



贵州茅台酒股份有限公司
KWEICHOW MOUTAI CO.,LTD.

Environmental, Social and Governance Report

Kweichow Moutai Co., Ltd.

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MOUTAI

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About the Report

Organization

This Report covers Kweichow Moutai Co., Ltd. and its affiliated organizations. To facilitate presentation, "Kweichow Moutai Co., Ltd." is referred to as "Kweichow Moutai", "Moutai", the "Company", "we", or "us", while our controlling shareholder, China Kweichow Moutai (Group) Co., Ltd., is referred to as "Moutai Group" in this Report.

Reporting Period

This Report covers the period from January 1 to December 31, 2024, with part of the content tracing back to previous years as necessary to ensure continuity of information.

Publication Interval

This Report is an annual report and represents the fourth Environmental, Social, and Governance (ESG) Report published by Kweichow Moutai.

Statement

All financial data herein are derived from the 2024 Annual Report of Kweichow Moutai Co., Ltd., while all other information and data are sourced from our relevant statistics. The bookkeeping base currency for all monetary amounts involved is RMB.

Language

This Report is available in both Chinese and English. In case of any discrepancy in understanding the content, the Chinese version shall prevail.

Compilatory Basis

This Report is prepared in accordance with *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)* and *Guidelines No.4 for Self-Regulatory Supervision on Listed Companies of Shanghai Stock Exchange - Compilation of Sustainable Development Reports (Draft for Comment)* issued by the Shanghai Stock Exchange. It also references the *GRI Sustainability Reporting Standards (GRI Standards)* issued by the Global Sustainability Standards Board (GSSB) and Sustainable Development Goals (SDGs).

How to Obtain

This Report is available in both print and electronic formats. For more information on Kweichow Moutai's ESG performance or to download the electronic version of this Report, please visit the following websites.

Official website of Kweichow Moutai: <https://www.moutaichina.com/>

Official website of Shanghai Stock Exchange: <https://english.sse.com.cn/>

Message from the Chairman



Guided by our aspirations and with unwavering efforts, we embraced 2024 as a groundbreaking year of determined exploration and pioneering progress. Amidst economic driver transformation, in-depth industry adjustments, and mounting market pressures, we remained steadfast in our direction, aligning our efforts with Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. We have thoroughly studied and implemented the guiding principles of the 20th National Congress of the Communist Party of China, along with the resolutions of its Second and Third Plenary Sessions. Inspired by President Xi Jinping's key remarks during his visit to Guizhou, we have fully executed the strategic decisions of the CPC provincial committee, provincial people's government, and State-owned Assets Supervision and Administration Commission. Embracing the principles of innovative, coordinated, green, open, and shared development, we actively integrated into and contributed to the evolving economic landscape. Rooted in our core corporate values of "Follow the Nature and Respect the Man, Seek Truths and Cultivate Virtues", we have deeply embedded the ESG philosophy of "Symbiotic Coexistence, Sharing Benefits, and Mutual Success" into our operations, driving Moutai's high-quality development and modernization forward.

Seeking mutual success, we optimize governance for long-term value. We are committed to upholding integrity while driving innovation, and continuously advancing the in-depth reform of state-owned enterprises. By focusing on strategy, budgeting, processes, performance, and risk management, we have established a robust modern corporate governance framework, achieving new milestones in the modernization of Moutai's corporate governance. We consistently integrate world-class management methodologies such as Excellence Performance and EFQM Model, strengthening cultural leadership, organizational support, and oversight mechanisms to enhance governance capabilities. As a result, Moutai became the first Chinese company to receive the "Seven Diamonds" distinction under the new EFQM Excellence Model. Advancing the "Smart Moutai 2.0" initiative, we are building a solid digital foundation across the entire industrial chain. Key areas and critical processes are closely monitored with regular compliance, risk, and safety assessments. We continuously refine our ESG governance structure, improve ESG metrics, and enhance

disclosure mechanisms to elevate ESG performance. Guided by a long-term vision, we are steering the Company toward sustainable growth.

Embracing symbiotic coexistence, we embark on green development for more ecological value. Guided by the principle that "lucid waters and lush mountains are invaluable assets," we prioritize ecological preservation and sustainable growth. We have established an environmental protection map and intensified the adoption and R&D of new technologies and processes while enhancing the integrated environmental monitoring network. Focusing on "energy efficiency, carbon reduction, emission control, and productivity enhancement", we have implemented a systematic strategic approach, forging an innovation-driven path toward carbon peak and neutrality. Our water recycling rate exceeded 87%, and air quality excellence in our facilities surpassed 98%. We continuously conduct scientific research on microorganisms, aquatic life, and vegetation in the watershed, safeguarding its biodiversity and ecological stability. By optimizing water resource management in the Chishui River Basin, we strengthen its ecological protection. Advancing the "green transformation" of packaging materials, we leverage cutting-edge technologies to boost project efficiency and drive the utilization of byproducts. All distilling byproducts, rice straw, pit mud, and distiller's grains, are 100% recycled, with solid and hazardous waste disposal compliance reaching 100%. Our efforts have earned us national "Green Factory" titles.

Striving for shared benefits, we share our achievements for connected societal value. Born in the mountains, Moutai carries a responsibility and commitment as steadfast as the peaks themselves. In recent years, we have vigorously advanced initiatives in occupational health, training, and education of employees, strengthened protections for their rights and interests, prioritized their well-being, and enhanced their sense of fulfillment, happiness, and worth, unlocking their potential to the fullest. We pay stable cash dividends and has launched the first share buyback program, and maintained close communication with investors, aligning our interests with shareholders. Together with our partners, we have explored new approaches to supply chain operations and collaborated on innovative market development strategies. We continuously conducted

a series of the "China Moutai, Backbone of the Nation" public welfare activities, donated a total of approximately RMB170 million and inspired our partners to donate over RMB 50 million. Moreover, we steadfastly fulfill our brand responsibilities by supporting events like the Third SynBio Challenges, upholding responsible marketing practices, and promoting responsible drinking.

With the morning star as our guide, we set sail into uncharted waters with ambitions soaring like a roc. As 2025 marks the final year of China's 14th Five-Year Plan, it is also a pivotal "Year of Solidifying Foundations" for Moutai. We will steadfastly follow the path charted by President Xi Jinping, upholding our craftsmanship in pursuit of excellence while embracing innovation to shape the future. Anchored in our core corporate values of "follow the nature and respect the man, seek truths and cultivate virtues", and driven by our mission to craft a high-quality life, we will intensify our ESG efforts across environmental stewardship, social responsibility, and corporate governance. Hand in hand with our shareholders, consumers, partners, and the broader community, we will advance symbiotic coexistence, shared benefits, and mutual success, contributing more Moutai's strength to the harmonious development of the economy, society, and environment.

Chairman of Kweichow Moutai Co., Ltd.

About Kweichow Moutai

Company Profile

Kweichow Moutai Co., Ltd. (stock code: 600519) was incorporated in November 1999 and was listed on the Shanghai Stock Exchange in 2001. Headquartered in Moutai Town along the stunning banks of the Chishui River in northern Guizhou Province, Moutai is mainly engaged in the production and sales of Moutai Baijiu and Moutai series baijiu. The core product, Kweichow Moutai Baijiu, is the originator and indisputable representative of Daqu Jiang-flavor baijiu in China. The product is a National Geographical Indication Product with EU-China Landmark Geographical Indication, organic food, and national intangible cultural heritage. The marketing network extending across China and to 64 countries and regions on five continents, it is a Chinese business card that brings the fragrance of baijiu to the world.

Kweichow Moutai, guided by the mission of "Distilling a High-Quality Life", has continuously expanded its scope from offering exceptional liquor to providing diverse life experiences, from crafting fine spirits to building a more comprehensive industrial ecosystem, and from the Chishui River Valley to broader domestic and international markets. We remain committed to creating high-quality, efficient value as our unwavering pursuit, embedding excellence into every aspect of our production, operations, and management. This commitment ensures a high-quality experience for our customers, growth opportunities for our employees, excellent returns for our shareholders, mutual success for our partners, and significant progress for society. We aim to lead the construction of a modern industrial system and play a pivotal role in driving high-quality development across society. We aim to make the world fall in love with Moutai and spread its fragrance globally. Our goal is to build first-class product quality, a world-class brand image, a leading industrial system, a top-tier governance structure, and cutting-edge innovation capabilities. We strive to make Moutai a world-class product with wide influence and leading competitiveness, brand prestige, innovation leadership, and modern governance, establishing it as a globally influential and competitive brand. Our goal is to make the world recognize, love, and favor Kweichow Moutai, allowing its fragrance, imbued with the rich heritage of Chinese culture, to become a bridge that connects different civilizations and shares the beauty of life. Embarking on the path of greatness together, we pursue beauty in harmony. Prioritizing ecology and pursuing green development, we balance progress with protection, creating a distilling environment where the skies are bluer, the waters greener, and the mountains lush. We have fostered production-living-ecological spaces featuring efficient and compact production areas, pristine and scenic ecological spaces, and low-carbon, green living environments. By forging a path where high-quality economic development and the preservation of green mountains and clear waters go hand in hand, we are contributing more to the construction of a beautiful China through Kweichow Moutai's efforts. Kweichow Moutai achieved a total revenue of RMB 174.144 billion and a net profit attributable to shareholders of RMB 86.228 billion in 2024. The Company ranked first in the "Top 50 Global Most Valuable Spirits Brands of Brand Finance" for nine consecutive years, and ranked second in the "BrandZ Top 100 Most Valuable Chinese Brands" with a brand value of USD 87.298 billion, making it the most valuable alcoholic beverage brand in China.



The marketing network extending across China and to **64** countries and regions on five continents

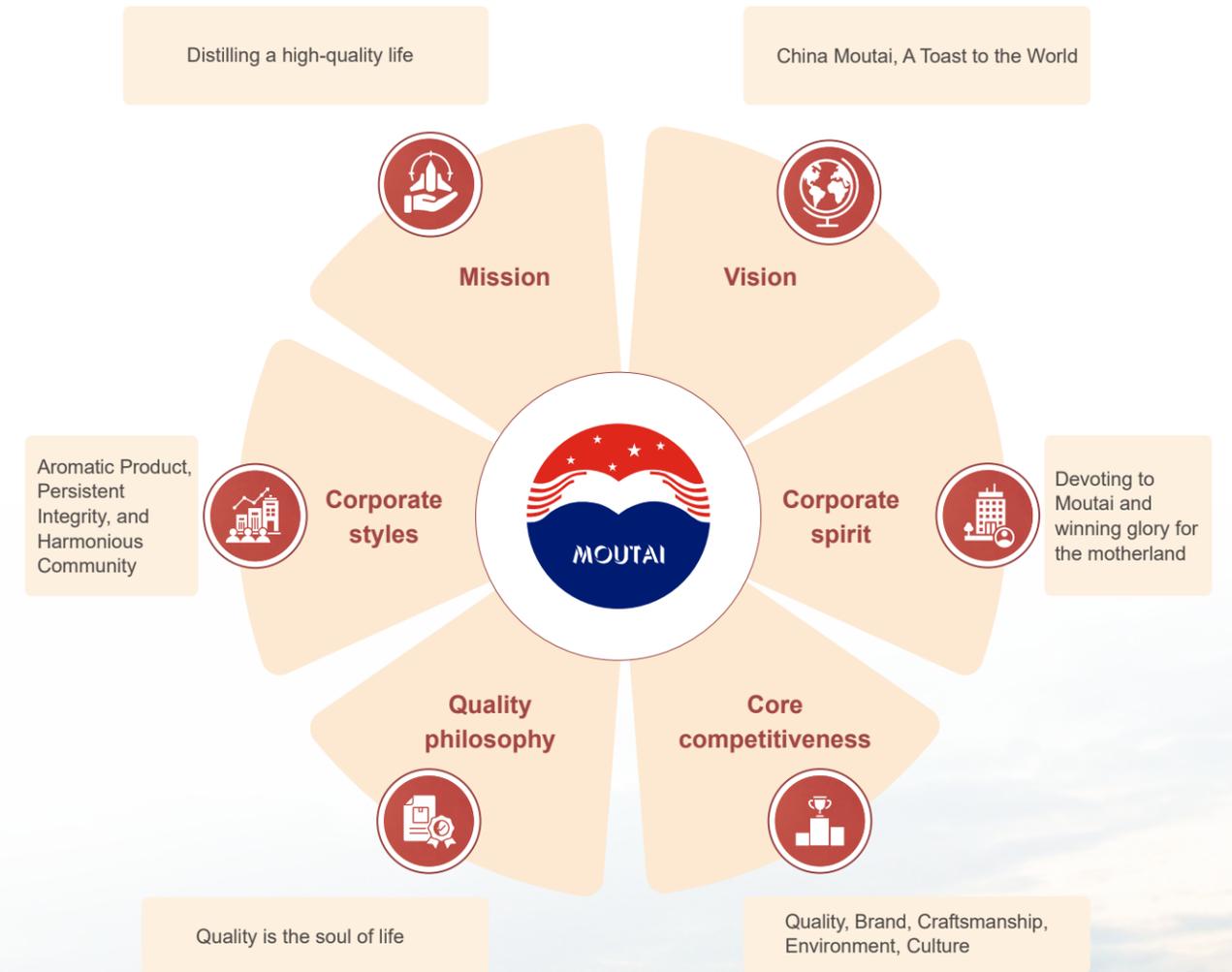


Kweichow Moutai achieved a total revenue of RMB **174.144** billion



A net profit attributable to shareholders of RMB **86.228** billion

Corporate Culture



Core Corporate Values: "Follow the Nature and Respect the Man, Seek Truths and Cultivate Virtues"

Born in the mountains, Moutai is destined to have responsibilities and commitments like the mountains. We keep in tune with the times, follow seasonal laws, adhere to the laws of time, respond to the trends of the times, and protect ecological vitality; adhere to co-creation and sharing, respect the predecessors and sages, respect the spirit of craftsmanship, and respect the interests and values of stakeholders; adhere to careful thinking and diligent practice, understand public laws, understand personal integrity, and understand principles of action; brew with a benevolent heart, develop self through virtue cultivation, ensure quality through virtue cultivation, and establish business through virtue cultivation.

Adhere to the laws of time

We follow the five major technological processes, 30 processes, and 165 technological procedures, enduring the test of time and refinement.

Follow seasonal laws

We adapt to the right timing, leverage geographical advantages, and strictly follow the "Twenty-Four Solar Terms" in production operations to achieve co-distilling by man and nature.

Respond to the trends of the times

We are adept at seizing opportunities, developing new productive forces, making traditions more traditional and innovations more modern, and progressing in the balance between inheritance and innovation.

Protect ecological vitality

We protect natural ecology, cultivate ecology, and promote business ecology, driving sustainable and high-quality development.

Respect predecessors

We remember the historical achievements of predecessors and protect and promote their wisdom and spiritual heritage.

Respect craftsmanship

We advocate the spirit of craftsmanship, respect innovation and creation, strengthen corporate practices, and integrate the spirit of craftsmanship into the entire process of corporate production and operation.

Respect the stakeholders

We respect customers, shareholders, partners, and peers, and build a community of shared emotions, a community of shared destiny, and a community of shared interests, creating and sharing, and achieving beauty together.



We comply with laws and regulations, maintain integrity in professional conduct, and jointly create an atmosphere of integrity and fairness.

Understand public laws

Understand personal integrity

We seek truth, understand principles, speak reason, and uphold justice; we are humble in conduct, treat others with humility, accept advice readily, and engage in lifelong learning.

Understand the principles of action

We uphold mindfulness, walk the right path, do the right things, and seek the right outcomes; we act with reason and moderation, stay true to the original aspiration, be fair and impartial, speak cautiously and act thoughtfully, and take active actions.

Develop self through virtue cultivation

We promote excellent traditional virtues and adhere to business ethics. We are concerned about the family and country, do good for others, and improve ourselves.

Ensure quality through virtue cultivation

We brew with a benevolent heart, use genuine materials, act sincerely, and produce authentic products.

Establish business through virtue cultivation

We treat the market with reverence, treat customers with sincerity, treat employees with care, treat distributors with respect, treat partners with trust, treat shareholders with gratitude, treat competitors with fairness, and treat ourselves with self-discipline.



Some of Kweichow Moutai's Awards in 2024

Table of Kweichow Moutai's Awards in 2024

<p>EFQM Global Award (Seven Diamonds) and Outstanding Achievement for an Inspiring Culture</p> <p>European Foundation for Quality Management</p>	<p>National Green Factory</p> <p>Ministry of Industry and Information Technology</p>	<p>Top 100 China ESG Listed Companies Pioneers (2024)</p> <p>China Media Group</p>	<p>MSCI ESG Rating: BBB (2023)</p> <p>MSCI</p>
<p>Top 50 Global Most Valuable Spirits Brands of Brand Finance, Ranked No.1 Among Spirits Brands for Nine Consecutive Years</p> <p>Brand Finance</p>	<p>BrandZ Top 100 Most Valuable Chinese Brands, Ranked No.1 Among Alcohol Brands for Seven Consecutive Years</p> <p>Kantar</p>	<p>Wind ESG Rating: A – Wind</p> <p>Wind</p>	<p>2023 China Alcohol Industry Association Outstanding Scientific and Technological Paper Award</p> <p>China Alcoholic Drinks Association</p>
<p>2024 Fortune China's Most Admired Companies, Listed for 19 Consecutive Years</p> <p>Fortune Media Group</p>	<p>A-Level (Excellent) Rating for Information Disclosure</p> <p>Shanghai Stock Exchange</p>	<p>First Prize of the China National Food Industry Association Science and Technology Award</p> <p>China National Food Industry Association</p>	<p>Second Prize of the China Quality Technology Award</p> <p>China Association for Quality</p>
<p>Guizhou Provincial Green Factory</p> <p>Guizhou Provincial Department of Industry and Information Technology</p>	<p>Outstanding Organization Award in the Province</p> <p>Guizhou Provincial State-owned Assets Supervision and Administration Commission</p>	<p>"Annual Excellence Brand Award" and "Most Investment-Worthy Award"</p> <p>Stock Star</p>	<p>Han Jiang (Dedicated Heritage) Won the 2024 American MUSE Creative Awards Platinum Winner</p> <p>IAA</p>

Sustainable Development

Kweichow Moutai integrates ESG concepts deeply into its business management, continuously promoting the construction of the ESG management system and enhancing the level of ESG management.

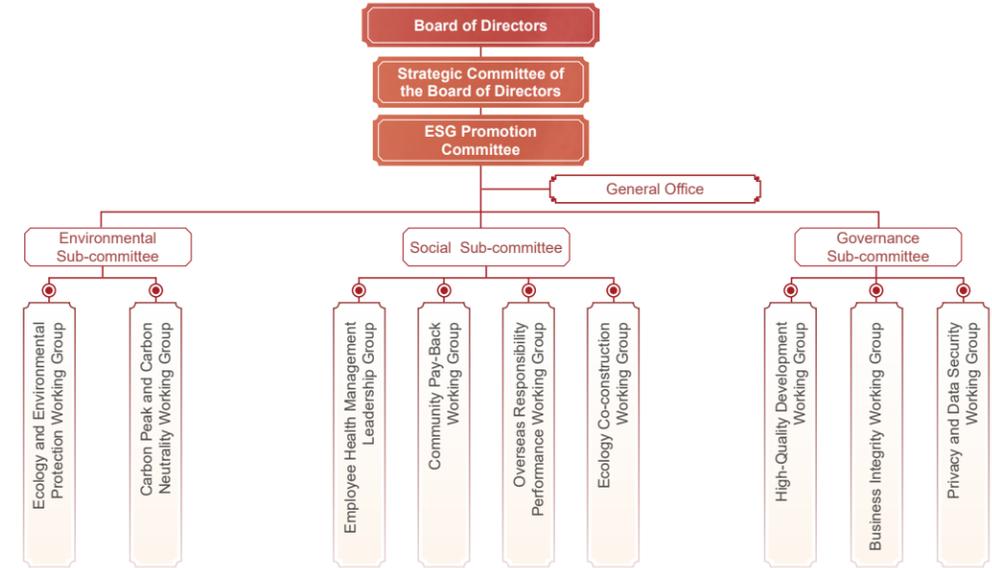
ESG Management System

Kweichow Moutai actively builds an ESG management system, which covers governance, strategy, impact assessment, risk opportunity management, and target setting, strengthens compliance operations, optimizes the governance structure, focuses on assessment and monitoring, strengthens risk management, practices ESG concepts across all areas and by all employees.

Governance

The Company has established a three-level (decision-making, management, and execution) ESG governance structure that is interconnected and clearly defines responsibilities, providing organizational support for the Company's ESG-related work.

ESG Governance Structure



Strategy

Kweichow Moutai integrates ESG concepts into its corporate strategy and adheres to the principles of respecting nature, optimizing governance, and advancing responsibly. It aims for symbiosis, sharing, and mutual success, and explores and creates new paths and models for ESG development in a comprehensive manner, and promotes the Company's sustainable development.



Impact, Risk, and Opportunity Management

Kweichow Moutai incorporates ESG risk management into the overall risk management process of the Company in accordance with the requirements of *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)*, continuously enhancing the level of ESG risk management to ensure the Company's sustainable development.

The Company regularly identifies and evaluates various ESG risks that have significant impacts, establishes a risk response system covering product quality, production safety, climate change response, waste management, etc., and utilizes informationization and big data tools to establish a risk monitoring process to actively respond to various ESG risks.

Metrics and Targets

Kweichow Moutai aligns with the Company's ESG strategic layout, building a set of forward-looking, directional and feasible indicator system. This system strictly adheres to regulatory standards and presents the Company's goals and initiatives in sustainable development in a quantitative form to better guide the Company in its ESG practices.

Mutual Success • Enabling Modern Governance within the Organization

- We implemented "one map for one domain", sorting out a total of **613** systems, including **6** basic systems, **97** first-level systems, **311** second-level systems, and **199** third-tier systems.
- We identified a total of **217** integrity risk points and formulated **441** preventive measures.
- We conducted **64** integrity training activities, covering over **34,000** employee participants.
- We published **26** academic papers, of which **22** were included in SCI.
- We filed **83** patent applications, with **49** patents granted. The total number of effective patents reached **329**, including **79** invention patents, **76** utility model patents, and **174** design patents.
- We maintained microbial strain resources of over **8,400** strains, and brewed raw material germplasm resources, including **150** wheat samples and **775** sorghum samples.
- iMoutai had a total of **73.863** million registered users, an increase of **20** million compared to last year.

Symbiotic Coexistence • Coexisting Harmoniously with Nature

- We formulated the *Kweichow Moutai Co., Ltd. Action Plan for Carbon Peak and Neutrality*, clarifying the implementation route and measures for the dual carbon strategy.
- We set short, medium, and long-term carbon emission reduction targets, with the 2025 target being a **20%** reduction in comprehensive energy consumption per unit of industrial output compared to 2020. Additionally, achieve carbon peak before 2030, with carbon emissions per unit of industrial output value reduced by **60%** compared to 2020.
- We drafted the industry's first carbon-related standards, *Requirements of the GHG Emissions Accounting and Reporting for Baijiu Enterprise* (T/CBJ 2206-2024) and *Product Carbon Footprint Evaluation Specification for Baijiu* (T/CBJ 2207-2024), which have now been officially released.
- We procured **120.6429** million kilowatt-hours of green electricity, achieving **100%** coverage of green power in the Moutai production area and the Heyixing production area.
- The project "Demonstration Research on Energy Saving, Efficiency Improvement, and Carbon Reduction Comprehensive Utilization Path of Distillation System Based on Carbon Dioxide Heat Pump Technology" has been included in the fifth batch of the National Key Promotion Directory for Low-Carbon Technologies.
- We set water-saving targets, with a short-term goal of reducing water consumption per unit of product by **5%** in 2024 compared to 2023, and a medium to long-term goal of water consumption per unit of product by **20%** in 2026 compared to 2023.
- We used the World Wildlife Fund (WWF) Water Risk Filter to conduct water pressure assessments, identify potential water risks, and take countermeasures.
- In 2024, the Ecological Development Index reached **78.41** points, an increase of **8.9%** year-on-year.
- We incorporated biodiversity conservation into the national standard *GB/T 18356-2007 Product of Geographical Indication - Kweichow Moutai Liquor* and collaborated with the Ecological Environment Research Center of the Chinese Academy of Sciences to conduct research on plant biodiversity in demonstration areas.
- In 2024, the Company added **100,000** square meters of greening area, achieving a green space rate of over **49%** in the factory area, and was awarded the title of "Green Factory" at national levels.

Sharing Benefits • Sharing Value with Society

- ISO 9001 Quality Management System Certification and Hazard Analysis and Critical Control Points (HACCP) System Certification remained continuously effective.
- The inspection coverage rate for product batches at the time of leaving the factory was **100%**, the qualified rate for product supervision sampling was **100%**, and the factory acceptance rate for products was **100%**.
- Maturity of quality management increase **10.3** points, achieve **916.5** points; product quality assurance index increase **1.93** points, achieve **98.73** points; The product quality score of Moutai baijiu Flying Fairy (Feitian) increase **0.11** points, achieve **98.61** points. Indicators have remained stable at an excellent level.
- We won a total of **38** awards related to quality, including **5** international awards, **21** national awards, and **12** provincial awards.
- A total of **283** million yuan was invested in work safety. The safety production maturity reached **97.1** points, and the annual occupational health and safety targets were achieved
- The customer complaint handling rate was **100%**, and there were **0** product recall incidents.
- The consumer satisfaction score was **90.3**, an increase of **0.7** points compared to last year.
- The collective contract signing rate reached **100%**.
- ISO 45001 Occupational Health and Safety Management System certification covered all relevant operations of the Company.
- The coverage rate of production safety liability insurance and work-related injury insurance reached **100%**.
- A total of **64** products were developed throughout the year to better meet consumer needs.



Material Topics Identification and Determination

Kweichow Moutai fully considers the new expectations of various stakeholders regarding development, better meeting the compliance requirements of the *Guidelines No. 14 of the Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)* regarding dual materiality. In 2024, the Company conducted its first identification and assessment of dual materiality topics across the Company.

Based on the analysis of the 2023 materiality matrix results, combined with the industry development trends, and capital market focus, interviewing with departments (units) highly related to ESG topics and the distribution of stakeholder questionnaires, we will collect evaluations of the impact importance and financial importance of ESG issues from internal and external stakeholders, such as directors and executives, employees, suppliers, etc., and make a comprehensive judgment on the arrangement of impact importance and financial importance issues in 2024, thereby forming Kweichow Moutai's 2024 dual materiality matrix.

Dual Materiality Topic Identification Process

Identification of Topics with Financial Materiality

- Sort through the requirements for financial significance assessment of ESG topics from regulatory agencies and major ESG rating agencies, identify risks and opportunities that affect the Company's business operations, financial condition, operating results, cash flow, etc., and assess the financial impacts generated.
- Conduct interviews and research with main responsible departments (units) highly related to ESG topics one by one, collecting directors' and executives' financial materiality questionnaires on ESG topics, investigating historical data, financial impacts, and future financial planning to derive the financial significance ranking of each ESG topic, forming financial significance assessment results.

Identification of Topics with Impact Materiality

- Based on the results of the 2023 materiality matrix, combined with industry development trends, peer benchmarking, and capital market attention, and used an online questionnaire to collect 5,284 responses from stakeholders, finally formed the determination results of impact importance for each ESG topic.

Develop the Dual Materiality Matrix

- Combine the financial materiality determination results with the impact materiality determination results to form a dual materiality matrix.

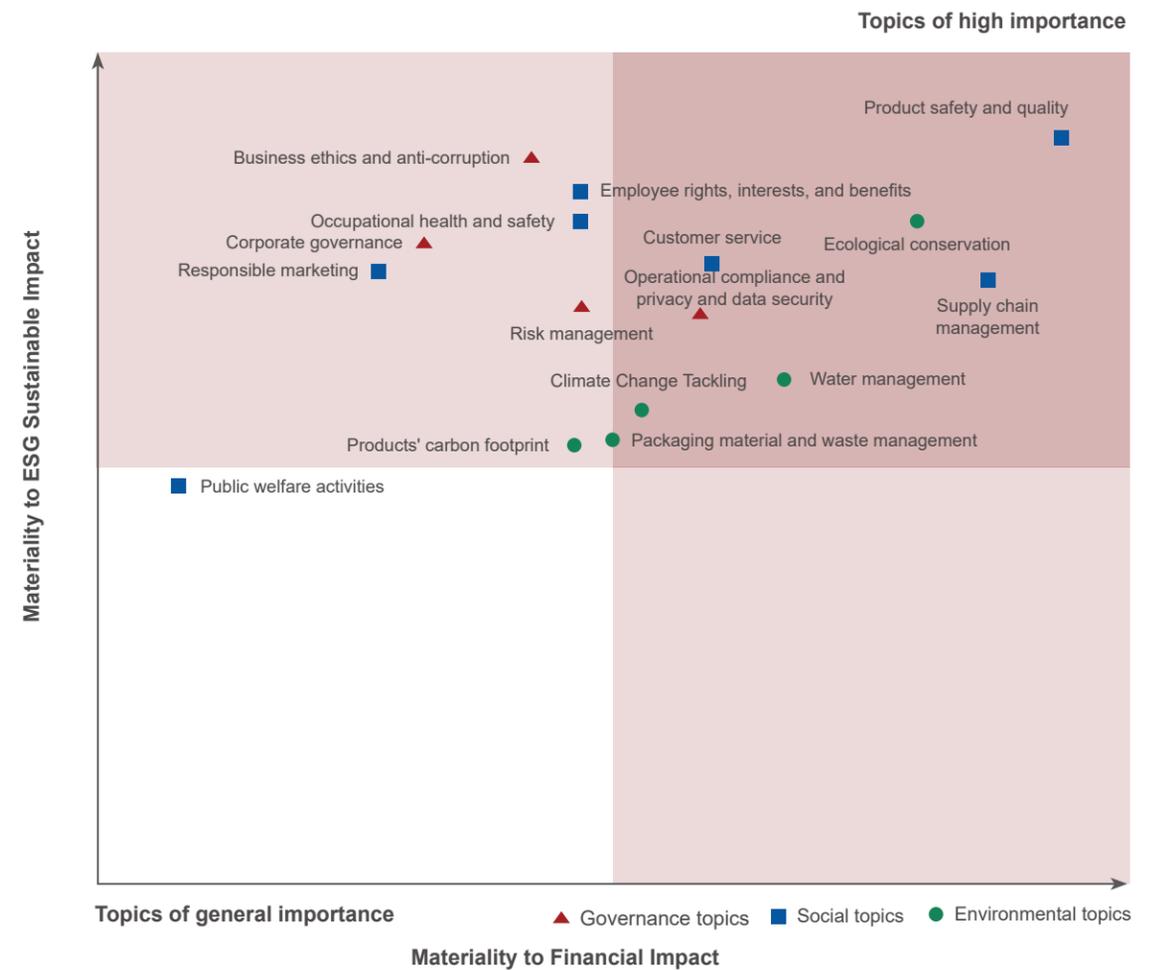
Review the Dual Materiality Matrix

- Submit the dual materiality matrix to the ESG Promotion Committee for confirmation, resulting in the final dual materiality matrix for 2024.

Results of the Materiality Topic Determination in 2024



Dual Materiality Matrix of 2024



Stakeholder Communication

The Company attaches great importance to communication and interaction with various stakeholders, establishing a comprehensive, regular, and multi-channel communication mechanism to respond to stakeholders' expectations in a timely and efficient manner, accept their supervision, promote cooperation and win-win outcomes among all parties, and jointly explore new paths for sustainable development.

Stakeholder Communication

Stakeholder	Expectations and Demands ¹	Communication and Response
 Customers	Product safety and quality Customer service Responsible marketing Responsible drinking	Matrix-based quality control and quality management throughout the lifecycle Improving the customer service system and enhancing consumer satisfaction Standardizing regular marketing communications and eliminating exaggerated and false promotion Actively advocating responsible and healthy drinking
 Shareholders	Operational compliance Openness and transparency Good returns	Optimizing governance structure and adhering to the basic principles of compliance Improving information disclosure and maintaining proactive communication Strengthening market value management and carry out share buybacks Increasing dividend distribution and actively reward shareholders
 Employee	Occupational health and safety Remuneration and benefits and the protection of rights and interests Employee training and career development	Setting up a Leading Group for Comprehensive Health to coordinate the work on health and safety Improving the remuneration and benefit system and effectively protecting the legitimate rights and interests of employees Improving the promotion channels for employees and the employee training system

Stakeholder	Expectations and Demands	Communication and Response
 Partners	Supply chain management Business ethics	Building green supply chains and promoting iterative supply chain upgrading Maintaining open and fair procurement and improving the reporting channels
 Industry	Healthy development of the industry Climate Change Tackling Responsible marketing Ecological conservation	Building a green value chain and promoting the sustainable development of the industry Building industry benchmarks and strengthening cooperation with peer companies in promoting rational drinking Creating "production-living-ecological spaces" and gathering efforts into environmental and ecological conservation
 Government and regulators	Operations in compliance with the law Ecological conservation Driving local development	Improving the mechanism for law-based corporate governance Promoting the establishment of a long-term mechanism for the ecological conservation of the Chishui River Basin Paying taxes in accordance with the law and driving employment to boost local industries

¹ The key issues of concern are comprehensively identified from the results of the dual materiality topic analysis of Kweichow Moutai and regular communication with Kweichow Moutai's stakeholders.



Mutual Success

Enabling Modern Governance within the Organization

Kweichow Moutai adheres to integrity and compliance in its operations, establishes and improves its governance structure, continuously optimizes corporate governance, strengthens compliance and risk control, upholds the bottom line of business ethics, emphasizes data security and privacy protection management, and promotes the modernization of the governance system and governance capabilities.



-  **Corporate Governance**
-  **Business Ethics**
-  **Technological Innovation**
-  **Sustainable Supply Chain**

Corporate Governance

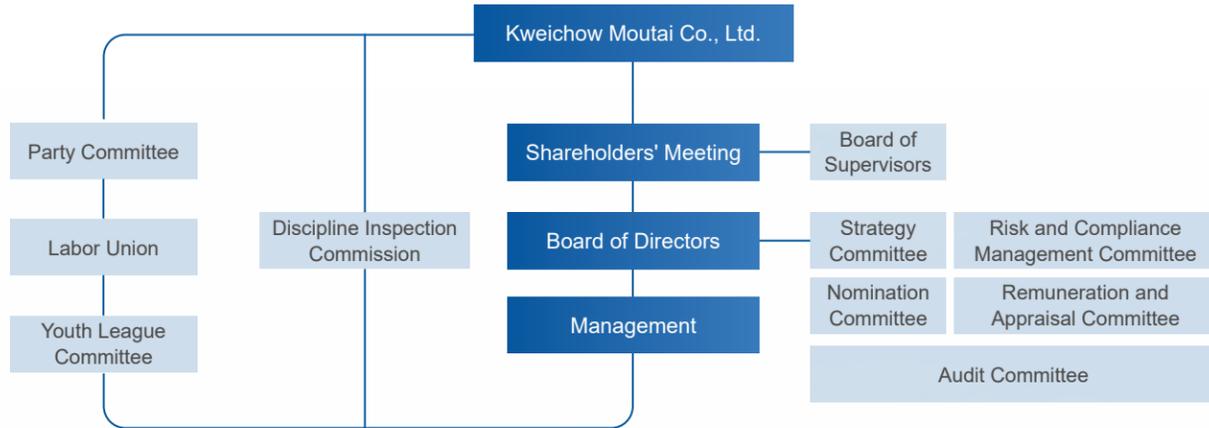
The Company firmly believes that sound corporate governance is essential for robust operations. We actively establish a science-base, efficient governance structure and system featuring a clear division of rights and responsibilities. We also continuously promote standardized, modernized management to empower our sustainable development.

Management of the Board of Directors

The Company has continuously improved its governance structure to enhance the effectiveness of the Board of Directors and ensure the scientific formulation and efficient execution of decisions. Meanwhile, we persist in optimizing the composition of the Board and ensuring its expertise and diversity.

Governance Structure and Mechanism

We strictly abide by laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, and the *Code of Corporate Governance for Listed Companies*, as well as regulatory requirements. In line with our realities, we have created a decision-making body for our operations and management comprised of the Shareholders' Meeting, the Board of Directors and its specialized committees, the Board of Supervisors, and the management. This governance mechanism is characterized by a clear division of responsibilities, coordinated functioning, and effective checks and balances, fully ensuring efficient and science-based operations.



Corporate Governance Structure

Shareholders' Meeting

- It is convened in strict accordance with the *Rules for General Meetings of Shareholders of Listed Companies*, the *Articles of Association*² and the *Rules of Procedure for Shareholders' Meeting*, etc.
- It is responsible for meeting notification, deliberation, and voting and aims to ensure that shareholders enjoy equal status and can exercise their rights such as the right to be informed, participate, question, and vote.
- In 2024, the Company held a total of two Shareholders' Meetings.

Board of Directors and Its Specialized Committee

- As the executive body of the resolutions of the Shareholders' Meeting and the decision-making body of our operations and management, in accordance with the statutory powers provided in the *Company Law* and the *Articles of Association of the Company*, etc. and authorized by the Shareholders' Meeting and fully plays the vital role in "developing strategies, making decisions, and preventing risks".
- It has five specialized committees: the Strategy Committee, the Audit Committee, the Risk and Compliance Management Committee, the Nomination Committee, and the Remuneration and Appraisal Committee. Each committee fulfills the principles of corporate governance in a top-down fashion, with a clear division of labor, well-defined rights and responsibilities, and effective operations.

Board of Supervisors

- It oversees the financial position and operations of the Company and the fulfillment of duties by directors and the senior management and promotes the coordinated functioning and effective checks and balances of the corporate governance structure.
- It consists of three supervisors, including one employee supervisor.

Management

- It manages day-to-day production and operation matters in accordance with statutory powers and authorization of the Board of Directors.
- It organizes and implements the resolutions of the Board of Directors, reports to the Board of Directors, and handles operations, reform, and other tasks, thus playing the role of "planning business operations, emphasizing implementation, and enhancing management".

² https://www.sse.com.cn/disclosure/listedinfo/announcement/c/new/2023-12-07/800519_20231207_GMDX.pdf

Effectiveness of the Board of Directors

The Company regularly convenes meetings of the Board of Directors to advance strategic decision-making and ensure operational compliance and efficiency. According to the *Articles of Association of the Company*, a Board meeting shall only be convened with the presence of more than half of the directors. In 2024, the Company held a total of 13 Board meetings, with an attendance rate of 100%. As of the end of the reporting period, the average tenure of directors was 1.5 years.

