



五糧液
WULIANGYE

**Environmental, Social and Governance
(ESG) Report**

2023

大国浓香 · 和美五粮 · 中国酒王
AROMA OF THE NATION HARMONY OF WULIANGYE
-MASTERPIECE OF CHINESE BAIJIU-

宜宾五粮液股份有限公司
WULIANGYE YIBIN CO.,LTD.

守创
诚信
做
极致

恒久伟业

绵长大爱

Integrity

Excellence

Create everlasting achievement

Advocate universal love.

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About This Report

As the 16th ESG or social responsibility report released by *Wuliangye Yibin Co., Ltd.* since 2008, the 2023 *Environmental, Social and Governance (ESG) Report of Wuliangye Yibin Co., Ltd.* (hereinafter referred to as this "Report") systematically discloses Wuliangye's practices and performance under the ESG framework in 2023.

Reporting Frequency and Period

This Report is released on an annual basis, consistent with the annual report. The period covered by this Report ranges from 1 January 2023 to 31 December 2023. To make its content more comparable and forward-looking, this Report has included data on previous years or beyond the aforementioned scope.

Reporting Scope and Designation

Wuliangye Yibin Co., Ltd. and its subsidiaries are all within the scope of disclosure of this Report. For the convenience of our readers, "Wuliangye", "Company", and "We" are used in this Report to refer to "Wuliangye Yibin Co., Ltd."

Normative References

The 2030 Agenda for Sustainable Development or the Sustainable Development Goals of the United Nations (SDGs)
The *Global Reporting Initiative Standards for Sustainability Impacts* (GRI Standards)
Chinese Academy of Social Sciences' *Guidelines on Corporate Social Responsibility Reporting in China* (CASS-ESG5.0)
Guidelines No.1 of the Shenzhen Stock Exchange on the Self-regulation of Listed Companies - Standardised Operation of the Companies Listed on the Mainboard
Guidelines No.10 of the Shenzhen Stock Exchange on the Self-regulation of Listed Companies - Management of Share Changes Guidance for Alcoholic Beverage Enterprise ESG Disclosure

Availability

This Report is available in electronic form for reviewing and downloading at <http://www.cninfo.com.cn>. For any doubt or advice on this Report, please contact us via e-mail or telephone.

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Chairman's Message



The year 2023 was a key year for Wuliangye, which spans the periods before and after the implementation of our 14th Five-Year Plan. As part of our adherence to Mr. Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, we thoroughly studied and implemented the guiding principles of the 20th CPC National Congress, the Second Plenary Session of the 20th CPC Central Committee, and the instructions given by General Secretary Mr. Xi Jinping during his visit to the city of Yibin in Sichuan Province. We also comprehensively implemented the important decisions and arrangements made by the Provincial CPC Committee, the Provincial People's Government, the Municipal CPC Committee, and the Municipal People's Government in compliance with the general work principles of "staying politically aware, driving development, improving people's livelihood, ensuring safety, and delivering first-class performance". Taking quality, culture, integrity and innovation as the foundation, we resolutely strove toward our vision for a future of harmonious beauty, aiming for "green, low-carbon, and harmonious" ecological development, supporting the building of a society featuring "harmonious common prosperity", and seeking governance featuring "coordinated operations and scientific decision-making". As a result, we achieved continuous progress in all our key tasks, hit new records in terms of our key business indicators, and reached a new level in terms of high-quality and sustainable development.

First, we aimed to achieve "green, low-carbon, and harmonious" ecological development. In keeping with the concept of green, low-carbon circular development centred on eco-friendliness, we continued our efforts to build ourselves into a zero-carbon benchmark for liquor enterprises, collaborating with global entities from various walks of life to launch the global initiative "Exploring a Zero-carbon, Harmonious Future and Promoting Green, Low-carbon Development". Based on an environmental and energy management system, we also established a greenhouse gas management system and carried out Multi-system Integration and Coordination. Starting from water resources, distiller's grains, and packaging materials, we took comprehensive action in terms of the conservation of resources and the intensive use of resources, as well as systematic measures for environmental protection, energy conservation, the reduction of consumption, and the lean management of carbon emissions. Meanwhile, we also thoroughly implemented ecological governance measures and participated in ecosystem restoration to better protect the water quality of the Yangtze River's upper reaches. In 2023, the People's Daily selected us as a model case for serving the Belt and Road Initiative and as an excellent model case for achieving peak carbon emissions, carbon neutrality, and green development. CIFTIS also selected us as a model case for serving green development, and we were also selected as an excellent model case at the UN 2023 SDG Summit.

Second, we remained resolute in our support of the building of a society featuring "harmonious common prosperity". Our steadfast corporate mission is to create outstanding experiences for customers, create happiness for employees, and create returns for investors. Regarding our mission to create outstanding experiences for customers, we continued to improve our product structure and satisfy customers' differentiated demands by introducing Ziqi Donglai Wuliangye along with 18 cultural Baijiu products, including the Chinese Zodiac Series and the "Harmonious Baijiu Trip to China" series. We also continued to improve our product quality by improving our "from seed to liquor" whole-industrial-chain-integrated quality management model. This enabled us to become the only enterprise in our industry to be nominated for the 5th China Quality Award (having successfully passed the publicity period) and to win the honour of "National Quality Benchmark". As for our mission to create happiness for employees, we continued to improve each employee's sense of gain by fully implementing our plan to reform employee remuneration, steadily improve employee benefits, and provide regular care for employees. We also provided all-round support for employee development by completing the construction of two national-level training platforms for skilled talent (a National Training Base for High-skilled Talent and the "Cao Hongying" National Skilled Master's Studio) and allocating talent to the positions most suitable for them and where their competence would be maximized. More specifically, we added three more Special Allowance Experts for the State Council, five more provincial high-end talents (including Skilled Masters in Sichuan Province and talents included in the Tianfu Qingcheng Program), 12 more national-level Baijiu evaluators, and 74 more provincial-level Baijiu evaluators. In terms of our mission to create returns for investors, we distributed RMB14.68 billion in cash dividends in 2023, the highest of any year since our listing. This raised the total cash dividend distribution multiple to 21, and also raised the total cash dividends distributed to RMB76 billion, 20 times the total funds raised since our listing. We actively participated in charity and public welfare activities such as rural revitalization, disaster relief, and education support, with total donations exceeding RMB49 million. We also provided and raised a cumulative total of nearly RMB3 billion in support funds intended to help nearly one million people. In 2023, we were also honoured to receive the China Charity Award, the Social Welfare Award at the 30th Anniversary of China Alcoholic Drinks Association, and the 2023 Best ESG Practices among Listed Companies in China.

Third, we pursued governance featuring "coordinated operations and scientific decision-making". Our Board of Directors focused closely on our strategic development goals, made full use of its key role in the Company's corporate governance, conscientiously implemented the resolutions decided on by the General Meeting of Shareholders for the purpose of effectively protecting shareholders' interests, and ensured prudent, scientific, and efficient decision-making by improving the Company's governance structure, supervision mechanisms, and internal control efficiency. We also made further progress in the development and improvement of the control system for strategic risk, financial risk, market risk, legal risk, and quality risk so as to further improve risk control efficiency. In strict compliance with relevant regulatory requirements for listed companies, we also ensured that our information disclosure was authentic, accurate, and timely, we continued to improve our transparency, and we took active measures to protect the rights and interests of our shareholders. In 2023, we were the only listed enterprise in China's entire Baijiu industry to be honoured by the China Association for Public Companies with the 2023 Best Practice of the Board of Directors of a Listed Company.

The year 2024 marks the 75th anniversary of the founding of the People's Republic of China, and it is also a crucial year for fulfilling the goals and tasks of our 14th Five-Year Plan. We will adhere to our general work principles of "seeking progress in stability, maintaining stability with progress, improving quality and efficiency, as well as making more contributions". We will also maintain an appropriate balance between short-term and long-term development, high-quality development and high levels of security, and effective quality improvements and reasonable volumes of growth. This will be accompanied by efforts to comprehensively accelerate high-quality development, as well as consolidate and enhance developmental stability. We will endeavour to ensure that our sales channels gain more benefits, that our shareholders receive more returns, that our employees receive more income, that the government collects more taxes, that the Company earns more profits, that social welfare will improve, and that the business environments will be further invigorated. As for our goal of developing into a world-leading enterprise with superior products, strong brands, advanced innovation and modern governance, we will spare no effort to create and write new stories about our harmonious development!

About Wuliangye

Company Profile

Company Profile

Wuliangye Yibin Co., Ltd. was incorporated on 21 April 1998 based on the shareholding system reform of Sichuan Yibin Wuliangye Distillery. It was listed on the Shenzhen Stock Exchange in the same year (stock code: 000858). Wuliangye sits in a region hailed by the United Nations Educational, Scientific and Cultural Organisation and the Food and Agriculture Organisation of the United Nations as the "most suitable region in the same latitude for producing high-quality, pure distilled Baijiu" in Yibin City, one renowned as "the First City of the Yangtze River" and "Capital of Liquor in China". It has developed product portfolios represented by series such as "Wuliangye", "NongXiang Series Baijiu", and "Xianlin Ecological". As a representative of Chinese Baijiu and a renowned national brand, the flagship "Wuliangye" series has been awarded "Nationally Renowned Liquor" four times. In terms of global market planning, the Company has established 26 regional marketing divisions and 75 marketing regions across 31 provinces (autonomous regions and municipalities directly administered by the central government) nationwide. It has also set up international marketing centres in Europe, the Americas, and Asia-Pacific, with products sold in more than 100 countries and regions worldwide.

Development strategy

During the "14th Five-Year Plan" period, the Company is vigorously implementing the "135" development strategy, in which "1" refers to Wuliangye's goal to develop into a world-leading Baijiu manufacturer; "3" refers to the three major programmes of quality brands, marketing innovation and high-quality & fast growth; and "5" refers to "eco-friendly, quality-oriented, with culture as the foundation, with digital transformation as the driver, and with sound corporate governance as the support".

Development goals

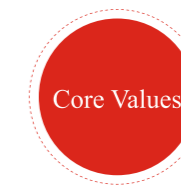
During the "14th Five-Year Plan" period, the Company focuses on its principal business to attain the "2118" development goals, including the capacity to produce 200,000 tons of unblended liquor, the capacity to warehouse one million tons of unblended liquor, a sales revenue of more than RMB100 billion, and a total pre-tax profit of RMB80 billion.



To create outstanding experiences for customers, create happiness for employees, and create returns for investors



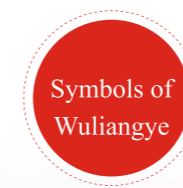
Wuliangye is committed to developing itself into a world-leading liquor enterprise with brilliant products, outstanding brands, leading innovation capacity and modern governance and an enterprise that keeps developing in a high-quality, sustainable, and rapid way.



Loyal, clean and responsible, as well as grateful, contented and hardworking



Innovation with integrity, and striving for first place



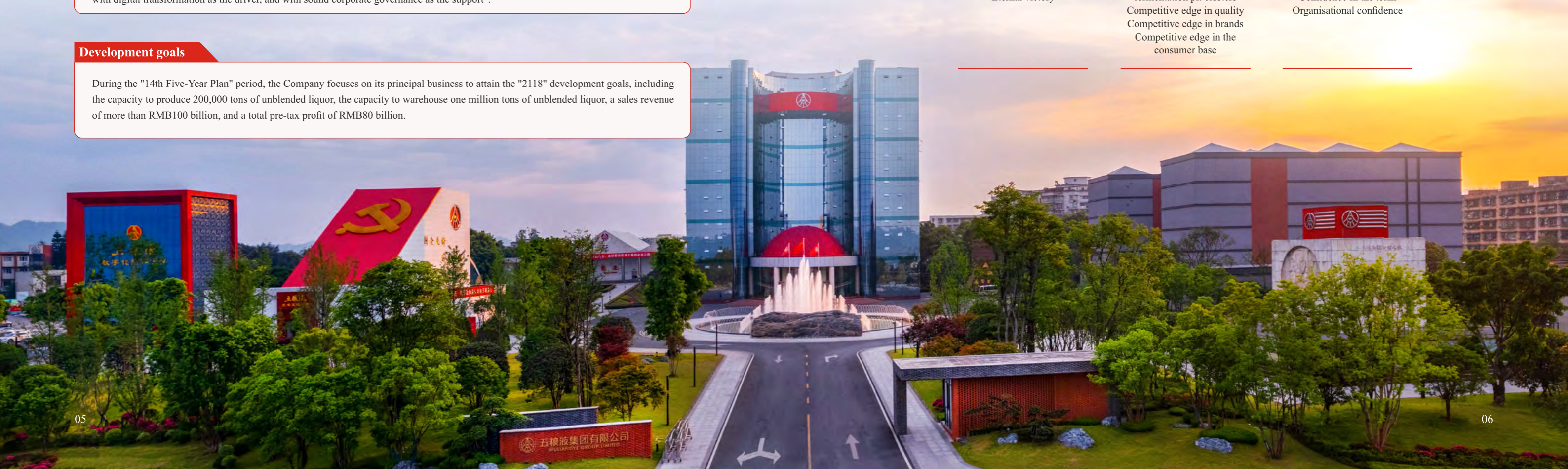
Chinese red
Five-grain lines
Concentric circles
Eternal victory



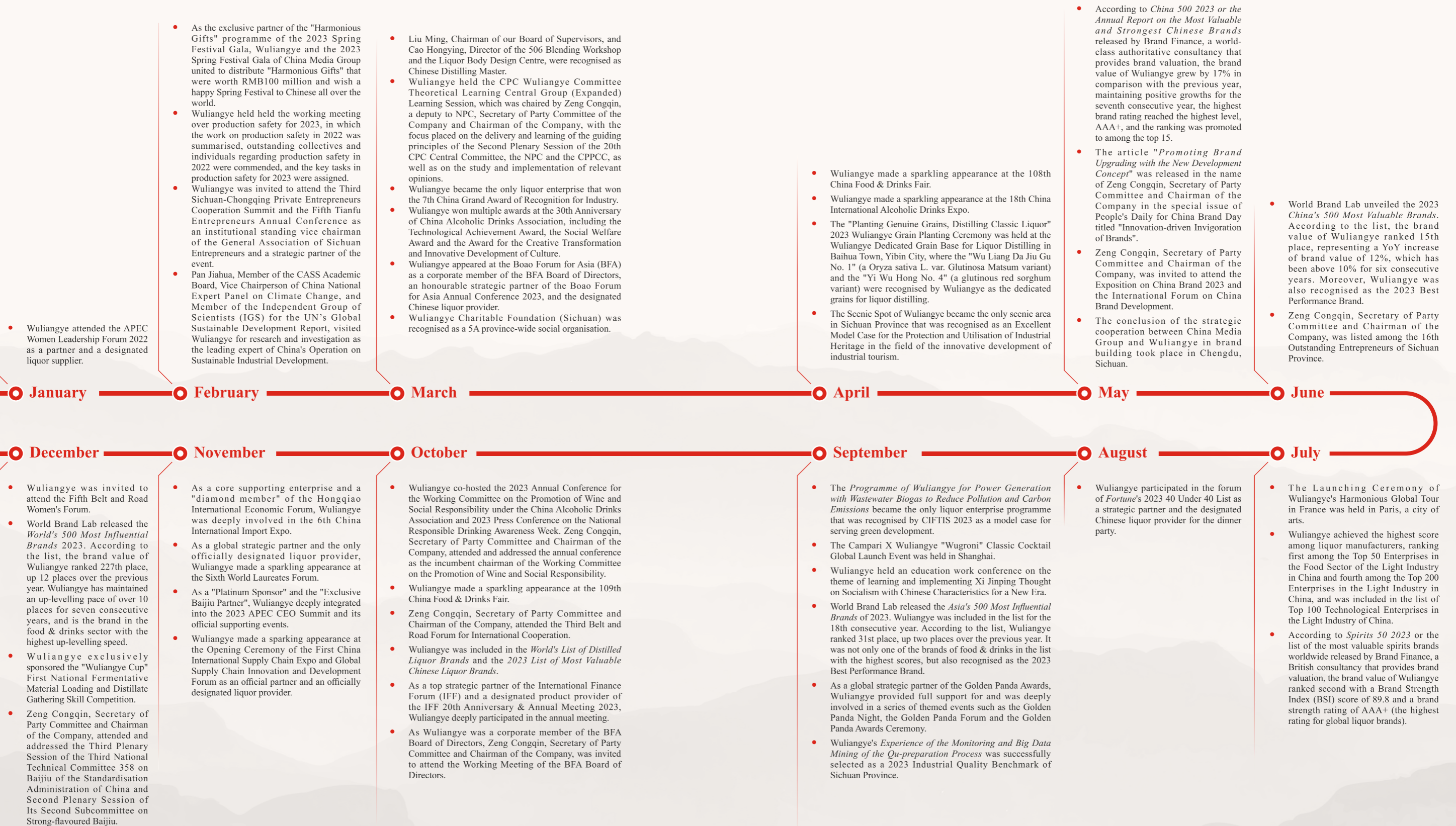
Competitive edge in producing areas
Competitive edge in ancient fermentation pit clusters
Competitive edge in quality
Competitive edge in brands
Competitive edge in the consumer base



Confidence in the ecosystem
Cultural confidence
Market confidence
Confidence in the team
Organisational confidence



Highlights of 2023



- January**
 - Wuliangye attended the APEC Women Leadership Forum 2022 as a partner and a designated liquor supplier.
- February**
 - As the exclusive partner of the "Harmonious Gifts" programme of the 2023 Spring Festival Gala, Wuliangye and the 2023 Spring Festival Gala of China Media Group united to distribute "Harmonious Gifts" that were worth RMB100 million and wish a happy Spring Festival to Chinese all over the world.
 - Wuliangye held the working meeting over production safety for 2023, in which the work on production safety in 2022 was summarised, outstanding collectives and individuals regarding production safety in 2022 were commended, and the key tasks in production safety for 2023 were assigned.
 - Wuliangye was invited to attend the Third Sichuan-Chongqing Private Entrepreneurs Cooperation Summit and the Fifth Tianfu Entrepreneurs Annual Conference as an institutional standing vice chairman of the General Association of Sichuan Entrepreneurs and a strategic partner of the event.
 - Pan Jiahua, Member of the CASS Academic Board, Vice Chairperson of China National Expert Panel on Climate Change, and Member of the Independent Group of Scientists (IGS) for the UN's Global Sustainable Development Report, visited Wuliangye for research and investigation as the leading expert of China's Operation on Sustainable Industrial Development.
- March**
 - Liu Ming, Chairman of our Board of Supervisors, and Cao Hongying, Director of the 506 Blending Workshop and the Liquor Body Design Centre, were recognised as Chinese Distilling Master.
 - Wuliangye held the CPC Wuliangye Committee Theoretical Learning Central Group (Expanded) Learning Session, which was chaired by Zeng Congqin, a deputy to NPC, Secretary of Party Committee of the Company and Chairman of the Company, with the focus placed on the delivery and learning of the guiding principles of the Second Plenary Session of the 20th CPC Central Committee, the NPC and the CPPCC, as well as on the study and implementation of relevant opinions.
 - Wuliangye became the only liquor enterprise that won the 7th China Grand Award of Recognition for Industry.
 - Wuliangye won multiple awards at the 30th Anniversary of China Alcoholic Drinks Association, including the Technological Achievement Award, the Social Welfare Award and the Award for the Creative Transformation and Innovative Development of Culture.
 - Wuliangye appeared at the Boao Forum for Asia (BFA) as a corporate member of the BFA Board of Directors, an honourable strategic partner of the Boao Forum for Asia Annual Conference 2023, and the designated Chinese liquor provider.
 - Wuliangye Charitable Foundation (Sichuan) was recognised as a 5A province-wide social organisation.
- April**
 - Wuliangye made a sparkling appearance at the 108th China Food & Drinks Fair.
 - Wuliangye made a sparkling appearance at the 18th China International Alcoholic Drinks Expo.
 - The "Planting Genuine Grains, Distilling Classic Liquor" 2023 Wuliangye Grain Planting Ceremony was held at the Wuliangye Dedicated Grain Base for Liquor Distilling in Baihua Town, Yibin City, where the "Wu Liang Da Jiu Gu No. 1" (a *Oryza sativa* L. var. *Glutinosa* Matsum variant) and the "Yi Wu Hong No. 4" (a glutinous red sorghum variant) were recognised by Wuliangye as the dedicated grains for liquor distilling.
 - The Scenic Spot of Wuliangye became the only scenic area in Sichuan Province that was recognised as an Excellent Model Case for the Protection and Utilisation of Industrial Heritage in the field of the innovative development of industrial tourism.
- May**
 - According to *China 500 2023 or the Annual Report on the Most Valuable and Strongest Chinese Brands* released by Brand Finance, a world-class authoritative consultancy that provides brand valuation, the brand value of Wuliangye grew by 17% in comparison with the previous year, maintaining positive growths for the seventh consecutive year, the highest brand rating reached the highest level, AAA+, and the ranking was promoted to among the top 15.
 - The article "*Promoting Brand Upgrading with the New Development Concept*" was released in the name of Zeng Congqin, Secretary of Party Committee and Chairman of the Company in the special issue of *People's Daily* for China Brand Day titled "Innovation-driven Invigoration of Brands".
 - Zeng Congqin, Secretary of Party Committee and Chairman of the Company, was invited to attend the Exposition on China Brand 2023 and the International Forum on China Brand Development.
 - The conclusion of the strategic cooperation between China Media Group and Wuliangye in brand building took place in Chengdu, Sichuan.
- June**
 - World Brand Lab unveiled the 2023 *China's 500 Most Valuable Brands*. According to the list, the brand value of Wuliangye ranked 15th place, representing a YoY increase of brand value of 12%, which has been above 10% for six consecutive years. Moreover, Wuliangye was also recognised as the 2023 Best Performance Brand.
 - Zeng Congqin, Secretary of Party Committee and Chairman of the Company, was listed among the 16th Outstanding Entrepreneurs of Sichuan Province.
- July**
 - The Launching Ceremony of Wuliangye's Harmonious Global Tour in France was held in Paris, a city of arts.
 - Wuliangye achieved the highest score among liquor manufacturers, ranking first among the Top 50 Enterprises in the Food Sector of the Light Industry in China and fourth among the Top 200 Enterprises in the Light Industry in China, and was included in the list of Top 100 Technological Enterprises in the Light Industry of China.
 - According to *Spirits 50 2023* or the list of the most valuable spirits brands worldwide released by Brand Finance, a British consultancy that provides brand valuation, the brand value of Wuliangye ranked second with a Brand Strength Index (BSI) score of 89.8 and a brand strength rating of AAA+ (the highest rating for global liquor brands).
- August**
 - Wuliangye participated in the forum of *Fortune's* 2023 40 Under 40 List as a strategic partner and the designated Chinese liquor provider for the dinner party.
- September**
 - The *Programme of Wuliangye for Power Generation with Wastewater Biogas to Reduce Pollution and Carbon Emissions* became the only liquor enterprise programme that was recognised by CIFTIS 2023 as a model case for serving green development.
 - The Campari X Wuliangye "Wugroni" Classic Cocktail Global Launch Event was held in Shanghai.
 - Wuliangye held an education work conference on the theme of learning and implementing Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era.
 - World Brand Lab released the *Asia's 500 Most Influential Brands* of 2023. Wuliangye was included in the list for the 18th consecutive year. According to the list, Wuliangye ranked 31st place, up two places over the previous year. It was not only one of the brands of food & drinks in the list with the highest scores, but also recognised as the 2023 Best Performance Brand.
 - As a global strategic partner of the Golden Panda Awards, Wuliangye provided full support for and was deeply involved in a series of themed events such as the Golden Panda Night, the Golden Panda Forum and the Golden Panda Awards Ceremony.
 - Wuliangye's *Experience of the Monitoring and Big Data Mining of the Qu-preparation Process* was successfully selected as a 2023 Industrial Quality Benchmark of Sichuan Province.
- October**
 - Wuliangye co-hosted the 2023 Annual Conference for the Working Committee on the Promotion of Wine and Social Responsibility under the China Alcoholic Drinks Association and 2023 Press Conference on the National Responsible Drinking Awareness Week. Zeng Congqin, Secretary of Party Committee and Chairman of the Company, attended and addressed the annual conference as the incumbent chairman of the Working Committee on the Promotion of Wine and Social Responsibility.
 - Wuliangye made a sparkling appearance at the 109th China Food & Drinks Fair.
 - Zeng Congqin, Secretary of Party Committee and Chairman of the Company, attended the Third Belt and Road Forum for International Cooperation.
 - Wuliangye was included in the *World's List of Distilled Liquor Brands* and the *2023 List of Most Valuable Chinese Liquor Brands*.
 - As a top strategic partner of the International Finance Forum (IFF) and a designated product provider of the IFF 20th Anniversary & Annual Meeting 2023, Wuliangye deeply participated in the annual meeting.
 - As Wuliangye was a corporate member of the BFA Board of Directors, Zeng Congqin, Secretary of Party Committee and Chairman of the Company, was invited to attend the Working Meeting of the BFA Board of Directors.
- November**
 - As a core supporting enterprise and a "diamond member" of the Hongqiao International Economic Forum, Wuliangye was deeply involved in the 6th China International Import Expo.
 - As a global strategic partner and the only officially designated liquor provider, Wuliangye made a sparkling appearance at the Sixth World Laureates Forum.
 - As a "Platinum Sponsor" and the "Exclusive Baijiu Partner", Wuliangye deeply integrated into the 2023 APEC CEO Summit and its official supporting events.
 - Wuliangye made a sparkling appearance at the Opening Ceremony of the First China International Supply Chain Expo and Global Supply Chain Innovation and Development Forum as an official partner and an officially designated liquor provider.
- December**
 - Wuliangye was invited to attend the Fifth Belt and Road Women's Forum.
 - World Brand Lab released the *World's 500 Most Influential Brands* 2023. According to the list, the brand value of Wuliangye ranked 227th place, up 12 places over the previous year. Wuliangye has maintained an up-levelling pace of over 10 places for seven consecutive years, and is the brand in the food & drinks sector with the highest up-levelling speed.
 - Wuliangye exclusively sponsored the "Wuliangye Cup" First National Fermentative Material Loading and Distillate Gathering Skill Competition.
 - Zeng Congqin, Secretary of Party Committee and Chairman of the Company, attended and addressed the Third Plenary Session of the Third National Technical Committee 358 on Baijiu of the Standardisation Administration of China and Second Plenary Session of Its Second Subcommittee on Strong-flavoured Baijiu.

Honours and Awards

ESG	
Awarding Unit	Content
Ministry of Civil Affairs of the People's Republic of China	The 12th China Charity Award
People's Government of Sichuan Province	The Third Sichuan Charity Award - The Most Charitable Contributor
Henan Charity Federation	Outstanding Contribution Award in Charitable Donation
China Association for Public Companies	2023 Best ESG Practice among Listed Companies in China
China Association for Public Companies	2023 Award for Best ESG Practice among Listed Companies in China
China Alcoholic Drinks Association	Annual Model of Social Responsibility of 2023 China Alcoholic Drinks Industry ESG Forum
Securities Times	China's Top 100 ESG Listed Companies
National Business Daily	China Liquor Industry Golden Bottle Awards: Special ESG Prize
China Securities Journal	The First "CRHC Cup" Top 100 ESG Golden Bull Award
Organising Committee of Caijing Evergreen Awards	2023 Caijing Evergreen Award for Contributions to Sustainable Development
People.com.cn	Rural Revitalisation Award of the 17th People's Enterprise Social Responsibility Award
China Foundation for Poverty Alleviation	Remarkable Contributor to Poverty Alleviation
Organising Committee of the Celebration of the 30th anniversary of the China Alcoholic Drinks Association	Social Welfare Award at the 30th anniversary of the China Alcoholic Drinks Association
Yibin Municipal Spiritual Civilisation Development Office	Outstanding Contributor Award for Caring for Next Generation in Yibin City
CIFTIS 2023	Model Case for Serving Green Development
China Economic Information Service	Outstanding Case for Innovation in Green, Low-carbon Technology
People's Daily	Excellent Model Case for Carbon-peaking, Carbon-neutral and Green Development in 2023
Organising Committee of China Corporate ESG "Golden Responsibility Awards"	Outstanding Enterprise for Corporate Governance Responsibility



Brand	
Awarding Unit	Content
World Brand Lab	World's 500 Most Influential Brands 2023 (ranking 227th place)
World Brand Lab	Asia's 500 Most Influential Brands of 2023 (ranking 31st place)
World Brand Lab	China 500 2023 (ranking 15th place)
Brand Finance	China 500 2023 (with a brand rating of AAA+)
China Industry Internet Liquor Brand Culture Organising Committee	China Industry Internet Top 10 Favourite Liquor Brands for Consumers
China Alcoholic Drinks Industry	Top 100 Enterprise (Production) Award for the China Alcoholic Drinks Industry

Operation	
Awarding Unit	Content
All-China Federation of Trade Unions	National May First Labor Medal
General Office of the National Health Commission of the PRC	Excellent Case for Healthy Enterprise Development
Office of the Sichuan Production Safety Committee	Advanced Production Safety Entity
China Quality Award Selection and Commendation Committee	Nominated for the 5th China Quality Award (having successfully passed the publicity period)
China Association for Quality	2023 National Quality Benchmark
Sichuan Enterprises Federation	Industrial Quality Benchmark of Sichuan Province
Industrial Culture Development Centre of MIIT	Excellent Model Case for the Protection and Utilisation of Industrial Heritage
China Federation of Industrial Economics	The 7th China Grand Award of Recognition for Industry
Scientific and Technological Award Committee under China Alcoholic Drinks Association	Award of China Alcoholic Drinks Association for Excellent Papers on Scientific and Technological Progress
Scientific and Technological Award Committee under China Alcoholic Drinks Association	Award of China Alcoholic Drinks Association for Scientific and Technological Progress
China National Light Industry Council	Advanced Collective in the National Light Industry Standardisation Work
China Light Industry Information Centre	Innovative Achievement in Digital Transformation in the Light Industry in China
China Light Industry Information Centre	Outstanding Model Case of Digital Transformation in the Consumer Products Industry
iF Industrie Forum Design e.V.	2023 iF Design Award
New Fortune	New Fortune "Best Listed Company" (Fourth Session)
Economic Observer	Top 100 Most Respectable Enterprises in China
China Securities Journal	Golden Bull Award for Most Valuable Investment
Securities Times	Tianma Award for Investor Relations of Listed Companies in China
China Enterprise Reform and Development Society	Excellent Case in Party Building Brand Development of State-owned Enterprises in 2023
China Enterprise Confederation, China Enterprise Directors Association	Special Award of National Outstanding Achievements in Corporate Culture (2022-2023)

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Towards Harmonious Beauty Enhance ESG Building for a Future of Harmonious Beauty

In November 2023, Zeng Congqin, Secretary of the CPC Committee and Chairman of the Board of Wuliangye, attended the first China Alcoholic Drinks Industry ESG Forum and the Launch Ceremony of the Main Venue of 2023 National Responsible Drinking Awareness Week.



