

自然美 natural beauty

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 00157



Beauty from Natural

美麗源於自然

2016

環境、社會及管治報告

Environmental, Social and Governance Report

Mission Statement

我們的使命

Natural Beauty is dedicated to cultivate our staff, customers, students and franchisees to appreciate our education, products and services, which are made by the love and kindness of our founder, Dr. Tsai Yen-Pin, who made modern ladies beautiful, confident and wealthy.

我們致力於使員工、顧客、學員及加盟老師們存著一份感恩的心來到自然美，學習自然美容術及使用自然美產品及服務，這都是自然美創辦人蔡燕萍博士以愛心砌成累積的成果，幫助無數女性建立美麗、自信及財富。



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Chairman's Statement

主席報告

It has been 44 years since Natural Beauty was established in 1972. Natural Beauty perceives beauty as “healthy and natural”, which is also the guiding principle for our corporate development. We strive to implement green and environmental friendly practices throughout each aspect of our production. By controlling the results, we ensure the low waste emissions and special treatment of toxic emissions in order to reduce damages to the environment.

We recognize the power of the social responsibility and value the corporate spirit consistently. We actively cultivate multi-disciplinary talents and pave the way for their development. The society has nurtured the talents for Nature Beauty, and in return Nature Beauty contributes back to the society with good faith. In addition, we have been engaging ourselves in social charitable activities and have created significant impacts locally.

Adhering to our belief of “Inspired by True Goodness, Beauty originated from the Nature”, and the principle of “natural beauty is made by love and kindness, and ordinary people can be extraordinary”, Natural Beauty itself manifests its care to female and its contribution to the society.

In 2016, we proactively responded to the change in economic trends and the pressure of environmental protection, adhered to the principle of steady progress in our clean production, and made new achievements in energy saving, emission reduction, and recycling. Throughout the year, there is zero safety incident and 100% settlement of product complaints. Natural Beauty has given the society a remarkable result and will continue to make contributions in a number of charitable activities organized by the Natural Beauty Training Workshop.

As a leading cosmetic giant of the industry, Natural Beauty will stick to the sustainable development strategy by bearing its social responsibility of discovering and achieving the beauty. Even nowadays the Chinese economy and traditional industries are under pressure, Natural Beauty will proactively tackle the challenges and work with our people to embrace a new norm of green harmony.

Dr. Tsai Yen-Yu

Chairlady

Natural Beauty Bio-Technology Limited

自然美一九七二年成立至今已過了四十四載。自然美將美視為「健康與自然」，此亦為我們公司發展的指導原則。我們致力於在每一個生產層面實踐綠化及環保。透過成果管控，我們確保低量的廢氣排放並特別處理有毒物質排放，以減少對環境的傷害。

我們確知社會責任的力量，且同樣重視公司精神。我們積極培育跨領域人才，並提供他們發展之路。社會為自然美培育人才，而自然美則以好意回報社會。此外，我們也參與慈善活動，為當地社區帶來意義深遠的影響。

自然美堅守「心懷真善，美麗自然而生」的信念及「自然美來自愛與善，凡人也能變得非凡」的原則，表達其對女性的關懷及對社會的貢獻。

於二零一六年，我們積極對經濟趨勢的改變以及環境保護的壓力作出回應，我們堅守於清潔生產方面穩健進展的原則，並於節能、減排及回收方面創下嶄新的成就。全年下來，自然美概無任何安全事故，且產品投訴解決率達100%。自然美為社會創造了佳績，並將持續透過自然美培訓工作坊所籌辦的若干慈善活動為社會盡心盡力。

身為美妝產業的化妝品龍頭，自然美將肩負其發現與創造美麗的社會責任，以堅守可持續發展的策略。即便今日中國經濟及傳統產業承受壓力，自然美仍將積極應對挑戰，與諸位同心協力，擁抱綠色和諧的新典範。

蔡燕玉博士

主席

自然美生物科技有限公司

Basic Principles of Reporting

匯報的基本原則

This Environmental, Social, and Governance Report (the “Report” or the “ESG Report”) is the first ESG Report issued by Natural Beauty Bio-Technology Limited (“Natural Beauty”, the “Company”, or “We”), in responding to the requirements from the Hong Kong Exchanges and Clearing Limited on the disclosure of environmental, social, and governance current practise and the shareholders’ expectation to Natural Beauty. Hence, the Report is prepared in accordance with the Environmental, Social, and Governance (ESG) Reporting Guide published by the Hong Kong Exchanges and Clearing Limited and enriched with the Company’s current policies and procedures regarding sustainable development (or corporate social responsibility).

The Report is prepared based on the following principles:

- (1) Materiality – The Company believes ESG exerts significant influence on the investors and stakeholders, thus the Report should disclose any important matters in regards to the ESG to its investors and stakeholders. For detailed instruction, please refer to “ESG Guide Reference”.
- (2) Quantitative – KPIs need to be measurable so that the effectiveness of ESG policies and management systems can be evaluated and validated. Quantitative information should be accompanied by a narrative explaining its purpose and impacts with the comparative data where applicable.
- (3) Balance – The Report should provide an unbiased picture of the Company’s performance, and should avoid any selections, omissions, or misleading presentation that may inappropriately influence the report readers on their decision making.
- (4) Consistency – The Company should use consistent methodologies to allow for meaningful comparisons of ESG data over time. The Company should disclose in the ESG report any changes to the methods used or any other relevant factors affecting a meaningful comparison.

Based on the business and operation, the Company has identified the major stakeholders such as shareholders/investors, government/regulatory bodies, customers, employees, suppliers/partners, environmental advocates, communities and general public who will have an interest in ESG. Through the collection of their views, Natural Beauty obtains a comprehensive understanding on their expectations so to balance the interests between Natural Beauty and the stakeholders.

Certain data used in the Chairman’s Statement and Company Profile sections is added up by applicable data from all operating entities of Natural Beauty. Data used in other sections is added up by applicable data from enterprises within the reporting scope, unless otherwise specified.

環境、社會及管治報告（「該報告」或「環境、社會及管治報告」）為自然美生物科技有限公司（「自然美」、「本公司」或「我們」）所發佈的第一份環境、社會及管治報告，以符合香港交易及結算有限公司就環境、社會及管治現有常規作出的披露規定，以及股東對自然美的期望。因此，該報告根據香港交易及結算有限公司發佈的環境、社會及管治報告指引編製，並以本公司有關可持續發展（或企業社會責任）的現有政策及程序加以補充。

該報告根據下列原則編製：

- (1) 重要性 – 本公司認為環境、社會及管治報告對投資者及持份者具有重大影響力，因此該報告須向投資者及持份者披露有關環境、社會及管治的任何重要事項。請參閱「環境、社會及管治指引參考」，以獲得詳細指示。
- (2) 量化 – 關鍵績效指標須可予計量，使得環境、社會及管治政策及管理系統的效益可被評估及驗證。量化資料應附帶說明闡述其目的及影響，並在適用的情況下以比較數據輔助說明。
- (3) 平衡 – 該報告須不偏不倚地呈報本公司的表現，且須避免可能不恰當地影響報告讀者決策的任何選擇、遺漏或誤導性陳述。
- (4) 一致性：本公司應使用一致的披露統計方法，令環境、社會及管治數據日後可作有意義的比較。本公司應在環境、社會及管治報告中披露統計方法的任何變更或任何其他影響有意義比較的相關因素。

根據業務及營運，本公司已識別主要持份者，如將於環境、社會及管治中擁有權益之股東／投資者、政府／監管機構、客戶、僱員、供應商／合夥人、環保倡議人士、社區以及一般大眾。藉由蒐集彼等觀點，自然美可全盤瞭解彼等期望，以平衡自然美與持份者之間的利益。

主席報告及公司簡介二節所使用的若干數據以自然美所有營運實體的適用數據合計而成。除另有所指外，其他章節使用的數據由匯報範圍內企業的適用數據合計而成。

Company Profile

公司簡介

Natural Beauty Bio-Technology Limited (Stock code: 00157) is a company based in Shanghai, the PRC. As at 31 December 2016, it employed over 500 employees. Natural Beauty is principally engaged in the production and sale of skin care, beauty, aroma-therapeutic products, health supplement and make-up products. Natural Beauty Holdings Limited was incorporated in the Cayman Islands as an exempted company with limited liability on 29 June 2001. The Company's shares were listed on The Stock Exchange of Hong Kong Limited since 28 March 2002.

With over 40 years of development, Natural Beauty has the following unique advantages:

- Brand advantage: The brand "Natural Beauty" was founded by Dr. Tsai Yen-Yu in Taiwan in 1972 and has been taking a strong foothold in the Greater China Region by its natural cosmetology and business philosophy of "beauty is being natural". In 2008, "Natural Beauty" was recognized as the Chinese Well-known Trademark by State Administration for Industry and Commerce.
- Technical advantage: Natural Beauty is always committed to the development of new products. By taking in prominent bio-chemical R&D teams and cooperating with other technology companies, Natural Beauty has successfully developed more than 700 purely natural skin care products free of strong medication and toxic chemicals such as mercury, lead, and zinc.
- Production advantage: Natural Beauty now has two production bases in Shanghai and one in Taipei. In 1997, Natural Beauty set up its first PRC factory in Shanghai which obtained ISO9000 quality standard certification in the same year. To cope with its vigorous momentum of development, the Company constructed a new factory in Shanghai in 2010. The new production base was built in conformance with the high standards of Good Manufacturing Practice ("GMP") of Drugs, making Natural Beauty a leading GMP cosmetic production enterprise in the PRC.
- Scale advantage: Natural Beauty has over 1,000 chain stores in the PRC, Taiwan and other regions and will increase the numbers of both franchising store and self-owned stores in 2017.