The Company has established a well-developed director election and appointment process to enhance the decision-making efficiency and quality of the Board of Directors. According to the *Articles of Association of the Company*, each term for directors is three years. When appointing new Board members, we employ diversified channels to identify qualified candidates.

Regarding the remuneration policy, we have developed differentiated remuneration management systems and plans for directors and the management including, fixed remuneration, annual performance-based remuneration and tenure incentives, to incentivize directors and managers to create long-term value. In 2024, we continued to refine the performance assessment system for Board members, taking into account our production, operations, and management, the progress of business targets, the implementation of financial budgets, and the performance of duties.



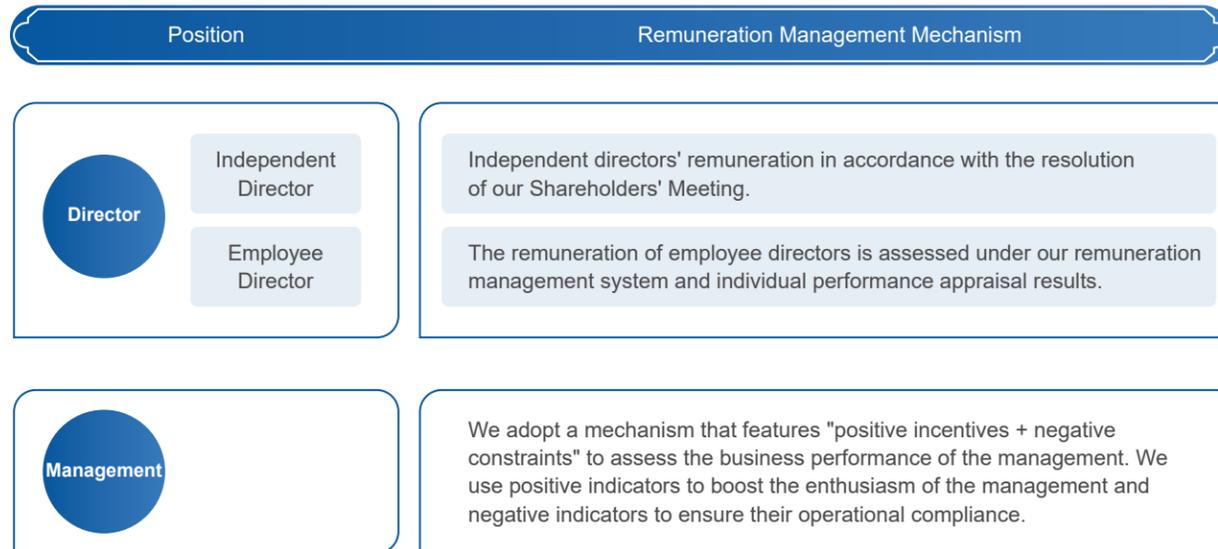
Total number of board meetings held by the Company

13 times



Directors' attendance rate of

100%



Our Board of Directors adopts a mechanism that features "positive incentives + negative constraints" to assess the business. It uses positive indicators to boost the enthusiasm of the management and negative indicators to ensure their operational compliance, thereby strengthening the application of the assessment results and rigid fulfillment. The Company has formulated the *Measures for Performance Assessment of Members of the Management* and the *Measures for Remuneration Management of Members of the Management* and other institutional documents, which take sustainability-related indicators such as safety, quality, environmental protection, compliance requirements and corporate management as an important consideration in evaluating the performance, and adopts demerit points as a means of restraining the negative events related to ESG. The Company has linked compliance management to compensation, stipulating that if an employee is subjected to retention, administrative detention, or other coercive measures by judicial authorities due to disciplinary or legal violations, the relevant compensation will be suspended.

Composition of the Board of Directors

We firmly believe that the independence and diversity of the Board of Directors are critical to safeguarding shareholders' interests and our stable operations. As of the end of the reporting period, our Board of Directors consisted of 7 directors, including 3 independent directors, 2 female directors, and 1 employee director. The number of independent directors on the Board of Directors accounts for approximately 42.86%.



The Company explicitly requires independent directors to provide independent opinions and fulfill their oversight functions. The Audit Committee is comprised entirely of independent directors, each recognized as an expert in their respective domains. The Nomination Committee and the Remuneration and Appraisal Committee are chaired by independent directors, with independent directors accounting for more than 50% of the membership. In 2024, we appointed Mr. GUO Tianyong as the convener of independent directors responsible for convening and presiding over special meetings of independent directors.



At the director nomination stage, we carefully assess diverse factors including candidates' educational backgrounds, work experience, professional expertise, and part-time services. The Nomination Committee operating under the Board of Directors evaluates the Board's structure, size, and composition regularly every year to ensure diversity and complementarity in areas such as skills, knowledge, experience, gender, and age, as well as meet the diverse needs of various business segments.



The Board of Directors comprises experts from diverse fields, including accounting, finance, law, and the distilling industry. Their collective expertise offers comprehensive and specialized guidance for strategic planning and business decision-making, ensuring the Company sustainable development.

Professional Backgrounds of Board Members

Name	Gender	Role/Responsibilities	Professional Expertise		
			Industry Experience	Risk Management Experience	Financial Management Experience
ZHANG Deqin	Male	Chairman	✓	✓	✓
WANG Li	Female	Director and Acting General Manager	✓	✓	✓
GUO Tianyong	Male	Independent Director	/	✓	✓
SHENG Leiming	Male	Independent Director	✓	✓	/
WANG Xin	Male	Independent Director	/	✓	✓
LIU Shizhong	Male	Director	✓	✓	/
WEI Fang	Female	Employee Director	✓	/	/

Risk and Compliance Management

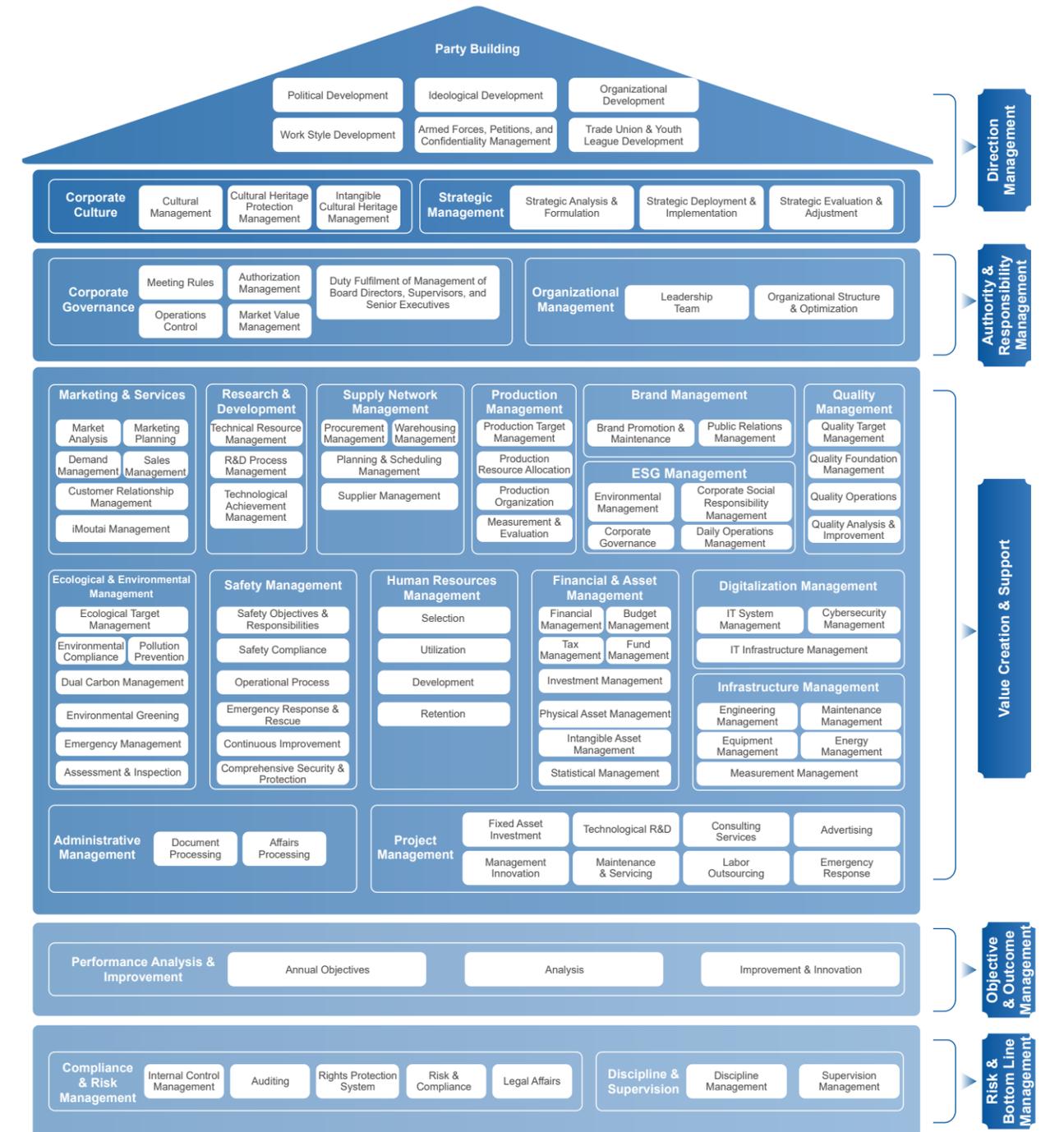
The Company consistently enhances its risk and compliance management system. By conducting comprehensive risk assessment and compliance management covering all business operations, we have further improved our risk and compliance management capabilities.

Risk and Compliance Management System

The Company has established a well-defined organizational structure for risk and compliance management. The Board of Directors, as the decision-making body for risk and compliance management, performs risk and compliance management and oversight duties. The Risk and Compliance Management Committee operating under the Board gives full play to the synergistic effect of risk management and compliance management and regularly reports to the Board on specific matters. The Risk and Compliance Management Committee has an office, with the head of the Legal Compliance Department serving as the director, and comprised of the Audit Department, the Accounting Department, and other departments, which jointly perform risk and compliance management in the Company.



The Company continuously optimizes its institutional system, systematically formulates an institutional map focused on the value chain, and realizes standardized management. We also bolster governance capabilities and management efficiency. In 2024, we analyzed and drew an "institutional map" covering 23 domains, including strategic management, corporate governance, production management, ESG management, quality management, compliance and risk management, discipline and supervision, and providing a comprehensive and systematic overview of our institutional framework. Through the "One Map for One Domain" initiative, we have identified 613 policies, including 6 foundational policies, 97 first-level policies, 311 second-level policies, and 199 third-level policies. We have also established a dynamic updating system management mechanism to adjust and optimize the system map through the system's "abolition, modification and establishment" work.



Compliance Management

In strict accordance with laws, regulations, and regulatory requirements, the Company has established a sound compliance system. We have formulated various policies such as *Compliance Management Measures* and *Internal Control Management Measures*. In addition, we have created compliance guidelines and compliance checklists. We have also strengthened compliance reviews of major decisions, economic contracts, rules and regulations, and new product development.

The Company has formulated the *Decision-making Policy for Related Transactions*, which clearly outlines the fundamental principles, decision-making procedures, and decision-making authority in related transactions. This aims to ensure fair and reasonable pricing, procedures in legal compliance, and adequate disclosure of information for related transactions. We comply with pertinent provisions of the *Guidelines of the Shanghai Stock Exchange on the Self-Regulation of Listed Companies No. 5-Transactions and Related Transactions*. Our related transactions are all within the limits of the amounts deliberated and approved by the Shareholders' Meeting and the Board of Directors of the Company. Notably, when voting on the motions on related transactions, the related shareholders and directors will abstain from voting.

The Company integrates the compliance concept into its production and operations. By conducting compliance training, we enhance employees' compliance awareness. In 2024, the Company organized 45 training sessions on compliance management.

Case Inviting External Lawyers to Deliver Legal Training

On July 12, 2024, the Company held a special compliance legal training seminar. This training aimed to deepen the understanding of laws, regulations, and case studies, systematically outline compliance risk identification and compliance review, and help participating employees internalize legal boundaries as guidelines for business management. By deeply integrating legal thinking with business practices, the training continuously strengthens compliance risk control, providing solid support for project compliance and efficient progress.



Compliance specialized legal training site

Risk Management

In 2024, the Company formulated the *Risk Management Measures*, the *Risk Management Enhancement Action Plan (2024-2026)*, and the *Risk Management Implementation Rules*. We established a three-tiered risk management structure of "implementation, guidance and oversight". We also clarify the functional responsibilities to ensure the effective implementation of all management initiatives.

Risk Management Organizational Structure



³ Six major risks: Strategic risk, market risk, financial risk, operational risk, legal risk, and public opinion risk.

The Company continuously improves its risk management processes through measures such as risk identification, risk assessment, risk response, and risk management improvement, to keep risks under control. In addition, we conduct annual audits of the risk management and internal control systems to improve risk management.



In 2024, the Company identifies risks across six major categories: strategy, market, finance, operations, legal, and public opinion, and establishes a risk database. With a great emphasis on controlling ESG risks, we have incorporated such risks, such as information leakage risk, the risk arising from insufficient rigor in supplier qualification reviews, content infringement risk, and safety production risk, into our overall risk management system. This unified approach effectively enhances our capability to address ESG risks. Based on our realities, we conduct due diligence covering key aspects of production and operations. We also comprehensively identify various ESG risks and formulate response measures to ensure effective to prevent ESG risks.

The Company attaches importance to risk management and carries out risk management training and publicity for all employees. In 2024, we hosted two company-level training sessions on risk management to further enhance employees' awareness of risk management.

Case Inviting External Experts to Deliver the Training on Risk Management

In 2024, we invited external risk management team experts to organize 2 risk management training sessions. The first training session aimed to help various departments better understand the risk information library, case library, and database, as well as strengthen their skills for risk control. The second training session was designed to assist the pilot departments in further optimizing their risk management practices, enhancing the effectiveness of risk management, and improving their capabilities for risk management.



Risk management training site

Data Security and User Privacy Protection

The Company has built a comprehensive network and information security management system, strengthened network and information security management. We focus on enhancing the culture of network and information security, prioritize data security and user privacy protection, while also strengthening employee security awareness training, improving emergency response plans, and ensuring the stable operation of information systems.

Network and Information Security Management

The Company has developed closed-loop cybersecurity management system. We rigorously conduct information security management efforts such as the Cybersecurity Grade Protection Assessment, enhance training on network and information security awareness, and reinforce the defense line of network and information security.

Network and Information Security Management System

We have built a sound network and information security management system. The Company has established a Leading Group on Cybersecurity and IT, led by the Chairman and General Manager, with an office at the Digital Technology Management Division. This team coordinates the management, planning, guidance, and supervision of cybersecurity and informatization efforts. Additionally, a Risk and Compliance Management Committee is set up under the Board of Directors to coordinate strategic decisions on privacy protection and data security. The specific execution bodies are the office under the Risk and Compliance Management Committee and its member units.

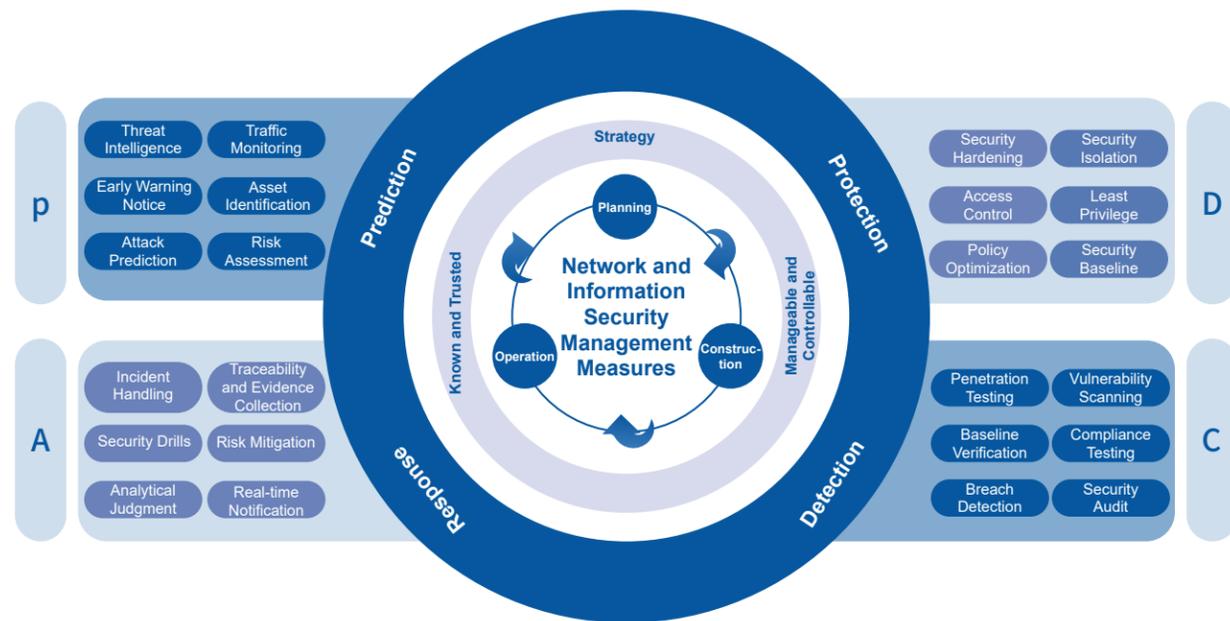
The Company has improved the *Network and Information Security Management Measures*, the *Terminal Security Management Regulations*, and other institutional documents, covering all functional departments and subsidiaries, to strengthen network and information security management. In 2024, the Company conducted the ISO 27001 Information Security Management System application and audit process, successfully passed the ISO 27001 review, and obtained the Information Security Management Certification.



Information Security Management System Certification

● Closed-loop Network and Information Security System

The Company has implemented a circular-driven, adaptive network and information security management initiative, effectively implementing the requirements of the "three synchronizations" in network and information security. Under the overall security strategy of "known and trusted, manageable and controllable", the Company strengthens cybersecurity management and continuously enhances cybersecurity protection capabilities using the "PDCA" method. During the prediction phase, asset identification, traffic monitoring, and attack forecasting are carried out. In the protection phase, security hardening, access control, and policy optimization are implemented; in the detection phase, penetration testing, vulnerability scanning, and baseline verification are conducted; in the response phase, security tasks such as incident handling, analysis, and traceability are performed. This forms a security operations management closed loop of "prediction - protection - detection - response", providing strong assurance for the security, compliance, and stable operation of the Company's business systems.



Network and Information Security Management Measures

● Personnel and Technical Support

The Company has deployed traffic probes to capture key data such as network traffic and system logs in real time. Through the proactive monitoring function of the situational awareness platform, potential security threats are quickly identified and alerted. The cybersecurity engineering team conducts in-depth analysis of the alert logs collected by security devices, accurately identifying and effectively intercepting various potential malicious attacks, ensuring the security and stability of the network environment.

● Cybersecurity Emergency Drill

In 2024, the Company improved the *Network and Information Security Emergency Response Plan*, enhancing mechanisms for prevention, response, and disposal, and clarifying the post-incident emergency response process. The Company also developed the *2024 Cybersecurity Emergency Drill Plan* and conducted four cybersecurity emergency drills according to the plan. These drills simulated real hacker attack scenarios to practice emergency response procedures. During the drills, third parties were organized to conduct traceability analysis by simulating hacker attack paths, perform hazard detection, and test the effectiveness of the emergency mechanisms and the usability of the emergency plans, ensuring a swift and effective response in the event of a real incident.

● Cybersecurity Grade Protection Assessment

The Company conducted cybersecurity level protection assessments for 13 Level 3 business systems in 2024, including iMoutai, the Big Data Service Platform, and the Traceability System. The assessments passed re-evaluation. We fulfilled the main responsibility of cybersecurity through the cybersecurity grade protection assessment, and at the same time rectify the non-conformities found in the assessment to enhance the stability and reliability of the systems.

● External Audit and Risk Assessment

In 2024, the Company conducted an ITGC external audit, commissioning a third-party professional organization to focus on seven key business systems, including iMoutai, the Moutai Liquor Marketing Management System, the Moutai Liquor Storage and Logistics System, and others. The audit covered several aspects, such as cybersecurity management, information system operation and maintenance management, information system development, testing and maintenance, and data backup. The audit results met compliance requirements. Through the "Audit-Rectification-Disclosure" closed-loop process, the Company achieved a shift from passive response to proactive leadership, promoting continuous improvement in security governance and creating sustainable value for the Company's stakeholders.



● Network and Information Security Culture Building

The Company actively promotes the building of an information security culture by organizing network and information security awareness training, cybersecurity pacesetter skill competitions, and Cybersecurity Promotion Week activities. This ongoing effort enhances employees' understanding of information security and strengthens their sense of responsibility for network and information security, collectively building a security barrier for information. Additionally, the Company has established a network and information security interest group to regularly conduct practical offensive and defensive drills. The company actively participates in events such as the "Wangxin Cup" "Wangding Cup" and offensive and defensive drills, the Company is focused on improving the capabilities of its network and information security talent, establishing and refining a multi-level, multi-type network and information security talent development system.



Cybersecurity Pacesetter Skills Competition Site

Case Cybersecurity Awareness Training in 2024

On June 19, 2024, we conducted a cybersecurity awareness training session. The training included 105 participants, comprising employees, distributors, suppliers, and third-party partners. The training focused on IT security, protection of personal information, the risks of weak passwords, and email phishing prevention, aiming to enhance the cybersecurity awareness of all participants.



On-Site Training on Cybersecurity Awareness

User Privacy Protection

The Company attaches great importance to the protection of user privacy. We have formulated the *Kweichow Moutai Co., Ltd. Data and Privacy Policy*⁴ and are committed to implementing strict protection of users' personal information.

The Company strictly controls data access permissions, implements a strict application approval process, and ensures that users have the right to access, correct, and delete personal data. We adhere to the principle of "minimum and necessity" and handle the collection of personal information with caution. The purpose, means, and access rights for data are clearly defined, ensuring transparency and compliance in information processing. For sensitive personal information, such as ID numbers, we use encryption technology for storage and apply data desensitization when displaying it.

We establish clear cybersecurity and confidentiality terms with our partners and sign security commitment agreements to jointly comply with personal information protection regulations. Through assessments by third-party agencies, we ensure compliance with cybersecurity, data security, and personal information protection. We also conduct regular cybersecurity level protection and data security risk assessments.

Based on the cloud platform, we deploy a variety of security products, including anti-DDoS, firewalls, VPN, intrusion detection, WAF, and more, to build a comprehensive cybersecurity protection system. Our application systems strictly follow development standards, use secure technical frameworks, and implement various encryption measures, such as salting, dynamic keys, and dynamic tokens, to enhance data security. For monitoring and early warning, we utilize cloud security products and business access logs for real-time monitoring. By setting security thresholds and conducting inspections, we can promptly identify potential security vulnerabilities and regularly carry out risk checks and remediation.

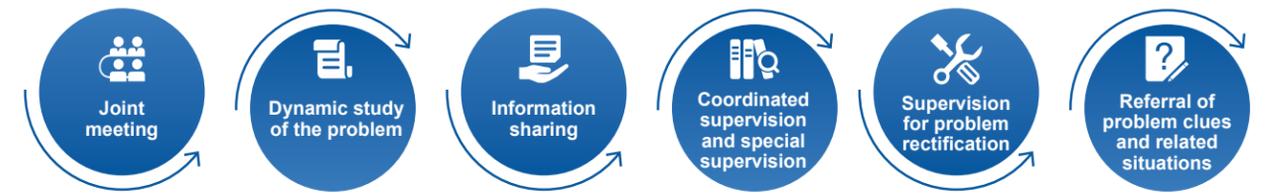
In 2024, the Company implemented the above measures and no incidents of user privacy breaches occurred, effectively ensuring the protection of users' privacy rights.

⁴ <https://www.moutaichina.com/mtgf/shzr/xgzc/index.html>

Business Ethics

Embracing the principle of business integrity, we have established a sound business ethic governance system and resolutely combated corruption. We also implement robust control measures in areas such as anti-money laundering and anti-unfair competition in an orderly manner to ensure the compliance and stability of our operations. Furthermore, we prioritize fostering a culture of business ethics, regarding integrity as a core driving force for high-quality development.

We have established a Risk and Compliance Management Committee, as a Board-level committee, oversees and guides business ethics matters. We and our subsidiaries have set up disciplinary inspection agencies or are equipped with disciplinary inspectors responsible for investigating and handling cases of violations and non-compliance. We have developed a Five-Sphere Integrated⁵ coordinated supervision working mechanism to further strengthen the collaboration and cooperation and continuously improve our oversight system.



Operating Process of the Five-Sphere Integrated Coordinated Supervision Working Mechanism

The Company strictly complies with laws and regulations such as the *Company Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, and the *Anti-Monopoly Law of the People's Republic of China*. We have formulated and issued the *Business Ethics Policy of Kweichow Moutai Co., Ltd.*⁶, to standardize the business ethical behavior for all employees, partners and other related parties, and oppose any form of corruption, bribery, money laundering, monopoly, insider trading, conflict of interest, and unfair competition.

Systems Regarding Business Ethics



⁵ Five-Sphere Integrated: The Five-Sphere Integrated supervision system is composed of supervisory bodies for disciplinary inspection, organization and personnel, audits, finances, and legal affairs.

⁶ <https://www.moutaichina.com/mtgf/shzr/xgzc/index.html>

Business Integrity

Guided by the philosophy of "honest and compliance-based operations", the Company rigorously abides by relevant laws and regulations. With integrity at the core of corporate development, we actively promote and practice a culture of integrity. Through integrity education and training, we enhance the integrity awareness of all employees and foster an honest and ethical workplace.

Case Integrity Education and Training

In September 2024, the Company organized and carried out the *Integrity Promotes Business, State-owned Enterprises Lead the Way* publicity month activity in light of the actual work of the Company. During the campaign, the Company opened a column on the Legal Services Platform for the promotion of the Code of Conduct on Integrity and Compliance, and pushed out publicity and education articles on *Requirements for Integrity and Compliance in Business Interactions* and *Requirements for Integrity and Compliance in Production and Construction* to further guide the employees to firmly establish the concept of compliance, raise their awareness of compliance, and form a favorable atmosphere for integrity and compliance. In addition, the Company organized a web-based knowledge competition on the theme of integrity and compliance, attracting 2,600 employees to participate in this activity.



The Company adopts a "zero-tolerance" stance toward any acts of corruption or bribery. Each year, we conduct specialized audits covering all business operations to assess the implementation of ethical standards and anti-corruption and anti-bribery policies. We adopt a refined management model that features "area-specific lists" for the nine areas of significant integrity risk. We also dynamically identify risks and investigate hidden hazards. For problems identified, we will conduct inspections and develop preventive measures. In 2024, we identified 217 integrity risk points and developed 441 preventive measures.

We prioritize enhancing employees' awareness of integrity, self-discipline, and compliance with laws and regulations. We host integrity training activities for all employees⁷, including lecture tours, integrity, and legal compliance lectures, warning education activities, and integrity culture essay contests. In 2024, we organized 64 integrity training sessions, with a total of over 34,000 participants.

Case Legal and Disciplinary Lecture

In 2024, we organized lecture series themed "Legal and Disciplinary Warning Education". Employees were required to study and implement the newly revised *Disciplinary Regulations*, thus continuously enhancing their awareness of compliance and self-discipline.



"Legal and Disciplinary Warning Education" lecture site

⁷ Including full-time employees, part-time employees, and contractors.

The Company strives to create and maintain an honest business environment with all stakeholders. We have disclosed various policies such as the *Business Ethics Policy of Kweichow Moutai Co., Ltd.* and the *Supplier Code of Conduct of Kweichow Moutai Co., Ltd.*⁸ These policies clearly outline the requirements of anti-corruption and anti-bribery for suppliers and distributors. In the contract review and signing processes, we have integrated anti-commercial bribery terms or integrity responsibility letters.

Anti-corruption and Anti-bribery Requirements for Suppliers

Business Ethics Policy of Kweichow Moutai Co., Ltd.

- We strengthen control over anti-commercial bribery and anti-corruption risks for business partners. We also make clear anti-commercial bribery and anti-corruption statements and requirements in business interactions, and prohibit any acts of commercial bribery and corruption;
- We require business partners, including all suppliers, to formulate anti-commercial bribery and anti-corruption policies and implement corresponding plans to verify compliance.

Supplier Code of Conduct of Kweichow Moutai Co., Ltd.

- We implement a supervision plan for all key suppliers to verify their compliance with anti-corruption and other compliance policies.

In 2024, we conducted a comprehensive review and strictly dealt with suppliers that had violated our anti-corruption requirements in recent years. Seven suppliers with serious violations of rules and discipline were added to the blacklist, and 14 suppliers were disqualified for the 2024 Outstanding Supply Partner selection.

In 2024, we formulated the *2024 Work Plan for Integrity Warning Education in Procurement* and carried out anti-corruption and anti-bribery training activities for suppliers. We held warning education lectures at roundtable meetings for key suppliers, with a total of over 200 participants.

⁸ <https://www.moutaichina.com/mtgf/shzr/xgzc/index.html>

Anti-money Laundering

In strict compliance with the national anti-money laundering law, the Company effectively fulfills the legal obligations for anti-money laundering. We regularly evaluate the risks and situation of money laundering and terrorist financing, etc.,. Furthermore, we carry out a series of anti-money laundering promotion activities to educate employees on the fundamentals of anti-money laundering efforts.

Case Anti-money laundering training

In July 2024, the Company carried out training activities themed on anti-fraud, anti-illegal fund-raising and anti-money laundering to analyze the traps and pitfalls of negative cases, to learn from the case, to improve the ability and level of recognizing fraud, illegal fund-raising and money laundering, and to enhance the awareness of anti-money laundering.



Anti-money laundering training site

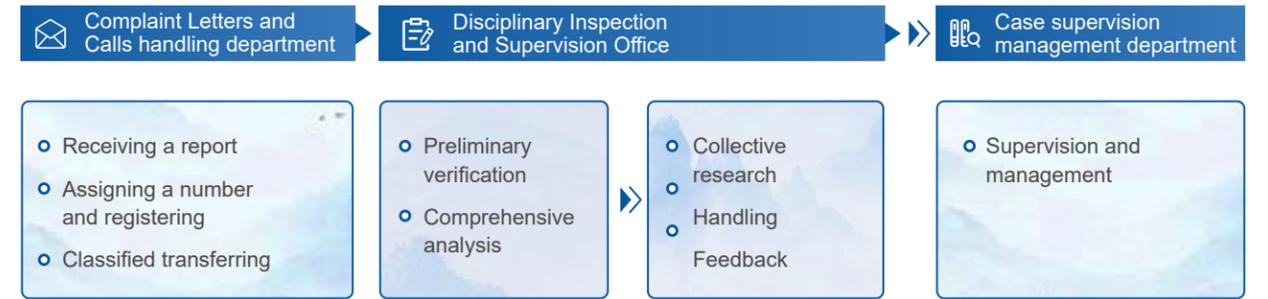
Anti-Unfair Competition

The Company implements normative documents such as the *Opinions of the State Council on Establishing a Fair Competition Review System in the Building of a Market System*. We formulate and enforce institutional documents including the *Anti-Unfair Competition Compliance Guide*. We have established a management system to address unfair competition, and clearly define different types of unfair competition practices and their scope. Meanwhile, we standardize the investigation and accountability process of violations of unfair competition, effectively prevent legal risks, and maintain a fair competitive market order. In 2024, the Company did not receive any complaints and reports related to unfair competition.

Whistleblower Protection

We consistently strengthen our business ethics oversight and reporting efforts. In accordance with laws and regulations such as the *Regulations on Handling Complaint Letters and Calls* and the *Rules for Disciplinary Inspection and Supervision Organs on Handling Reports and Complaints*, we have formulated the *Management Measures for Complaint Letters and Calls*. Besides, clarify the rights, responsibilities, and processes for handling complaints and reports, and ensure that such incidents are addressed promptly and effectively.

The Company encourages employees, users, and other stakeholders to monitor and report violations of laws and regulations. We provide open and accessible reporting channels, including a hotline, mailbox, and website. Upon receiving relevant reports, we strictly follow the procedures for handling complaints.



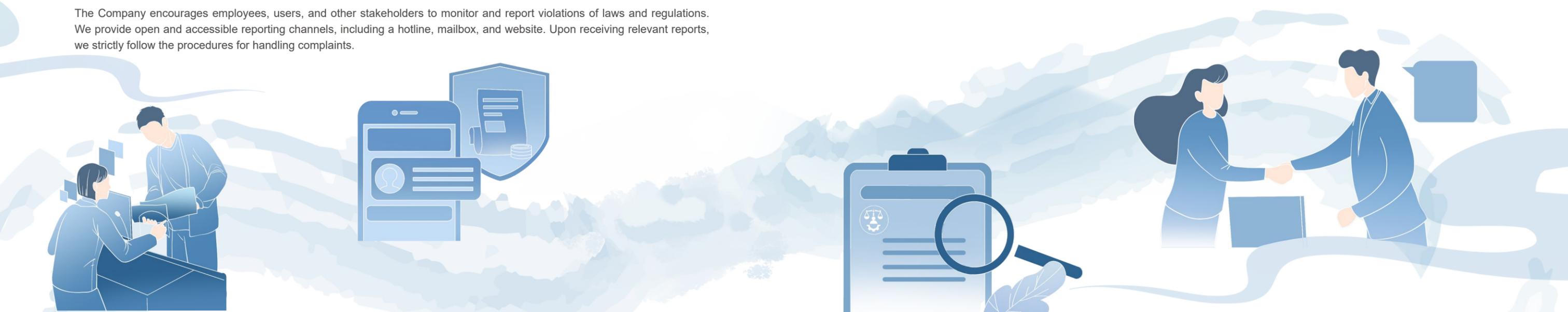
Process of Reporting and Accusation Handling

We have formulated policies that clearly outline the methods for protecting whistleblowers. We promise to strictly keep confidential the whistleblower's personal information, such as name, workplace, home address, phone number, and email, as well as the reporting information. It is strictly prohibited to verify the whistleblower's handwriting, Internet Protocol (IP) address, and other information without authorization. In addition, we accept anonymous reports to ensure that whistleblowers are protected from any form of retaliation.

Reporting Channels

- Telephone: 0851-22385896
- Website: <http://guizhou.12388.gov.cn>
- Mailbox: Elevator entrance, 6/F, Office Building of Kweichow Moutai Co., Ltd.

If a whistleblower is threatened or victimized due to reporting and accusing and files an application for protection, we will provide timely protection in accordance with the rules and regulations. If a person being reported retaliates (against the whistleblower) by jeopardizing personal safety and damaging property or reputation, he or she will be seriously dealt with in accordance with the rules and disciplines, suspected of violating the law will be transferred to the judicial organs in accordance with the law.





Technological Innovation

The Company has maintained an increase of more than 10% in R&D investment for many consecutive years, continuously improving its innovation and R&D capabilities, enhancing corporate competitiveness, and supporting the Company's high-quality development.

||| Innovation Driven

The Company has established a comprehensive innovation management system and built an efficient technological innovation platform. With over 200 scientific research projects deployed across the industrial chain's upstream and downstream sectors, it has accelerated the transformation of scientific and technological achievements, further stimulated internal innovation vitality, improved R&D efficiency, and promoted collaborative industrial chain development.

Innovation Management System

The Company has formulated the *Charter of the Science and Technology Committee*, establishing a research and development innovation management system with the research department as the overall management institution for innovation, the scientific and technological committee as the evaluation body, and the functional department as the implementing unit for innovation. In 2024, the Company revised the *Regulations on the Management of Scientific and Technological Research and Development Projects*, further standardizing the classification of research projects, adding principles for selecting outsourcing units, exploring the implementation mechanism of "open bidding for selecting the best candidates" for making breakthroughs in technology R&D, and clarifying the primary responsibility for the transformation of achievements. The Company has established the *Implementation Rules for Micro Scientific and Technological Research and Development Projects*, standardizing micro-research projects carried out by production workshops and other units to address practical difficulties encountered in production engineering, continuously enhancing the innovation enthusiasm of employees, and comprehensively promoting the Company's technological innovation and development.

In addition, the Company's scientific and technological innovation research activities strictly adhere to scientific and technological ethical norms, including but not limited to the *Law of the People's Republic of China on Scientific and Technological Progress*, the *Opinions on Strengthening the Governance of Scientific and Technological Ethics*, and the *Measures for Scientific and Technological Ethics Review (for Trial Implementation)* among a series of laws, regulations, and related provisions.



Technology Innovation Strategy

Empowering the industrial chain with the innovation chain, and supporting the Company's development; strengthen talent and platform construction, solidify the foundation for innovation, delve into the research of "4 dimensions + five major core technology systems", enhance comprehensive strength in technological innovation, and lead the innovative development of China's liquor industry.



Technology Innovation Goals

784 innovation composite score in 2024 and achieve 800 innovation composite score by 2027.

Highlights of Technology Innovation Data



Technology Innovation Platform

The Company actively promotes the construction of the "two laboratories, two centers and one station" independent innovation platform, efficiently utilizing advantageous resources, and has made key progress in 2024.

Construction of Five Innovation Platforms - "Two Laboratories, Two Centers and One Station" in 2024

Guizhou Province Biomanufacturing Laboratory

It has been approved to enter the construction phase, completed the establishment of the academic committee, and held its first academic committee meeting.

Guizhou Provincial Key Laboratory of Industrial Microbiology

It has been approved to enter the construction phase, held the annual academic conference, and appointed the academic committee. Four projects have been launched focusing on the development and characterization of distilling microbial resources, and six key open topics have been released to the public.

Distilling Engineering Technology Research Center

It is orderly advancing 40 research projects in the fields of intelligent manufacturing of the liquor industry chain, as well as green, low-carbon, and circular economy.

Manufacturing Innovation Center

It has entered the efficient trial operation phase and passed the review by the Provincial SASAC.

