of Botanee Group, Detailed rules for identification of misconduct of Botanee group, Employee Handbook, Anti-Corruption Clause</i>, etc. to promote the Company and its employees to work and operate with integrity.</p> <p>The Company's Legal Department is responsible for preventing legal risk beforehand, controlling risk when handling issues and arranging for subsequent settlement. It is also responsible for providing full legal support for affairs such as contract management, investment and financing, business compliance, dispute settlement and intellectual property (IP) rights management. It organises regular compliance trainings to enhance employees' legal knowledge and legal literacy and reduce the risk of non-compliance or any other legal risks in the Company's operation.</p>	<p>The Audit Department is the implementation and supervision department of anti-corruption, responsible for organizing and carrying out anti-corruption publicity, providing anti-corruption consultation and compliance advice, receiving and handling complaints and reports, and carrying out supervision and inspection work including daily supervision and special inspection.</p> <p>The Audit Department adheres to the work policy of " Punishment and prevention are taken together, with prevention as priority " and works under the leadership of the Audit Committee of the Board of Directors to jointly create and maintain the Company's integrity culture environment and promote the Company's compliance construction. In 2021, the Company has no anti-corruption violations.</p>	<p>Employees can complain about misconduct through reporting channels such as tip-off mailbox, hotline and email addresses. The Audit Department ensures that all reported cases are investigated, documented accordingly and comply with the provisions of the applicable Company data protection system and that the whistle blower and the content of the report are kept strictly confidential. In 2021, a total of 5 reports of misconduct were received, of which 4 were assessed and handled appropriately by 2021.</p>
Internal Control Management	Anti-unfair Competition	
<p>The Company has established a comprehensive internal control and management system, under which the Audit Department is responsible for routine and annual review of internal controls through monthly, quarterly and annual self-assessment, examination, supervision and evaluation of internal controls to ensure the compliance of the Company's operation and reduce operational risk.</p>	<p>As a leader in functional skin care products and to act as a role model in the industry, the Company forbids any practice of unfair competition, eliminates behaviours of malicious competition and market disruption, and combats any practice of unfair competition that infringes the Company's rights and interests in compliance with laws.</p>	

In the future, in order to ensure the achievement of the Company's business objectives and the Company's sustainable, stable and healthy development, the Company's Audit Department will continue to improve the system related to internal audit; strengthen the process optimization of regular internal audit and special audit; further standardize the authority and responsibilities of staff; carry out regular inspections of large capital expenditures; and consider opening reporting channels to external parties, such as suppliers.



02

HARNESSING INNOVATION TO PROMOTE QUALITY CRAFTSMANSHIP



- Innovation and Intellectual Property Protection
- Collaborating to Promote Prosperity and Development
- Pursuing Quality and Excellence
- High-quality Services
- Scientific Skin Care and Responsible Marketing
- Information Security

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The Company's Overall Goal on Management

To build an integrated management system based on "three standards", it emphasises quality and occupational health and safety, and is committed to environmental protection. The Company will continue to "set goals for the system and strive for systematic management, intelligent process, standardised infrastructure and ongoing improvements", it will build a leading company with safe operation, standard management, good environment, less energy consumption, clean production and healthy employees by integrating various management systems, coordinating operation, enhancing core competitiveness and quick market response to ensure its rapid, steady, sound and continuous growth.

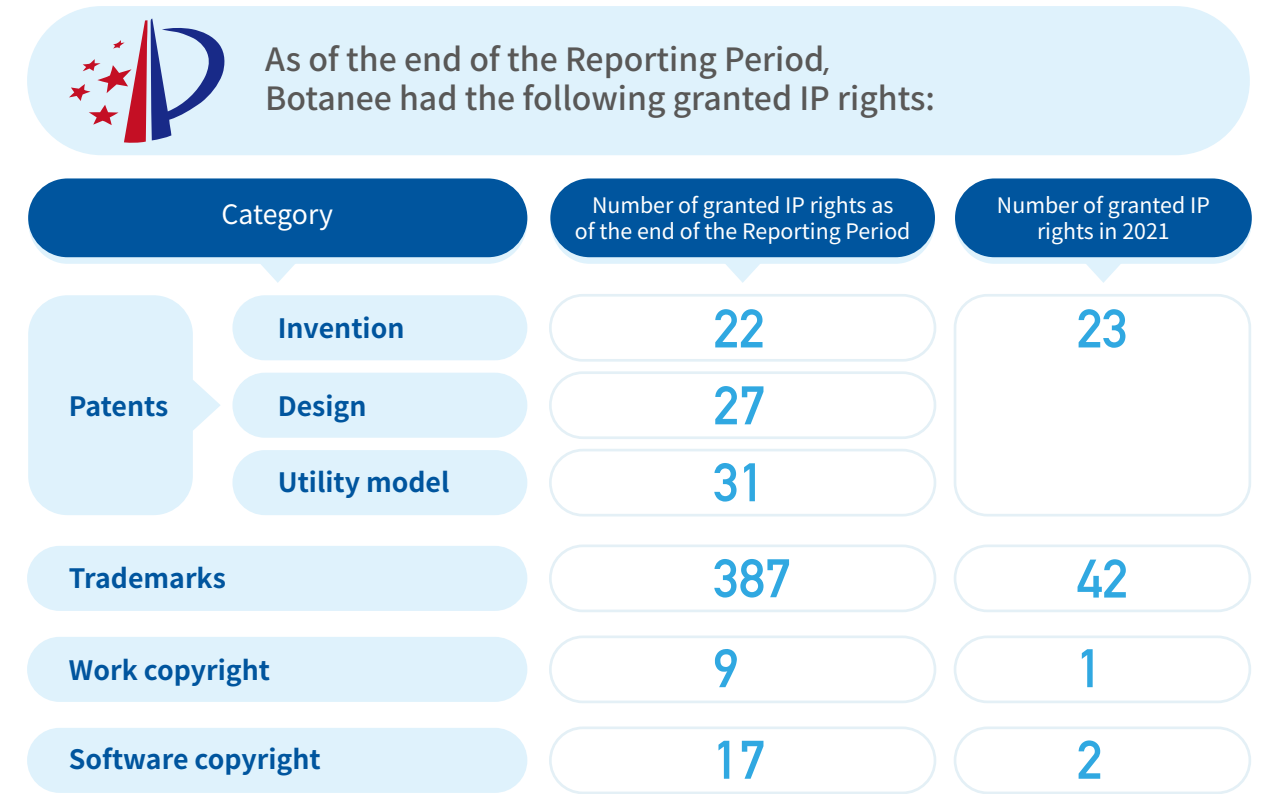
Innovation and Intellectual Property Protection

As a high-tech enterprise, the Company builds a platform consisting the innovative team under the Ministry of Education, Innovation Centre in collaboration with Yunnan Higher School, Yunnan Engineering Research Centre, Yunnan Science and Technology Innovation Team, Yunnan Characteristic Plant Extraction Laboratory, Yunnan Postdoctoral Research Workstation, and Yunnan Corporate Technological Centre by combining the industry, academics, and research forces. The Company has a multi-disciplinary and reasonably structured team of talents focusing on basic research, formula development, efficacy and safety verification of functional skin care products. We have been awarded Yunnan Science and Technology Progress Special and First Prizes, Innovation Teams First Prize and Invention Patents First Prize. **Botanee had 236 researchers in total, which accounted for 10% of total employees.**

As of the end of the Reporting Period



The Company established the IP Rights System in 2019 and subsequently released the *Manual for IP Rights Management* and implemented *Measures for IP Rights Management*. The Legal Department has designated personnel responsible for managing IP rights and preventing and controlling IP risks. The department is also responsible for assessing events and behaviours related to IP rights, and developing solutions to ensure the management and control measures are suitable in actual situation.



As of the end of the Reporting Period,

the Company obtained **256** registration certificates for ordinary cosmetics from the National Medical Products Administration, of which **76** are new registrations in 2021.

We obtained **23** registration certificates for special cosmetics, of which **2** are new registrations in 2021.

We also obtained **7** business registration certificates for Class II medical devices, and **3** product registration certificates for Class II medical devices; **2** product registration certificates for Class I medical devices, **1** production registration certificate for Class I medical device.

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Collaborating to Promote Prosperity and Development

Leveraging botanical resources in Yunnan, we initiated the establishment of Yunnan Characteristic Plant Extraction Laboratory to make our contribution to the development of local industries. Based on a long-term and stable model that combines the industry, academics, research and healthcare forces to benefit all parties involved, the Company has established working relationship with many research institutions in China to jointly participate in research and innovation and promote the transformation and upgrade of “big health” industries.

Case Laboratory opened to support plant industries valued at RMB millions in Yunnan, Botanee empowers quality development of healthcare industries with R&D

Yunan is the floral kingdom in China, and plant extracts are one of important raw materials for healthcare products such as cosmetics, food, and medicines. Pursuant to the *14th FYP Technology and Innovation Planning of Yunnan Province*, Yunnan Characteristic Plant Extraction Laboratory initiated by Yunnan Yunke Characteristic Plant Extraction Laboratory Company Limited, a wholly owned subsidiary of Botanee, was formally established in December 2021. The laboratory is a modern research institute and separate legal entity established with the approval of Yunnan Provincial Party Committee and Provincial Government. It is also a public platform for plant industries’ R&D initiated by Botanee and participated by Yunnan Institute of Materia Medica, Yunnan University and Yunnan Agricultural University. Yunnan Characteristic Plant Extraction Laboratory sets its development goals: focus on the R&D of functional cosmetics, functional foods and drugs using Yunnan characteristic plant extracts as raw materials based on consumer demands and promotes the industrialisation of plant-derived healthcare products through technological breakthroughs in relevant fields. Focus on Yunnan’s characteristic plants not only solves the key problems in basic research, but also provides scientific and technological support for industrial innovation through technical research. It helps develop high value-added healthcare products derived from characteristic plants to create industrial clusters.



Pursing Quality and Excellence

Botanee strictly follows the production process and operation procedures, strengthens the inspection and monitoring of each production process, and keeps quality control in all aspects and processes to ensure the high-quality output. The Company focuses on sensitive skin care, attaches great importance to the products quality and prioritizes safeguarding the products quality. Over the years, the Company has strictly followed the standard of ISO22716 & GMPC (International Standard for the Good Manufacturing Practices for Cosmetics & Guideline for Good Manufacturing Practice of Cosmetic Products), ISO13485 (medical devices quality management systems), ISO9001 & ISO14001 & ISO45001 (quality management system, environmental management system, occupational health and safety management system), and regarded product quality, environmental protection, and employee health and safety as an important part of its internal management.

In 2021, the Company prepared the *Medical Device Quality Management Manual* in accordance with the *Quality management system — Requirements* (GB/T 19001-2016 idt ISO9001:2015), *Medical devices — Quality management systems — Requirements for regulatory purposes* (YY/T0287-2017 idt ISO13485:2016), *Measures for Supervision and Administration of Medical Device Production*, and in light of the Company’s actual situation.

During the Reporting Period, the Company mainly adopts the production mode of combining independent production, commissioned processing, and OEM production. Under the commissioned processing model, the Company has also formulated and implemented a strict management system for the development, audit and quality control of entrusted processors.

For the quality control of independent production, the Company requires all onboarding employees to receive safety training, and quality-related personnel must also receive quality-related training. The factory conducts annual evaluations of the management system on quality, environment, and occupational health to ensure that the quality, safety and environmental protection management system is operating properly.

We established our quality policies in accordance with laws, regulations, corporate vision, and best industry practice. These policies are further divided into targets which are subject to regular review to assess the Company’s quality and operation standards and identify opportunities for continuous improvement.

Key quality and operation data in 2021 are set out below:

Quality metrics	Annual performance in 2021
Passing rate on first inspection of raw materials	99.6%
Passing rate on first inspection of packaging materials	98.7%
Passing rate on first inspection of semi-finished products	99.8%
Passing rate on first inspection of finished products	99.8%
Product defect rate and customer complaint rate (PPM)	2.1
Fulfilment error rate	0.09%

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High-quality Services

Comprehensive services that meet customers' needs

The Company has instilled the awareness of providing highly efficient services to satisfy customers' needs for quality and speed as our priority and listened carefully to customers' opinion on our products and services. A service platform has been constructed for dermatologists, skin care key opinion leaders (KOLs) and consumers to communicate and have better consumer experience. Through 400 customer care hotlines, official website, wechat account, and flagship stores, we provide targeted services to consumers. The Company raises customer satisfaction rate through the continuous offline provision of "skin manager" training programmes covering drug store salespersons and consumers.

As of the end of the Reporting Period:

The Company had **15.16 million** cumulative registered members, and the repurchase rate over entire network reached **37%**.

Winona has been one of the Top 10 best-selling beauty products during Tmall's Double 11 shopping festival for 4 consecutive years from 2018 to 2021.

In 2021, positive feedback from flagship store customers over entire network reached **86.6%**.

In 2021, the Company's customer satisfaction score was **90.33**.

Apart from regular live webcasts, Winona has explored an innovative model of live webcast. During the pre-sale session of Tmall's Double 11 shopping festival, Winona planned a live show entitled "Everything You Should Know about Sensitive Skin" for 11 days. During the live show, stars, experts and KOLs explained the correct way to care for sensitive skin through interesting skin care classes combined with alternative perspectives from the medical profession, which presented skin care knowledge to consumers in a brand-new way and demonstrated Winona's seamless synchronisation with consumers.