自然美生物科技有限公司(股份代號:00157)是一家以中國上海為基地的公司。於二零一六年十二月三十一日,已聘雇超過五百名員工。自然美主要從事生產及銷售護膚產品、美容產品、香薰產品、健康食品及化妝品。Natural Beauty Holdings Limited於二零零一年六月二十九日在開曼群島註冊成立為獲豁免有限公司。本公司股份自二零零二年三月二十八日起在香港聯合交易所有限公司上市。

超過四十年發展,自然美擁有以下獨特優勢:

- 品牌優勢:「自然美」品牌由蔡燕玉博士於一九七二年在台灣成立。透過「自然就是美」的美容及業務理念,自然美大中華地區屹立不搖。於二零零八年,「自然美」獲中國國家工商行政管理總局認可為中國馳名商標。
- 技術優勢:自然美總是致力於發展新產品,透過卓越的生物科技研發團隊以及與其他科技公司合作,自然美已成功發展了超過七百件不含強烈藥物及有毒化學物質如汞、鉛、鋅的純天然護膚產品。
- 生產優勢:自然美現有兩處生產基地,分別位於上海及台北。自然美於一九九七年在上海設立第一間中國工廠,並於同年取得ISO9000品質認證,隨後自然美的發展如火如荼,因此於二零一零年在上海成立了一間新工廠。新的生產基地遵循《藥品優良製造作業規範》的高標準建立,使自然美成為中國頂尖的化妝品製造企業。
- 規模優勢:自然美於中國、台灣及其他地區擁有超過一千家分店。自然美將於二零一七年增加其加盟店與直營店數量。

Adhering to the operation philosophy of "Research, Education, Service and Dissemination", Natural Beauty demonstrates to the world with its outstanding products and services, and that it is an energetic and sustainably operated enterprise.

秉持著「研究、教育、服務、推廣」的經營理念，自然美向世界展現其優異的產品及服務，為一間有活力且可持續經營的企業。

INDUSTRY DISTRIBUTION

行業分佈



Achievements in Environmental Protection

環保方面的成就

STRICT CONTROL ON "THREE WASTES" EMISSION

As a company engaged in light chemical industry, Natural Beauty imposes strict control on the emission of waste water and gas in its factories. The Company takes harmonious development, environment-friendly and zero pollution as the business philosophy and strictly sticks to the requirements of "Regulations of Shanghai Municipality on Environmental Protection".

Natural Beauty innovated and upgraded its technologies and invested heavily in new equipment so as to meet the requirements of "Emission Standard of Air Pollutants for Thermal Power Plants" (GB13223-2011) that was effective since July 1, 2014. In order to reduce the emission of pollutant gas, Natural Beauty installed waste gas treatment equipment for boilers in its factories to reduce the concentration of waste gas to a reasonable level through highly efficient and flexible treatment methods. As a result, there was a significant reduction in overall emission in 2014.

For Natural Beauty's factories in Fengxian and Chongming, waste gas mainly contains sulphide, nitrogen oxide and dust generated by boilers during the process of cosmetic production.

Natural Beauty's factory in Chongming, Shanghai has 76 employees and covers an area of 4,666m². The details about waste gas emission are as follows:

Waste gas generated by boilers

NO-x emission	氮氧化物排放	(kg/year)	(公斤/年)	648
Smoke and dust emission	煙塵排放	(kg/year)	(公斤/年)	223.2
Sulfur dioxide emission	二氧化硫排放	(kg/year)	(公斤/年)	943.2

Vehicle exhaust

NO-x emission	氮氧化物排放	(kg/year)	(公斤/年)	49.11
Smoke and dust emission	煙塵排放	(kg/year)	(公斤/年)	4.57
Sulfur dioxide emission	二氧化硫排放	(kg/year)	(公斤/年)	0.16

嚴格管控「三廢」排放

自然美作為一間輕化工產業公司，嚴格管控其工廠的廢水及廢氣排放。本公司將和諧發展、環境保護及零污染視為經營哲學，並嚴格遵守「上海市環境保護條例」的規定。

自然美創新並更新科技，且大力投資新設備以符合自二零一四年七月一日起生效的「火電廠大氣污染物排放標準」(GB13223-2011)之規定。為了減少廢氣排放，自然美為工廠裡的鍋爐安裝廢氣處理設備，透過高效又彈性的處理方式將廢氣濃度減至合理的水平。因此，本公司二零一四年的總排放量大幅減少。

自然美位於奉賢與崇明的工廠中，廢氣成分主要包含硫化物、氮氧化物以及生產化妝產品過程中鍋爐所產生的灰塵。

自然美位於上海崇明的工廠共有76名僱員，總面積4,666平方米，其廢氣排放的詳情載列如下：

鍋爐產生的廢氣

汽車廢氣

Achievements in Environmental Protection 環保方面的成就

The factory in Fengxian, Shanghai has 90 employees and covers an area of 4,000m². The details about waste gas emission are as follows:

位於上海奉賢的工廠共有90名僱員，總面積4,000平方米，其廢氣排放的詳情載列如下：

Waste gas generated by boilers

NO-x emission	氮氧化物排放	(Kg/year)	(公斤／年)	82.5
Smoke and dust emission	煙塵排放	(Kg/year)	(公斤／年)	3.5
Sulfur dioxide emission	二氧化硫排放	(Kg/year)	(公斤／年)	28.63

鍋爐產生的廢氣

Vehicle exhaust

NO-x emission	氮氧化物排放	(kg/year)	(公斤／年)	41.60
Smoke and dust emission	煙塵排放	(kg/year)	(公斤／年)	3.99
Sulfur dioxide emission	二氧化硫排放	(kg/year)	(公斤／年)	0.03

汽車廢氣

The factory in Taipei has 42 employees and covers an area of 5,011.5 m². The details about waste gas emission are as follows:

位於台北的工廠共有42名僱員，總面積5,011.5平方米，其廢氣排放的詳情載列如下：

Waste gas generated by boilers

NO-x emission	氮氧化物排放	(kg/year)	(公斤／年)	Nil 無
Smoke and dust emission	煙塵排放	(kg/year)	(公斤／年)	Nil 無
Sulfur dioxide emission	二氧化硫排放	(kg/year)	(公斤／年)	Nil 無

鍋爐產生的廢氣

Vehicle exhaust

NO-x emission	氮氧化物排放	(kg/year)	(公斤／年)	13.87
Smoke and dust emission	煙塵排放	(kg/year)	(公斤／年)	1.02
Sulfur dioxide emission	二氧化硫排放	(kg/year)	(公斤／年)	0.17

汽車廢氣

Water breeds life and serves as the foundation of harmonious societies. Natural Beauty has always been committed to water resource conservation. To protect water resource, China has established the strictest water resource management system called "Chief Executive Accountability System", under which heads of local governments at provincial, municipal and prefectural levels shall hold accountable and divide the responsibility of holding "Three Red Lines" (namely, requirements on total water consumption, water-use efficiency, and pollution discharge in water function areas) that are defined by the State Council to provinces, municipalities as well as prefectures. In response, Natural Beauty commits to strictly adhere to local environmental protection regulations and avoid the discharge of untreated water to natural waters. In addition, in order to friendly and sustainably utilize water resource, Natural Beauty commissions

水孕育了生命，亦為和諧社會的基石。自然美一直以來皆致力於水資源保育。為了保護水資源，中國設立了最嚴格的水資源管理制度——「行政首長負責制」，據此，各省級、直轄市級以及地級行政區級的政府首長必須負責，並將國務院定義的「三條紅線」（即：用水總量規定、用水效率規定，以及水功能區限制納污規定）的守護責任分至各省、各直轄市以及各地級行政區。因應此一制度，自然美嚴格遵守地方的環境保護法規，避免將未經處理的用水排進自然水域。此外，為了友善、可持續地使用

Achievements in Environmental Protection 環保方面的成就

a sewage treatment plant to treat waste water generated by boilers and the heating system of the headquarters building and discharge when waste water reaches the standard of local sewage treatment requirement.

With the purpose of protecting environment, Natural Beauty's factories attach great importance to the control of waste water discharge during the process of production by strictly monitoring major indexes.

水資源，自然美委託一間污水處理廠處理鍋爐及總部大樓的供熱系統所產生的廢水，待廢水達到地方污水處理規定的標準後始行排放。

為了保護環境，自然美的工廠十分重視生產過程中的廢水排放管控，並透過監控主要指標達成這個目標。

	waste water (tons) 廢水 (噸)	CODCR emission (mg/l) 化學需氧量排放 (毫克 / 公升)	suspended solids (SS) (mg/l) 懸浮固體 (毫克 / 公升)
The factory in Chongming 崇明廠	3,600	516	720
The factory in Fengxian 奉賢廠	6,960	500	400
The factory in Taipei 台北廠	955.5	227	43.1

The solid wastes produced by Natural Beauty's headquarters building mainly consist of domestic wastes, waste papers and packing cartons. A property management company is engaged to dispose of 160L rubbishes per day on average for the Company in compliance with national regulations.