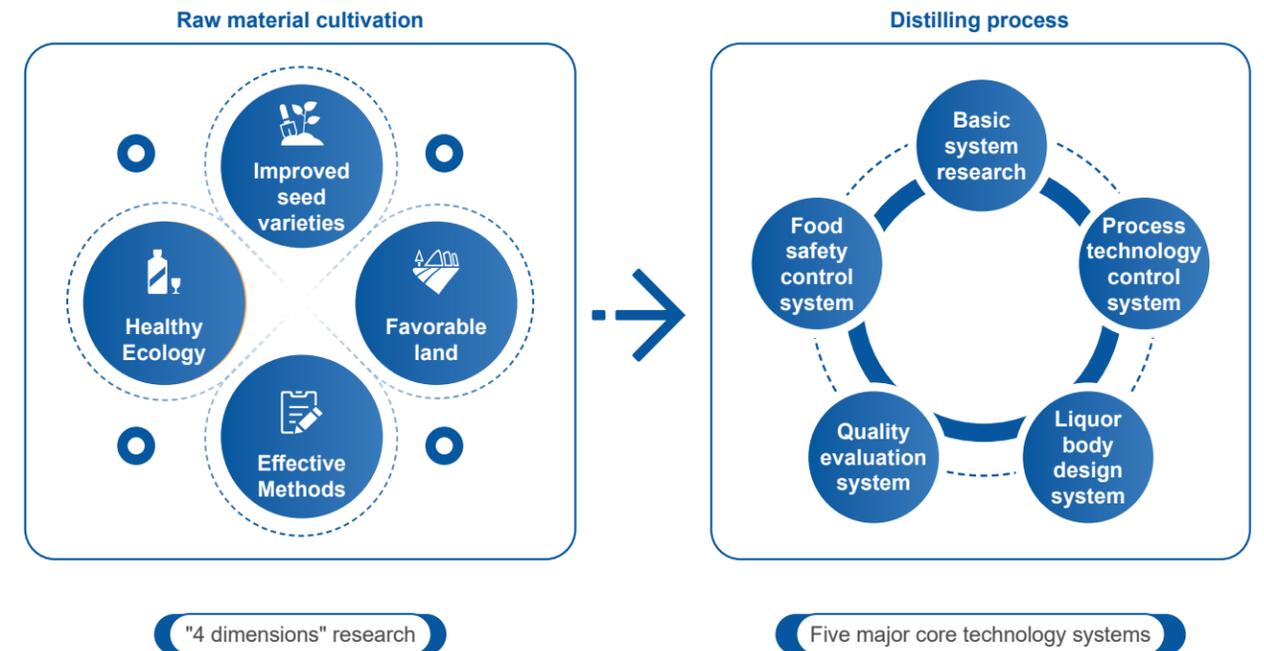
Ecosystem Field Scientific Observation and Research Station in the Middle Reaches of the Chishui River, Guizhou Province

It has been approved to enter the construction phase and the construction of the ecological big data platform was completed for the upstream Daluotan Water Quality and Hydrological and Observation Station.



Research and Development Industrial Chain Layout

The Company focuses on research related to the upstream distilling environment and distilling raw materials, the analysis of the distilling process in the midstream, and the assurance of product quality and waste treatment in the downstream, establishing a comprehensive R&D system that covers the entire industrial chain. This includes the "4 dimensions" in research on raw material cultivation and the "five major core technology systems" in the distilling process, enabling collaborative development across the entire industrial chain.



In 2024, the Company carried out over 100 industry-university-research projects in collaboration with top domestic research institutions such as the Institute of Microbiology of the Chinese Academy of Sciences, Dalian Institute of Chemical Physics of the Chinese Academy of Sciences, Institute of Genetics and Developmental Biology of the Chinese Academy of Sciences, Jiangnan University, Wuhan University, and Shanghai Jiao Tong University, focusing on the "4 dimensions" research and five major core technology systems in the distilling process, promoting the deep integration of theoretical knowledge and practical application.

Highlights of the Industrial Chain Project Construction Data

Scientific research projects carried out around the industry chain

Over **200**

Developed or introduced applicable advanced technologies

44

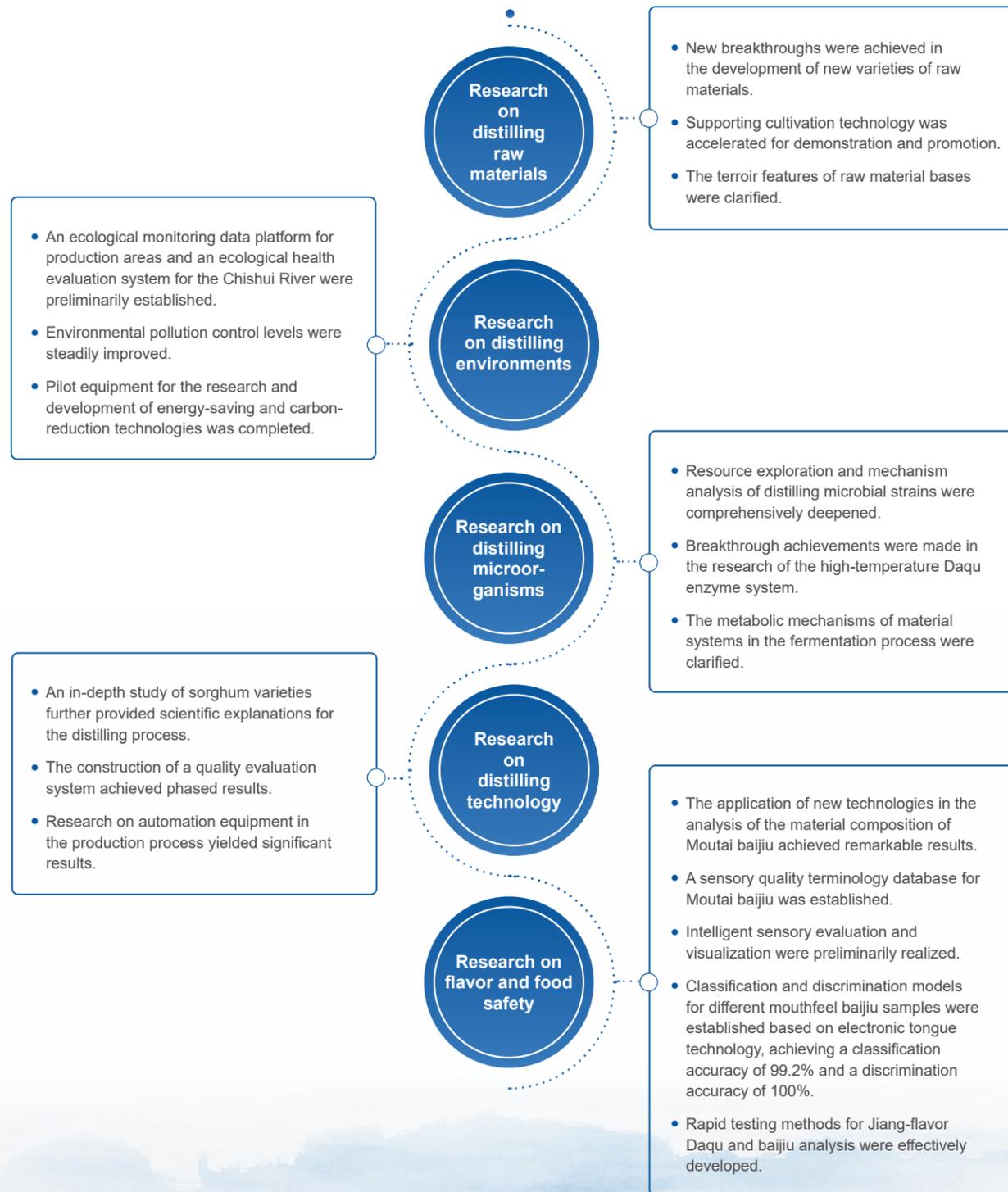
Technology research value chain coverage

96.5%

Transformation of Scientific and Technological Achievements

The Company actively promotes the transformation of scientific and technological achievements into practical applications, continuously improving product quality, driving technological innovation, and promoting sustainable development.

Transformation and Application of Scientific Research Achievements in 2024



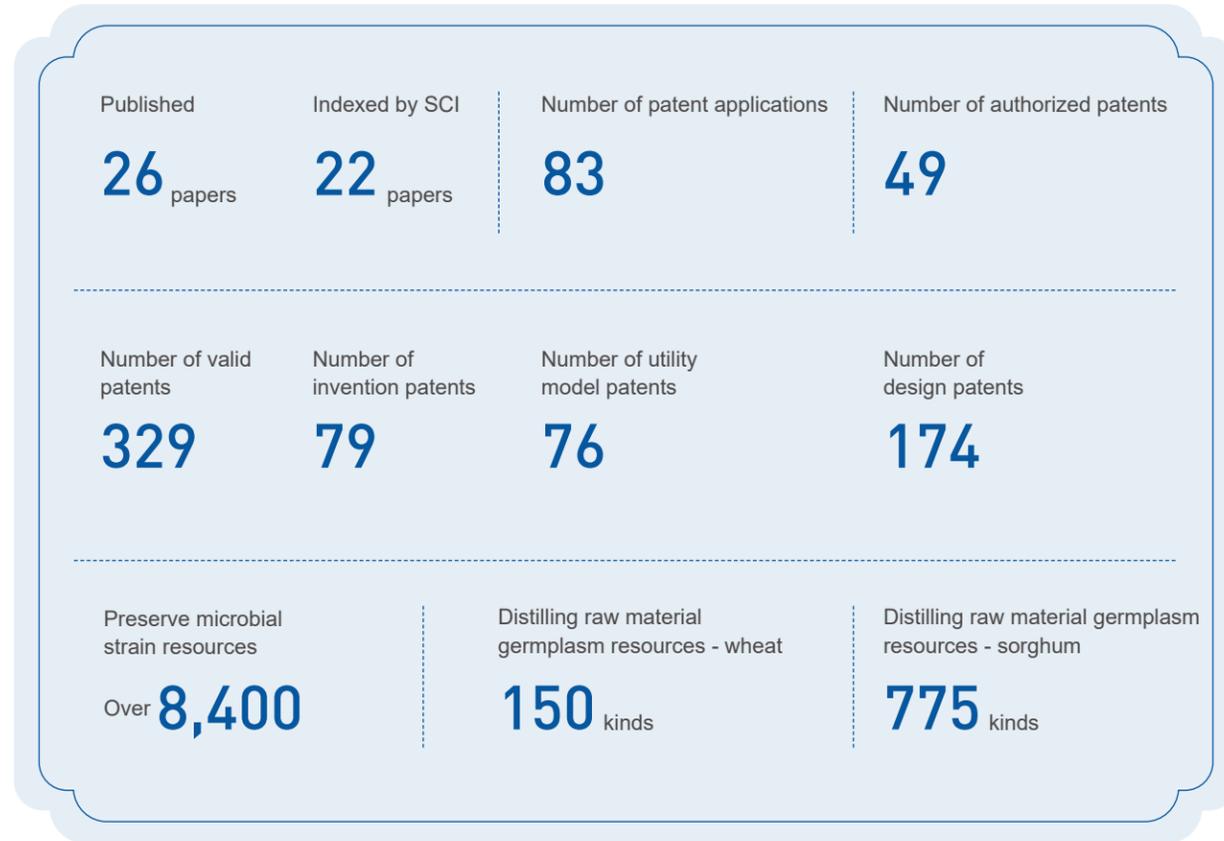
Science and Technology Innovation Awards in 2024 (Partially Listed)

● Award Name ● Project Name ● Awarder Organization

<p>Construction and Application of Rapid Testing System for Physical and Chemical Indicators of Jiang-flavor Baijiu Raw Materials and Intermediate Products (Innovation Award)</p> <p>Guizhou Provincial SASAC</p> <p>Third Innovation and Creativity Award of Provincial SASAC</p>	<p>First Prize of the China National Food Industry Association Science and Technology Award</p> <p>China National Food Industry Association</p> <p>China National Food Industry Association Science and Technology Award</p>
<p>Top Ten Outstanding Cases in Digital Economy of Industrial Chain and Supply Chain</p> <p>Organizing Committee of Digital Economy of Industrial Chain and Supply Chain</p> <p>Outstanding Award in Digital Economy of Industrial Chain and Supply Chain</p>	<p>China Patent Annual Second Prize</p> <p>Chinese Workers' Technical Association</p> <p>China Patent</p>
<p>Excellent Paper Award for Scientific and Technological Progress from the China Alcoholic Drinks Association</p> <p>China Alcoholic Drinks Association</p> <p>China Alcoholic Drinks Association Award</p>	<p>First-Class Achievement in National Quality Management Group Activities</p> <p>China National Light Industry Council</p> <p>Quality Science and Technology Achievement Award</p>



Highlights of Scientific and Technological Achievements



Lead Industry Development

The Company took the lead in revising and publishing the national standard *Quality Requirements for Baijiu Part 4: Jiang-flavor Baijiu*, further standardizing and guiding the high-quality development of the Jiang-flavor baijiu industry. In addition, we completed the project establishment and review of 31 national, local, and group standards, including the *Quality Requirements for Baijiu Part 1: Mellow Baijiu*, and participated in the formulation and revision of 12 industry, local, and group standards, including the *Sorghum for Jiang-flavor Baijiu Distilling*. We also completed research on the industry standard *Technical Specifications for the Circulation of Original Baijiu and Crude Baijiu* contributing to the improvement and upgrading of the baijiu industry system.

Smart Moutai

The construction of Smart Moutai accelerates the pace of industrial innovation and development, deepens digital layout, strengthens the integration of technological infrastructure and application scenarios, and drives data to achieve efficient business collaboration and management effectiveness, demonstrating significant results of technological innovation in enhancing industry transparency and refining management.

The Company has developed the *Smart Moutai 2.0 Top-Level Plan (2024-2027 for the Joint Stock Company)* around the liquor industry, deepening digital construction in five major areas: "digital base, marketing services, supply chain, operational control, and smart parks", and in seven aspects: "terminal, network, cloud, data, application, intelligence, and security". It focused on four key elements: "technological infrastructure, application scenarios, platform operation, and overall coordination".

In the industrial internet field, based on technologies such as cloud computing, big data, the Internet of Things (IoT), and blockchain, a secondary node for the alcoholic beverage industry's industrial internet identifier resolution was built, realizing one-code-per-box for packaging materials, one-code-per-bottle for finished liquor, and bottle-box binding. A digital traceability system was developed, and through the "Jiangpin Chain", data collection and evidence preservation were achieved across stages such as packaging production, warehousing logistics, and terminal sales, forming a complete and trustworthy traceability system. Over 69 million instances of finished liquor traceability services have been provided, and the "Jiangpin Chain-based Moutai Circulation Traceability System Practice" was selected as a case study by the Cyberspace Administration of China (CAC) for blockchain innovation applications.

In the management and control field, digital technologies such as data middle platforms, accounting engines, ESB service buses, BPM process engines, and OCR recognition were used. These technologies integrate best practices across various management areas, including finance, legal affairs, physical assets, and human resources, to build a digital system platform for integrated business and financial management. This has comprehensively improved the digital management efficiency of "people, finance, assets, and law", achieving a system-to-process match rate exceeding 80%, with mobile approval rates exceeding 60%. Efficiency in financial closing, contract approval, and other tasks has increased by more than three times. The project was successfully selected for the Fourth



Innovation and Creativity Excellence Projects by the Provincial State-owned Assets Supervision and Administration Commission, receiving commendation from the Provincial SASAC.

In the digital marketing field, the iMoutai digital marketing platform gained 20 million new registered users in 2024, with a cumulative total of 73.863 million registered users and an average monthly active user count of 11.7 million. A total of 211 online marketing events were conducted, effectively boosting user engagement and conversion rates, further advancing Moutai's market expansion and brand influence.

iMoutai Data



Sustainable Supply Chain

The Company builds "six supply chains" centered on raw and auxiliary materials, package and storage, engineering, service, equipment, and digital technology, continuously improving the supplier management system, collaborating with upstream and downstream partners in the industrial chain, and striving to create an efficient, collaborative, and green sustainable supply chain ecosystem.

Supplier Empowerment

The Company formulates the *Kweichow Moutai Co., Ltd. Supplier Code of Conduct*, the *Supplier Management Measures* and other institutional documents, clarifying the standards of conduct for suppliers in employee rights, occupational health and safety, environmental protection, business ethics, and integrity, promoting the establishment of a fair, safe, green, and trustworthy supply chain system.

When selecting important suppliers, the Company comprehensively considers risks associated with specific regions, industries, and commodity. To strengthen raw material management, the Company promotes the construction of a 20,000-acre raw material demonstration base and facilitates the digital and mechanical upgrades of suppliers. Meanwhile, we have achieved full video coverage of key areas such as supplier collection sites and transfer warehouses, and completed the construction of the "Five Ones" project, which includes: "One Certification" referring to organic green certification, "One Map" referring to the map of certified organic plots, "One Base" referring to the demonstration base, "One Warehouse" referring to the modernized warehouse, and "One Network" referring to the full-process traceability achieved through digital technology. We improve the water conservancy facilities of the raw material demonstration base, with a modern storage capacity exceeding 500,000 tons, and the coverage rate of equipment for raw material sorting, conveying, drying, and testing reaching 90%. In terms of the base management model, we realized a transformation to "human-network integration and overall control", with management coverage increasing from 30% to over 80%. This has enabled comprehensive control over the entire process of raw material planting, cultivation, management, harvesting, storage, and transportation, significantly enhancing the level of modern management in the base.



Supplier Management Rules in 2024 (Partially Listed)



Supplier access management

The supplier access standards comprehensively cover multiple dimensions including basic qualifications, industry qualifications, technical and service capabilities, production capacity, quality capability, environmental protection, social responsibility, sustainable development capability, and willingness for strategic cooperation. On this basis, we iterated and upgraded the supplier access standards for raw materials and packaging materials, as well as established access standards for hardware and low-consumption materials suppliers in 2024.



Supplier performance process assessment management

We continuously improved supplier assessment standards, established a supplier performance evaluation index system, and simultaneously formulated 76 standards, including supplier management regulations and performance evaluation standards. Through precise sampling and in-depth inspections of core materials, both the "Supplier Dynamic Quantitative Assessment Rate" and the "Quality Control Coverage Rate" remained at 100%. In 2024, we conducted annual supplier assessment evaluations totaling 916 instances, achieving a supplier performance evaluation excellence rate of 91%.



Supplier classification and grading management

In 2024, the supplier classification and grading management model was optimized.

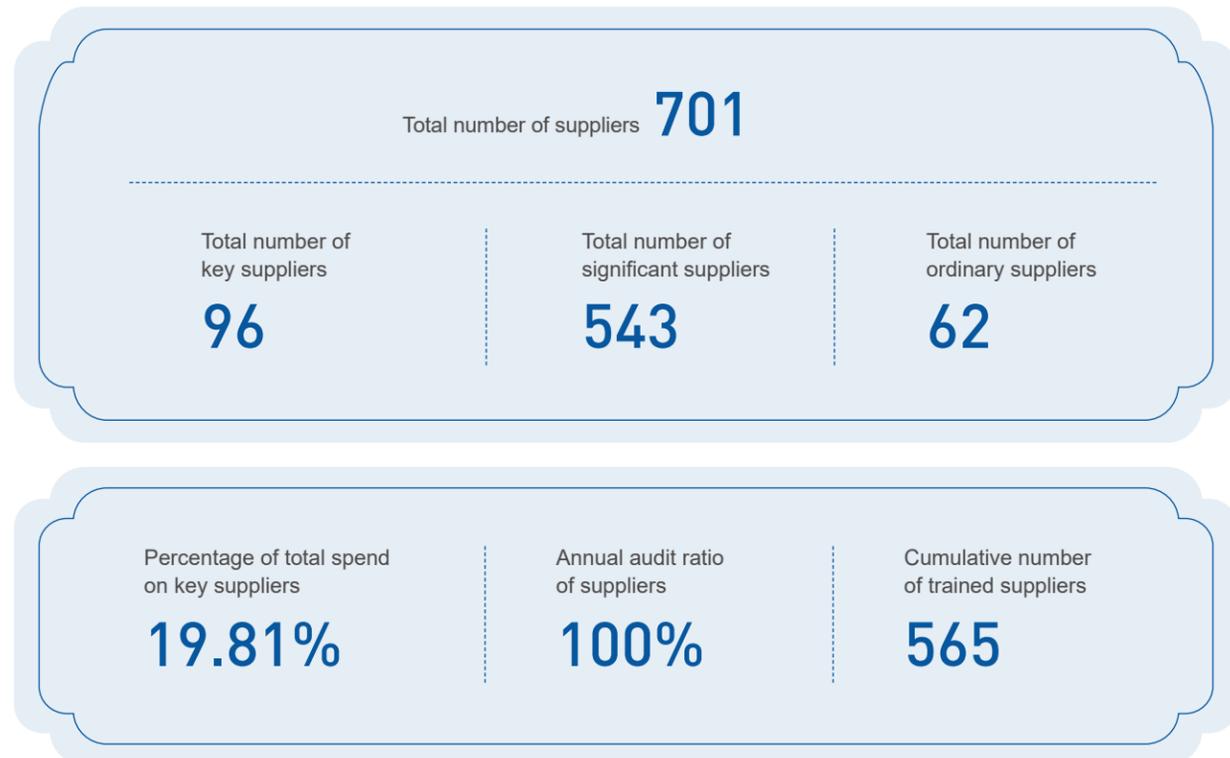
- **Supplier Classification:** Suppliers are classified into three primary categories - key, significant, and ordinary categories - based on the procurement categories they provide, with suppliers offering multiple categories classified by their most important category.
- **Supplier Grading:** Based on supplier classification, supplier performance capability levels, and strategic supplier selection criteria, supplier relationships are divided into four levels: strategic, preferred, assurance, and competitive levels, with dynamic adjustments made annually.

Supplier Communication and Cooperation



The Company has strengthened communication with suppliers, holding a total of 152 events through seminars and training activities to deeply promote supplier management standards, systems, and company quality standards. Meanwhile, we continue to advance quality inspection work, controlling the discovery of quality issues at the forefront, effectively reducing quality costs. In 2024, the Company provided on-site guidance to 36 suppliers, regularly carrying out production line inspections and random checks on product shipments. Moreover, 17 training sessions on inspection standards and quality improvement were conducted for supplier quality inspection and management personnel, covering nearly 500 participants, effectively supporting the dual enhancement of suppliers' "quality control + process technology".

Supplier Management Data



Partnering with Distributors

In the 2024 distributor management work, the Company has taken a series of important measures to work hand in hand with distributors to jointly enhance management levels and service quality.

- Signed the 2024 Moutai baijiu and Jiang-flavor Baijiu distribution contract to ensure that the transaction process is legal and compliant, safeguarding fairness and transparency in transactions.
- Developed the *Channel Partner Management Measures* to standardize sales behavior and strengthen the awareness of maintaining market order; formulated the *Market Maintenance Management Measures* to enhance market inspections and standardize market order.
- Regularly conducted market research, guidance, and service work. Based on market conditions, guided distributors to adjust market strategies, expand customer groups, and promote product sales; empowered Moutai liquor specialty stores, themed terminals for Jiang-flavored baijiu, and experience centers through platforms like iMoutai and JD Hourly Delivery, effectively serving distributors.
- Developed the *Management Measures for Customer Consultation and Complaints* to standardize the procedures for handling customer inquiries and complaints regarding the Company's products or services; developed the *Marketing Advisory Group Management Measures* to standardize the management of the advisory group, fully utilized its role in offering suggestions, and strived to build the advisory group into a knowledgeable, responsible, and innovative think tank for the marketing of Jiang-flavored baijiu.

In 2024, the Company carefully planned and implemented a series of training programs to help channel partners enhance their overall capabilities. We held seven offline training sessions for the management of channel partners stores (store managers, managers, or above), covering all 31 provinces and regions nationwide. Meanwhile, we provided monthly online training for ordinary employees of channel partners and outsourced labor personnel of self-operated companies, with a monthly training attendance of 4,920 participants. The training content covered themes such as company strategic promotion, company culture awareness, store service standards, market activity planning, user operation conversion, public opinion risk management, and safe business management. These programs helped channel partners gain a deeper understanding of Moutai's market construction requirements and service standards, enhancing the customer service capabilities, product marketing levels, and market operation expertise of channel partners teams, ultimately providing consumers with a comprehensive high-quality service experience.

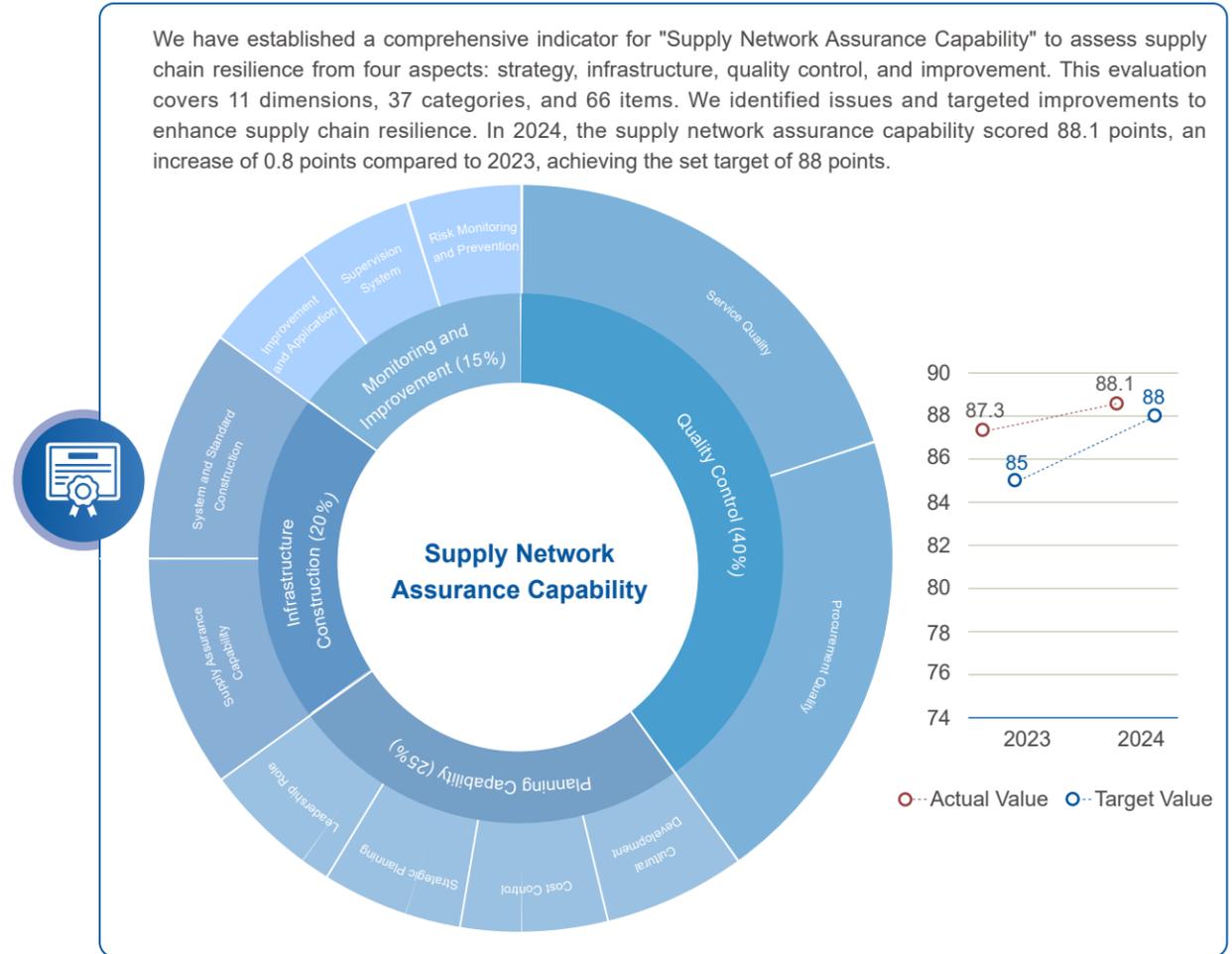
In 2024, the Company launched a training program for distributors, staff at Jiang-flavour series baijiu experience centers, and theme terminal directors. Among them, the distributor training program consisted of six sessions, targeting a total of 239 core management personnel, including general managers, brand managers, sales directors, and regional managers of distributors. In 2024, the overall satisfaction rate of distributors reached 97.4%.

Supply Chain Risk Prevention and Control

The Company emphasizes on supply chain risk management with the goal of "enhancing risk compliance management capabilities and maintaining a close and clean cooperation relationship with suppliers", focusing on improving supply chain resilience and strengthening risk and compliance management.

Supply Chain Risk Response Mechanism in 2024

We further improved the procurement risk prevention mechanism. We developed the *Risk Assessment Meeting Mechanism* to clarify the content, timing, and methods of the meeting assessments, improve the risk assessment meeting mechanism, and enhance the effectiveness of risk assessment meetings. We comprehensively analyzed and identified the reasons for failed bidding projects in 2024 and developed targeted measures to respond to bidding risks, effectively preventing the procurement integrity risks that may arise from such failures.



To ensure supply chain security and strengthen supply chain advantages, the Company actively deepens cooperation with digital strategic partners, accelerating resource sharing and the development of new productive forces. The Company has launched an business and finance integrated project to comprehensively enhance the management capabilities of personnel, finance, and materials. Meanwhile, it is accelerating the construction of an integrated supply chain system that includes packaging, blending and storage, liquor production, Daqu making, and comprehensive quality management, to form a complete digital integrated supply chain system. In addition, the Company has established an electronic procurement mall to centralize e-commerce procurement of small, scattered, and frequent materials, dynamically adjusting product prices through a price linkage mechanism to improve procurement efficiency and reduce risks.

Sustainable Development of the Supply Chain

The Company values the sustainable development of the supply chain and actively builds a green supply chain. According to the *Supplier Sustainable Development Implementation Plan and Green Indicator System*, adhering to the principle of "comprehensive coverage and doing as much as possible", the Company actively guides and encourages cooperative suppliers to develop ESG practices.

The Company incorporates suppliers' carbon footprints and water footprints into the "Moutai Bill", establishes a "Dual Footprint" reduction working group, and carries out basic data collection on the carbon footprint and water footprint of core products Kweichow Moutai baijiu (500ml, 53%vol), determines accounting boundaries, and calculates product footprints, based on which a series of water-saving and carbon-reduction implementation measures have been formulated. In addition, the Company has formulated the *Implementation Plan for the Reduction and Green Development of Packaging Materials*, which clarifies 19 work tasks to promote the reduction, light weight, and greening transformation of packaging materials to enhance environmental friendliness.

In 2024, the Company revised and improved the *Moutai Baijiu Sorghum and Wheat Supplier Management Regulations*, the *Packaging Materials Supplier Management Rules* and other institutional documents based on institutional documents such as the *Implementation Plan for Product Packaging Materials for Green Supply Chains*, the *Finished Liquor Outer Packaging Materials Recycling Management System*, and the *Regulations on the Management of Waste Materials Recycling*. In key areas of the supply chain, the Company will gradually incorporate green environmental protection and ESG assessment standards into the full life cycle management of suppliers, increasing the proportion of "greening" assessment scores, and adjusting the ESG assessment from an "additional bonus item" to a "fixed proportion of 15%" to further guide suppliers in implementing the transformation of green packaging materials and reducing the carbon footprint of packaging materials. Focusing on key elements of green development, the Company is promoting iterative upgrades in the supply chain. By 2024, we had helped 14 suppliers complete green and low-carbon-related certifications, and 22 suppliers obtained national-level or provincial-level green factory certification, assisting the Company in advancing its "dual carbon" work in an orderly manner.

Case Green Procurement and Supply Chain Conference

In December 2024, the Company held the "New Quality Leadership, Green Development, and Future-Connected Supply Chain" Procurement and Supply Chain Conference, gathering representatives from over 300 suppliers nationwide to explore new development paths and discuss new development blueprints. During the reporting period, Moutai achieved breakthroughs in full-chain collaboration, efficient transformation of procurement and supply management, enhanced quality assurance capabilities, and laid the foundation for green digitization. At the conference, China Environmental United Certification Center Co., Ltd. assessed and certified the carbon emissions of the conference and issued a zero-carbon certificate, demonstrating the Company's firm commitment to green development. In addition, the conference also clarified the focus of future work, which will further strengthen quality, cultivate new quality productivity, jointly practice ESG concepts, promote management modernization, and build harmonious supplier relationships.



Green Procurement and Supply Chain Conference



Symbiotic Coexistence

Coexisting Harmoniously with Nature

Kweichow Moutai always practices the principle that “lucid waters and lush mountains are invaluable assets”, prioritizes ecology, promotes green development, focuses on the climate change and sustainable development, deepens energy conservation and environmental protection, optimizes production-living-ecological spaces, closely monitors five flow lines, and builds a virtuous ecosystem of “water, soil, air, and microorganism” to coexist harmoniously with nature and green develop together with stakeholders.



-  **Climate Change Tackling**
-  **Efficient Resource Utilization**
-  **Protecting the Green Environment**

Climate Change Tackling

Kweichow Moutai deeply implements the sustainable development concept of "symbiotic coexistence, sharing benefits, and mutual success", and regards the response to the national dual carbon strategy and global climate change. The Company comprehensively manages climate change risks and opportunities from the four dimensions of governance, strategy, risk management, and metrics and targets, in accordance with the framework and recommendations of the International Sustainability Standards Board (ISSB)⁹ through measures such as increasing investment in energy-saving technology research and development, managing greenhouse gas emissions, and promoting the development of a sustainable supply chain, to explore diverse pathways for Climate Change Tackling.

Governance

In 2024, the Company improved its climate change Governance structure. The Strategy Committee, as a Board-level committee, acts decision-making body and is responsible for overseeing matters related to climate change and holds meetings on climate-related issues every year. The ESG Promotion Committee is responsible for assessing, managing, and reporting climate-related risks and opportunities to the decision-making level on a regular basis.

The Strategy Committee as a Board-level committee acts as the decision-making body and is responsible for

- Approving the Company's climate change management strategy and short, medium, and long-term climate change plans;
- Regularly receiving reports from management on climate change-related matters to provide strategic guidance for the Company's climate risk and opportunity assessment;
- Approving climate change-related goals and monitoring the progress towards achieving these goals.

The ESG Promotion Committee, as the management body, is responsible for

- Focusing on global climate change trends, policy and regulatory dynamics, and cutting-edge practices across various industries, and formulating forward-looking climate change addressing strategies in conjunction with the Company's business characteristics;
- Developing climate change management measures, short, medium, and long-term plans, and climate change-related goals, and submitting them for approval by the decision-making level;
- Understanding and assessing the potential impacts of climate change risks on the Company, and regularly reporting climate change-related matters to the decision-making level.

The ESG Special Working Group, as the execution body, is responsible for

- Promoting the implementation of the Company's climate change-related strategies and carrying out relevant work according to the short, medium, and long-term climate change plans;
- Identifying and managing climate change risks and opportunities, clarifying the impact of climate change on the Company, and developing targeted response strategies;
- Breaking down climate change indicators and goals, coordinating various departments to carry out the work on Climate Change Tackling, and regularly reporting on progress towards goals.



⁹ It is an independent international standard-setting organization, established by the International Financial Reporting Standards Foundation, and officially launched on November 3, 2021, at the 26th United Nations Climate Change Conference. Its aim is to develop sustainability reporting standards that are aligned with the International Financial Reporting Standards (IFRS).

Strategy

In accordance with the *Opinions of the CPC Central Committee and the State Council on Comprehensively and Correctly Implementing the New Development Concept and Engaging in Carbon Peak and Neutrality* and the *Action Plan for Carbon Peak by 2030*, the Company has developed the *Kweichow Moutai Co., Ltd. Action Plan for Carbon Peak and Neutrality*, (hereinafter referred to as the "Plan") based on the current carbon emission status and reduction potential, clarifying the implementation route and measures for the dual carbon strategy.

In 2024, following the requirements of *Guidelines No. 14 of the Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)* and referring to the climate-related sustainable disclosure standards issued by the International Financial Reporting Criterion¹⁰ (IFRS S2 for short), the Company actively carried out climate change scenario analysis. In light of its actual circumstances, the Company has selected three highly contrasting scenarios - SSP¹¹1-2.6, SSP2-4.5, and SSP5-8.5 - developed by the Intergovernmental Panel on Climate Change (IPCC). By analyzing climate risks and opportunities across different scenarios and timeframes, the Company conducts a comprehensive assessment of the potential impacts of climate change, identifies climate-related opportunities, and formulates forward-looking strategies to address climate change.

Scenario Selection

Temperature Scenario	Physical Climate Scenario	Transitional Climate Scenario
Greater than 3°C	SSP5-8.5	/
2°C-3°C	SSP2-4.5	/
Less than 2°C	SSP1-2.6	

Based on the actual implementation of climate change risk management work and in conjunction with the dual carbon action plan, the Company comprehensively considers the urgency of climate risk evolution, the gradual nature of technical implementation cycles, and the systematic coordination of strategy goals. Climate risks are categorized into short-term, medium-term, and long-term risks to facilitate the orderly development of risk response work and enhance management effectiveness.

Climate Risk Time Frames

Time Frame	Period
Short-term	2025-2030
Medium-term	2031-2040
Long-term	2041-2060

Based on the selected different climate scenarios, the Company conducts climate change risk identification and assessment, categorizing climate risk types into physical risks and transition risks. It comprehensively reviews the potential climate risks that may be faced in the Company's raw material production, production operations, logistics transportation, and store operations, assessing the likelihood of risk occurrence, impact severity, and adaptability, and taking targeted response measures to collaboratively address climate change risks with upstream and downstream partners.

¹⁰ Climate-related Sustainability Disclosure Standards.

¹¹ Shared Socioeconomic Pathways (SSPs) scenarios.