Mr. Dong Junzi, vice president, talked offer in person with Austin Li to deepen consumers' understanding of Winona and help the brand reach out to consumers.

Botanee is a consumer rights protection service station authorised by Kunming Administration for Market Regulation.

In 2021, the Company received 1,427 complaints in total, which are handled with **1.5 day** on average, and the complaint resolution rate is **100%**.

During the Double 11 shopping festival in 2021, due to the surge in sales and the suspension of warehouse operations because of the epidemic, the Company received more complaints about the delay in delivery. The Company promptly reviewed the situation, actively listened to the guidance of relevant management departments, and strictly implemented corresponding self-inspection and self-examination and formulated comprehensive rectification and remedial measures from various aspects such as production, operation, sales, logistics and customer service to quickly resolve consumer complaints. Going forward, the Company will learn from these lessons, and maintain a harmonious relationship with customers while enhancing our sales capability.

Scientific Skin Care and Responsible Marketing

The Company has been focusing on the sensitive skin care niche market since its incorporation and is committed to the research in the field of sensitive skin. We work with foreign and domestic dermatologists to conduct plenty of basic research and study on sensitive skin problems of Chinese and advocate correct concept and scientific methods of skin care. Through working with authoritative dermatologists, the Company initiated the improvement of the regulations and standards for functional cosmetics in China, so that the industry can be developed in a regular and healthy manner.

During the promotion of products and services, the Company pays attention to the authenticity of publicity content and prohibits false or misleading publicity. We ensure products are presented in an objective and fair way. We have also established a marketing and promotion management system to match product and customer needs and ensure the dissemination of accurate brand information. In our promotional videos, many of the presenters are the Company's line managers to ensure that presenters are familiar with our products, and all promotional materials are subject to internal review before use. Aiming higher and better, we are committed to forming industry standards, upgrading services, solving practical problems, caring for people with sensitive skin, and demonstrating social and brand responsibilities as a Chinese brand.



Winona Second China Sensitive Skin Summit Forum was held, leading the new trend of effective skin care

In April 2021, Winona Research Centre partnered with five industry associations, including Chinese Society of Dermatology under Chinese Medical Association to hold the Second China Sensitive Skin Summit Forum. Gathering groups from industry, academia, and research area, the forum invited many leading experts in the skin industry to discuss new ideas and achievements in sensitive skin care research with the theme of "Scientific Repair and Anti-sensitivity", providing new standards and guidelines for the innovative change in the skin care industry. At the Forum, dermatologists jointly released a new guide on allergy relief and moisturising skin care products for the functional skin care industry, i.e. *The Industry Standard of Allergy Relief and Moisturising Skin Care Products and the Application Guide for Sensitive Skin*, which provides a safe, scientific and effective skin care solution for people with sensitive skin and also sets a standard for the skincare industry to innovate and change. This highly anticipated industry event was held both online and offline. Nearly 200 people attended the conference in person while other participants watched the live stream through Winona's Tmall platform and many other official media platforms.



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Case

"525 National Skin Care Day" free clinic to enable wide and deep reach of the brand through online and offline channels

As a leading functional skin care brand in China, Winona has been working with the Dermatologists Branch of the China Medical Doctor Association (CDA) to hold the "525 National Skin Care Day" event since 2013. Through public service activities in 2021, we gathered specialists in dermatology across the country to convey scientific knowledge in skin care and solution for professional skin care. Our action helps address the concern of consumers troubled with skin problems and implement the strategy of "Healthy and Beautiful China".

1. "Safe and clever beauty" Cosmetics Safety Popularisation Week: we organised open activities of our headquarters to the public tours, hosted safe skin care briefings, raised consumers' awareness in safe beauty products and provided guidance on scientific and reasonable use of cosmetics.
2. Doctors in campus: we coordinated 5 colleges in 5 major cities to popularise knowledge and provide free clinic services.
3. Free online clinic: Winona hosted live webcast at Tmall live channel for 8 consecutive days to warm up for 525 National Skin Care Day.
4. Free clinic at Watson's stores: we provided free clinic services at Watson's offline stores, the leading tier 1 offline channel, to communicate with our members in depth and reach out to potential customers of new white-collars and young mothers.



Case

Winona Smile Sunshine Project has been serving the public for 6 consecutive years

Since 2016, we have been organising sun protection-themed public service activities named "Winona Sunshine Scheme" from August to October each year. The activities aim to convey sun protection knowledge across the country, especially areas more vulnerable to ultraviolet radiation, and instil awareness of sun protection to prevent skin photodamage.

From 13 to 15 September 2021, Winona Sunshine Scheme activities themed on "Smiling Face and Light of Hope" were held in Yunnan Shangri-La. We invited major public media, industry media, beauty bloggers, and worked with Doctor Zhang Jianbo, director of Dermatology, and volunteer ambassadors from Dali City Second People's Hospital to visit several districts in Shangri-La. Through one-to-one skin problem consultation with medical specialists, villages and rural schools visit, and distribution of Winona Sunshine Scheme sunscreen gift packs to instil scientific knowledge on sun protection and skin care into Shangri-La residents.

We pay special attention to business-related public service activities, for example the popularisation of sensitive skin care concepts. Through Winona Sunshine Scheme, Winona aims to convey correct and scientific knowledge on sun protection and skin care so that Shangri-La residents will have correct concept in sun protection and skin care from the very beginning.



Information Security

The Company strictly protects the security of corporate information and privacy of customers' data. In accordance with the *Basic Requirements on Graded Protection of Information System Security*, Winona's official website, Winona counter mall and Qiumei application operated by the Company have all been granted Grade 3 certification.

To protect the privacy of consumers' data, the Company has formulated the *Membership Management System* and the *Measures for the Administration of Information Security and Control on Data Authorisation*, under which customers' data will be desensitised, all operating departments are required to acknowledge and comply with the above rules, and employees are required to sign the acknowledgement slip to protect customers' privacy with a well-developed and robust system.

To protect the security of corporate information, Botanee has a well-established data management system in place, for example, the Company has formulated the *Administrative Provisions on Computer Use* to regulate employees' use of office computers. It has formulated the *Data Use Management System* to manage business units' data security. *Network Management System* has been formulated to regulate the Company's network maintenance, clarify departmental and individual responsibilities, and ensure the effective use of corporate resources as well as the safe and stable operation of network and information system. The Company has also released a series of management systems including the *Server Management System* and *Server Room Management System* for the Information Department.



CONSERVING RESOURCES TO PURSUE SUSTAINABLE DEVELOPMENT

The Company was listed by the Ministry of Industry and Information Technology as one of national model enterprises for green supply chain management (GSCM) in 2019. Based on the principles of “comprehensive planning, reasonable deployment, comprehensive utilisation, environmental protection and local benefits”, the Company is committed to our mission of protecting the environment and insisting on sustainable development through a production and operation model that is green, recyclable and low in carbon emission. The Company has a designated unit for GSCM, which is responsible for setting management targets and metrics, leveraging GSCM advantages, mitigating environmental risks, raising utilisation efficiency of energy and resources, and expanding the market share of green products.



Green Supply Chain to Practise ESG Concepts

Supplier Management
Green Procurement



Energy Saving and Consumption Reduction

Energy Saving, and Energy Efficiency Improvement
Green and Innovation Design



Prevent Pollution

Daily Management
Green Construction



Address Climate Change Protecting Biodiversity and Fulfilling Social Responsibilities

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Green Supply Chain to Practise ESG Concepts

The Company was recognized as a National Green Supply Chain Management Demonstration Enterprise by the Ministry of Industry and Information Technology in 2019. Creating a green supply chain management enterprise is a strategic task proposed in Made in China 2025, and an important task to promote the coordinated development of industrialization and greening. Made in China 2025 clearly proposed to "create a green supply chain, accelerate the establishment of resource-saving, environment-friendly procurement, production, marketing, recycling and logistics systems to implement the extended producer responsibility system". By creating a green supply chain management enterprise, we can promote the transformation and upgrading of enterprises in the real sense.

Green supply chain management targets and metrics

- Targets** >
- 1 Sign responsibility letters for achieving energy saving targets with the Municipality and District Industry and Information Technology Committees.
 - 2 Integrated energy consumption of the Company's products is limited under the *Energy Consumption Limit on the Company's Individual Product*.

Metrics >

Integrated energy consumption intensity per RMB million of output value in 2021:

680.00 kWh/RMB million

Electricity consumption intensity per RMB million of output value in 2021:

500 kWh/RMB million

Diesel consumption intensity per RMB million of output value in 2021:

0.01 ton/RMB million

Water consumption intensity per RMB million of output value in 2021:

7 cubic metres/RMB million

Green supply chain strategy

The Company integrates green supply chain into business processes including product R&D, design, procurement, manufacturing, warehousing and logistics from the whole system perspective to identify energy and resources, environmental risks and opportunities, and work in coordination with upstream and downstream industry chains to expand the market share of green products.

Supplier Management

In 2021, the Company continued to upgrade supply chain management by improving and adjusting suppliers' classification and grading. During the Reporting Period, we engaged a third-party reviewer to conduct a more systematic, professional, and comprehensive review of suppliers and issued a formal review report. If a supplier is new, the Company will research and review its basic information (including but is not limited to company size, financial position, customer groups, sales, etc.), followed by an on-site review. If a supplier has worked with the Company, the Company will conduct on-site reviews on a random basis each year. Meanwhile, we certify, select, and manage our Green Partner suppliers in terms of environment-friendly materials, pollution prevention, energy saving and emission reduction, to encourage our suppliers to reduce the use of raw and auxiliary materials and packaging materials, or replace them with more environment-friendly materials to avoid or mitigate environmental pollution.

Green and Innovative Design

Driven by innovation, Botanee puts green ideas into innovative design and packaging, energy saving and material reduction, and achieved outstanding results and made contribution to the sustainable development of the Company and the industry. We made the following attempts in green innovation of product packaging:

Optimise size

Reduce consumption of packaging materials: reduce shipping and packaging costs by upgrading packaging specifications according to business needs.

Improve manufacturing processes

Reduce the plastic used: transparent and environment-friendly water-based varnish is used instead of sticking BOPP film on the packaging surface to facilitate separation of paper and plastic, and back-end sorting and recycling.

Select packaging materials

Use FSC-certified paper: during the Reporting Period, about 2.1 million boxes have been produced with FSC-certified paper.

Replace oil-based ink

We worked with suppliers to replace oil-based ink used in traditional product packaging printing with water-based ink and soybean ink to reduce VOC emission since 2021.

Reduce the use of plastic wrap

Sealing labels, lining, plastic films have been abandoned for certain product lines, such as Winona Double Repair series and Winona Baby series.



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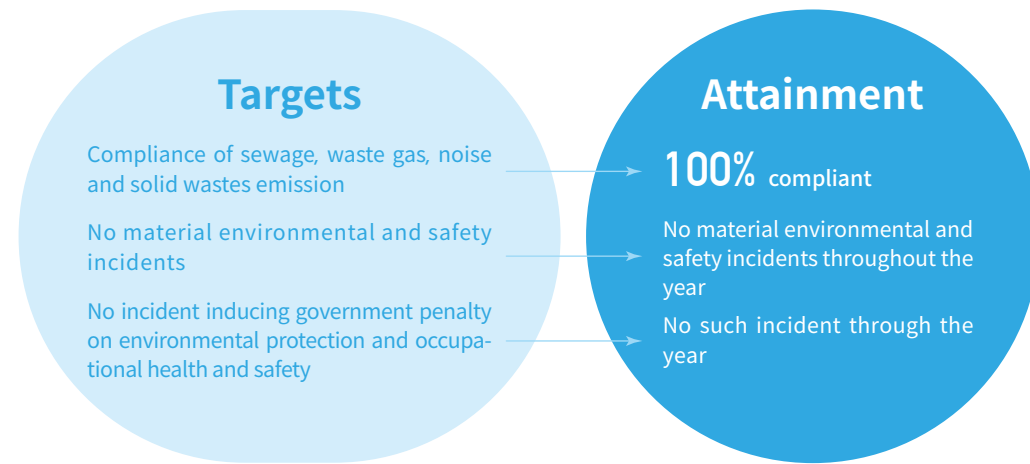
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Green Manufacturing

Botanee complies with national and local environmental laws and regulations. There were no material incidents of safety, environmental protection and quality in 2021; and the Company has installed equipment for monitoring energy, water source and pollutants (measuring instruments in compliance with GB/T 17167 and GB 24789).



Green Recycling



A well-developed recycling system

The Company has established a management and recycling system for defective products, general solid wastes (mainly packaging materials) and hazardous wastes while providing guidance to downstream enterprises on recycling and dismantling.

In 2021, the Company launched an Empty Bottle Exchange Programme across **160** chain drug stores to recycle **2,754** empty bottles in total to effectively raise consumers' environmental protection awareness.