自然美總部大樓所製造的固體廢物主要為家居廢物、廢紙及紙盒。本公司根據國家法規委託一間物業管理公司處理公司垃圾，平均每日垃圾量為160公升。

CONCERTED EFFORTS TOWARD EMISSION REDUCTION

The concept of enterprise environmental protection enjoys popular support in the 21st century. Natural Beauty responds to the call of the Chinese Government on energy conservation and emission reduction with detailed actions, becoming the vanguard among the peers. To reduce wastes, Natural Beauty applies electronic office by replacing the traditional business procedures based on paper with ERP system to reduce paper consumption. To reduce carbon dioxide emission and achieve low-carbon office, Natural Beauty installs energy-saving lights in office area, posts energy saving slogans, and sends security guards to ensure lights are off when employees leave the office. And to reduce energy and resource consumption during travels, Natural Beauty advocates modernized "light office" by making the Company including the subsidiaries utilize telecommunication and teleconferences via telephone/video, which not only contributes to low-carbon and environmental protection but also improves efficiency.

減少排放不遺餘力

企業環境保護的概念在二十一世紀獲得廣大支持。自然美實行多項仔細措施響應中國政府的節能及減排呼聲，成為同業的先鋒。為了減少廢物產生，自然美實踐了電子辦公室的概念，以企業資源計劃系統取代傳統以紙為本的業務程序，以減少耗紙量。為了減少二氧化碳排放並擁有低碳辦公室，自然美在辦公區安裝了節能燈、張貼節能口號、並派保安員確保員工離開辦公室後，所有電燈皆確實關閉。為減少旅途交通的能源及資源消耗，自然美提倡現代的「輕辦公室」，即讓本公司（包括其附屬物公司）透過電話／視頻善用電子通訊及電話會議，不僅達成低碳與環保的目標，也提升了效率。

Achievements in Environmental Protection 環保方面的成就

Natural Beauty advises staff to commute by public or shared transportation. The factory in Fengxian, Shanghai is equipped with shuttle buses which are convenient for staff and reduce the usage frequency of their cars, aiming to achieve double benefits of energy conservation and emission reduction as well as staff care.

As Natural Beauty commits to the mission of contributing to the society and environment, 75% of its raw materials required in the factories in Shanghai are provided by local suppliers, 11% from Jiangsu Province, which significantly shortens the unnecessary long distance transportation, and lowers energy consumption and carbon dioxide emission while generating returns to local qualified suppliers. That also promotes the synergic development of local industrial chains and supports local employment.

WASTE PAPER RECYCLING FOR CYCLIC UTILIZATION

Being regarded as the forest resources in cities, waste papers, including discarded newspapers, book papers, office papers, paper boxes, corrugated papers and wrappers, are valuable fibrous materials. The Company decreases paper utilization greatly via electronic office and by calling for recycling office papers, such as using both sides of printing paper, attaching the receipts on the waste paper during reimbursement. Leveraging waste paper as resources for double benefits of paper saving and environmental protection is an effective measure to cut down the consumption of woods, water, power and the emission of pollutants, and raise staff's awareness of environment protection starting from these small acts.

DECENT WORK ENVIRONMENT EMBRACED BY GREEN PLANTS

Natural Beauty's office area in Shanghai covers about 2,000m², with nearly 660m² covered with vegetation, a greening rate of 33.3%. The greenery creates a comfortable and natural work environment, and it helps develop a natural scenery line in the city. The green belts in building can play a role in eliminating visual fatigue, beautifying the city and reducing traffic accidents. Besides they become the urban green lung by taking in pollutants such as traffic exhaust gas and dust and absorbing and isolating noise.

自然美鼓勵員工搭乘公共交通或共乘通勤。本公司位於上海奉賢的工廠備有接駁車，為員工提供方便，也減少員工使用私家車的頻率，期能藉此達成節能減排與照顧員工的雙贏局面。

自然美堅守造福社會、保護環境的使命，旗下上海工廠75%的所需原料是由當地供應商所提供，另外11%來自江蘇省，大幅縮短了不必要的長途運輸、降低能源消耗及碳排放，也為當地的合格供應商創造收入。此舉促進了地方產業鏈的協同發展，亦支持當地的就業。

廢紙回收再利用

廢紙（包括舊報紙、書本紙張、辦公室紙張、紙盒、瓦楞紙及包裝紙）被視為城市裡的森林資源，是珍貴的纖維材料。本公司實踐電子辦公室概念，並呼籲辦公室紙張回收，例如雙面列印、退款時將收據附於廢紙上，藉此大幅減少紙張使用。善用廢紙資源以兼顧省紙與環保不但能夠有效減少木材、水、能源的消耗以及污染物排放，同時也透過這些小小的舉動喚起員工的環保意識。

綠意環繞的工作環境

自然美位於上海的辦公區總面積約2,000平方米，其中將近660平方米為植被覆蓋，綠地率為33.3%。綠地營造了舒適又自然的工作環境，為城市打造了自然的景觀線。大樓裡的綠化帶有助於減緩視覺疲勞、美化城市、減少交通事故。綠地也成了城市的綠肺，不但吸收交通廢氣、灰塵等污染物，也吸收並隔絕了噪音。

Achievements in Environmental Protection 環保方面的成就

ENVIRONMENTAL PROTECTION PERFORMANCE

A great deal of water resources is consumed during the production of cosmetic, therefore proper utilization of water resources is a priority for cosmetic producers. In order to improve its recycling system of water resources, Natural Beauty continuously upgrades its water saving equipment and water recycling equipment, which increases its productivity, lowers water and steam consumption, improves wastewater treatment and achieves water recycling during the production. The management of daily power and oil consumption, the implementation of shuttle bus system and the communication and execution of energy saving raise the staff's awareness on keeping the habit of turning off the lights when leaving the office and avoiding over consumption of water, power and energy.

環保方面的表現

化妝品的生產過程中須耗費大量水資源，因此妥善利用水資源乃為化妝品生產者的首要任務。為了改善水資源回收系統，自然美持續升級其節水設備及水資源回收設備，即於生產過程中提升效益、降低水及蒸氣用量、改善廢水處理並達致水資源之回收。管理每日耗電量及油耗量、實施公車接駁系統及進行有關節能的溝通與執行，將提升員工對離開辦公室時隨手關燈的習慣，以及避免過度消耗水資源、電力及能源之意識。

Water consumption

耗水量

		Total consumption (m³/year) 消耗總量 (立方米／年)	Intensity (m³/unit area) 密度 (立方米／單位面積)
Annual water consumption of Natural Beauty in the PRC	自然美於中國之 每年耗水量	23,000	2.16
Annual water consumption of Natural Beauty in Taiwan	自然美於台灣之 每年耗水量	4,847	0.97

Oil consumption

油耗量

		Total consumption (litre/year) 消耗總量 (升／年)	Intensity (litre/unit area) 密度 (升／單位面積)
Gasoline consumption of vehicles for official uses of Natural Beauty in the PRC	自然美於中國之 公務用汽車汽油消耗量	3,035	0.28
Trucking diesel consumption of Natural Beauty in the PRC	自然美於中國之 卡車柴油消耗量	11,960	1.12
Boiler diesel consumption of Natural Beauty in the PRC	自然美於中國之 鍋爐柴油消耗量	29,884	2.80
Gasoline consumption of vehicles for official uses of Natural Beauty in Taiwan	自然美於台灣之 公務用汽車汽油消耗量	11,608.5	2.32

Achievements in Environmental Protection 環保方面的成就

Power consumption

耗電量

		Total (kWh/year) 總量 (千瓦時／年)	Intensity (kWh/unit area) 密度 (千瓦時／單位面積)
Power consumption of Natural Beauty in the PRC	自然美於中國之耗電量	1,253,740	117.55
Power consumption of Natural Beauty in Taiwan	自然美於台灣之耗電量	871,800	173.96

Carbon dioxide equivalence

二氧化碳當量

		Total (kg/year) 總量 (公斤／年)	Intensity (kg/unit area) 密度 (公斤／單位面積)
Carbon dioxide equivalence of Natural Beauty in the PRC	自然美於中國之二氧化碳當量	3,462,266.51	324.61
Carbon dioxide equivalence of Natural Beauty in Taiwan	自然美於台灣之二氧化碳當量	1,741,109.32	347.42



Human Rights and Labor 人權與勞工

EMPLOYMENT

Natural Beauty introduces a transparent and efficient recruitment process which attracts a vast amount of outstanding talents since its establishment. The policies clearly regulate each aspect in the HR cycles including the recruitment, onboarding, probation, position change, promotion and dismissal. The policies and systems guarantee a consistent fair and transparent environment while satisfying various talent demands for their development.

The Company verifies applicants' identity documents during recruitment and strictly prohibits the use of child labour. There is no incident of use of child labor identified during the reporting period of the Company.

The Company attaches great importance to human rights and prohibits gender discrimination, strictly complying with No. 619 Decree of the State Council – Special Provisions for the Work Protection of Female Employees. By the end of 2016, the Company has 558 staff in total, including 553 full time employees and 5 part time employees. There are 451 female employees, accounting for 81.56% of the total headcount, with 31 female management personnel taking up 65.96% of the total management staff.