Zeng Congqin, Secretary of the CPC Committee and Chairman of the Board of Wuliangye, Addressed the China Alcoholic Drinks Industry ESG Forum

At the ceremony, Zeng Congqin, as the representative of the incumbent chair entity of the 2023 Working Committee on the Promotion of Wine and Social Responsibility, addressed: Harmonious beauty is the ideal and pursuit of the Chinese nation, and is also the value orientation and practice principle of Wuliangye. Wuliangye stays true to the original aspirations of "Promote our historic legacy, co-create a life of enjoyment", takes the harmony of quality, industry, society, ecology, and culture as its directions, and dares to shoulder social responsibilities, helping achieve the harmonious unity of man and nature, and of man and society.

First, maintain quality harmony, and foster a better life

Maintaining high-quality is an inherent requirement for high-quality development and an objective need for high-quality life, as well as the foundation for the long-term prosperity of enterprises. Wuliangye adheres to the traditional distilling technique, following the production secrets of "growing, distilling, selecting, aging and mixing", forming the "from seed to liquor" integrated quality management model of the whole industrial chain. It continuously promotes scientific research innovation guided by quality, flavour and health, and deeply advances supply-side structural reform with liquor body innovation and production technique innovation as the core. In its extreme pursuit of perfect distilling, Wuliangye creates higher quality products, providing consumers with excellent products.

Second, lead industrial harmony, and create a better life

Baijiu spans the primary, secondary and tertiary industries, and has the unique advantage in promoting the integrated development of industries. Wuliangye actively plays its role as a "chain-leading" enterprise in the industrial chain and adheres to the concept of "repaying agriculture with industry" to promote rural revitalisation and industrial paired assistance, driving the upstream and downstream industries to achieve an output value of over RMB300 billion and stable employment for 300,000 people. The Company promotes the integration of liquor elements with tourism and culture. With the Scenic Spot of Wuliangye as a carrier, the Company deepens the experience of production technique, culture and products, boosting agriculture and industry through tourism and allowing fine liquor to better empower and enliven a beautiful life.

Third, advocate social harmony, and share a better life

Returning to society in good faith and fulfilling social responsibilities is the obligation of enterprises. Wuliangye has always persisted in balancing and coordinating political responsibilities, economic responsibilities, and social responsibility, actively engaging in charity and public welfare activities such as industrial assistance, educational assistance, emergency service and disaster relief, and ecological protection. The Company has invested and integrated assistance funds of nearly RMB3 billion, benefiting nearly 1 million people. The Company advocates a healthy, rational, and moderate consumption concept and the cultivation of moderate drinking habits, making drinking a pleasant and comfortable spiritual experience.

Forth, preserve ecological harmony, and ensure a better life

Baijiu is a classic "featured industry relying on regional ecological resources". To brew fine liquor, we must respect nature and follow its laws. Wuliangye adheres to the path of green development, one that puts ecology first, and follows the instructions of General Secretary Xi Jinping during his visit to Yibin City on 8 June 2023 to "try every means to protect the water quality of the upper reaches of the Yangtze River in line with standards identical to those for distilling fine liquor". The Company cuts carbon emissions, reduces pollution, and expands green development on all fronts, and implements "carbon neutrality" throughout the whole industrial chain. Doing so will contribute to the cause of building a beautiful China where humanity and nature exist in harmony.

Fifth, promote cultural harmony, and nurture a better life

Baijiu is an important component of Chinese excellent traditional culture. To creatively transform and innovatively develop the Baijiu culture, and to help build the modern form of Chinese civilisation, is a cultural mission that a famous liquor enterprise must undertake. In adherence to the Chinese cultural standpoint, Wuliangye always leverages the power of liquor to convey traditional Chinese culture and innovate the Baijiu culture. The Company continuously strengthens the construction of "Cultural Wuliangye", creating a series of unique cultural IPs, participating in various international exhibitions, innovating the modern expression of excellent Chinese traditional culture, and telling harmonious stories of the new era.

ESG Governance

In the context of increasing global sustainable development risks and the accelerating pace of policy transitions in various countries, Wuliangye has incorporated sustainable development into the whole process of production and operation. With ESG building as the starting point, the Company has comprehensively enhanced its sustainable development capabilities by focusing on the three major themes of environmental protection, social responsibilities, and corporate governance. Paying close attention to various stakeholders, Wuliangye has established and maintained a regular two-way communication mechanism, clarified stakeholders' needs, and continuously optimised the impact on various stakeholders. At the same time, in order to enhance ESG level in a more targeted manner, the Company took topics as a starting point, upheld the principles of "Financial Materiality" and "Impact Materiality" to identify ESG material topics, and continuously improves ESG building methods and paths on the basis of these topics to ensure the Company's sustainable development.

| ESG concept

Create outstanding experiences for customers

Wuliangye meets diverse needs and provides the ultimate experiences for consumers through product innovation, ensures consumer health through quality control, protects consumer rights through integrity management, advocates for responsible drinking, and builds a harmonious society.

Create happiness for employees

Employees are the valuable asset of Wuliangye. Wuliangye has a reasonable salary system to ensure employee rights, rich employee activities to create a harmonious Wuliangye family, and a complete paired assistance system to help employees in need, achieving the mutual growth of employees and the Company.

Create returns for investors

Wuliangye continuously enhances its corporate value, consistently implements cash dividends, and focuses on regulating corporate governance and strengthening information disclosure, effectively protecting the rights of investors.

Promote social harmony

Wuliangye, as a large state-owned enterprise, actively practices the social responsibilities of state-owned enterprises and engages in public welfare and charity work, always pursuing the harmonious development of the enterprise and society.

Add green to the environment

Wuliangye coordinates production and operation with environmental protection, realising green production and practicing environmental protection public welfare.

| Communication with stakeholders

Based on its status, Wuliangye identifies categories of stakeholders, values their concerns, builds a regular communication mechanism with them, and continuously improves its management level.

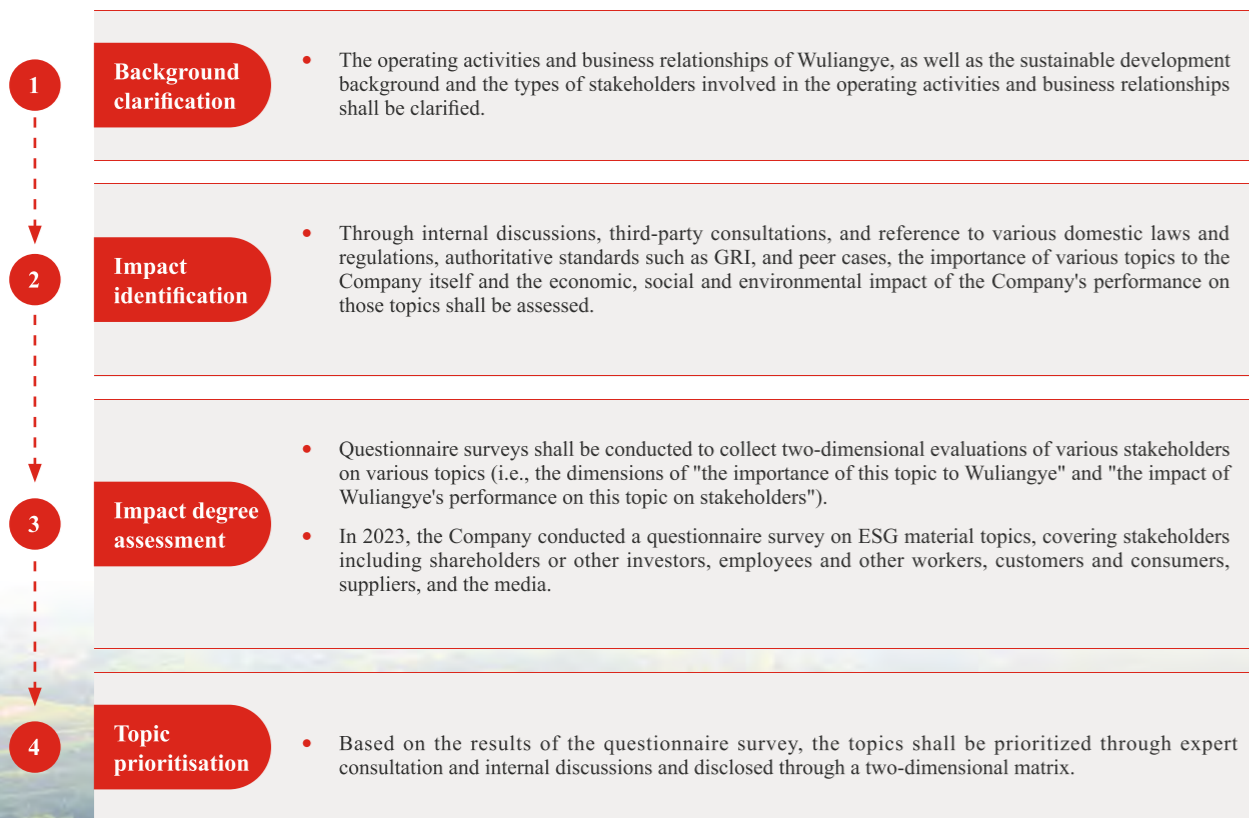
Stakeholders	Issues of concern	Communication form
 Governments and regulators	<ul style="list-style-type: none"> • Tax payment according to laws; • Compliant operation; • Anti-corruption; • Promotion of economic development; • Increasing employment; • Climate action; • Rural revitalisation 	<ul style="list-style-type: none"> • Stock exchanges meeting; • Government meeting; • Government visit
 Shareholders and investors	<ul style="list-style-type: none"> • Return of investments; • Information disclosure; • Protection of minority shareholders' rights and interests; • Investor relations 	<ul style="list-style-type: none"> • General meetings of shareholders; • Results briefings; • Investor on-site research, securities company investment conference; • Responding to investor calls, emails, and online messages; • Various information disclosure platforms and reports
 Employees	<ul style="list-style-type: none"> • Compensation and benefits; • Health and safety; • Career development; • Democratic communication 	<ul style="list-style-type: none"> • Workers and Staff Congress; • Employee satisfaction surveys; • Interviews; • Company internal communication network
 Customers/consumers	<ul style="list-style-type: none"> • Food safety; • Product quality; • After-sales service 	<ul style="list-style-type: none"> • On-site visits; • Visitor reception; • Consumer hotline; • Consumer research
 Suppliers and the industry	<ul style="list-style-type: none"> • Fair and equal procurement; • Adherence to business ethics; • Promotion of industry development; • Level playing field 	<ul style="list-style-type: none"> • On-site visits; • Visitor reception; • Various industry forums and exchange meetings; • Communication tools such as telephone, email, etc.
 The public	<ul style="list-style-type: none"> • Pollution prevention and control; • Energy conservation and emission reduction; • Public welfare and charity activities 	<ul style="list-style-type: none"> • Various information disclosure platforms and reports; • Company official website, official account, etc.

Substantive issue analysis

Upholding the Double Materiality principle of "Financial Materiality" and "Impact Materiality", Wuliangye identifies issues that have significant impacts on its value and significant effects on economy, society, and environment as ESG material topics, and prioritises these topics in daily management, practices, and information disclosure processes.

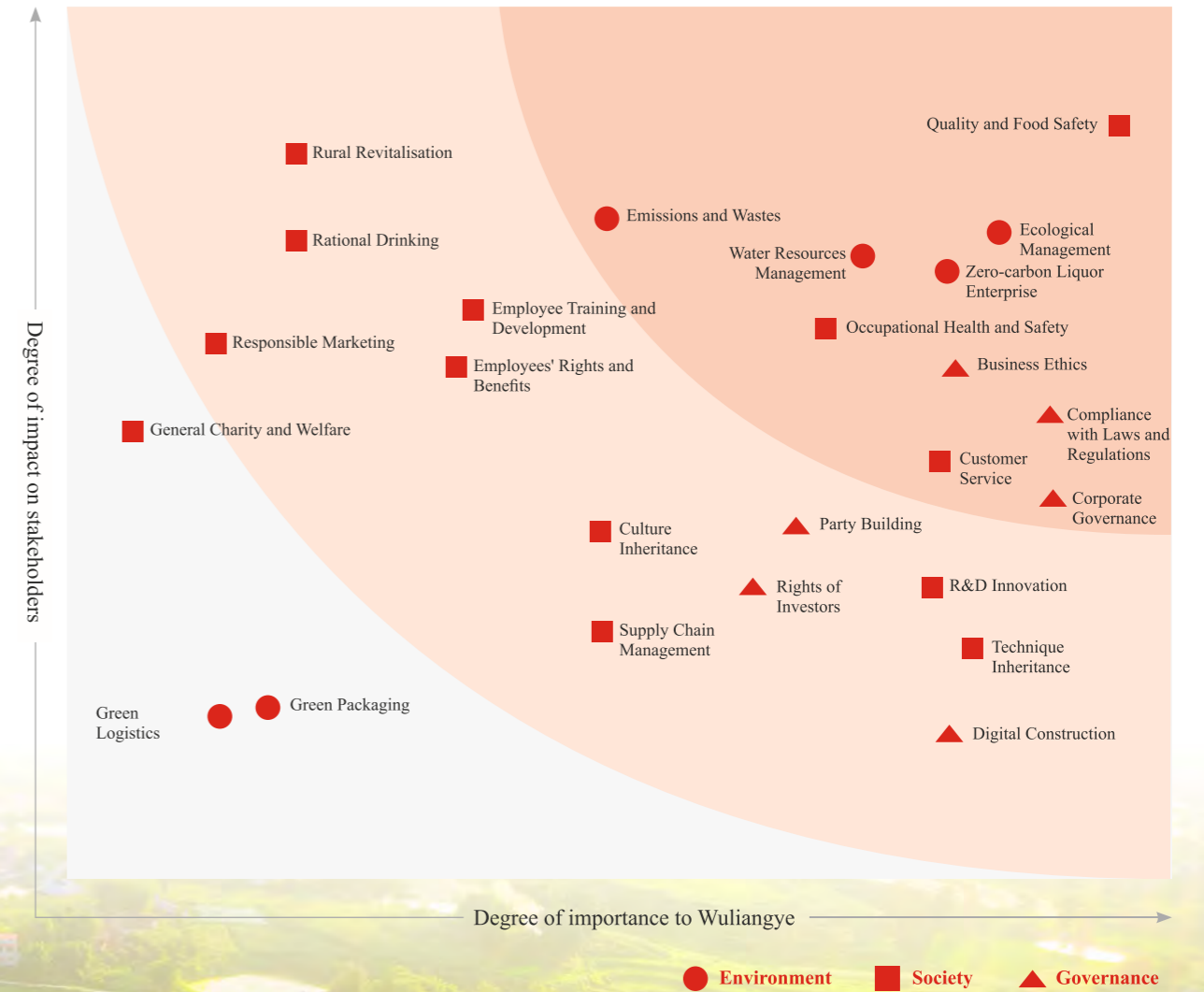
Wuliangye uses policy analysis, peer comparison, questionnaire survey, management discussion, and other methods to identify material topics and determine the priority of each topic.

Process of Material Topics Analysis



After the above process, the material topics matrix determined by the Company is as follows:

Wuliangye 2023 Material Topics Matrix



01

Maintain Quality Harmony

Foster a Better Life

Wuliangye makes innovation with integrity, carries forward the essence of aroma techniques, constantly improves the quality and innovation of products through the inheritance of techniques, technological innovation and product innovation, and demonstrates a keen insight into the market demand and creative design. Meanwhile, the Company strictly controls food safety and implements a quality management system to ensure product quality and food safety. With respect to procurement management, the Company controls the source of quality problems and has established a standardised supplier management mechanism. Additionally, the Company earnestly advocates responsible marketing and rational drinking to strengthen customer satisfaction and brand value.

- Innovation with Integrity - Carry Forward the Essence of Aroma Techniques
- Quality Management - Put Food Safety Under Strict Control
- Procurement Management - Control the Sources of Quality Problems
- Responsible Marketing - Create an Experience of Harmonious Beauty



Innovation with Integrity and Carrying Forward the Essence of Aroma Techniques

Wuliangye has always remained committed to craftsmanship and the production secrets of "growing, distilling, selecting, aging and mixing", continuously improves the whole-process quality management mode from seed to liquor, and ensures consistent excellent quality. The Company adopts its unique "Baobaoqu" as the carrier for the combination of microorganisms in the environment, leverages fermentation technologies such as circular fermentation, solid-state vinasse renewal and double-round button fermentation, and uses its special distillation techniques in the domestic liquor industry including level-based vinasse removal, level-based distillation and quality-based blending to give birth to Wuliangye's style of "lasting aroma, mellow, pleasant and smooth taste, and harmonious, well-balanced and comprehensive flavours".

Adhere to craftsmanship and inheritance of techniques

In order to inherit and promote the traditional distilling techniques, Wuliangye carried out skill and hands-on training through the "Craftsmen Incubator" platform and conducted skill competitions to promote training, effectively improve the traditional techniques of distilling and Qu-preparation operators, and deepen the building of the talent echelon of liquor distilling techniques.

Case The "Wuliangye Cup" First National Fermentative Material Loading and Distillate Gathering Skill Competition

Wuliangye assisted the China Alcoholic Drinks Association (CADA) and the National Committee of the Trade Union of Financial and Commercial Workers, Light Industry and Textile Workers, Tobacco Industry Workers in launching the "Wuliangye Cup" First National Fermentative Material Loading and Distillate Gathering Skill Competition to promote the cultivation of talent in liquor retorting and selection for the high-quality development of the industry.



The Vocational Skill Competition of Fermentative Material Loading and Distillate Gathering

Case The Second "Craftsmanship Cup" Skill Competition of Unblended Liquor Sensory Quality Identification

The Second "Craftsmanship Cup" Skill Competition of Unblended Liquor Sensory Quality Identification was held to reinforce the training of skilled workers, enhance the professionalism of liquor practitioners, promote the unification of the quality perception and evaluation standard of unblended liquor, and boost the wholesome development of the industry.



The Second "Craftsmanship Cup" Skill Competition of Unblended Liquor Sensory Quality Identification

Case Training in Traditional Techniques

In order to strengthen employees' theories and practical skills in traditional distilling processes as well as taste and evaluation of unblended liquor and improve liquor quality, the Company carried out training in "Traditional Processes", "Sensory Identification of Daqu" and "Liquor Testing".



Training of "Liquor Tasting"



Training of "Sensory Identification of Daqu"



Training of "Traditional Processes"

Promoting the Programme of High-quality & Fast Growth to Enhance Development Momentum

Wuliangye made every effort to drive the programme of high-quality & fast growth to continuously enhance development momentum, and achieved milestones during the Reporting Period.

Milestones of the programme of high-quality & fast growth

Four projects were completed

- The 100,000-tonne ecological distilling project (Phase I) was gradually put into production.
- Technique commissioning was carried out for the project of mixing and storage cellars, and liquor was handed over cellar by cellar.
- The nine three-dimensional warehouses for finished products under the intelligent warehousing and distribution integration project were completed and gradually put into operation.
- The intra-station construction of the renovation project of the 110-KV power transformation and distribution system was completed.

Five projects were expedited

- The structural piles of Workshops 1-8 of the 100,000-tonne ecological distilling project (Phase II) were completed.
- The main structure of the Qu-preparation capacity expansion project was completed.
- The foundation excavation of the centralised wastewater treatment plant (Phase I) was completed.
- The business positioning and planning of the project of the gateway for world-class Baijiu manufacturers was completed, and the foundation of the commercial area was under construction.
- The foundation construction of the project of the Chinese Baijiu cultural sanctuary was in progress.

Case The 100,000-tonne Ecological Distilling Project (Phase I) was Put into Production

In December 2023, Wuliangye actively established a "New Workshop Benchmark" and gradually put the 100,000-tonne ecological distilling project (Phase I) into production, marking a new stage of the programme of high-quality & fast growth. This project utilises advanced biotechnological means to reproduce the ancient pit mud project and promote the rapid maturation of the new pit mud, thus shortening the pre-production period of a new fermentation pit. New vitality and stable progress were achieved through the exploration of a new mode of intelligent distilling based on the traditional distilling processes.



The production ceremony of the 100,000-tonne ecological distilling project (Phase I) under the Wuliangye's programme of high-quality & fast growth

Reinforcing R&D and innovation to lead the industry

Wuliangye adheres to innovation-driven quality and expands brand influence and promotes the industry through the building of innovation platforms, technological R&D, and product innovation.

| Building of innovation platforms

Seven national innovation platforms, such as the National Enterprise Technology Centre and the International Joint Research Centre of Quality and Safety of Alcoholic Beverages, as well as six provincial innovation platforms, such as the Sichuan Key Laboratory for Solid Fermentation Resource Utilisation, were developed to cover the whole industry chain of liquor production.

Key performance

The Company's R&D personnel

2,576 Persons

Annual investment in R&D

322 million in RMB



The "China Engineering and Technology Research Centre for Baijiu Distilling Grains" was recognised by the China National Light Industry Council (CNLIC).



The "National Enterprise Technology Centre" passed the evaluation and assessment organised by the National Development and Reform Commission (NDRC) with a score of 84.1 points (ranked first in the industry) and a good evaluation result.



The "Baijiu Microbiological Research Branch of the China Centre of Industrial Culture Collection (CICC)" settled in Wuliangye.

Case The 2023 Wuliangye Annual Conference of Innovation Platforms was held

The Wuliangye Annual Conference of Innovation Platforms was held in October 2023, and more than 20 expert members from the Chinese Academy of Engineering (CAE), the Chinese Academy of Sciences (CAS), and Jiangnan University, as well as Wenge Jiang, Deputy Secretary of the Party Committee, Vice Chairman, and General Manager of the Company, were present. The conference stimulated Wuliangye's original innovation and overall effectiveness of the innovation system. Wuliangye will continue to resolutely implement the innovation-driven development strategy and lead the industry's high-quality development.



The 2023 Wuliangye Annual Conference of Innovation Platforms

Technological R&D

In order to strengthen distilling processes and satisfy consumers' diversified needs, the Company continuously optimises product quality through technological R&D, and actively participates in industry technology forums to share the latest technology and lead the industry's innovation.

Technological R&D results

Three achievements were recognised by the provincial and ministerial authorities, and the overall technological level is leading internationally

- The "Analysis of Wuliangye's Baobaoqu Enzyme Spectrum and Enzyme-producing Microflora" was recognised by the CNLIC.
- The "Research on the Liquor Authenticity Identification Based on Stable Isotope Techniques" was recognised by the Sichuan Scientific Collaborative Innovation Promoting Association.
- The "Building and Industrial Application of China's Repository of Microbial Strains for Liquor" was recognised by the CNLIC.

Two achievements and a scientific paper won the provincial and ministerial awards for scientific and technological contribution

- The "Research and Application of the New Microorganisms in the Distilling System of Wuliangye" won the First Prize of the Science and Technology Progress Award of the CADA.
- The "Research on the Influence of Wuliangye Liquor and Its Functional Components on Cell Viability" won the First Prize of the Science and Technology Progress Award of the China National Food Industry Association.
- The scientific and technical paper titled *Identification of Free Aroma Components in Baobaoqu Through GC×GC-TOFMS* won the First Prize of the Excellent Paper Award of the Science and Technology Progress Award of the CADA.

Three achievements won the Technological Innovation Achievement Award of the Chinese Workers' Technical Association

- The "Key Technology for Quality and Efficiency Improvement of Multi-grain Strong-flavoured Liquor and Its Application" won the Special Prize of Technological Innovation Achievements of Workers of the Chinese Workers' Technical Association.
- The "Research on Controls of Food Safety Risks of Contact Materials for Liquor Production" won the First Prize of Technological Innovation Achievements of Workers of the Chinese Workers' Technical Association.
- The "Development of a Rapid Identification Method for Adulteration of Local Glutinous Red Sorghum" won the Second Prize of the Technical Innovation Achievements of Workers of the China Employees' Technology Association.

Key performance

Wuliangye discovered **WLY-L2 bacteria** for the first time in the world. Up to now, **4** new strains of bacteria named after Wuliangye have been identified in the ancient fermentation pits of the Yuan and Ming Dynasties, which profoundly interprets the richness, complexity and uniqueness of distilling microorganisms of Wuliangye. Moreover, the Company analysed and published the flavour spectra of more than **3,000** kinds of compounds for the first time in the world, and identified a number of biologically active ingredients with such functions as resisting oxidation of the body and delaying thrombosis, which further proved the health attributes of Wuliangye.



Case Wuliangye organised the Fourth International Distillation Technology Summit Forum

The Fourth International Distillation Technology Summit Forum was held in Yibin in December 2023, which was sponsored by the CADA, the China National Research Institute of Food & Fermentation Industries, and the International Joint Research Centre of Quality and Safety of Alcoholic Beverages and organised by Wuliangye. The forum, on the theme of "Innovation-driven Distilling for the Future", invited top expert teams from home and abroad to discuss the new trends in distilled spirits, share the essence of distilling techniques and technological innovations, and contribute to the global exchanges and cooperation in distillation technology and the high-quality development of the international distilled spirits industry.



The Fourth International Distillation Technology Summit Forum

Case The Company participated in the 11th Symposium on Industrial Microbial Resources Utilisation and Safety Control

Wuliangye, in March 2023, participated in the 11th Symposium on Industrial Microbial Resources Utilisation and Safety Control and delivered a keynote speech titled "Wuliangye's Research on Distilling Micro-ecology and Exploration of Microbial Resources". The speech focused on the Company's recent theoretical and practical breakthroughs in common bottlenecks in microbial technology of liquor, especially JNU-WLY1368 and JNU-WLY501 strains, and shared its experience. We promoted the industry's technological innovation and contributed to its high-quality development.



The 11th Symposium on Industrial Microbial Resources Utilisation and Safety Control

Product innovation

Wuliangye develops new unique products, continuously promotes product innovation, and optimises product mix by digging deep into the traditional Chinese cultural elements in adherence to the "market-oriented and consumer-centred" principle.

Key performance

Cumulative products developed	Sealed samples
731 Types	284 Types
YoY increase	YoY increase
23.5 %	19.3 %



Product for the Year of the Dragon

By combining the Chinese Zodiac dragon culture with the Wuliangye culture, we have optimised creation logic, design process, product appearance, and production capacity to further consolidate our leading position in the Chinese Zodiac-themed products. Therefore, this is a useful attempt to maintain the long-term vitality of our product line.



Monumental Liquor for the 60th Anniversary

In commemoration of Wuliangye's Gold Medal won at the Second National Liquor Evaluation Conference in 1963, the 60-year glory has been recreated with new technology and materials and innovative design based on the main visual elements of the award-winning product, to pay tribute to the classic.

The 66° Series

With the core concept that "Six Means All the Best" in China, we have selected the core elements of "Pomegranate", "Satisfactory" and "Ruyi", and integrated the six traditional Chinese blessings of "Smooth Sailing, Double Happiness, Three Rams Bring Bliss, Persimmon with an Auspicious Meaning, A Bumper Grain Harvest, and Deer and Cranes Usher in a Thriving Spring" into the product. Meanwhile, the Company pioneered an automated centre-turning structure for medium-sized ceramic bottles of large-volume products and introduced a process of mass-produced zinc alloy imitating enamelling to extend the blessing that everything goes well.