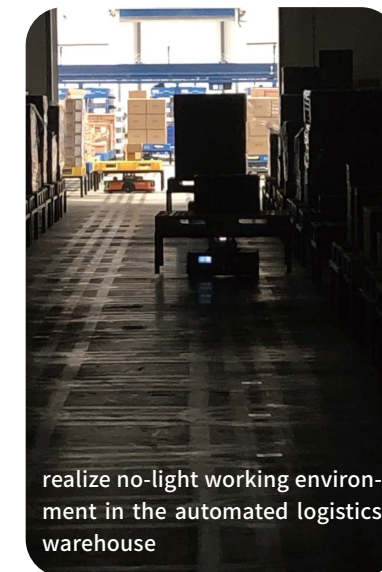
The Company still needed to strengthen and improve its information management system for recycling and dismantling the Company's products in 2021 (internal and external packaging of products) and integrate it into the Company's information management platform for green supply chain.

In 2021, the Company introduced automated warehousing and logistics equipment to upgrade warehouse management. The equipment is mainly composed of large equipment such as four-way shuttle, AGV, robotic arms, and automated sorting. Manual operation will be replaced by the automated system. After the system go-live, labour intensity and efficiency has been significantly improved.

For example, during the Double 11 shopping festival in 2021:

HR efficiency was raised by **43.84%**

and B2C labour efficiency was raised by **88.61%** after automation.



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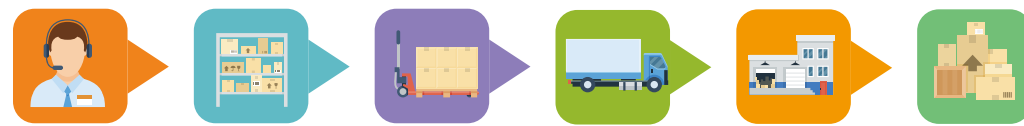
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Constructing a Green Information Platform

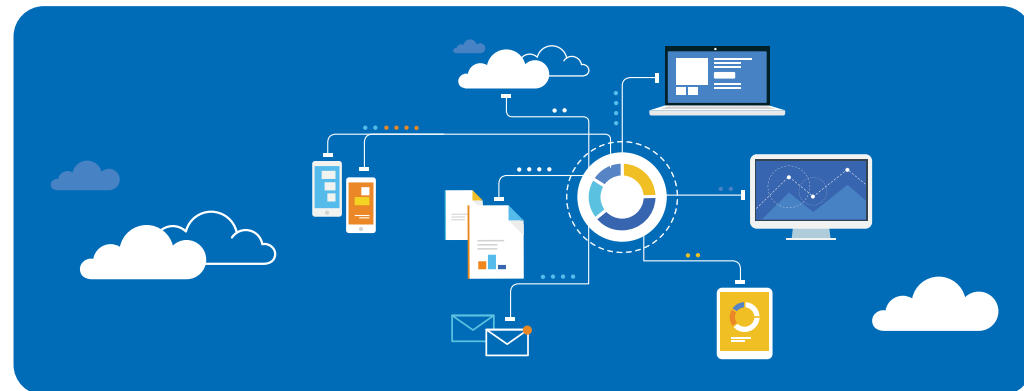
The Company has established a complete supply chain management system, including supplier relationship management (SRM) system, product lifecycle management (PLM) system, enterprise resource planning (ERP) system, order management system (OMS) and warehouse management system (WMS).



In response to the Company's rapid development and digitalisation of supply chain, the Company's end-to-end system for supply chain planning (SCP) went live in 2020. Integrated decision of supply chain planning from demand, inventory, replenishment, allocation, production to material sourcing has been achieved through constructing supply network model. Through agile perception of demand changes, supply chain can respond quickly, and shorten planning cycle to facilitate intelligent transformation of the supply chain information and data.

In 2021, we continued to optimise the Company's measures on localised procurement. As of the end of the Reporting Period, all packaging materials of the Company are produced in China. As for product raw materials, the R&D Department is verifying the localisation of product raw materials. To strengthen the Company's resilience under emergencies like the outbreak of COVID-19 pandemic, the Company will consider safety stock and supply chain management from a forward-looking perspective to push forward supply chain diversification, including the diversification of supplier locations and sizes; modular and standardised procurement materials to enhance the resilience of the supply chain and ensure there is room for resources readjustment.

Going forward, the Company will continue to disclose information on energy saving and carbon emission reduction for timely release to the public.



Prevent Pollution

In active response to the requirements of national and local governments, the Company strictly manages noise, wastewater and gas following the development philosophy of "lucid waters and lush mountains are invaluable assets". We have taken effective measures to ensure that noise, sewage, waste, etc. are discharged in compliance with standards to prevent pollution and continuously improve the environment.

Daily Management

The Company has obtained the environmental management system certificate for its environmental management and clean production. Internally, the Company has formulated relevant rules and regulations, and signed environmental testing contracts with third-party companies. Factors of reclaimed water after preliminary treatment by the sewage treatment system are tested each month, and boiler flue and noise are tested each quarter to ensure that noise, sewage, waste gas, etc. are discharged in compliance with environmental regulations and discharge permits to avoid and mitigate the impact on neighbouring residents and environment.

Environmental targets, metrics and management solution

Factors	Targets	Metrics	Management solution
Raw material, energy and resources consumption	Save raw materials, water and electricity according to the standards; save paper and fuel	Save energy and reduce resource consumption	<ul style="list-style-type: none"> 2F and 4F production workshop, facilities and equipment renovation; Strengthen production process management and scheduling to ensure clean and safe production; Strengthen water use management, install additional pipelines and improve the reuse rate; Eliminate high energy-consuming motors, strengthen the balance of production electricity load, and ensure electricity use safety; and Strengthen diesel load management for production, and maintain the boiler to ensure its thermal efficiency.
Sewage discharge	Sewage discharge complies with 1A grade standard requirements under the <i>Wastewater Quality Standards for Discharge to Municipal Sewers (GB/T31962-2015)</i>	<ul style="list-style-type: none"> PH value: 6.5-9.5 Suspended matter $\leq 70\text{mg/L}$ Biochemical oxygen demand (BOD5) $\leq 80\text{mg/L}$ Chemical oxygen demand (CODCr) $\leq 200\text{mg/L}$ Ammonia nitrogen $\leq 40\text{mg/L}$ Total phosphorus $\leq 4\text{mg/L}$ Petroleum $\leq 15\text{mg/L}$ Animal and vegetable oils $\leq 4\text{mg/L}$ 	<ul style="list-style-type: none"> Kitchen wastewater is treated in an oil separation sedimentation tank, and food residue and waste oils are cleaned up regularly. The wastewater is then treated by a sewage treatment station and discharged according to the standards; Domestic wastewater and production wastewater are discharged according to the standards after being treated by the sewage station; and Improve the rain and sewage separation system to ensure rain and sewage are separated.
Boiler exhaust emission	Table 2 Fuel standard of the <i>Emission Standard of Air Pollutants for Boiler (GB13271-20014)</i>	<ul style="list-style-type: none"> Soot $\leq 8.5\text{mg/L}$ Sulfur dioxide $\leq 60\text{mg/m}^3$ Ammonia nitride $\leq 40\text{mg/m}^3$ Smoke blackness ≤ 1 	<ul style="list-style-type: none"> Replace the boiler ignition rod to burn it fully; Strengthen operation control to improve boiler combustion condition; and Reasonably arrange production plans to enhance boiler utilisation.
Noise emission	Noise is emitted according to type 2 region standards specified in the <i>Emission Standard for Industrial Enterprises Noise at Boundary (GB12349-2008)</i>	<ul style="list-style-type: none"> Day noise $\leq 60\text{dB(A)}$ Night noise $\leq 50\text{dB(A)}$ 	Strengthen equipment inspection, repair and maintenance to reduce noise emission.

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Waste disposal

The Company has formulated the *Management Procedures for Waste Standards* in accordance with national laws and regulations to specify responsibilities and management processes of departments involved in wastes management. The Company categorises wastes into three types: hazardous wastes, industrial solid wastes and recyclable wastes.

Hazardous wastes

The Company strictly abides by the following rules and regulation in wastes management, including *Measures for the Prevention and Control of Environmental Pollution by Disposed Hazardous Chemicals*, *Standard for Pollution Control on Hazardous Waste Storage* (GB18597-2001), *Graphical Signs for Environmental Protection — Solid Waste Storage (Disposal) Site* (GB15562.2-1995), *Technical Specifications for Collection, Storage, Transportation of Hazardous Waste and National Catalogue of Hazardous Wastes (2016 Edition)* to ensure that hazardous wastes are reasonably, regularly and effectively controlled to prevent them from polluting the environment.

Under the *Management Procedures for Waste Standards*, departments are required to regularly transfer hazardous wastes to designated sites for storage. The transferee department is required to provide an electronic list of hazardous wastes and the paper version of the responsible person's signature for EHS to verify the quantity, hazardous wastes can only be stored after both parties' verification and signature.

The Company transfers hazardous wastes from time to time, and tracks the whole process from loading, leaving the factory, transporting, unloading to disposal.

Industrial solid wastes

To treat industrial solid wastes, the Company has established a temporary storage for solid wastes as required, and the storage has passed the environmental assessment. The Company has provided the local authority in charge of ecological environment with relevant information on the type, quantity, flow, storage, utilisation and disposal of industrial solid wastes, as well as specific measures to reduce and comprehensively utilise industrial solid wastes. We have also enforced relevant regulations under the pollutant discharge permit management system.

Recyclable wastes

The Company implements the *Management Procedures for Waste Standards* by requiring departments to transfer recyclable wastes to the solid waste storage before close of business after sorting and collecting. The production and operation department regularly contacts a third party for centralised recycling and registration.

During the Reporting Period, the Company produced **282.66 tons** of recyclable wastes (volume).

Wastewater discharge

The wastewater generated by the Company mainly comes from workshop pipeline, batching system and ground cleaning. The pollution factors being monitored include BOD, COD, SS, NH3-N, TP, animal and vegetable oils. The Company adopts an integrated wastewater treatment system, and both process water and domestic water will only be discharged after they have been treated in the wastewater treatment system and reached the water quality standard. Most of the recycled water produced by the treatment system is used for the Company's greening work.

Exhaust gas emission

The Company's exhaust gas emissions are mainly produced by boilers, and the pollution factors involved include sulfur dioxide and nitrogen oxides. As set out in the Company's *Environmental Safety Goals, Indicators and Management Plans*, the emissions of exhaust gas should be managed according to the exhaust gas-related management system, and exhaust gas treatment facilities should be equipped.

Noise emission

The Company has been strictly implementing noise management. As set out in *Environmental Safety Goals, Indicators and Management Plans*, noise-related management measures should be strictly implemented; and production equipment with lower power and less noise should be used, and equipment maintenance should be carried out as required.

Neither the Company nor its subsidiaries are on the list of key pollutant discharge units issued by the environmental protection department. During the Reporting Period, the Company and its subsidiaries' wastewater treatment systems and environment pollution source online monitoring systems were operating normally; the hazardous wastes were handed over to qualified institutions for disposal in accordance with applicable regulations; no environmental pollution accidents and disputes have occurred; and the Company and its subsidiaries did not violate any environmental protection law and regulation and were not subject to any administrative penalty in this respect.

Green Construction

We also actively passed on the green and low-carbon mindset to our suppliers. In the Botanee Group central factory new base project located in Majinpu, Kunming City, Yunnan Province, we adopted a "safe production and green construction" approach on the construction site throughout the project through contractor screening, and was selected as one of the "Commended and Demonstrative Projects" in the work report of Kunming Housing and Urban-Rural Development Bureau on the work status of construction site safety and dust prevention and control inspection in June 2021.

In the future, the Company and its subsidiaries will continue to adhere to the concept of environmental protection, strictly implement various environmental protection systems and measures in our production and operation activities, and strictly implement various national and local laws, regulations and rules on environmental protection, so as to achieve a win-win situation between corporate development and environmental protection.



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Address Climate Change

Botanee pays constant attention to major issues such as coping with climate change, energy conservation and emission reduction, and actively takes countermeasures to further promote sustainable corporate development. With reference to TCFD's recommendations, the contents of this section are grouped by governance, strategy, risk management, indicators and targets. It describes our efforts and future direction in addressing climate change.

Governance

In terms of governance of climate-related risks and opportunities, TCFD has developed two disclosure proposals, one focusing on the Board of Directors and the other on management. According to the ESG governance framework developed by the Company, the Board of Directors' oversight of climate related risks and opportunities on climate change topics is clarified, and the Board Secretary Office takes over the ESG-related coordination work under the leadership of the Board Strategy Committee. The Board of Directors is required to consider climate related issues when reviewing and guiding strategies, key action plans, risk management policies, annual budgets and business plans, as well as setting organizational performance targets, monitoring implementation and execution, and overseeing key capital expenditures, acquisitions and divestitures. The Board of Directors shall be required to oversee and monitor the achievement of its objectives in addressing climate related issues.

As required by the Company's ESG governance framework and mechanism, the management is responsible for the evaluation and management of climate-related agendas and reporting to the Board of Directors 4 times per year the progress of the climate-related agendas.

Strategy

The Company has identified and assessed the management process of climate-related risks in light of the characteristics of the Company's industry and situation. In 2021, the Company invited third-party companies to conduct a safety evaluation and prepare a *Safety Evaluation Report* which analyses natural and environmental risks the Company is exposed to. Based on the climate-related risks identified and characteristics of its production, the Company has formulated a *Comprehensive Emergency Plan for Production Safety Accidents*, *Special Emergency Plan for Fires*, and *Emergency Plan for Boiler Accidents* to standardise its emergency procedures during safety accidents to minimise or mitigate the impact of accidents on people, property and environment. In order to handle potential accidents during its production and operation, the Company has established an accident emergency and rescue leadership group.