僱傭

自然美引進透明且有效的招聘程序，自其設立以來已吸引廣泛的優秀人才。其政策清楚規管人資過程中的各個方面，包括招聘、入職、試用、調職、升職及解僱。該等政策及制度保證一致、公平且透明的環境，同時滿足其發展所需的各種人才。

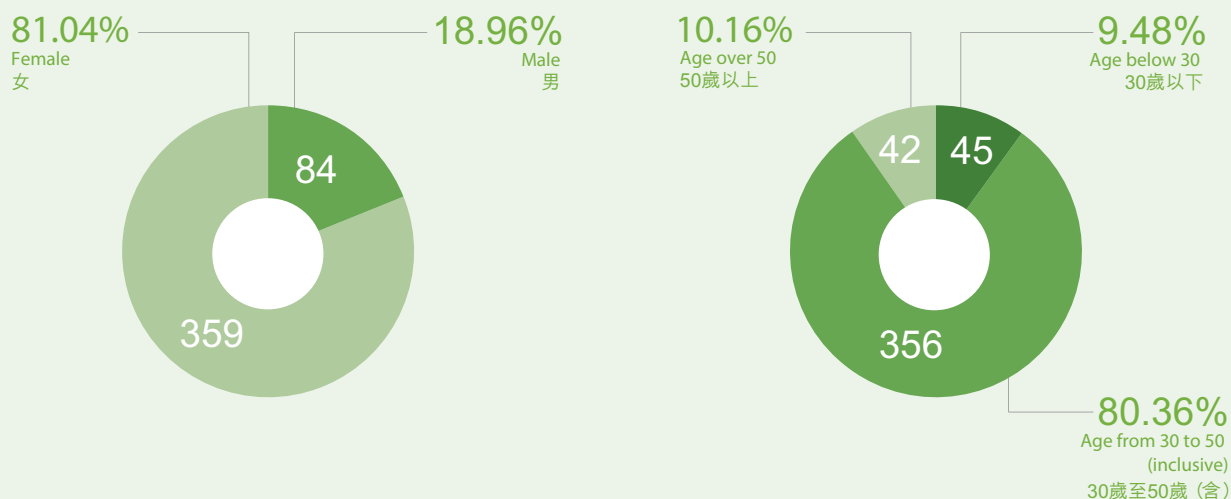
本公司於招聘過程中就應徵者的身份文件進行驗證，並嚴禁使用童工。於報告期間內，本公司概無發現任何使用童工的事件。

本公司非常重視人權並禁止性別歧視，嚴格遵守國務院令第619號《女職工勞動保護特別規定》。於二零一六年年終，本公司合共僱用558名員工，包括553名全職員工及5名兼職員工。本公司僱用451名女員工，佔總人數的81.56%，其中31名女性管理人員佔管理人員總人數的65.96%。



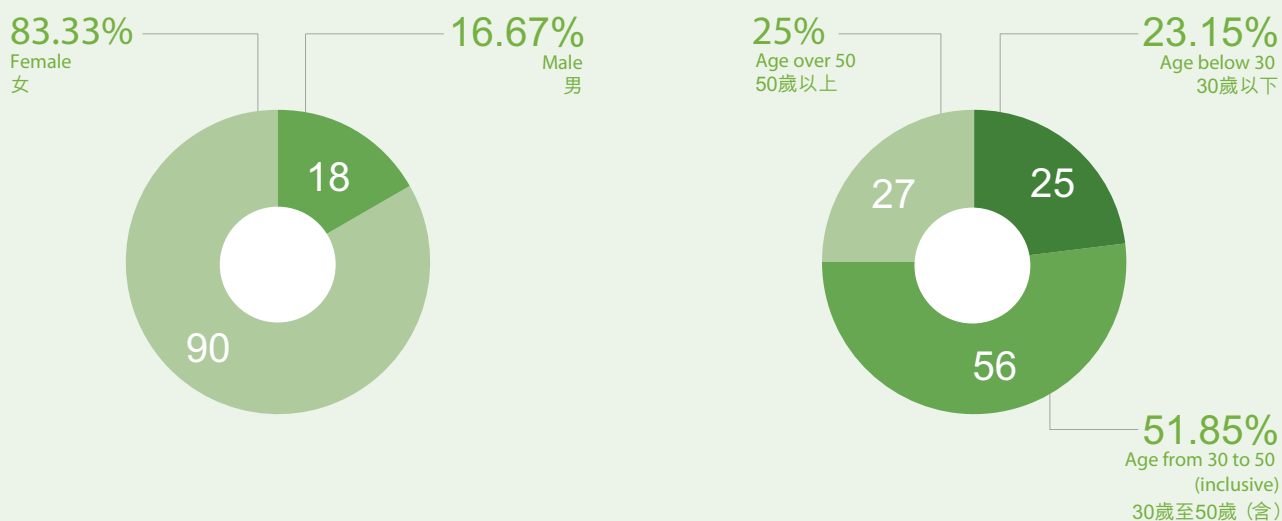
Staff employment of Natural Beauty in the PRC 2016

自然美二零一六年於中國之員工僱傭

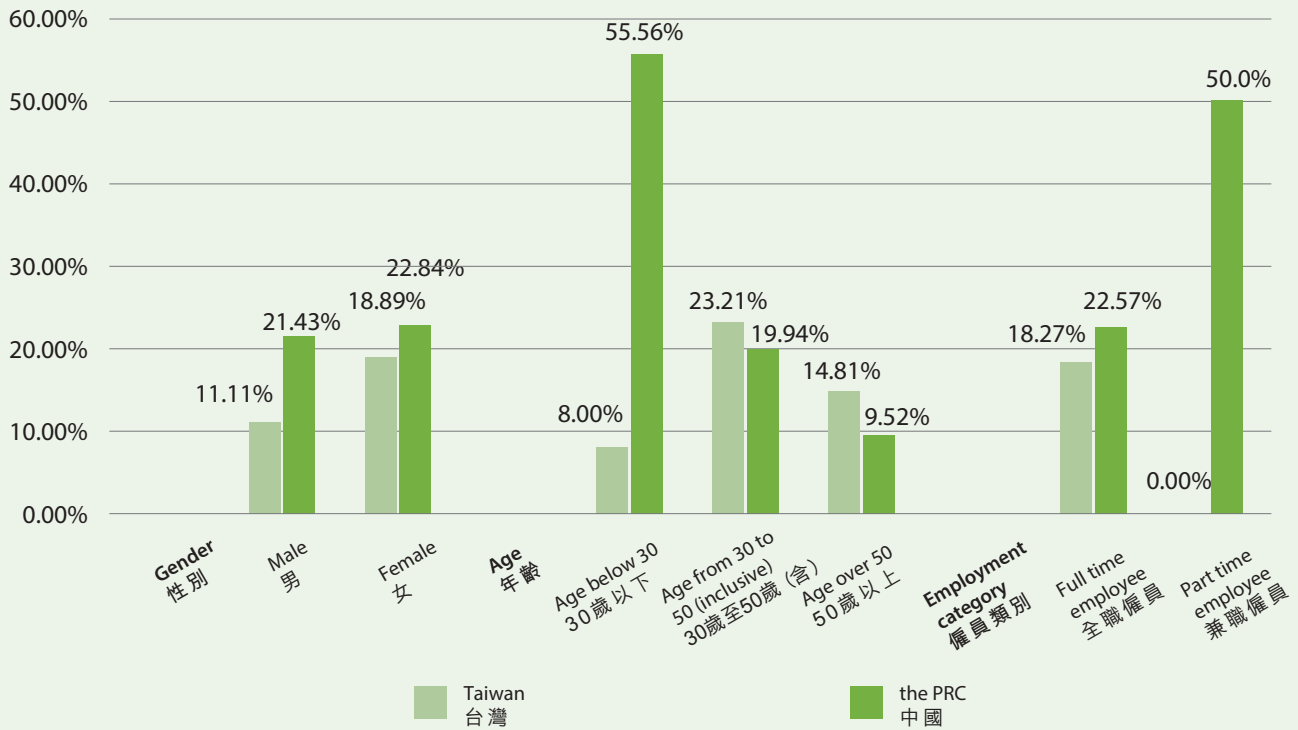


Staff employment of Natural Beauty in Taiwan 2016

自然美二零一六年於台灣之員工僱傭



Staff turnover rate of Natural Beauty in 2016
自然美二零一六年之員工流失率



COMPENSATION AND BENEFIT

Natural Beauty has a clearly defined pay structure, salary adjustment model and calculation standard. The Company regularly pays various social insurances, including pension scheme, unemployment insurance, social medical insurance, work-related injury insurance and maternity insurance, as well as housing fund, etc. The payments made are in compliance with the local regulation.

The Company also provided preferential treatments to the pregnant employees, which include reducing their working hours and providing special nourishment subsidies.

薪酬及福利

自然美設有清楚定義的薪酬架構、薪金調整機制及計算標準。本公司定期支付多項社會保險，包括退休金計劃、失業保險、社會醫療保險、工傷保險、生育保險以及住房基金等。該等付款乃按照地方規管作出。

公司還向懷孕員工提供優惠待遇，包括減少他們的工作時間以及提供特別的營養補貼。

In accordance with national and local government policies, the minimum wages offered by the headquarters and all factories of Natural Beauty satisfy or exceed the local minimum wage standards. Additionally, the Company provides staff with education and trainings, social activities, health check and other benefits, attracts multiplex talents with fair and reasonable compensation, and facilitates the improvement of expertise and management ability through a full range of compensation.

In January 2016, the Company celebrated the Chinese New Year with 55 tables of staff. The event was jazzed up by the highlight of the night, the lucky draw, by which the Company gave out various prizes to the winners.

In December 2016, the Company organized staff and their families to visit the Yangcheng Lake and savor the famous local delicacy, hairy crabs.

根據國家及地方政府政策，自然美總部及所有工廠所提供的最低工資均符合或超出地方的最低工資標準。此外，本公司向員工提供教育及培訓、社群活動、健康檢查及其他福利，以公平合理的薪酬吸引多元人才，並透過全面薪酬制度促進專業及管理能力的提升。

二零一六年一月，公司席設55桌與員工同迎新春。在當中最令人期待的抽獎環節，公司現場向幸運員工送出各類獎品。

二零一六年十二月，公司組織員工及其家屬赴陽澄湖觀光並品嚐當地著名美食——大閘蟹。



PERFORMANCE APPRAISAL AND ATTENDANCE MANAGEMENT

The Company applies performance appraisal as a mean to execute compulsorily improved cross-functional and circulative performance management. The performance appraisal is classified as daily appraisal, monthly (quarterly) appraisal and mid-year (year-end) appraisal based on the appraisal frequency defined. The supervisors at different levels in the departments design appraisal index for daily and monthly (quarterly) appraisals based on the team objectives and evaluate the appraisal results all by themselves. Daily appraisal results can be considered as main references for monthly (quarterly) appraisal while monthly (quarterly) appraisal for mid-year and year-end appraisals which are organized by human resources department and coordinated by all staff.