Propitious Purple

It features "a purple colour with a propitious omen, a scientific formula, an international degree, and elegance for social communication". The overall design of the product is simple and international. Coupled with Wuliangye's classic prunus vase, it looks modern and elegant.

Gathering under the Full Moon

Gathering under the Full Moon implies reunion and harmony, derived from the ancient's reverence for the moon. Under the moonlight, people celebrate festivals and express blessings as wonderful as the full moon. The series of products extends the good wishes of "healthy families, long-lasting friendships, sweet love, and a better life".



Jianzhuang Glory

The bottle of Jianzhuang Glory is an optimised the "bottle of ear of wheat" of Jianzhuang Liquor in the 1980s. The simple appearance abandons complicated packaging and returns to the essence of the beverage. With the main style of being "sweet and soft with a long aftertaste", the product tastes "cleaner and bolder". With a long and comfortable aftertaste, it is perfect for drinking together the family and friends and alone.

Jianzhuang Honour

The relief of five grains of Jianzhuang Honour implies the inheritance and development of "Century-old Jianzhuang". Preserving the design characteristics of Jianzhuang Glory, this product has an upright bottle with gentle curves and a packaging box with the patterns of Yibin, the first city along the Yangtze River and the Lichuan Distillery in Lichuan City, which implies the brand's blessing to consumers for unlimited happiness and harmony. The product is made of premium liquor with a rich aroma, rich taste and distinctive layers of flavour, which is the best choice for casual gatherings and banquets.



Improving Intellectual Property Management and Strengthening Core Competitiveness

Wuliangye comprehensively implements standards in line with the intellectual property guidelines of "promoting innovation, enhancing intellectual property protection, and strengthening core competitiveness" and the *Enterprise Intellectual Property Management Standards*. It promptly revised system documents and obtained the Intellectual Management System Certificate to strongly serve production and operations and drive high-quality development.



The Intellectual Management System Certificate

Key performance

Patents applied for by the Company

259

Patents granted

213

Cumulative valid patents

1,483

Case Wuliangye attended the Exchange Meeting on "Strengthening Judicial Protection of Intellectual Property Rights of Famous Liquors of Sichuan"

Wuliangye participated in the Exchange Meeting on "Strengthening Judicial Protection of Intellectual Property Rights of Famous Liquors of Sichuan" in May 2023, and made a speech on the intellectual property protection of famous liquors. Through this meeting, the Company deeply understood the importance of judicial protection of intellectual property rights of famous liquors, adhered to the idea that "protecting intellectual property rights is protecting innovation", and promoted the healthy development of the liquor industry in Sichuan.



The Exchange Meeting on "Strengthening Judicial Protection of Intellectual Property Rights of Famous Liquors of Sichuan"

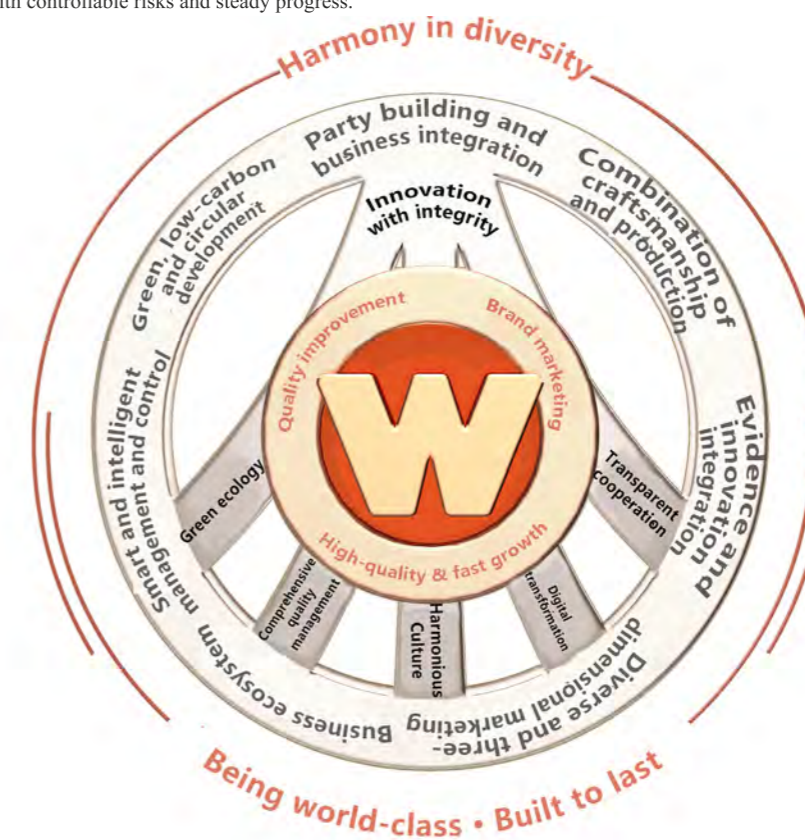
Quality Management Strictly Control of Food Safety



In strict compliance with the quality-first principle of allowing only the best grains to be used, upholding century-old craftsmanship and pursuing optimal liquor production, Wuliangye has formulated more than 50 standards for internal control, which are stricter than international and domestic standards, and created the "from seed to liquor" whole-industrial-chain-integrated quality management model to achieve whole-process pre-inspection, traceability and controllability. Furthermore, Wuliangye has built a "mega quality system", improved the Chief Quality Officer mechanism, and continuously consolidated the foundation for high-quality development as the "Aroma of the Nation" with a high-standard quality basis, high-quality product supply, high-level technological innovation, and high-efficiency and high-quality service.

Developing a management model to lay a foundation for high-quality development

Wuliangye has created the "from seed to liquor" whole-industrial-chain-integrated quality management model, and regarded "being world-class and built to last" as its development concept, "innovation with integrity, harmony in diversity" as its management principle, "high-quality & fast growth, quality improvement, and brand marketing" as its action plan, and "green ecology, comprehensive quality management, harmonious culture, digital transformation, and transparent cooperation" as its key paths. Meanwhile, we made innovative measures for the seven tools of "Party building and business integration, combination of craftsmanship and production, evidence and innovation integration, green, low-carbon, and circular development, business ecosystem, diverse and three-dimensional marketing, and smart and intelligent management and control" to demonstrate our characteristics of systematisation and stability, interconnectivity, agile response, and constant optimisation and achieve the high-quality development with controllable risks and steady progress.



The "From Seed to Liquor" Whole-industrial-chain-integrated Quality Management Model

Perfecting the Management System and Enhancing Quality Control

Wuliangye has established a sound quality management system and a food safety management system, and strictly controls all production processes to ensure that every bottle of liquor conforms to the highest standards. The Company has developed a quality inspection system to ensure product quality based on advanced technology and inspection equipment. Meanwhile, it has created a quality and safety traceability system to provide consumers with assured and safe liquor.

Key performance

Wuliangye won multiple quality awards for its outstanding product quality, including: The Nomination Award of the Fifth China Quality Award (announced), two Gold Awards of the 48th International Convention on Quality Control Circles (ICQCC), the National Typical Cases of Quality Reform and Innovation of Chief Quality Officers, the 2023 National Quality Benchmark, the Excellent Award of the 2023 Quality Technology Award, the National Excellent Quality Managers in the Light Industry, the National Excellent Quality Management Teams in the Light Industry, and the National Reliable Quality Shifts in the Light Industry.

| The quality management system

Wuliangye constantly improves the quality management system and practices quality management that covers all employees, elements, processes, and data. The quality and HACCP systems were reviewed in line with GB/T 19001-2016 *Quality management systems--Requirements* and the *Hazard Analysis and Critical Control Point (HACCP) Certification Requirements (V1.0)*. In April 2023, the Company completed the revision and publication of the system documents. In July, it passed the review of the quality management system, the HACCP system and the voluntary product quality certification, and obtained the relevant certificates.

The Quality Management System Certificate and the Hazard Analysis and Critical Control Point (HACCP) System Certificate ▶



| The food safety management system

Wuliangye strictly fulfils the entity responsibility for food safety and firmly promotes the supervision and management of food safety in accordance with the Chairman's general requirements for food safety--"One Core, One Basis, and Four Strictnesses". Meanwhile, the Company has established the food safety work mode of "Five Managements and Five Standards" (i.e. a responsible work management network, dynamic terminal management, long-lasting risk management, digital and intelligent quality management, and self-discipline-based team management). A "3+N" food safety "construction drawing" has been created, focusing on "One Team, One Network, and One Set of Policies" and with the paths of an integrated information system, on-site standardised construction, an inspection integration platform, and an official WeChat account. We strove to build a whole-processed closed-loop system for food safety management and completed the objectives for food quality and safety for the year. The Company had no quality or food safety events in 2023.

| The quality and safety traceability system

In order to respond to the state's call for building the national Baijiu quality and safety traceability system, Wuliangye exerted efforts in management standard formulation, information-based system building and hardware facility improvement, and built the product traceability system centring on the management of sample liquor. Samples were taken from each batch of liquor produced by name, specification, batch number and date of production and permanently retained as liquor samples. Each bottle of liquor sample is entitled with two codes. The sample code is used for recording sample information, and the address code is used for recording sample storage location, so as to realise online transmission and quick access of information by scanning codes. The Company leverages the Full-life-circle Sample Liquor Management Information System to deepen information technology management on sample liquor and ensure effective traceability of products. Since the 1970s, Wuliangye has extracted and retained more than 200,000 bottles of liquor samples that have played a vital role in product authentication, quality management, product development, after-sales handling, information traceability, standard formulation and quality improvement.

| The quality inspection system

Quality inspection is a critical process of quality control. The Company constantly perfects its inspection capacity by applying modern analytical technology and instruments to the inspection of the whole production process. Particularly, modern analytical instruments, such as gas chromatographs such as HP, SHIMADZU and PE, and atomic absorption and chromatography-mass spectrometry, are used to carry out comprehensive quality control of the production process and product quality, such as procurement of raw materials, unblended liquor grading, ageing liquor and blending. Certified by the China National Accreditation Service (CNAS), the Company's testing and calibration capabilities have reached the level of international recognition. The testing parameters within the scope of the Company's testing capacity amounted to 226 in 2023, wherein 126 were within the accepted scope. The testing data and reports issued based on the parameters are recognised by national and regional laboratory accreditation bodies that have the signed mutual recognition agreement with the CNAS, offering strong technical support for the Company's internationalisation strategy.



Conducting a series of activities to enhance quality

All kinds of activities, such as quality training and education, the "Quality Month" series activities, and the building of QC teams, were carried out to strengthen product quality and safety, raise employees' awareness of product safety, constantly optimise production procedures, enhance the quality control system, and promote knowledge in compliance with the relevant national and regional laws and standards.

Quality and food safety activities

Quality training and education

The Company earnestly offers all kinds of publicity and education training every year to further consolidate the professional knowledge and skills of full-time and part-time personnel in food quality management and the relevant positions, build a professional quality management team throughout the entire production process, and continuously reinforce its food quality and safety.

"Quality Month" activities

Wuliangye actively responds to the call of "Quality Month", advocated and deployed by national authorities every year by holding "Quality Month" activities every September.

Building of QC teams

The Company vigorously promotes activities of the internal QC teams. Specifically, the QC teams consist of employees from workshops or workplaces who explore corporate business strategies, policies and objectives, and on-site problems to improve quality, reduce consumption, improve the quality of people and economic benefits and propose quality improvement solutions.

Case The 2023 "Quality Month" was Held

The Company held the 2023 "Quality Month" in September 2023, on the theme of "Remaining True to the Original Aspirations for Quality and Distilling Harmony with Wuliangye", to raise all employees' awareness of quality and effectively improve its overall quality control.



Competition of Liquor Quality Skills--Written and Practical Assessments



Case Wuliangye was granted two Gold Awards at the 48th ICQCC

The 48th ICQCC, on the theme of "Innovation and Vitality, Lighting up the Beauty of Quality", was held in Beijing in October 2023, bringing together nearly 3,000 participants from around the world to showcase excellent projects of quality innovation and

improvement from all over the world and discuss the latest trends and effective practices in quality. Wuliangye deeply participated in it as the "exclusive supporter", demonstrating the craftsmanship of Chinese liquor, sharing its cases of high-quality development, and contributing to international quality cooperation. The "Feiyue QC Team" and the "Taosheng Yijiu QC Team" from Wuliangye respectively presented the project results--*Reduction of the Packaging Loss Rate of the 1800 Wuliang Chun (Spring Smart Cap and Development of the Rapid Removal Device for the 350S75 Centrifugal Pump Rotor*--at the English and Chinese sessions, and both won the highest award--Gold Award--at the Presentation Contest.



The 48th ICQCC

Case Rich quality training and education activities were offered

The Company organised members of the HACCP team, procurement and acceptance personnel, detection personnel, full-time (part-time) food quality and safety managers, measurement managers, and standardisation managers to carry out training of professional knowledge, such as food quality and safety, detection and inspection, and measurement and effectively raise the participants' awareness of quality and relevant skills.



The Company Implemented the Publicity, Training, and Assessment of the Supervision and Management Provisions for Food Safety Entity Responsibility



Knowledge Training in Quality and HACCP Systems



Knowledge Training for the Quality Management Team



Training for Quality Inspectors of Finished Liquor

Procurement Management to Control the Source of Quality



In order to control product quality from the source, Wuliangye attaches great importance to procurement and supplier management, and has formulated comprehensive management policies for whole-process supplier management from access, evaluation, assessment, incentives, and exit. The Company strictly controls supply chain risks and endeavours to ensure supply chain stability. Additionally, the Company integrates ESG concepts into procurement management to push forward sustainable development of upstream and downstream of the industry chain.

Improving supplier management to enhance procurement efficiency

The Company has formulated strict supplier access and assessment mechanisms, continuously optimised the structure of supplier pools, and improved the product quality and service of suppliers.

Supplier classification

The Company set up supplier pools by type of material, including the supplier pools of packaging materials, sporadic materials, and raw and auxiliary materials. Meanwhile, suppliers are classified into temporary, qualified, excellent, and strategic suppliers by supply capacity.

The Company reviewed and evaluated suppliers in terms of qualification, quality, technology, ESG performance, integrity, and service, and required them to provide qualification documents related to quality, ESG performance evaluation, and food safety to ensure that they have good qualifications and stable supply strength.

Supplier access

Supplier assessment

In order to stimulate suppliers to continuously enhance product quality and service, the Company has established a routine and annual assessment mechanism for them, focusing on timely delivery rate, qualification rate, delivery performance, and after-sales service. The routine assessment results are used as the reference basis for the allocation of orders for the next phase; the annual assessment results are regarded as the reference basis for the upgrading, downgrading, and knockout of suppliers as well as the selection of excellent and strategic suppliers.

Key performance

- An annual assessment was conducted over **69** package material suppliers to classify them by score into excellent, qualified, and temporary suppliers and grant the corresponding qualification certificates.
- An annual assessment was carried out over **79** suppliers of sporadic materials, wherein **49** were regarded as qualified.
- Qualification audit, review and assessment were conducted over **40** suppliers of raw and auxiliary materials. **5** suppliers of husk shells were added and **5** were exited throughout the year.

Strengthening risk management to ensure supply chain stability

Wuliangye created a supplier risk prevention and management system to identify, assess and respond to potential supply chain risks, such as quality, reliability, and delayed delivery, and ensure supply chain stability and normal production.

Measures for supplier risk prevention and management

Enhancing the top-level design of policies

- The Company issued six new management policies and revised 12 management policies to further perfect the supplier management system.

Continuously enhancing the building of supplier pools

- Several new suppliers were introduced through public selection to constantly reinforce supply reliability. Suppliers were selected from multiple regions to prevent price monopoly and the risk of supply cuts.

Conducting normalised risk monitoring over suppliers

- The Internet and big data (e.g. Tianyancha.com) were utilised to monitor suppliers' business risks in real time, and prevention and control plans for suppliers' routine business risks were formulated. The stock control and information-based monitoring of raw grain transit warehouses were continuously strengthened to promptly grasp the supply status and safeguard stable supply.

Constantly promoting deep regulation

- Upstream production quality was strictly controlled. On-site inspection and ad-hoc inspection were fully covered. The planning, production, inventory, and shipments of secondary suppliers were grasped in real time.

Key performance

- The Company implements the strategy of supplier diversification, and has established cooperation with different types of suppliers in different provinces and cities to ensure supply chain stability. As of the end of the Reporting Period, the Company had **217** suppliers in total, distributed in 20 provinces and cities, such as Sichuan, Guangdong, Chongqing, and Jiangsu.



Practicing green procurement for sustainable ecology

Wuliangye has established a procurement management system to ensure that packaging, raw and auxiliary materials comply with food safety, green and pollution-free standards, and ESG performance standards. Meanwhile, the Company actively conveys the concept of green procurement to suppliers, and joins hands with upstream suppliers to reduce environmental impacts, promote resource recycling, and drive sustainable development.

Green procurement measures

Policies and requirements

- Suppliers were informed of the Company's energy and environmental requirements and required to sign the *Letter of Notice for Energy and Environment Requirements*. Their packaging materials must comply with hygiene and food safety standards. Additionally, policies ensuring safety and hygiene of food packaging materials were formulated.
- Suppliers were required to strictly observe the *Restrictions on Excessive Packaging of Goods--Food and Cosmetics*, inspect developed products that were not compliant, and promptly complete remediation.
- The *Management Measures for Strategic Partners Guaranteeing Stable Supply of Raw and Auxiliary Materials* newly revised in 2023 specify the ESG performance assessment as one of the conditions for supplier access.

Idea transmission

- Wuliangye vigorously practiced the concept of green procurement, conveyed to suppliers the environmental protection concept of "cherishing resources, green ecology, innovative development, and total involvement" and the energy and environmental guideline of "low-carbon and circular development, eco-benchmarking".
- The Company earnestly advocated suppliers to select green and eco-friendly materials beneficial for sustainable development, adopt new processes, technology, materials, and devices to produce packaging materials, and reduce environmental pollution.
- Procurement was carried out in strict compliance with the principles of energy conservation, environmental protection and economy first.
- The latest standards and requirements of the state, industry and the Company were promoted in timely manner.

Conducting supplier training to improve supplier service

In order to strengthen the professionalism and service of suppliers, promote smooth and efficient cooperation, and improve product quality and supply chain efficiency, the Company held a supplier conference and organised all types of training.

Key performance

- The Company organised the Conference for Suppliers of Packaging Materials. A total of **52** suppliers attended it, accounting for **92.86%** of the total suppliers of packaging materials in the pool.
- The Company organised **14** sessions of training and exchanges



The Ceramic Bottle Supplier Exchange Meeting



Training for New Suppliers of High-end Gift Boxes



The 2023 Conference for Suppliers of Packaging Materials



The 2023 Training for Suppliers of Sporadic Materials

Case Suppliers and farmers were organised to attend the training sessions in standards for raw grain enterprises

In order to help strategic partners guaranteeing stable supply and farmers understand and master the quality standards of raw grain enterprises with customised bases, testing procedures and practical skills, and properly conduct preliminary quality control during raw grain collection and storage, the Company organised two sessions of "Training in Standards for Raw Grain Enterprises with Customised Bases in Districts and Counties in Yibin in 2023" in July 2023, benefiting more than 230 suppliers and farmers.



Training in Standards for Raw Grain Enterprises

Constructing the Wuliangye grain bases to ensure the safety of raw grains

The Company adheres to the base upgrading and construction ideas of "Yibin as the core and Sichuan as the entity, taking into account some quality grain production areas for distilling in China" and adopts three modes of "strategic cooperation, core demonstration and customised production". Therefore, the Company successfully built Wuliangye's grain bases for distilling, covering an area of 1,323,000 mu (1 mu is equal to approximately 666.67 square meters).

The Company worked with relevant organisations, such as local agricultural departments, universities, and research institutes, to draft and formulate nine local and group standards, such as the *Technical Regulations for Green Production of the Special Grain for Distilling--Yibin Glutinous Red Sorghum* and the *Technical Regulations for Green Production of the Special Grain for Distilling--Rice*. Meanwhile, it formulated technical manuals, such as the green cultivation of distilling grains and the green prevention and control of pests and diseases, guiding green production and cultivation in the base.

Distribution of Wuliangye's 1,323,000-mu Grain Bases	
Area where the base is located	Area (10,000 mu)
Sichuan Province	78.3
Anhui Province	21
Jiangsu Province	1
Xinjiang Uighur Autonomous Region	3.5
Henan Province	11
Inner Mongolia Autonomous Region	11.5
Jilin Province	2
Liaoning Province	4
Total	132.3

The Company adhered to green, eco-friendly and pollution-free production, adopted the standardised modes for production--"five unifications" and "five support" based on local conditions and from the overall perspective of agricultural ecosystem, while upgrading the Wuliangye grain bases. Moreover, it required raw grain suppliers to follow green cultivation standards during production, cultivation, and quality control and boost the economy and sustainability of field operations. Meanwhile, we helped farmers enhance cultivation technology, increase income and improve their quality of life.

Standardised production model



Key performance

- The **1,323,000**-mu grain bases of the Company stimulated approximately **172,000** farmers (118,000 in the province and 54,000 outside the province) to achieve the output value of primary industry of approximately RMB**2,104** million with an average income of RMB**12,233** per household. In a word, farmers' income was significantly increased.
- The construction of customised bases was actively promoted based on the advantageous resources of Yibin. Driven by the high prices of distilling grains, **16,400** mu of abandoned land in the city was reploughed and recultivated. Further, a model of agricultural and tourism integration was created based on the core demonstration base to drive the integrated development of industries and rural revitalisation.



Responsible Marketing Create Harmonious Experience

In order to create harmonious and beautiful experience and enhance brand value, Wuliangye sticks to a customer-centred approach, attaches great importance to consumers' experience and feelings, actively carries out responsible marketing, advocates rational drinking, and conveys correct consumption concepts.

Protecting customers' rights and interests and maintaining market order

For the protection of legitimate rights and interests of customers, the Company has exerted great efforts for brand protection, endeavoured to offer good after-sales services, effectively maintain customer privacy, and taken multiple measures to create harmonious and beautiful experience.

Brand protection

In order to safeguard the brand image and the legitimate rights and interests of consumers, the Company established an internal and external collaboration mechanism, carried out normalised clean-up and remediation actions, gave full play to the role of Wuliangye authentic service stations, and spared no effort to fight against counterfeit products and defend the rights and interests of consumers.

Brand protection strategy

Conducting normalised market clean-up and remediation actions

- Full-time personnel were assigned to local markets across the country to fully cooperate with local judicial authorities, such as administrative authorities and public security organs, to perform normalised market clean-up and remediation actions. Efforts were doubled to monitor networks and e-commerce platforms and inspect and punish infringement acts, such as production and sales of counterfeit products.

Implementing the internal and external collaboration mechanism

- The internal and external cooperation mechanism of "industry cooperation and interaction and government-enterprise synergetic linkage" became closer and more efficient, and had an apparent deterrent effect on crime.

Giving full play to the role of Wuliangye authentic service stations

- Wuliangye authentic service stations made remarkable achievements. The customer can visit a nearby station to receive free authentic services or consult anti-counterfeiting knowledge and right protection, after making an appointment online by searching "Wuliangye Cloud Franchised Store (五粮液专卖店云店)" in the official WeChat account.



Screen of an appointment with a Wuliangye authentic service station

After-sales services

The Company takes a customer-centred approach, endeavours to satisfy consumers' demand, continuously perfect its management measures for after-sales services, and constantly improves its after-sales service system. Both the timeliness rate and completion rate of customers' business enquiries and requests were 100% in 2023.

Opening up customer communication channels

- The Company promptly responded to and accepted consumers' business inquiries and complaints, enhanced communication, and offered dedicated services.

Stressing customer visits and return visits

- We promptly understood customer needs and the market, warmly received customers, made timely appointments for door-to-door service, and effectively eliminated dissatisfaction and complaints.

Organising consumer protection activities

- The Company organised and participated in 15 March consumer right protection activities across the country and 26 April World Intellectual Property Day activities to publicise its anti-counterfeiting knowledge, identification methods, and official purchase channels, and effectively safeguard the legitimate rights and interests of consumers.

Actively promoting the construction of the Wuliangye After-sales Service Centre

- A thoughtful after-sales service system was created to broaden the communication bridge and information access between the Company and its customers.



The Company Actively Participated in 15 March Consumer Right Protection Activities across the Country



Privacy protection

The "Wuliangye Membership QR Code Scanning" applet requires consumers' private information so as to provide consumers with online services, such as traceability and marketing interactions. Through encrypting and data masking, the Company practically protects consumer privacy.

Measures for consumer privacy protection

- When consumers scan the code, the Company will fulfil the responsibility of adequate notification. For instance, we will inform users of the information we need to obtain through the Privacy Protection Agreement so as to safeguard their right to know.
- Access to consumer information by the system and personnel was identified. Access rights were approved in line with the Company's policies related to permission management. Data access personnel were required to sign a confidentiality agreement.
- Data classified and hierarchical management policies were established. The level of consumer information was identified and defined, and protection strategies were developed by level.
- Encryption management, data masking, and encrypted transmission were performed for specific consumer information according to the actual situation.

Carrying out responsible marketing and promoting rational drinking

In order to establish a good corporate image and protect consumers' rights and interests, the Company performed responsible marketing in line with the principles of truthfulness, accuracy and objectivity, improved the marketing skills and standardisation of marketing personnel, and promoted the concept of rational drinking.

| Standardised branding

For standardised branding, Wuliangye revised and formulated such policies as the *Management Policy for Brand Promotion* and the *Distributor Management Policy* and established sound approval procedures for advertisements release to ensure compliant and professional advertising and publicity.

| Standardise product labelling

Wuliangye formulated the Management Policy for Product R&D to specify the standards for packaging management, publicity management and compliance management of new products. Furthermore, relevant product information, such as origin, ingredients, and storage conditions, are specified on the pages of product details of the official online flagship stores to enable consumers to have a comprehensive understanding of the basic product information.



Product Information of "Classic Wuliangye"

Product Information	
Product Name	Wuliangye-Propitious Purple
Fragrance Type	Strong Aroma
Ingredients	Water, Sorghum, Rice, Glutinous Rice, Wheat, Corn
Alcohol Content	39%vol
Net Weight	375ml*6
Storage	Store in a dry, ventilated, and cool place, preferably at 10°C-25°C

Product Information of "Wuliangye-Propitious Purple"

Wuliangye's official flagship stores have been opened on such platforms such as Jingdong, Tmall and TikTok. Signs such as "Minors are not allowed to purchase alcohol", "No alcohol for pregnant women", and "Do not drive after drinking" are marked on the pages of product details to advocate rational drinking.



Displaying Rational Drinking Information on the Pages of Product Details of the Online Flagship Stores



温馨提示：
 未成年人请勿购买酒类商品；孕妇请勿饮酒；酒后请勿驾车，
 驾车请勿饮酒。

Case The 27th Wuliangye 12·18 Conference of Extensive Consultation, Joint Contribution and Shared Benefits was held

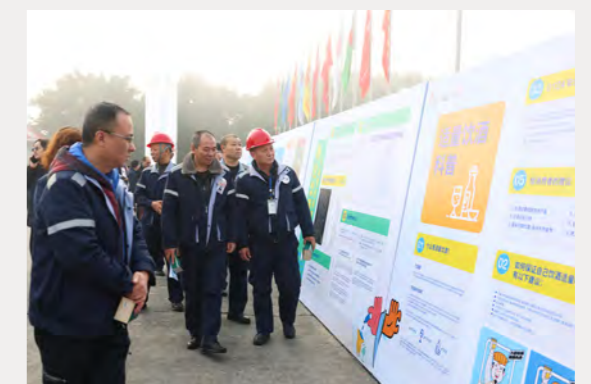
The 27th Wuliangye 12·18 Conference of Extensive Consultation, Joint Contribution and Shared Benefits was held on 18 December 2023. The conference, on the theme of "Working Together for a Better Future", brought together more than 1,000 distributor representatives. The Chairman pointed out at the conference that "with a focus on enhancing the Wuliangye brand value, continuous efforts will be made to strengthen brand quality, consumer cultivation, and channel profitability, driving the price to quickly align with the reasonable return to brand value". He also proposed a clear guideline for future marketing to further enhance standardised marketing and gather manufacturers to collaborate to forge ahead to create a harmonious and beautiful future.



The 27th Wuliangye 12·18 Conference of Extensive Consultation, Joint Contribution and Shared Benefits

Case The "National Responsible Drinking Awareness Week" was held

The Sichuan parallel session of the "National Responsible Drinking Awareness Week" was held at Wuliangye in December 2023. The Company introduced knowledge about healthy drinking from the aspects of responsible drinking, rational drinking, and prohibition of underage drinking, advocated the concept of "responsible drinking and happy life", and helped promote the rational, healthy and harmonious development of the liquor industry.