Metrics and targets

In order to quantify the effectiveness of the Company's actions against climate change, we have selected the resource and energy consumption and waste emissions as the key performance indicators of our energy conservation and emission reduction work and established a mechanism by which the EHS department shall be responsible for the coordination and management of performance indicators. In addition, the Company sets its annual targets in terms of energy use efficiency, water use efficiency and waste emission and conducts periodic review of the implementation status regarding the targets. The Company regularly analyses the movement of the metrics, reviews its practices continuously and modifies its targets and countermeasures as appropriate.

Going forward, we will further improve the governance, strategic development, risk management, metrics and targets identification and management regarding climate-related risks, and cooperate with various communities to address climate change and achieve sustainable development goals.

Protecting Biodiversity and Fulfilling Social Responsibilities

One of the main ingredients of Botanee products is "prinsepia utilis royle", a plant growing in Yunnan's Haba Snow Mountain which is located in the hinterland between the Longitudinal Range-Gorge Region in Southwest China and the Three Parallel Rivers of Yunnan Protected Areas and UNESCO World Natural Heritage Site. Haba Village is located in northwest Yunnan, one of the three species diversity hotspots and one of the 17 key biodiversity protection areas in China. The World Wide Fund for Nature has identified it as one of the 25 global biodiversity hotspots for conservation priorities.

However, issues, such as global warming, have been leaving their mark on Haba Snow Mountain, such as glacier degradation. Therefore, we work with the local community in Haba Snow Mountain Conservation Area where our base for planting prinsepia utilis royle is located. Together we assessed the carrying capacity of Haba environment, built up the capacity of the conservation area, carried out community education and joint community governance to improve both biodiversity protection and community livelihood. Eco-tourism is properly conducted to strike a balance between environmental protection and economic development.

Botanee's actions include:

Leverage local protection agencies to provide basic protection to the patrol team and staff of the management and protection bureau in the Conservation Area and enable capability building.

Carry out community environmental governance and education activities, and allocate necessary environmental protection materials to improve local community residents' environmental protection awareness.

Provide villagers with tour guide training on account of their enthusiasm for developing local tourism industry, assist the villagers in establishing a public management model to facilitate the sustainable development of local community and ecological environment.



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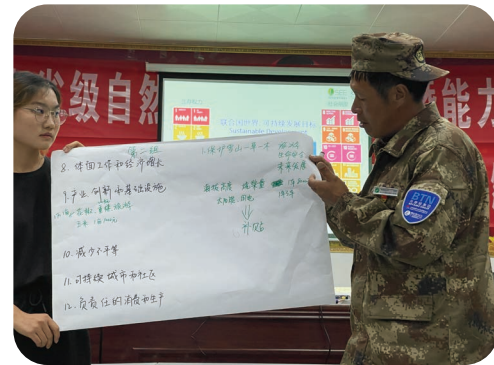
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The Company donated RMB 1.5 million to Yunnan Youth Development Foundation to establish the "Botanee Foundation" on 7 April 2021. The Foundation is the first special non-profit foundation focusing on ecological and environmental protection including "biodiversity protection by teenagers" under Project Hope in Yunnan. It is dedicated in helping local teenagers and tourists understand the importance and knowledge of biodiversity through donating to the construction of Hope eco toilets and knowledge propagation and education centres and providing financial subsidy to patrols.

Case Providing basic supplies to staff of the Conservation Area and focusing on capability improvement

After we knew of the difficulties facing the ecotourism in Haba Snow Mountain and its needs, we initiated the "Northwest Yunnan - Haba Snow Mountain biodiversity protection" project. On 17 August 2021, at the project initiation ceremony, we, Yunnan Youth Development Foundation and representatives from SEE jointly donated patrol and protection supplies to 26 forest rangers in the Haba Snow Mountain Conservation Area, thereby providing the basic equipment and protection to the frontline protection staff. As at the end of 2021, we provided financial subsidies to 26 forest rangers and trainings to 110 forest rangers.



Case Donating to the construction of eco toilets to facilitate biodiversity protection

To mitigate the impact of human activities on the ecosystem of Haba Snow Mountain, we are committed to protecting the vertical spectrum of vegetation and forest ecosystem. "Botanee Found" under Yunnan Youth Development Foundation donated to the construction of 10 "SEE-Hope eco toilets" in Haba Snow Mountain Conservation Area, Yunnan Shangri-La. The installation of the donated 10 "SEE-Hope eco toilets" have been completed, and nearly 800 mountaineering tourists used one of the "SEE-Hope eco toilets" at the mountaineering base camp at 4,100 meters above sea level during the 2021 National Day holiday. The donated new style "SEE-Hope eco toilets" save and protect water resources and effectively improve the hygienic condition in the Conservation Area by significantly reducing excreta-related diseases. Treated human excreta and urine contribute to the protection of the fragile local ecosystem and help mitigate the impact of human activities on Haba Snow Mountain and protect the vertical spectrum of vegetation and forest ecosystem.



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Headquartered in Yunan, the floral kingdom in China, Botanee's brand "Winona" mainly uses extracts from unique medicinal plants in plateau region, such as purslane, prinsepia utilis royle and camellia reticulata as its ingredients. Botanee is committed to biodiversity and ecosystem conservation to promote biodiversity in Yunnan province.

Case Conservation and restoration of Xinzhu Botanical Garden in Lijiang

Xinzhu Hengduan Mountains Natural Botanical Garden is located in Xinzhu Village, Ludian Town, Yulong County in Lijiang City, which is facing imminent problems of soil erosion and endangered species and in need of conservation and restoration. Botanee provided effective strategies in response of the problems:

1. Organise local villagers to form Xinzhu Botanical Garden civil patrol to participate in patrol under the supervision of Ludian Town and Xinzhu Village Committees and management of non-profit and other organisations to stop damage and minimise human disturbance to Xinzhu Botanical Garden.

2. Manage Xinzhu Botanical Garden's nursery base and restore the vegetation and manage the established 2 acres of nursery greenhouses and 3 acres of seedling bases; collect seeds of native tree species in northwest Yunnan for population expansion, planting and vegetation restoration.



3. To improve the community and livelihood of Xinzhu Botanical Garden, invite experts in beekeeping and endangered Chinese herbal medicine cultivation to provide technical training and guidance, and distribute beehives and Chinese herbal seedlings to farmers interested in keeping Himalayan bees and growing endangered Chinese herbal medicines in support of developing alternative livelihoods.



Case Crossover with Mr. Zeng Xiaolian to promote biodiversity protection

Mr. Zeng Xiaolian is a researcher-level senior engineer at Kuming Institute of Botany, Chinese Academy of Sciences, and a member of Chinese Artists Association. He has been engaged in scientific research and art for more than 40 years, involved in a number of national, provincial and ministerial scientific research projects, and drawn numerous scientific paintings of animals and plants, and made great contributions to Chinese plant taxonomy. When he knew that Botanee, a company based in Yunnan, was also dedicated in excavating the valuable plant resources of Yunnan, a kingdom of plants, he authorised Botanee to use its paintings free of charge for a crossover promotion. He hoped that this crossover would raise public awareness on young painters and allow our audiences and staff to feel the beauty of nature and encourage them to take part in the biodiversity protection work.

This crossover presented two gift boxes, one of which was a biodiversity-themed gift box for external use, containing 5 Winona items and a photo frame of Mr. Zeng's painting. The other gift box was a new year gift box for Botanee's staff, containing a desk calendar, notebook, reusable paper bag and portable folding cup, there by encouraging Botanee's staff to choose a greener and healthier lifestyle, and be kind to the nature and the earth.





04

CARING FOR OUR PEOPLE

With people as the backbone and core of our company, Botanee upholds the people-oriented philosophy and cares for the development of each of our employees. We respect differences, encourage diversity, see all employees as equal regardless of their gender, age or ethnicity, and provide equal opportunities for every employee.



Recruit Talents to Boost Development

- Talent Recruitment
- Staff training and development



Growing Alongside Our People

- Employee Communication
- The Wei Foundation
- Epidemic Prevention and Flexible Management
- Labour Union Events
- Deliver Employee Benefits
- Rich Training Programmes
- Mental Health Counselling



Occupational Health and Production Safety

- Putting People First
- Continuous Improvement

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Prohibition of Child Labour

Botanee strictly complies with the *Law of the People's Republic of China on the Protection of Minors and Prohibition of the Use of Child Labour* and other related laws and regulation, and prohibits the employment of persons under the age of 16. During the Reporting Period, Botanee has not use any child labour.

Anti-forced Labour and Worker Protection

Botanee is committed to the protection of labourers' rights and anti-forced labour. Botanee respects and protects employees' legal rights, including the right to leave, such as statutory holidays and annual leave. The Company adopts three working hour systems, e.g., standard working hours, non-fixed working hours and combined working hours. If an employee needs to work overtime, the Company will evaluate if it is necessary and if the workload and work arrangement are appropriate. During the Reporting Period, the average annual leave days of the Company's employees are **7.7** days/person.

Employee Diversity

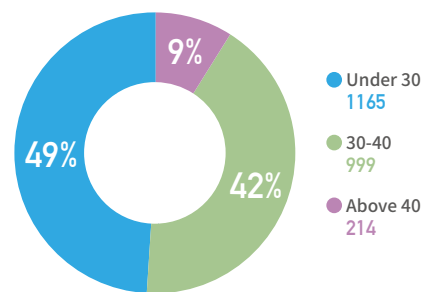
Botanee encourages employee diversity and seeks to let "things get done by the right people and people work to their fullest potential", thereby building a team of excellence.

As at the end of the Reporting Period, the Company has a total of **2,378** employees, including **260** employees from ethnic minorities, accounting for **11%** of the total.

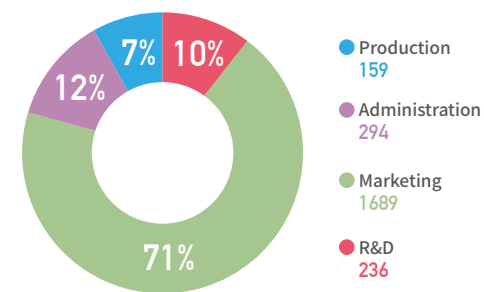
The number of female employees is **1,831**, accounting for **77%** of the total; the number of male employees is **547**, accounting for **23%** of the total.

124 department managers are female, accounting for **51%** of the total number of managers.

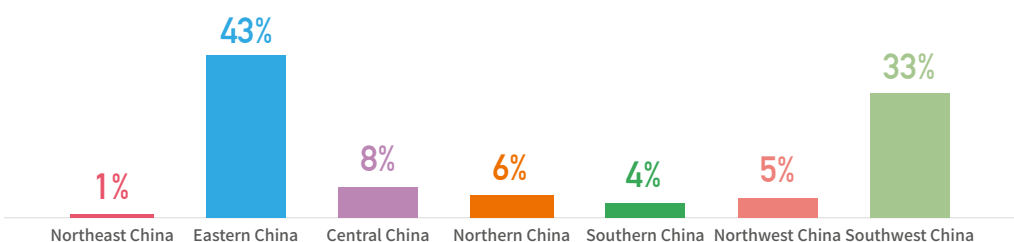
The number of employees and proportion by age:



The number of employees and proportion by positions:



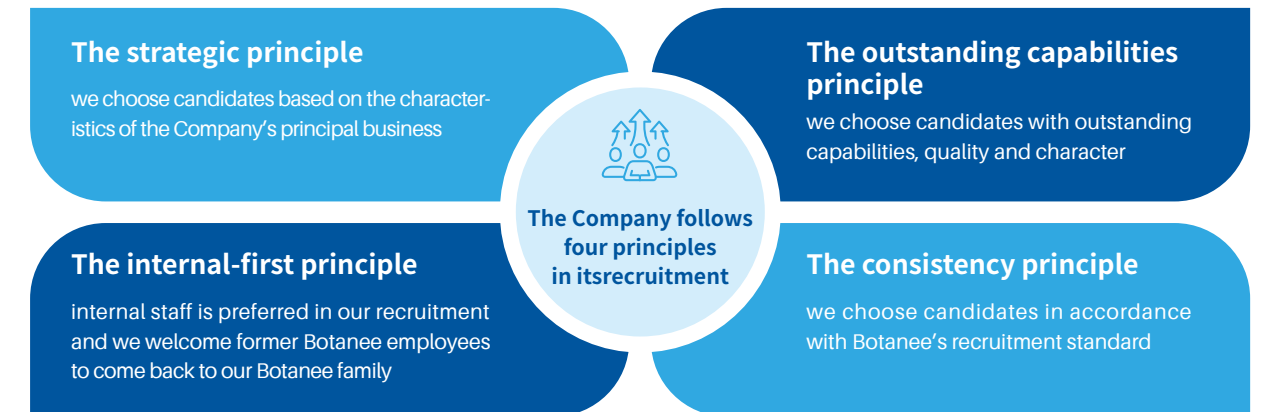
The number of employees and proportion by region:



Recruit Talents to Boost Development

Recruitment

Botanee upholds the values of "Striving for excellence through coordination and innovation, being honest, practical, simple and transparent, result-oriented team work", and provides a career development platform for its employees to showcase their talents.