績效考核及出勤管理

本公司以績效考核作為強制提升跨功能及循環性績效管理的執行方法。根據所界定的考核頻率，績效考核分類為每日考核、每月（每季）考核及半年（年終）考核。不同層級的部門主管將根據團隊目標設計每日及每月（每季）考核指標，並自行評核所有考核結果。每日考核結果可被視為每月（每季）考核的主要參考標準，而每月（每季）考核則作為由人力資源部門組織及全體員工協調進行的半年及年終考核的主要參考標準。

Human Rights and Labor 人權與勞工

Attendance and leave systems define staff's working hours, i.e. 8 working hours every day and 40 hours in total every week (excluding daily meal time) and attendance process. For the departments and employees need to implement special working systems with the approval of relevant labor departments, they can execute approved special working hour systems.

出勤及休假制度乃界定員工的工作時數，即每日8個工時及每周共40個工時（不包括每日用餐時間）以及出勤過程。就需要實施特別工作制度的部門及僱員而言，獲相關勞工部門批准後，彼等可執行獲批准的特別工時制度。



PROMOTION AND TRAINING

With the objective to achieve mutual development, the Company has designed special training courses for staff in different positions or at different levels to develop staff's comprehensive capabilities for better career development. Meanwhile, the Company invests a lot not only in safe production but also in developing the corporate culture and improving staff's health knowledge. Besides, the Company organizes all staff trainings to improve their professional skills and career satisfaction. For example, the administrative department organizes fire safety trainings irregularly to help staff improves their fire safety knowledge, safe evacuation and self-rescue skills; human resources department organizes trainings covering all aspects of enterprise management.

The training centers specially established in Shanghai and Guangzhou by the Company provide trainings for all cosmetologists of the Company about product and service technologies, corporate culture and health concept. These centers help cosmetologists build broad platforms for career development to gain professional skills and serve customers better, optimize their career development and improve the quality of their lives. Natural Beauty has held seminars and planned to provide trainings for all employees. Moreover, the headquarters and all factories of Natural Beauty have organized various trainings for employees at different levels.

升職及培訓

以達致互惠發展為目標，本公司已為不同職位或不同層級的員工設計特別培訓課程，為員工培養綜合能力以達到最佳的職涯發展。同時，本公司不僅投入於安全生產，亦致力於發展企業文化及提升員工的健康知識。除此之外，本公司安排多種員工培訓以提升彼等的專業技能及對職涯的滿足感。舉例而言，行政部門不時安排防火安全訓練以助員工提升彼等的防火安全知識、安全疏散及自救技能；人力資源部門安排涵蓋多種企業管理方面的培訓。

本公司於上海及廣州專門設立的培訓中心乃為本公司全體美容師提供有關產品及服務科技、企業文化及健康觀念的培訓。該等中心幫助美容師建立廣泛的職涯發展平台，以取得專業技能並向客戶提供更好的服務，為彼等的職涯達到最佳發展並提升彼等的生活質素。除此之外，自然美的總部及所有工廠已為不同層級的僱員提供多種培訓。

The number of employees under training

受訓中之僱員人數

Natural Beauty in the PRC

自然美於中國

Gender	性別	Employees Trained 受訓僱員人數			Total employees 總僱員人數
		Senior management 高層管理	Middle management 中層管理	Staff 員工	
					211
Male	男	3	5	58	66
Female	女	2	23	120	145

Natural Beauty in Taiwan

自然美於台灣

Gender	性別	Employees Trained 受訓僱員人數			Total employees 總僱員人數
		Senior management 高層管理	Middle management 中層管理	Staff 員工	
					64
Male	男	2	0	6	8
Female	女	3	6	47	56

Training for employees

僱員培訓

Natural Beauty in the PRC

自然美於中國

Gender	性別	Training hours 培訓時數			Total training hours per capita 人均培訓總時數
		Senior management 高層管理	Middle management 中層管理	Staff 員工	
					32
Male	男	32	32	32	32
Female	女	32	32	32	32

Natural Beauty in Taiwan

自然美於台灣

Gender	性別	Training hours 培訓時數			Total training hours per capita 人均培訓總時數
		Senior management 高層管理	Middle management 中層管理	Staff 員工	
					64
Male	男	6	0	245	31
Female	女	9	42	1,080	20

Safe Production to Guarantee Efficiency 安全生產與效率保障

As the industry-leading GMP cosmetic enterprise, Natural Beauty emphasizes the environment, health and safety of the employees while focusing on production quality. To fulfill this obligation, the Company, in addition to provide necessary instrument and equipment, offers safety manual and relevant on-the-job trainings, and supervises staff's routine work to guarantee the effective implementation of the above-said work. Visitors are permitted to enter the designated area only after registering at the reception so as to ensure the safety of the property and all staff and avoid disturbance to the normal operation.

The Company strictly complies with the Regulations on Work-Related Injury Insurance and Measures for the Assessment of Work-related Injuries of the State Council and the Provisions on the Scope of Dependents of Employees Killed in Work-related Accidents (Order of the Ministry of Labor and Social Security No. 18) and Administrative Measures for Diagnosis and Identification of Occupational Diseases (Order of Ministry of Health No. 91) to ensure medical care and financial compensation are provided to employees suffering from work-related injuries and occupational diseases and facilitate work-related injury prevention and occupational rehabilitation. The Company pays work-related injury insurance premiums on time and purchases critical illness insurance for all of its employees. It performs the procedures to assess work-related injuries and the workers' ability to work, pays work-related injury insurance benefits as required and organizes employees to take physical check-up each year. The security assurance above will be included in the provisions of labor contracts.

Natural Beauty has taken precaution measures for work safety in workshops, such as assigning specific personnel with proper training to manage the special equipment which might threaten worker safety in workshops, including fork lift trucks, electric welding equipment, boilers and special elevators. The Human Resources organizes annual fire drills and provides workers with safety trainings concerning the use of special equipment in May and November each year to ensure that the staff are fully aware of occupational safety. Thanks to the Company's strict management both on the policy level and implementation level for work safety, the Company saw zero safety accident and zero work injury in both the office and workshops in 2016.

身為行業領先的GMP化妝品企業，自然美不僅強調環境與僱員的健康及安全，同時專注於生產質素。為了履行該責任，本公司除了提供必要儀器及設備外，亦供應安全手冊及相關在職訓練，並監督員工的例行工作以保障上述作業的有效實施。訪客於前台登記後僅可進入指定區域，以確保場地及全體員工的安全，以免對正常營運造成干擾。

本公司嚴格遵守國務院《工傷保險條例》及《工傷認定辦法》、《因工死亡職工供養親屬範圍規定》(勞動和社會保障部令第18號)及《職業病診斷與鑒定管理辦法》(衛生部令第91號)，以確保向因工傷及職業病的僱員提供醫療護理及經濟賠償，並促進預防工傷及職業康復。本公司按時支付工傷保險費並為全體員工購買危疾保險。本公司進行評估工傷及員工工作能力的程序，按所需支付工傷保險補助，並安排僱員每年進行健康檢查。上述安全保障將包括於勞動合約條例當中。

自然美已採取車間的工作安全預防措施，例如指派受適當培訓的專門人員管理可能危害車間員工安全的特殊設備，包括叉式起重車、電鍍設備、鍋爐及特殊升降機。人力資源部門每年安排火警演習，並於每年五月及十一月為員工提供有關特殊設備使用的安全訓練，以確保員工充分瞭解職業安全。憑藉本公司同時嚴格管理工作安全的政策面及執行面，本公司二零一六年於辦公室及車間均無發生任何全意外或工傷。

Products/Services and Customer Retention

產品／服務及客戶維繫

The Company has developed thorough and feasible operation manuals and flowcharts for product labeling, advertising, handling customer complaints and return and exchange, strictly adhering to the requirements of Shanghai Municipal Food and Drug Administration on health and safety, advertising, labeling and privacy issues of products and services.

Product quality is of self-evident importance for enterprises. With increasingly intensive competition in cosmetic industry driven by fast global economic integration, it is a key approach for enterprises to innovate products, improve product quality and enhance the sense of service to acquire competitive edge and realize sustainable development. Taking product quality and safety as the business mission, Natural Beauty ensures the health and safety of customers based on severe quality management and handles customer complaints in a timely manner to maximize customer benefits.

INTELLECTUAL PROPERTY RIGHTS

One of the Company's main intellectual property rights is the exclusive right to use trademarks, which is appropriately applied for and maintained by professional legal staff. It is required to report to the Trademark Office of The State Administration For Industry & Commerce of the People's Republic of China ("SAIC") prior to the registration of a new trademark. After formal examination and substantive testing, the trademark registration certificates will be issued. If its intellectual property rights are infringed or threatened, the Company can safeguard its legal rights by filing complaints to administrations for industry and commerce or taking a legal action.

QUALITY TESTING

Each factory of the Company has sufficient and professional personnel for quality control, who conduct quality testing during the whole production process to ensure a comprehensive quality testing. Only products meeting the standards will be delivered to the market. The Company usually sets a three-year term of expiry period for products. The factories adopt conservative policies concerning the time when products are forbidden to leave the factory. Cosmetic products that are about to expire within less than one year and products provided to supply chains that are about to expire within less than two years are forbidden to leave the factory. Natural Beauty takes strict measures following its principle to provide quality products to consumers as a key principle of corporate social responsibility, and is highly recognized by the society.