Identification and Response to Climate Change Risks

Risk Type	Risk Description	Mitigation Measures
Physical Risk	<p>Acute Risk</p> <ul style="list-style-type: none"> Extreme events such as heavy rainfall, high temperatures, mudslides, and wildfires will affect normal operations; Damage to infrastructure such as power supply, water supply, gas supply, and roads will affect raw materials supply, logistics distribution, and energy supply, leading to cost increases as well as reduced production capacity and performance indicators. 	<ul style="list-style-type: none"> Establish a real-time ecological environment monitoring system for the Chishui River Basin and production areas to provide timely warnings for climate change factors that may trigger acute risks, allowing for proactive response measures to be taken; Develop emergency plans for extreme weather, establish a working mechanism for responding to extreme weather, and conduct regular emergency drills; Develop targeted workwear standards, reasonably set up retaining walls in high slopes and landslide-prone areas, and establish decentralized water supply pump stations and supporting dual-circuit power supply systems; Carry out regular geological and engineering condition monitoring; Conduct regular cleaning of natural streams and drainage channels in the zone.
	<p>Chronic Risk</p> <ul style="list-style-type: none"> Chronic changes in the climate environment will lead to changes in the quality and flavor of main ingredients such as sorghum and wheat, distilling microbial environments, and water environments and quality, thereby affecting the quality and flavor of the liquor. 	<ul style="list-style-type: none"> Establish a strategic reserve mechanism for raw materials; Continue to closely monitor the trend of global warming and conduct in-depth research into its potential impacts on food production; Carry out basic research on microorganisms, and determine the basic characteristics of microorganisms in Kweichow Moutai's core production areas; Conduct conservation research on important raw materials involved in the Company's production to understand their suitable growth conditions; Develop emerging water purification technologies such as bank filtration to ensure the safety of distilling water.
Transition Risk	<p>Policy and Legal Risk</p> <ul style="list-style-type: none"> The tightening regulations on the river basin environment will restrict the use of the water in the Chishui River. The gradual implementation of policies such as carbon trading, carbon taxes, and environmental taxes necessitates the imperative transition to green and low-carbon practices, imposing higher requirements on Kweichow Moutai's energy-saving and emission-reduction efforts. Regulators have higher requirements for the accuracy of environmental data reported by companies, increasing the pressure and compliance risks of Kweichow Moutai's environmental information statistics. 	<ul style="list-style-type: none"> Conduct water footprint analysis and targeted research on reducing water consumption, to reduce the probability of impacts on products; Continuously strengthen ecological governance work in the Chishui River basin. Follow global climate policy trends; Develop and implement carbon reduction plans; Improve the energy-saving and emission-reduction plans for production and operation processes.
	<p>Technical Risk</p> <ul style="list-style-type: none"> With the government's stricter controls on the energy consumption of manufacturers, Kweichow Moutai needs to allocate more costs for energy conservation and consumption reduction in its production and operations. 	<ul style="list-style-type: none"> Continuously promote the research and development of low-carbon energy-saving technologies; Adopt low-carbon environmental protection facilities; Optimize distilling processes and technologies, and develop a circular economy model.
	<p>Market Risk</p> <ul style="list-style-type: none"> The market's preference for green brands and products is becoming increasingly evident, adding pressure to Kweichow Moutai's low-carbon production and operations. 	<ul style="list-style-type: none"> Combine full lifecycle carbon footprint assessment to methodically reduce carbon emissions. Implement lightweight and green transformations for packaging materials; Choose more green and low-carbon suppliers.
	<p>Reputation Risk</p> <ul style="list-style-type: none"> Failure to meet the expectations of stakeholders regarding climate change initiatives may result in negative impacts on Kweichow Moutai's reputation. 	<ul style="list-style-type: none"> Strengthen communication with stakeholders to understand and respond to their demands; Promote the Company's progress in green and low-carbon initiatives, such as green packaging, sustainable procurement, and circular economy practices; Regularly disclose the Company's emission reduction measures and their effectiveness.

The Company has established a climate change risk management system, integrating climate change risk management into the overall risk management framework to ensure that climate risk factors are considered in major business decisions. In addition, the Company proactively explores opportunities related to climate change and seeks ecological value-added paths.

Climate Change Opportunities



Case Kweichow Moutai was invited to participate in the COP29 China Pavilion side event

In November 2024, the 29th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP29) was held in Baku, Azerbaijan, where the *Baku Climate Solidarity Pact* was reached, setting multiple climate financing goals and accelerating the global response to climate change. As an invited enterprise at the COP29 China Pavilion side event, Kweichow Moutai showcased its important practices in the ecological economic value transformation.



Company leadership was invited to participate in the COP29 China Pavilion side event

Impact, Risk, and Opportunity Management

Kweichow Moutai incorporates climate risks into the Company's overall risk management process, establishing a systematic process for risk identification, assessment, response, and improvement to effectively manage and control climate-related risks, reduce their impact on company operations, and seize opportunities brought by climate change, promoting the enterprise towards a greener and more sustainable direction.

Risk Identification

We integrate the geographical characteristics of the Moutai production region and the distilling ecosystem to conduct climate risk identification at least once a year, focusing on analyzing the impact of extreme weather, water source changes, and other factors on raw material supply and production processes. Based on these assessments, we compile a climate risk inventory.

Risk Assessment

Considering the distilling production cycle, we classify and stratify identified climate risks, employing quantitative models to evaluate the potential impact of extreme weather and temperature fluctuations on production efficiency, raw material quality, and supply chain stability, thereby providing a scientific basis for decision-making.

Risk Response

Based on the evaluation results, we develop full-value-chain response strategies for different levels of risk and establish risk warning indicators. Through technological innovation and process optimization, we mitigate the impact of climate risks on production while enhancing the climate resilience of the distilling ecosystem.

Risk Management Improvement

We regularly review and optimize the climate risk management process, leveraging cutting-edge technologies such as climate forecasting to continuously improve the scientific rigor and adaptability of risk management. This ensures that the process remains effective in responding to the ever-changing climate environment.

Metrics and Targets

To effectively respond to the national carbon peak and carbon neutrality strategy, and to implement climate risk management and supervision mechanisms, the Company has set emission reduction targets for each stage based on the plan, providing clear guidance for climate change work.

2024 Emission Reduction Target



Emission Reduction Target



Achieved Progress

Reduce comprehensive energy consumption per unit of industrial output by **14%** compared to 2020¹²



Achieved

Decrease carbon dioxide emissions per unit of industrial output by **19%** compared to 2020



Achieved

Renewable energy consumption reaches **7%** of the total energy usage



Achieved

The scope of green electricity usage in the plant area: **100%** coverage.



Achieved

2025 Emission Reduction Target

Reduce comprehensive energy consumption per unit of industrial output by **20%** compared to 2020

Maintain the proportion of renewable energy consumption in total energy consumption remained at **7%** or above, and **100%** coverage of green electricity at the Moutai production area and Heyixing production area

Medium and Long-term Emission Reduction Target

Achieve carbon peak before 2030, with carbon emissions per unit of industrial output value reduced by **60%** compared to 2020

¹² The year 2020 serves as the baseline year for the national emission reduction targets.

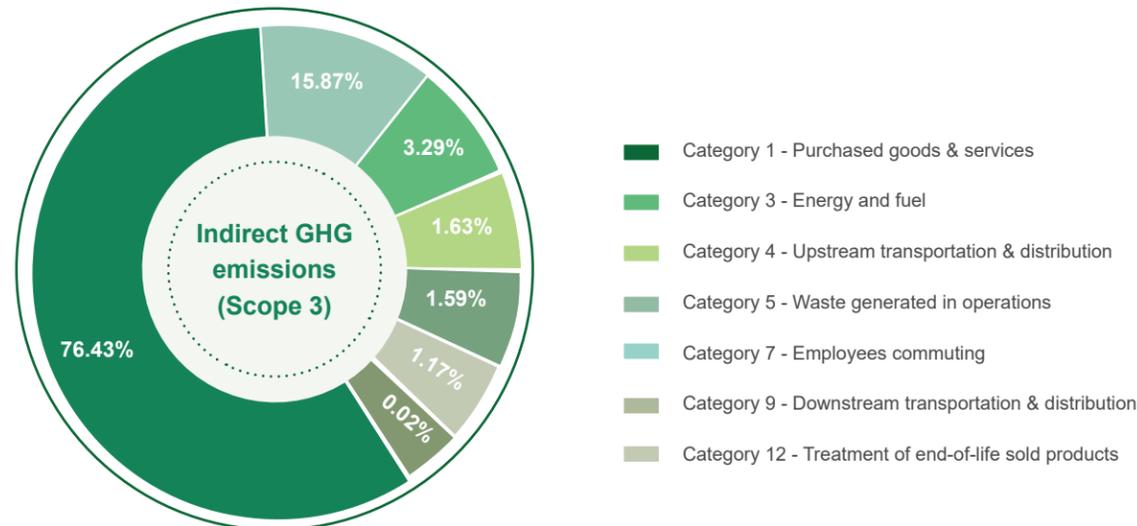
The Company took the lead in drafting the industry's carbon-related standards, the *Requirements of the GHG Emissions Accounting and Reporting for Baijiu Enterprise (T/CBJ 2206-2024)* and the *Product Carbon Footprint Evaluation Specification for Baijiu (T/CBJ 2207-2024)*¹³, which had been officially released in 2024.

Since 2018, the Company has continued to promote greenhouse gas emissions verification actions, systematically analyzed the details of carbon emissions each year, and formulated targeted carbon reduction strategies based on the setting of phased goals (please refer to the "Energy Conservation" section for details on the progress of goal implementation and emission reduction practices). In the past three years, the carbon dioxide emission intensity per unit of the industrial output value of the Company has shown a continuous and steady decline.

GHG Emissions (Scope 1 + Scope 2)

Index	Unit	2024	2023
Direct GHG emissions (Scope 1) ¹⁴	tCO ₂ e	287,811	244,895
Indirect GHG emissions (Scope 2) ¹⁵	tCO ₂ e	2,536	9,883
Total GHG emissions (Scopes 1, 2)	tCO ₂ e	290,347	254,778
GHG emissions intensity (Scopes 1, 2)	tCO ₂ e/1 million units of industrial output	2.91	2.95

GHG Emissions (Scope 3)



Calculation basis: GHG emissions are verified by a professional third-party organization in accordance with ISO 14064, IPCC guidelines, the *Guidelines for GHG Emissions Calculation Methods and Reporting in Food, Tobacco, Alcoholic Beverage, Beverage and Refined Tea Enterprises (Trial)*, *GHG Calculation System: Code of Conduct for Enterprise Calculation and Reporting*, as well as other applicable regulations.

¹³ <https://www.cada.cc/Item/1453.aspx>

¹⁴ Reason for increase in Direct GHG emissions (Scope 1): Increase in natural gas use due to increase in production output in 2024.

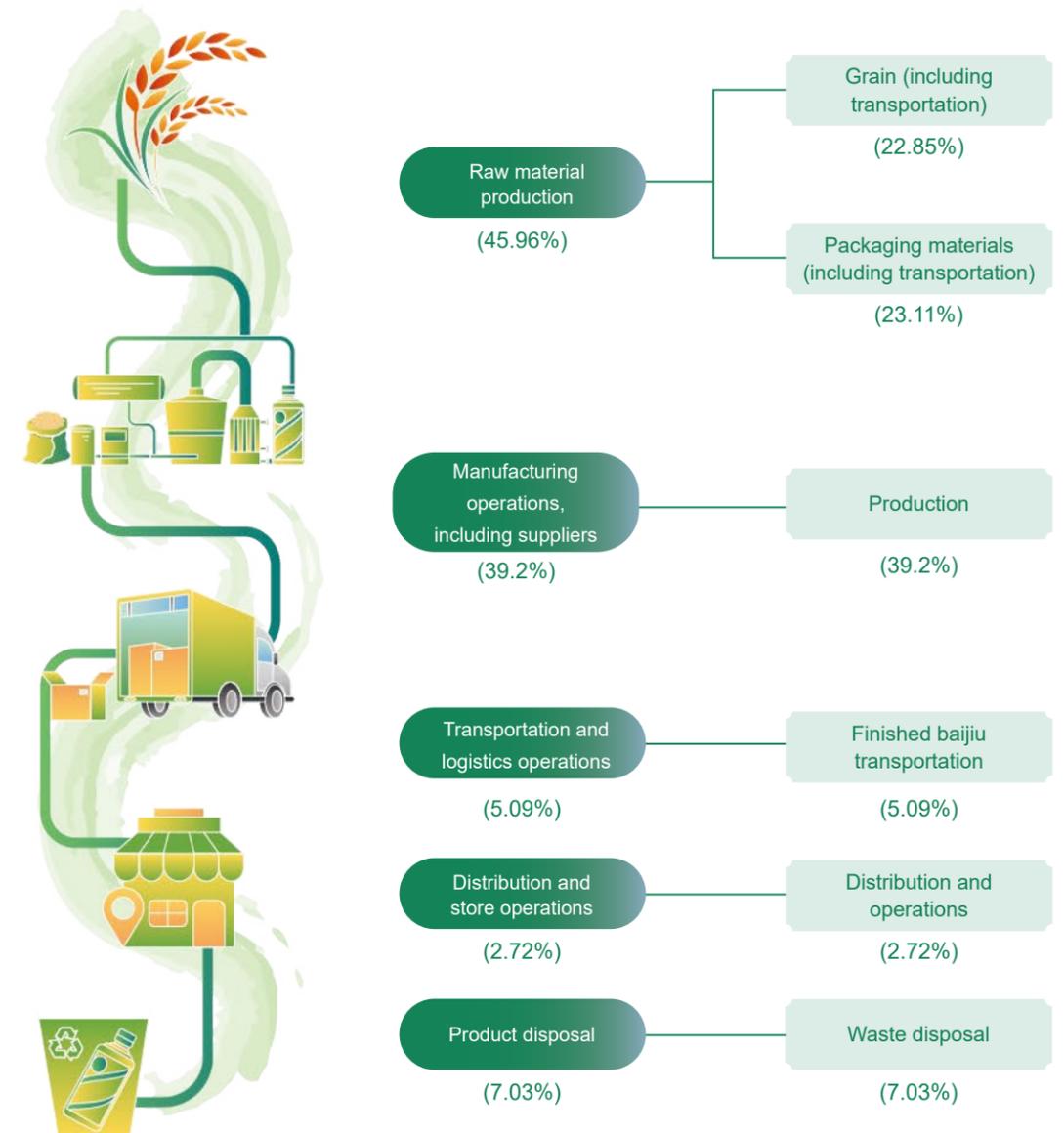
¹⁵ Reason for decrease in Indirect GHG emissions (Scope 2): Increased purchase of green electricity in 2024.

Product Carbon Footprint

In 2024, the Company referred to the *Guidelines for GHG Emission Calculation and Reporting in Industrial Enterprises*, GB/T 24067-2024, and ISO 14067:2018 *GHGs - Carbon Footprint of Products - Requirements and Guidelines for Quantification* to improve the carbon footprint assessment of the Company's core products and issue a carbon footprint assessment report, aligning the assessment approach with international mainstream life cycle assessment (LCA) standards (ISO 14040 and ISO 14044).

The Company conducts a full life cycle carbon assessment of core products, including carbon footprint assessment and calculation at all stages such as Raw material production, Manufacturing operations, Transportation and logistics operations, Distribution and store operations and Product disposal stage, further identifying carbon reduction potential at each link, laying the foundation for formulating reduction plans at each stage, setting carbon footprint reduction targets, and promoting decarbonization in the supply chain.

Core Products¹⁶ lifecycle carbon footprint calculation results (Expressed as proportion of carbon emissions)¹⁷



¹⁶ Core products refer to Kweichow Moutai baijiu (Moutai Flying Fairy (Feitian)).

¹⁷ In the carbon footprint measurement, carbon emissions are calculated based on the carbon dioxide equivalent emitted by each bottle of product at each stage, and the percentage data are the proportion of carbon dioxide equivalent emissions of each bottle of product in each stage.

Through a comprehensive analysis of the factors affecting the carbon footprint of core products, the Company identified the carbon reduction potential at each stage and developed a full life cycle carbon reduction plan covering core product raw material production, core production, facilities fleet, routes and load management, all distribution centres, etc. , achieving good results in various aspects of production operations. (For details on the carbon emission reduction plan, please refer to the "Energy Conservation" section)

In 2024, the Company invited engineers from the Chinese Research Academy of Environmental Sciences to conduct online training on carbon footprint accounting for packaging materials suppliers, enhancing suppliers' environmental awareness, and building a greener, low-carbon, and sustainable supply chain. Additionally, we required core packaging materials suppliers to provide energy data and carbon emission data, conducting energy consumption surveys on over 50 packaging materials suppliers, laying a foundation for the Company to explore suppliers' carbon reduction potential, expand the assessment scope, and promote supply chain emissions reduction.

Case

Kweichow Moutai's First "Zero-Carbon" Conference Realized, Demonstrating Corporate Green Commitment

In December 2024, the company hosted the Procurement and Supply Chain Conference. Through evaluation and calculation by a third-party professional organization, the 87.62 tCO2e of greenhouse gases generated during the event were fully offset. The company was awarded a "Carbon Neutrality" certificate, marking the successful implementation of first "zero-carbon" conference. To achieve this goal, the company adopted diversified carbon reduction measures:

- Used zero-carbon paper and tissues;
- Created guest credentials and desk calendar gifts using "seed paper" (plantable seed paper), and employed eco-friendly biodegradable materials for gift handbags;
- Designed reusable trophies for outstanding suppliers using aerospace-grade aluminum and crystal. For production, energy-efficient engraving techniques with lower carbon emissions were prioritized over traditional casting and forging processes;
- Issued environmental advocacy through eco-friendly reminder cards placed in guest rooms.



Procurement and Supply Chain Conference Site

Carbon Footprint Target and Progress:

Target: By 2024, reduce carbon dioxide emissions per unit of product by **2%** compared to 2020.

2024 Progress: Carbon dioxide emissions per unit of product decreased by **3%** compared to 2020, achieving the year's target.

Efficient Resource Utilization

The Company focuses on five aspects: "water" "energy and carbon" "gas" "sound" and "solid waste", continuously improving the integrated monitoring network for the ecological environment. By efficiently utilizing resources and energy, promoting the use of renewable and environmentally friendly packaging materials, and exploring the application of renewable energy, the Company constantly innovates new approaches, technologies, and pathways for green development, continuously solidifying the ecological foundation of high-quality development.

Energy Conservation

Adhering to the philosophy of energy conservation and environmental protection, Kweichow Moutai enhances its management of the energy system, actively promotes the research, development, and application of energy conservation and emission reduction technologies, and expands the utilization of renewable energy, striving to establish itself as a benchmark enterprise in the field of energy conservation and environmental protection.

Energy Management System

Strictly complying with relevant laws and regulations such as the Law of the People's Republic of China on Energy Conservation, Kweichow Moutai has put in place some institutional documents such as the Energy Management Manual, the Energy Operation Management Regulations, and the Energy Data Management Regulations. It conducts energy management work following the principles of law-based management, technological progress, consumption reduction, efficiency increase, effective supervision, and sustainable development. In 2024, Kweichow Moutai underwent the energy conservation diagnosis organized by the Guizhou Provincial Development and Reform Commission, as well as the energy supervision organized by the Zunyi Bureau of Industry and Science and Technology, further clarifying the Company's energy consumption situation and energy conservation achievements, and pointing out the direction for the Company to carry out refined energy management.

In 2024, Kweichow Moutai successfully passed the recertification audit of the GB/T 23331-2020/ISO 50001:2018 Energy Management System, ensuring the normal operation of the energy management system.



Energy Management System Certificate

Energy Conservation and Carbon Reduction Initiatives

Kweichow Moutai identifies and evaluates energy utilization in different stages, including raw material production, manufacturing operations, transportation and logistics, distribution and store operations. It spares no effort to implement energy conservation initiatives by developing energy conservation technologies, optimizing the production process, upgrading equipment to energy-saving types, and improving the energy structure.

Energy Conservation and Emission Reduction Initiatives in Different Stages



Raw materials production

- Continuously using organic and green fertilizers to increase soil organic matter content, and strengthen the soil's carbon sequestration;
- The sorghum base promotes a local storage and collection approach, where grains are delivered to nearby collection points, reducing energy consumption and emissions from long-distance transportation, shortening transit times, and minimizing grain loss;
- Wheat suppliers are required to primarily use low-emission transport such as rail transport from base warehouses to transit warehouses, reducing carbon emissions during transportation;
- Revise the *Packaging Materials Supplier Management Guidelines*, incorporate ESG into the supplier evaluation system, and encourage suppliers to actively engage in green and low-carbon transformation activities such as energy conservation and emission reduction, environmental research and development, production process improvements, energy use optimization, green procurement, and sustainable printing. Over the past two years, three packaging materials suppliers successfully applied for national-level green factory, and six suppliers successfully applied for provincial-level green factory

Manufacturing operations

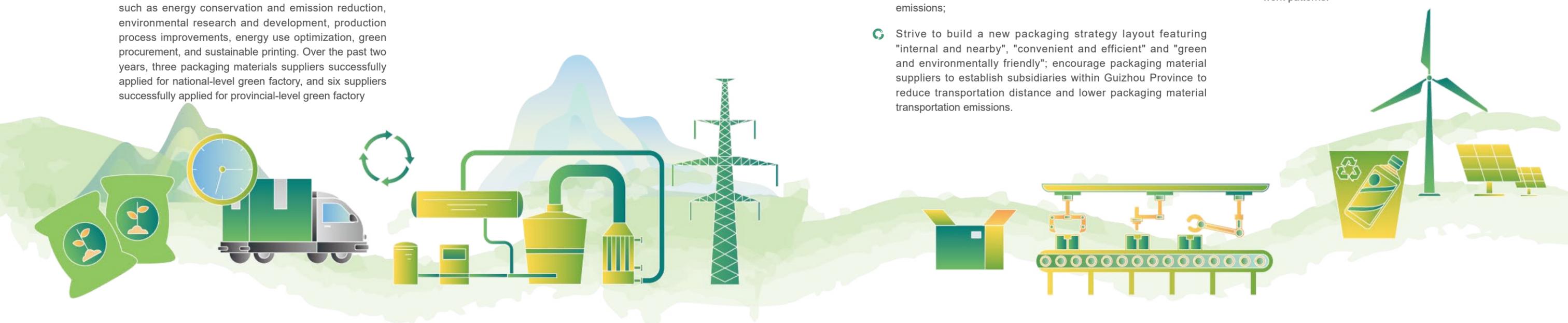
- Improve the energy management system, coordinate resource allocation, and ensure successful implementation and smooth operation of the system;
- Carry out research into multiple energy-saving technologies, including feasibility studies on the application of electrode boilers, CO₂ heat pumps, high-temperature heat pumps, and flash evaporation systems, dual circulation water cooling and waste heat recovery system for baijiu-making, and an information-based steam supply network system;
- Expand the Company's electricity load capacity and sign long-term green electricity procurement agreements with power trading centers to meet energy transformation needs.
- Use new energy-saving electromechanical equipment.

Transportation and logistics

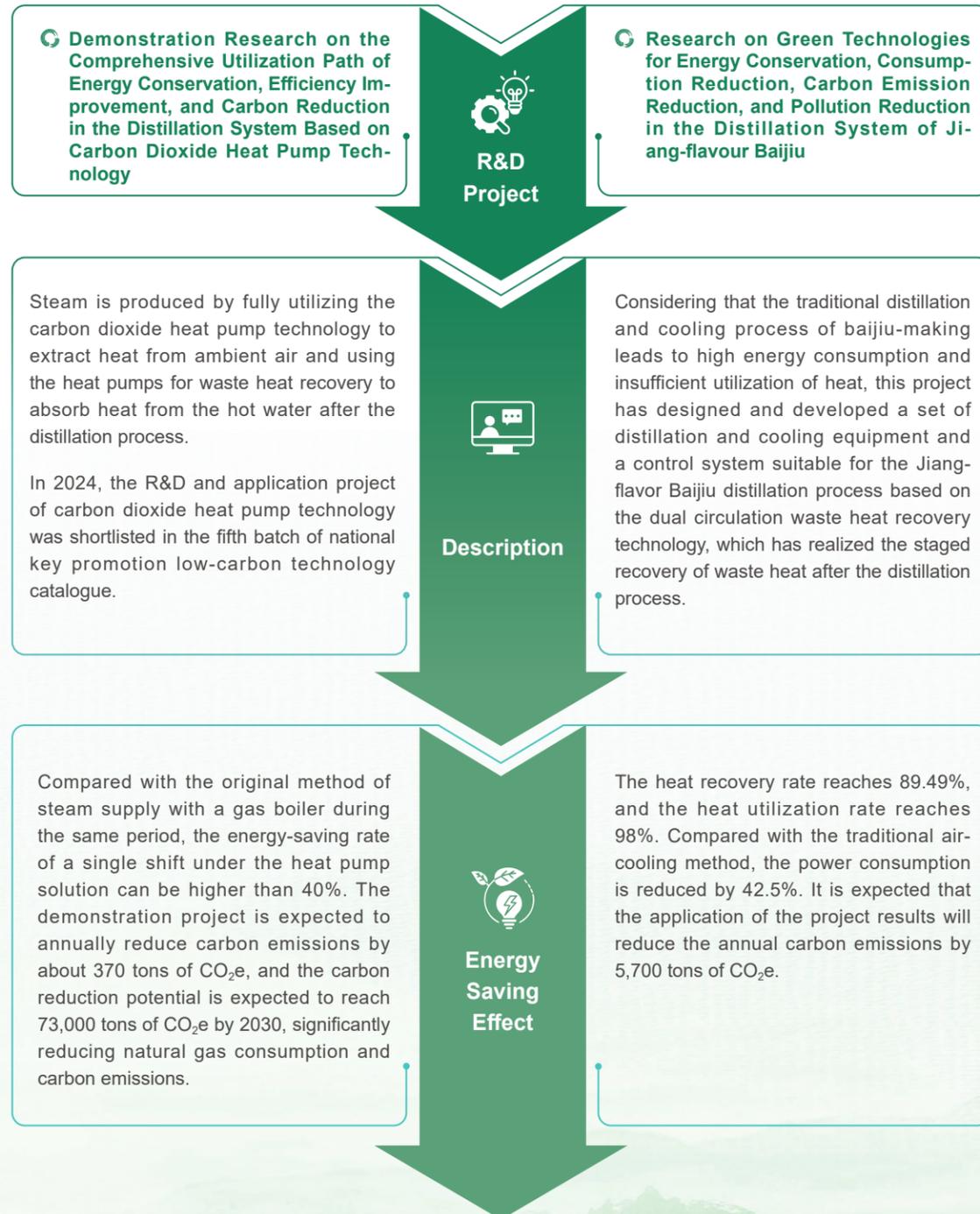
- Develop the *Planning and Implementation Plan of Green Logistics*, implementing green logistics measures in six key areas: end product warehousing and distribution system, grain warehousing and distribution system, trunk transport, intelligent platform, green logistics highway port, and green park;
- Adopt an intelligent warehouse management system to achieve precise inventory positioning and efficient management, improving the space utilization efficiency, reducing storage costs, and minimizing the operation routes of handling equipment;
- Increase the use of clean energy transport vehicles, ensure that the proportion of clean energy transport vehicles exceeds 20% in the transport of baijiu lees.
- Use advanced warehouse equipment to automate storage, conveyance, and sorting; Use intelligent means to dispatch transport vehicles to reduce the number of trips and waiting time for motor vehicles, thus reducing energy consumption and carbon emissions;
- Strive to build a new packaging strategy layout featuring "internal and nearby", "convenient and efficient" and "green and environmentally friendly"; encourage packaging material suppliers to establish subsidiaries within Guizhou Province to reduce transportation distance and lower packaging material transportation emissions.

Distribution and store operations

- Promote the action of glass bottle recycling, carry out pilot projects for the recycling and resource utilization of packaging materials such as glass bottles in Hefei and Chengdu, and gradually increase the resource utilization proportion of recycled bottles;
- Store Operation enhance employees' environmental awareness by convening work meetings, conducting training on environmental protection, and playing promotional videos through multi-media;
- Organize employees to sign initiatives such as the *Energy Conservation and Carbon Reduction, Green Development, and Environmental Protection*, guiding them to practice green and low-carbon lifestyles and work patterns.



Research and Development of Energy Conservation Technologies



Energy Consumption

Index	Unit	2024	2023
Non-renewable energy consumption ¹⁸	tce	171,186	144,174
Renewable energy consumption ¹⁹	tce	14,827	11,270
Comprehensive energy consumption	tce	186,013	155,444
Comprehensive energy consumption intensity	tce/1 million units of industrial output	1.86	1.80

Raising Energy Conservation Awareness

Kweichow Moutai regularly organizes training sessions and publicity activities on energy conservation to raise its employees' energy conservation awareness.

Case Kweichow Moutai organizes energy management training

In 2024, the Company organized energy management training, which included basic knowledge of energy conservation management, guidance on management business, promotion of systems, publicity of laws and regulations, standards, etc., covering the Company's main production units such as baijiu-making, Daqu-making, packaging, and blending and storage, as well as functional departments related to energy management. This further enhanced the business capabilities of the Company's equipment, energy, and measurement management personnel, and improved the employees' knowledge literacy in energy management.



Energy Management Training

¹⁸ Reason for increase in non-renewable energy consumption: Increase in natural gas use due to increase in production output in 2024.

¹⁹ Increase in renewable energy consumption due to increased purchase of green electricity in 2024.

Water Management

The Company strictly adheres to the *Water Pollution Prevention and Control Law of the People's Republic of China* and the *Water Law of the People's Republic of China*, integrating water resource management into the responsibilities of the environmental governance framework. It continuously promotes the transformation, upgrading, and innovative exploration of water-saving processes, and continuously improves the level of water resource management.

Water Resource Management

In 2024, the Company further optimized the water resource management system. We supplemented the water management content in the *Energy Management System* and revised the water resource consumption standards based on the annual water usage in 2023, clarifying the "quota" for water usage in each unit and standardizing the water management systems and standards at all stages. In addition, the Company established a water usage assessment management system, improved the water resource assessment mechanism, and clarified the assessment methods for individual and unit water usage, promoting improvements through assessments to enhance water-saving efficiency.

The Company's water-saving targets:

Short-term target: Reduce water consumption per unit of product by **5%** in 2024 compared to 2023.

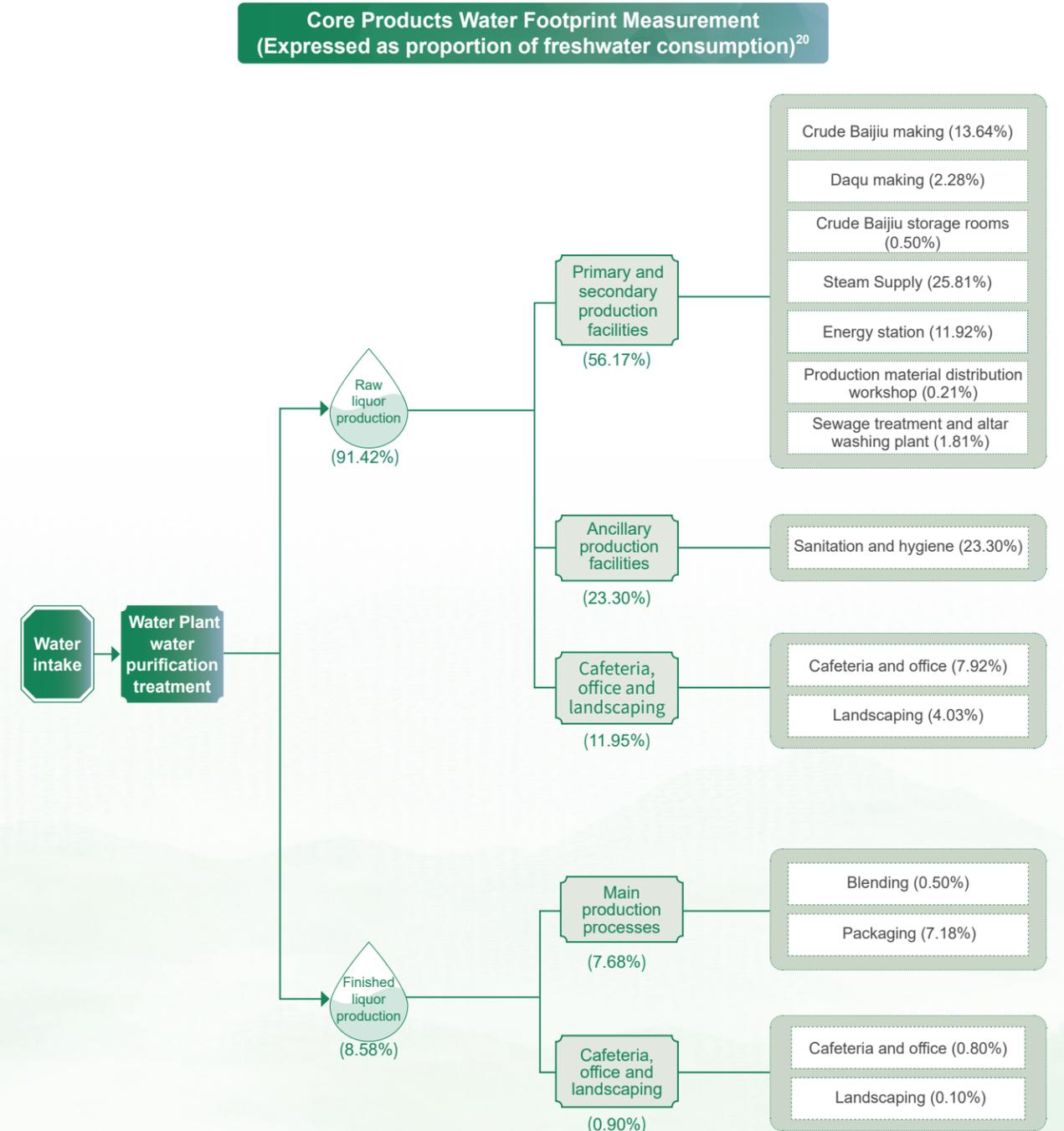
Medium to long-term target: Reduce water consumption per unit of product by **20%** by 2026 compared to 2023.

Target achievement progress:

The short-term goal was achieved: Water consumption per unit product in 2024 was reduced by **7.28%** compared to the data in 2023

Water Footprint Calculation

In accordance with the national policy of "water conservation first" and relevant requirements such as the Water Conservation Regulations, in 2024, the company engaged a third-party organization to conduct a water footprint assessment of its core products. In accordance with applicable laws, regulations, and standards such as GB/T 33859-2017/ISO 14046:2014 *Environmental Management—Water Footprint—Principles, Requirements, and Guidelines*, we conducted systematic verification of the water scarcity footprint and water degradation footprint of our core products. This work has identified the "key nodes" of high water consumption in various stages of production, daily life, and water supply, and implement targeted measures accordingly, optimizing water conservation management.



²⁰ In the water footprint measurement, the percentage data are the proportion of freshwater consumed per bottle in each process.

In 2024, the Company formulated the *Water Use Enhancement Action Plan (2024-2026)* based on the results of the water footprint assessment. This plan details a task list for water use enhancement across all operations and specifies water-saving measures at each stage to improve water resource management.

Water-saving Measures in Various Segments



The Company actively utilizes reclaimed water to replace fresh water, reducing the amount of fresh water used and promoting the efficient recycling of water resources.

Case Promotion of Reclaimed Water Reuse

In 2024, the company actively promoted the construction and development of reclaimed water reuse. Based on the pilot trial of "reclaimed water reuse" conducted in the 27th workshop of liquor production, a feasibility study report on reclaimed water reuse was completed.

Case Boiler water treatment process transformation

In 2024, the Company continued to transform the boiler water treatment process, adopting the "reverse osmosis + concentrated water reuse" process, reducing the boiler water treatment load by 24%.

Case Employee Water Conservation Promotion

In 2024, the Company conducted water conservation training and promotion for all employees, covering topics such as the situation of energy-saving and water-saving, national laws, regulations, and standards, awareness raising and knowledge of water conservation for main production units including distillation, daqu making, packaging, and blending and storage, effectively enhancing employees' awareness of water conservation.

Water Resource Management Data

Category	Unit	2024	2023	Year-on-year variable ratio
Reuse of reclaimed water	10,000 m ³	24.24	19.70	23.05%
Proportion of reclaimed water	/	3.07%	2.32%	32.32%
Extraction of freshwater	10,000 m ³	635.11	658.50	-3.55%
Freshwater extraction intensity	10,000 m ³ /1 million units of industrial output	0.0064	0.0079	-19.43%
Total water extraction ²¹	10,000 m ³	635.11	658.50	-3.55%
Water recycling rate ²²	/	85.45%	87.07%	-1.86%
Consumption of freshwater ²³	10,000 m ³	789.65	847.96	-6.88%
Freshwater consumption intensity	10,000 m ³ /1 million units of industrial output	0.0079	0.0098	-19.25%
Total water resource consumption ²⁴	10,000 m ³	813.89	867.66	-6.20%
Water resource consumption intensity	10,000 m ³ /1 million units of industrial output	0.0082	0.0098	-16.77%

Water Pressure Assessment

The Company values water risk management by identifying, assessing, and quantifying potential water risks such as water scarcity, water quality pollution, and flooding, ensuring the sustainable use and development of water resources.

In 2024, the Company introduced the World Wildlife Fund (WWF) Water Risk Filter to assess water risks across all its factories from three dimensions: physical risk, regulatory risk, and reputation risk. The assessment revealed that the overall regulatory risk faced by the Company is low, while the reputation risk and physical risk are moderate.



By utilizing internationally recognized water risk assessment tools, the Company has initially identified potential water risks it may face and has developed targeted measures to track implementation and effectiveness, effectively addressing water risk challenges.

In addition, the Company continued to conduct water ecological carrying capacity assessments in the Chishui River Basin. We investigated the water quality and ecosystem status within the basin and established a SWAT model for dynamic analysis of water quality and microorganisms in 2024. Through longitudinal assessments of indicators such as COD and DOC in water, we identify the impact and risks of factory production on the water environment and further develop targeted solutions.