The "National Responsible Drinking Awareness Week"

02 Lead Industrial Harmony

Create a Better Life

Wuliangye leads the industrial harmony in a high-standard manner. The Company maintains self-improvement, adheres to the leadership of Party building, and works to perfect corporate governance, maintain investor relations, strengthen internal control, and deepen anti-corruption and integrity upholding, while making continuous efforts to promote digital transformation and modern governance, so as to consolidate the foundation for high-quality and sustainable development. The Company gives full play to its advantage as a dominant and "chain-leading" enterprise to invigorate the industry, repays agriculture with industry to promote rural revitalisation, supports the development of industry peers through pairing-off assistance, and endeavours to customise an experience of harmonious beauty through integrating liquor elements with tourism, so as to comprehensively drive the co-prosperity of the value chain and create a better life together.

- Modern Governance - Lead High-quality Development
- Industrial Revitalisation - Drive Value-chain Prosperity



Modern Governance Lead High-quality Development



Taking "modern governance" as an important task for high-quality development, Wuliangye establishes an organisational structure with clear division of labour, and standardises the operation of the General Meeting of Shareholders, the Board of Directors, the Supervisory Committee, and the Management to constantly improve the level of governance. The Company insists on integrating Party leadership into corporate governance to deepen anti-corruption and integrity upholding, and intensify the improvement of Party conduct and the enhancement of Party discipline. Additionally, the Company implements effective internal control with risk management as the guide, laws and regulations as the criterion, and compliance management as the premise. The Company also continuously promotes digital transformation to improve its operating efficiency.

Lead high-quality development under the escort of Party building

The Party Committee of the Company adheres to the guidance of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, deeply implements the important thoughts of General Secretary Xi Jinping on Party building, and promotes the Company's production and operation with high-quality Party building, so as to lead the Company to achieve high-quality development.

Key performance

- During the year, the Company held **59** Party committee meetings to study and determine **247** important matters such as production and operation, and cadre and personnel management. Additionally, the Company supervised and urged the handling of **778** important matters, and produced and issued **12** special reports.
- The Company's primary-level Party organisations organised and implemented **1,669** "Three Meetings and One Lecture" activities, **341** themed Party day activities, and **248** publicity and dissemination activities centring around the working system of "spreading the Party's guidelines, principles and policies to the community level, and conducting on-site investigation and research, addressing public complaints, and working on the spot at the community level".
- The Company organised **13** study sessions of the centre group, during which more than **140** guidelines of important meetings and gists of important speeches were studied, and nearly **60** people delivered speech at centralised seminars.
- The Company newly developed **115** Party members, and extensively established **203** vanguard posts, **120** responsibility areas and **17** service stations for Party members.

The Party Committee of the Company remains committed to the working policy of "implementing Party building centring around operation, and promoting operation through effective party building". Under the strong leadership of the CPC Central Committee, the provincial Party committee and the municipal Party committee, the Company's Party Committee carries out a series of Party building leadership activities while unwaveringly adhering to the main line of comprehensively improving the quality of Party building.

Case Holding the "1 July" Commendation Conference in celebration the 102th anniversary of the founding of the Communist Party of China

The Company held the "1 July" Commendation Conference in celebration the 102th anniversary of the founding of the Communist Party of China. During the commendation conference, 20 advanced community-level Party organisations, 12 excellent teams of Party members performing well in project approval and breakthrough, 50 excellent Party workers and 105 excellent Party members were commended, the commemorative medal of "Gloriously Serving the Party for 50 Years" was awarded to veteran Party members having joined the Party for 50 years, and flag presentation ceremony was conducted for Party members to be engaged in project approval and breakthrough in 2023. All Party members present at the conference were called on to learn from the advanced examples with them as the guide and benchmark, and seize every minute to write a new chapter of the high-quality development of Wuliangye in a tough-minded manner in spite of any difficulty lying ahead.



"1 July" Commendation Conference in Celebration the 102th Anniversary of the Founding of the Communist Party of China

Case Holding the "Wuliangye Lecture" activity

The Company held the "Wuliangye Lecture" activity, during which Professor Zhang Bin, following the Guidelines of the 20th CPC National Congress with a focus on the thematic education of Xi Jinping's Thought on Socialist with Chinese Characteristics for a New Era, lectured on the evolution of the international situation, the essence of the game between great powers, and the inevitable logic of the national reunification of China, with a view to helping the Company's employees and cadres more clearly understand and more comprehensively comprehend the Party's theoretical principles and policies, so that they can make due contributions to the new era, forge ahead on a new journey with more energetic state of mind, more solid work style and more powerful work measures, and make unremitting efforts to achieve the great rejuvenation of the Chinese nation.



Wuliangye Lecture

Case Holding the Demonstration Training Session for Excellent Secretaries of Primary-level Party Organisations of Wuliangye in 2023

The Demonstration Training Session for Excellent Secretaries of Primary-level Party Organisations of Wuliangye in 2023 was held in the Party School of the CPC Central Committee (National Academy of Governance). Cherishing this precious learning opportunity, all trainees realised the transformation from leading cadres to ordinary students, fully immersed themselves into the training, earnestly participated in relevant learning and discussion activities, and strictly abode by the learning discipline, while being cautious of their words and behaviours and consciously maintaining the image of Wuliangye, so as to live up to the trust and expectations of the Party organisations they belong to, and make every effort to promote the all-round progress and perfection of the community-level Party organisations of Wuliangye.



Demonstration Training Session for Excellent Secretaries of Primary-level Party Organisations of Wuliangye in 2023

Case "Five Distilling and Five Harmony" Party building brand case

Standing out from the cases of more than 10,000 units, the Company's "Five Distilling and Five Harmony" Party building brand case was evaluated as "Excellent Case in Party Building Brand Development of State-owned Enterprises" in 2023 and won the "First Prize for Excellent Achievements in Corporate Party Building Culture during 2021-2022".



Excellent Case in Party Building Brand Development of State-owned Enterprises in 2023, and First Prize for Excellent Achievements in Corporate Party Building Culture during 2021-2022

Case Mobile Red Classroom

Wuliangye's "Mobile Red Classroom" stood out from 15 works from Yibin's counties and districts, and won the first prize in the final of the "Party Lecture Starts" Open Class & "Micro Party Lecture by Party Branch Secretaries" Arena Contest. With the "Red Bus" full of the characteristics of the logistics industry as the guide, the "Mobile Red Classroom" innovatively adopts the lecturing mode of immersive mobile learning journey to lead Party members to traverse through time and space into the real scenes of the Party's three major historical nodes, namely Zunyi Meeting and the Long March, the Third Plenary Session of the 11th CPC Central Committee and the Reform and Opening-up, as well as the new journey in the new era, so that they can immersively comprehend the great revolutionary spirits and draw striving force therefrom.

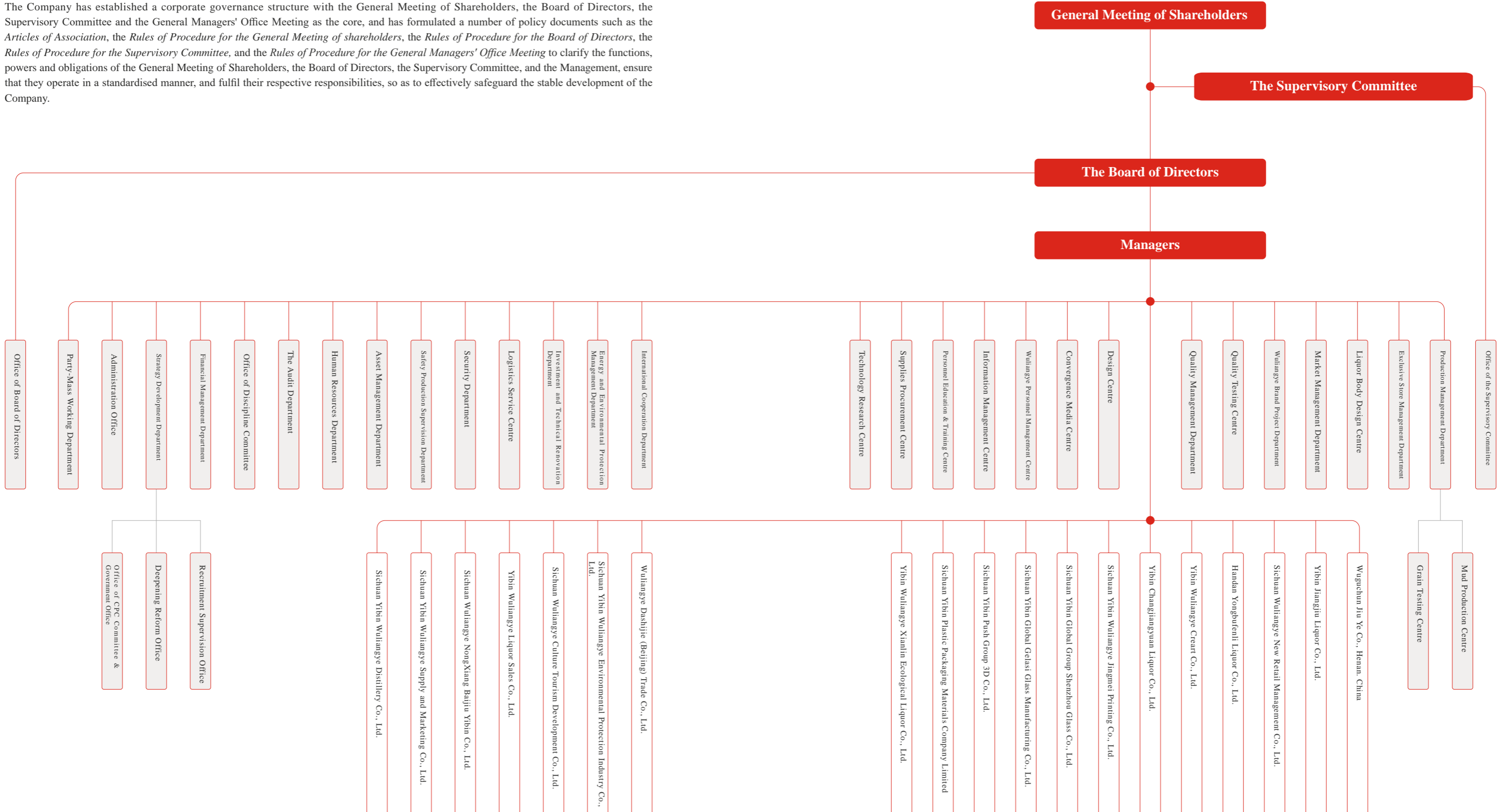


Final of the "Party Lecture Starts" Open Class & "Micro Party Lecture by Party Branch Secretaries" Arena Contest in Yibin

Perfection of corporate governance and improvement of governance efficiency

The Company has established a corporate governance structure with the General Meeting of Shareholders, the Board of Directors, the Supervisory Committee and the General Managers' Office Meeting as the core, and has formulated a number of policy documents such as the *Articles of Association*, the *Rules of Procedure for the General Meeting of Shareholders*, the *Rules of Procedure for the Board of Directors*, the *Rules of Procedure for the Supervisory Committee*, and the *Rules of Procedure for the General Managers' Office Meeting* to clarify the functions, powers and obligations of the General Meeting of Shareholders, the Board of Directors, the Supervisory Committee, and the Management, ensure that they operate in a standardised manner, and fulfil their respective responsibilities, so as to effectively safeguard the stable development of the Company.

Structure Chart of the Company



General Meeting of Shareholders

The General Meeting of Shareholders is the highest authority of the Company, which, according to law, decides on the Company's operation policies and investment plans according to law, elects and replaces directors and supervisors who are not staff representatives, and decides on matters related to the remuneration of directors and supervisors.



2022 Annual General Meeting of Shareholders

During the Reporting Period

number of general meetings of shareholders convened

1

proposals approved

9

Board of Directors

The Board of Directors is the decision-making organ of the Company, which, according to law, implements the resolutions of the General Meeting of Shareholders, decides on the Company's business plans and investment schemes, formulates the Company's annual budget and final account schemes, and exercises other relevant functions and powers. The Board of Directors has set up five special committees, namely the Strategic Committee, the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Comprehensive Budget Management Committee.

The Company attaches great importance to the diversity, independence and professionalisation of the Board of Directors. Members of the Board of Directors are in different age groups, and they are in their 40s - 60s. Among the nine directors, there is one female director, four independent directors, and two certified public accountants.



The Seventh Meeting of the Sixth Board of Directors in 2023

During the Reporting Period

board meetings convened

12

proposals approved

46

The Supervisory Committee

The Supervisory Committee is the supervisory organ of the Company, which, according to law, supervises the performance of duties of Directors and Senior Management, reviews the periodic reports of the Company prepared by the Board of Directors and proposes written review opinions to ensure that the information disclosed by the Company is authentic, accurate and complete, and exercises other functions and powers such as inspecting the Company's financial affairs.



Working Meeting of the Sixth Supervisory Committee in 2023

During the Reporting Period

meetings of the Supervisory Committee convened

5

proposals approved

24

General Managers' Office Meeting

The General Manager's Office Meeting is the executive organ of the Company, which, according to law, exercises such functions and powers as managing the Company's production and operation, and implementing the resolutions of the Board of Directors, the annual business plans and investment schemes of the Company, etc.



The Sixth General Manager's Office Meeting in 2023

During the Reporting Period

general managers' office meetings convened

20

proposals approved

63

Fulfil the information disclosure obligation and maintain investor relations

To safeguard the legitimate rights and interests of investors, the Company actively fulfils the information disclosure obligation of listed companies, strengthens exchanges and interactions with investors, builds and maintains good investor relations, and continuously improves the image of Wuliangye in the capital market.

Information disclosure

The Company discloses information according to the *Securities Law*, the *Rules Governing the Listing of Stocks on Shenzhen Stock Exchange* and other relevant laws and regulations, and strengthens internal supervision to ensure the reliability of information disclosure and protect the legitimate rights and interests of investors.

Main channels and contents of information disclosure



Information disclosure channels

The special column for business of listed companies on the official website of Shenzhen Stock Exchange, as well as the *Securities Times*, *Securities Daily*, *China Securities Journal*, *Shanghai Securities News*, and <http://www.cninfo.com.cn>.



Information disclosure contents

Periodic reports, interim reports, and various specifications and announcements

Key performance

During the year, the Company prepared and disclosed a total of **77** in a timely and standardised manner periodic and interim reports



Investor relations

The Company establishes and improves its investor relations management mechanism, actively conducts post-disclosure communication with respect to periodic reports and major matters, continuously improves its normalised investor communication mechanism, pays attention to the needs of foreign investors in a timely manner, and takes the lead in disclosing the English annual report and social responsibility report (ESG report) in the industry, so as to establish and maintain sound investor relations.

Investor relations management strategies

Establish and improve the system and mechanism for investor relation management



To more accurately convey the Company's production and operation information to the capital market and further strengthen the management of investor relations, the Company issued the *Notice on Improving the System and Mechanism for Investor Relation Management*, established a leading group of investor relations management, clarified the internal information collection mechanism, and conducted classified and graded management of investors.

Actively conduct post-disclosure communication with respect to periodic reports and major matters.



The Company actively formulates relevant work schemes before the disclosure of periodic reports or major matters, sorts out the main achievements in the production and operation of the Company during the same period, and actively responds to the concerns of investors in a steady and orderly manner after disclosure.

Continuously improve the normalised mechanisms for investor communication and exchanges



The Company improves its daily investor communication mechanism in a normalised manner, and shares with investors the brand story, development strategy planning, production and operation, and other relevant information of Wuliangye through multi-dimensional, multi-faceted and innovative exchange methods such as participating in brokerage strategy meetings, receiving investors for on-site surveys, conducting online exchanges with investors, launching reverse roadshows, holding special investor appreciation salons, receiving daily calls from investors, and answering questions from investors through the irm.cninfo.com.cn platform of Shenzhen Stock Exchange.

Take the lead in disclosing the English annual report and social responsibility report (ESG report) in the industry to meet the needs of foreign investors.



The Company has issued the *Social Responsibility Report* for 14 consecutive years since 2008, and issued the *Environmental, Social and Governance (ESG) Report* for the first time in 2022. In 2019, the Company took the lead in disclosing the English annual report and social responsibility report (ESG report) in the industry to meet the needs of foreign investors for the use of company information.

Key performance

The Company participated in **26** brokerage strategy meetings, received **34** on-site surveys of individual shareholders, organised **11** teleconferences, **2** reverse roadshows and **1** special investor appreciation salon, and communicated with nearly **2,000** investors in total; besides, the Company received more than **1,700** daily calls from investors, and answered **200** questions from investors through irm.cninfo.com.cn of Shenzhen Stock Exchange.

Return on investment

The Company practices the core value concept of "creating returns for investors". Over the past three years, the Company's cash dividend exceeded RMB10 billion each year, and that in 2023 reached RMB14.68 billion, a new high since the listing of the Company. Since its listing in 1998, the Company has accumulated distributed 21 cash dividends, totalling RMB76 billion, 20 times the total amount of funds raised since the listing.

Strengthen internal control and do well in risk management

To achieve the management and control goal of "strengthening internal control, preventing risks, and promoting compliance", the Company implements comprehensive and effective internal control and risk management with laws and regulations as the criterion and compliance management as the premise.

| Internal control

According to the provisions of such documents as the *Basic Standards for Enterprise Internal Control*, the *Guidelines for Application of Enterprise Internal Control*, and the *Guidelines for Evaluation of Enterprise Internal Control*, the Company establishes, improves and effectively implements its internal control system with the evaluation and assessment of internal control system as an important approach to continuously optimising the internal control system, and internal audit as an important means to implement internal supervision and management.

Evaluation and assessment of internal control system

- According to relevant provisions of the *Basic Standards for Enterprise Internal Control* and its application and evaluation guidelines, the Company carries out annual self-evaluation and assessment of internal control, adopts a combination of methods such as individual interview, walk-through test, field supervision and analytical review to comprehensively evaluate the design rationality and operating effectiveness of the internal control of 12 main business segments.
- Conducts "follow-up inspection" of weak spots in internal control, so as to promote the optimisation and improvement of relevant systems of the Company, and further standardise the Company's management.

Internal audit

- The Company has established a total of 12 systems such as the *Regulations on Management of Internal Audit* and the *Measures for the Audit of Economic Accountability of Internal Management Cadres*, and conducted a number of projects such as Project budget and settlement, bidding supervision, procurement, economic accountability, economic benefits and special audit projects. The Company gives full play to the role of "economic physical examination" of audit supervision, and takes research-based audit as a leverage to create "special forces" for economic supervision.
- Additionally, the Company organises internal auditors to carry out theoretical discussion on "professionalism and professional competence of internal auditors", with the results being praised by China Institute of Internal Audit and awarded a special prize by Sichuan Institute of Internal Auditors.

Key performance

- In 2023, the internal audit organ of the Company was awarded the honorary title of "**National Advanced Internal Audit Collective During the Period from 2020 to 2022**" by China Institute of Internal Audit

| Risk management

Based on the work idea of "identifying, resolving and preventing risks", the Company sets up a risk prevention and control committee that leads 11 risk control groups respectively in charge of risks with respect to production safety, environmental protection, legal compliance, etc., and issues relevant policies, with the daily management office of the aforesaid committee being set within the internal audit organ, so as to, through regular or irregular combining and investigation of risks in key areas, comprehensively strengthen risk management and control, effectively promote the coordination and matching between the Company's risk management capability and operating capability, and further consolidate the bottom line of compliant operation.

Organisational Structure for Risk Management



Key performance

- The Company has incorporated ESG factors into risk management, and set up risk control groups that are respectively in charge of risks with respect to corporate governance, energy and environmental protection, petition handling and stability maintaining, food safety, production safety, etc., so as to, through such means as daily monitoring and special inspection, comprehensively supervise key areas and ensure the **simultaneous implementation of ESG risk management and business risk prevention and control**.

Deepen anti-corruption and integrity upholding, and intensify the improvement of Party conduct and the enhancement of Party discipline

Wuliangye adheres to the guidance of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, deeply implements the Guidelines of the 20th CPC National Congress, unswervingly promotes comprehensive and strict Party governance as well as strict corporate governance and management, and intensifies the improvement of Party conduct and the enhancement of Party discipline in a strict tone, and makes continuous efforts to repair and purify the political ecology, so as to improve the capability and level of comprehensively promoting the elimination of the audacity, opportunity and desire to become corrupt and boost the development of clean and honest Party conduct and anti-corruption work in both depth and breadth, thus providing strong discipline guarantee for building an eco-friendly and quality-oriented Wuliangye featuring continuous, stable and high-quality development with culture as the foundation, digital transformation as the driver and sound corporate governance as the support, and helping the Company make new achievements in the new journey of modern development with Chinese characteristics.

Anti-corruption and integrity upholding measures

Prepare key tasks

- The Company developed and issued the *Key Tasks in the Development of Clean and Honest Party Conduct and Anti-corruption Work in 2023*, and the *Implementation Scheme for Publicity and Education on the Development of Clean and Honest Party Conduct in 2023*.

Improving management system

- The Company introduced such systems as the *Negative List for Integrity Practices of Management Personnel*, and the *Measures for Investigating the Responsibilities for Violations of Disciplines and Laws*.

Strengthen risk prevention and control

- The Company set up a list of integrity risk prevention and control, conducted corruption risk assessment for specific positions, and carried out risk prevention and control from such aspects as business process, integrity risk point, position involved, risk category, risk level, main prevention and control measure, and person responsible for supervision.

Carry out training activities

- The Company carried out a number of anti-corruption training activities, such as holding Party lecture on integrity and special lecture on integrity education, attending court hearing, watching warning education film, and visiting discipline and law education base, so as to effectively improve the awareness of integrity and self-discipline and the ability to resist corruption and degeneration of cadres and staff.

Deepen the anti-corruption and integrity upholding strategy

- The Company strengthened the development of integrity culture development in the new era, and carried out a series of integrity culture activities such as the creation of integrity culture works, special education on integrity, and creation of "Integrity Cell", so as to create a strong atmosphere featuring integrity, positivity and benevolence.

Key performance

- Following the principle of precise policy implementation, the Company organised a total of 8,099 people in 274 batches to attend court hearings and visit discipline and law education bases, with a view to making warning education go deep into people's mind and heart.
- During the year, the Secretary of the CPC Committee, members of the leadership team, and secretaries of Party branches of the Company delivered Party lectures on integrity for a total of 13,647 people in 340 batches, and special lectures on integrity education for 4,513 people in 160 batches, so as to further strengthen the education, management and supervision of Party members and cadres.
- Yibin Wuliangye Xianlin Ecological Liquor Co., Ltd., a subsidiary of the Company, was evaluated as one of the first batch of "Integrity Cell" demonstration points for state-owned enterprises, the first of its kind in Yibin

Case | Launching the "Five-Integrity Package", i.e., integrity observation, integrity warning, integrity development, integrity discussion and integrity commitment

To further strengthen the education and management of new cadres, the Company launches the "Five-Integrity Package" of integrity observation, integrity warning, integrity development, integrity discussion and integrity commitment, carries out collective integrity talks, and organises the visit of discipline and law education bases, watching of warning education films, establishment of integrity files, signing of integrity commitment letter, delivery of personal opinions, etc., so as to consolidate the line of defence against corruption and degeneration and remain clean and honest.



Collective integrity talks for middle-level managerial personnel before their taking post

Feedback and whistleblower protection

Wuliangye cherished the feedback from its stakeholders, and vigorously built diverse and smooth feedback channels. Meanwhile, the Company strictly implemented the Working Rules for Discipline Inspection and Supervisory Organs to Handle Prosecution and Complaints issued by the General Office of the CPC Central Committee and protected the legitimate rights and interests of whistleblowers.

Feedback channels

- Online assessment questionnaire for all employees.
- The "Direct Access to Integrity Inquiry" was offered.
- A day for receiving complaint petitions was set up.
- "Online Whistleblowing Based on QR Code" adopted by discipline inspection and supervisory organs
Petition hotline: 0831-3566696

Whistleblower protection measures

- The procedures for complaint petitions were standardised.
- The Letter of Confidentiality was signed.



Promote digital transformation and improve operating efficiency

To promote digital transformation in an orderly manner, Wuliangye, under the guidance of the national digital economy strategy, has formulated the "1.365" strategic blueprint for digital transformation to continuously improve its operating efficiency.

"1.365" Digital Transformation Strategy of Wuliangye



During the "14th Five-Year Plan" period, Wuliangye, closely centring around the construction goal of "Digital Wuliangye" under the guidance of the "1.365" digital transformation strategy takes the "Five Major Projects" of intelligent leadership, management cornerstone, "Ten Thousand Stores in One Thousand Counties and One Hundred Cities" (massive marketing), foundation consolidation by science and technology, and operating excellence as the core work, and has achieved great results in such aspects as "personnel, finance, property, production, supply and marketing", setting a benchmark for the digital transformation of China's Baijiu industry.

Person

- Centring around the goal of "doing well in talent planning and recruitment, and building a closed-loop talent management system covering the 'selection, utilisation, cultivation and retention' of talents", conduct iterative construction of the online recruitment and employees self-service modules of the human resource system to further improve the management and work efficiency with respect to the Company's human resources, and gradually realise the information-based management of core personnel.

Finance

- Achieve the integrated management of budget preparation, review, adjustment and analysis through the comprehensive budget management system, and conduct multi-dimensional analysis of the core financial indicators and actual implementation thereof through the decision-making analysis system, so as to provide data support for the Company's operational decision-making.

Property

- Build a smart logistics platform based on such technologies as big data, artificial intelligence, and Internet of Things to realise the intelligent scheduling management of 17 logistics distribution centres nationwide.
- Establish the WMS system for stereoscopic warehouses step by step to achieve the integrated management of the incoming, outgoing, storage and inventory of finished liquor products in stereoscopic warehouses, and improve the level of fine management of the incoming, outgoing and stock control of the finished liquor products.

Production

- Achieve the intelligent and digital transformation of key production processes, including strengthening the collection and analysis of production process data and the optimisation of algorithm model, refining the digital quality control method for the whole process of Qu-preparation (winning the "National Quality Benchmark" award), building and putting into operation the automatic grinding transformation project, accelerating the construction of the integrated intelligent packaging and warehousing project and the 3,000t intelligent distilling demonstration line.

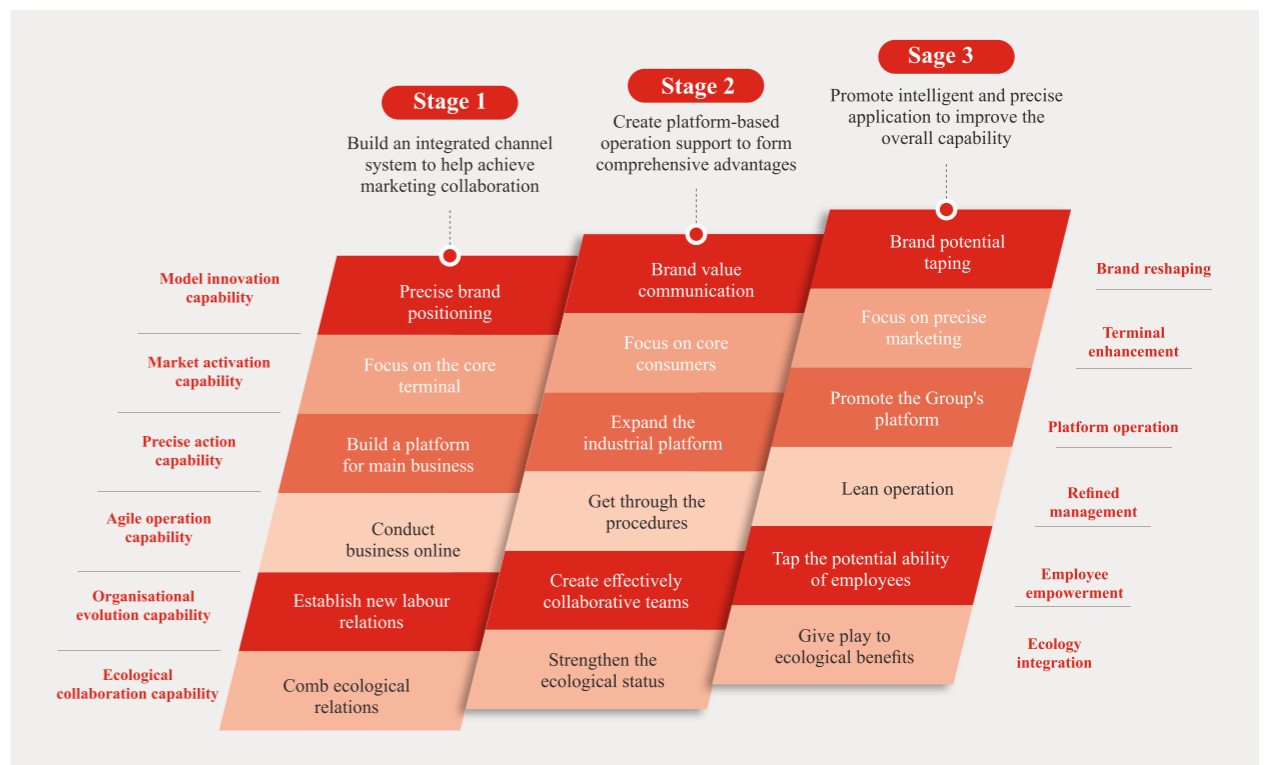
Supply

- Launch an electronic bidding platform to achieve efficient, professional, standardised, safe and low-cost bidding management and promote the full-life-cycle transparency, cost reduction and efficiency improvement of bidding business.
- Build a mall platform for centralised procurement to significantly shorten the procurement cycle and improve procurement efficiency.