MARKETING

The Company timely updates on information changes of product tags as required by the cosmetic industry. The changed product tags shall be submitted to legal for formal approval.

本公司已就產品標籤、廣告、客戶投訴處理及產品退換發展完善且可行的營運手冊及流程圖，嚴格遵守上海市食品藥品監督管理局對產品及服務之衛生安全、廣告、標籤及隱私之規定。

產品品質對企業的重要性不言而喻。由於全球經濟的快速整合帶來化妝品行業的高度競爭，創新產品、改善產品品質及提高服務意識乃是企業獲得競爭優勢及實踐永續發展的關鍵方法。自然美將產品品質及安全視為經營使命，以嚴密的品質管理及即時的客訴處理確保顧客的健康及安全，進而將顧客利益最大化。

知識產權

本公司其中一項主要知識產權為商標專用權，其經適當申請並由專業法務員工維護。本公司須於註冊新商標前向中華人民共和國國家工商行政管理總局商標局（「國家商標局」）報告。商標註冊證明書將於正式審查及實質測試後發行。若本公司知識產權受到侵害或威脅，其將向工商有關單位投訴，或將採取法律行動，以保障其法律權利。

品質測試

為確保完整的品質測試，本公司每間工廠皆有人數充足的品管專業人員於生產程序全程進行品質測試，僅有符合標準的產品會投入市場。本公司通常將產品的保存期限設定為三年。工廠對於產品禁止出廠的時間採保守政策，將於一年內過期的化妝品產品及將於兩年內過期的提供予供應鏈之產品將禁止出廠。自然美嚴格遵守為消費者提供優質產品的理念，作為履行企業社會責任的一大支柱，受到社會高度評價。

市場推廣

如化妝品行業所規定，本公司即時更新產品標籤上的資料變動，經變動之產品標籤應提交法務以供正式批准。

Products/Services and Customer Retention 產品／服務及客戶維繫

The Company also formulates monthly and quarterly marketing plans in accordance with national advertisement regulations, and designs appealing magazine advertisements or other forms of promotional materials based on a combined consideration of product features and existing marketing events.

CUSTOMER SERVICE

The Company set up a specialized aftersales service hotline to deal with customer complaints, refunds or exchange of items. With disposal form and product compliant form properly filled in, we offer refunds or exchange items after validation by customer service department, quality control department and product team. There is a time limit for each complaint handling process, aiming at protecting the rights of customers through rigorous complaints handling methods. In case of inextricable legal conflicts, we turn to the legal department and fully leverage social media to ensure the openness and transparency of aftersales services. In 2016, Natural Beauty has successfully handled 100% of product complaints. In 2017, the company targets at a lower complaint rate and a resolution rate of 100% for service complaints. We have always emphasized product quality, product innovation and a diversified and comprehensive product system. Following the operating philosophy of "reverse thinking and market orientation with customer satisfaction at the core", we are committed to improving service quality and awareness to timely respond to customer complaints and maximize customer benefits.

Complaints handling

Type	類別	Total 總數	No. of well-handled complaints 處理得當 投訴數目	Percentage of well-handled complaints 處理得當 投訴百分比
Products and Service Complaints	產品及服務投訴	521	518	99%

CONFIDENTIALITY OF INFORMATION

The Company has set strict requirement on obtaining and assessing customer private information, and designed improved internal processes for the viewing of the archived contracts and data. The Company delegates different levels of authority to external and internal parties on borrowing of archived contracts with different approval required. As for data management, the Company designs different approval processes for access to the regional and internal data. We complete and trace records of the borrowing of archived contracts and data to enhance privacy protection and demonstrate Natural Beauty's commitment to customer privacy.

本公司亦配合國家廣告規範規劃每月及每季市場推廣計劃，及綜合考慮產品特色及現有市場推廣活動，以其為本，設計動人的雜誌廣告或其他形式的推銷素材。

顧客服務

本公司設立專門的售後服務專線，負責處理客訴及產品退換問題。正確填寫出售表格及產品客訴表格及經顧客服務部門、品質管理部門及產品組認證後，我們便會提供產品退換。我們希望能透過嚴謹的投訴處理方式保護顧客權益，因此每次投訴處理過程都有時限。若遇無法解決的法律糾紛，我們將尋求法務部門的協助，並將藉社交網絡之力，確保我們的售後服務公開透明。於二零一六年，自然美成功處理100%的產品投訴。於二零一七年，本公司目標達成較低的投訴率及100%的服務投訴解決率。我們一直以來都著重於產品品質、產品創新及多元化與全面性的產品系統。我們謹守「反向思考、市場導向、以客為尊」的經營理念，致力改善服務品質及意識，以即時處理客訴並使顧客利益最大化。

客訴處理

資料保密

本公司已就取得及評估顧客私人資料設立嚴格規範，並改善查看歸檔合約及數據的內部流程。本公司針對外部及內部人士於借閱須經不同批准的歸檔合約時分配不同程度的授權。於數據管理方面，本公司則對地區性及內部數據的使用權設計不同的批准流程。我們完整記錄追蹤歸檔合約及數據的借閱，以加強隱私保護，展現自然美對維護顧客隱私的決心。

Supplier Management 供應商管理

The purchase department of Natural Beauty has formulated *Supplier Management Measures* to standardize, monitor and manage the development, assessment and evaluation of suppliers, thus to ensure that the suppliers provide qualified materials and services with constant improvement in quality. Natural Beauty plans to include environmental and social responsibilities of suppliers in its new version of *Supplier Management Measures* as an indicator for supplier selection and assessment, aiming at demonstrating supply chain responsibilities, redefining internal governance and management requirements, and adjusting purchase strategies. By communicating and cooperating with suppliers (including subcontractors), we encourage them to follow regulations and standards regarding social responsibilities and implement effective management plans which ensure compliance in a systematic way.

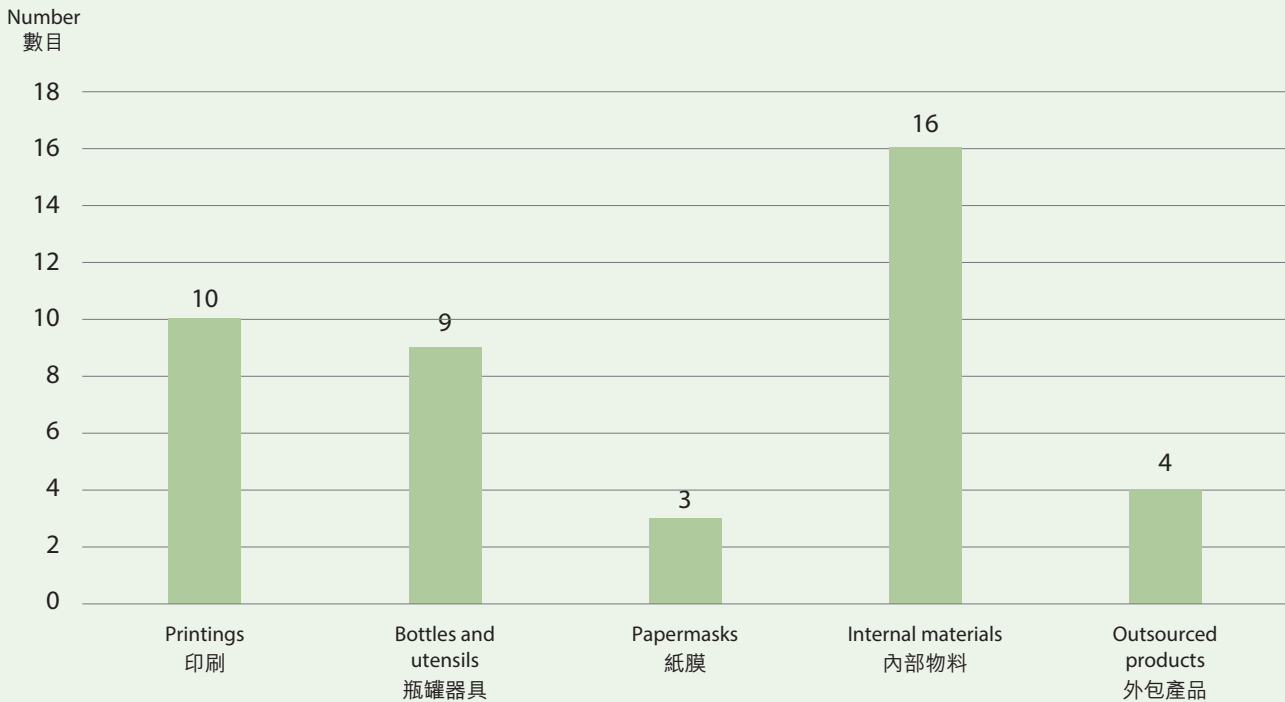
Currently, Natural Beauty has created a list of qualified suppliers through strict review and screening, which will be updated in real time based on the types and location of upstream suppliers.