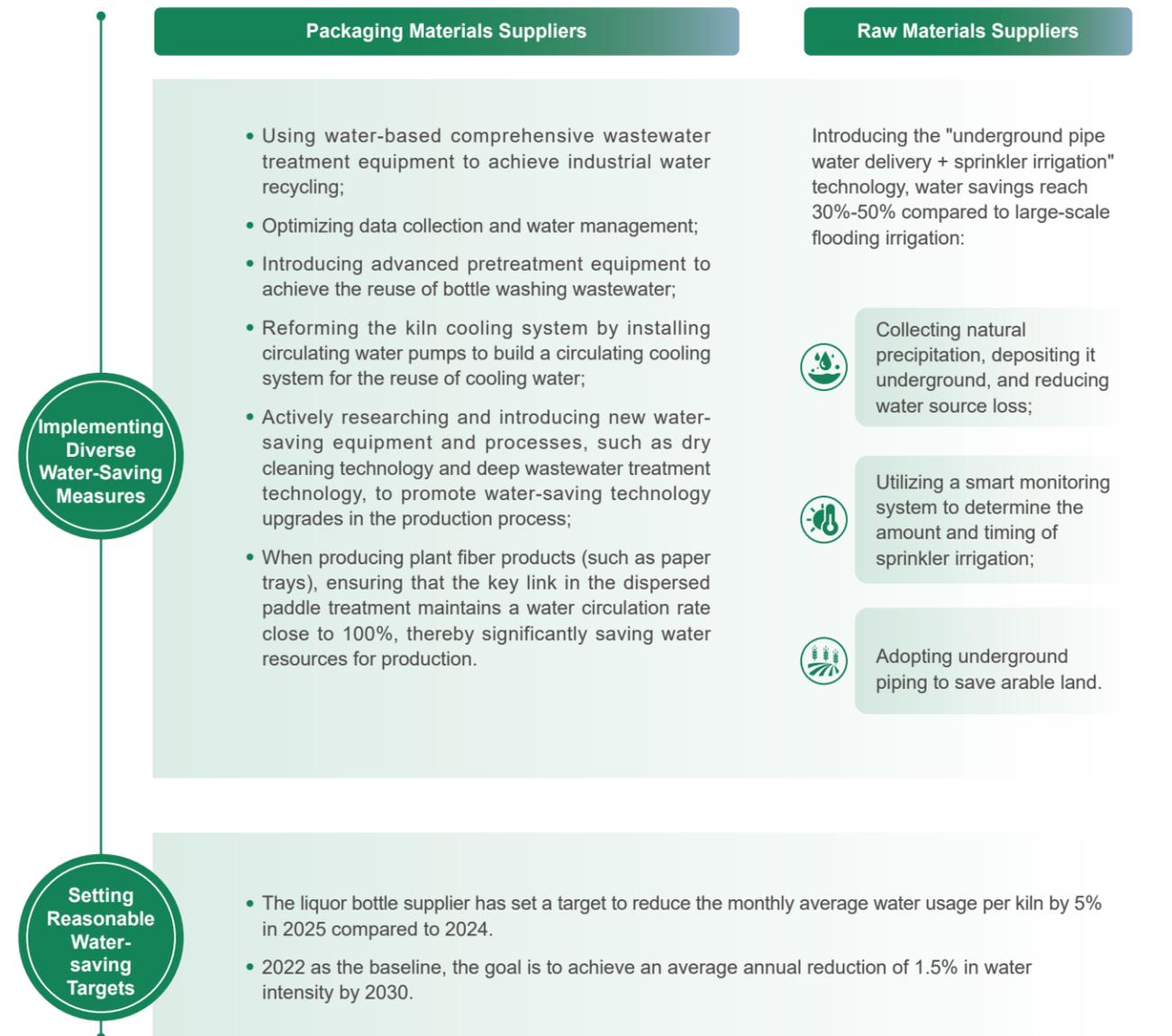
²¹ Freshwater extraction volume + Alternative water extraction volume.
²² (Recycled volume / (Recycled volume + water extraction volume)) * 100%.
²³ Consumption of freshwater Includes Extraction of freshwater and Municipal water consumption.
²⁴ Total water consumption includes fresh water consumption and reuse of reclaimed water, and this indicator has been revised for 2023.

Supplier Water Management

The Company actively advocates for suppliers to practice the concept of green development and has formulated the *Supplier Sustainable Development Implementation Method*, clarifying the requirements for suppliers to implement water resource protection and recycling, and encouraging suppliers to carry out water-saving actions. Meanwhile, we collaborate with suppliers to continuously optimize water-saving strategies and improve the efficiency of water resource utilization in the industrial chain.

The Company has formulated the *Optimization of Water Usage for Bottle Washing and Verification Test Plan for the Shelf Life of 500ml Moutai Baijiu (Milky Glass) Bottles*, with collaboration from various departments to conduct tests on the current water usage situation in the Packaging Plant, as well as improvements in production and storage by bottle suppliers. The study will examine the impact of bottle washing machine parameters and bottle storage time on bottle cleanliness, providing a basis for reducing water usage in the bottle washing process of the Packaging Plant and suppliers, classifying and defining storage shelf life, minimizing water resource waste in the packaging materials washing process, and enhancing water efficiency for the Company and the industrial chain.

Water-Saving Highlights of Suppliers



Maintaining Relations with the Community

The Company maintains a good relationship with the community. We minimize impacts on the Chishui River and surrounding communities, establish a communication dialogue mechanism with the government and local residents, strictly implement regulatory requirements, and promptly address reasonable demands from community residents.

In order to effectively address the ecological and environmental challenges of the Chishui River (Renhuai section) and promote the ecological health and sustainable development of the watershed, the Company has established a joint prevention and control mechanism with the Renhuai municipal government, coordinating the management of water resources, water environment, and water ecology through a series of measures such as water resource management and pollution source monitoring, to maintain the health of the Chishui River watershed ecosystem and ensure the continuous improvement of water quality in the Chishui River watershed (Renhuai section).

Case Launch of the Chishui River Protection Initiative

Employees of the Company and volunteers conducted patrols along the Chishui River using a five-step river inspection method (river condition survey, observation of physical indicators, chemical indicator testing, biological indicator observation, and water-friendly behaviors). The initiative resulted in the collection of 19.37 kilograms of waste from the riverbanks, contributing to the protection of the water quality and ecosystem of the Chishui River.



Chishui River Protection Initiative

CDP Water Questionnaire

In 2024, the Company actively completed the CDP questionnaire, scrutinizing its water resource management systems and processes against more stringent standards. This initiative prompted the Company to evaluate its operational procedures and water usage across the upstream and downstream value chain, identify water-related risks it faces, and analyze its water consumption. As a result, the Company was able to precisely pinpoint areas with potential for water conservation. It advanced the implementation of new water-saving technologies and processes in both production and non-production stages, further enhancing its understanding of water resource management and ensuring the stability of water intake and usage.



Green Packaging Materials

In 2024, the Company developed and published the *Strategy for Lightweight and Green Packaging Development*²⁵. We adhere to green design principles and the "3RID" principle (Reduce, Reuse, Recycle, and Degradable), considering their impact on resources and the environment. Our goal is to minimize the overall negative environmental impact of our manufacturing processes. Additionally, the Company has researched and formulated the *Implementation Plan for the Reduction and Green Development of Packaging Materials* to promote the implementation of light weight, reduction, greening, and recycling of packaging materials, contributing to the construction of a green industrial chain ecosystem for packaging materials.



Key work of the Implementation Plan for the Reduction and Green Development of Packaging Materials:

- Advocate for high efficiency and low carbon, and promote the reduction and lightweight of packaging materials; 
- Adhere to ecological priority and promote the green and low-carbon transformation of packaging materials; 
- Uphold green innovation and create a sustainable packaging materials supply chain; 
- Establish and improve systems and mechanisms to promote the green development of the supply chain. 

Reduction and lightweight

The Company regards the lightweight and reduction of packaging materials as an important strategic direction, continuously exploring packaging lightweight while ensuring product quality and consumer experience, and minimizing the packaging weight of products.



Key work

- Conduct research on the lightweight bottle project, with preliminary experimental results: achieve a reduction in the weight of the 500ml frosted glass bottle from 480 grams to 450 grams while maintaining bottle strength, thereby reaching the target of reducing the bottle weight by 6.25%.
- Optimize the product bill of materials and reduce accessories: fully eliminate the use of recognizers and box labels in products, including Feitian, Zodiac, Premium, and Supreme products, reducing plastic usage by 382 tons; Under the premise of meeting consumer demand, a more scientific and convenient "6+3"²⁶ model was adopted to promote the reduction of bag allocation.
- Practice green concepts and promote the use of bamboo instead of plastic: replace pearl cotton base supports and velvet with bamboo pulp paper trays in the development of new products such as Zodiac liquor, Moutai 1935, and Daqu 80s, continuously advancing the greening of color boxes.
- Optimize product design and material usage: the Moutai 1935 baijiu bag adopts a new design concept, simplifying the product printing process and using special paper for production, while eliminating the film coating on the surface of the bag.

²⁵ <https://www.moutaichina.com/mtgf/shzr/xgzc/index.html>

²⁶ Carry bag configurations have been streamlined for greater flexibility.

Green development and waste reduction

The Company is increasing its research and development efforts for green packaging materials, exploring the transformation and innovation of green packaging materials, and formulating and publishing institutional documents such as *New Product Development Management Regulations*, *Packaging Material Technology Blacklist (Environmental Protection)*, *List of Restricted and Prohibited Packaging Materials*, and *Negative List of Packaging Materials for New Product Development*, clarifying the principles for the research and selection of green packaging materials, and promoting the green transformation of the packaging materials supply chain.



Key work

- Collaborate with ceramic wine bottle suppliers to advance innovation projects, piloting the use of permanent magnet screw vacuum pumps to replace sliding vane pumps, resulting in a 25% reduction in energy consumption. At the same time, we are testing the feasibility of ultra-high pressure hollow grouting technology using resin molds to replace traditional gypsum molds. Additionally, we are introducing sintered silicon carbide thin-walled kiln fixtures, which can save 4.5% in natural gas usage compared to the original fixtures.
- Promote a special project for improving the quality of bottles from Jingqi Company, significantly improving the pass rate, with the good product rate increasing from 40% to as high as 90%; increase the proportion of glass slag usage to 20%-30%, significantly improving resource recycling efficiency.



Targets and progress

Renewable Packaging Material & Waste Reduction Progress

In 2024, 32.31% of the Company's packaging materials were derived from renewable material.

Renewable Packaging Material Targets

Baseline Year: 2024

Target Year: 2027

Commitment: Achieve an 8 percentage-point increase in renewable packaging material share by 2027 compared to the 2024 baseline.

Case Kweichow Moutai released the list of scientific research projects featuring "open bidding for selecting the best candidates"

On December 5, 2024, the Company announced two lists of scientific research projects featuring "open bidding for selecting the best candidates" at the 5th Synthetic Bio-Manufacturing Industrial Conference in 2024 - "Research on Baijiu Packaging Film Based on Bio-based Materials" and "Research on Baijiu Packaging (Bottle) Base made from Bio-based Materials", each funded with RMB 3 million.

The Company actively embraces synthetic biology technology, leveraging an open innovation platform to connect industry-university-research institute resources to develop biodegradable bio-based packaging materials, exploring alternatives to traditional fossil-based packaging materials. Relying on the "4T" innovation system of Information Technology (IT), Biotechnology (BT), Food Technology (FT), and Material Technology (MT), we deeply integrate cutting-edge technology into ESG strategic practices, driving green upgrades in the industrial chain through breakthroughs in advanced technology, and accelerating our green transformation.

Recycling

In 2024, the company developed the *Implementation Plan for the Recovery Project of Empty Moutai Bottles based on the Pilot Implementation Plan for the Recycling and Reuse of Moutai Glass Bottles*. Pilot work was carried out in Sichuan and Anhui provinces to test the resource recovery and processing of empty bottles, laying a solid foundation for gradually expanding into the national and global markets and building a comprehensive ecological system for the resource utilization of packaging materials.

Additionally, the Company has mandated its key packaging suppliers to achieve dual targets.



By 2027:

Request packaging suppliers including glass bottles, paper products, and bottle caps

5% reduction in comprehensive energy consumption per unit of industrial output value against 2024 baseline

6% increase in renewable energy utilization share against 2024 baseline

The Company continues to explore the feasibility of increasing environmental protection promotional content, and adding environmental protection logos, spreading the Moutai green development concept, while using labels to promote recycling to consumers, reminding them to recycle and reuse.

In 2024, the Company actively explored the bottle exchange green recycling activities, fully motivating consumers' enthusiasm, allowing them to contribute to the sustainable development of the Earth while enjoying fine wine, further stimulating consumers' environmental awareness, and jointly building a green and harmonious consumption environment.

Consumption of Packaging Materials*

Name	Unit	2024 ²⁷	2023 ²⁸	Year-on-year variable ratio
Glass bottles	tons	81,820.23	71,117.67	15.05%
Color cardboard boxes	tons	40,391.32	35,679.68	13.15%
Ribbons	tons	80.91	76.61	5.61%
Metal bottle caps	tons	1,070.33	799.06	33.95%
Plastic bottle caps	tons	3,336.16	2,886.48	15.58%
Ceramic bottles	tons	11,676.25	11,429.43	2.16%
Cardboard boxes	tons	13,511.21	12,156.04	11.15%
Bags	tons	9,526.98	9,285.11	2.60%
Total	tons	161,413.39	143,448.07	12.52%

* Note: The Company has disclosed all packaging material usage data in the performance report.

²⁷ Packaging output has increased compared to 2023.

²⁸ This year, the company conducted a comprehensive re-evaluation of 2023 packaging material data, expanding the statistical scope to a fully integrated framework.

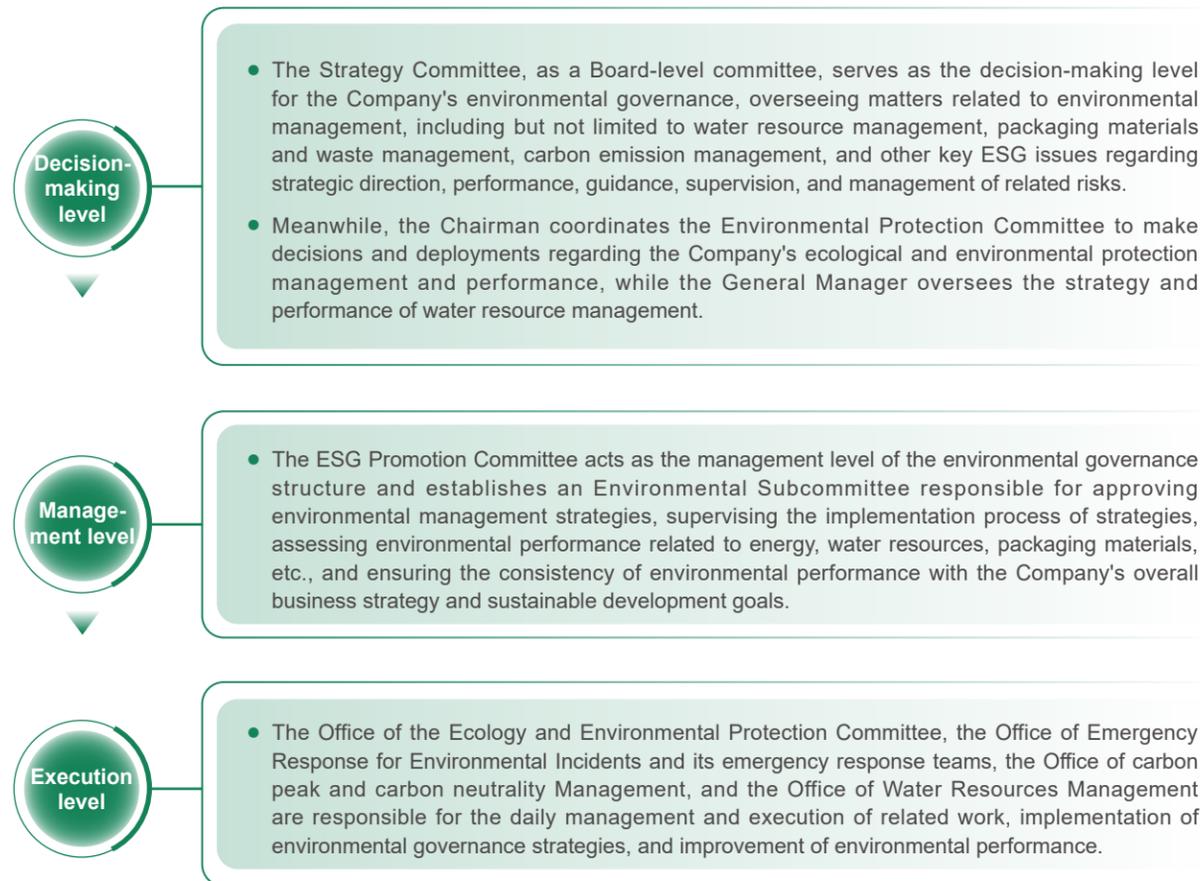


Protecting the Green Environment

The Company strictly adheres to the *Environmental Protection Law of the People's Republic of China* and other laws and regulations, ensuring the compliant disposal of waste and pollutants, and striving to reduce the negative impact of production operations on the environment. Adhere to the coordinated development of economy and ecology, and formulate documents such as the *Overall Plan for Building Xi Jinping's Ecological Civilization Practice Demonstration Base and Building the Company as a Role Model for Environmental Protection in the Industry*, *Environmental Protection Compliance Guidelines*, and *Environmental Protection Management Regulations*, to improve the ecological and environmental protection system, and actively construct production-living-ecological spaces that are intensive and efficient, green and low-carbon, and characterized by clear mountains and waters.

Environmental Management

The Company establishes and improves the environmental governance structure, enhancing the management mechanisms for various environmental issues such as environmental management, energy, water resources, packaging materials, waste and pollutants, and biodiversity. In 2024, the Company released the *Kweichow Moutai Co., Ltd. ESG Governance Framework*²⁹, strengthening environmental management responsibilities at all levels, and adding assessment rules to the *Environmental Protection Management Regulations*. Relying on the system, environmental protection performance indicators are linked to the remuneration of senior management executives and executive employees, which lays a solid foundation for the Company's green development.

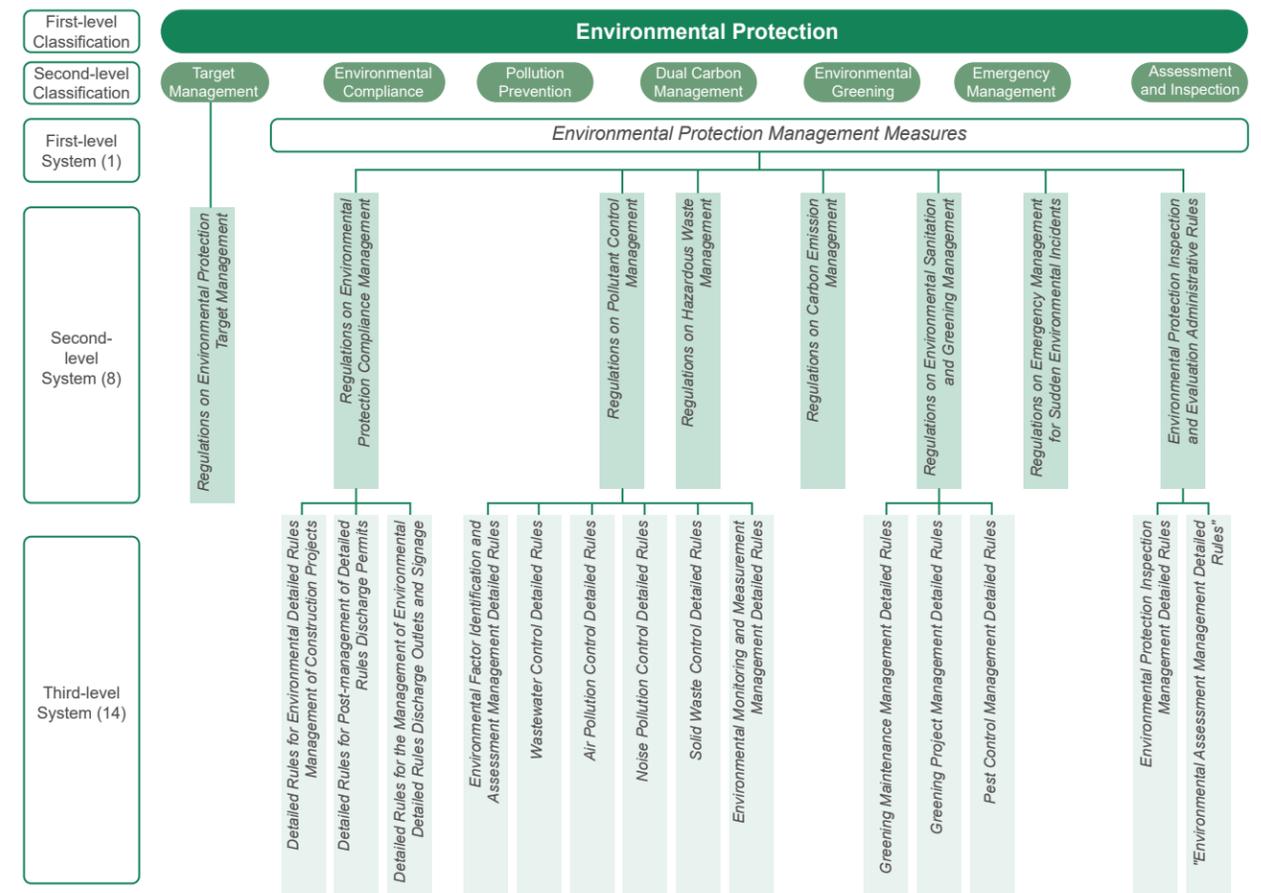


²⁹ <https://www.moutaichina.com/mtgf/shzr/xgzc/index.html>

Moutai has been certified by the ISO 14001 Environmental Management System since 2001, and in 2024, the Company was still within the validity period of the environmental management system certification GB/T 24001-2016/ISO 14001:2015, certification coverage exceeds 95%³⁰.

The Company continuously improves its management system based on the environmental management system, formulating control procedures for wastewater, air, noise, solid waste, waste oil, environmental factor identification and assessment, environmental monitoring and measurement, environmental impact of new, renovated, and expanded projects, and environmental sanitation and greening, creating an environmental protection sector system map to comprehensively control the environmental management process and enhance the effectiveness of environmental management.

In 2024, we did not experience any significant environmental violations.



Environmental Protection Sector System Map

Environmental Process Management

The Company actively expands information collection channels, obtaining stakeholder expectations and demands through telephone interviews and on-site communication, and utilizes the Key Success Factors (KSF) matrix tool to identify 7 core key elements in the ecological environment management process, thereby efficiently allocating environmental management resources and effectively enhancing the level of ecological environment management.

³⁰ The scope of certification is calculated as a percentage of revenue.

Strengthen distilling ecological protection



- Enhance the protection of distilling water sources
- Improve air quality
- Maintain the stability of the micro-ecology in the production area
- Assist in the green protection of the basin

Promote efficient utilization of resources and energy



- Increase the energy utilization rate
- Increase the resource utilization rate
- Facilitate the recycling and utilization of waste materials

Green tech innovation



- New technologies, processes, materials, and equipment

Enhance the modern environmental governance system



- Ensure legality and compliance
- Efficient governance
- Timely resolution of environmental issues
- Timely elimination of environmental hazards

Enhance pollution control



- Improve the environment management system
- Reduce pollutant emissions
- Ensure compliant disposal of waste

Promote green and low-carbon development



- Improve climate change management
- Reduce GHG emissions

Improve the environment monitoring system



- Build a data management platform for environment monitoring

Emergency Management for Environmental Incidents

The Company strictly complies with the *Environmental Protection Law of the People's Republic of China*, the *Emergency Response Law of the People's Republic of China*, and other laws and regulations. It regularly conducts emergency drills and specialized training activities based on the *Emergency Plan for Sudden Environmental Incidents*.

Case Emergency Drill for Sudden Environmental Incidents

In June 2024, the Company conducted an emergency drill. We simulated a sewage leak caused by a broken underground sewage pipe, effectively enhancing employees' emergency response capabilities, with good results from the drill.



Emergency Drill

Compliant Emissions

The Company focuses on strengthening the source prevention line, enhancing process control, and solidifying end-point efforts, comprehensively strengthening the comprehensive management capabilities of the three wastes, striving to minimize the environmental impact of pollutant emissions, and ensuring the legal compliance of the Company's waste emissions.

Wastewater Discharge Management

The Company strictly complies with the *Water Pollution Prevention and Control Law of the People's Republic of China* and other laws and regulations. We improve wastewater treatment efficiency and implement discharge standards that are stricter than national, local, and industry standards with the principles of grading and classification, classified treatment, and resource utilization. The detailed information on wastewater discharge has been disclosed in the annual report.

In 2024, the Company established four standard specifications including the *Technical Requirements for Brewing Wastewater Treatment*, and two sewage treatment technologies obtained national patents, demonstrating the effectiveness of technology in empowering environmental management. In 2024, the Company had no negative environmental incidents related to water.

Wastewater Discharge Management Measures



- We strengthened the management of the entire process of water resources, including "extraction, supply, use, and discharge", and created a company water balance chart.
- We developed the *Renovation and Maintenance Plan for the Drainage Pipeline Network at Moutai Headquarters*. In 2024, we renovated the pipeline network in Zone 1 of the old factory area.
- We systematically promoted the reuse of reclaimed water and the collection of early-stage rainwater, while enhancing the operation and management of the sewage treatment plants.

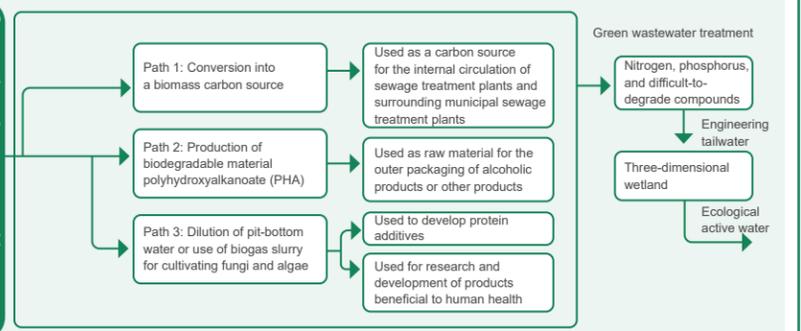


- We advanced the renovation of pipelines, construction, and renovation of sewage treatment plants, large-scale storage reservoirs, and the establishment of standardized hazardous waste storage facilities, continuously improving infrastructure and enhancing environmental management effectiveness.
- In 2024, our five sewage treatment plants processed a total discharge of 2.1892 million tons of water, achieving a compliance rate of 100%. We used 242,400 tons of reclaimed water and properly disposed of 11,800 tons of sludge.

Case Green Upgrade of Sewage Treatment

The Company focuses on the resource utilization, greening, and high-end utilization of by-products from the liquor industry. It has initiated a comprehensive research and development project for the green and low-carbon comprehensive utilization of pit water, striving to build a complete recycling system of resource utilization at the source - green development in the process - end ecological development at the end.

Comprehensive green and low-carbon pit-bottom water utilization



Comprehensive Green and Low-Carbon Pit-bottom Water Utilization Project

Wastewater Discharge

Index	Unit	2024	2023	Year-on-year variable ratio
Wastewater discharge volume	10,000 tons	218.92	215.17	1.74%
Wastewater discharge intensity	10,000 tons/1 million units of industrial output	0.0022	0.0025	-12%

Calculation: Wastewater discharge intensity = Wastewater discharge volume / industrial output

Management of Exhaust Emissions

The Company strictly adheres to the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* and other laws and regulations and has equipped each emission point with comprehensive environmental protection facilities to ensure stable compliance with emission standards for various types of exhausts. Nitrogen oxides, carbon monoxide, ozone, PM10, PM2.5, and other indicators have been monitored at five air quality monitoring stations within the plant area. We have established a strict monitoring management system to provide a scientific basis for further optimizing production layout and adjusting pollution prevention strategies.

In 2024, the emission rates and concentrations of various exhausts from the Company met the corresponding limit requirements set forth in the *Emissions Standards for Air Pollutants (GB16297-1996)*, with an excellent air quality rate of 98.36%. The detailed information on exhaust emissions has been disclosed in the annual report.

Emission Source	Exhaust Emission Management Measures
Dust generated from construction and operation sites	We strengthen the standardized management of dust from construction projects and roadways in the demonstration zone, to strictly control the emissions of air pollutants from the source such as inhalable particles, lung-damaging particles, and ozone.
Nitrogen oxides generated from boiler operations	The Company has been using natural gas, which is clean energy, as fuel for boilers, and installed continuous emissions monitoring systems for flue gas in boiler rooms to monitor nitrogen oxide emissions in real time. The treatment method for boiler flue gas involves a Low-NO _x combustion process, with the main pollutants being sulfur dioxide, nitrogen oxides, and particulate matter, all of which are discharged in adherence to emission standards.
Daqu-making dust	In accordance with the <i>Emissions Standards for Air Pollutants (GB16297-1996)</i> , bag filtration measures are implemented for collection and treatment.
Oil fume management	Oil fume purification equipment has been installed in all canteens for treatment, and the equipment is cleaned three times annually.
Vehicle exhaust control	The "3+3" plan for new energy vehicles in the factory area has been issued to systematically advance green transportation, encouraging employees to use public transportation for personal travel and adopt new energy vehicles. The proportion of pure electric new energy vehicles has continued to rise for three consecutive years, reaching 3,652 vehicles in 2024, accounting for 14.3% of the total.

Management of Waste Discharge

We have strictly followed relevant laws and regulations including the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and developed the *Solid Waste Control Procedure, Regulations on the Management of Waste Materials Recycling*, and *Regulations on the Management of Hazardous Waste*, to ensure a reduction in waste generation at the source and 100% compliant disposal of hazardous waste, promote standardized management and resource utilization of solid waste.

In 2024, to further standardize the management of distilling waste from daqu-making and baijiu making and distilling, the Company formulated and issued the *Management Rules for Moutai Baijiu Distilling Waste of Kweichow Moutai Co., Ltd.* (hereinafter referred to as the Rules), integrating the Rules into daily production and behavioral norms, organizing a total of 36 systematic training sessions for relevant employees, and conducting employee assessments based on the content of the Rules, effectively standardizing the management of distilling waste in the workshop and promoting the reduction of distilling waste.



Waste emission reduction target:

The sealing pit mud emission reduction target in 2024 was to reduce by **20%** compared to 2023, which was achieved.

Case Strengthening Kitchen Waste Management to Reduce Food Waste

In terms of kitchen waste management, the Company makes full use of online and offline publicity platforms to work tirelessly to promote laws, regulations, policies, and best practices against food waste. We launched an initiative of "Fostering a New Culture of Civility and Establishing a Strong Awareness of Conservation" to all employees and organized the "Empty Plate" campaign and commitment activities. We aim to comprehensively advocate for a new trend of civilized dining and establish a correct view of dining.



"Empty Plate" Campaign

Waste Emissions

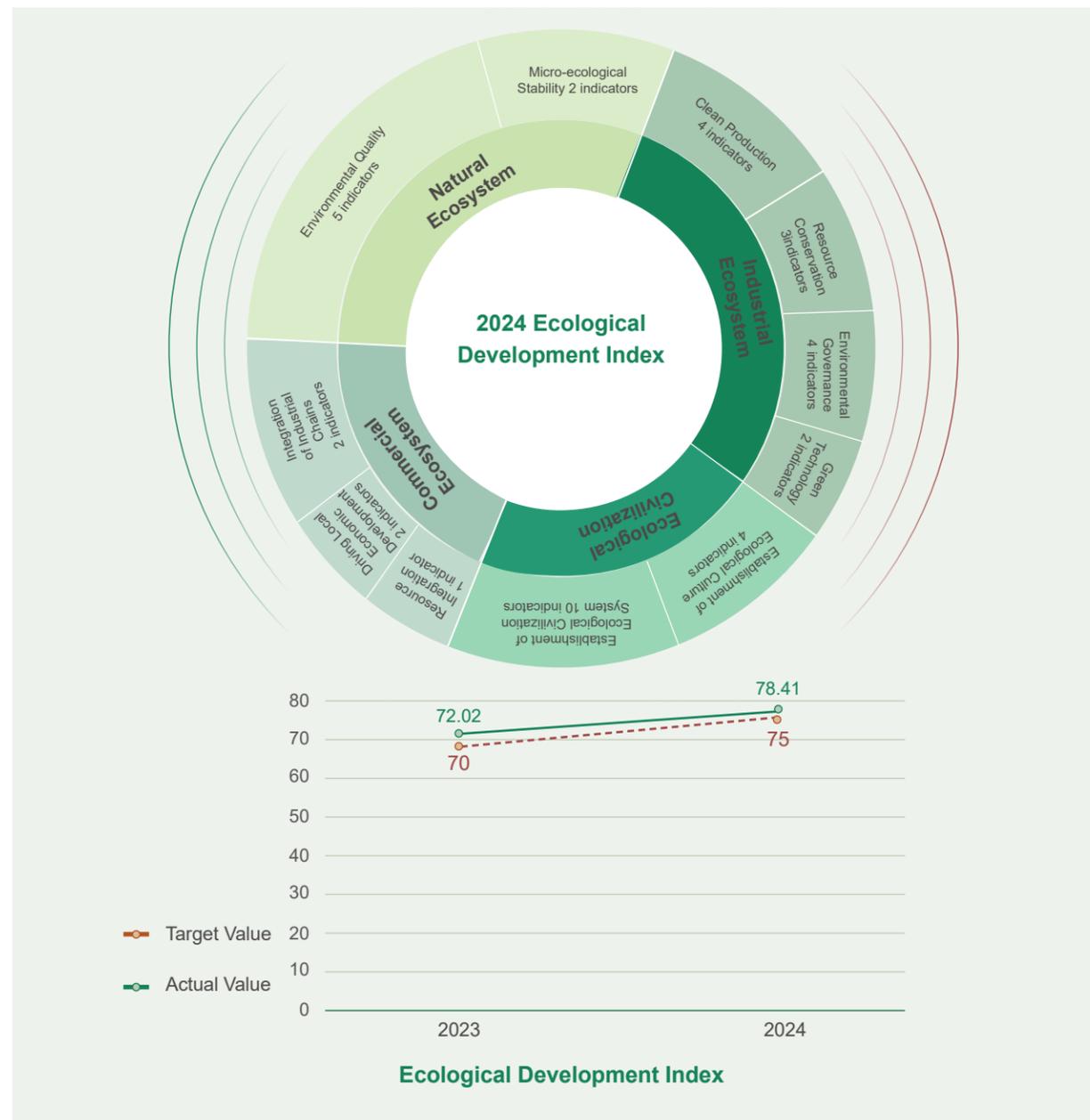
	Unit	2024	Year-on-year variable ratio
Intensity of total waste	tons per RMB 100 million of industrial output	520.61	-4.20%
Utilization rate	/	100%	-

Ecological Development

The Company optimizes the *Ecological Development Index* indicator system to measure the overall level of green development and actively carries out activities such as biodiversity conservation and the "Hundreds, Thousands, Millions: Eco Action" to create production-living-ecological spaces, safeguard the ecological environment, and build a green home.

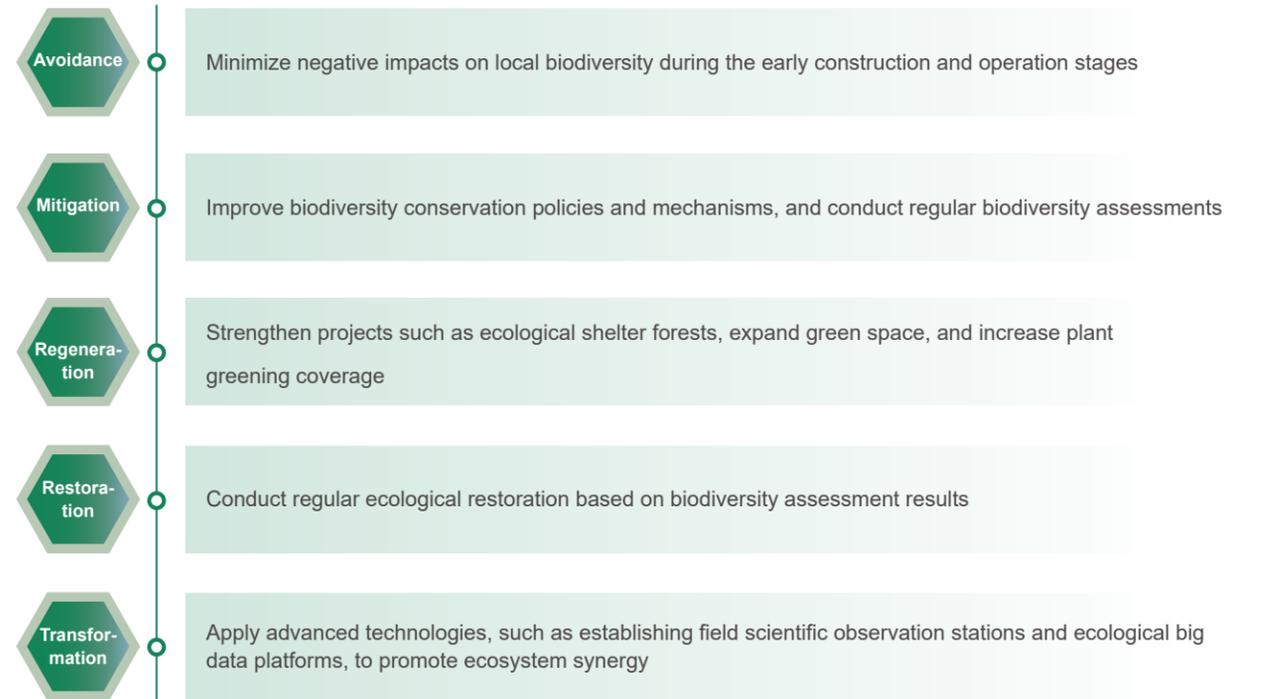
Ecological Development Index

In 2024, the Company further optimized the index system for the Ecological Development Index to comprehensively measure the overall level of green development from four aspects: natural ecosystem, industrial ecosystem, commercial ecosystem, and ecological civilization across 11 dimensions and 39 levels and guides the Company's green development by establishing performance indicators. In 2024, the Ecological Development Index reached 78.41 points, a year-on-year increase of 8.9%.



Biodiversity Conservation Strategy

The Company follows international conventions related to biodiversity, such as the *Kunming-Montreal Global Biodiversity Framework*, and strictly adheres to ecological protection red lines. Through a comprehensive biodiversity conservation strategy of "avoidance, mitigation, regeneration, restoration, and transformation", we aim to minimize disturbances to the surrounding ecosystem caused by our operations.