Botanee actively provides jobs to the public through graduate recruitment and general recruitment. The Company strictly follows its recruitment management procedures, admits only the best candidates and respects every candidate. In respect of talent acquisition and retainment, the Company has established a sound remuneration system supported by the effective job grade system and performance management system; In addition, the Company's human resources department will organise the review and evaluation of the remuneration system to constantly adjust, optimise and improve it according to the market environment, industry condition and the Company's actual operating condition, so as to provide competitive salary and benefits to our employees.



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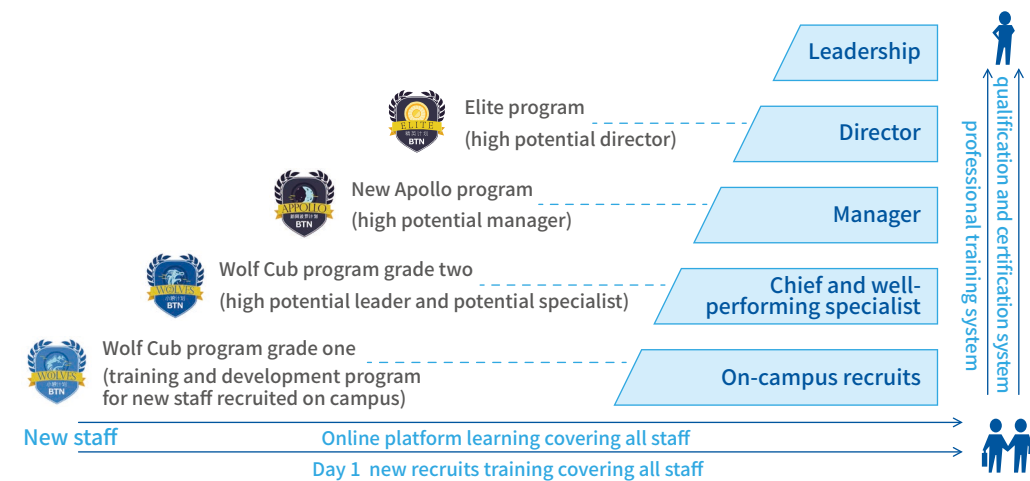
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Employee Training and Development

The Company has established the *Botanee Group Training Management System* to clarify training functions and division of responsibilities, establishment and implementation of training plans, training effectiveness evaluation methods, training costs and budget management and other matters related to training work. The Company is dedicated to building a talent development system through the Botanee Academy to allow the Company's "striving for excellence" culture to permeate whole company.



Botanee's talent development system applicable to all employees



The Company established the Botanee Academy in 2013. While the Academy was providing trainings to staff, the Company was also building internal trainer teams. As at the end of the Reporting Period, a total of 24 internal trainers were selected. The internal training team can provide more targeted on-the-job trainings and skill trainings to inspire employees and help them grow.

In addition, the Company also offers online courses. The employees may log in anytime through a Company computer and get access to a massive number of online courses about business management, professional improvement and daily life knowledge which had been purchased or authorised by the Company. A learner credit ranking system has also been built to motivate employees to always improve themselves.

At the end of the Reporting Period, the Company provided **305** training sessions, with **14,841.5** accumulated training hours and **3,530** employees having received trainings.

The average training hours per person was **4.2** hours, and the training coverage **92.26%**, with a satisfactory rate of **96.26%**.

Case

The "Creation · Together" bootcamp in 2021

On 6 July 2021, the Botanee Academy assembled the grade one trainees, grade two trainees and New Apollo interns in Kunming to attend a bootcamp lasting six days and six nights. The trainees gained a deeper understanding of the company strategy, business, culture and exchanged experiences and thoughts through layered training, collective training, business case and report.



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Growing Alongside Our People

Employee Communication

Botanee cares for its people and their wellbeing, and endeavours to secure their short-term and long-term interests and benefits, in order to create a healthy, comfortable and harmonious working environment for our people.

Employee benefits

- The Company purchases social insurance and provident fund for employees in accordance with the law, as well as supplementary commercial insurance;
- Provide holiday gifts, products and other benefits for each employee;
- Special benefit: a "Long-term Service Award" to employees who have served the Company for five/ten years. Each award winner will receive a commemorative gold coin on the annual meeting.



We are committed to improving employees' satisfaction and sense of belonging, and encourage employees to provide feedback, and wish to achieve smooth communication with employees. We have provided a series of communication channels to the employees, e.g., DingTalk, OA collaborative office platform, admin Xiaowei service account, an internal publication: "Wei Home" and Chairman Mailbox. These channels enabled smooth and barrier-free communication with our employees, through which we also provided high-quality employee services. In addition, the Company also organised a variety of activities through basic-level Party branch, trade union and Women's Federation to create a colourful and comfortable working atmosphere for our employees.

The Wei Foundation

Botanee's Wei Foundation was founded in May 2015. It is a charity platform providing financial support to the Company's employees and their immediate family who is experiencing severe financial difficulties due to serious illnesses or injuries from accidents. This foundation is the embodiment of the Company's people-oriented mindset which can be phrased as "Employees contribute to the Company, and the Company shelters the employees from wind and rain". The initial funding of the Wei Foundation was donations from the Chairman and several executives of the Company. Subsequently, the foundation received other funding, including but not limited to employees' voluntary donations and the Company's profits for the year. Since its establishment, Wei Foundation has helped a total of 25 employees and their families, and provided financial support amounting to RMB 834,000.

Epidemic Prevention and Flexible Management

At the beginning of the outbreak of the COVID-19 pandemic in early 2020, the Company established a special anti-COVID task force to continuously optimise anti-COVID and COVID prevention measures, including enhancing the disinfection and sterilisation of office areas, allowing employees to work from home, improving the autonomy of employees' work processes, and ensuring the continuity of work under any circumstances. In addition, the Company has been urging employees to pay attention to their own health, organised vaccination for employees, and collected employees' travel information to better grasp the health status of employees.



Labour Union Events Deliver Employee Benefits

As Botanee is a fast-paced start-up company, its employees may have to deal with heavy tasks and high-pressure situations every day. Therefore, since 2018, it has been the top priority for the labour union to effectively perform employee care while maintaining employees' aggressiveness at work, to improve employees' career satisfaction and to enhance employees' loyalty to the Company. Under the principles of "Effectiveness and pragmatism, and proximity to demand", the labour union has held a variety of events that delivered benefits and joy to the employees.

Case

Labour Union and Women's Federation delivering high tea to front-line staff

Since 2020, on the last Friday of each month, the Labour Union would deliver high tea to the front-line staff stationed in Kunming. The high tea delivery relieves the staff's work pressure and conveys the Company's support and love to the staff, thereby improving the staff's happiness. On traditional holidays such as the Arbor Day, Mid-Autumn Festival and Dragon Boat Festival and the Double Eleven promotional season, the administrative department organised meaningful and rewarding events for the whole staff to enhance the employees' sense of belonging.



Case

Diversified festival activities to meet employees' needs for care

Since 2018, the Company has held various employee welfare activities on the eves of major holidays, e.g., Christmas events, Women's Day events and Spring Festival events.



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Case

Labour union leaders visiting the production frontline and sending their regards to basic-level female staff

In order to make the front-line staff feel the care and concern from the Labour Union, leaders and members from the Labour Union periodically visit the production frontline, e.g., warehouse, e-commerce customer service department and counter sale department. It has become a routine for the Labour Union committee to send their regards to and collect feedback and opinions from the front-line staff.



Rich Training Programmes

As a majority of the staff are female, the Company mobilised its resources to offer a range of talent courses, which have been favoured by the female staff and achieved very high levels of employee involvement and satisfaction. In order to better serve the female staff, improve their career satisfaction and loyalty to the Company, Yunnan Botanee Women's Federation was established on 8 March 2021.

Since 2018, we have successively offered 13 talent courses including tea art, flower arrangement, Yoga and Zumba dance through engaging external high-quality teaching resource and internal staff with outstanding talents. As of now, the talent course enrolments reached to about 300.



Mental Health Counselling

As the pace of work accelerates and the younger staff generally lack social and work experience, they may suffer from the ever-increasing stress. To address this issue, the Labour Union initiated the life coach program to offer counselling and guidance to the staff in need through its professional resources. The program offers a variety of lectures and courses and is equipped with relevant facilities. Two years since the counselling program commenced operation in 2020, approximately 80 sessions of counselling have been given.



Occupational Health and Production Safety

Botanee has a clear guiding principle for occupational health and safety: People-oriented, prevention-first, continuous improvement and dedication in creating a healthy, clean and safe working environment. The Company complies with national laws and regulations related to occupational health and safety and has established an EHS department to regulate and manage related matters.

Putting People First

The Company upholds a "safety-first" mindset for production and regards people as its most important resource and asset. The EHS department has dedicated safety management personnel and is responsible for propagating the production safety principle and implementing relevant measures throughout the production cycle by enhancing safety education and trainings and other approaches.

In addition, the Company provides annual medical examination and holds 2 occupational health symposiums for employees each year. During the Reporting Period, the Company organised employees to receive trainings at the emergency centre under Yunnan Department of Health and 25 employees received "First Aid Skills Basic Training Certificate".

Continuous Improvement

The Company has integrated the management systems for quality, environment and occupational health and safety, and compiled the "Quality/Environment/Occupational Health and Safety Management Manual" (hereinafter called the "Management Manual") covering the three management systems. The Management Manual expounds the Company's management policy and overall goals, strengthens and regulates the Company's management behaviour, and is a programmatic and regulatory document to improve the Company's comprehensive management level.

The Company declares occupational health hazards in accordance with relevant laws and regulations on occupational health and safety, and continuously improves the level of occupational health and safety management.

In 2021, one work-related injury incident occurred involving one employee, and resulted in 348 delayed working hours. The Company has proposed measures to respond to and prevent the work-related injury incidents: First, express sympathy to the family of the injured employee; second, further improve employees' safety awareness through propagation; third, pay more attention to preventive measures. For example, during major promotion periods such as Double Eleven, the Company provides nearby hotel rooms for employees to rest to reduce their need for long-distance commuting under fatigue or provides shuttle bus at nighttime to take the night shift employees home.

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Supporting Education to Promote Rural Revitalisation



Charitable donations to Dahao Village to protect China's lucid waters and lush mountains

To cement the achievements of poverty alleviation programmes, and proactively integrate into China's new development pattern, Botanee is committed to the modern ideas of "everyone voluntarily participates in charity to make a healthier and happier world". With a mission to "create an ecosystem for dermatological health in China", we protect our lucid waters and lush mountains and promote rural revitalisation to bring health and beauty to people.

On 19 May 2021, the construction of a water conservation project donated by Botanee in Dahao Village, Wayao Town in Baoshan City was successfully completed. Water source area has been in a state of disrepair for years in Dahao Village. After an enquiry into the state and under the organisation of rural working team of Yunnan Province's Department of Industry and Information Technology, Botanee specifically donated RMB 500 thousand to Dahao Village through the Red Cross Society in Baoshan City to restore three water source areas at Dashu Yakou, Heinikeng and Tianba Well in Dahao Village in Wayao Town and install three facilities for water conservation and irrigation to address the need of more than 2,000 villagers for water used in living, raising livestock and irrigating farmland. The water conservation project was constructed in three months and Botanee's donation has been used to purchase construction materials while villagers participated in the construction work and donated RMB 8,360 to complete the project together. With stakeholders' joint participation, villagers' self-governing ability has been enhanced. Through participation in the water conservation project, villagers are more aware of the importance of environmental protection and the value of China's lucid waters and lush mountains.



"Botanee Project Hope High School Class" was formally launched to continue our focus on "supporting education and aiding students"

On 6 May 2021, "Botanee Project Hope High School Class" under the Yunnan Project Hope held a signing ceremony in Dong Lu High School. "Botanee Project Hope High School Class" under the Yunnan Project Hope enrolled a total of 50 fresh graduates of junior high schools with good behaviour and learning attitude from low-income families in Huize County. It is initially planned to enrol a total of 150 students for 3 consecutive sessions. "Botanee Foundation" under Yunnan Youth Development Foundation will provide a monthly study and living allowance of RMB 750 to each student in the "Botanee Project Hope High School Class". The "Burning Lamp Award" will be granted to outstanding teachers each year for their hard work and devotion to the "Botanee Project Hope High School Class", and "College Education Support Scholarship" of RMB 6,000 per person will also be awarded to 10 outstanding graduates each session. In addition, "Botanee Project Hope Class" will also organise study tours during the three-year high school study to expand students' horizon and exposure to the world.

Education remains the key when it comes to poverty alleviation, "Botanee Project Hope High School Class" cements the achievements of poverty alleviation programmes to give children from mountainous regions access to better education and give hope to underprivileged students so that poverty alleviation can be achieved more precisely and thoroughly. "Botanee Foundation" continues to focus on "supporting education and aiding students" to be a responsible local enterprise. On 23 September 2021, Dong Lu High School in Huize County formally opened the "Botanee Project Hope Class" as one of the 14 "Project Hope High School Classes" under Yunnan Youth Development Foundation, "Botanee Project Hope Class" is committed to youth development and biodiversity protection.