自然美採購部門已制定出供應商管理辦法，對供應商之發展、評估及評量作出標準檢驗、監督及管理，藉此確保供應商提供合格物料及服務，並持續改善品質。自然美亦計劃將供應商之環境及社會責任納入新版供應商管理辦法中，以其作為挑選評估供應商之指標，希望能藉此展現供應鏈責任、重新定義內部管治及管理要求及調整採購策略。我們藉由與供應商（包括承包商）的溝通與合作，勉勵他們遵守社會責任相關法規及準則，並實施有效管理計劃，使其能有系統地遵守法規。

目前自然美透過嚴格審閱及篩選列出了一項合格供應商清單，該清單將根據上游供應商之類別及地點實時更新。

Overview of qualified suppliers in the PRC

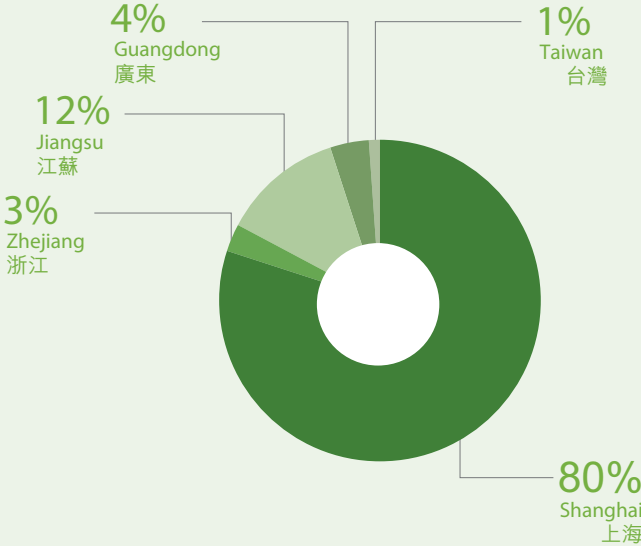
中國大陸合格供應商概覽



Supplier Management 供應商管理

Distribution of suppliers by province

按省份劃分之供應商分銷



Responsibilities towards Communities

社區責任

Support from communities is critical to the development of a company. Deeply rooted in the communities, Natural Beauty has always bore in mind its responsibilities and commitment to the communities by creating economic benefits to the society and enhancing the economic cooperation with communities based on a combination of corporate development. We also keep facilitating our communication with communities to fully safeguard the legitimate interests of community residents; and our employees are encouraged to participate in voluntary activities and actively establish long-term cooperative relationship with communities, thus making great contributions to the construction of a "harmonious community".

FREE TRAINING WITH LOVE AND CARE FOR 24 YEARS

It has been 24 years since the establishment of Natural Beauty Training Workshop in 1993. Even though trainers come and go, the original purpose of "conveying beauty knowledge to the society at no charge" stays. In 2016, we offered 15 free courses in Shanghai, Beijing and Guangzhou, each lasting for two to five days, and attracted a total of 441 people. The trainings include identification of harmful chemicals, skin test, in season tips for skin care, match of different skin care products, and DIY facial massage, etc. The trainees have actively responded to the courses by showing their appreciation for what they have learnt about skin rejuvenation and skin care, and noted that they would convey Natural Beauty's perception of beauty and the philosophy of delicate life to their families and friends. Besides, this also helped created a lot of opportunities for women to start their own businesses, thus exerting positive influence on the society.

LOVE TOWARDS THE SOCIETY UNDER THE SAME BLUE SKY

Natural Beauty's factories are all located in industrial parks far away from the downtown area since we aim to minimize any possible impacts of noise created in the process of production on populated areas. At the same time, Natural Beauty, as a large company, has also added to the diversity and versatility of the industrial parks, thus achieving mutual benefits in both economic and social development.

來自社區的支持對一家公司之發展至為重要。根基深入社區的自然美，向來將自身對社區的責任及承諾謹記在心，以結合企業發展為基礎，透過為社會創造經濟裨益及強化與社區間之經濟合作落實。我們也持續推動與社區的交流，以徹底保障社區居民之合法權益；我們鼓勵僱員參與志願活動，並積極與社區建立長期合作關係，進而對「和諧社區」之建設作出巨大貢獻。

關愛廿四年——免費培訓

自然美於一九九三年成立自然美培訓中心迄今已24年，儘管學員來來去去，「向社會無償傳達關於美的知識」的初衷始終不變。二零一六年內我們在上海、北京及廣州提供15次免費課程，每次為期二至五日，共吸引441人參加。培訓內容包括辨識有毒化學物質、皮膚測試、當季肌膚保養訣竅、不同護膚產品比較及DIY臉部按摩等。學員對課程的反應十分熱烈，對於所學到有關肌膚活化及保養知識表示讚賞，亦樂意向其親友推廣自然美的美學理念及精緻人生哲學。此外，這也有助於創造大量的女性創業機會，進而為社會帶來正面影響。

共享一片天——社區服務

自然美旗下廠房皆位於遠離市區的工業園區，因為我們致力於盡可能減少生產流程中可能在人口居住地區產生的任何噪音影響。與此同時，自然美身為一家大型公司，亦增加了工業園區之多元化及多樣性，實現經濟與社會發展互惠互利。

Responsibilities towards Communities 社區責任

CONVEYANCE OF LOVE THROUGH CHARITY ACTIVITIES

The sound development of enterprises is closely related to sustainable social development. Over the past 44 years since the establishment, we have always been committed to giving back to society with a grateful heart, and enhanced our own advantages to create jobs and promote regional economic development. We have actively communicated and cooperated with communities to promote the establishment of "harmonious community" and have vigorously participated in charitable activities and showed our concerns for the weak.

The Company has been an active donor to the Greatest Love under the Blue Sky, a charity campaign which was initiated by the Shanghai government since 2000. In December 2016, the Company donated HK\$57,400 to the Shanghai Charity Foundation.

In July 2016, the staff of the Company donated HK\$30,647 for one cleaner of the Company whose daughter suffered from the HPA.

讓愛傳出去——慈善活動

企業的穩健發展與可持續的社會發展密切相關，自成立的44年來，我們向來承諾以感恩的心回饋社會，並增強自身之優勢以創造工作及促進地區經濟發展。我們積極與社區交流及合作以推動建立「和諧社區」，亦大力參與慈善活動及關懷弱勢。

自二零零零年開始至今，公司一直積極向上海市政府舉辦的「藍天下的至愛」公益活動捐款。二零一六年十二月，公司向上海慈善基金會捐款57,400港元。

二零一六年七月，公司員工向一名保潔工人捐款30,647港元用以救助其罹患嗜血綜合症的女兒。



Anti-Corruption and Anti-Bribery under the Principle of Integrity

公信原則下之反貪污及反賄賂

Having thoroughly implemented the spirit of the third and fourth plenary session of the 18th Central Commission for Discipline Inspection (CCDI), the Company works tirelessly oppose formalism, bureaucracy, hedonism and extravagance; resolutely investigate and prosecute corruption cases to enhance its power as a deterrent; actively conduct internal inspection to make it “the Sword of Damocles”; and enhance the construction of discipline inspection and supervision team to constantly deepen anti-corruption efforts.

FRAUD REPORTING

The Company establishes the internal audit department and allocates audit staff to work on site in various factories. The internal audit department formulates Audit Manual to examine staff behavior against standard requirements, and create a fraud supervision system across the Company. To respond to its culture featured by integrity in practices, the Company has also established a fraud reporting system to enhance supervision and protect Natural Beauty from fraudulent acts. No corruption lawsuits against the Company and its employees occurred during the reporting period.

UNDERTAKING OF INTEGRITY

The Company requires the purchase department to sign the Supplier Integrity and Confidentiality Undertaking with suppliers to ensure that suppliers are committed to honesty, integrity, and confidentiality when they gain access to relevant staff and information during related business activities (including business negotiation, supply of materials, service, contract, technological cooperation and exchange, logistics, payment, and contract performance, etc.). This is to ensure fairness and justice of the whole purchasing process, and avoid fraud, forgery, and bribery.

本公司徹底落實中共第十八屆中央紀律檢查委員會第三及第四次全體會議之精神，反對形式主義、官僚主義、享樂主義及奢靡風氣的努力持續不懈，堅決調查及檢舉貪污案例，以提高其威懾效果；並積極進行內部檢察，時刻警剔；並強化建立紀律檢查及監督小組織，以持續深化反貪污工作。

欺詐舉報

本公司成立內部審核部，並分配審核人員至各處廠房現場工作。內部審核部制訂審核手冊以審查違反標準規定之員工行為，並創立適用全公司之欺詐監督系統。為呼應其標榜專業誠信之文化，本公司亦成立欺詐報告系統，以強化監督及防止自然美涉入欺詐行為。於報告期間，概無發生針對本公司及其僱員的貪污訴訟。

公信承擔

本公司規定採購部門須與供應商簽署「供應商誠信與保密承擔」，以確保供應商於有關業務活動（包括業務磋商、物料供應、服務、合約、技術性合作及交換、後勤、付款及合約表現等）期間在接觸相關員工及資料時恪守坦承、公信及保密性原則。這是為了確保整體採購流程之公平及公正，以及避免欺詐、偽造及賄賂。

Performance and Data

表現及數據

ENVIRONMENTAL DATA

環境數據

Indicator	指標	Unit	單位	Data 數據
Total waste water consumption	總廢水用量	Ton	噸	11,515.5
Total waste gas consumption	總廢氣用量			
NO-x emission	氮氧化物排放	kg/year	公斤／年	835.08
Smoke and dust emission	煙塵排放	kg/year	公斤／年	236.28
Sulfur dioxide emission	二氧化硫排放	kg/year	公斤／年	972.19
Total water consumption	總用水量	Ton	噸	27,847 (15,489)
Total power consumption	電力消耗總量	kWh	千瓦時	1,453,723
Total fuel consumption	燃料消耗總量	L	公升	53,670.97
Packaging material consumption	包裝材料消耗量	Ton	噸	N/A
Paper consumption	耗紙量	Piece	張	1,641,800
Flat size	樓面面積	m ²	平方米	15,678
Number of staff	僱員人數	Headcount	人數	553