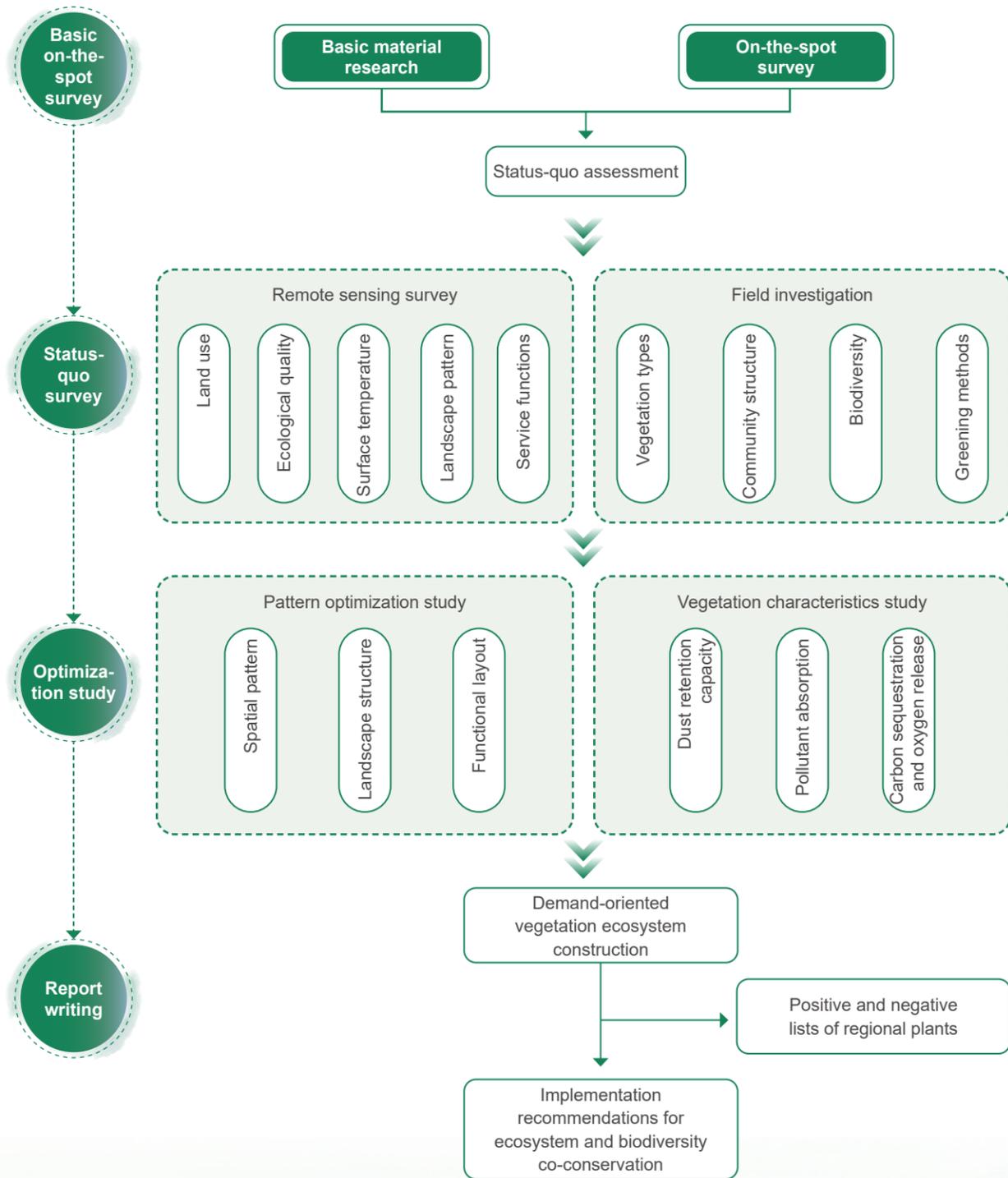


Microbial conservation is one of the cornerstones of our company's biodiversity protection strategy. We are committed to the ongoing preservation of microbial diversity, having established a high-throughput sequencing database framework for distilling environment microorganisms, along with one key technology and one piece of equipment for microbial detection. These efforts are aimed at safeguarding the microorganisms involved in the distilling process and their surrounding environment.

Biodiversity Assessment

Relying on the Moutai baijiu geographical indication protection zone, the Company established the Guizhou Chishui River Basin Moutai Baijiu Geographical Indication Protection Ecological Demonstration Zone (hereinafter referred to as the "demonstration zone"). We explored the "ecology + culture" model of the dual transformation between "lucid waters and lush mountains" and "invaluable assets", and summarized transformation paths: "turning greenery into gold, protecting microorganisms and enhancing efficiency, greening with culture, boosting agriculture with green initiatives, and empowering creation". In 2024, to ensure the effective protection of the ecosystem and biological species in the demonstration zone, and to build a beautiful home that coexists harmoniously with nature, the Company included biodiversity protection in the national standard *GB/T 18356-2007 Product of Geographical Indication Kweichow Moutai Liquor* and collaborated with the Research Center for Eco-Environmental Sciences, Chinese Academy of sciences in plant biodiversity survey and research work in the demonstration zone.

The Company conducted biodiversity assessment and analysis, with the main analysis content including vegetation community construction, regional ecological space optimization, demand-oriented vegetation ecosystem development, and the sorting of positive and negative lists of regional plants.



Technical Roadmap for Biodiversity Assessment

Analysis results indicate that the biodiversity in the core operational area of the Company remains stable, and no significant biodiversity exposure risks have been identified. In addition, through a comprehensive analysis of the ecosystem in the core factory area, the Company has developed key research outcomes such as regional ecological space optimization plans and regional vegetation ecological system construction plans and has also issued the Implementation Opinions on the Coordinated Protection of Ecosystems and Biological Species, providing strong technical support for the construction of the vegetationecological system and coordinated biodiversity protection in the demonstration area.

Overall target of biodiversity protection

Current Status and Progress

- In 2024, the Moutai production area ratio of woodland and grassland plant area was **49%**.

Overall target

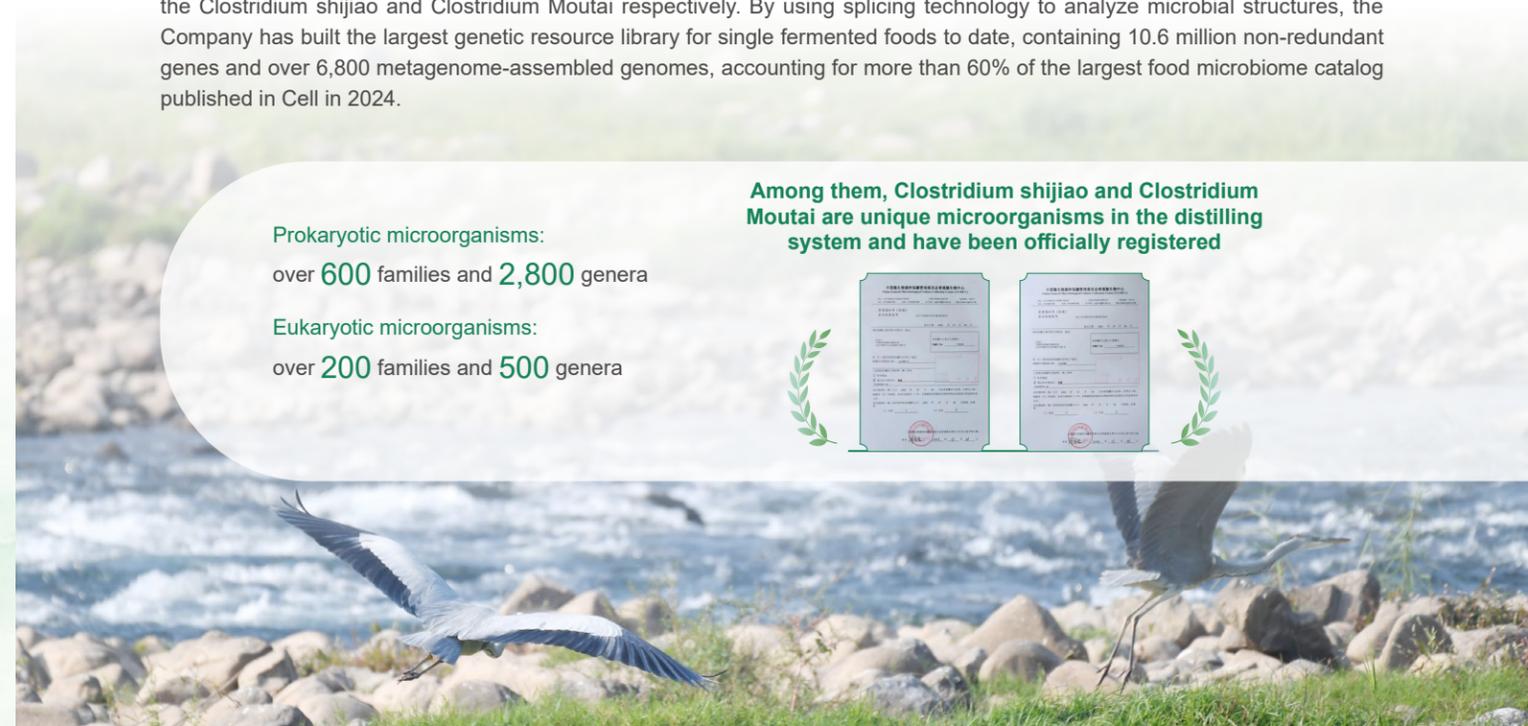
- By 2030, the quality of the ecosystem will remain stable, with the proportion of regional forest and grassland area maintained at over **56%**. The vegetation coverage of the ecosystem will continue to increase, the localization ratio of plant species will keep rising, species combinations will become more diverse, the structure of plant communities will be more stratified, and the ecosystem service functions will be enhanced.
- By 2035, the quality of the ecosystem will continue to improve, with the proportion of regional forest and grassland area reaching **58%**. The vegetation coverage of the ecosystem will grow steadily, the ecosystem service functions will continue to strengthen, and the functions of carbon fixation, soil stabilization, and atmospheric environment purification will be well highlighted.

Meanwhile, the Company places great importance on microbial diversity assessment work, utilizing various omics technologies. We discovered two new Clostridium species in the Moutai distilling system for the first time in the world, which have been named the Clostridium shijiao and Clostridium Moutai respectively. By using splicing technology to analyze microbial structures, the Company has built the largest genetic resource library for single fermented foods to date, containing 10.6 million non-redundant genes and over 6,800 metagenome-assembled genomes, accounting for more than 60% of the largest food microbiome catalog published in Cell in 2024.

Among them, Clostridium shijiao and Clostridium Moutai are unique microorganisms in the distilling system and have been officially registered

Prokaryotic microorganisms:
over **600** families and **2,800** genera

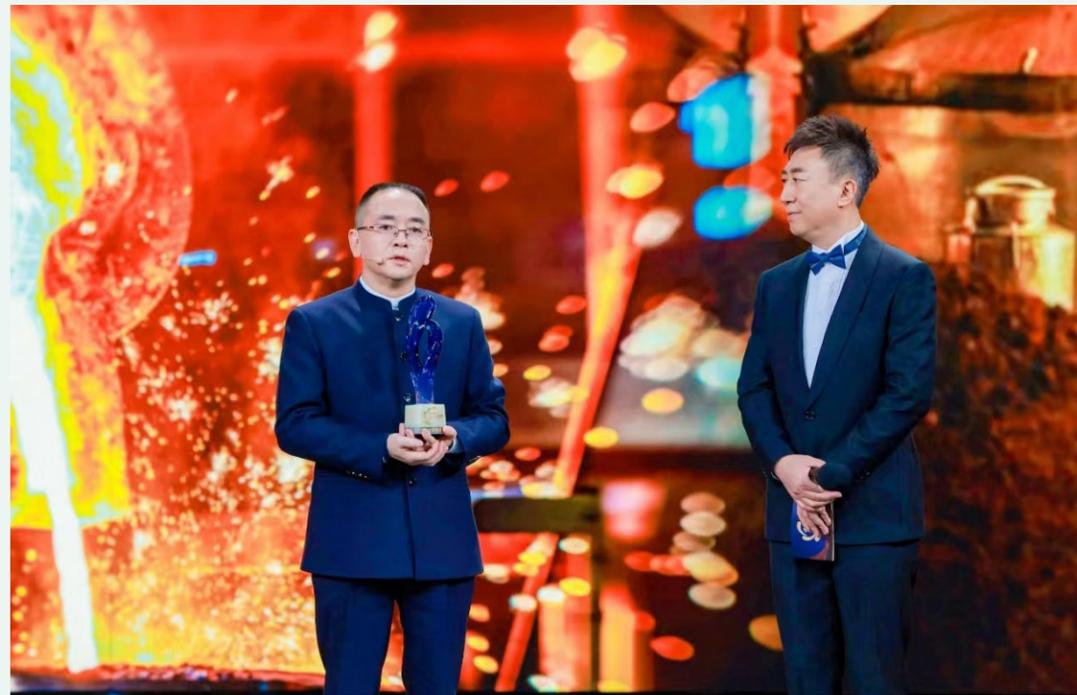
Eukaryotic microorganisms:
over **200** families and **500** genera



In 2024, the Company completed the construction of the ecological system field scientific observation research station in the midstream of the Chishui River in Guizhou Province, as well as the construction of the ecological big data platform for the upstream Daluotan water quality and hydrological station and observation station. The platform includes comprehensive displays of the ecological environment, water quality, environmental automatic monitoring station locations, and data displays of environmental factors such as meteorology, water quality, air, and vegetation soil. Relying on the platform construction, the Company conducted a comprehensive and all-weather in-depth analysis of the ecological status of the Chishui River basin, providing strong support for ecological protection work.

Case Kweichow Moutai was awarded the "Chinese ESG Model Enterprise", showcasing the exemplary power of Chishui River protection

On December 5, 2024, the China Media Group's "Second ESG Model Ceremony" was held in Beijing. Kweichow Moutai was awarded the title of "Chinese ESG Model Enterprise". Zhang Deqin, Chairman of Kweichow Moutai accepted the award on behalf of the Company and shared the Company's experience and practices in implementing ESG concepts and promoting ESG practices.



Company Leadership shares Moutai's ecological protection philosophy

Chairman Zhang Deqin stated that the Chishui River is the only tributary of the Yangtze River without dams and is also a habitat for many rare fish species. For Kweichow Moutai, the Company has the responsibility to protect the Chishui River and create a better ecological environment for this land, helping to nurture many healthy industries in the deep mountains of Guizhou. The Company's development is just a part of deeply practicing the development concept of "Lucid waters and lush mountains are invaluable assets". In the future, Kweichow Moutai will continue to care for and protect the ecological environment of the Chishui River basin, ensuring that the water in the Chishui River basin is clearer, the mountains are greener, and the sky is bluer.

Building the Production-living-ecological Spaces

The Company, based on the "Production-living-ecological Spaces", has initiated a special environmental greening plan for the core production area. We planned the park green spaces, protective green spaces, plaza green spaces, and affiliated green spaces in Moutai production area in a reasonable manner. We completed the construction of the Ecological Protection Forest along the Tanchang-Maotai Express, increased the area of green planting, and improved the greening coverage rate of the zone to create a green ecological space. In 2024, the Company was awarded the title of "Green Factory" at the national levels.



The Company has been awarded the title of "Green Factory" at the national levels

Development of "Two Mountains"

The Company actively collaborates with local governments, focusing on the demonstration area, and promotes the implementation of over 50 engineering tasks in six major categories, including government-enterprise cooperation, ecological environment quality improvement, ecological distilling quality enhancement, ecological industry development, ecological system innovation, and ecological cultural promotion and education, to high-quality advance the construction of practical innovation base with the concept of "lucid waters and lush mountains are invaluable assets", continuously broadening the transformation path of the Two Mountains, and promoting the positive interaction and two-way transformation between lucid waters and lush mountains and invaluable assets. The Company is also exploring the promotion of carbon sink forest construction, establishing the Chishui River Ecological Fund, and leading basin enterprises to jointly build a "Great Protection" pattern of "drinking from the same river and protecting the mother river together".

Case "Hundreds, Thousands, Millions: Eco Action" New Year Tree Planting Activity

In 2024, the Company organized the "Hundreds, Thousands, Millions: Eco Action" New Year tree planting activity for the third consecutive year, with the scope and scale of the activity expanding again compared to the previous two years, involving a total of 2,500 people planting over 10,000 seedlings, enhancing the ecological and environmental awareness of a wide range of managers and employees, and continuously supporting the construction of the Two Mountains base.



Tree Planting Activity

In addition, each subsidiary and affiliated company has also organized and carried out New Year environmental protection activities in light of their actual situation, using various forms such as tree planting, river patrols, fish releasing, cleaning, and environmental protection publicity, to collectively resonate with the green voice of Kweichow Moutai and polish the green business card.

Sharing Benefits

Sharing Value with Society

Born and growing up in the mountains of Guizhou Province, Moutai is destined to bear responsibilities and commitments like the mountains. We are dedicated to sharing the fruits of our development with society and fostering a community of shared interests, emotions, and destiny with our stakeholders, and collaborate with all parties to drive development. We work hand in hand with all parties to actively fulfill our social responsibility, engage in public welfare, and contribute to rural revitalization, making efforts to build a better future.



Product and Service Quality

Employee Management

Health and Safety

Public Welfare and Rural Revitalization



Product and Service Quality

The Company firmly believes the belief that "quality is the soul of life" and strives to provide excellent products and services for consumers' high-quality lives and wonderful experiences.

Product Quality

We apply the "Time-Space-Gongfa (skill and technique)" originality quality management model. We established a comprehensive quality management system and implemented "5+2" quality supervision and assessment to ensure quality control across full scenarios, the entire industrial chain, and the full life cycle.

Quality Culture

The Company strictly implements the "Three Prohibitions, Four Compliances, and Twelve Perseverance" quality criteria, making quality culture a consensus among all employees, and resulting in excellent products and first-class services.

Quality philosophy	Quality is the soul of life
Quality concept	Honor the principles, abide by the rules, stick to the craftsmanship, store enough aged baijiu, and never sell freshly brewed baijiu
Quality and food safety management policy	Being customer-centered, seeking survival through quality, developing through innovation, and striving to create a world-class enterprise

Three Prohibitions

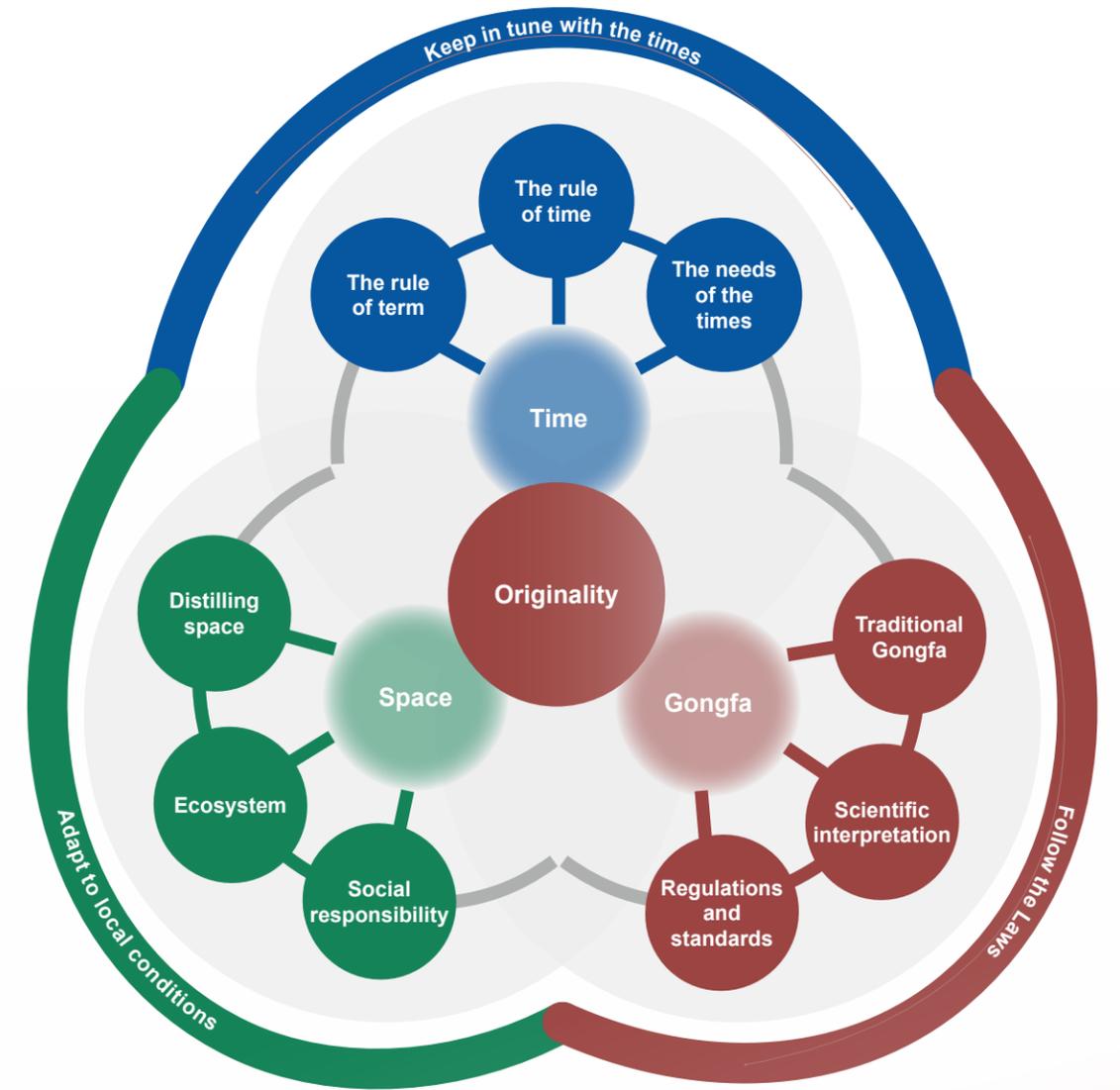
- Unqualified raw materials are prohibited from entering the factory for use.
- Unqualified products from the previous process are prohibited from flowing into the next process.
- Unqualified products are prohibited from leaving the factory and entering the market.

Four Compliances

- When there is a conflict between output and quality, output is subordinate to quality.
- When there is a conflict between speed and quality, speed is subordinate to quality.
- When there is a conflict between cost and quality, cost is subordinate to quality.
- When there is a conflict between benefits and quality, benefits are subordinate to quality.

Quality Management Model

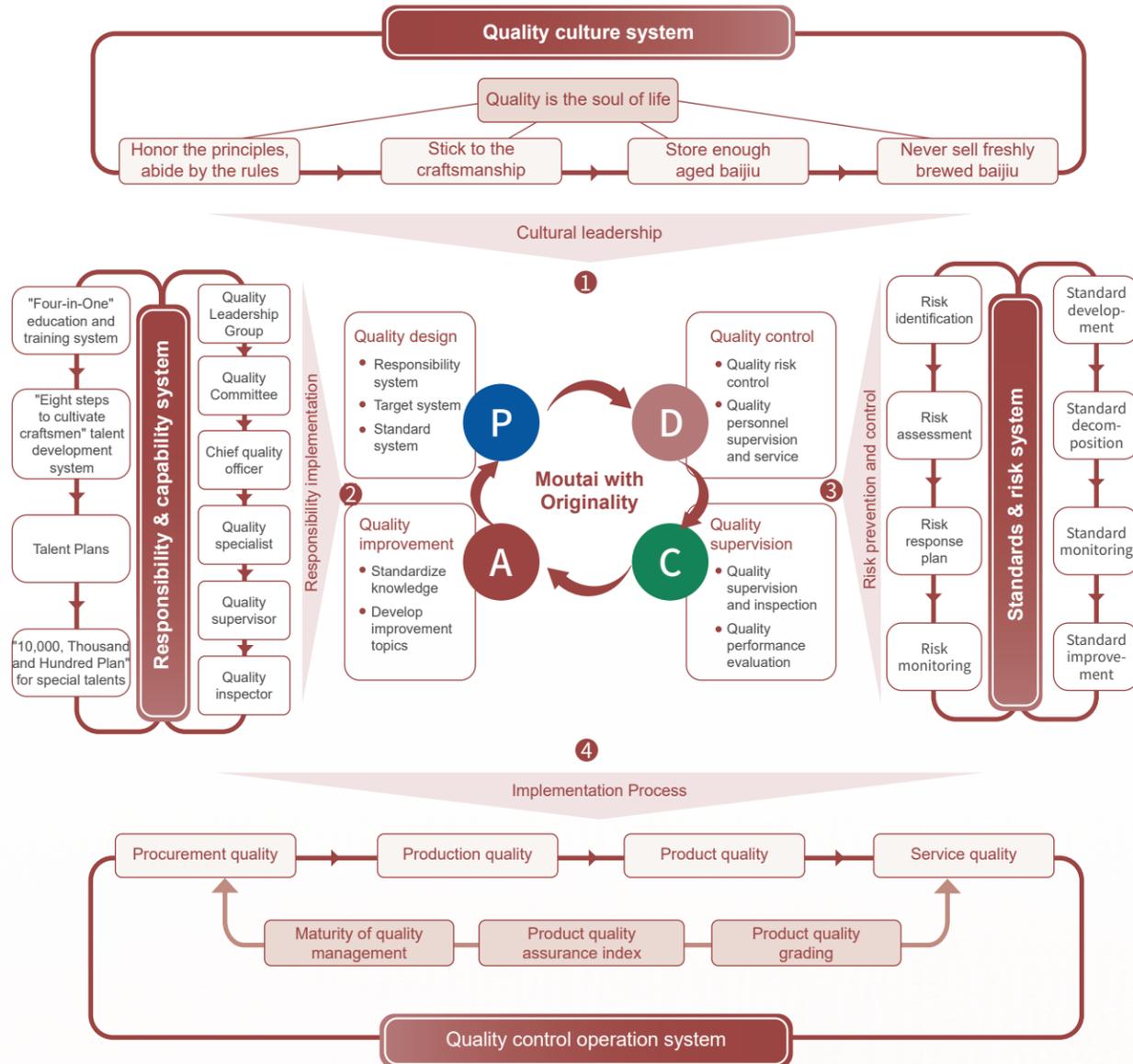
The Company has summarized a "Time-Space-Gongfa (skill and technique)" originality quality management mode rich in natural and humanistic characteristics, which contains natural, cultural, and ecological elements, ensuring that the unique quality of Moutai is inherited.



"Time-Space-Gongfa (skill and technique)" Originality Quality Management Model

Quality Control System

The Company takes "distilling a high-quality life" as its mission and has built a unique matrix quality control system. Relying on the two core driving forces of inheritance and innovation, and driven by the Plan-Do-Check-Act (PDCA) cycle, we define roles and responsibilities through the "Responsibility & Capability System", while proactively controlling risks through the "Standards & Risk System". We combine a scientific Gongfa system, rigorous process management, and the originality spirit rich in profound cultural and artistic values with craftsmanship, fully balancing the diversity brought by factors such as time, space, and Gongfa, ensuring the pure flavor and excellent quality of our products, continuously meeting customer needs, and providing high-quality products and services for consumers.



Matrix Quality Control System

Food Safety Management

The Company deeply implements the ISO 9000 standard system, dynamically identifies quality and food safety laws and regulations closely related to baijiu production enterprises, and publishes the *A List of Applicable Laws, Regulations, and Other Requirements for Quality and Food Safety*. In 2024, the Company sorted a total of 78 laws and regulations represented by the *Food Safety Law of the People's Republic of China*, 71 mandatory standards, and 125 recommended standards, totaling 274 items.

- Prioritize planning**
 We construct a matrix quality control model from top to bottom. From top-level design to quality supervision, we implement quality responsibilities at all levels, while fully implementing the "5+2" quality supervision system to form a closed-loop management mechanism for quality supervision and ensure effective implementation of quality safety responsibilities across the entire industrial chain.
- Establish mechanisms**
 We promote the implementation of the main responsibility for food safety. We appoint one food safety director and 39 food safety officers and clarify the responsibilities and authorities of managers at all levels. We also establish a food safety management mechanism of "daily control, weekly inspection, and monthly scheduling", develop an online reporting module for food safety, and accurately assess and resolve food safety management issues.
- Elevate standards**
 We improve the quality and food safety standard system across all fields. We have led the development of 26 national, industry, local, and group standards. The GB/T 10781.4-2024 *Quality Requirements for Baijiu - Part 4: Jiang-flavored Liquor*, which we spearheaded the revision of, has been published and will officially come into effect on June 1, 2025.
- Consolidate the foundation**
 We strengthen the infrastructure for quality and food safety testing in the industrial chain. Kweichow Moutai (Baijiu) Testing Laboratory is the industry's first enterprise-affiliated laboratory to receive CNAS³¹ accreditation. We can achieve effective monitoring of 1,123 quality and food safety risk factors across 53 categories of materials in the entire industry chain.
- Strict control**
 We build a solid risk defense line for the quality and safety of baijiu in the industrial chain. The Company focuses on potential endogenous and exogenous risk factors in the baijiu industry chain. Driven by risk prevention and control processes as well as four major food safety platforms, it has established a comprehensive quality and safety control system covering the entire industry chain. This ensures precise risk identification, scientific evaluation, and comprehensive control, thereby safeguarding food safety.
- Pursue innovation**
 We establish a product quality and food safety traceability system. With full life cycle quality management as the core, the Company builds an information platform for quality management to ensure the traceability of quality at all key stages of the product's full life cycle. We also build the "One Code Management" platform and utilize blockchain technology to create the Moutai "Jiangpin Chain", forming an industry-leading product traceability capability, and providing consumers with over 69 million traceability query services through the circulation traceability system.

³¹ CNAS: China National Accreditation Service for Conformity Assessment.

In 2024, the quality and food safety management platform supported the standardized circulation of 272 sample information, covering over 140,000 inspections, involving 861 inspection items, and supported the stable operation of 43 quality management data models. During the year, the Company's quality management system certification and Hazard Analysis and Critical Control Points (HACCP) system certification continued to operate effectively, with no major quality and food safety responsibility accidents occurring throughout the year.



ISO 9001 and HACCP System Certifications

In 2024, the Company won a total of 38 quality-related awards, including 5 international awards, 21 national awards, and 12 provincial awards, highlighting the Company's relentless efforts in quality management.

2024 Annual Product and Quality-Related Awards (Partially Listed)

● Award Name ● Awarded Projects ● Awarding Organization

<p>Second Prize of the 2024 Quality Technology Award (Project Award) of China Association for Quality</p> <p>The Application of Moutai DEEP "Quantity-Quality" Balance Method in Jiang-flavored Baijiu Production Technology CAQ</p>	<p>Gold Award of the 49th International Convention on Quality Control Circles (ICQCC³²)</p> <p>Reduction of Waste from PE Filter Bags Sri Lanka Association for the Advancement of Productivity and Quality (SLAAQP)</p>
<p>Outstanding Quality Management Team in the National Light Industry Sector</p> <p>Research and Development of Intelligent Scheduling System for Daqu-making Quality Sub-council of China National Light Industry Council</p>	<p>Lean Site Management Improvement (Phase II) and 5S Management Improvement Demonstration Level</p> <p>Application of Tools such as QFD and DOE in Reducing the Volatilization Rate of Retorts in the Moutai Baijiu Production Site China Quality Magazine</p>
<p>2024 American MUSE Creative Awards Silver Winner</p> <p>Kweichow Moutai · Scattering Flower Fairy MUSE</p>	<p>A'DESIGN AWARD & COMPETITION (Design Excellence Award)</p> <p>Kweichow Moutai · Scattering Flower Fairy A'Design Award and Competition</p>
<p>2024 American MUSE Creative Awards Platinum Winner</p> <p>Han Jiang (Dedicated Heritage) MUSE</p>	<p>2024 People's Craftsmanship Brand Promotion Exhibition</p> <p>Moutai 1935 People's Daily Online</p>

The quality management maturity reflects the operational level of the Company's quality management system, while the product quality assurance index reflects the ability to guarantee product quality, and the product quality rating reflects the quality of the final product. In 2024, all of these indicators have remained stable at an excellent level.



Kweichow Moutai Co., Ltd.	2023	2024
The batch inspection coverage rate of the outgoing products	100%	100%
The pass rate of product supervision spot checks	100%	100%
The pass rate of the outgoing products	100%	100%

Building Excellent Quality Together

The Company uses "Quality Month" as a platform to carry out quality lecture activities and to select excellent cases of practicing the "Time-Space-Gongfa (skill and technique)" originality quality management model. We continuously promote and disseminate quality culture to important stakeholders such as employees, customers, suppliers, shareholders, and distributors, allowing quality culture to support brand growth.

³² ICQCC: International Convention on Quality Control Circles

Customer Relations

To enhance customer satisfaction and optimize after-sales service, the Company has established regulations such as the *Management Measures for Product Replacement (Rework)*, the *Product Withdrawal (Recall) Management Regulations*, the *Management Measures for Customer Consultation and Complaints*, the *Standard Service Language for Exclusive Stores*, and the *Standard Service Manual*, clarifying the channels and processes for handling customer complaints, and continuously improving the customer complaint management system.

If customers encounter product quality issues, they can call 4008189999 to make an appointment at the nearest self-operated store for product identification and evaluation. The Company will exchange products for customers through either an advance replacement or restocking replacement, depending on the product type and inventory situation. If inventory is sufficient, customers can be provided with an advance replacement. For special products, replacement of different items, and situations where store inventory is insufficient, a replenishment and replacement method will be adopted. After submitting an application in the system, the product will be returned to the Company. The Company will follow the system process and use logistics to deliver new products to self-operated stores, ultimately completing the exchange with the customer.

In 2024, we optimized the efficient linkage customer service system of "400 calls + online consultation + complaint feedback + product redemption", handled more than 364,000 business consultations of various types, more than 998,500 online customer service consultations, handled 6,555 complaints, and achieved a satisfaction rate of 99.01% throughout the year. We have established a product replacement service process and after-sales service business processing system for our stores, which has shortened customers' product replacement cycle and improved the efficiency of handling replacement business. In 2024, the product timeliness rate of replacement exceeded 98%. The average replacement cycle was shortened to 1.12 days, a decrease of 7.11 days year-on-year.

We conduct a customer satisfaction survey once a year and hire a third-party authoritative organization to survey consumers and distributors to assess the current status of customer satisfaction, including overall satisfaction, satisfaction with various indicators, satisfaction with each product, and satisfaction compared to industry competitors, and to propose improvement suggestions based on the survey indicators. In 2024, the consumer satisfaction is 90.3 points, a year-on-year increase of 0.7 points.

2024 Customer Service Highlights Data



Customer Complaint Handling Rate



Product recall incidents **0** Case

Responsible Marketing

The Company continuously improves its marketing management system, strengthens responsible marketing audits and training, and enhances the compliance of marketing activities. Meanwhile, we promote a healthy and civilized lifestyle, work tirelessly to advocate for responsible drinking, and effectively safeguard consumer rights.

Compliant Marketing

The Company strictly adheres to the *Advertising Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, and other laws and regulations, and has established various regulatory documents such as the *Management Measures for the Marketing and Promotion of Moutai Baijiu Distribution System*, the *Advertising Placement Management Measures*, the *News Publicity Management Measures*, the *Kweichow Moutai Baijiu Channel Partner Management Measures*, the *Online Brand Promotion Activity Implementation Specifications*, and the *Offline Brand Activity Implementation Specifications*, and has prepared and disclosed the *Kweichow Moutai Co., Ltd. Responsible Marketing Policy*³³, regulating marketing behavior according to relevant details.

The Company is committed to resolutely eliminating the behavior of falsely reporting products, services, and prices. We promise neither to publish any false or misleading information nor to make misleading statements about competitors' products or services. We adhere to the principle of truthfulness, objectively describe promotional content, ensuring that there are no suggestive or inducing elements in the wording and language expressions, and refuse to exaggerate our impact on society and the environment. To this end, we continuously improve the advertising review process, clarify the advertising review mechanism, and strictly implement the "three reviews and three proof-readings" regulations to fundamentally ensure the authenticity of all promotional information and content released externally. Meanwhile, we strictly prohibit the use of specific identifiers such as "special supply" "exclusive supply" and "internal supply" in alcoholic beverage advertising.

Advocation of Responsible Drinking

The Company actively promotes a culture of responsible drinking. We clarify the ingredients and alcohol content on the product packaging and give a prompt that "Drinking too much is harmful to health" on the product label, as well as implement browsing privilege management on the official website, distinguishing between "18 years old" and "under 18 years old" user groups, and add some tips such as "Not selling baijiu to minors", and "No driving after drinking" into the product introduction page of the official website. We emphasize that "Advocate of responsible drinking" and "Underage drinking is prohibited" in the TV and Internet advertisements, and display signs stating "sales of alcohol to minors are prohibited" in prominent locations within business premises, fulfilling the responsibility to protect minors. Furthermore, the Company's advertisements do not contain content that induces or encourages drinking or promotes excessive drinking, and emphasizes the protection of public health and social safety.

The Company actively participates in responsible drinking promotional activities, setting up a responsible drinking promotion area during brand promotion events. In the Moutai Friends Carnival event plan, provinces and sodalities are called upon to implement concepts of green environmental protection and healthy drinking during the activities. From October 9 to October 16, 2024, the Company organized all exclusive stores, self-operated companies, cultural experience centers, and supermarket e-commerce platforms to participate in the responsible drinking activities and to carry out responsible drinking publicity.



"Prohibition of Alcohol Sales to Minors" Signs

³³ <https://www.moutaichina.com/mtgf/shzr/xgzc/index.html>

Responsible Marketing Audit

The Company continuously improves audit procedures, actively conducts responsible marketing audits, and reviews the marketing management, channel management, and customer management systems to ensure the applicability and compliance of these systems, assessing the effectiveness of the implementation of the *Responsible Marketing Policy* and the rationality of the marketing team structure and configuration. The Company conducts at least one marketing special audit every six months and regularly tracks and rectifies the issues revealed monthly, continuously strengthening marketing compliance management.

Kweichow Moutai Baijiu Sales Co., Ltd.

In 2024, Kweichow Moutai Baijiu Sales Co., Ltd. focused on internal control management through internal inspections and special audits, helping to improve the Company's level of modern governance.

- We conducted internal control inspections for 11 self-operated companies and participated in joint "Five-in-One" supervisory inspections for 21 self-operated companies, focusing on the implementation of regulations and internal control management.
- We established a comprehensive supervision mechanism and conducted in-service economic responsibility audits for five self-operated company managers who have served for more than three years.
- We carried out two special audits, focusing on and continuously tracking the rectification of identified issues.
- We created a rectification ledger, issued 42 rectification notices, and assigned dedicated personnel to follow up on the rectifications.
- We supervised the handover of key positions, ensuring the compliance of the transitions.

Kweichow Moutai Jiang-flavor (Moutai-flavor) Baijiu Sales Co., Ltd.

In 2024, the Kweichow Moutai Jiang-flavor (Moutai-flavor) Baijiu Sales Co., Ltd. focused on key risk areas and conducted specialized audits, primarily reviewing the compliance of market activity proposals and the authenticity of reimbursement documents. The marketing audit covered all provincial regions, applicants, brands, and activity types. In response to the problems identified in the audit, the relevant departments were requested to rectify the problems in a timely manner.

Training on Responsible Marketing

The Company actively conducts training and promotional activities on responsible marketing and offers a variety of training types and wide coverage, receiving positive feedback and results. Meanwhile, the Company regularly conducts responsible marketing training for all employees to enhance their awareness of responsible marketing. In 2024, the Company conducted a series of responsible marketing trainings for groups such as channels, cultural sommeliers, century-old store inheritors, experience center staff and theme terminal directors.

Training on responsible marketing

Principles of responsible marketing

- Comply with laws and regulations;
- Comply with various rules and regulations formulated by the competent authorities and industry self-discipline conventions;
- Comply with industry rules and market norms.

Target audience of products and advertising

- The target audience shall not be minors, pregnant women, or other individuals who are not suitable for drinking alcoholic drinks;
- Channels and self-operated stores are required not to sell alcoholic products to minors.

Legal compliance

- Provide interpretation and training on the Code of Conduct for alcohol drinks advertising;
- Provide interpretation and training on industry regulatory requirements and market norms.

Advocating responsible drinking

- Advocate responsible drinking and healthy lifestyles;
- Proactively alert people to potential risks of drinking alcoholic drinks.