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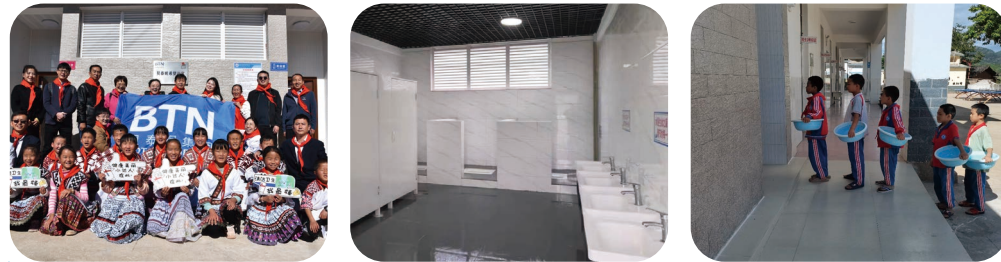
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Donating to the construction of Hope Bathrooms to ensure that children in the mountainous areas are tidy and warm throughout the winter

On 11 November 2021, with the donation of RMB 470,000 from Botanee Foundation under Yunnan Youth Development Foundation, the three Hope Bathrooms in Yimen County and Eshan County of Yuxi City, Yunnan were built and put into use. On the construction completion day, the volunteers from the Botanee public welfare team gave a special physiological hygiene class to the local children, urging them to develop a good hygiene habit. The volunteers wished that, through the change of their way of bathing, local children could establish healthy practices in daily life and develop a healthy lifestyle. This will help improve students' confidence and, through the fine example of the children, their parents can also change their hygiene practices and establish a healthier lifestyle.



Supporting village-level medical services through Boai First-aid Station project

To fulfil the mission of the Red Cross, i.e., "Protecting human life and health and safeguarding human dignity", the Winona Foundation initiated the Boai First-aid Station project to establish first-aid stations in schools in lack of medical doctors in the mountainous areas and provide first-aid appliances for external use. The first-aid stations are staffed with pharmaceuticals training managers and will provide first-aid trainings regularly to improve schools' first-aid capability. Boai First-aid Station project has established a total of **164** first-aid stations in nine autonomous prefectures and cities, namely Pu'er City, Dali Autonomous Prefecture, Xishuangbanna Autonomous Prefecture, Honghe Autonomous Prefecture, Wenshan Autonomous Prefecture, Zhaotong City, Baoshan City, Chuxiong Autonomous Prefecture and Kunming City, and **22** counties (cities), namely Mojiang County, Zhenyuan County, Eryuan County, Jianchuan County, Nanjian County, Jinghong City, Mengzi City, Honghe County, Funing County, Zhenxiang County, Zhaoyang District, Shuifu City, Ludian County, Tengchong City, Shidian County, Wuding County, Yao'an County, Dayao County, Lufeng City, Guandu District, Jinning District and Yiliang County, benefiting **90,111** persons in **164** schools and communities.

The project has provided **21** sessions of first-aid station manager training in covered schools and communities, with **513** persons having participated in the trainings.

It has held **103** sessions of non-profit first-aid knowledge lectures in schools and communities, with the attendance of **18,714** persons. The next step for the project is to hold **94** sessions of lectures.



Visiting Border Defence to Deliver Botanee's Care for the Soldiers

On 18 September 2021, Botanee staff sent their warm regards and the Winona products to the border defence soldiers in Tibet and Xinjiang. Under the theme of "Gathering our love to pay homage to the border defence soldiers", Botanee delivered the "Sunny smile" sunscreen products to the border defence soldiers and wished that the products could offer them some protection against the sun. Botanee always takes the lead in the public welfare activities to fulfil its social responsibilities and its mission and motivates donors to join its cause.



Giving Back to Society and Supporting Those in Need

Year 2021 witnessed Botanee's debut on the capital market and the establishment of a complete public welfare system framework based on Botanee's rapid growth. Since the beginning of the year, Botanee has showcased its courage to act in the face of disasters and provided generous support to those in need. In the summer of 2021, Henan faced a serious flood and city waterlogging due to intense rainfalls. In response, Botanee urgently donated RMB 10 million to help those suffering from the disaster.



For the past ten years, Botanee proved the long-term orientation in its Winona products through in-depth research and continuous development; going forward, Botanee will remain steadfast in its long-termism and undertaking of corporate social responsibilities and will continue to be committed to the public welfare programs with our dedication and passion in ecological protection and rural revitalisation.

Appendix I: Awards

Awards Granted to the Company

Date	Organiser	Award
May 2021	Qeyes	Technologic Innovation Award
September 2021	Yunnan Federation of Industry and Commerce	Yunnan Non-public-owned Enterprise 100
September 2021	Yunnan Federation of Industry and Commerce	Yunnan Non-public-owned Enterprise: Top 20 Manufacturers
October 2021	China Nonprescription Medicines Association	Self-medication Education Advanced Unit 2021
December 2021	Xueqiu	2021 Value Focus Listed Company TOP50
December 2021	Cailian Press	Top 10 Domestic Brands Most Favoured by Users
December 2021	National Business Daily	Listed Company in Greater Consumption Industry with Most Growth Potential
December 2021	caijing.com.cn	Most Socially Responsible Listed Cosmetics Company 2021
December 2021	Shanghai Securities News	2021 Golden Corporate Leadership Award
January 2022	Department of Industry and Information Technology of Yunnan Province	Specialised, refined, innovative and novel "little giant"

Awards Granted to the Winona Brand

Date	Organiser	Award
March 2021	chinabeauty.cn	Skin Care Brand of the Year
April 2021	Tmall	Golden Makeup Award - Lotion and Cream of the Year Award (Shumin moisturising cream)
April 2021	C2CC	2020 Renovation Category Award (Shumin moisturising cream)
May 2021	Instyle	Hardcore Sun Protection Award (Qingtou Sunscreen Lotion)
May 2021	Meiyi Awards	2021 Meiyi TOP · Skincare Treatment Toner Award (Shumin moisturising toner)

Date	Organiser	Award
June 2021	Kantar Worldpanel	2021 China Beauty Brands Footprint – Skincare category - Consumer Preferred Brand
July 2021	Ocean engine	Ocean Engine Marketing Technology Provider 6.18 Business Case Competition – Best Business Operation Award
July 2021	CBNDATA	2021 China New Consumer Brand of the Year - Growth 50 Brands 2021 China New Consumer Brand of the Year – Going-out Brand of the Year
August 2021	Rayli.com.cn	2021 Big Fan Rank - Refining Mask of the Year (Soothing and Refining Frozen Mask)
August 2021	Pinguan	2021 China Cosmetics Blue Rose Award -Most Impressive Brand of the Year
August 2021	Ifeng.com	2021 China Beauty Award - Outstanding Research Award
August 2021	Kuaishou	2021 Kuaishou Beauty Premium Brand
August 2021	Pinguan	2021 China Cosmetics Blue Rose Award - Most Influential Brand of the Year
September 2021	CBNDATA	New Homemade Brand List – Skincare Category top1
September 2021	Watson's	Must-try Sensitive Skin Brand of the Year (Shumin Moisturising Cream)
September 2021	Jiemian.com	2021 New Face Award – Brand of the Year
October 2021	Sina	2021 Sina Beauty Awards # Tin Buyback Award (Shumin Moisturising Cream)
November 2021	Cosmetic Newspaper	2021 China Cosmetics Sub-Category Ranking - Sensitive Skin Care Products TOP1; China Cosmetics G20 Brand; Cosmetics Influence E-commerce Brand Award
November 2021	Philanthropy Festival	2021 Philanthropy Practice Award
December 2021	Ifeng.com	Activist Alliance Charity Ceremony 2021 - Special Contribution Award (Project Category)Winona "Sunny Smile" project
December 2021	Big National Brand	Media Enterprise Cooperation Business Case - Content Marketing Golden Award
December 2021	36Kr	High-growth New Consumer Brand
December 2021	Baidu AI Annual Award	Leader in Innovation Award
December 2021	Aili.com	Favourite Moisturizing Cream of the Year (Ultra Moisturizing Cream)

Appendix II: Index of Report

GRI Reporting Standard Index

Issues	GRI Standards	Disclosures	Report content/ remarks
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General Disclosures

Issues	GRI Standards	Disclosures	Report content/ remarks
Organizational profile	102-1	Name of the organization	About Botanee
	102-2	Activities, brands, products, and services	About Botanee
	102-3	Location of headquarters	About Botanee
	102-4	Location of operations	About Botanee
	102-5	Ownership and legal form	About Botanee
	102-6	Markets served	About Botanee
	102-7	Scale of the organization	About Botanee
	102-8	Information on employees and other workers	Caring for Our People
	102-9	Supply chain	Conserving Resources to Pursue Sustainable Development
	102-10	Significant changes to the organization and its supply chain	Conserving Resources to Pursue Sustainable Development
	102-11	Precautionary Principle or approach	Standardising Governance to Pursue Excellence
	102-12	External initiatives	Improving with Progress
	102-13	Membership of associations	Improving with Progress
Strategy	102-14	Statement from senior decision-maker	A Message from Chairman
Ethics and integrity	102-16	Values, principles, standards, and norms of behavior	About Botanee
Governance	102-18	Governance structure	Standardising Governance to Pursue Excellence
Stakeholder engagement	102-40	List of stakeholder groups	Standardising Governance to Pursue Excellence
	102-41	Collective bargaining agreements	Not Applicable
	102-42	Identifying and selecting stakeholders	Standardising Governance to Pursue Excellence
	102-43	Approach to stakeholder engagement	Standardising Governance to Pursue Excellence
	102-44	Key topics and concerns raised	Standardising Governance to Pursue Excellence

Issues	GRI Standards	Disclosures	Report content/ remarks
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Reporting Practice	102-45	Entities included in the consolidated financial statements	About the Report
	102-46	Defining report content and topic boundaries	About the Report, Standardising Governance to Pursue Excellence
	102-47	List of material topics	Standardising Governance to Pursue Excellence
	102-48	Restatements of information	Not Relevant
	102-49	Changes in reporting	Not Relevant
	102-50	Reporting period	About the Report
	102-51	Date of most recent report	About the Report
	102-52	Reporting cycle	About the Report
	102-53	Contact point for questions regarding the report	About the Report
	102-54	Claims of reporting in accordance with the GRI Standards	About the Report
	102-55	GRI content index	Appendix II: Index of Report
	102-56	External assurance	No External Assurance Yet

Topic Specific standards Economic Issues

Economic Performance	103-1	Explanation of the material topic and its Boundary	Not Relevant
	103-2	The management approach and its components	Not Relevant
	103-3	Evaluation of the management approach	Not Relevant
	201-1	Direct economic value generated and distributed	About Botanee
	201-2	Financial implications and other risks and opportunities due to climate change	Conserving Resources to Pursue Sustainable Development
	201-3	Defined benefit plan obligations and other retirement plans	Improving with Progress
	201-4	Financial assistance received from government	Not Relevant
Market Presence	103-1	Explanation of the material topic and its Boundary	Not Relevant
	103-2	The management approach and its components	Not Relevant
	103-3	Evaluation of the management approach	Not Relevant
	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Improving with Progress
	202-1	Proportion of senior management hired from the local community	Improving with Progress

Issues	GRI Standards	Disclosures	Report content/ remarks
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Economic Issues			
Indirect Economic Impacts	103-1	Explanation of the material topic and its Boundary	Not Relevant
	103-2	The management approach and its components	Not Relevant
	103-3	Evaluation of the management approach	Not Relevant
	203-1	Infrastructure investments and services supported	Not Relevant
	203-2	Significant indirect economic impacts	Not Relevant
Procurement Practices	103-1	Explanation of the material topic and its Boundary	Conserving Resources to Pursue Sustainable Development
	103-2	The management approach and its components	Conserving Resources to Pursue Sustainable Development
	103-3	Evaluation of the management approach	Conserving Resources to Pursue Sustainable Development
	204-1	Proportion of spending on local suppliers	Improving with Progress
Anti-corruption	103-1	Explanation of the material topic and its Boundary	Standardising Governance to Pursue Excellence
	103-2	The management approach and its components	Standardising Governance to Pursue Excellence
	103-3	Evaluation of the management approach	Standardising Governance to Pursue Excellence
	205-1	Operations assessed for risks related to corruption	Standardising Governance to Pursue Excellence
	205-2	Communication and training about anti-corruption policies and procedures	Standardising Governance to Pursue Excellence
	205-3	Confirmed incidents of corruption and actions taken	Standardising Governance to Pursue Excellence
Anti-competitive Behavior	103-1	Explanation of the material topic and its Boundary	Standardising Governance to Pursue Excellence
	103-2	The management approach and its components	Standardising Governance to Pursue Excellence
	103-3	Evaluation of the management approach	Standardising Governance to Pursue Excellence
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Standardising Governance to Pursue Excellence
Tax	207-1	Approach to tax	Improving with Progress
	207-2	Tax governance, control, and risk management	Improving with Progress
	207-3	Stakeholder engagement and management of concerns related to tax	Standardising Governance to Pursue Excellence
	207-4	Country-by-country reporting	Not Relevant