Sales

- Iteratively optimise the existing digital marketing platform to achieve rapid response, provide strong support for marketing business, improve the response efficiency of marketing activities and user experience.
- Start the construction of after-sales customer service centre, ensure standardised response to and active care of customers.
- Explore the development of brand membership system to enhance the sense of gain and honour of the Company's brand members.

IT Planning Roadmap for Digital Transformation of Wuliangye



Industrial Revitalisation Drive The Co-Prosperity of Value Chain



Baijiu spans the primary, secondary and tertiary industries, and has the unique advantage of promoting the integrated development of industries. Wuliangye actively plays its role as a "chain-leading" enterprise in the industrial chain, and works to release the multiplier effect of the integrated development of the three industries. The Company adheres to the concept of "repaying agriculture with industry" and actively participates in the main battlefield of rural revitalisation. Moreover, the Company assumes its responsibility as an industry leader and carries out pairing-off assistance in an orderly manner. The Company also comprehensively promotes the integration of liquor elements with tourism to create an experience of harmonious beauty.

Promote agricultural development and contribute to rural revitalisation

Wuliangye has always been actively devoted to the course of rural revitalisation with a high sense of political responsibility and historical mission. Following the guideline of development-oriented assistance and the assistance philosophy of "corporate investment, professional operation, and joint sharing", the Company adheres to the leadership of Party building, and strengthens the building of talent teams in the assisted areas centring around the localisation of agriculture and the commercialisation of products with a focus on industrial assistance, so as to create a characteristic assistance model of "Wuliangye + village Party organisations + village capital companies + characteristic industries + peasant households".

Since 2018, Wuliangye has included 11 villages in six counties into the scope of assistance according to the arrangements of CPC Sichuan Provincial Committee, and the People's Government of Sichuan Province, the CPC Yibin Municipal Committee, and the People's Government of Yibin City.

Scope of Wuliangye's Paired Assistance for Rural Revitalisation			
Assistance type	Assistance place	Assistance time	
Tasks for paired assistance in Sichuan Province	Paired assistance	Mayan Village, Mula Town, Litang County, Ganzi Prefecture	From December 2017 to July 2021, and from July 2023 to the present
		Naisha Village, Mula Town, Litang County, Ganzi Prefecture	From July 2021 to the present
		Qingshanyan Village, Gusong Town, Xingwen County, Yibin City	From July 2015 to June 2021
		Ranrika Village, Genie Town, Litang County, Ganzi Prefecture	From September 2023 to the present
	Fundamental assistance	Chaka Village, Cunge Town, Litang County, Ganzi Prefecture	From September 2023 to the present
		Zequ Village, Gaocheng Town, Litang County, Ganzi Prefecture	From September 2023 to the present
Tasks for paired assistance in Yibin City		Xiajiawa Village, Jiawa Town, Litang County, Ganzi Prefecture	From September 2023 to the present
		Baixiang Village, Furong Town, Pingshan County, Yibin City	From February 2019 to June 2021
		Yingxiong Village, Qingping Yi Ethnic Township, Pingshan County, Yibin City	From June 2021 to the present
		Luming Village, Caoying Town, Gongxian County, Yibin City	From June 2021 to the present
		Shizi Village, Yongxing Town, Cuiping District, Yibin City	From June 2021 to the present
	Nanjiang County, Bazhong City	From July 2023 to the present	

Industrial assistance

The Company takes industrial assistance as the focus of rural revitalisation, and continues to cultivate and develop characteristic and advantageous village collective industries featured by the combination of short-term and long-term planning, the mixture of planting and breeding, and the integration of industries, so as to promote the stable employment and continuous income growth of peasant households.

Polar fruit and vegetable (lentinus) base project in Litang County

The polar fruit and vegetable (lentinus) base in Litang County has reported sales income of nearly RMB3 million, provided 48 employment positions, and paid salary totalling more than RMB1.2 million.



Polar fruit and vegetable (lentinus) base project in Litang County
Lentinus harvesting in the polar fruit and vegetable (lentinus) base in Litang County

Tea industry base project in Yingxiong Village, Pingshan County

The tea industry base in Yingxiong Village, Pingshan County has successfully planted 350,000 tea seedlings, and built a selenium-rich organic tea base of mountains that covers an area of 200 mu, while driving peasant households across the village to plant 700,000 tea seedlings.



Selenium-rich organic tea base of mountains in the tea industry base in Yingxiong Village, Pingshan County

Polar fruit and vegetable (lentinus) base project in Litang County

The Sichuan-Tibet Railway vegetable supply base in Mula Town, Litang County, has made continuous efforts to upgrade 25 vegetable greenhouses, added integrated water and fertilizer facilities, built a 200m² agricultural product sorting centre that is equipped with supporting cold storage equipment



Vegetable Harvesting at the Sichuan-Tibet Railway Vegetable Supply Base in Mula Town, Litang County

Key performance

- Wuliangye won the honorary title of "Best Practice Case in Rural Revitalisation" from China Association for Public Companies;
- Wuliangye's industrial assistance case in rural revitalisation was included into the "Itinerant Exhibition of Global Social Responsibility Cases in 2023"



| Consumption assistance

To promote the balance of supply and demand of agricultural products, optimise the structure of agricultural production, and increase farmers' income, Wuliangye, in view of the poor production and poor sales of agricultural products in the assisted areas, well connects production and marketing to alleviate the problem that it is difficult to sell and expensive to buy local agricultural products, expand sales channels, and promote the increase of farmers' income.

Consumption assistance measures

Do well in centralised procurement and sales through exhibition

- Through organising the procurement of Spring Festival goods, setting up a special column of consumption assistance online, holding special trade shows for special agricultural products offline, etc., the Company assisted Litang County, Pingshan County and Gongxian County with the sales of dozens of special agricultural products, with the total sales amount exceeding RMB14.3 million.

Organise and participate in consumption assistance

- The Company actively mobilised its cadres, staff, canteens, and trade unions to purchase agricultural products from platforms such as "832 Platform" and "Tianfu Village" public welfare brand, and worked to develop order agriculture by ordering local agricultural products, so as to stimulate the internal impetus of local people and assist the areas getting out of poverty with industrial development.

Give full play to the resource advantages of platforms

- The Company brought products falling into dozens of categories from Litang County, Pingshan County and other districts and counties to participate in the Competition of Technical Skills for Rural revitalisation & Trade Show of Special Agricultural Products, and actively assisted the assisted counties and districts with the promotion and sales of agricultural products online and offline, so as to expand the market of high-quality agricultural products.



Wuliangye Holds Trade Shows for Special Agricultural Products in the Assisted Areas

Support industry peers and lead industry development

To assume its responsibility as an industry leader, Wuliangye continuously provides pairing-off assistance for the two liquor enterprises of "Xiaojiaolou" and "Jiangkouchun". After fully completing the technical guidance for the Xiaojiaolou Company, the Company has relevant employees stationed in Jiangkouchun Company to provide technical assistance in the form of advisory trusteeship with respect to fermentation pit and mud, fermentation technique, quality system, employee training, etc., which has been unanimously recognised by the assisted enterprises and local governments.



Technical Guidance for the Distilling Workshop of Jiangkouchun Company



The Phase I Production Expansion Project of Xiaojiaolou Is Put into Operation

Key performance

- The Company helped Xiaojiaolou build **96** fermentation pits and put into operation **448** ones, while helping the latter produce **60** tons of fermentation liquor and culture more than **300** cubic metres of pit mud. As a result, the annual average liquor yield of Xiaojiaolou increased by **7.48** percentage points year on year.
- The Company helped Jiangkouchun culture **43.7** tons of strain liquid, with the high quality product rate increasing by **9.2** percentage points year on year. Additionally, the Company assisted Jiangkouchun in cultivating **3** new Sichuan provincial judges of Baijiu.
- The Company organised **12** special training on Baijiu distilling with more than **290** people as participants.



| Contribute to ESG building of the alcoholic drinks industry

The Company joins hands with China Alcoholic Drinks Association, China ESG Institute of Capital University of Economics and Business and Sina Finance in compiling the first Report on ESG Development of China Alcoholic Drinks Industry (2022)". As the incumbent chairman of the Social Responsibility Committee of China Alcoholic Drinks Association, Wuliangye participates in the drafting of two ESG group standards for the alcoholic drinks industry, namely the Guidance on ESG Disclosure of China Alcoholic Drinks Industry and the Guidance on ESG Evaluation of China Alcoholic Drinks Industry, with a view to contributing to the ESG building of the alcoholic drinks industry and promoting the sustainable development of the industry.

Integrate liquor elements with tourism to create an experience of harmonious beauty

With the Scenic Spot of Wuliangye as the carrier, the Company comprehensively promotes the integration of liquor elements with tourism, culture and city based on industrial development, so as to enable tourists to immersively feel the brand charm of "The Aroma of the Nation, Harmonious Wuliangye, and Top Chinese Baijiu". With a planned construction area of approximately 18 square kilometres, the Scenic Spot of Wuliangye is a national AAAA-rated scenic spot, a national demonstration base for industrial tourism, and a national intangible cultural heritage scenic spot, which is known as the "Wuliangye Distillery". Composed of the three areas of ancient fermentation pit clusters in Ming and Qing dynasties in Workshop 501, ancient active pit mud protection clusters in Ming Dynasty in Workshop 503, and Jiangbei Industrial Park, the Wuliangye Distillery is home to a number of famous tourist attractions such as the East Gate, Liquor Culture Museum, Direct-sales Store in the Factory Area, Liquor Body Design Centre, National Liquor Inspection Centre, Fenjin Tower, Anle Spring, Environmentally Friendly and Ecological Wetland, Wuliangye Bottle Building, and Liquor Sage Hill.

The Scenic Spot of Wuliangye known as "Wuliangye Distillery"



Case The Scenic Spot of Wuliangye was awarded the honorary title of "Excellent Model Case for the Protection and Utilisation of Industrial Heritage"

In 2023, the Second National Industrial Heritage Summit was held in Jingdezhen City, Jiangxi Province. The Scenic Spot of Wuliangye became the only scenic area in Sichuan Province that was recognised as an **Excellent Model Case for the Protection and Utilisation of Industrial Heritage** in the field of the innovative development of industrial tourism.

Excellent Model Case for the Protection and Utilisation of Industrial Heritage



Key performance

Giving full play to the functions of the Scenic Spot of Wuliangye as a national intangible cultural heritage scenic spot and a national demonstration base for industrial tourism, the Company integrated cultural interpretation, liquor bending and tasting, as well as cultural and creative interaction to display the charm and cultural deposits of the Scenic spot of Wuliangye in an all-round manner. The Scenic Spot of Wuliangye received approximately **600,000** tourists in total throughout the year, especially during the Mid-Autumn Festival and National Day received **12,000** people the next day flow, reception volume and scenic spot flow have reached a record high

In the theme of "from seed to liquor", the Scenic Spot of Wuliangye takes the lead in creating the "Journey of Harmonious Beauty" team tourism brand with a high brand recognition among Baijiu enterprises nationwide centring around the harmonious process line of "growing, distilling, selecting, aging and mixing", the ecological distilling line of "water quality, soil, climate, air and life", and the historical and cultural line of "Tang, Song, Yuan, Ming and Qing dynasties", and has formed four thematic tourism products of "A Visit to Wuliangye", "Wuliangye Tasting", "Wuliangye Appreciation and Appraisal", and "Wuliangye Study Tour".

A Visit to Wuliangye



Wuliangye Tasting



Wuliangye Appreciation and Appraisal



Wuliangye Study Tour



03

Advocate Social Harmony

Share a Better Life

Wuliangye vigorously advocates social harmony, optimises employee management, provides employees with high-quality education, training and development channels, and guards the rights and interests, as well as safety and health of employees, attempting to create a harmonious working environment. The Company practices the responsibility concept of "Big Brand, Heavy Responsibility", and keeps organising public welfare activities, fulfilling social responsibilities, and sharing a better life.

- Employee Management - Build A Harmonious Working Environment
- Safety Production - Guard Occupational Health
- State-owned Enterprise - Fulfil Social Responsibilities



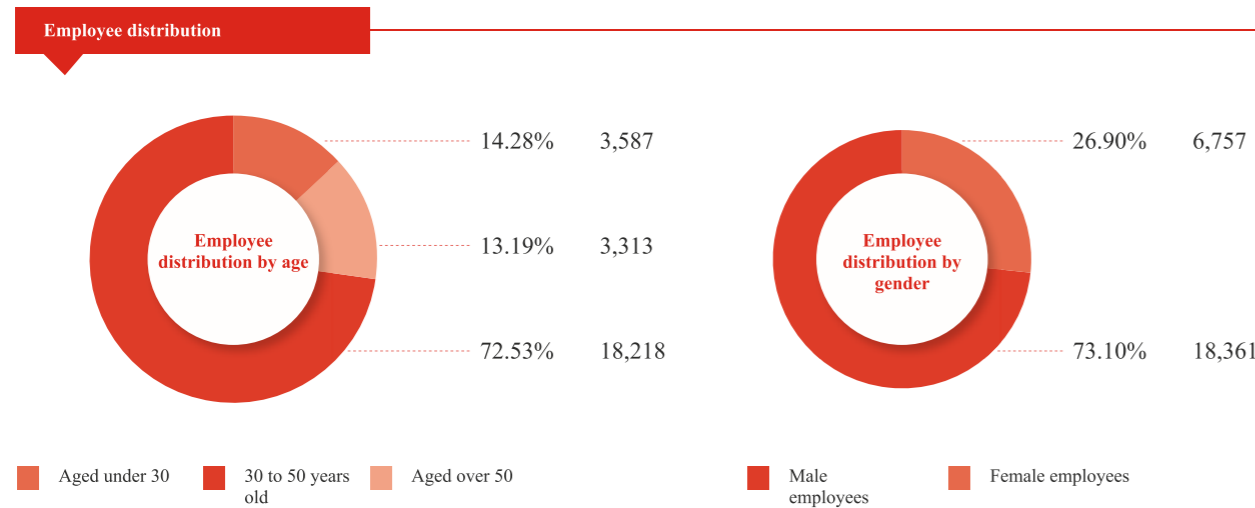
Build A Harmonious Working Environment through Employee Management



Upholding the ideology of "Talent resources are the top priority", Wuliangye attracts talents from all walks of life, focuses on building the "Five Talent Teams", and consolidates the foundation for its high-quality development.

Attract talents to lay a solid foundation for development

Adhering to the brand proposition of "The Aroma of the Nation, Harmonious Wuliangye, and Top Chinese Baijiu", the Company constructs a brand-new employer image, expands its influence in the employer market with its brands, precision and innovation, and recruits talents by layer and by type and through various channels based on development needs. By posting recruitment announcements online, actively participating in recruitment events organised by provincial, municipal and regional Party committees and governments, and hosting campus recruitment events, the Company absorbs all kinds of outstanding talents from society.



Guard employees' rights and interests and practice democratic management

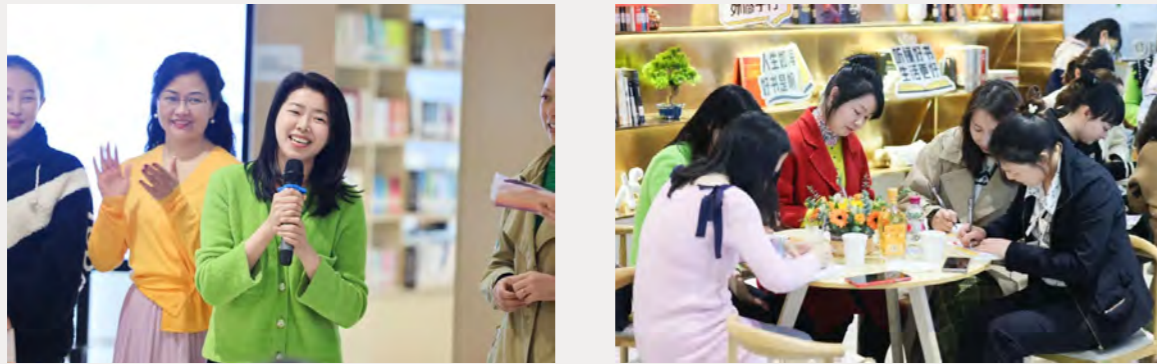
Wuliangye strictly observes the Women's Rights and Interests Protection Law, Disabled Persons Employment Regulations, and other laws and regulations, advocates diverse, equal and inclusive employment, practices democratic management, highlights the protection of employees' rights and interests in employment, and is committed to building a harmonious working environment.

Diverse, equal and inclusive

- Diversity and equal opportunities**
 - Diversified Employment Mechanisms: The Company has established a diversified employment mechanisms on labour contracts, supplemented by labour dispatch and part-time employment.
 - Diversified Employment Positions: The Company provides diversified employment positions for technological R&D, functional management, production operation and production logistics positions.
 - Diversified Development Paths: The Company provides four major development paths for manufacturing employees, technical employees, marketing employees and management employees.
- Opposing discrimination**
 - The Company avoids discrimination in recruitment, promotion, remuneration, and other aspects due to differences in nationality, household registration, ethnicity, political affiliation, gender, or religious beliefs.
- Opposing child labour**
 - The Company highlights the protection of the physical and mental health and the right to receive compulsory education of minors by carefully verifying the age information during recruitment. It has never recruited minors under the age of 16, and has always been resolutely opposing the use of child labour.
- Opposing forced labour**
 - The Company has never restricted the personal freedom of employees or forced employees to work beyond physical capacity, over time, or unpaid or underpaid, and always guards employees' rights to personal freedom and to take a rest or a vacation.
- Gender equality**
 - The Company adheres to gender equality, highlights the protection of women's rights and interests, and carries out themed events to support women's career development.
 - It also allows female employees to take parental leaves and breastfeeding leaves according to government policies, thus guarding the legitimate rights and interests of female employees.

Case Organising the series activities on the 8th March International Women's Day

In 2023, to celebrate the 8th March International Women's Day, the Company organised a series of activities, such as the "Women's Sports Meet", "Free Health Consultation for Women", "Reading Session", "Tea Culture Event" and "Law Popularisation Lecture", to convey the Company's care for female employees.



Series activities on the 8th March International Women's Day

Case Attending the 5th Belt and Road Women's Forum

The 5th Belt and Road Women's Forum was held in Sanya, Hainan, in December 2023, at which the Company discussed with other attendees on such topics as exchange and cooperation between women in the Belt and Road countries, scientific and innovative development, gender equality and cultural exchange, shared the unique role and fruitful results of women since the Belt and Road initiative was proposed ten years ago, and called for common development and prosperity of human society driven by "She-power".



The 5th Belt and Road Women's Forum

Democratic management

Organising labour union activities normally

- The Company held the fourth general meeting of the second session of the Workers and Staff Congress, at which 4 reports were deliberated and 5 policies and schemes were approved after voting
- The Company held the second general meeting of the second session of the Membership Representative Conference, at which 2 reports were deliberated
- The Company held two joint meetings of the Workers and Staff Congress, at which 9 proposals were deliberated

Concluding collective contracts

- The Labor Union helped and guided employees to conclude collective labour contracts with the Company to agree upon with the Company issues relating to remuneration, working hours, insurance and benefits through equal consultation, and supervised the performance of the contracts.

Collecting proposals from employee representatives

- The Company collected 78 proposals in relation to the vital interests of employees from employee representatives, including 7 for initiating programs and 66 converted into opinions or suggestions, and replied to all of them.

Carrying out themed investigations

- The Company investigated into employees' requirements for canteens, health check-ups, direct drinking water in workshops, festival and holiday benefits and gifts and cooling suppliers for summer.

Collecting employee opinions or suggestions routinely

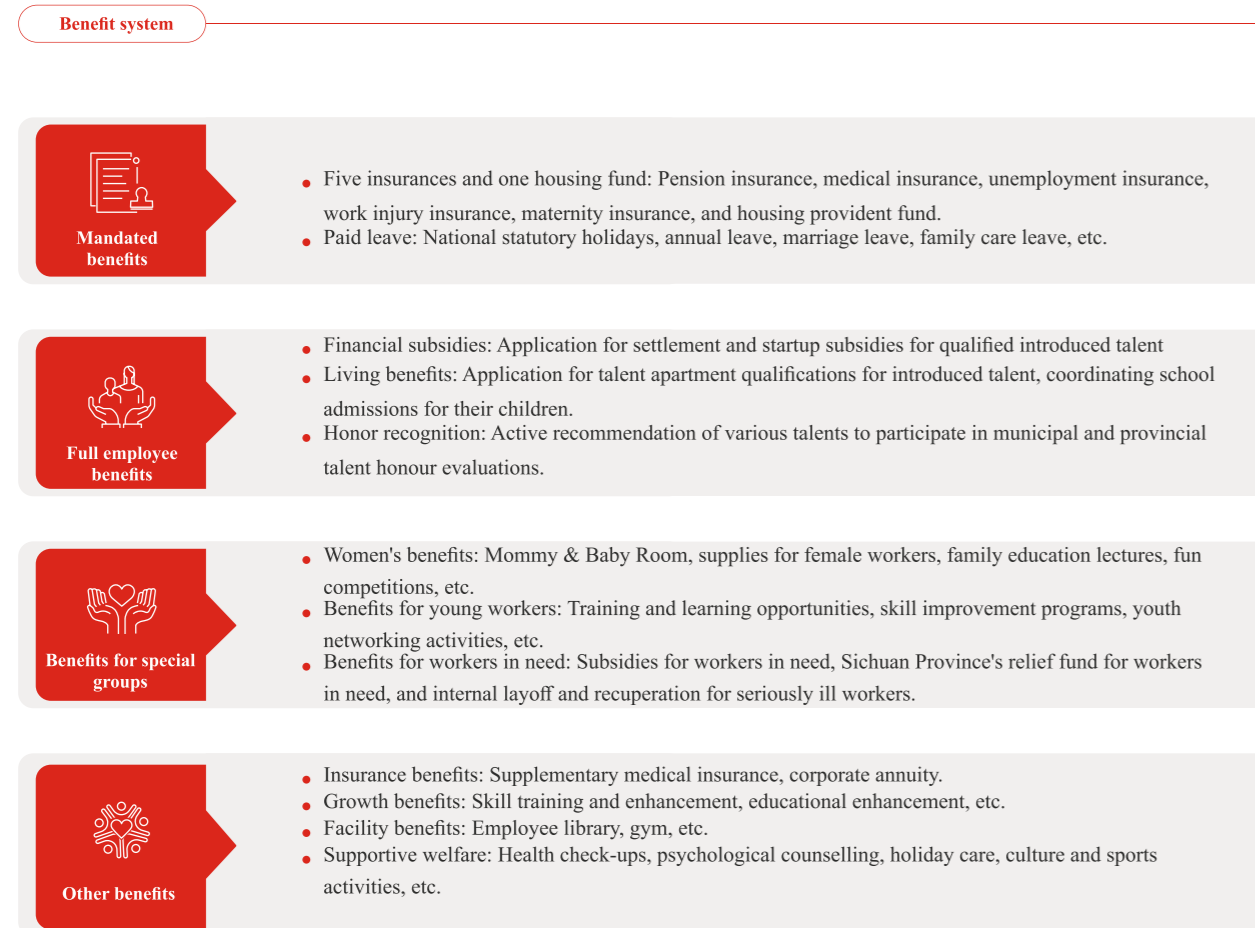
- The Company set up the "Wuliangye Family" Suggestions and Proposals column to collect employee opinions, and has collected 215 opinions and replied to all of them.



The Second General Meeting of the Second Session of the Membership Representatives Conference

Increase employee incentives through better compensation and benefits

Sticking to the concept of sharing high-quality development results with employees, Wuliangye, based on positions, capabilities and performance, has established and refined its competitive compensation and benefit distribution system in accordance with the Provisional Regulation on Wage Management, Trial Measures for the Management of Subsidiary Companies' Total Wages and Management Policies for Compensation, Performance and Other Related Issues.

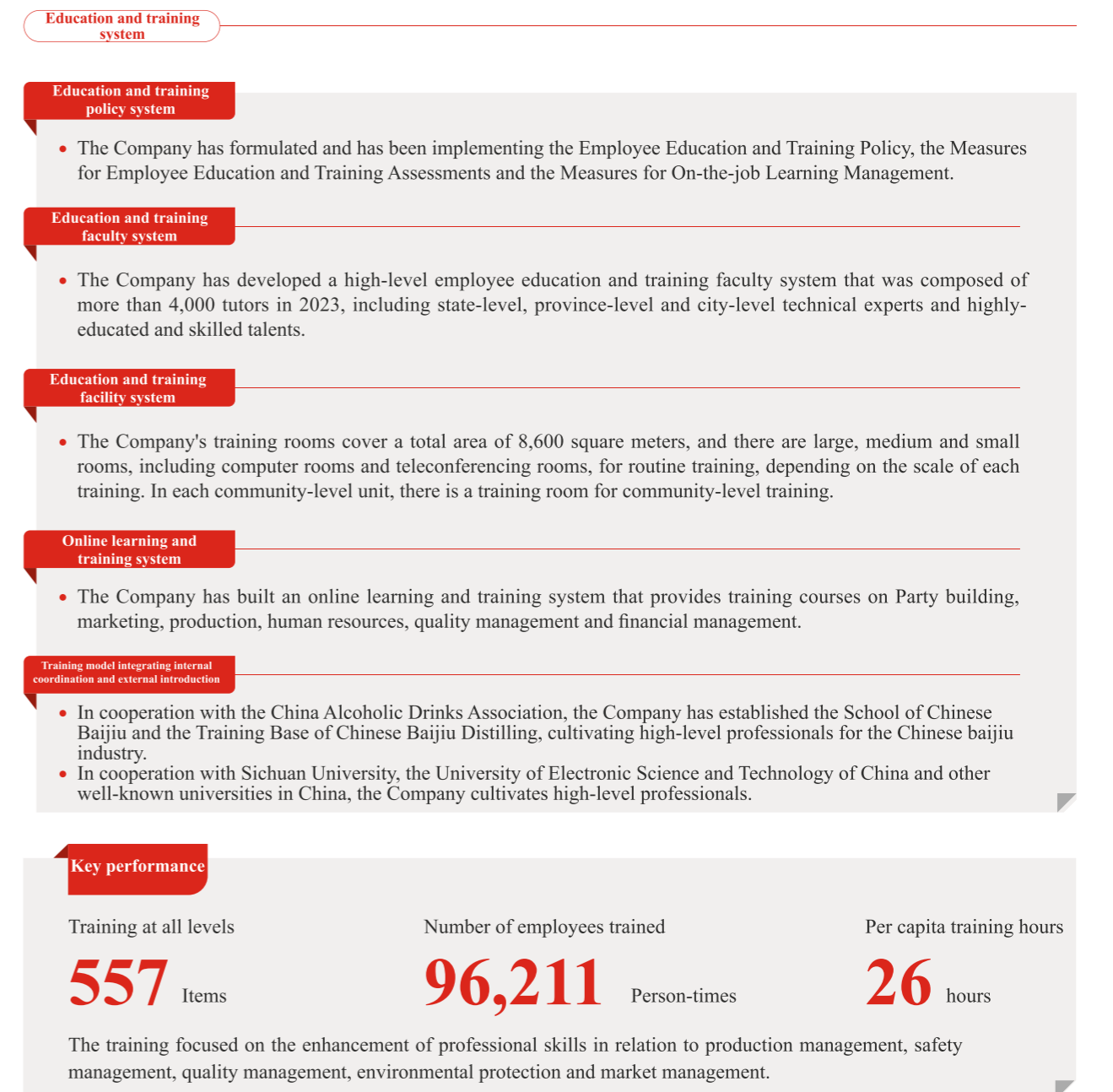


Propel talent growth through training and development

To further improve the professional skills and knowledge level of employees, Wuliangye has formulated education and training policies and a learning system fitting its own corporate culture to enhance employees' work competence and competitiveness, effectively guarding the Company's long-term and stable development.

Training and education

Adhering to the concept that "training is a long-acting investment, the most powerful momentum for corporate development, and the best benefit for employees", Wuliangye has established the Personnel Education & Training Centre to organise training to improve the capabilities of its employees.



Case Concluding a strategic cooperation agreement with Sichuan University

For years, Sichuan University has been providing talent and intellectual support for the development of Wuliangye. Under a strategic university-enterprise cooperation agreement, the two sides empower each other, and have been improving and expanding the cooperation for further achievements, intending to build a new model of university-enterprise cooperation in the new era together.