Accurate and fair information

- Real information on the product;
- Using misleading information to promote products is prohibited.

Case Production Experience for Century-old Store Inheritors

From April to October 2024, the Company organized 155 inheritors of century-old stores from home and abroad to conduct 8 production experience activities, with each activity lasting 6 days. The inheritors deeply experienced the processes of making Daqu, distilling, and packaging in the workshop, and communicate with distilling masters to deepen the understanding of Moutai's culture and distilling techniques, and to more comprehensively convey brand and product information to consumers, committing to responsible marketing practices.



Production Experience Site of the Century-old Store Inheritors

Case Training for Staff of Experience Center

In 2024, a total of 10 training sessions for experience center staff were held, with 612 trainees from 251 companies participating. The content focused on brand culture, service improvement, marketing compliance, and other aspects.



Training Site for Staff of Guizhou Moutai Jiang-flavored Baijiu Experience Center

Case Training for Thematic Terminal Leaders

The Company conducted offline training for the thematic terminal leaders, lasting 52 days and covering 47 cities. A total of 47 sessions were held with 7,010 participants. The content focused on skills for new customer development, maintaining customer relationships, market cultivation, marketing compliance, and responsible drinking. Through systematic training and practical experience, we aimed to enhance the responsible business skills and management level of the thematic terminal leaders.



"Jiang-flavor Moutai Aroma, Shared by Thousands of Families" Theme Terminal Leaders Training Site

Cultural Connotation of Products

In 2024, the Company released a series of cultural products, including baijiu of the Chinese Zodiac Year of the Snake series, Sheng Music Moutai Flying Fairy, Moutai West Lake Scenic Series cultural and creative baijiu, and Moutai 1935 Cultural and Creative baijiu. Based on market demand, a 100ml Moutai baijiu gift box set was launched, and a total of 64 products were developed throughout the year to better meet consumer needs.

Kweichow Moutai Baijiu (Chinese Zodiac Year of the Snake)

The red yarn color is the main color, and zodiac culture, the theory of the five elements, and the art of calligraphy and painting are cleverly integrated. The ceramic bottle features the seal script character "snake" and the painting *The Wind Remains Still Where the Spirit Snake Emerges*, showcasing the unique charm of Eastern calligraphy and painting arts. With this, the series of twelve Kweichow Moutai Zodiac Baijiu is complete.



Kweichow Moutai Baijiu (Sheng Music Flying Fairy)

Inspired by the flying fairy from Dunhuang murals, it adopts a main color of "purple mineral" and iron wire drawing technique, delicately hand-painting its elegant and graceful posture, achieving an artistic effect of "figures full of life from all angles", presenting a mineral ceramic texture consistent with Dunhuang murals. This allows the product culture to blend and thrive with the Dunhuang culture.



Moutai West Lake Scenic Series Cultural and Creative Baijiu

Every year, two of the ten scenic spots of West Lake are selected to be incorporated into Moutai's cultural creative baijiu, blending the breathtaking scenery of West Lake with classical charm. With unique bottle design, exquisite paintings and poetry, and cleverly integrated folding fans, it creates an elegant cultural sensory experience. The Tu white and ultramarine design of Moutai 1935 symbolizes the Lingerin Snow on the Broken Bridge and the Three Pools Mirroring the Moon, adding cultural flavor.



Moutai 1935 Cultural and Creative Baijiu

In collaboration with the Palace Museum, Moutai 1935 Cultural Creative Baijiu is launched, skillfully merging the profound cultural heritage of the Palace Museum with the exceptional quality of Moutai. Through the exquisite packaging design featuring elements of cultural relics from the Palace Museum, it not only showcases a unique craftsmanship pursuit but also pays tribute to and inherits the excellent traditional culture of China, highlighting Moutai's responsibility and commitment as a cultural ambassador.



Moutai Prince Baijiu (Chinese Zodiac Year of the Snake)

With exquisite craftsmanship, the design integrates the theme "National Beauty and Heavenly Fragrance", and features a hand-painted illustration of a snake winding around a cloud-covered mountain. The Moutai logo and thematic characters are cleverly combined and complemented by elements such as peonies and pearls. The "palace wall red" bottle body is accented with green textured speckles, exuding classical richness. The bottle cap incorporates water patterns and ruyi motifs (meaning "as you wish"), symbolizing good fortune. The design of the exclusive seal for the Chinese Zodiac Year of the Snake adds artistic value to the product.



Guizhou Daqu Baijiu (Chinese Zodiac Year of the Snake)

The design blends the calligraphic ink treasures with the painting *Spirit Snake in the Wonderland*. The "pomegranate red" bottle body is paired with green textured speckles and relief patterns of the coiling snake, while the uniquely designed bottle cap symbolizes the "Pearl of the Serpent" (invaluable treasure).



Cultural Empowerment

The Company actively organizes cultural activities, using these events as a medium to convey Moutai culture to consumers and provide a rich and diverse brand experience.

Case Moutai Fans Carnival

In 2024, the Company held a total of 11 Moutai fans Carnival events, bringing together more than 5,800 Moutai fans as they traveled across ten provinces and regions, including Fujian, Shanghai, and Heilongjiang. The events highlighted the cultural connotation of Moutai, guiding Moutai fans from all walks of life to appreciate Moutai products, admire Moutai culture, and experience Moutai services, winning widespread appreciation and recognition from Moutai fans.



Moutai Fans Carnival Event Site

Case Moutai Hongyingzi Sorghum Harvest Season

In August 2024, the Company, in collaboration with the Renhuai Municipal Government, held the Moutai Hongyingzi Sorghum Harvest Season event themed "Respecting Farmers in the Harvest Season and Ensuring Quality through the Ages". This event deeply integrated agricultural culture, local cultural characteristics, and Moutai culture, highlighting the Company's inheritance and praise of agricultural culture.



2024 Moutai Hongyingzi Sorghum Harvest Season Site

Case Moutai Baijiu Festival

During the 2024 Double Ninth Festival, the Company hosted the 21st Moutai Baijiu Festival. The event invited numerous cultural scholars and guests from the art community to witness the commencement of Moutai's new production year. Through a series of ceremonies and cultural activities, we deeply interpreted our core corporate values of "Follow the Nature and Respect the Man, Seek Truths and Cultivate Virtues" and showcased our commitment to distilling craftsmanship and quality faith, telling the story of Moutai people's gratitude, perseverance, and inheritance in the new era.



Moutai Baijiu Festival Event Site

Case China Moutai, Backbone of the Nation

The Company has created a public welfare brand under "China Moutai, Backbone of the Nation", and carried out a series of public welfare projects under four major sectors: ecological protection, education for people's livelihood, cultural heritage, and industry. In 2024, the Company donated RMB 100 million to the China Youth Development Foundation (CYDF) to help students achieve their dreams of attending universities. Since the project started in 2012, over RMB 1.3 billion has been donated, benefiting more than 250,000 students in realizing their dreams of university study. We continuously convey Moutai's great love and social responsibility and highlight the "responsibility and commitment of the mountains".



"China Moutai, Backbone of the Nation" Public Welfare Scholarship Activity Site



Employee Management

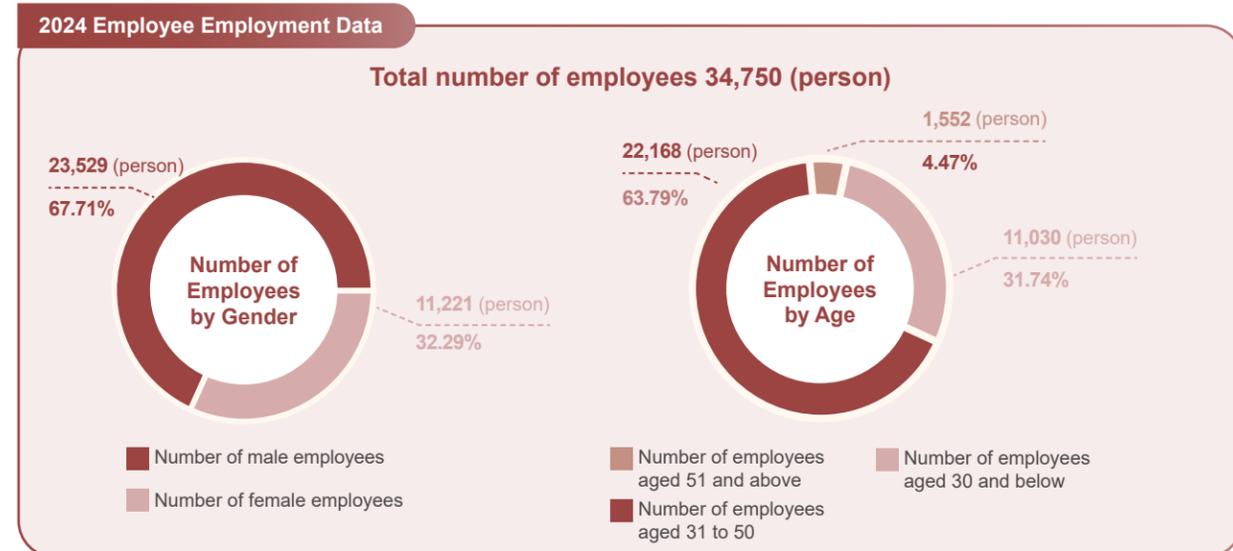
Kweichow Moutai practices the philosophy of "valuing morality and ability, maximizing individual potential, and advancing together with the enterprise". We continuously improve the talent development system, conduct diverse employee training programs, ensure employee rights and benefits, and strive to build a "Happy Moutai".

Compliance and Equality

We insist on compliance hiring, fully protects employees' legal rights, deeply implements a corporate culture of diversity, equality, and inclusion, and creates a harmonious and progressive workplace environment.

Compliance-based Employment

The Company adheres to the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Regulations on the Prohibition of Child Labor*, and other relevant laws and regulations. It has formulated the *Employee Recruitment Management Measures*, which clarify the recruitment process and supervisory mechanisms to ensure compliance, fairness, and transparency in recruitment. Eliminate all forms of forced Labour and recruitment of child Labour. By the end of 2024, the total number of employees of the company was 34,750, and the annual employee turnover rate was <1%.



Equality and Inclusiveness

The Company adheres to the *Trade Union Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Rights and Interests of Women*, and other laws and regulations. It has established and publicly issued the *Kweichow Moutai Co., Ltd Employee' Rights and Interests Protection Policy*³⁴ to build a comprehensive rights protection system. The Company legally respects employees' rights to participate in unions and collective bargaining, ensuring that employees can communicate with management on working conditions and management issues in a fair, just, and open manner. In 2024, the Company's collective contract signing rate reached 100%, and employees' rights were effectively safeguarded.

³⁴ <https://www.moutaichina.com/mtgf/shzr/xgzc/index.html>

The Company is committed to upholding the principle of equal pay for equal work, with oversight by the company executives, and is dedicated to creating a fair and just work environment. We fully respect employees' rights, eliminate any form of discrimination based on region, ethnicity, religion, pregnancy, etc. We publicize the *Employee Rights and Interests Protection Management Measures* and the *Kweichow Moutai Co., Ltd Employee' Rights and Interests Protection Policy* to all employees, covering anti-discrimination and harassment, occupational health and safety, privacy protection, etc., and are committed to creating a harmonious working environment.

Case "Legal Consultation Day" Activity

The Company regularly organizes "Legal Consultation Day" activities every month, and hires professional lawyers to provide employees with free online and offline consultation services. Solve the legal troubles of employees, and continuously improve the legal awareness of all employees.



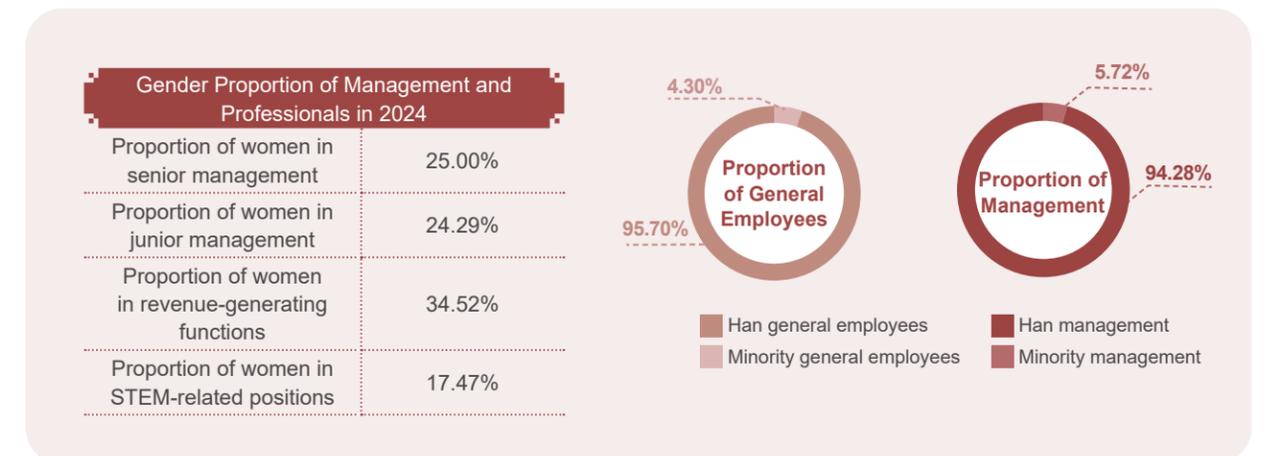
On-site Legal Consultation with Employees

Case Legal Knowledge Promotion and Women's Legal Rights Month Activities

In 2024, the Company organized the "Spreading Legal Knowledge to the Primary Units, Assisting in Quality Enhancement" legal education campaign and Women's Legal Rights Month activities. Professional lawyers were hired to conduct lectures and training in 55 grassroots units on the protection of the rights and interests of female employees, the civil code, and the protection of consumer rights and interests.



On-site Staff Conduct Legal Advice



Smooth employee feedback channel

Additionally, the Company has established an open and accessible feedback channel, encouraging employees to report any illegal activities they uncover or any instances of discrimination, harassment, or defamation they experience. In handling all inquiries, complaints, and requests for assistance, the Company adheres to strict confidentiality principles, fully respecting and protecting the legitimate rights and interests of whistleblowers.

Growth and Development

We have constructed a scientific and complete employee growth and training system, and are committed to forging a high-quality, professional workforce to provide talent support for the Company's sustainable development.

Employee Growth

The company has established a sound employee rank system and formulated the *Position Level Management Measures*, which defines the rank division, career development path and specific requirements for qualifications of employees in detail, providing employees with a clear career growth blueprint. At present, we are developing the qualification system and competency standards, and promoting the implementation of certification.

We have implemented a fair and transparent employee performance evaluation and promotion mechanism and conducted regular talent assessments and performance monitoring. By employing a multidimensional performance appraisal approach, we ensure an impartial and transparent evaluation process.

Performance Management and Evaluation Methods



The Company has formulated the *Annual Work Target Management Regulations* to define the expected work outcomes or desired states to be achieved within a specified period. A top-down approach is adopted for setting, breaking down, tracking, and managing various targets. In addition, according to the completion of the target task evaluation and reward and punishment, to achieve the production and operation management objectives of the enterprise.



The Company has developed the *Detailed Rules for the Management of Additions and Deductions in the Annual Comprehensive Assessment*, which clarifies the incentive and constraint mechanisms, standardizes the criteria for adding or deducting points in the comprehensive assessment, and ensures the fairness of assessment results.



The Company has issued the *High-Quality Development Performance Assessment Management Regulations*, which define the organizational performance management process and establish a performance monitoring and assessment mechanism for high-quality development. The assessment employs a combination of Key Performance Indicators (KPI) and Objectives and Key Results (OKR) methods, evaluating organizational performance across five dimensions: workload, work quality, process control, service level, and learning & growth.

The Company has established a leadership team for occupational skill level certification and formulated regulations such as the *Professional and Technical Personnel Title Evaluation and Appointment Management Measures* and the *Occupational Skill Level Recognition and Appointment Management Measures*. These policies provide clear definitions and standards for professional technical titles and occupational skill levels, setting forth scientific and reasonable evaluation criteria. Additionally, we encourage employees to pursue further education while on the job, strongly supporting them in obtaining master's degrees or higher, advancing professional technical titles, and enhancing occupational skill levels. We also offer financial reimbursement and other substantial assistance, paving a broad and smooth career development path for our employees. In 2024, 559 employees completed academic credentials authentication and registration. In 2024, the company's "Talent Equivalent Density" increased to 0.981.

Talent Development

We have built a comprehensive "four-in-one" education system by effectively integrating resources such as Employee Training School, Moutai Academy, and online learning platforms. Through categorized instruction, we aim to enhance employees' professional skills and overall competencies.

In 2024, the company formulated and issued the *Management Measures for the Introduction of High-level Talents and Talents in Urgent Need* and the *Implementation Rules for the introduction of Doctoral Students*, introducing a total of 9 high-level talents in distilling microorganisms, raw material breeding, ecological environment and other fields, providing talent support for the company's scientific and technological innovation. The company organized the second "Moutai Outstanding Talent Award" with a bonus of RMB 400,000. At the same time, on the basis of the "post-92" selection and training, promote the "post-95" evaluation reserve talent training and selection, and finally select 50 outstanding young evaluation talents to enter the core evaluation talent pool from more than 3,000 people, and continue to enhance the thickness of industry talents. Furthermore, the Company implemented an open selection process for managerial positions in 2024. From over 400 applicants from the liquor distilling and qu-making workshops, 30 supervisors and 30 deputy supervisors were selected to further strengthen and expand the production backbone team.

Case Conducting "Inheritance Program" Training Project



"Inheritance Program" Training Session

In September 2024, the Company launched special training for 100 selected talents in the "Inheritance Program". The training covered areas such as leadership development, AI technology applications, and team-building strategies. To ensure high-quality training, we invited esteemed university professors and industry experts to deliver courses using a combination of theoretical instruction, case analysis, and summary reports. This approach deepened participants' understanding of the training content.

Case Diverse Thematic Open Course Training

In 2024, the Company meticulously planned a series of monthly training sessions in accordance with the *Thematic Open Course Training Program*. These sessions covered essential topics such as cultural and value formation, national defense education, cutting-edge AI advancements, risk management strategies, corporate culture, and brand development, continuously improve staff literacy.



Thematic Open Course Opening Ceremony

Case Professional and technical titles and vocational skill level recognition and appointment



Vocational skill level recognition theory examination site

In 2024, the company actively promotes the promotion of professional and technical titles and vocational skills, and recommends 65 people with middle and senior titles in political work, engineering, economics, agriculture and other series. A total of 228 employees received professional title appointments. Additionally, the Company organized skill assessments for approximately 15,000 workers in professions such as liquor distilling, Chinese culinary arts, and welding. These efforts further streamlined the career development pathways for technical and skilled personnel, continuing to strengthen the construction of talent teams.

The Company continues to implement multi-channel leadership enhancement training programs aimed at cultivating a highly efficient management team. We have developed a series of online courses for management personnel, including Excellent Leadership, the 6E Leadership Model Construction³⁵, and Digital Leadership Advancement. Additionally, we provide professional training for key production system personnel, covering quality control (QC), safety management, and in-depth corporate culture education, ensuring growth and development opportunities for managers at all levels.

To help new employees integrate quickly, we have established a structured onboarding training program. This program introduces them to legal principles, craftsmanship spirit, and essential health and safety knowledge. A final assessment is also conducted to ensure the effectiveness of the training.

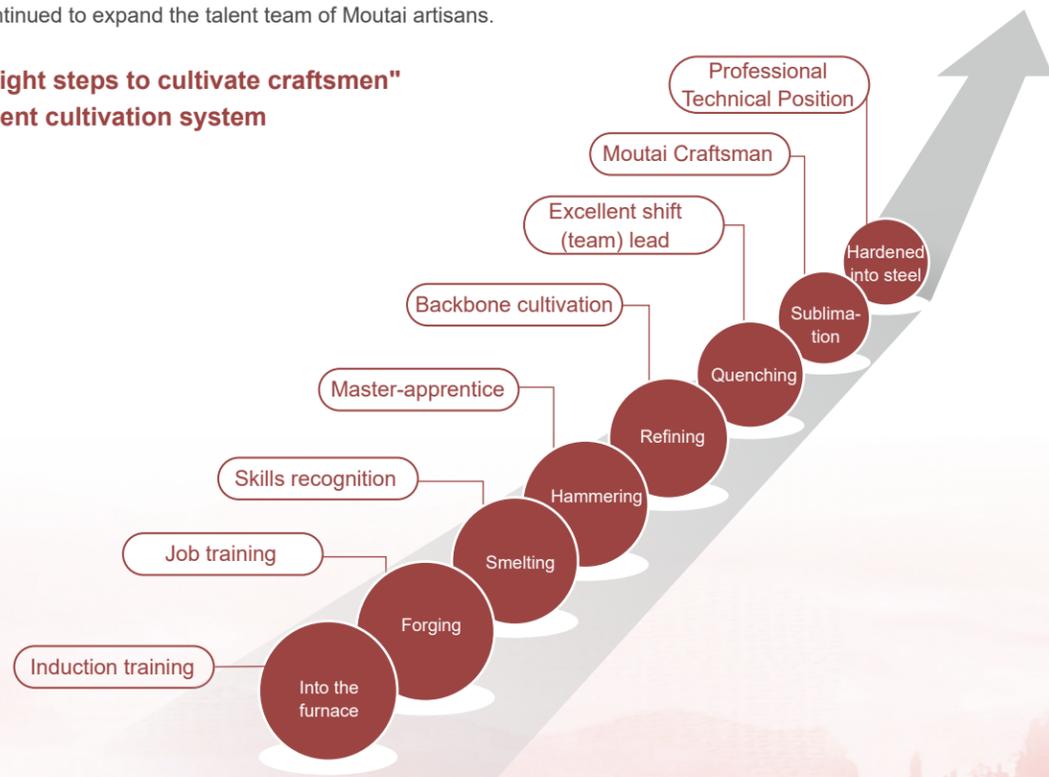
Case Comprehensive Training Program for New Employees

In July and August 2024, the Company organized two sessions of a comprehensive and enriching 24-day onboarding training program for new employees. The training covered both behavioral exercises and theoretical learning, encompassing topics such as political ideology, corporate culture, laws and regulations, production safety and occupational health, and professional skills, helping them quickly adapt to the professional environment.

In terms of professional skill development, the Company deepens the "Eight steps to cultivate craftsmen" training program to improve employees' technical proficiency, encourage employees to uphold and promote the spirit of craftsmanship.

The Company has established a Leadership Team for Job Training and Skills Competitions to guide and organize employees' regular participation in training activities, further fostering their professional development. Over the past year, various workshops and departments have organized a total of 454 job training sessions, enhancing employees' professional expertise. Additionally, we actively promoted the master-apprentice training program, resulting in 184 master-apprentice pairs in 2024. To date, 110 pairs have been forming, and a total of 95 technical positions have been hired throughout the year, which has continued to expand the talent team of Moutai artisans.

"Eight steps to cultivate craftsmen" talent cultivation system



³⁵ A comprehensive leadership framework that integrates charisma, vision, motivation, coaching, empowerment, and talent selection.

Rights and Benefits

The Company regards employee rights as a core element of its development, placing great emphasis on building a comprehensive benefits system. We actively establish communication channels to listen to employees' voices and organize a variety of cultural and recreational activities to promote their holistic development.

Employee Benefits

The company improves the welfare system according to law and regulations, offering comprehensive support and thoughtful care to enhance employees' sense of belonging and well-being.

At the fundamental social security level, we strictly adhere to national regulations by providing all employees with the "Five Insurances and One Fund" and implementing a corporate annuity plan to further improve their post-retirement quality of life. Additionally, the Company safeguards employees' health and well-being by purchasing comprehensive personal accident insurance and supplementary medical insurance.

In terms of work-life balance, we strictly implement the Attendance Management Measures rest and rest time, protect employees' statutory leave rights, and create a more humane and harmonious working environment. Employees are entitled to statutory holidays and welfare holidays such as maternity leave, breastfeeding breaks, and paternity leave. Unused annual leave can also be flexibly carried over to the following year. Furthermore, we provide free meals and commuter shuttle services to ease daily dining and commuting challenges, enabling a seamless integration of work and life.

Care for the Employees

We recognize employees' core needs and tailor personalized support programs for different employee groups, integrating humanistic care into the details of our benefits system. By safeguarding every employee's rights and well-being. We establish a love fund to provide a warm life guarantee when employees and their families need help.

<p>Female employees</p> <ul style="list-style-type: none"> • Purchase health insurance and maternity insurance and regularly organize gynecological examinations and "two cancers" screening³⁶; • Offer maternity leave, childcare leave, and breastfeeding leave to support recovery during special periods; • Establish a "Home for Female Employees", equip lactation rooms, and parking spaces for pregnant women, and distribute sanitary and labor protection products; 	<p>Employees stationed in other provinces/cities</p> <ul style="list-style-type: none"> • Implement a 22+8 vacation mode; • Minimize the number of female employees stationed abroad.
<p>Young employees</p> <ul style="list-style-type: none"> • Create career pathways for young employees and provide career planning guidance; • Host get-togethers for unmarried young employees as a platform for making friends; • Establish interest groups in photography, reading, and sports. 	<p>Retired staff</p> <ul style="list-style-type: none"> • Organize visits and celebrations during festivals such as the Senior Citizens' Day and Spring Festival; • Arrange personalized free health check-ups for retirees; • Conduct cultural and entertainment activities such as calligraphy, singing, and dancing.

³⁶ Medical services for cervical and breast cancer screening.

Employee Communication

We built bidirectional communication mechanisms through various platforms such as the "Colleague Bar", "Direct Line to the Chairman", field visits and workshops, and surveys to listen to employees' voices, widely collect feedback, and timely response. In 2024, we gathered 109 opinions and suggestions, all of which have been properly addressed.

We conduct annual employee surveys, covering topics such as company management, personal work status, teamwork and communication, training and suggestions, performance management, and compensation and benefits. In 2024, the Company's employee satisfaction reached 81.59 points, dedication 88.15 points, and corporate culture identity 93.22 points. We conduct in-depth analysis of the survey results, organize focus group interviews, invite employee representatives to discuss key issues, and actively implement improvement measures to enhance employee well-being.

Cultural and Sports Activities

The Company actively promotes a healthy lifestyle by organizing a wide variety of cultural and sports activities. These activities enhance communication and collaboration among employees, promote a balance between work and life, and continually improve team cohesion and the sense of gain of employees.

In 2024, the Company launched 14 types of courses, including singing and dancing, musical instruments, calligraphy and painting, sports, chess, and photography, attracting over 7,000 employees to participate in these learning activities. We established various cultural and sports groups, encouraging employees to voluntarily organize diverse activities, and constantly creating a "healthy living, happy work" work-life environment for them.

Case Establishing Various Cultural and Sports Associations and Interest Groups

The Company set up various cultural, sports and hobby groups, and the daily management of the group has been improved, so that the group has funds, personnel and activities. The groups participated in several cultural and sports competitions, such as the Workers' Volleyball Competition of Guizhou Provincial Finance, Trade, Tobacco, Alcohol, and Tea Union, the First Employee Swimming League in Zunyi City, the 32nd Fishing Competition of Guizhou Province, the "Mutual Assistance Guarantee Cup" Employee Football and Basketball Competitions in Zunyi City, and the Employee Square Dance Competition in Renhuai City.



Employee Walking Group Participating in the 2024 "Climbing the Peak of Liquor Capital, Enjoying the Scenery of Miao Town" Employee Mountain Climbing Competition



Musical Instrument Group - Conducting Electronic Keyboard Training

Health and Safety

Kweichow Moutai always regards employee health and safety management as the cornerstone of corporate development and unwaveringly promotes occupational health and safety work, built a sound occupational health and safety system, and protected employee safety.

Management System

The Company abides by the *Occupational Disease Prevention and Control Law of the People's Republic of China* and the *Law of the People's Republic of China on Work Safety* and other laws and regulations. We have formulated the *Kweichow Moutai Co., Ltd. Occupational Health and Safety Policy*³⁷, and call on all business partners, including suppliers and distributors to comply with this policy, standardize occupational health and safety management procedures, and protect the occupational health and safety of employees.

The Company's Strategy Committee, as a Board-level committee, serves as the highest decision-making body for health and safety practices. It is responsible for formulating occupational health and safety strategies, evaluating performance, and managing risks, with explicit authorization to set workplace safety objectives. Under the Strategy Committee, the Safety Production and Fire Protection Committee is established to fulfill management responsibilities, ensuring compliance with national safety production laws and regulations, formulating the Company's safety production policies, objectives, and plans, and overseeing their implementation. In addition, the Company has established an Employee Health Management Leadership Group, directly led by senior executives, to oversee health and safety strategies and performance management. This team is responsible for strengthening the organizational and service support systems for employee well-being, ensuring the effective implementation of health and safety affairs.

Meanwhile, CEO is designated to lead and advance the strategy and performance management of health and safety, with health and safety performance linked to the CEO's performance evaluation and compensation.

Occupational Health and Safety Management Responsibilities



³⁷ <https://www.moutaichina.com/mtgf/shzr/xgzc/index.html>

Actions and Measures

The Company works to promote the safety production responsibility system. We require all employees to sign the *Safety Production and Fire Safety Responsibility Agreement*, clarify safety responsibilities at all levels, and ensure that safety responsibilities are implemented for every employee. Meanwhile, we closely link safety goals with employee performance to promote the effective development of related work. In the supplier management process, the Company strictly controls the admission standards, requiring key material suppliers and labor outsourcing suppliers to have occupational health and safety management system certification to ensure the safety level of the supply chain.

Safety Certification

The Company organizes internal and external audits every year. During the reporting period, the external audit conducted by the China Quality Association confirmed that the Company's occupational health and safety management system has no major non-conformities and operates effectively. In 2024, Moutai's ISO 45001 Occupational Health and Safety Management System certification covered all relevant operations of the Company.



Certificate of Occupational Health and Safety Management System Certification

Security Assurance

The Company builds prevention in advance, tracking in the event and improving the safety guarantee system after the event to create a harmonious and stable working environment for employees.

Prevention and Control Measures

- Regularly identify production safety risks, formulate and implement risk control measures.
- We regularly conduct occupational disease hazard assessments and promptly inform employees of the results. In 2024, through the enhancement of technologies and management measures such as noise-reducing tools, soundproof walls, bulk bag packaging, grass screening, and dust removal equipment upgrades, we fully completed the special governance work for 36 points of occupational hazards that exceeded standards.
- We arrange comprehensive occupational health check-ups for employees, and establish occupational health monitoring records to track employees' health status throughout.
- We timely and adequately provide employees with labor protection supplies that are suitable for their positions, effectively ensuring production safety and eliminating or reducing occupational hazard factors from the source.

Emergency Measures

- We develop a comprehensive emergency plan to ensure that emergency responses are systematic and regulated.
- We form an emergency rescue team to ensure a swift response in case of emergencies.
- Strengthen emergency relief supplies and equipment stockpiling, maintenance and updating to ensure their effectiveness and suitability.
- We carry out regular emergency drills to continuously enhance employees' emergency response capabilities and team collaboration levels, ensuring comprehensive protection of employees' lives and health as well as the safety of company property.

During the year, the company invested RMB 50,085,300 for employee injury insurance and RMB 310,000 for employee safety production liability insurance, both of which covered 100%. Throughout the year, the company invested a total of RMB 283 million in production safety, and made every effort to protect the occupational health and safety of employees.

Case Implementing the "Six Measures for Dust" to enhance dust explosion management

In 2024, the Company conducted a special study on issues related to the "Six Measures for Dust" safety production. According to the *Standards for Determining Major Accident Hazards in Industrial and Trade Enterprises*, guiding employees to work safely in strict accordance with work procedures. After the meeting, we clearly defined the hazardous areas for dust explosions, implemented graded management measures, and widely conducted publicity and education training activities at the workshop and team levels, guided employees to strictly follow the work process of safe production, effectively standardizing on-site operating procedures and enhancing all employees' professional knowledge and skills in dust explosion prevention.



Dust Cleaning Management Regulations



"Six Measures for Dust" Promotion Materials

Case Safety Assurance Work in Confined Spaces

The Company has established the *Safety Regulations for Operations in the Confined Space of Kweichow Moutai Co., Ltd.* and operational procedures, and equipped with the operational procedures for the "four-in-one" gas detector, implementing a delegated approval mechanism for confined space operations. The Company is equipped with detection instruments, adhering to the principle of "ventilate first, test, have supervision, and finally operate", actively conducting specialized training to enhance employees' safety awareness and operational standards, and build a strong safety production barrier.



Safety Drill Site in the Confined Space

Case Conducting Heat Prevention and Cooling Work to Prevent Employees from Heat Stroke

In 2024, the Company strengthened health protection for employees during high-temperature weather, formulating the Heat Prevention and Cooling Work Plan and the Management Standards for Heat Prevention and Cooling Health Package Provision, and collaborated with medical institutions to purchase professional heat prevention and cooling services. The Company distributed over 60,000 bottles of Huoxiangzhengqi Liquid, Compound Radix Isatidis, and other heat prevention and cooling medicines, held 40 heat prevention and cooling lectures, and produced multiple health promotion videos for heat prevention and cooling during high-temperature seasons, which were sent to all employees for learning.

Case Organizing Physical Training for New Employees to Reduce Work-related Injuries

In recent years, with the increase in the production capacity of Heyixing, the number of new employees has been rising year by year, leading to an increase in work-related injury frequency. To change this situation, the Company introduced a professional team to incorporate physical training into the onboarding training for new employees. Before the training, high-risk groups were identified through endurance tests, body fat measurements, etc. During the training, theoretical learning on pathological mechanisms and prevention methods was conducted, combined with practical training on aerobic exercise, spinal stability training, and power technique familiarization. Through the above training, the number of work-related injuries among new employees of Heyixing in 2024 has decreased by 91.79% compared to 2023, significantly reducing the incidence of work-related injuries.



Physical Training for New Employees at Heyixing

Safety Training

The Company further improves the safety production and training system, revising the Regulations on Safety Education and Training Management and the List of Tasks for the Safety Education and Training Outline. Based on the occupational health and safety risks and management needs of different positions, targeted occupational health and safety education and training are conducted.

In 2024, we continued to carry out special training on safety production, such as "Month of Safety Production" and "Month of Fire Safety", we effectively enhanced employees' fire safety awareness and skills. In addition, we innovatively conducted twenty-eight sessions of the "Three Ones" emergency rescue special training, using a combination of theoretical explanations, demonstration operations, testing assessments, and practical drills, creating a positive occupational health and safety culture, and enhancing overall safety awareness and emergency response capabilities.

Case Training for Enhancing Emergency Management Capabilities

In March 2024, the Company focused on the annual safety work key points and strategy planning and conducted the "Everyone Knows Emergency Response" special training, aimed at improving employees' ability to identify and respond to various safety risks, promoting the efficient implementation of the Company's annual safety work and strategy planning.



The "Everyone Knows Emergency Response" Special Training

Case Occupational Health Certification Training

In May 2024, the Company held the 2024 annual occupational health training, covering knowledge related to occupational disease prevention and control laws and regulations, identification and prevention of occupational hazard factors, and employee health monitoring management. This training effectively raises the occupational health management awareness of the participants.



Training for Occupational Health Certification

Case Specialized Training on Safety Management for Middle and Senior Leaders

In June 2024, the Company successfully held two sessions of specialized training on safety management for middle and senior leaders, attended by high-level executives such as the chairman and CEO, as well as key and responsible safety personnel from subsidiaries, workshops, and departments. The training content included an in-depth interpretation of the major accident hazard identification standards in the industrial and trade sector and an analysis of new regulations and requirements for production safety and fire protection.

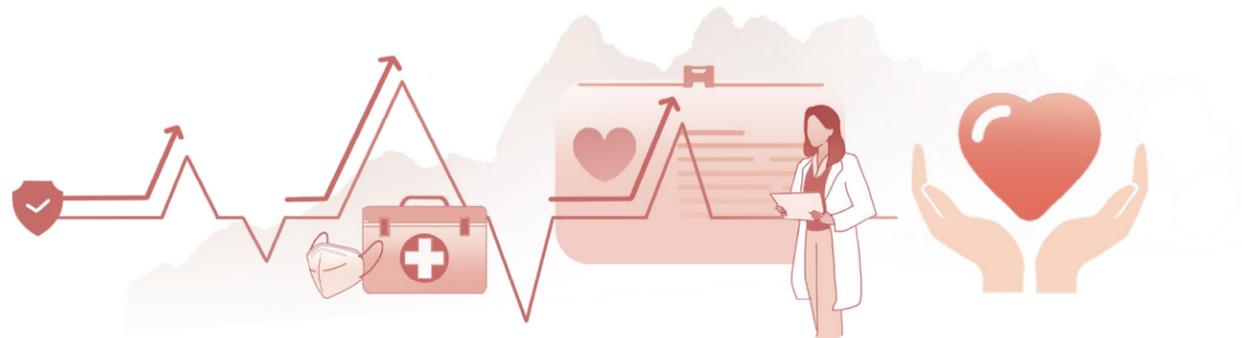


Training for Specialized Safety Management for Middle and Senior Leaders

In addition, to enhance employees' occupational health literacy, the Company regularly organized a series of activities for the "Occupational Disease Prevention Law Promotion Week", include correct use of personal protective equipment, and occupational health lectures, reaching over 20,000 participants and strengthening employees' awareness of occupational health

Mental Health

The Company attaches great importance to employees' mental health. We launched a public account "Communication from Heart to Heart", which released information relating to mental health knowledge 51 times (through a total of 102 articles) in 2024, and provided employees with convenient learning channels. Meanwhile, we arranged professionals to provide mental health counseling services, carried out more than 20 mental health lectures for grass-roots employees, carried out psychological counseling groups, psychological counseling staff training, continue to strengthen the construction of employees' mental health protection system, and promote the development of employees' mental health.



Metrics and Targets

The Company has established and continuously updates specific goals and indicators closely related to occupational health and safety work, regularly tracking their progress. We require all business partners, including suppliers and distributors, to strictly adhere to these goals and indicators, working together to create a safe and healthy work environment. Using 2022 as the baseline year, the Company has set a clear goal of achieving zero major safety production accidents each year in the future. In 2024, all annual occupational health and safety goals of were successfully achieved.

2024 Occupational Health and Safety Goals				
	Number of major safety production incidents	Number of production safety liability incidents above the general level	Timeliness rate of hazard rectification	Employee safety training rate
2024 Target	0	0	≥ 95.5%	≥ 95%
2024 Target Achievement	0	0	100%	100%
	🏆 Achievement	🏆 Achievement	🏆 Achievement	🏆 Achievement

	Safety production maturity	Internal emergency response rate for emergent incidents	Completion rate of emergency plan drills	
2024 Target	≥ 96.15 points	100%	100%	
2024 Target Achievement	97.1 points	100%	100%	
	🏆 Achievement	🏆 Achievement	🏆 Achievement	

The Company regularly uses professional assessment tools and approaches to comprehensively monitor the health and safety performance of employees and contractors, conducts in-depth analysis of the monitoring results, and formulates targeted improvement measures.