Issues	GRI Standards	Disclosures	Report content/ remarks
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Environmental Issues			
Materials	103-1	Explanation of the material topic and its Boundary	Conserving Resources to Pursue Sustainable Development
	103-2	The management approach and its components	Conserving Resources to Pursue Sustainable Development
	103-3	Evaluation of the management approach	Conserving Resources to Pursue Sustainable Development
	301-1	Materials used by weight or volume	Improving with Progress
	301-2	Recycled input materials used	Improving with Progress
	301-3	Reclaimed products and their packaging materials	Improving with Progress
Energy	103-1	Explanation of the material topic and its Boundary	Conserving Resources to Pursue Sustainable Development
	103-2	The management approach and its components	Conserving Resources to Pursue Sustainable Development
	103-3	Evaluation of the management approach	Conserving Resources to Pursue Sustainable Development
	302-1	Energy consumption within the organization	About Botanee, Conserving Resources to Pursue Sustainable Development
	302-2	Energy consumption outside of the organization	Improving with Progress
	302-3	Energy intensity	About Botanee, Conserving Resources to Pursue Sustainable Development
Water and Effluents	302-4	Reduction of energy consumption	About Botanee, Conserving Resources to Pursue Sustainable Development
	302-5	Reductions of energy requirements of products and services	Conserving Resources to Pursue Sustainable Development
	303-1	Interactions with water as a shared resource	Conserving Resources to Pursue Sustainable Development
	303-2	Management of water discharge-related impacts	Conserving Resources to Pursue Sustainable Development
	303-3	Water withdrawal	About Botanee, Conserving Resources to Pursue Sustainable Development
Biodiversity	303-4	Water discharge	Conserving Resources to Pursue Sustainable Development
	303-5	Water consumption	About Botanee, Conserving Resources to Pursue Sustainable Development
	103-1	Explanation of the material topic and its Boundary	Conserving Resources to Pursue Sustainable Development
	103-2	The management approach and its components	Conserving Resources to Pursue Sustainable Development
	103-3	Evaluation of the management approach	Conserving Resources to Pursue Sustainable Development
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Conserving Resources to Pursue Sustainable Development

Issues | GRI Standards | Disclosures | Report content/ remarks

Environmental Issues			
Biodiversity	304-2	Significant impacts of activities, products, and services on biodiversity	Conserving Resources to Pursue Sustainable Development
	304-3	Habitats protected or restored	Not Relevant
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not Relevant
Emissions	103-1	Explanation of the material topic and its Boundary	Conserving Resources to Pursue Sustainable Development
	103-2	The management approach and its components	Conserving Resources to Pursue Sustainable Development
	103-3	Evaluation of the management approach	Conserving Resources to Pursue Sustainable Development
	305-1	Direct (Scope 1) GHG emissions	Conserving Resources to Pursue Sustainable Development
	305-2	Energy indirect (Scope 2) GHG emissions	Conserving Resources to Pursue Sustainable Development
	305-3	Other indirect (Scope 3) GHG emissions	Improving with Progress
	305-4	GHG emissions intensity	About Botanee, Conserving Resources to Pursue Sustainable Development
	305-5	Reduction of GHG emissions	Improving with Progress
	305-6	Emissions of ozone-depleting substances (ODS)	Not Relevant
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Conserving Resources to Pursue Sustainable Development
Waste	306-1	Waste generation and significant waste-related impacts	Conserving Resources to Pursue Sustainable Development
	306-2	Management of significant waste-related impacts	Conserving Resources to Pursue Sustainable Development
	306-3	Waste generated	About Botanee, Conserving Resources to Pursue Sustainable Development
	306-4	Waste diverted from disposal	Improving with Progress
	306-5	Waste diverted to disposal	Improving with Progress
Environmental Compliance	103-1	Explanation of the material topic and its Boundary	Conserving Resources to Pursue Sustainable Development
	103-2	The management approach and its components	Conserving Resources to Pursue Sustainable Development
	103-3	Evaluation of the management approach	Conserving Resources to Pursue Sustainable Development
	307-1	Non-compliance with environmental laws and regulations	Conserving Resources to Pursue Sustainable Development

Issues | GRI Standards | Disclosures | Report content/ remarks

Environmental Issues			
Supplier Environmental Assessment	103-1	Explanation of the material topic and its Boundary	Conserving Resources to Pursue Sustainable Development
	103-2	The management approach and its components	Conserving Resources to Pursue Sustainable Development
	103-3	Evaluation of the management approach	Conserving Resources to Pursue Sustainable Development
	308-1	New suppliers that were screened using environmental criteria	Conserving Resources to Pursue Sustainable Development
	308-2	Negative environmental impacts in the supply chain and actions taken	Conserving Resources to Pursue Sustainable Development
Social Issues			
Employment	103-1	Explanation of the material topic and its Boundary	Caring for Our People
	103-2	The management approach and its components	Caring for Our People
	103-3	Evaluation of the management approach	Caring for Our People
	401-1	New employee hires and employee turnover	Improving with Progress
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Caring for Our People
	401-3	Parental leave	Improving with Progress
	Labour/ Management Relations	103-1	Explanation of the material topic and its Boundary
103-2		The management approach and its components	Caring for Our People
103-3		Evaluation of the management approach	Caring for Our People
402-1		Minimum notice periods regarding operational changes	Not Relevant
Occupational Health and Safety	403-1	Occupational health and safety management system	Caring for Our People
	403-2	Hazard identification, risk assessment, and incident investigation	Caring for Our People
	403-3	Occupational health services	Caring for Our People
	403-4	Worker participation, consultation, and communication on occupational health and safety	Caring for Our People
	403-5	Worker training on occupational health and safety	Caring for Our People

Issues	GRI Standards	Disclosures	Report content/ remarks
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Social Issues			
Occupational Health and Safety	403-6	Promotion of worker health	Caring for Our People
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Caring for Our People
	403-8	Worker covered by an occupational health and safety management system	Caring for Our People
	403-9	Work-related injuries	Caring for Our People
	403-10	Work-related ill health	Caring for Our People
Training and Education	103-1	Explanation of the material topic and its Boundary	Caring for Our People
	103-2	The management approach and its components	Caring for Our People
	103-3	Evaluation of the management approach	Caring for Our People
	404-1	Average hours of training per year per employee	Caring for Our People
	404-2	Programs for upgrading employee skills and transition assistance programs	Caring for Our People
	404-3	Percentage of employees receiving regular performance and career development reviews	Improving with Progress
Diversity and Equal Opportunity	103-1	Explanation of the material topic and its Boundary	Caring for Our People
	103-2	The management approach and its components	Caring for Our People
	103-3	Evaluation of the management approach	Caring for Our People
	405-1	Diversity of governance bodies and employees	Caring for Our People
	405-2	Ratio of basic salary and remuneration of women to men	Improving with Progress
Non-discrimination	103-1	Explanation of the material topic and its Boundary	Caring for Our People
	103-2	The management approach and its components	Caring for Our People
	103-3	Evaluation of the management approach	Caring for Our People
	406-1	Incidents of discrimination and corrective actions taken	Caring for Our People
Freedom of Association and Collective Bargaining	103-1	Explanation of the material topic and its Boundary	Not Relevant
	103-2	The management approach and its components	Not Relevant
	103-3	Evaluation of the management approach	Not Relevant
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not Relevant

Issues	GRI Standards	Disclosures	Report content/ remarks
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Social Issues			
Child Labour	103-1	Explanation of the material topic and its Boundary	Caring for Our People
	103-2	The management approach and its components	Caring for Our People
	103-3	Evaluation of the management approach	Caring for Our People
	408-1	Operations and suppliers at significant risk for incidents of child labour	Not Relevant
Forced or Compulsory Labour	103-1	Explanation of the material topic and its Boundary	Caring for Our People
	103-2	The management approach and its components	Caring for Our People
	103-3	Evaluation of the management approach	Caring for Our People
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Not Relevant
Security Practices	103-1	Explanation of the material topic and its Boundary	Not Relevant
	103-2	The management approach and its components	Not Relevant
	103-3	Evaluation of the management approach	Not Relevant
	410-1	Security personnel trained in human rights policies or procedures	Not Relevant
Rights of Indigenous Peoples	103-1	Explanation of the material topic and its Boundary	Not Relevant
	103-2	The management approach and its components	Not Relevant
	103-3	Evaluation of the management approach	Not Relevant
	411-1	Incidents of violations involving rights of indigenous peoples	Not Relevant
Human Rights Assessment	103-1	Explanation of the material topic and its Boundary	Not Relevant
	103-2	The management approach and its components	Not Relevant
	103-3	Evaluation of the management approach	Not Relevant
	412-1	Operations that have been subject to human rights reviews or impact assessments	Not Relevant
	412-2	Employee training on human rights policies or procedures	Not Relevant
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Not Relevant
Local Communities	103-1	Explanation of the material topic and its Boundary	Building a Better World
	103-2	The management approach and its components	Building a Better World

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Social Issues			
Local Communities	103-3	Evaluation of the management approach	Building a Better World
	413-1	Operations with local community engagement, impact assessments, and development programs	Building a Better World
	413-2	Operations with significant actual and potential negative impacts on local communities	Not Relevant
Supplier Social Assessment	103-1	Explanation of the material topic and its Boundary	Conserving Resources to Pursue Sustainable Development
	103-2	The management approach and its components	Conserving Resources to Pursue Sustainable Development
	103-3	Evaluation of the management approach	Conserving Resources to Pursue Sustainable Development
	414-1	New suppliers that were screened using social criteria	Conserving Resources to Pursue Sustainable Development
	414-2	Negative social impacts in the supply chain and actions taken	Conserving Resources to Pursue Sustainable Development
Public Policy	103-1	Explanation of the material topic and its Boundary	Not Relevant
	103-2	The management approach and its components	Not Relevant
	103-3	Evaluation of the management approach	Not Relevant
	415-1	Political contributions	Not Relevant
Customer Health and Safety	103-1	Explanation of the material topic and its Boundary	Harnessing Innovation to Promote Quality Craftsmanship
	103-2	The management approach and its components	Harnessing Innovation to Promote Quality Craftsmanship
	103-3	Evaluation of the management approach	Harnessing Innovation to Promote Quality Craftsmanship
	416-1	Assessment of the health and safety impacts of product and service categories	Harnessing Innovation to Promote Quality Craftsmanship
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Harnessing Innovation to Promote Quality Craftsmanship
Marketing and Labelling	103-1	Explanation of the material topic and its Boundary	Harnessing Innovation to Promote Quality Craftsmanship
	103-2	The management approach and its components	Harnessing Innovation to Promote Quality Craftsmanship
	103-3	Evaluation of the management approach	Harnessing Innovation to Promote Quality Craftsmanship
	417-1	Requirements for product and service information and labelling	Harnessing Innovation to Promote Quality Craftsmanship
	417-2	Incidents of non-compliance concerning product and service information and labelling	Harnessing Innovation to Promote Quality Craftsmanship
	417-3	Incidents of non-compliance concerning marketing communications	Harnessing Innovation to Promote Quality Craftsmanship

Issues | GRI Standards | Disclosures | Report content/ remarks

Social Issues			
Customer Privacy	103-1	Explanation of the material topic and its Boundary	Harnessing Innovation to Promote Quality Craftsmanship
	103-2	The management approach and its components	Harnessing Innovation to Promote Quality Craftsmanship
	103-3	Evaluation of the management approach	Harnessing Innovation to Promote Quality Craftsmanship
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not Relevant
Socioeconomic Compliance	103-1	Explanation of the material topic and its Boundary	Standardising Governance to Pursue Excellence
	103-2	The management approach and its components	Standardising Governance to Pursue Excellence
	103-3	Evaluation of the management approach	Standardising Governance to Pursue Excellence
	419-1	Non-compliance with laws and regulations in the social and economic area	Standardising Governance to Pursue Excellence

CASS-CSR 4.0 Reporting Guidelines Index

	No.	Index	Related Section	
Report Forward	P1.1	Quality assurance	About the Report	
	P1.2	Information description	About the Report	
	P1.3	Reporting system	About the Report	
	P2.1	Situation analysis and strategic considerations of fulfilling social responsibilities	Standardising Governance to Pursue Excellence	
	P2.2	Annual social responsibility work progress	Full Report	
	P3.1	Major events of social responsibility	Full Report, Standardising Governance to Pursue Excellence	
	P3.2	Progress and effectiveness of key issues of social responsibility	Full Report, Standardising Governance to Pursue Excellence	
	P4.1	Organizational structure and operating region	About Botanee	
	P4.2	Major products, services and brands	About Botanee	
	P4.3	Size and influence	About Botanee, Caring for Our People, Awards and honors	
	P4.4	Significant changes in the size, structure, ownership or supply chain of the organization during the reporting period	About Botanee, Conserving Resources to Pursue Sustainable Development	
	Responsibility Management	G1.1	Corporate mission, vision and values	About Botanee
		G1.2	Corporate social responsibility concept or slogan	Standardising Governance to Pursue Excellence
		G2.1	Identification and management of material social responsibility issues	Standardising Governance to Pursue Excellence
G2.2		Social responsibility strategic program and annual plan	Standardising Governance to Pursue Excellence	
G2.3		Promoting the integration of social responsibility into corporate development strategies and daily operations	Standardising Governance to Pursue Excellence	
G2.4		Building an influential and sustainable responsible brand	Full Report	
G3.1		Senior executives support and promotion social responsibility work	Standardising Governance to Pursue Excellence	
G3.2		Social responsibility leading organization and working mechanism	Standardising Governance to Pursue Excellence	
G3.3		Social responsibility organization system and division of responsibilities	Standardising Governance to Pursue Excellence	
G4.1		Formulating a social responsibility management system	Standardising Governance to Pursue Excellence	