Wuliangye and Sichuan University Conclude the Strategic Cooperation Agreement

Case Attending the practical training on re-election of Sichuan Province's judges of Baijiu for 2024

In August 2023, a total of 84 employees from Wuliangye and its subsidiaries, workshops and departments attended the practical training on re-election of Sichuan Province's judges of Baijiu for 2024. This training covers the introduction to the production techniques and quality difference assessment of the 12 common flavours of Chinese Baijiu, quality difference assessment and analysis of flavoured Baiju from different regions of production, and methods and skills to reproduce Baijiu of the 12 common flavours.

Promotion and development

The Company constructs career development paths for manufacturing employees, technical employees, marketing employees and management employees, specifies the qualifications and dismissal procedures for managers, encourages internal competition, and creates the sound environment where "everyone can be a talent, everyone strives to be a talent and everyone gives full play to his talent", so that employees of different educational and professional backgrounds can show their talent at the positions that suit them.

Industrial workers	Technical talent	Marketing elites	Management officers	Senior management team
Build an industrial workers team with craftsmanship that can lead and is technically skilful.	Build a high-level, high-quality technical talent team with excellent educational backgrounds.	Build a marketing elites team with first-class style of work, and capability and service.	Build a young, knowledgeable and professional management officers team.	Build an innovative, useful, helpful, clean-fingered senior management team that is loyal to the Party.

Guard Occupational Health through Safety Production



Upholding the principle of "Always Putting People and Life First", Wuliangye highlights the occupational health of employees, thoroughly implements its entity responsibilities for production safety and occupational disease prevention and control, beefs up policy formulation and safety training, always guards itself against the red line and bottom line of production safety, and protects the safety and health of employees.

Key performance

Wuliangye recorded "three zeros and one elimination", i.e., zero general or more severe production safety accidents, zero general or more severe equipment safety accidents, zero general or more severe fire accidents, and elimination of serious or more severe work-related injuries, and thus won the titles of "Advanced Unit of Production Safety" and "Excellent Organiser of Safety Production Month and the Safety Production in Sichuan Programme" of Sichuan Province. Wuliangye's full-time fire brigade won the title of "Advanced Unit of Duty Training in Sichuan Province".

Strictly monitor production safety and build up safety competence

Centring on the "345 safety production idea" of "three systems, four party responsibilities, and five routine aspects", the Company keeps building up safety production management competence by consolidating entity responsibilities, refining management policies, preventing and controlling potential risks, carrying out education and training, and enhancing emergency response. It has formulated and issued 8 policies, including the Production Safety Management System, the Fire Safety Management Regulations, and the new Management Measures for Production Safety Objectives and Indicators, to further clarify standards and regulations, as well as process control, appraisal and assessment, and accountability processes. Based on the characteristics of liquor production, it has further advanced "two special actions" in key areas, key sectors, and key parts, practically carried out self-inspections, self-corrections and self-remediation, and identified hidden safety dangers in accordance with the corresponding standards and checklists.

Control framework for hidden safety dangers

Two special actions	"8+1+1"	"63+64"
<ul style="list-style-type: none"> Special inspections and control of hidden material dangers Special safety production control of high-risk sectors 	<ul style="list-style-type: none"> 8 high-risk sectors Hidden material dangers in industrial and trading practices Hidden material fire hazards 	<ul style="list-style-type: none"> 63 control items in the List of Special Safety Production Control Items of High-risk Sectors in Industrial and Trading Practices 64 judgment standards in the Standards for Judging Hidden Material Dangers of Industrial and Trade Enterprises

Special inspection of hidden dangers

- Fire control**
 - Inspect the facilities at permanent fire use sites, and carry out special safety inspections and fire facility inspections in cellars, dormitories and assembly occupancies
- Confined spaces**
 - Establish a confined space risk database, and improve five lists including the information statistics list, risk control responsibility list, hidden danger inspection and elimination list
- Hazardous chemicals**
 - Intensify routine safety inspections and crackdown on violations of laws and regulations
- Gas**
 - Carry out gas inspections in 55 canteens in 31 units, and urge all units to use combustible gas alarms and regulate gas use as required
- Electrical**
 - Carry out special inspections of electrical, lightning and electrostatic safety, reinspect all key parts and high-rise buildings, and inspect 766 handheld electrical appliances
- Special equipment**
 - Carry out extensive inspections of special equipment, register all special equipment in use, inspect special equipment on a regular basis, intensify dynamic supervision, and implement daily control, monthly inspection and monthly scheduling policies
- Construction**
 - Assign two inspection groups to inspect construction sites every month

Key performance

Safety production inspections

3,586 Times

Timely rectification rate

98.9 %

Safety problems identified

1,718 Items

Work-related production safety accidents resulting in employee fatalities

0 Case

Problems rectified

1,699 Items

Number of work-related death

0 Person

Production Safety Training

The Company sticks to "normalised education" of safety production, earnestly implements the idea of "promoting learning through education", "promoting advancement through learning", "promoting learning through practice", and "promoting learning through competition", and organises stratified and targeted safety training, in a bid to enhance employees' awareness of safety and occupational health.

Safety production training measures

Promoting learning through education

- Special training: The Company has organised 13 sessions of special safety training on list-based safety production management and gas knowledge, and trained 3,200 employees
- "Three-hierarchy" training: The Company has organised 5 sessions of "three-hierarchy" safety education and training for part-time or new employees, and trained 670 employees
- Training for special operation personnel: The Company organised 59 sessions of training for special operation personnel, and trained 424 employees

Promoting advancement through learning

- Expert tutoring: The Company has invited experts to provide 756 employees at key positions with professional safety knowledge and skill training
- Certification training: 691 cellar workers passed the exam and got the qualification certificate for working in the cellar

Promoting learning through practice

- Full-time fire brigade: The Company organised 10 safety/fire engineers and full-time fire brigade members to carry out a 65-day emergency drill combining theoretical education and practical training in 15 units
- Emergency training: More than 1,000 employees participated in emergency knowledge training and skill mentoring



2023 Safety Production Work Conference



2023 "Safety Production Month" Launch Ceremony

Intensifying health management to guard occupational health

Wuliangye attaches great importance to employees' occupational health. It has established and refined the occupational health and safety management system, and revised and issued the Manual and Procedural Document for Occupational Health and Safety Management, making system operation more operable and effective. In 2023, the Company organised internal and external audits of the occupational health and safety management system, and successfully passed again the occupational health and safety management system certification. The Company has set up an occupational health work leadership group led by the Chairman, and formulated and enforced the Regulations on Occupational Disease Prevention and Control Supervision and Management, Occupational Health Monitoring and Archive Management System, and Occupational Health Management Performance Assessment Measures. It keeps implementing the management responsibilities, and enhancing management competence.

Occupational health prevention and control measures

Optimisation of production processes

- Application of new technologies: The Company has built a new grinding production line to thoroughly eliminate the problem of out-of-limit occupational hazards, effectively control the causes of occupational hazards, practically protect employees' health
- Protective supplies: The Company equips employees with labour protection supplies depending on their positions

Thorough health check-up

- Customised configuration: "Compulsory + optional" health check-up items are made available to employees to meet their different needs
- Full-coverage health check-up: All employees have gone through health check-ups

Full-coverage medical insurance

- Employee insurance: The Company has purchased commercial medical insurance for all serving and retired employees, and purchased employer liability insurance for interns.

Case Holding the Wuliangye Health Lecture

The Company organises the innovative Wuliangye Health Lecture, and invites medical and healthcare experts to deliver lectures on the prevention and treatment of work-related common diseases and frequently-occurring diseases. In 2023, the Company held more than 20 health lectures covering mental health, prevention of cardiovascular diseases, prevention and treatment of shoulder and back pains, and emergency treatment of traumas, and guided employees to develop good living habits.



Wuliangye Health Lecture

Case Organising the promotional week event for the Law on Prevention and Control of Occupational Diseases

The Company organised a promotional week event for the Law on Prevention and Control of Occupational Diseases to raise employees' health awareness and create a dense atmosphere of all employees caring for occupational health through promotional panels, health consultation, quiz games and promotional leaflets.



The Promotional Week Event for the Law on Prevention and Control of Occupational Diseases

Case Organising "Wuliangye Health Cup" Occupational Health Skill Competition

The Company also organised the "Wuliangye Health Cup" Occupational Health Skill Competition to demonstrate employees' knowledge of occupational health and guide employees to be the primary person responsible for personal health and an expert in occupational health.



2023 "Wuliangye Health Cup" Occupational Health Skill Competition

Fulfil Social Responsibilities as a State-owned Enterprise



As a super-large state-owned enterprise, Wuliangye is actively devoted to the course of social welfare while pursuing its own high-quality development, and carries out extensive public welfare and condolence activities. It solidly carries out the relevant work to support the army, and fulfils its social responsibilities as a state-owned enterprise with practical actions.

Practicing public welfare undertakings to carry forward the universal love of Wuliangye

Wuliangye is actively devoted to charity, and has made significant contributions to disaster and poverty relief, rural revitalisation and educational invigoration. It fulfils the responsibilities as a state-owned enterprise and promotes the harmonious development of society.

Key performance

- Wuliangye made external donations of RMB49,212,100.
- Wuliangye was awarded the 12th "China Charity Award" by the Ministry of Civil Affairs, the third time it won the highest government award for public welfare and charity practices in China after 2008 and 2012.

Public welfare and charity programs in 2023		Amount of donation
Disaster relief	Donation to the regions stricken by the 6.2-magnitude earthquake in Linxia Prefecture, Gansu Province	RMB15 million
	Donation to the rescue team of Blue Leopard Rescue Yibin Branch to the earthquake-stricken regions in Syria	RMB1.5 million
Rural revitalisation and poverty relief	Construction of the Wuliangye Yi Nationality Torch Square in Pinshan County	RMB2.3 million
	Construction of the smart Party building platform for Litang County	
	Donation to the Sichuan Special Fund for Youth Volunteer Service	RMB100,000.
Educational invigoration	The People-benefiting Charitable Donation to the World University Games	RMB4.95 million
	Donation of student assistance packages in Yibin	RMB60,000
	Wuliangye Love: Litang Talent Development Fund (for poverty-stricken university students in Litang County)	RMB100,000.
	Donation to Sichuan Youth Vocational Skills Competition	RMB350,000
	Donation to "Young Entrepreneurs" Sichuan and Chongqing Youth Innovation and Entrepreneurship Competition	RMB250,000

Case Holding the university-enterprise strategic cooperation signing ceremony and donation ceremony with South China University of Technology

The university-enterprise strategic cooperation signing ceremony and donation ceremony between Wuliangye and South China University of Technology was successfully held in July 2023. Wuliangye and South China University of Technology have maintained long-term and sound cooperative relations in many fields such as biological engineering and brand strategy, and established profound school-enterprise friendship. This university-enterprise strategic cooperation signing ceremony and donation ceremony marks that the two sides will make active exploration of new mechanisms, new models, new paths and new samples of university-enterprise cooperation in the fields of high-end talent cultivation, innovation platform development, marketing and brand building, and promote their higher-quality development in the new era.



The University-enterprise Strategic Cooperation Signing Ceremony and Donation Ceremony between Wuliangye and South China University of Technology

Case Donating RMB15 million to the earthquake-stricken regions in Linxia Prefecture, Gansu Province

In December 2023, a 6.2-magnitude earthquake struck Jishishan County, Linxia Prefecture, Gansu province, with the epicentre of 10 kilometres deep. To quickly respond to the call for disaster relief and carry forward the traditional virtue of "all render help when one is in need", the Company, through Wuliangye Charitable Foundation, donated RMB15 million to Sichuan Charity Federation for disaster relief and post-disaster reconstruction in disaster-stricken areas in Gansu and Qinghai. Sichuan Charity Federation, referring to the fund allocation ratios of the Ministry of Finance and Ministry of Emergency Management, allocated the donation to Gansu and Qinghai.



Civil Affairs Bureau of Qinghai Province and Qinghai Charity Federation Present a Silk Banner to Wuliangye

Case Carrying out student assistance programs

Wuliangye has been implementing student assistance programs. In 2023, it organised resident cadres to send 300 student assistance packages to Qingping Yi Nationality Primary School in Pingshan County to encourage students to study happily and grow healthily. It gave play to the role of "Wuliangye Love: Talent Development Fund", and provided grants to 54 needy students in Litang County, Ganzi Prefecture, and Pingshan County, Yibin City, to support students to go to universities. Resident cadres of the Company worked with public welfare organisations to carry out the "Yi-Han in One Family" program, the "Dream Starlight" student assistance donation program and other student support activities to care for left-behind children, poverty-stricken children and the disabled. More than 800 sets of living and study supplies and cultural and sports goods, valuing more than RMB0.2 million, were donated, effectively promoting talent training and rural revitalisation.



Student Assistance Programs

Providing volunteer services to demonstrate Wuliangye's fulfilment of social responsibilities

Wuliangye fully supports young people to engage in volunteer service, and build the "Youth Volunteer Service Fair" brand to propel young people to take an active part in social welfare undertakings, highlighting Wuliangye's responsibility concept of "Big Brand, Heavy Responsibility".

Case Building the "Youth Volunteer Service Fair" brand

Wuliangye Youth League Committee took the initiative to build the "Youth Volunteer Service Fair" brand to vigorously promote the Lei Feng Spirit in the New Era. The Company focuses on the needs of employees and the public, as well as the capabilities of volunteer services, actively explores social power, fully integrates internal resources, and arranges health consultation, free haircut, home appliance repair, charity sale, car inspection and anti-fraud education services for the public, providing neighbourhood residents and employees with diversified, customised and practical volunteer services and creating a strong atmosphere of "all learn from Lei Feng, and Lei Feng is everywhere". In March, the Month of Learning from Lei Feng, the Company organised 110 volunteer service activities, in which 890 volunteers participated and served for 3,137 hours in total, drawing a picture of heartwarming volunteer service in the new era that rallies public support.



"Youth Volunteer Service Fair" series activities

Case Initiating the "Wuliangye Love with Children in Qinghai" academic research program

Wuliangye Youth League Committee initiated the "Wuliangye Love with Children in Qinghai" academic research program, and helped nearly 100 teenagers of Yi nationality and Han nationality from its paired places of rural revitalisation to go to the outside world to explore historic culture, urban development and technological advances, so that the teenagers can learn from the tour, broaden horizons, gain experience, and boost self-confidence.



"Wuliangye Love with Children in Qinghai" Academic Research Program

Case Carrying out all kinds of condolences

The Company carries out all kinds of condolences to care for employees and the public by taking multiple measures at the same time, fully demonstrating its humanistic nature.



Type	Benefited group	Progress in 2023
Consolation during major holidays	<ul style="list-style-type: none"> Serving, retired, early-retired, off-duty and awaiting employees, those on leave due to serious illness, and those collecting living subsidies due to land acquisition 	<ul style="list-style-type: none"> Condolences amounted to more than RMB10million, benefiting more than 5,900 people
Support for deceased and hospitalised employees	<ul style="list-style-type: none"> Retired, and those collecting living subsidies due to land acquisition 	<ul style="list-style-type: none"> Condolences amounted to more than RMB120,000, benefiting more than 120 people
Consolation to Party members	<ul style="list-style-type: none"> Party members in difficulties, and aged Party members 	<ul style="list-style-type: none"> Consolidation payments were made, the "July 1" commendation conference was held and souvenir medals were distributed, benefiting more than 10 people

Carrying out "Double Support" work to boost integrated development

Thoroughly implementing General Secretary Xi Jinping's important discourse on "Double Support" and centring on the needs in the relevant work to support the army and give preferential treatment to the families of military personnel, Wuliangye solidly carries out critical works to support the army and give preferential treatment to the families of military personnel.

Works to support the army and give preferential treatment to the families of military personnel

Refining the organisational structure and practically carrying out the works to support the army and give preferential treatment to the families of military personnel

- Wuliangye has set up a leading group for the works to handle the affairs related to people's armed forces and veterans and support the army and give preferential treatment to the families of military personnel, which is led by the Secretary of the CPC Committee and Chairman, and incorporated the works to support the army and give preferential treatment to the families of military personnel into annual work plans and important agenda of objective assessments, forming a traceable work pattern where the Company makes arrangements and units at all levels implement the arrangements.

Conducting practical works, highlighting true effects and solving difficult problems

- Sticking to its common practice of "conducting practical works, highlighting true effects and solving difficult problems", the Company has developed practical and feasible work plans to support the army. The leading group has been carrying out visits and condolences to enhance army-enterprise communication, and propel integrated development. In 2023, Wuliangye paid 5 visits to stationed troops, presenting condolence items of more than RMB150,000, and organised more than 20 mutual learning and exchange activities with stationed troops, establishing a profound friendship with stationed troops.

Respecting veterans and setting up the Veteran Service Station

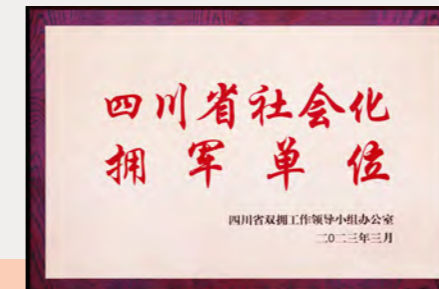
- Adhering to the original intent of upholding the leadership of the Party and the work objectives of providing attentive organisational guarantee and approachable assistance and care, performing sincere settlement and recruitment, and playing a support-rallying role, the Company has set up the Veteran Service Station and conducts practical works to support veterans. In 2023, the Company received and placed 10 veterans, recruited 15 veterans, settled 5 family members accompanying military personnel from the stationed troops, paid more than 130 visits and more than 4,000 condolences to veterans and the families of military personnel, presenting condolence funds and items of more than RMB3million, set up one volunteer team composed of veterans, and assigned two veterans to take temporary posts and complete rural revitalisation tasks in Litang County and Pingshan County.

Reinforcing the militia reserve force to support military and national defence development

- In 2023, the Company dispatched 467 militiamen to 6 centralised training and other tasks of Yibin Military Division and Cuiping District People's Armed Force. Two representatives of basic militia officers participated in the "Sichuan Elite Soldier" military skill competition on behalf of Yibin Military Division and won the third prize, and one armed officer participated in Yibin's special training for armed officers and won the title of "Outstanding Participant". The Armed Force Department of the Company was awarded the "Advanced Unit in Cuiping District", and perfectly completed the centralised training and other tasks assigned by superior military authorities.

Key performance

In 2023, Wuliangye was awarded the "Outstanding Social Organisation of Military Support in Sichuan Province" and the "Advanced Unit of Caring for National Defence and Military Development in Yibin".



Purpu Tonchup, Vice Governor of Sichuan and Member of Sichuan Standing Party Committee Conducts a Survey of the Veteran Support Work of Wuliangye



Veteran Condolence



Patriotic Education Activity



Art Performance by Basic Militiamen

04

Preserve Ecological Harmony

Build a Beautiful Life

Attaching importance to the impact of production and operations on such aspects of natural environment as climate change, air quality, water resources and ecological system, Wuliangye constantly improves the management system of environment, energy and greenhouse gas emission, so as to build a zero-carbon Baijiu manufacturer, and assist in achieving the "3060" objectives of carbon emission peak and carbon neutrality; appropriately treats waste gases, wastewater and residues, so as to strictly implement pollution prevention and control; promotes the recycling of water resources and packing supplies, so as to develop the circular economy; carries out ecological governance, so as to protect the quality of water in the upper reaches of the Yangtze River, and spares no effort to maintain the ecological harmony, and co-develop a beautiful life.

- Pollution Control - Build a Green Home
- Pursuit of Zero Emissions - Slow Climate Change
- Resource Conservation - Contribute to the Circular Economy
- Ecological Governance - Guard Yangtze's Upper Reaches



Pollution Control - Build a Green Home



To abide by the laws and regulations related to environmental protection, in accordance with the ISO 14001 standard, Wuliangye has established and improved its environmental management system, appropriately treated wastewater, waste gases and residues, and thus strictly implemented the prevention and control of environmental pollution; the Company strengthened the emergency management of unexpected environmental events, performed well in managing and controlling environmental risks, and spared no effort to ensure environmental security.



Certificate of Wuliangye's Certified Environmental Management System

Strengthening environmental management, and advancing green transformation

The Company has formulated and put into effect its policies related to environmental management, such as the Environmental Protection Management System, the Environmental Protection Accountability System, and the Management Measures for Environmental Assessment, and strictly implemented the primary responsibility of all departments and workshops for environmental protection; besides, the Company has set up a sound organisational structure for environmental management, established the Environmental Management Committee in which the Chairman of the Board serves as the Director, set up such full-time institutions as the Energy and Environmental Protection Management Department, the Environmental Protection Industry Co., Ltd., the Ecological Environment Inspection Team, and the Ecological Environment Monitoring Centre, built the "vertical-to-bottom and horizontal-to-edge" grid-based management system, so as to efficiently and orderly carry out various management tasks for environmental protection, and thus advance the green transformation of the Company.

Key performance

The Company's investment in environmental protection

250.69 million in RMB

YoY increase

9 %



Appropriately treating "three wastes", and implementing pollution control

In accordance with the State's administrative regulations on pollution discharge permission, the Company had handled the permit for its pollution discharge, continuously improved its discharge management and pollution discharge monitoring, adopted advanced pollution treatment technologies, equipped itself with complete pollution treatment facilities and devices, and appropriately treated wastewater, waste gases and residues, so it did not suffer from any administrative punishment due to environmental problems during the Reporting Period.

Wastewater treatment

The wastewater from the Company mainly includes liquor-making wastewater, domestic sewage, etc., and is discharged from the wastewater pipe network at production sites to the Company's wastewater treatment station to be treated. Wuliangye constantly boosts its level of wastewater treatment by introducing advanced wastewater treatment technologies, and implementing such projects as "the Wastewater Treatment System Upgrading and Renovation Project", "the Songgong River (Wuliangye Section) Comprehensive Treatment Project", and "the Project of Improving Thorough Treatment Facilities of Wastewater Treatment System". At the Jiangbei Park, the daily treatment capacity of the wastewater treatment system reaches 10,000 m³/d, with the

indicators of discharged water satisfying the requirements of the Water Pollutant Discharge Standard for Minjiang and Tuojiang River Basins (DB51/2311-2016) for "discharge limits of water pollutants from centralised sewage treatment plants in industrial". In order to further boost its wastewater treatment capacity, the Company invested approximately RMB89 million and RMB1.2 billion, respectively, in "the Construction Project of Boosting Wastewater Treatment Capacity" and "the Construction Project of Newly Building Centralised Sewage Treatment Plant", with the wastewater treatment capacity of the Jiangbei Park reaching 23,000 m³/d after the projects have been constructed.



Key performance

Wastewater Discharge

Indicator	Unit	2023
Total wastewater discharge	Ton	4,403,684
Chemical oxygen demand (COD)	Ton	105.37
Ammonia nitrogen	Ton	1.77
Total nitrogen	Ton	30.61
Total phosphorus	Ton	0.88

Waste gas treatment

The waste gases from the Company mainly include the methane and odorous gases produced in treating wastewater, and the VOCs produced in temporarily storing hazardous wastes.

Methods for treating waste gases

Methane and odorous gases

Treatment method: The Company implements "the Project of Additionally Installing Devices on Part of Pools of Wastewater Stations to Collect and Dispose of Methane and Odorous Gases"; pipes are installed onto anaerobic pools and regulating pools, from which, methane is transferred and emitted to the power plant to generate electricity, and odorous gases are emitted to the back-end disposal facilities where the gases are absorbed through activated carbon to reach the criteria and externally emitted

VOC gases

Treatment method: Devices for collecting and disposing of waste gases are installed at the temporary storage points of hazardous wastes



Key performance

Waste Gas Emissions

Indicator	Unit	2023
Nitrogen oxides	Ton	92
Sulphur dioxide	Ton	2.68
Particulate matter	Ton	0.49

Residue treatment

The residues from the Company include general industrial solid wastes and hazardous wastes, among which, the former mainly comprise distillers' waste grains, wastewater sludge, waste paper, waste plastic, waste timber, etc., and the latter mainly comprise waste mineral oil, waste asbestos, laboratory waste liquid, waste activated carbon, waste lead-acid batteries, etc.

Methods for treating residues

General industrial solid wastes

Treatment method: Through public bidding, a unit for disposing of the Company's solid wastes is determined, and with the unit, the Company signs such documents as the Letter of Notice for Energy and Environment Requirements, and the Contract for Safely Disposing of Solid Wastes, clearly requiring the bid-winning unit to dispose of the Company's solid wastes in compliance with the State's relevant laws and regulations on environmental protection and the Company's requirements for environmental protection.

Hazardous wastes

Treatment method: In accordance with relevant standards, the Company establishes temporary storage points of hazardous wastes, and conducts standardised packing and classified storage of hazardous wastes; according to law, the Company transfers its hazardous wastes, and entrusts the disposal of them to third-party units each with qualification.

Key performance

Residue Discharge

Indicator		Unit	2023
General industrial solid wastes	Overall quantity generated	Ton	845,202.67
	Quantity recycled	Ton	796,469.32
Hazardous wastes	Overall quantity generated	Ton	38.17
	Quantity recycled	Ton	3.98

Strengthening emergency management, and preventing environmental risks

In order to appropriately response to unexpected environmental events likely to occur in production and operations, and minimise the negative impact, the Company has strengthened its emergency management of unexpected environmental events, and developed its Contingency Plan on Unexpected Environmental Events, which has been reviewed by experts and then submitted to Yibin Environmental Protection Bureau for filing. Besides, each year, the Company carries out emergency drills for unexpected environmental events, thus practically training personnel in their emergency handling capabilities.



Drills for Emergency Response to Sodium Hypochlorite (NaOCl) Leaks From Tank Flanges

Pursuit of Zero Emissions - Slow Climate Change



As China's leading Baijiu enterprise, Wuliangye proactively responds to the State's "3060" objectives of carbon emission peak and carbon neutrality, for which, the Company is the first in the industry to put forward, in 2021, establishing a zero-carbon Baijiu manufacturer, proactively advances the development and implementation of relevant strategy, and is dedicated to creating a demonstration benchmark for carbon neutrality in China's liquor-making industry, thus taking the lead in promoting the green and low-carbon transformation of the industry.

Building top design, and improving management system

To penetrate system concept through the process of developing a zero-carbon Baijiu manufacturer, Wuliangye has strengthened the top design, and improved the management system. Besides, on the basis of its environmental management system, the Company has established its energy management system and greenhouse gas management system.

Setting up organisational structure

- The Company has set up the leading group for energy conservation and the leading group for greenhouse gas management, in each of which, the post of group leader is assumed by the Chairman of the Board, and timely researched, deployed, guided, and coordinated the Company-wide management of energy and carbon emission
- The Company has established the Energy and Environmental Protection Management Department responsible for the comprehensive supervision of the implementation of routine tasks for energy and carbon emission

Improving management system

- Formulate and implement the eight policies related to energy management, such as the Energy Management System, and the Energy Management Performance Assessment Measures

Carrying out system certification

- Carry out internal and external audits on the ISO 50001 Energy Management System, and obtain the certificate of the certified system
- Engage a third party to carry out the 2023 greenhouse gas verification in accordance with ISO 14064 standard



Certificate of Certified Energy Management System

Key performance

Greenhouse Gas Emissions

Indicator	Unit	2023
Scope 1 greenhouse gas emissions	tCO ₂ e	400,809.44
Scope 2 greenhouse gas emissions	tCO ₂ e	51,756.24
Scope 3 greenhouse gas emissions	tCO ₂ e	7,824.62
Total greenhouse gas emissions	tCO ₂ e	460,390.30

Note 1: In 2024, the Company carried out the greenhouse gas verification covering the period from 1 January to 31 December 2023

Note 2: The types of greenhouse gases quantified this time include carbon dioxide, methane, nitrous oxide and hydrofluorocarbons

Note 3: Scope 3 only includes indirect emissions arising from transport

Finding the Right Direction and Path, and Conserving Energy and Reducing Carbon

Aiming at developing a zero-carbon Baijiu manufacturer, Wuliangye finds the right direction and path, and takes multiple measures simultaneously to advance the green, intelligent, and low-carbon development of the Company, so as to assist in achieving the State's "3060" objectives of carbon emission peak and carbon neutrality.

Optimising energy structure

Wuliangye gradually increases the proportion of non-fossil energy consumption, introduces advanced energy-saving technologies, and develops a modern clean, efficient, and safe energy system, thus continuously boosting efficiency of comprehensively utilising energy.