Public Welfare and Rural Revitalization

Kweichow Moutai has always adhered to the responsibility concept of "Big Brand and Big Responsibility", carried out various public welfare activities and helped rural revitalization with practical actions. Practice the responsibility and responsibility of the mountain with practical actions, always remember the path we have come, be grateful, and firmly fulfill our social responsibilities. We are committed to contributing to the harmonious development of society.

Social Welfare

We always uphold our sense of responsibility and commitment, using public welfare as a bridge to spread warmth. We deeply engage in various public welfare activities within the country and extend our efforts across mountains and seas to spread hope overseas. Through building schools, dispatching medical teams, and carrying out environmental cooperation, we weave a global network of public welfare with love and action, continuously illuminating the warmth of humanity and working together to create a better world.

Domestic Public Welfare

With our own resources and advantages, we actively carry out diversified social welfare projects in China. Among them, the "China Moutai, Backbone of the Nation" Public Welfare Scholarship Program has invested a total of RMB 1.3 billion, helping over 250,000 students achieve their dreams of attending universities.

2024 Public Welfare Projects and Donation Amounts			
"China Moutai, Backbone of the Nation" Public Welfare Scholarship Program	Moutai Prince · Bright Youngsters	Han Jiang · Dedicated Heritage	Guizhou Daqu · Love in Every Drop of Liquor
RMB 100 million	RMB 9 million	RMB 6.5 million	RMB 2.4 million
Moutai 1935 · Great Physicians of the Nation	Laymau · Growth in Love	Wangmao Star Project	
RMB 3.28 million	RMB 694,800	RMB 582,000	

Case Embarking on the New Track in the Bio-Economy

In 2024, Kweichow Moutai invested RMB 6 million in a special fund to take the lead in the field of synthetic biology, aiming to replace non-degradable fossil energy materials with bio-based biodegradable materials. While meeting the company's own green development, it also helps the industrialization and commercialization process of new industries of biodegradable materials and enhances the market competitiveness.



Kweichow Moutai Releases the List of Leading Projects

Case Moutai Supports the Successful Completion of the Third SynBio Challenges

In August 2024, the Third SynBio Challenges 2024, guided and hosted by the Synthetic Biology Branch of the Chinese Society of Biotechnology, was successfully concluded in Shenzhen. As the exclusive partner, Moutai, with its admiration for science and technology, supported this event that brought together wisdom and innovation, and supported the youth talent cultivation in the field of synthetic biology in China. The Company's CEO, WANG Li, attended and shared insights on the future development of the synthetic biology industry and Moutai's role, and together explored the application scenarios for cross-temporal and cross-spatial communication between first-generation biotechnology and fifth-generation biotechnology.



The Third SynBio Challenges award ceremony

Case "Moutai 1935 · Great Physicians of the Nation" Public Welfare Foundation Donation

In 2024, the "Happy to Have Great Luck Together for the Mountains and Rivers - Moutai 1935-Seeking the Way in China" event was hosted in 7 stops: Kaifeng, Ningbo, Yangzhou, Huaian, Jining, Tianjin and Beijing. At each event stop, guests are guided to deeply experience the rich historical heritage and harmonious coexistence of natural ecology in the city. Together, they explored the magnificent landscapes, historical culture and thriving development along the Grand Canal, appreciating the charm of nature, the depth of human civilization, and the city's prosperity.



"Moutai 1935 · Great Physicians of the Nation" Public Welfare Foundation Donation in Jining

Case Protecting Mount Tai Stone Inscriptions, Inheriting the Beauty of Chinese Characters

Since 2021, Moutai has established the "Han Jiang · Dedicated Heritage" Special Public Welfare Fund in partnership with the "China Foundation For Cultural Heritage Conservation". From assisting in the restoration of Shang Dynasty relics to protecting calligraphy culture, the Company has been actively fulfilling its social responsibility, consistently moving toward good causes. On November 21, 2024, Moutai and the China Foundation for Cultural Heritage Conservation donated RMB 300,000 to the Tai'an Taishan Protection and Development Foundation, contributing to the protection of the relics.



"Han Jiang · Dedicated Heritage" Special Public Welfare Fund Donation

Case Eastern Splendor, National Elegance - Annual Eastern Traditional Colors

In 2024, Kweichow Moutai supported the "Eastern Traditional Colors Project", providing a research platform for domestic institutions and scholars to deeply explore the essence of traditional color culture, and to explore its innovative applications in modern life. Currently, the project has completed documentary research on 17 colors from the "Song Dynasty Ancient Architecture Gaoping Kaihua Temple Color Spectrum", formed the "Kaihua Temple Color Card", produced the "Qianlong Color Card" containing 33 colors, and completed silk restoration for approximately 20 colors. Additionally, the Company sponsored the documentary *Seeking Color of China*, which uses traditional Chinese colors as a medium to rediscover the aesthetic culture of Eastern China.



The International Promotion of Eastern Traditional Colors

Overseas Public Welfare

The company supports overseas distributors and actively fulfills social responsibilities by extensively carrying out charitable activities. These include providing support to overseas medical teams, local orphanages, and educational assistance programs, demonstrating love and care through practical actions and highlighting the Company's commitment and humanitarian concern.

Case Donation Activity at Bell ACC Orphanage in Mozambique

In November 2024, the Mozambican channel operators sent rice, noodles, oil and other materials and daily necessities such as clothing and schoolbags to the children. The children in the orphanage specially prepared Chinese dances, songs and other programs to express their gratitude in the form of artistic performances, so that love and warmth can be transmitted in a foreign country.



Donation Activity

Volunteer Activities

The Company established a volunteer service task force, engaging in environmental and social public welfare, and carrying out a series of colorful volunteer activities. In 2024, the Company had over 3,500 hours of volunteer activity in total.

In terms of environmental public welfare, the volunteer service task force organized a total of 27 environmental activities, attracting over 1,600 enthusiastic participants. In terms of social public welfare, the task force fully leveraged the exemplary role of young volunteers, conducting over 100 volunteer service activities such as love assistance and environmental protection during the Lei Feng Volunteer Service Month, important holidays, and major company events, with participation exceeding 1,000 people, conveying warmth and positive energy to society.

Case "Green and Clean Chishui" Moutai Youth Volunteer River Patrol Activity

On World Environment Day 2024, the Company held an environmental protection activity in collaboration with Renhuai City. "Green and Clean Chishui" young Moutai volunteers conducted a river patrol and beach cleaning action along the Wuma River section, covering a two-kilometer area. Meanwhile, the volunteers promote environmental protection knowledge to surrounding residents and tourists, enhancing public awareness of environmental protection.



"Green and Clean Chishui" Young Moutai Volunteer River Patrol Activity

Case Organizing the "Little Light Public Welfare" Activities

"Little Light Public Welfare" is spontaneously organized by the Company's employees. Since its establishment in September 2020, it has continued to carry out activities such as helping families with difficulties, caring for left-behind children, helping students with difficulties, visiting veterans, and comforting sanitation workers, and has practiced the Company's love and responsibility with practical actions.



"Little Light Public Welfare" Activity

Rural Revitalization

The Company focuses on four aspects: "responsibility implementation, industrial development, dual support for intelligence and ambition, and consumer assistance", fully utilizing its resource advantages to carry out targeted assistance work and contribute to rural revitalization.

The Company complies with the *Law of the People's Republic of China on the Promotion of Rural Revitalization*. In 2024, the Company formulated the *2024 Work Plan for Rural Revitalization Assistance*, identified five areas and 14 key tasks, held special meeting on rural revitalization assistance work, and promote new progress and achievements in assistance work. We effectively promoted the comprehensive development of the assisted areas by sending outstanding managers to take temporary posts, increasing support for industries and employment, and promoting the development of characteristic industries.

Supporting agriculture through industry, promoting farmers' income growth

The Company adhered to the strategy of "supporting agriculture through industry" by building organic raw material bases and implementing the "Five-One" project, supporting planting farmers, and investing over RMB 200 million in 2024, benefiting more than 110,000 farming households. In addition, we deeply implemented the "42-15" work mechanism, continuously guiding workshops to participate in promoting rural revitalization in Renhuai City. Through technical training and other measures, we constantly helped strengthen the collective economy of the assisted villages.

Integrating cultural and tourism industries, expanding the consumer market

The Company guided party organizations at all levels to utilize the red historical and cultural resources and assistance assets at the assistance points to carry out party member education and training. In 2024, our party organizations at all levels conducted activities at the assistance points 18 times, driving economic income of over RMB 260,000.

Stimulating industrial momentum, driving project construction

The Company focused on the development of rural characteristic industries, continuously tracking and promoting the construction of assistance projects, and strictly verifying according to the higher-level rural revitalization assistance project entry mechanism. In addition, Moutai also created multiple ecological agriculture brands, promoting the collective economic income of villages to reach RMB 1.8738 million, effectively stimulating the momentum of characteristic industries.

Assisting products in reaching broader markets, promoting employment and income growth

The Company continuously advanced agricultural product procurement work, deepening cooperation with supply guarantee bases, and helped the sales of agricultural products to achieve revenue of more than RMB 25 million, effectively promoting agricultural products from mountainous areas to urban markets, and driving employment for more than 2,700 people.

The Company consistently practices the philosophy of co-creation and shared benefits, adhering to the principles of supporting agriculture and promoting rural revitalization. In the Chishui River Basin, Moutai's organic sorghum base covers 72 towns and 482 villages, benefiting more than 110,000 farmers, including over 14,000 households that have lifted themselves out of poverty.

Case Kweichow Moutai Supports the Development of the Edible Fungus Industry in Daozhen

Since supporting Daozhen in 2015, Kweichow Moutai has donated a total of 132 million yuan to the edible fungus project, achieving an annual output value of more than RMB 120 million, creating employment for over 1,000 households, with each household increasing its income by more than RMB 50,000 on average. At the same time, we have actively supported the deep processing industry and high-value-added products, promoted research and cooperation in edible fungus science, and explored the use of distillery dregs to make mushroom sticks, which are then converted into organic fertilizer. This initiative aims to create an ecological recycling chain between liquor production and edible fungus cultivation, continuously driving the economic benefits of the edible fungus industry.



Company Leaders Inspect the Development of the Edible Fungus Industry in Daozhen

Future Outlook

In 2025, we attune ourselves to the rhythm of the new era, and adhere to the core corporate values of "Follow Nature and Respect the Man". With a benevolent heart, we will craft exquisite baijiu, forge our brand with virtuous deeds, and bridge the world with rich cultural heritage. We are committed to deeply embedding the principles of sustainability, embracing green environmental protection, and shouldering social responsibility. By enhancing the efficacy of corporate governance and advancing the modernization of our corporate structure, we will confront future challenges with a pioneering spirit. Our goal is to ensure the Company's enduring and stable growth, thereby generating greater value for society.





Assurance Statement: 2024 Environmental, Social and Governance Report of Kweichow Moutai

Independent Assurance Statement for the 2024 Environmental, Social and Governance Report of Kweichow Moutai Co., Ltd.

To the management team and stakeholders of Kweichow Moutai Co., Ltd.,

SynTao Green Finance Co., Ltd. (hereinafter referred to as “SynTao GF”) was commissioned by Kweichow Moutai Co., Ltd. (hereinafter referred to as “Kweichow Moutai”) to conduct an independent third-party assurance of the relevant information disclosed in its *2024 Environmental, Social and Governance Report of Kweichow Moutai* (hereinafter referred to as “ESG Report”). The assurance conducted by SynTao GF is outlined as follows:

Scope of Assurance

1. Timeframe

The assurance was limited to the information disclosed in the *ESG Report* for the period from January 1, 2024, to December 31, 2024. Any relevant information outside this reporting period were not within the scope of this assurance.

2. Information and Data Scope

The scope of this assurance was limited to the information concerning Kweichow Moutai covered in the *ESG Report* and did not include information from third parties such as Kweichow Moutai’s suppliers. Information disclosed in the *ESG Report* that had already been audited or verified by independent third-party organisations were not re-verified in this process.

3. Assurance Scope

The assurance scope aimed to assess: 1) whether the *ESG Report* complied with the Inclusivity, Materiality, Responsiveness, and Impact principles outlined in *AA1000AP (2018)*, and 2) the reliability and quality of certain sustainability indicators, including:

- Total number of suppliers
- Total number of key suppliers
- Percentage of total spend on key suppliers
- Total number of significant suppliers
- Non-renewable energy consumption
- Renewable energy consumption
- Total water extraction
- Extraction of freshwater
- Freshwater consumption in water-scarce areas
- Direct GHG emissions (Scope 1)
- Indirect GHG emissions (Scope 2)
- GHG emissions (Scope 3): Category 1 - Purchased goods & services
- GHG emissions (Scope 3): Category 3 - Energy and fuel
- GHG emissions (Scope 3): Category 4 - Upstream transportation & distribution
- GHG emissions (Scope 3): Category 5 - Waste generated in operations
- GHG emissions (Scope 3): Category 7 - Employees commuting
- GHG emissions (Scope 3): Category 9 - Downstream transportation & distribution
- GHG emissions (Scope 3): Category 12 - Treatment of end-of-life sold products

Responsibilities

The responsibility of Kweichow Moutai was to ensure the integrity and accuracy of the content of the *ESG Report* and the information provided to SynTao GF, with no significant misrepresentations.

The responsibility of SynTao GF was to issue an independent assurance statement based on the information provided by Kweichow Moutai under *AA1000 Assurance Standard v3 (AA1000AS v3)*.



Assurance Statement: 2024 Environmental, Social and Governance Report of Kweichow Moutai

Standards

SynTao GF utilized *AA1000AS v3* as the reference standard for assurance services. *AA1000AS v3* refers to the assurance standard created by AccountAbility. The type and depth of assurance conducted in this instance were categorized as “Type 2, Moderate Assurance”.

The assurance statement was prepared by SynTao GF following the *SynTao GF Non-Financial Report Assurance Method*.

In addition to *AA1000AS v3*, the standards, principles, and initiatives referenced by SynTao GF included: Global Reporting Initiative *GRI Standards* / Hong Kong Exchanges and Clearing Limited *ESG Reporting Code* / Task Force on Climate-related Financial Disclosures *TCFD Framework* / International Sustainability Standards Board (ISSB) *IFRS S1 - General Requirements for Disclosures of Sustainability-related Financial Information* and *IFRS S2 Climate-related Disclosures* / European Union Corporate Sustainability Reporting Directive (CSRD) / Greenhouse Gas Protocol (*GHG Protocol*), among others.

Assurance Methodology

1. Assurance Plan

SynTao GF recorded key resource requirements, evidence to be collected, tasks, activities, deliverables, and timelines in the schedule, forming a plan.

2. Information Collection

Following principles of clarity, balance, completeness, and timeliness, SynTao GF assessed the quality of the collected information.

3. Conducting Assurance

- Conducting interviews with sustainability management, including responsible employee from various departments including: Office of board of directors, Corporate culture, Ecology protection, Auditing, HR, etc.
- Verifying relevant documents, data, and other materials provided by Kweichow Moutai.
- Assessing whether the information and data in the *ESG Report* comply with the inclusivity, materiality, responsiveness, and impact principles outlined in *AA1000AP (2018)*.
- Assessing if the report follows *Guide No.4 for Self-Regulatory Supervision on Listed Companies of the SSE — Compilation of Sustainable Development Reports*.

4. Any other necessary work deemed by SynTao GF

Independence and Capability

1. Independence

SynTao GF declares that, SynTao GF and Kweichow Moutai are entirely independent entities. SynTao GF is free from bias or conflict of interest with Kweichow Moutai.

2. Capability

SynTao GF specializes in providing professional consulting, research, and training services in sustainable finance, including environmental, social, and corporate governance (ESG) ratings, green finance strategy, Environmental and Social Risk Management (ESRM), green finance product innovation, research on green finance and responsible investment, green bond assurance, as well as green credit and responsible investment capacity building.

SynTao GF is a licensed assurance provider of *AA1000AS v3*. This license authorizes SynTao GF to use and comply with AccountAbility’s *AA1000AS v3*, as well as the use of the *AA1000AS v3* markings related to sustainability assurance services.



Assurance Statement: 2024 Environmental, Social and Governance Report of Kweichow Moutai

Members of SynTao GF's assurance team hold qualifications in AA 1000 Certified Sustainability Assurance Practitioner (CSAP), ISO14001 internal auditing, CFA ESG, EFFAS Certified ESG Analyst, GRI training certification, carbon asset management, and other qualifications in the field of sustainable development. The team consists of professionals with extensive experience in the field of sustainable development and a comprehensive understanding of the AA1000AS v3 standard.

Limitations

SynTao GF relied entirely on the information provided by Kweichow Moutai required in the assurance of this ESG Report and did not collect information from other external sources. Interviews also did not involve external stakeholders.

Content for Assurance

1. AA1000 Accountability Principles (2018)

Inclusivity: Kweichow Moutai identified the company's key stakeholders, it communicated with them continuously through various ways, and publicly disclosed the communication outcomes. Kweichow Moutai provides necessary capacity building for stakeholder engagement.

Materiality: Kweichow Moutai collected opinions from key stakeholders, identified the ESG issues that are highly relevant to the company, and have clear procedures to prioritise material issues.

Responsiveness: Kweichow Moutai has responded to the material issues of concern to its key stakeholders and reviewed its performance of relevant targets, and has invested in relevant capacity building.

Impact: Kweichow Moutai has established a process for measuring, evaluating, and managing the company's impacts, and has integrated some of these impacts into the company's material issues and strategic objectives.

2. Assessment of Selected Sustainability Indicators

SynTao GF has verified the selected 18 sustainability indicators in the *ESG Report*.

Conclusion

- SynTao GF did not identify any non-compliance with the Inclusivity, Materiality, Responsiveness, and Impact principles outlined in AA1000AP (2018) in the *2024 Environmental, Social and Governance Report of Kweichow Moutai*.
- SynTao GF did not identify any situation that undermines the reliability and quality of the selected 18 sustainability indicators in the *2024 Environmental, Social and Governance Report of Kweichow Moutai*. Stakeholders can take the 18 sustainability indicators as reference.
- The *2024 Environmental, Social and Governance Report of Kweichow Moutai* was not found to have been prepared without reference to the *Guide No.4 for Self-Regulatory Supervision on Listed Companies of the SSE – Compilation of Sustainable Development Reports*.



Assurance Provider: SynTao Green Finance Co., Ltd.
Assurance Team Lead: WU, Yanjing

April 1, 2025

Shanghai Stock Exchange Index

Dimension	No.	Issue	Corresponding Clause	Corresponding Chapter
Environment	1	Climate change tackling	Articles 21 - 28	Climate Change Tackling
	2	Pollutant discharge	Article 30	Protecting the Green Environment
	3	Waste disposal	Article 31	Protecting the Green Environment
	4	Ecosystem and biodiversity protection	Article 32	Protecting the Green Environment
	5	Environmental compliance management	Article 33	Protecting the Green Environment
	6	Energy usage	Article 35	Efficient Resource Utilization
	7	Usage of water resources	Article 36	Efficient Resource Utilization
	8	Circular economy	Article 37	Efficient Resource Utilization
Society	9	Rural revitalization	Article 39	Public Welfare and Rural Revitalization
	10	Contributions to the society	Article 40	Public Welfare and Rural Revitalization
	11	Innovation-driven	Article 42	Technological Innovation
	12	Ethics of science and technology	Article 43	Technological Innovation
	13	Supply chain security	Article 45	Sustainable Supply Chain
	14	Equal treatment to small and medium-sized enterprises	Article 46	Sustainable Supply Chain
	15	Safety and quality of products and services	Article 47	Product and Service Quality
	16	Data security and customer privacy protection	Article 48	Corporate Governance
	17	Employees	Article 50	Employee Management Health and Safety
Governance	18	Due diligence	Article 52	Risk and Compliance Management
	19	Communications with stakeholders	Article 53	Stakeholder Communication
	20	Anti-commercial bribery and anti-corruption	Article 55	Business Integrity
	21	Anti-unfair competition	Article 56	Anti-unfair Competition

ESG Policies and Regulations

Chapter	Laws and Regulations	Internal Policies and Regulations
Symbiotic Coexistence: Coexisting Harmoniously with Nature		
Climate Change Tackling	<p><i>Opinions of the CPC Central Committee and the State Council on Comprehensively and Correctly Implementing the New Development Concept and Engaging in Carbon Peak and Neutrality</i></p> <p><i>Action Plan for Carbon Peak by 2030</i></p> <p><i>Guidelines for Greenhouse Gas Emissions Calculation Methods and Reporting in Food, Tobacco, Alcoholic Beverage, Beverage and Refined Tea Enterprises (Trial)</i></p> <p><i>Greenhouse Gas Calculation System: Code of Conduct for Enterprise Calculation and Reporting</i></p>	<p><i>Carbon Peak and Carbon Neutrality Action Plan</i></p>
Efficient Resource Utilization	<p><i>Law of the People's Republic of China on Energy Conservation</i></p> <p><i>Water Pollution Prevention and Control Law of the People's Republic of China</i></p> <p><i>Water Law of the People's Republic of China</i></p> <p><i>Water Conservation Regulations</i></p>	<p><i>Energy Management Manual</i></p> <p><i>Energy Management System</i></p> <p><i>Energy Operation Management Regulations</i></p> <p><i>Energy Data Management Regulations</i></p> <p><i>Planning and Implementation Plan of Green Logistics</i></p> <p><i>Supplier Sustainable Development Implementation Method</i></p> <p><i>Water Use Enhancement Action Plan (2024-2026)</i></p> <p><i>Implementation Plan for the Reduction and Green Development of Packaging Materials</i></p> <p><i>New Product Development Management Regulations</i></p> <p><i>Packaging Material Technology Blacklist (Environmental Protection)</i></p> <p><i>List of Restricted and Prohibited Packaging Materials</i></p> <p><i>Negative List of Packaging Materials for New Product Development</i></p> <p><i>Kweichow Moutai Glass Bottle Recycling and Reuse Pilot Implementation Plan</i></p> <p><i>Moutai Baijiu Empty Bottle Recycling Project Implementation Plan</i></p>
Protecting the Green Environment	<p><i>Environmental Protection Law of the People's Republic of China</i></p> <p><i>Emergency Response Law of the People's Republic of China</i></p> <p><i>Water Pollution Prevention and Control Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution</i></p> <p><i>Emissions Standards for Air Pollutants</i></p> <p><i>Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste</i></p> <p><i>Anti-Food Waste Law of the People's Republic of China</i></p> <p><i>Kunming-Montreal Global Biodiversity Framework</i></p> <p><i>GB/T 18356-2007 Product of Geographical Indication - Kweichow Moutai Liquor</i></p>	<p><i>Overall Plan for Building Xi Jinping's Ecological Civilization Practice Demonstration Base and Building the Company as a Role Model for Environmental Protection in the Industry</i></p> <p><i>Environmental Protection Compliance Guidelines</i></p> <p><i>Management Measures for the Assessment of Environmental Protection Work</i></p> <p><i>Environmental Protection Management Regulations</i></p> <p><i>Kweichow Moutai Co., Ltd. ESG Governance Framework</i></p> <p><i>Emergency Plan for Sudden Environmental Incidents</i></p> <p><i>Technical Requirements for Brewing Wastewater Treatment</i></p> <p><i>Solid Waste Control Procedure</i></p> <p><i>Regulations on the Management of Waste Materials Recycling</i></p> <p><i>Regulations on the Management of Hazardous Waste</i></p> <p><i>Management Rules for Moutai Baijiu Brewing Waste of Kweichow Moutai Co., Ltd (the "Rules")</i></p> <p><i>Implementation Opinions on the Coordinated Protection of Ecosystems and Biological Species</i></p>

Chapter	Laws and Regulations	Internal Policies and Regulations
Sharing Benefits: Sharing Value with Society		
Product and Service Quality	<p><i>Food Safety Law of the People's Republic of China</i></p> <p><i>Advertising Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Protection of Consumer Rights and Interests</i></p>	<p><i>A List of Applicable Laws, Regulations, and Other Requirements for Quality and Food Safety</i></p> <p><i>Management Measures for Product Replacement (Rework)</i></p> <p><i>Product Withdrawal (Recall) Management Regulations</i></p> <p><i>Management Measures for Customer Consultation and Complaints</i></p> <p><i>Standard Service Language for Exclusive Stores</i></p> <p><i>Standard Service Manual</i></p> <p><i>Management Measures for the Marketing and Promotion of Moutai Baijiu Distribution System</i></p> <p><i>Advertising Placement Management Measures</i></p> <p><i>News Publicity Management Measures</i></p> <p><i>Kweichow Moutai Baijiu Channel Partner Management Measures</i></p> <p><i>Online Brand Promotion Activity Implementation Specifications</i></p> <p><i>Offline Brand Activity Implementation Specifications</i></p> <p><i>Kweichow Moutai Co., Ltd. Responsible Marketing Policy</i></p>
Employee Management	<p><i>Labor Law of the People's Republic of China</i></p> <p><i>Labor Contract Law of the People's Republic of China</i></p> <p><i>Regulations on the Prohibition of Child Labor</i></p> <p><i>Trade Union Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Protection of Rights and Interests of Women</i></p>	<p><i>Employee Recruitment Management Measures</i></p> <p><i>Kweichow Moutai Co., Ltd Employee' Rights and Interests Protection Policy</i></p> <p><i>Employee Rights and Interests Protection Management Measures</i></p> <p><i>Management Measures for the Introduction of High-level Talents and Talents in Urgent Need</i></p> <p><i>Implementation Rules for the introduction of Doctoral Students</i></p> <p><i>Position Level Management Measures</i></p> <p><i>Annual Work Target Management Regulations</i></p> <p><i>Detailed Rules for the Management of Additions and Deductions in the Annual Comprehensive Assessment</i></p> <p><i>High-Quality Development Performance Assessment Management Regulations</i></p> <p><i>Professional and Technical Personnel Title Evaluation and Appointment Management Measures</i></p> <p><i>Occupational Skill Level Recognition and Appointment Management Measures</i></p> <p><i>Attendance Management Measures</i></p>
Health and Safety	<p><i>Occupational Disease Prevention and Control Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on Work Safety</i></p>	<p><i>Kweichow Moutai Co., Ltd. Occupational Health and Safety Policy</i></p> <p><i>Heat Prevention and Cooling Work Plan</i></p> <p><i>Management Standards for Heat Prevention and Cooling Health Package Provision</i></p> <p><i>Safety Regulations for Operations in the Confined Space of Kweichow Moutai Co., Ltd.</i></p> <p><i>Regulations on Safety Education and Training Management</i></p> <p><i>List of Tasks for the Safety Education and Training Outline</i></p>
Public Welfare and Rural Revitalization	<p><i>Law of the People's Republic of China on the Promotion of Rural Revitalization</i></p>	<p><i>2024 Work Plan for Rural Revitalization Assistance</i></p>

Chapter	Laws and Regulations	Internal Policies and Regulations
Mutual Success: Enabling Modern Governance within the Organization		
Corporate Governance	<p>Company Law of the People's Republic of China</p> <p>Securities Law of the People's Republic of China</p> <p>Code of Corporate Governance for Listed Companies</p> <p>Guidelines of the Shanghai Stock Exchange on the Self-Regulation of Listed Companies No. 5-Transactions and Related Transactions</p>	<p>Articles of Association</p> <p>Articles of Association and the Rules of Procedure for Shareholders' Meeting</p> <p>Measures for Performance Assessment of Members of the Management</p> <p>Measures for Remuneration Management of Members of the Management</p> <p>Compliance Management Measures</p> <p>Internal Control Management Measures</p> <p>Decision-making Policy for Related Transactions</p> <p>Risk Management Measures</p> <p>Risk Management Enhancement Action Plan (2024-2026)</p> <p>Risk Management Operating Procedures</p> <p>Management Measures for Network and Information Security</p> <p>Terminal Security Management Regulations</p> <p>Network and Information Security Emergency Response Plan</p> <p>2024 Cybersecurity Emergency Drill Plan</p> <p>Kweichow Moutai Co., Ltd. Data and Privacy Policy</p>
Business Ethics	<p>Company Law of the People's Republic of China</p> <p>Anti-Unfair Competition Law of the People's Republic of China</p> <p>Anti-Monopoly Law of the People's Republic of China</p> <p>Opinions of the State Council on Establishing a Fair Competition Review System in the Building of a Market System</p> <p>Regulations on Handling Letters and Visits</p> <p>Rules for Disciplinary Inspection and Supervision Organs on Handling Reports and Complaints</p>	<p>Kweichow Moutai Co., Ltd. Business Ethics Policy</p> <p>Several Measures of the Party Committee of the Company for Further Strengthening Oversight for Leadership Teams and Their Heads</p> <p>Negative List of Employees' Acts</p> <p>Measures for Handling Violations of Rules, Disciplines, and Laws by Employees</p> <p>Prohibitive Provisions for Integrity in Construction of Engineering Projects</p> <p>Prohibitive Provisions for Procurement Integrity</p> <p>Prohibitive Provisions for Integrity in Resources Supply</p> <p>Prohibitive Provisions for Integrity in Marketing Personnel</p> <p>Provisions for the Registration and Filing of Construction of Engineering Projects and Investment of Fixed Assets</p> <p>Anti-Monopoly Compliance Guide</p> <p>Anti-Unfair Competition Compliance Guide</p> <p>Work Safety Compliance Guide</p> <p>Environmental Protection Compliance Guidelines</p> <p>Rules on Supplier Management for Husks and Straws</p> <p>Rules on Supplier Management for Hardware and Low-Consumption Materials</p>

Chapter	Laws and Regulations	Internal Policies and Regulations
Business Ethics		<p>Kweichow Moutai Co., Ltd. Supplier Code of Conduct</p> <p>2024 Procurement Integrity Warning Education Work Plan</p> <p>Management Measures for Letters and Visits of Kweichow Moutai Co., Ltd.</p>
Technological Innovation	<p>Law of the People's Republic of China on Scientific and Technological Progress</p> <p>Opinions on Strengthening the Governance of Scientific and Technological Ethics</p> <p>Measures for Scientific and Technological Ethics Review (for Trial Implementation)</p>	<p>Charter of the Science and Technology Committee</p> <p>Regulations on the Management of Scientific and Technological Research and Development Projects</p> <p>Implementation Rules for Micro Scientific and Technological Research and Development Projects</p> <p>Smart Moutai 2.0 Top-Level Plan (2024-2027 for the Joint Stock Company)</p>
Sustainable Supply Chain	/	<p>Supplier Management Measures</p> <p>Kweichow Moutai Co., Ltd. Supplier Code of Conduct</p> <p>Risk Assessment Meeting Mechanism</p> <p>Supplier Sustainable Development Implementation Plan and Green Indicator System</p> <p>Implementation Plan for the Reduction and Green Development of Packaging Materials</p> <p>Implementation Plan for Product Packaging Materials for Green Supply Chains</p> <p>Finished Liquor Outer Packaging Materials Recycling Management System</p> <p>Regulations on the Management of Waste Materials Recycling</p> <p>Moutai Baijiu Sorghum and Wheat Supplier Management Regulations</p> <p>Packaging Materials Supplier Management Rules</p> <p>Channel Partner Management Measures</p> <p>Market Maintenance Management Measures</p> <p>Management Measures for Customer Consultation and Complaints</p> <p>Marketing Advisory Group Management Measures</p>

ESG Data Sheet

Environmental Dimension

Index	Unit	2024	2023	2022	
Direct GHG emissions (Scope 1)	tCO ₂ e	287,811	244,895	256,157	
Indirect GHG emissions (Scope 2)	tCO ₂ e	2,536	9,883	56,705	
Total GHG emissions (Scopes 1, 2)	tCO ₂ e	290,347	254,778	312,862	
GHG emissions intensity (Scopes 1, 2)	tCO ₂ e/1 million units of industrial output	2.91	2.95	4.12	
Energy consumption	Natural gas consumption	10,000m ³	12,687.18	10,557.09	11,176.05
	Gasoline consumption	tons	399.41	355.98	257.47
	Diesel consumption	tons	849.92	750.11	643.25
	Purchased electricity	MWh	124,472.10	108,694.41	99,030.40
	Purchased heat	GJ	4,375.02	1,746.12	2,070.56
	Non-renewable energy consumption	tce	171,186	144,174	158,347
	Renewable energy consumption	tce	14,827	11,270	3,852
	Direct energy consumption	tce	170,566	142,026	149,958
	Indirect energy consumption	tce	15,447	13,418	12,241
	Comprehensive energy consumption	tce	186,013	155,444	162,199
Comprehensive energy consumption intensity	tce/1 million units of industrial output	1.86	1.80	2.14	
Water resource consumption	Reuse of reclaimed water	10,000 m ³	24.24	19.70	19.14
	Proportion of reclaimed water	%	3.07	2.32	2.15
	Extraction of freshwater	10,000 m ³	635.11	658.50	701.95
	Freshwater extraction intensity	10,000 m ³ /1 million units of industrial output	0.0064	0.0079	0.0092
	Total water extraction	10,000 m ³	635.11	658.50	701.95
	Water recycling rate	%	85.45	87.07	82.05
	Consumption of freshwater	10,000 m ³	789.65	847.96	892.11
	Freshwater consumption intensity	10,000 m ³ /1 million units of industrial output	0.0079	0.0098	0.0117

Index	Unit	2024	2023	2022	
Water resource consumption	Total water resource consumption	10,000 m ³	813.89	867.66	892.11
	Water resource consumption intensity	10,000 m ³ /1 million units of industrial output	0.0082	0.0098	0.0117
	Freshwater consumption in water-scarce areas ³⁸	10,000 m ³	0.00	0.00	0.00
Usage of packaging materials	Glass bottles	tons	81,820.23	71,117.67	/
	Color cardboard boxes	tons	40,391.32	35,697.68	/
	Ribbons	tons	80.91	76.61	/
	Metal bottle caps	tons	1,070.33	799.06	/
	Plastic bottle caps	tons	3,336.16	2,886.48	/
	Ceramic bottles	tons	11,676.25	11,429.43	/
	Cardboard boxes	tons	13,511.21	12,156.04	/
	Bags	tons	9,526.98	9,285.11	/
Total	tons	161,413.39	143,448.07	/	
Wastewater discharge volume	Wastewater discharge volume	10,000 tons	218.92	215.17	224.38
	Wastewater discharge intensity	10,000 tons/1 million units of industrial output	0.0022	0.0025	0.0030
Waste generation volume	Total waste	tons	518,043.71	467,701.42	447,224.90
	Intensity of total waste	tons per RMB 100 million of industrial output	520.61	543.41 ³⁹	597.95
	Utilization rate of production waste	%	100	100	100
Waste disposal and recycling volume	Total amount of recycling/reuse	tons	465,947.37	436,853.70	415,566.92
	Total waste incinerated with energy recovery	tons	52,096.34	30,847.72	31,657.98
Food waste	Food waste recycling ⁴⁰	tons	849.73	774.73	562.21

³⁸ Areas with water consumption less than 1,700 m³/(person*year)

³⁹ Correction to 2023 hazardous waste data, hence change in intensity

⁴⁰ All food waste is used for industrial oil refining, achieving 100% resource utilisation

Social Dimension

Index	Unit	2024	2023	2022	
Employment	Total number of employees	Person	34,750	33,302	31,413
	Number of female employees	Person	11,221	10,945	10,355
	Number of male employees	Person	23,529	22,357	21,058
	Proportion of women in senior management	%	25.00	28.17	/
	Proportion of women in junior management	%	24.29	23.52	/
	Proportion of women in revenue-generating functions	%	34.52	33.67	/
	Proportion of women in STEM-related positions	%	17.47	16.89	/
	External recruitment	Total number of new employees	Person	1,839	2,273
Employee rights	Collective contract signing rate	%	100	100	100
	Number of violations of legal rights and interests of employees	/	0	0	0
Technological innovation	R&D investment	RMB million	695	622	559
	Number of patent applications	Piece	83	107	70
	Number of authorized patents	Piece	49	69	34
	Number of valid patents	Piece	329	287	226
Sustainable supply chain	Total number of suppliers	Point	701	432	399
	Total number of key suppliers	Point	96	65	81
	Total number of significant suppliers	Point	543	302	302
	Total number of ordinary suppliers	Point	62	65	16
	Percentage of total spend on key suppliers	%	19.81	29.15	31.13
Data security and user privacy protection	Data security incidents	Case	0	0	0
	User privacy breach incidents	Case	0	0	0

Governance Dimension

Index	Unit	2024	2023	2022	
Board of directors composition	Number of directors	Person	7	7	7
	Number of independent directors	Person	3	3	3
	Number of female directors	Person	2	2	1
	Number of employee directors	Person	1	1	1
	Proportion of independent directors	%	42.86	42.86	42.86
	Number of supervisors	Person	3	3	3
	Number of employee representative supervisors	Person	1	1	1
	Validity of the board of directors	Board of directors meeting	Times	13	13
Director attendance rate		%	100	100	100
Average term of directors		Years	1.5	1.2	1.1
Compliance management training	Compliance management training sessions	Session	45	49	25
Risk management training	Risk management training sessions	Session	2	2	9
Integrity risk control	Number of integrity risk points	Point	217	346	34
	Number of preventive measures	Mearsure	441	639	69
Integrity training	Number of employee integrity training sessions	Session	64	52	39
	Number of employees trained in integrity	Participant	34,750	33,302	31,413
	Employee integrity training coverage rate	%	100	100	100
	Number of management integrity training participants	Participant	648	627	614
	Management integrity training coverage rate	%	100	100	100
	Unfair competition	Number of complaints and reports received regarding unfair competition	Case	0	0

Feedback

Dear readers,

Thank you very much for reading the Kweichow Moutai 2024 Environmental, Social, and Governance (ESG) Report during your busy schedule. Your comments and suggestions on this report are highly appreciated for us to improve the quality and level of the report and our social responsibility and ESG efforts!

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Your information

Name: _____ Tel: _____

Employer: _____ E-mail: _____

Your overall rating of this report is:

Excellent Good Fair

How well do you think this report reflects the Company's significant economic, social and environmental impact:

Well General No idea

How clear, accurate, and complete do you think the information, data, and indicators disclosed in this report are:

Very good Good Fair Bad Very bad

Which aspect of this report are you most satisfied with?

What information would you like to know more about?

What are your suggestions for our future reports?



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KWEICHOW MOUTAI CO.,LTD.