	No.	Index	Related Section
Responsibility Management	G4.2	Constructing a social responsibility indicator system	Full Report, Standardising Governance to Pursue Excellence
	G4.3	Carrying out social responsibility assessment or appraisal	Standardising Governance to Pursue Excellence
	G5.1	Organizing and carrying out social responsibility training	Standardising Governance to Pursue Excellence, Caring for Our People
	G5.2	Enriching research on social responsibility theory	Improving with Progress
	G5.3	Participate in the research and development of domestic and international social responsibility standards, initiatives and guidelines	Improving with Progress
	G6.1	Identifying and responding to stakeholder demands	Standardising Governance to Pursue Excellence
	G6.2	Corporate-led social responsibility communication and participation in activities	Standardising Governance to Pursue Excellence
	G6.3	Participation or support in economy, environment, social conventions, principles or other initiatives initiated by outside parties	Improving with Progress
	Market performance	M1.1	Standardizing corporate governance
M1.2		Nomination and selection process of the highest corporate governance and its committees	Standardising Governance to Pursue Excellence
M1.3		Anti-corruption	Standardising Governance to Pursue Excellence
M1.4		Compliance information disclosure	Standardising Governance to Pursue Excellence
M1.5		Protecting the interests of small and medium investors	Standardising Governance to Pursue Excellence
M1.6		Growth	About Botanee
M1.7		Profitability	About Botanee
M1.8		Safety	About Botanee
M2.1		Product promotion /service accessibility	Harnessing Innovation to Promote Quality Craftsmanship
M2.2		Product/Service quality management system	Harnessing Innovation to Promote Quality Craftsmanship
M2.3		Percent of pass	Harnessing Innovation to Promote Quality Craftsmanship
M2.4		Adhering to innovation-driven	Harnessing Innovation to Promote Quality Craftsmanship Conserving Resources to Pursue Sustainable Development
M2.5		R&D spending	Harnessing Innovation to Promote Quality Craftsmanship
M2.6		Number of new patents	Harnessing Innovation to Promote Quality Craftsmanship
M2.7		Industrialization of scientific and technological achievements	Harnessing Innovation to Promote Quality Craftsmanship Conserving Resources to Pursue Sustainable Development
M2.8		No false or misleading publicity	Harnessing Innovation to Promote Quality Craftsmanship
M2.9		Popularization of product knowledge or customer training	Harnessing Innovation to Promote Quality Craftsmanship

	No.	Index	Related Section
Market performance	M2.10	Potential risk alert	Improving with Progress
	M2.11	Fair dealing	Standardising Governance to Pursue Excellence
	M2.12	Advocating sustainable consumption	Improving with Progress
	M2.13	Customer information protection	Harnessing Innovation to Promote Quality Craftsmanship
	M2.14	Active after-sales service system	Harnessing Innovation to Promote Quality Craftsmanship
	M2.15	Responding to consumer complaints actively	Harnessing Innovation to Promote Quality Craftsmanship
	M2.16	Complaint resolution rate	Harnessing Innovation to Promote Quality Craftsmanship
	M2.17	Stop loss and compensation	Harnessing Innovation to Promote Quality Craftsmanship
	M2.18	Customer satisfaction	Harnessing Innovation to Promote Quality Craftsmanship
	M3.1	Credit management	Standardising Governance to Pursue Excellence
	M3.2	Economic contract performance rate	Improving with Progress
	M3.3	Fair competition	Standardising Governance to Pursue Excellence
	M3.4	Strategic sharing mechanism and platform	Harnessing Innovation to Promote Quality Craftsmanship Conserving Resources to Pursue Sustainable Development
	M3.5	Respecting and protecting intellectual property	Harnessing Innovation to Promote Quality Craftsmanship
	M3.6	Facilitating industry development	Harnessing Innovation to Promote Quality Craftsmanship Conserving Resources to Pursue Sustainable Development
	M3.7	Fair trade	Standardising Governance to Pursue Excellence
	M3.8	Social responsibility policies, initiatives and requirements for suppliers	Conserving Resources to Pursue Sustainable Development
	M3.9	The number of potential suppliers which is rejected due to social responsibility non-compliance	Conserving Resources to Pursue Sustainable Development
	M3.10	Supplier social responsibility daily management mechanism	Conserving Resources to Pursue Sustainable Development
	M3.11	Process and method of supplier social responsibility review	Conserving Resources to Pursue Sustainable Development
	M3.12	Number of suppliers reviewed during the reporting period	Conserving Resources to Pursue Sustainable Development
	M3.13	The number of suppliers whose cooperation was suspended due to non-compliance with social responsibility	Conserving Resources to Pursue Sustainable Development
	M3.14	Supplier social responsibility performance appraisal and communication	Conserving Resources to Pursue Sustainable Development
	M3.15	Supplier social responsibility training	Conserving Resources to Pursue Sustainable Development
	M3.16	Supplier social responsibility training performance	Conserving Resources to Pursue Sustainable Development

	No.	Index	Related Section
Social performance	S1.1	Construction of a law-abiding compliance system	Standardising Governance to Pursue Excellence
	S1.2	Compliance training	Standardising Governance to Pursue Excellence
	S1.3	Total tax	About Botanee
	S1.4	Support and participation of the comprehensive deepening of reforms	Conserving Resources to Pursue Sustainable Development
	S1.5	Promoting employment	Caring for Our People, Conserving Resources to Pursue Sustainable Development
	S1.6	Number of employee in the reporting period	Caring for Our People
	S2.1	Staff composition	Caring for Our People
	S2.2	Equal employment	Caring for Our People
	S2.3	Rate of signed labour contracts	Caring for Our People
	S2.4	Democratic management	Caring for Our People
	S2.5	Percentage of female managers	Caring for Our People
	S2.6	Employee privacy management	Improving with Progress
	S2.7	Against forced labour, harassment and abuse	Caring for Our People
	S2.8	Diversity and equality of opportunity	Caring for Our People
	S2.9	Number of annual vacations with pay per capita every year	Caring for Our People
	S2.10	Compensation and benefit system	Caring for Our People
	S2.11	Occupational health management	Caring for Our People
	S2.12	Working environment and condition guarantee	Caring for Our People
	S2.13	Employee mental health assistance	Caring for Our People
S2.14	Employee training system	Caring for Our People	
S2.15	Annual training performance	Caring for Our People	
S2.16	Career development channel	Caring for Our People	
S2.17	Work-life balance	Caring for Our People	
S2.18	Difficult employee assistance	Caring for Our People	
S2.19	Employee satisfaction	Caring for Our People	

No.	Index	Related Section
S2.20	Turnover rate	Improving with Progress
S3.1	Safety management system	Harnessing Innovation to Promote Quality Craftsmanship, Caring for Our People
S3.2	Safety emergency management mechanism	Caring for Our People
S3.3	Safety education and training	Caring for Our People
S3.4	Safety training performance	Caring for Our People
S3.5	Production safety input	Caring for Our People
S3.6	Number of accidents in production safety	Caring for Our People
S3.7	Number of employee casualties	Caring for Our People
S4.1	Community communication and participation mechanism	Conserving Resources to Pursue Sustainable Development Harnessing Innovation to Promote Quality Craftsmanship Building a Better World
S4.2	Employee localization policy	Improving with Progress
S4.3	Localized employment ratio	Improving with Progress
S4.4	Localized procurement policy	Conserving Resources to Pursue Sustainable Development
S4.5	Support for the development of community women, indigenous people, farmers, herders and fishermen	Conserving Resources to Pursue Sustainable Development, Building a Better World
S4.6	Public welfare policy or main public welfare areas	Conserving Resources to Pursue Sustainable Development Harnessing Innovation to Promote Quality Craftsmanship Building a Better World
S4.7	Establishment of corporate charity fund/foundation	Caring for Our People
S4.8	Total donation	Building a Better World
S4.9	Creation of brand public welfare projects	Conserving Resources to Pursue Sustainable Development Harnessing Innovation to Promote Quality Craftsmanship Building a Better World
S4.10	Policies and measures to support volunteer activities	Conserving Resources to Pursue Sustainable Development Harnessing Innovation to Promote Quality Craftsmanship Building a Better World
S4.11	Performance of employee volunteer activities	Building a Better World
S4.12	Contributing to targeted poverty alleviation	Building a Better World
S4.13	Increasing special funds for poverty alleviation	Building a Better World
S4.14	Population out of poverty	Building a Better World

No.	Index	Related Section
E1.1	Environmental management system	Conserving Resources to Pursue Sustainable Development
E1.2	Environmental early warning emergency response mechanism	Conserving Resources to Pursue Sustainable Development
E1.3	Research and application in environmental protection technology	Conserving Resources to Pursue Sustainable Development
E1.4	Environmental index statistical accounting system method	Conserving Resources to Pursue Sustainable Development
E1.5	Environmental training and education	Conserving Resources to Pursue Sustainable Development
E1.6	Building a green supply chain	Conserving Resources to Pursue Sustainable Development
E1.7	Support for the development of green and low-carbon industries	Conserving Resources to Pursue Sustainable Development
E1.8	Total investment in environmental protection	Improving with Progress
E1.9	Tackling climate change	Conserving Resources to Pursue Sustainable Development
E1.10	Carbon strength	Not Relevant
E2.1	Green design	Conserving Resources to Pursue Sustainable Development
E2.2	Purchasing and using environmentally friendly raw materials	Conserving Resources to Pursue Sustainable Development
E2.3	Energy saving policy measures	Conserving Resources to Pursue Sustainable Development
E2.4	Improvement of energy efficiency	Conserving Resources to Pursue Sustainable Development
E2.5	Total annual energy consumption and reduction	Conserving Resources to Pursue Sustainable Development
E2.6	Comprehensive energy consumption per unit output value	Improving with Progress
E2.7	Policies and measures for the use of clean energy	Conserving Resources to Pursue Sustainable Development
E2.8	Clean energy usage	Improving with Progress
E2.9	Policies and measures in water resources conservation	Conserving Resources to Pursue Sustainable Development
E2.10	Annual fresh water consumption	Conserving Resources to Pursue Sustainable Development
E2.11	Industrial added value of fresh water consumption per unit	Improving with Progress
E2.12	Policies, measures or technologies to reduce exhaust emissions	Conserving Resources to Pursue Sustainable Development

No.	Index	Related Section
E2.13	Exhaust emissions and reductions	Conserving Resources to Pursue Sustainable Development
E2.14	Systems, measures or technologies to reduce wastewater discharge	Conserving Resources to Pursue Sustainable Development
E2.15	Wastewater discharge and reduction	Conserving Resources to Pursue Sustainable Development
E2.16	Systems, measures or technologies to reduce waste discharge	Conserving Resources to Pursue Sustainable Development
E2.17	Waste emissions and reductions	Conserving Resources to Pursue Sustainable Development
E2.18	Policies and measures of circular economy development	Conserving Resources to Pursue Sustainable Development
E2.19	Performance of circular economy development	Improving with Progress
E2.20	Green packaging	Conserving Resources to Pursue Sustainable Development
E2.21	The total amount of packaging materials used in the finished product (calculated in tons) and (if applicable) the amount per unit	Conserving Resources to Pursue Sustainable Development
E2.22	Green transportation	Conserving Resources to Pursue Sustainable Development
E2.23	Impact on the environment during product/manpower transportation	Conserving Resources to Pursue Sustainable Development
E2.24	Plans and actions to reduce greenhouse gas emission	Conserving Resources to Pursue Sustainable Development
E2.25	Greenhouse gas emission and reduction	Conserving Resources to Pursue Sustainable Development
E3.1	Green office measures	Conserving Resources to Pursue Sustainable Development
E3.2	Green office performance	Improving with Progress
E3.3	Ecological restoration and management	Conserving Resources to Pursue Sustainable Development, Building a Better World
E3.4	The conservation of biological diversity	Conserving Resources to Pursue Sustainable Development
E3.5	Zero Logging	Conserving Resources to Pursue Sustainable Development
E3.6	Environmental protection public welfare activities	Conserving Resources to Pursue Sustainable Development, Building a Better World

Environmental performance

Feedback Form

To our readers:

Thank you very much for reading the Report during your busy schedule. In order to improve the report preparation and enhance the responsibility performance of the Company, we particularly hope to listen to your comments and suggestions. Please help complete this page and give us your feedback.

Postal Code: 650106

Email: ir@winona.cn

Address: Board Secretary's office, No.53, KeYi Road, New & High-Tech Industry Development Zone, Kunming, Yunnan Province, China.

1.What is your overall evaluation of this Report?

Good Average Poor

2.How do you think the quality of social responsibility information disclosed in this Report?

High Average Low

3.How do you think this report reflects the significant impact of the Company on economy, society and environment?

High Average Low

4.How well do you think the Company has done in safeguarding the interests of related parties?

Good Average Poor

5.Your comments and suggestions on the company's sustainable development management:

Please leave your contact information, if available:

Name:		Occupation:		Company:	
Postal Code:		Email:		Telephone:	
Address:					



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