Strategies for optimising energy structure

Multi-energy mutual complementation, reducing fossil-energy consumption

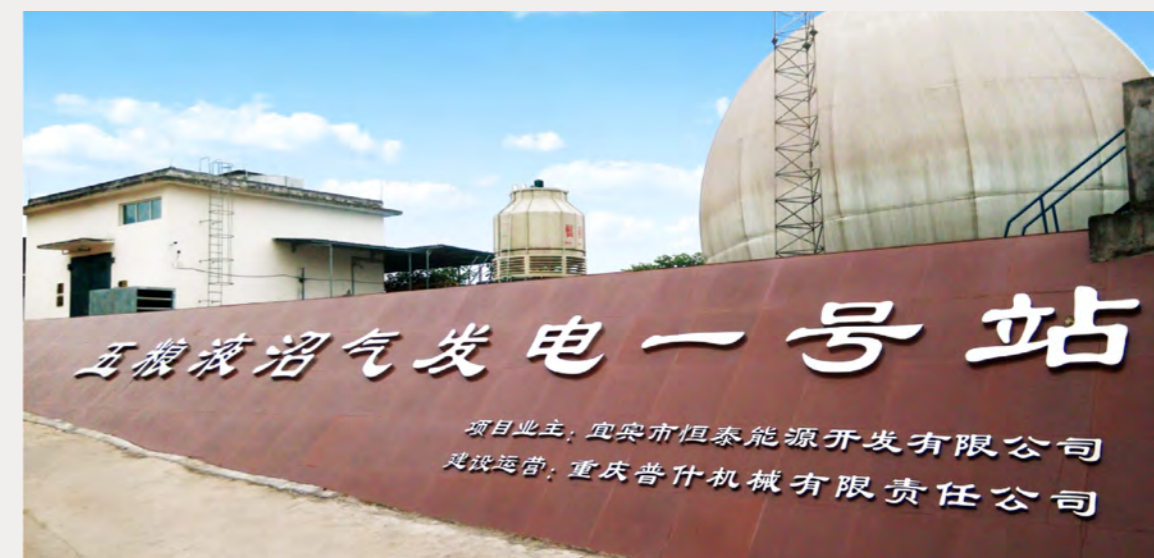
- Entirely stop operation of coal-fired boilers: The Company has stopped the operation of all the original coal-fired boilers, and used natural gas boilers and electric boilers as the replacements
- Vigorously generate electricity with methane: The Company has constructed the project of generating electricity with liquor-making wastewater methane, and through gas generating sets, transforms the pollutant methane produced from anaerobic fermentation at all wastewater stations into electric energy
- Efficiently utilise biomass energy: The Company is constructing the project that uses biomass from distillers' grains for thermoelectric cogeneration that utilises abundant distillers' waste grains produced in liquor-making process as the fuel, and through boilers and thermal generating sets under construction, incorporates produced steam into the looped steam network of the whole plant area, with the generated electricity, except the part consumed in the plant, incorporated into the power grid
- Proactively purchase green electric power: The Company increases the proportion of such electric power as hydropower, wind power and solar electric power in outsourced electric power, thus boosting the degree of cleanliness of outsourced electric power

Introducing advanced energy-saving technologies, and boosting comprehensive energy efficiency

- Save energy and improve efficiency of heating power system: The Company boosts the comprehensive energy efficiency of its heating power system, in such ways as supplying heat at separate zones from gas boilers, adopting superheated steam delivery technology and the technology of recycling waste heat by condensing flue gas, and using nano aerogel composite insulation material
- Save energy and improve efficiency of electric power system: The Company saves energy and improves the efficiency of the electric power system, in such ways as carrying out the project of boosting energy efficiency of power transmission and distribution and that of loading equipment, and installing safe dynamic voltage regulators and static dynamic reactive power compensation devices
- Save energy and improve efficiency of energy management side: The Company improves the level of its energy-consumption management, in such ways as developing the supervisory platform for information-based energy conservation, and monitoring and statistically analysing data of energy consumption of workshops in using electricity, steam, water, etc.

Case Construct domestically largest demonstration project among solid fermentation Baijiu manufacturers generating electricity with liquor-making wastewater methane

Wuliangye has constructed domestically the largest demonstration project among those of solid fermentation Baijiu manufacturers who generate electricity with liquor-making wastewater methane, and through gas generating sets, transforms the methane produced from anaerobic fermentation at all wastewater stations into electric energy, thus further advancing the transformation of the energy structure. The project has been selected into the first batch of "Excellent Practice Cases of Low-carbon Development" of Sichuan Province, the 1st-batch Sichuan-province Excellent Practice Cases of Synergy between Pollution Reduction and Carbon Reduction, and excellent cases of China Liquor Industry ESG Reports co-selected by China Alcoholic Drinks Association and China Social Responsibility 100 Forum. In 2023, the Company utilised methane from sewage treatment to generate 7.20 million kwh of electricity, converted into approximately 3,806 tonnes of greenhouse gas emission reduction. In the future, in combination with the construction of centralised sewage treatment plant, Wuliangye will further increase its scale of electricity generation in its project of generating electricity with methane. During the 14th Five-Year Plan period, it is predicted that, each year, the Company can generate approximately more than 50 million kwh of electricity, produce around 32,700 tonnes of steam, conserve roughly 9.60 million kgce of energy consumption, and reduce 30,000 tonnes or so of greenhouse gas emissions.



Wuliangye's Project of Generating Electricity with Methane

| Pursuing Green Manufacturing

Wuliangye gives full play to the liquor industry's characteristics of "linkage of three industries", and according to the philosophy of full life cycle "from seed to liquor, and from farmland to consumers' dining-tables", continuously intensifies the green and low-carbon management and control of the industrial chain in its whole process, thus speeding up establishing the "zero-carbon" manufacturing system.

Pursuing green manufacturing strategies

Establishing platform for green design and research, and forging green "strengths" of whole industrial chains

- Establish platform for green design for the industry of pure-grain-making and solid-fermentation Baijiu:** An industry-university-research-application integrated consortium is formed by uniting upstream and downstream enterprises in industrial chains, research institutions, and third-party technical service institutions, which jointly carry out the tasks related to pure-grain-making and solid-fermentation Baijiu, such tasks as green design for the full life cycle, research on technologies of management and evaluation, design of comprehensive integrated digital packing and green products, development of tools for evaluating environmental impact for the life cycle, and development of information database for green design for the full life cycle, thus establishing the platform for green design for the industry of pure-grain-making and solid-fermentation Baijiu
- Establish demonstration line for green production of pure-grain-making and solid-fermentation Baijiu:** By researching the integration of green design and green manufacturing, the Company has optimised its production processes, established the demonstration line for green production of pure-grain-making and solid-fermentation Baijiu, and thus formed the new mode of green manufacturing integration in the Baijiu industry
- Advance plan for verifying product carbon footprint:** The Company has participated in the formulation of the Carbon Footprint Evaluation Standards for Baijiu Products of China Alcoholic Drinks Association, a document that provides guidance on the verification of carbon footprint for the Baijiu industry

Upgrading liquor-making production technique and equipment, and improving the level of clean production

- Develop low-carbon agriculture:** The Company advances the development of low-carbon agriculture through local-, base-, and ecology-oriented grain cultivation
- Implement low-carbon management and control in whole production processes:** While adhering to the traditional liquor-making production technique, the Company proactively improves its production technique and boosts its management, continuously develops automation and information technology, and effectively reduces the energy consumption of such links as liquor distil, grain moistening, and packing, as well as the energy consumption of such major equipment as grinders, bridge cranes, water pumps, draught fans, liquor steamer, washing machines, and packing machines

| Advancing green transformation of logistics, warehousing & storage, and packing

Closely centring on the goal of developing a zero-carbon Baijiu manufacturer, the Company proactively advances its green transformation of logistics, warehousing & storage, and packing, and through such measures as introducing new energy devices and optimising scheduling modes, reduces the pollutant discharges and greenhouse gas emissions from transport links, thus promoting the Company's green development.

Strategies for green transformation of logistics, warehousing & storage, and packing



- The Company has advanced the use of such new energy vehicles as pure electric commuting buses and the trucks using fuel oil and conforming to the up-to-date emission standards, and thus reduced approximately 1,953.5 tonnes of carbon emissions during the year
- The Company has comprehensively used such transport modes as multimodal transport combining road, rail, water and air, and drop and pull transport, so as to improve the time-effectiveness of cargo transport, and reduce the energy consumption of distribution



- The Company has optimised its site selection for warehousing & storage and its layout inside warehouses, established its standard operation procedures for logistic carriers, so as to further reduce the energy consumption of warehousing & storage



- The Company recycles waste cartons by cutting them and transforming them into environmentally-friendly paper circulation boxes, thus not only achieving the recycling of waste cartons, but also assisting in reducing carbon and consumption of packing



Disseminating Low-carbon Philosophy

In order to promote the dissemination of low-carbon philosophy, and enhance the Company's green influence, Wuliangye internally requires its employees to practise the philosophy of low-carbon development, so as to build green consensus; externally proactively participates in various green and low-carbon theme activities, so as to deliver the low-carbon philosophy to all walks of life, and thus create a green brand.

Strategies for disseminating low-carbon philosophy

Intensifying green publicity and implementation within the Company

- Intensify exposure of environmental protection information:** In such forms as large-scale outdoor picture posters for environmental protection, display boards for special subjects, and electronic display screens, the Company publicises information of environmental protection and slogans for developing ecological civilisation, and calls on all the personnel to keep in mind the significance of ecological protection at any moment
- Carry out "Golden Ideas" activity for energy conservation and emission reduction:** The Company has put into force the Implementation Rules on Awarding Minor Innovations and Progresses, through which, centring on such aspects of the Company as improving its level of resource utilisation and reducing its pollution emissions, by carrying out the activity of "Golden Ideas" for energy conservation and emission reduction, the Company encourages its personnel to propose innovation plans based on its existing conditions such as production equipment, production techniques and technologies, and management methods, with a view to providing new thinking for the Company to achieve its target of zero carbon

Thoroughly disseminating low-carbon philosophy, and continuously expressing "green voice"

- Strive for green demonstration:** "The 1st Boao Conference on Carbon Neutrality", co-sponsored by Wuliangye and the China Energy Conservation Association, launched the initiative for Chinese enterprises to practise social responsibility for carbon neutrality, and the joint declaration on self-discipline norms for carbon neutrality services; also collected technical solutions and typical cases for "zero carbon", and promoted experience of the pilot demonstration zones for carbon neutrality
- Create green brand:** As a typical representative of national brands, Wuliangye participates in and integrates into such important platforms as APEC, Boao Forum for Asia, and China International Import Expo, proactively expresses voices, and continuously advocates the green, low-carbon, recycling, and sustainable development path



Case Launching global initiative of "Exploring a Zero-carbon, Harmonious Future—Promoting Green and Low-carbon Development"

In March 2023, the "Toward a Green Future—Plans and Strategies for Exploring a Zero-carbon Harmony" seminar, one of the series of activities of Boao Forum for Asia Annual Conference 2023, was successfully held. At the seminar, Wuliangye and participants from around the world, such as well-known experts and scholars, representatives of international organisations, the media, and think tank institutions shared their practice, produced the spark of the collision of ideas, exchanged their experience, so as to jointly assist in the Boao solutions for green, low-carbon, and high-quality development. Wuliangye and strength from all circles jointly launched the global initiative of "Exploring a Zero-carbon, Harmonious Future—Promoting Green and Low-carbon Development", which calls on every country, industry and person in the world to work together with one heart, gathering tremendous strength to create a more beautiful green future for all mankind.



Boao Forum for Asia Annual Conference 2023

"Zero-carbon" Navigation Co-creating a Harmonious Future—Blue Book (2022) for Wuliangye's Green and Low-carbon Development, the latest research achievement of cases of transformation toward green energy issued by China Economic Information Service, has systemically summarised the experience of innovation and achievement of practice obtained by Wuliangye from taking the lead in exploring green and low-carbon development of the liquor industry, refined the value and growth potential embodied by enterprise action, and depicted a sample in the liquor industry of "zero-carbon" navigation and co-creating a harmonious future, thus providing a beneficial reference for China's Baijiu industry and even traditional industries to conduct green and low-carbon transformation.



Blue Book for Wuliangye's Green and Low-carbon Development

Resource Conservation - Contribute to the Circular Economy



By practising the philosophy of "ecological cycle", and taking promoting green transformation and achieving sustainable development as important grippers, Wuliangye promotes resource recycling, effectively reduces resource consumption, reduces the pollutant discharges and greenhouse gas emissions, and thus facilitate the development of circular economy.

Strengthening water management, and practising recycling

Wuliangye strengthens water resources management from three aspects, namely "conservation", "open-source" and "reduce-expenditure", and constructs projects of cycling use of water, thus improving the efficiency of using water, and securing the supply of water resources.

Strategies for water management

Conservation

- The Company has treated the wastewater from it by reaching the Sichuan Minjiang and Tuojiang River Basin Water Pollutant Discharge Standards, and on the basis of reaching the standard, constructed environmental-protection ecological wetlands and river-course ecological wetlands, so as to further naturally purify discharged water and river water, and implement wastewater treatment at the standards far higher than those of the industry
- The Company has set up online water quality monitoring sections at the Songgong River, so as to continuously protect and improve the environment of the river basin

Open-source

- On the basis of using Minjiang water source as the main water source, the Company has signed a framework agreement for strategic cooperation with Sichuan Xiangjiaba Irrigation Area Construction and Development Co., Ltd., according to which, it is planned to use the water source of the North Trunk Canal of Xiangjiaba Irrigation Area as the Company's strategic backup water source, so as to improve the security and reliability of the Company's use of water
- The Company vigorously applies the technologies of cycling use of water, so as to effectively expand water sources

Reduce-expenditure

- The Company has formulated and implemented the Energy Management Performance Assessment Measures, and the Management Measures for Water Supply, specifying the management methods and assessment rules for supply and use of water, and ensuring that water supply loss rate is controlled to be within the range of the Level-1 assessment criteria in the Standard for Controlling and Assessing Water Supply Pipe Networks of Cities and Towns, so as to minimise the waste of water resources in water supply processes

Key performance

- In 2023, 503 Workshop carried out the pilot project of cooling water recycling, with the designed cooling water recycling rate of above **90%**, and at present, the project is at the stage of debugging operation. Besides, The Company is constructing a cooling water recycling system as the supporting construction of the 100,000-ton ecological distilling project (Phase I)
- Through the bottle-washing water recycling project, the Company saves more than 900,000 tonnes/year of water

Green packing transformation, promoting resource recycling

As it attaches importance to the green transformation of product packing, Wuliangye constantly reduces the consumption of such packing materials as glass, ceramics, plastic and carton in such ways as technological upgrade, and recycling, thus promoting the green and low-carbon transformation of product packing links, and facilitating the conservation and recycling of resources.

Measures for green transformation of packing

Recycling

- Recycle crystalline material products, with the proportion of ordinary glassy slag at 20%
- Cooperate with third parties to carry out projects of recycling packing materials
- Use recyclable paper bags and degradable non-woven fabric bags

Technological upgrade

- Implement R&D innovation projects such as "the R&D, design and application of new-type green environmental friendly materials and spray-free materials"
- Replace paper labels with directly printing on liquor bottles for such products as Wuliangye Boutique and Jianzhuang Rongguang to effectively reduce the use of paper
- Use UV photocuring printing ink, and reduce the use of volatile printing ink solvent, so as to alleviate the impact on the environment and printing operators

Key performance

Recycling of glass

More than **2,347** tonnes

Recycling of plastic

More than **223** tonnes



Ecological Governance - Guard Yangtze's Upper Reaches

Located at the core region of ecological barrier of the Yangtze's upper reaches, Wuliangye has the unique and advantageous natural endowments that are the cornerstone of Wuliangye's excellent quality, so the Company takes the lead in practising the philosophy of ecological civilisation, and vigorously carries out ecological governance, thus making good liquor in an eco-friendly manner, and protecting well the water quality of Yangtze's upper reaches.

Participating in ecological restoration, and protecting ecological barrier

Practically integrating developing ecological civilisation into the whole process of its production and operation, Wuliangye proactively implements the directive spirit of "We should try every means to protect the water quality of the upper reaches of the Yangtze River in line with standards identical to those for distilling fine liquor" put forward by the General Secretary Xi Jinping when he came to Yibin for investigation, responds to the "Three Rivers and Six Banks" ecological restoration project organised by Yibin Municipal Government, participates in such ecological restoration projects as water pollution treatment, water ecological restoration, water resources conservation, water loss and soil erosion control, and proactively throws itself into building the ecological barrier of the Yangtze's upper reaches, and the governance of the ecological environment of the Minjiang river basin, thus guarding the Yangtze's upper reaches. Yibin City where Wuliangye is located owns three great rivers, namely the Jinsha River, the Minjiang River and the Yangtze River, with long and complex water fronts. The Songgong River, which flows into the Minjiang River via Wuliangye's plant area, is a primary tributary at the left bank of the river mouth section of the Minjiang River's trunk stream, and the Minjiang-entering mouth of the Songgong River is located within the Level-2 conservation area at the upper reaches of the water intake of the Songgong Bridge drinking water source, so the Songgong River is crucial to the water quality security of the Minjiang River's trunk stream and that of the drinking water source.

Chronicle of events of ecological restoration of the Yangtze's upper reaches

In 2015, the Company invested the funds of RMB200 million in treating the Songgong River

Wuliangye invested the funds of RMB200 million in treating the Songgong River (Wuliangye Section), carrying out ecological restoration, and based on the situation of silting within the river course of the Songgong River, timely clearing such settlements as sludge within the river course of the Songgong River (Wuliangye Section).

In 2017, the Company initiated the Songgong River (Wuliangye Section) Comprehensive Treatment Project

Wuliangye initiated the Songgong River (Wuliangye Section) Comprehensive Treatment Project, in which, the Songgong River basin was comprehensively treated from such aspects as preventing flood and waterlogging, building rain sewage pipe network, recycling water resources, dredging river courses, treating and managing pollution and conducting protection against it, restoring ecology, treating sewage, and reusing recycled water, so as to remove bad Class V water in the Songgong River, boost the water environment of the plant area, and thus build the Songgong River into an ecological landscape belt and ecological corridor with "clear water, green banks, beautiful scenery, and harmonious human and water".

In 2020, the Company carried out the ecosystem restoration project of the Minjiang River basin

Wuliangye carried out the ecosystem restoration of the Minjiang River basin, investing RMB80 million in building the ecological restoration project of the Minjiang River. Located at the riverside of the Minjiang River, the project covers a total area of approximately 2,000 mus, has built roughly 4 km of health trails, created 255 mus of portal forests, and planted various trees totalling around 20,000 trees.

In 2023, the Company strengthened maintenance of ecological restoration achievement of Yangtze's upper reaches

Wuliangye continuously strengthens the maintenance of ecological restoration achievement of the Yangtze's upper reaches, and protects biodiversity, as well as the water quality of the Yangtze's upper reaches in line with standards identical to those for making fine liquor, thus benefiting the middle and lower reaches and the whole basin of the Yangtze River

Building Ecological Wetlands, and Drawing Harmonious Picture Scroll

Wuliangye has built the ecological wetlands integrating ecological treatment of industrial wastewater with creation of Wuliangye's tourism landscape, giving full play to wetlands' excellent carbon sink capabilities as "carbon reservoir" and "carbon absorber" and powerful functions of storing and purifying water. The wetlands can not only improve the ecological environments of river courses and their surrounding areas, but also improve the water quality of the Songgong River, thus assisting in building the ecological barrier of the Yangtze River Economic Belt, and simultaneously provides fine habitats for multiple aquatic animals, amphibious animals, birds, and other wildlife, thus protecting biodiversity. Therefore, the wetlands have become the first demonstration project of ecological wastewater treatment in the Baijiu industry nationwide, and are highly appreciated by the Ministry of Ecology and Environment.

Key performance

- The Company has built the environmental-protection ecological wetlands covering an area of **23,000** square meters and the river-course ecological wetlands covering an area of **6,700** square meters, wetlands whose daily wastewater treatment capacity was 10,000 and 6,000 cubic meters, respectively, wetlands that can reduce emissions by 426.69 tonnes/year of COD, 12.19 tonnes/year of ammonia nitrogen, and 4.27 tonnes/year of total phosphorus, and wetlands that can produce approximately RMB2,938,300 of economic benefits each year from energy conservation and emission reduction
- After the drained water from parks is treated by the environmental-protection ecological wetlands, the discharged water has good appearance, and chromatic values that are close to that of tap water, with the indicators reaching the requirements for the discharge limits in the Sichuan Minjiang and Tuojiang River Basin Water Pollutant Discharge Standards (DB51/2311-2016), so the wetlands can supplement more than **3 million** cubic meters of water for ecological purposes to the Songgong River each year

Wuliangye's Environmental-protection Ecological Wetlands



05

Promote Cultural Harmony

Make a Better Life

With a commitment to building a harmonious culture and creating a better life, Wuliangye continues to innovate the Chinese Baijiu culture while inheriting and promoting its essence. Leveraging the power of liquor, it embraces its role as a typical representative of traditional Chinese culture. It contributes its share to spreading culture globally, showcasing the charm of traditional Chinese culture on a global scale.

- Corporate Culture - Innovate the Baijiu Culture
- A Liquor Ambassador - Tell Compelling China's Stories of Baijiu



Innovating the Baijiu Culture

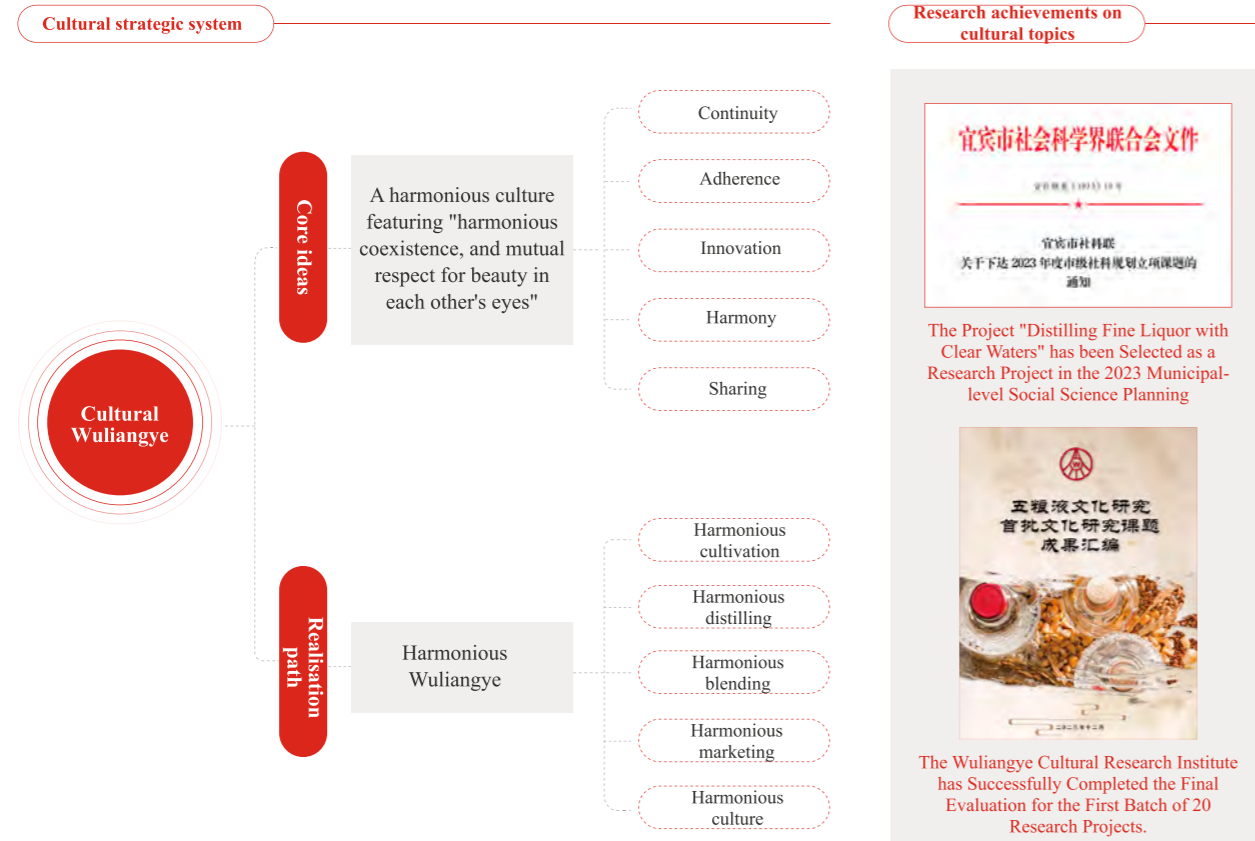
Throughout the history of Baijiu development, profound cultural heritage has been accumulated during different periods. Baijiu culture is the very essence and spiritual prop of Wuliangye, serving as the core competence of the Company. In 2023, Wuliangye continues to promote its cultural and theoretical development. It has created more cultural exhibition platforms, made greater efforts to preserve cultural heritage, and achieved fruitful results in cultural promotion.

Preserve the essence of culture, and promote excellent traditional culture

It also fully implements its core philosophy, establishes a cultural strategic system, and actively collaborates with various parties to explore the historical and cultural heritage of Wuliangye. These efforts aim to promote the outstanding traditional Chinese culture.

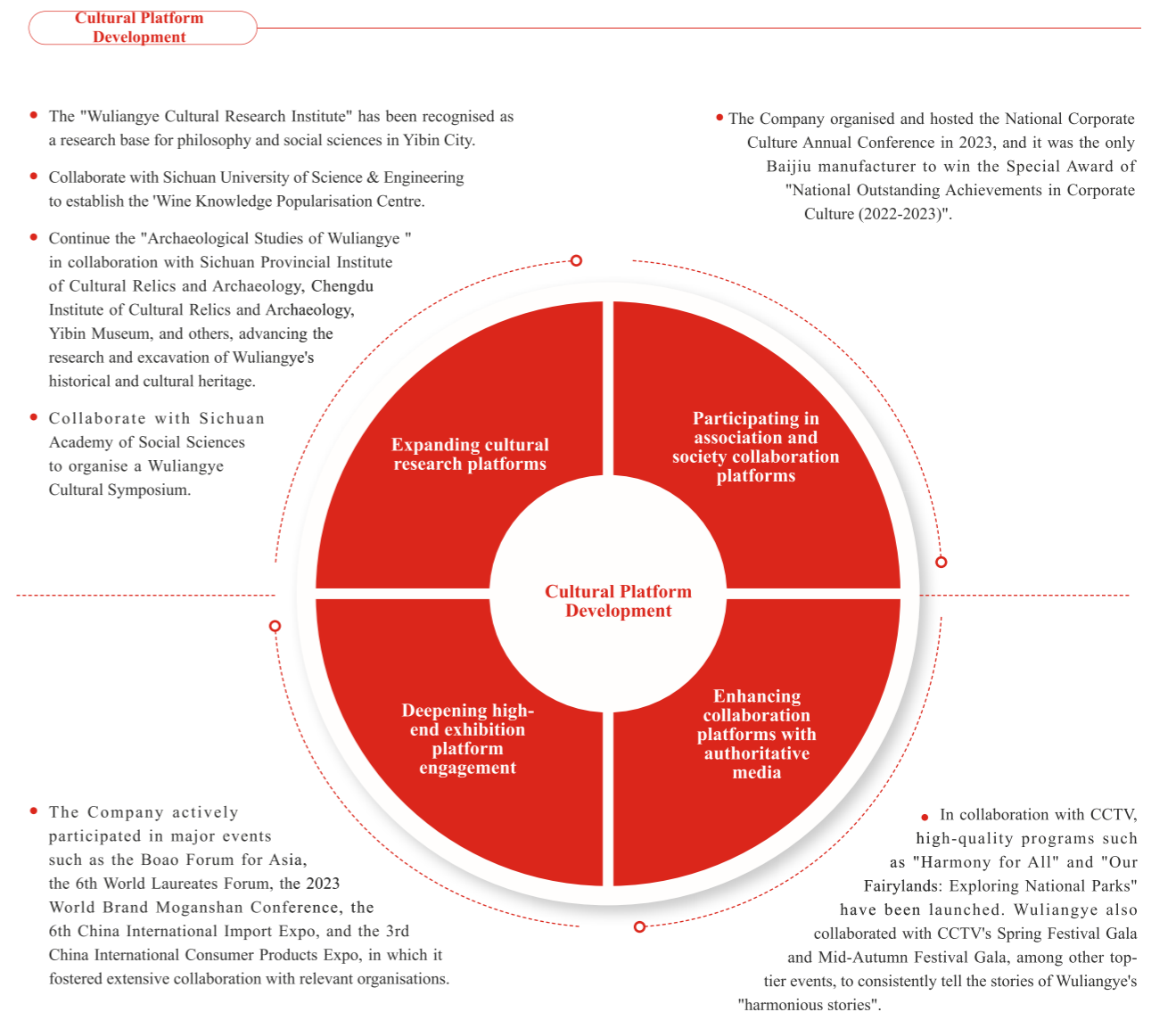
Cultural and theoretical development

The Company, with "Cultural Wuliangye" as its foundation, upholds the position of Chinese culture. It combines outstanding traditional Chinese culture with modern business civilisation, continuously conducts research on historical and cultural topics related to Wuliangye through various means, and establishes a comprehensive cultural strategic framework.



Establishment of cultural platforms

Wuliangye has been improving its cultural platform and promotional system through various comprehensive approaches such as academic research, association collaborations, high-end platforms, and utilisation of new media. By building cultural platforms, it continuously explores innovative forms of expression and promotes the harmonious culture of Wuliangye.



Case Wuliangye's Appearance on the CCTV Spring Festival Gala and the Mid-Autumn Festival Gala

In 2023, Wuliangye joined hands with top-tier IPs such as the CCTV Spring Festival Gala and the Mid-Autumn Festival Gala to continue telling the captivating "Harmonious Stories" of Wuliangye. The Spring Festival Gala received a brand exposure of over 11 billion views, while the Mid-Autumn Festival Gala's interactive campaign "Harmonious Gifts" reached over 5.8 billion people. Millions of households benefited from the "Harmonious Gifts," further strengthening the brand's cultural promotion and solidifying its foundation.



Wuliangye's Appearance on Top-tier IPs such as the CCTV Spring Festival Gala and the Mid-Autumn Festival Gala

Case Wuliangye's Presence at the "Golden Panda Award"

In September 2023, Wuliangye made its debut as a global strategic partner of the inaugural "Golden Panda Awards." Through brand integration, product showcases, promotional videos, guzheng performances, and creative dining experiences, Wuliangye provided full support and deep involvement in the Golden Panda Awards Ceremony and the Golden Panda Night, showcasing the harmonious culture of China through the medium of liquor.



Wuliangye's Presence at the "Golden Panda Award"

| Creating a Harmonious IP

Wuliangye actively consolidates and enriches its brand culture, elaborates the contents of its brand culture, and innovates brand communication to empower the brand's long-term value with cultural IP. In addition to deepening the "Harmony Cultural Festival" as a super IP, the Company has also created exclusive IP events such as "Harmonious Global Tour" and "12·18 Super Fans Festival", allowing people to experience the "harmonious culture" of the Company by participating in these initiatives. These efforts will promote the innovative transformation and creative expression of Chinese culture and art.

Case Hosting the Second Wuliangye Harmonious Cultural Festival

On 20 May 2023, the second Harmonious Cultural Festival was launched nationwide under the theme "Love Gathering All Things, Beauty Enhanced by Harmony". It generated a buzz exceeding 1.65 billion across the internet. Compared to the first festival, this edition boasts a longer duration, richer content, more innovative formats, and broader coverage. Through activities such as city light shows, drone performances, and night cruises on the Sanjiang River, consumers had the opportunity to experience up close the enchanting beauty of Wuliangye's thousand-year-old cultural heritage.



The Wuliangye Harmony Cultural Festival



The revitalisation and preservation of the "dual heritage" promote the inheritance of Baijiu cultural heritage

Wuliangye adheres to the principle of "protection during inheritance and utilisation based on protection." It focuses on the traditional Baijiu-making techniques of Wuliangye, the ancient fermentation pit sites of Wuliangye and other core historical and cultural resources. With a commitment to high quality, Wuliangye actively promotes the protection, inheritance, and utilisation of the cultural heritage of Baijiu.

The "Dual National Treasures" of Wuliangye

The ancient fermentation pit clusters of Wuliangye

- Key cultural relics sites
- National industrial heritage
- Included in China's World Cultural Heritage Tentative List
- Ancient fermentation pit as the sole "Living Artifact" permanently preserved in the National Museum of China

The traditional Baijiu-making techniques of Wuliangye

- National intangible cultural heritage
- "1366" distilling secret code
- The secret to crafting exquisite liquor through the process of "selecting grains, distilling, and aging"

Key performance

Building of talent team

- In 2022-2023, Wuliangye recognised a total of **23** company-level representative inheritors of intangible cultural heritage in three categories: original liquor distilling, Qu-preparation, and blending.
- Another **four** people were recognised as the representative inheritors of district intangible cultural heritage.

Progress of heritage declaration

- The traditional distilling techniques of Wuliangye, represented by the 501 and 503 intangible cultural heritage workshops, have been selected as **the first batch of district-level intangible cultural heritage workshops** in Cuiping District, Yibin City.
- Wuliangye has been recognised as **the second batch of intangible cultural heritage protection and inheritance bases** in Sichuan Province.
- The project "the Aroma of the Nation, Harmony of Wuliangye: Active Protection and Utilisation of the Ancient Fermentation Pit Clusters through Innovative Exploration" has received the award for **the first China Wine Industry Cultural Heritage Operation Classic Case** in 2022, presented by the China Alcoholic Drinks Association.

Case Participating in the 2023 World Expo on Cultural Heritage Conservation and Rehabilitation

In November 2023, the World Expo on Cultural Heritage Conservation and Rehabilitation was held at the Western China International Expo City in Chengdu. Wuliangye showcased its achievements in cultural heritage protection, cultural inheritance and revitalisation, and archaeological studies of Wuliangye through themed exhibition walls, promotional videos, liquor exhibits, and promotional brochures. This expo provided a platform for Wuliangye to deepen its communication with various cultural and heritage institutions and related enterprises. It also allowed the audience to gain a deeper understanding of the historical and cultural value of Wuliangye.



2023 World Expo on Cultural Heritage Conservation and Rehabilitation

Protection and restoration of the ancient liquor fermentation pits:

Wuliangye is committed to the inheritance and protection of Chinese Baijiu culture and actively explores the revitalisation and utilisation of the "Dual Heritage". It has accelerated the revision process of the Wuliangye Ancient Fermentation Pit Site's Protection Plan and used traditional craftsmanship to restore and protect key areas of cultural relics. Wuliangye also promotes the use of technology in cultural heritage protection, employing tools such as 3D laser scanners and drones to comprehensively collect architectural data for minimal intervention and effective preservation of cultural heritage buildings. The protective restoration of the ancient fermentation pit sites of Wuliangye was carried out.

Wuliangye's three major projects for the protection and restoration of the ancient liquor fermentation pits

- Exhibition and utilisation
- Physical conservation
- Environmental improvement

Case National Cultural Heritage Administration Research

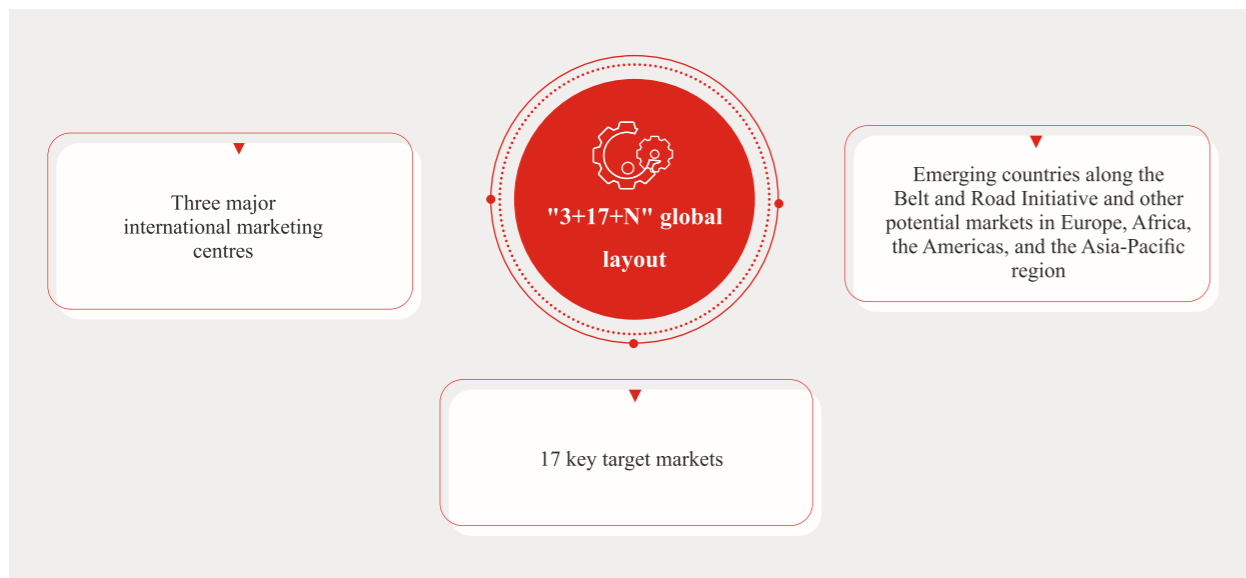
On 31 November 2023, the Deputy Director of the National Cultural Heritage Administration, Lu Jin, visited the Wuliangye ancient fermentation pit sites and the Wuliangye Liquor Culture Museum to gain an in-depth understanding of cultural heritage protection and exhibition dissemination. The cultural preservation efforts of Wuliangye received high praise from the National Cultural Heritage Administration and relevant authorities.



Telling China's Stories Well

To promote its brand globally, Wuliangye adheres to using its liquor as a medium and actively engages in a new pattern of development that is focused on the domestic economy and features a positive interplay between domestic and international economic flows. Wuliangye actively expands its presence in overseas markets and positions itself on international high-end platforms. It passionately creates a new overseas marketing model of "Chinese liquor + Chinese cuisine," "exhibition + tasting," and "product + culture." Through innovative and perceptible ways, Wuliangye conveys the unique Chinese culinary culture to the world in a more intuitive manner.

Wuliangye global market layout



Case Being the official partner of the 2024 New Year's Eve Countdown Opening Ceremony at Times Square

In December 2023, Wuliangye was invited to become the official partner of the 2024 New Year's Eve Countdown Opening Ceremony at Times Square, organised by The New York Times. As the first Chinese company brand to be officially invited and featured in this event's century-long history, Wuliangye stands at the "crossroads of the world," showcasing the charm of Eastern culture to the world and sharing the joyous moment of New Year's Eve with people worldwide.



The 2024 New Year's Eve Countdown Opening Ceremony at Times Square

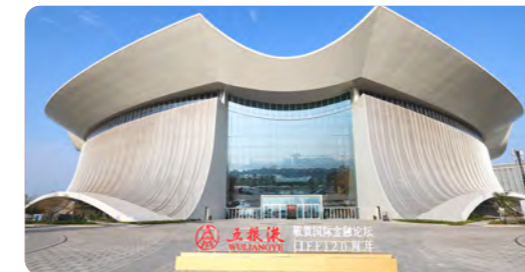
Taking the stage internationally to promote Chinese Baijiu

In its internationalisation strategy, Wuliangye firmly positions itself as a high-end platform, expanding its global partnerships and telling the story of Chinese Baijiu. It aims to share the harmonious culture featuring "harmonious coexistence, and mutual respect for beauty in each other's eyes" with the world, thereby revitalising the charm of Chinese Baijiu and Chinese culture in the modern era.

As an institution director of its Council and an honorary strategic partner at the annual meeting in 2023, Wuliangye appeared as the official designated liquor for the Boao Forum for Asia.

3

March 2023



October 2023

As a top strategic partner, Wuliangye deeply participated in the 20th anniversary global conference of the International Finance Forum (IFF).

10

As a global strategic partner and the official exclusive designated liquor, Wuliangye made its appearance at the 6th World Laureates Forum.

11

November 2023



With the titles of "Platinum Sponsor" and "Exclusive Baijiu Partner," Wuliangye deeply integrated into the 2023 APEC CEO Summit and its series of official supporting events.

11



As an "Official Partner" and the "Official Designated Baijiu," Wuliangye participated in the inaugural China International Supply Chain Promotion Expo.

11



Promoting multicultural integration through the Harmonious Global Tour

The Wuliangye "Harmony Global Tour" is a multinational cultural exchange event with the theme of "harmony", with an aim to showcasing Chinese Baijiu culture to the world through various cultural and artistic forms. It also aims to promote outstanding Chinese traditional culture globally, represented by Baijiu, fostering exchange and coexistence among different civilisations. Wuliangye has gradually expanded its presence in various locations such as France, Hong Kong, and Macau, innovatively enhancing the content and forms of its activities to demonstrate the brand's continuity and cultural significance. In July 2023, the first stop of the Harmonious Global Tour took place in France, where Wuliangye brought the Oriental aesthetics of "harmony, coexistence, and shared beauty" to Paris, delivering a splendid interpretation of Chinese romance.



Wuliangye's Harmonious Global Tour in France

Key performance

- The Wuliangye Dining Tokyo and Wuliangye Dining Hong Kong have collectively received nearly 80,000 guests, establishing themselves as platforms for cultural exchange and integration between the East and the West. They have also become showcases and sales platforms for Wuliangye's overseas brands.
- Following the recognition as "Chinese brands favoured by foreigners" in 2022, Wuliangye received the same accolade again in 2023.



Case Wuliangye Dining Tokyo

In March 2023, the Wuliangye Dining Tokyo was awarded the title of "Chuan Cuisine of China · Taste of the World" Global Image Experience Store by the Sichuan Provincial Office of Overseas Chinese Affairs, Government Information Office, Department of Commerce, and Department of Culture and Tourism. The experience store fully showcases the image of "Comfortable Sichuan" to customers from both China and overseas, promoting Sichuan culture and tourism.

The Wuliangye Dining Tokyo is Recognised as a "Chuan Cuisine of China · Taste of the World" Global Image Experience Store.



Case Grand opening ceremony of Wuliangye Dining Hong Kong



In September 2023, the Wuliangye "Harmony Global Tour" made its debut in Hong Kong. The grand opening ceremony and gala dinner of the Wuliangye Dining Hong Kong were held in Causeway Bay, Hong Kong. Wuliangye actively promoted Chinese Baijiu products and culture through the combination of "Chinese cuisine + Chinese liquor," showcasing the power of harmony in Chinese Baijiu to the world.

Grand opening ceremony of Wuliangye Dining Hong Kong

Case Wugroni Cocktail Blends Eastern and Western Flavors

In September 2023, Wuliangye and Campari Group collaborated to create a new classic cocktail called "Wugroni," which was unveiled to cocktail enthusiasts worldwide. The introduction of "Wugroni" broke the tradition of using foreign spirits as the base liquor in cocktails. It was an important innovation by Wuliangye to cater to the international and younger consumer trends, showcasing the diverse charm of Chinese liquor culture.

Wugroni Cocktail



Other overseas activities

France

Wuliangye's presence in the Liquor Specialty Class at INSEEC Business School in France provided a comprehensive presentation of Wuliangye's historical culture, distilling techniques, and unique flavour profile.



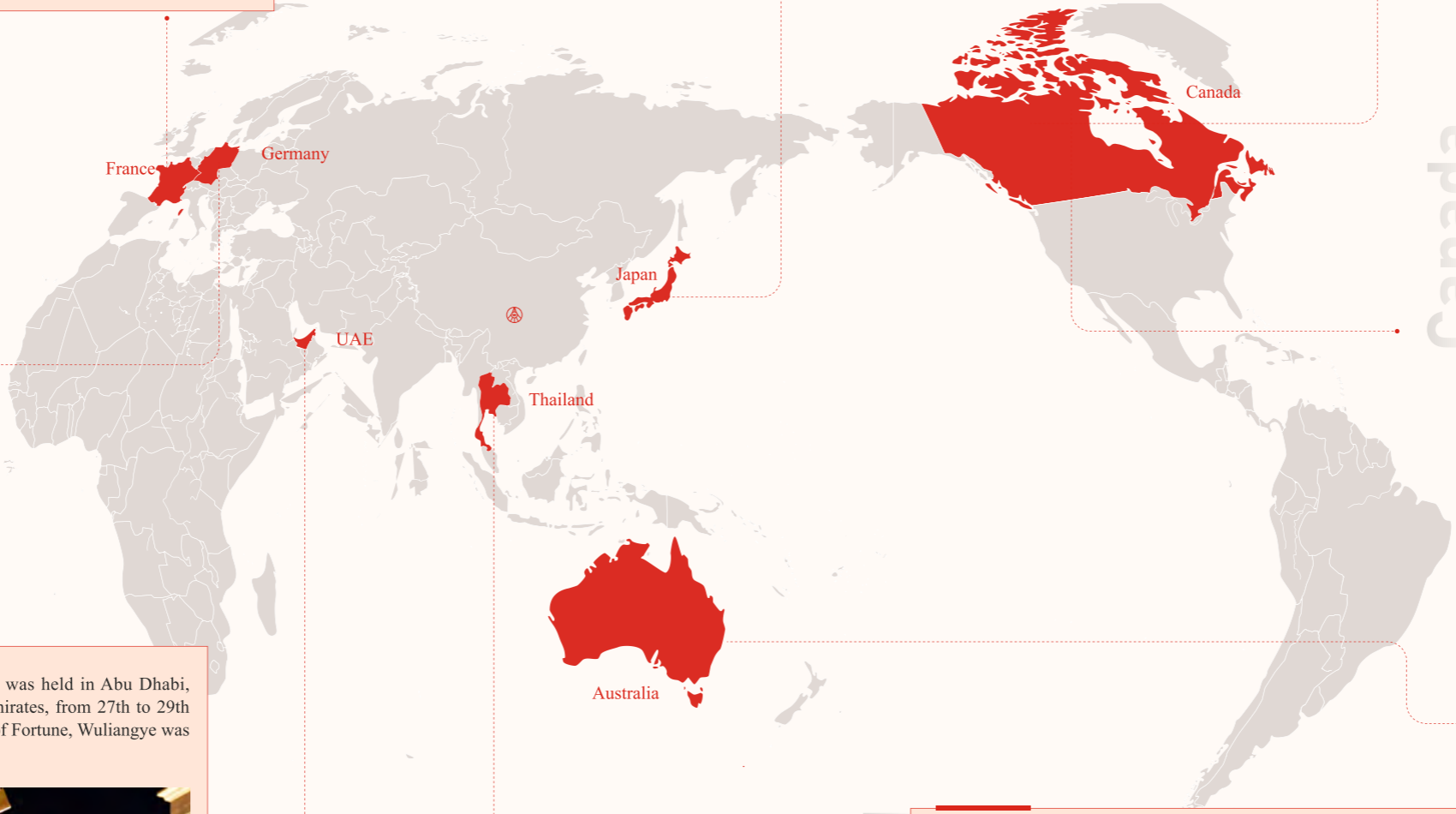
Germany

In 2023, Wuliangye continued its deep involvement in the Bavarian Chinese Summer Party in Germany for the third consecutive year, strengthening the promotion of the Wuliangye brand and culture, and promoting cultural exchange between China and



UAE

The Fortune Global Forum 2023 was held in Abu Dhabi, the capital of the United Arab Emirates, from 27th to 29th November. As a strategic partner of Fortune, Wuliangye was invited to participate in the forum.



Japan

In 2023, the "Sichuan Liquor Global Tour Japan Station and Sichuan Liquor & Sichuan Cuisine Week" event kicked off at the Wuliangye flagship restaurant in Tokyo, providing an "immersive" cultural experience for local consumers in Japan.



Vancouver

The top 10 bar in Vancouver, LAOWAI, hosted a Wuliangye cocktail dinner, perfectly blending Chinese Baijiu culture with Western cocktail art, adding a rich and vibrant touch to Vancouver's nightlife.



Canada

Wuliangye joined hands with Hanjia Winery to participate in the Rocky Mountain Wine and Food Festival in Canada, allowing Canadian people to personally experience the unique charm of Chinese traditional liquor culture.



Thailand

Thailand - Trade and Economic Cooperation Promotion Conference and Sichuan Automobile Trade Global Tour showcased the rich history of Chinese Baijiu and demonstrated the essence of "Aroma of the Nation"



Australia

The "Chuan Liquor Global Tour - Sydney Station" in Australia in 2023 strengthened communication with local consumers through various interactive activities, bridging the gap with international consumers and winning the acclaim and love of many local consumers.



Outlook

2024 marks the 75th anniversary of the founding of New China and is a pivotal year in implementing the "14th Five-Year Plan." Wuliangye will focus on the central tasks of economic construction and the primary task of high-quality development, uphold the principles of ESG and sustainable development, and maintain strategic focus on "concentrating on the liquor industry and strengthening the main business." Guided by the general principle of "staying politically aware, driving development, improving people's livelihood, ensuring safety, and delivering first-class performance" and the overall tone of "focusing on stability, seeking progress in stability, improving quality and efficiency, as well as making more contributions", the Company will act with resolve and scientific precision, balancing immediate and long-term needs, high-quality development and high-level safety, as well as effective improvement in quality with rational growth in quantity. By vigorously developing new productive forces, the Company is dedicated to accelerating the pace of high-quality development and striving to become a world-leading enterprise with superior products, strong brands, advanced innovation and modern governance.

ESG Performance

Economic performance

Indicator	Unit	2023
Total assets	RMB'00 million	1,654.33
Operating revenue	RMB'00 million	832.72
Total profit	RMB'00 million	419.13
Net profit attributable to the parent company	RMB'00 million	302.11
EPS	RMB	7.783
Taxes paid	RMB'00 million	316.07
Total pre-tax profit	RMB'00 million	522.08
Total cash dividends for 2023	RMB'00 million	146.80

Social performance

Indicator	Unit	2023	
Number of employees	Total employees	Person	25,118
	Number of new employees	Person	486
Employee turnover	Number of departing employees	Person	218
	Proportion of new employees	%	1.93
	Turnover rate of employees	%	0.87
	Number of male employees	Person	18,361
By gender	Number of female employees	Person	6,757
	Number of employees aged below 30	Person	3,587
By age	Number of employees aged 30 to 50	Person	18,218
	Number of employees aged over 50	Person	3,313
Employee training	Input into employee training	RMB'0,000	811
	Per capita training duration	hours	26
Employees' rights & benefits	Employment contract signing rate	%	100
	Social insurance coverage rate	%	100
Occupational Health and Safety	Work-related production safety accidents resulting in employee fatalities	Case	0
	Number of work-related death	Person	0
	Medical examination coverage rate	%	100
Other indicators	Proportion of female managers	%	21.74
	Input into assistance for employees in need	RMB'0,000	170
R&D Innovation	Research and development expenses	RMB'00 million	3.22
General Charity and Welfare	Total external donations	RMB'0,000	4,921.21

Environmental Performance

Indicator	Unit	2023	
Wastewater	Total wastewater discharge	'0,000 tons	440.37
	Chemical oxygen demand (COD)	Ton	105.37
	Ammonia nitrogen	Ton	1.77
	Total phosphorus	Ton	0.88
Exhaust gas	Total nitrogen	Ton	30.61
	Total exhaust gas emissions	'00 million cubic meters	11
	Nitrogen oxides	Ton	92
	Sulphur dioxide	Ton	2.68
Waste	Particulate matter	Ton	0.49
	Total amount of general industrial solid waste generated	'0,000 tons	84.52
	Amount of general industrial solid waste recycled	'0,000 tons	79.65
	Total amount of hazardous waste generated	Ton	38.17
Greenhouse gases for 2023	Amount of hazardous waste recycled	Ton	3.98
	Scope I greenhouse gas	'0,000 tCO ₂ e	40.08
	Scope II greenhouse gas	'0,000 tCO ₂ e	5.18
	Scope III greenhouse gas	'0,000 tCO ₂ e	0.78
Others	Total greenhouse gas emissions	'0,000 tCO ₂ e	46.04
	Environmental input	RMB'0,000	25,069.00

Governance performance

Indicator	Unit	2023	
2 meetings	Number of General Meeting of Shareholders held	Times	1
	Total number of proposals reviewed at General Meeting of Shareholders	Items	9
Board of Directors	Members of the Board of Directors	Person	9
	Number of female members	Person	1
	Number of independent directors	Person	4
	Proportion of female directors on the Board of Directors	%	11.11
	Proportion of independent directors on the Board of Directors	%	44.44
	Board meetings	Times	12
The meetings of the Supervisory Committee	Total number of proposals reviewed at the Board meetings	Items	46
	Members of the Supervisory Committee	Person	5
	Number of employee representative supervisors	Person	2
	Supervisory Committee meetings	Times	5
General Managers' Office Meeting	Total number of proposals reviewed at the Supervisory Committee meetings	Items	24
	Number of General Managers' Office Meetings	Times	20
	Number of proposals reviewed	Items	63

GRI Index

Instructions for use	Wuliangye Yibin Co., Ltd. reported the information referenced in this GRI index in accordance with GRI standards from 1 January 2023, to 31 December 2023.
GRI 1	GRI 1: Foundation 2021

	Disclosure Item	Page
GRI 1: Foundation 2021	1. This Report has been prepared by reference to the GRI Standards.	2
	2-1 Organisational details	5-10
	2-2 Entities included in the organisation's sustainability reporting	1
	2-3 Reporting Period, frequency and contact point	1-2
	2-6 Activities, value chain and other business relationships	5; 61-66
	2-7 Employees	69
GRI 2: General Disclosure 2021	2-9 Governance structure and composition	49-52
	2-14 Role of the highest governance body in the ESG report	3-4; 11-12; 13-16
	2-17 Collective knowledge of the highest governance body	11-12
	2-26 Mechanisms for seeking advice and raising concerns	14
	2-27 Compliance with laws and regulations	55-56
	2-29 Approach to stakeholder engagement	14
GRI 3: Material Topics 2021	3-1 Process to determine material topics	13-15
	3-2 List of material topics	16
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	119
	3-3 Management of material topics	61
GRI 203: Indirect Economic Impact 2016	203-1 Infrastructure investments and services supported	61-64
	203-2 Significant indirect economic impacts	61-66
GRI 204: Procurement Practices 2016	3-3 Management of material topics	33-38
GRI 205: Anti-corruption 2016	3-3 Management of material topics	57-58
	205-2 Communication and training about anti-corruption policies and procedures	58
GRI 301: Materials 2016	3-3 Management of material topics	100
	301-3 Recycled products and packaging materials	100
GRI 302: Energy 2016	3-3 Management of material topics	92-94
	3-3 Management of material topics	89-90; 99
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	101-102
	303-2 Management of water discharge-related impacts	89-90
GRI 304: Biodiversity 2016	3-3 Management of material topics	101-102
	304-3 Habitats protected or restored	102

	Disclosure Item	Page
	3-3 Management of material topics	92
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	92
	305-2 Energy indirect (Scope 2) GHG emissions	92
	305-3 Other indirect (Scope 3) GHG emissions	92
	305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	90
	3-3 Management of material topics	91
	306-1 Waste generation and significant waste-related impacts	91
GRI 306: Waste 2020	306-2 Actions taken to prevent waste generation	91
	306-3 Composition of waste generated	91
	306-4 Recovery operations used to divert waste from disposal	91
	306-5 Disposal waste	91
GRI308: Supplier Environment Assessment 2016	3-3 Management of material topics	35
	3-3 Management of material topics	69
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	69
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	73
	401-3 Parental leave	70
GRI 402: Labor/Management Relations	3-3 Management of material topics	72
	3-3 Management of material topics	76; 79
	403-1 Occupational health and safety management system	79
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	79-80
	403-5 Worker training on occupational health and safety	78-80
	403-9 Work-related injuries	in a timely and standardised manner
GRI 404: Training and Education 2016	3-3 Management of material topics	74
	404-1 Average hours of training per year per employee	74
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	70
	405-1 Diversity of governance bodies and employees	51; 69
GRI 406: Non-discrimination 2016	3-3 Management of material topics	70
GRI 408: Child Labour 2016	3-3 Management of material topics	70
GRI 409: Forced or Compulsory labour 2016	3-3 Management of material topics	70
GRI 413: Local Communities 2016	3-3 Management of material topics	81-86
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	33-36
GRI 416: Customer Health and Safety 2016	3-3 Management of material topics	28-32
	3-3 Management of material topics	39-42
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	41
GRI418: Customer Privacy 2016	3-3 Management of material topics	40

Reader Feedback

Dear readers:

Thank you for reading the 2023 Environmental, Social and Governance (ESG) Report of Wuliangye Yibin Co., Ltd. To provide you and other stakeholders with more professional and valuable corporate ESG information. We hope you can complete relevant questions in the feedback form. With your help, we can further improve our ESG work in the future.

For multiple-choice questions (please place a check in the appropriate box)

1. In relation to Wuliangye, your identity is:
 Employee Client Consumer Supplier Regulatory Authority Media Other (please specify)
2. Your overall rating of this Report
 Excellent Good Average Poor Very Poor
3. Your overall rating of the content quality of this Report:
 Excellent Good Average Poor Very Poor
4. Your overall rating of the structure of this Report:
 Excellent Good Average Poor Very Poor
5. Your overall rating of the Report's layout design and presentation:
 Excellent Good Average Poor Very Poor
6. Your overall rating of Wuliangye's performance on environmental issues:
 Excellent Good Average Poor Very Poor
7. Your overall rating of Wuliangye's performance on social issues:
 Excellent Good Average Poor Very Poor
8. Your overall rating of Wuliangye's performance on governance issues:
 Excellent Good Average Poor Very Poor

Open-ended questions:

1. What additional information do you think this Report should disclose that you would like to learn more about?

2. What comments or suggestions do you have for Wuliangye's ESG work?

If you would like to receive further updates, please provide your contact details below:

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AROMA OF THE NATION HARMONY OF WULIANGYE
-MASTERPIECE OF CHINESE BAIJIU-