SOCIAL DATA

社會數據

Indicator	指標	Unit	單位	Data 數據
Total staff	僱員總數	Headcount	人數	553
Percentage of male staff	男性僱員百分比	%	%	18.44%
Percentage of female staff	女性僱員百分比	%	%	81.56%
Percentage of staff aged below 30	30歲以下僱員百分比	%	%	12.66%
Percentage of staff aged between 30 to 50 (including 30)	30歲至50歲僱員百分比 (包括30歲)	%	%	74.86%
Percentage of staff aged 50 or above	50歲以上僱員百分比	%	%	12.48%
Percentage of senior management	高層管理人員百分比	%	%	1.08%
Percentage of middle management	中層管理人員百分比	%	%	7.78%
Percentage of staff	僱員百分比	%	%	91.14%
Male staff turnover rate	男性僱員流失比率	%	%	19.61%
Female staff turnover rate	女性僱員流失比率	%	%	21.95%
Percentage of female staff in management	女性管理人員百分比	%	%	5.61%
Casualty caused by work-related injuries	因工傷死亡人數	Headcount	人數	0
Time loss due to work-related injuries	因工傷損失工作時數	Hour	小時	0

ESG Guide Content Index

《環境、社會及管治報告指引》內容索引

HKEX ESG GUIDE CONTENT INDEX

香港交易所《環境、社會及管治報告指引》內容索引

Aspect 層面	Disclosures 披露	Reporting chapter 報告章節	Page No. 頁碼
General disclosure 一般披露	The Company has set up certain policies and relevant standards, rules and regulations on environmental and social 本公司已就環境及社會方面制訂若干政策及相關標準、規則及法規。	Whole Report 整份報告	
A.	Environmental 環境		
A1	Emissions 排放物	Achievements in environmental protection 環保方面的成就	P6-P11 第6頁至 第11頁
A1.1	The types of emissions and respective emissions data 排放物種類及相關排放數據。	Achievements in environmental protection 環保方面的成就	P6-P11 第6頁至 第11頁
A1.2	Greenhouse gas emissions in total (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility) 溫室氣體總排放量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	Achievements in environmental protection 環保方面的成就	P11 第11頁
A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility) 所產生有害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	The Company is developing the data collection system and this key performance data will be disclosed in next report. 本公司正在發展數據收集系統，而此項關鍵表現數據將於下一份報告中披露。	
A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility) 所產生無害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	The Company is developing the data collection system and this key performance data will be disclosed in next report. 本公司正在發展數據收集系統，而此項關鍵表現數據將於下一份報告中披露。	
A1.5	Description of measures to mitigate emissions and results achieved 描述減低排放量的措施及所得成果。	Achievements in environmental protection 環保方面的成就	P6 第6頁
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	Achievements in environmental protection 環保方面的成就	P7-P9 第7頁至 第9頁
A2	Use of resources 資源使用	Achievements in environmental protection 環保方面的成就	P10-P11 第10頁至 第11頁
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility) 按類型劃分的直接及／或間接能源（如電、氣或油）總耗量（以千個千瓦時計算）及密度（如以每產量單位、每項設施計算）。	Achievements in environmental protection 環保方面的成就	P10-P11 第10頁至 第11頁

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Aspect 層面	Disclosures 披露	Reporting chapter 報告章節	Page No. 頁碼.
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility) 總耗水量及密度（如以每產量單位、每項設施計算）。	Achievements in environmental protection 環保方面的成就	P10 第10頁
A2.3	Description of energy use efficiency initiatives and results achieved 描述能源使用效益計劃及所得成果。	Achievements in environmental protection 環保方面的成就	P10-P11 第10頁至 第11頁
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	Environmental protection performance (details of water efficiency data will be disclosed in next report). 環保方面的表現（用水效益的詳情將於下一份報告中披露）。	P10 第10頁
A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced 製成品所用包裝材料的總量（以噸計算）及（如適用）每生產單位佔量。	The Company is developing the data collection system and this key performance data will be disclosed in next report. 本公司正在發展數據收集系統，而此項關鍵表現數據將於下一份報告中披露。	
A3	The environment and natural resources 環境及天然資源	Achievements in environmental protection 環保方面的成就	P6 & P10 第6頁及 第10頁
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	Achievements in environmental protection 環保方面的成就	P6 & P10 第6頁及 第10頁
B.	Social 社會		
B1	Employment 僱傭	Human rights and labor 人權與勞工	P12-P14 第12頁至 第14頁
B1.1	Total workforce by gender, employment type, age group and geographical region 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	Human rights and labor 人權與勞工	P13 第13頁
B1.2	Employee turnover rate by gender, age group and geographical region 按性別、年齡組別及地區劃分的僱員流失比率。	Human rights and labor 人權與勞工	P14 第14頁
B2	Health and safety 健康與安全	Safe production to guarantee efficiency 安全生產與效率保障	P18 第18頁
B2.1	Number and rate of work-related fatalities 因工作關係而死亡的人數及比率。	Safe production to guarantee efficiency 安全生產與效率保障	P18 第18頁
B2.2	Lost days due to work injury 因工傷損失工作日數。	Safe production to guarantee efficiency 安全生產與效率保障	P18 第18頁

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Aspect 層面	Disclosures 披露	Reporting chapter 報告章節	Page No. 頁碼.
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Safe production to guarantee efficiency 安全生產與效率保障	P18 第18頁
B3	Development and training 發展及培訓	Human rights and labor 人權與勞工	P16-P17 第16頁至 第17頁
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management) 按性別及僱員類別（如高級管理層、中級管理層等）劃分的受訓僱員百分比。	Human rights and labor 人權與勞工	P17 第17頁
B3.2	The average training hours completed per employee by gender and employee category 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	Human rights and labor 人權與勞工	P17 第17頁
B4	Labor standards 勞工準則	Human rights and labor 人權與勞工	P12 第12頁
B4.1	Description of measures to review employment practices to avoid child and forced labor 描述檢討招聘慣例的措施以避免童工及強制勞工。	Human rights and labor 人權與勞工	P12 第12頁
B4.2	Description of steps taken to eliminate such practices when discovered 描述在發現違規情況時消除有關情況所採取的步驟。	Human rights and labor 人權與勞工	P12 第12頁
B5	Supply chain management 供應鏈管理	Supplier management 供應商管理	P21-P22 第21頁至 第22頁
B5.1	Number of suppliers by geographical region 按地區劃分的供應商數目。	Supplier management 供應商管理	P21-P22 第21頁至 第22頁
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目，以及有關慣例的執行及監察方法。	Supplier management 供應商管理	P21 第21頁
B6	Product responsibility 產品責任	Products/services and customer retention 產品／服務與客戶保留	P19-P20 第19頁至 第20頁
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	No product recall was noted in the report period. 於報告期間概無注意到產品召回。	
B6.2	Number of products and service related complaints received and how they are dealt with 接獲關於產品及服務的投訴數目以及應對方法。	Products/services and customer retention 產品／服務與客戶保留	P20 第20頁
B6.3	Description of practices relating to observing and protecting intellectual property rights 描述與維護及保障知識產權有關的慣例。	Products/services and customer retention 產品／服務與客戶保留	P19 第19頁

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Aspect 層面	Disclosures 披露	Reporting chapter 報告章節	Page No. 頁碼.
B6.4	Description of quality assurance process and recall procedures 描述質量檢定過程及產品回收程序。	Products/services and customer retention 產品／服務與客戶保留	P19 第19頁
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	Products/services and customer retention 產品／服務與客戶保留	P20 第20頁
B7	Anti-corruption 反貪污	Anti-corruption and anti-bribery under the principle of integrity first 公信原則下之反貪污及反賄賂	P25 第25頁
B7.1	Number of concluded legal bases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	Anti-corruption and anti-bribery under the principle of integrity first 公信原則下之反貪污及反賄賂	P25 第25頁
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored 描述防範措施及舉報程序，以及相關執行及監察方法。	Anti-corruption and anti-bribery under the principle of integrity first 公信原則下之反貪污及反賄賂	P25 第25頁
B8	Community investment 社區投資	Responsibilities towards communities 社區責任	P23-P24 第23頁至 第24頁
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport) 專注貢獻範疇（如教育、環境事宜、勞工需求、健康、文化、體育）。	Responsibilities towards communities 社區責任	P23 第23頁
B8.2	Resources contributed (e.g. money or time) to the focus area 在專注範疇所動用資源（如金錢或時間）。	Responsibility towards communities 社區責任	P24 第24頁

About the Report

關於該報告

REPORTING PERIOD & CYCLE

The reporting period is from January 1, 2016 to December 31, 2016. This is an annual report.

INDICATOR SELECTION

According to the principles of materiality, stakeholder engagement and sustainability background analysis, and the objectives and experience of cosmetic industry, the Company identifies reporting items and indicators in the following ways:

- Stakeholder communication
- Relevance and importance analysis of sustainability issues
- Reporting continuity analysis

Based on intensive analysis of ESG Guide and stakeholder research, the Company adopts a method integrating quantitative analysis and qualitative analysis to comprehensively review the requirements of ESG Guide as well as the concerns and communication channels of stakeholders, promoting the Company's continuous improvement in sustainability as well as communication and cooperation with stakeholders.

REPORTING SCOPE

Given the scale, staff number and revenue distribution of the Company and its affiliated entities, the report covers the Company's headquarter, two factories in Shanghai, and one factory in Taiwan, namely:

- Shanghai Natural Beauty Fuli Cosmetics Co., Ltd.
- Shanghai Natural Beauty Cosmetics Co., Ltd.
- Shanghai Natural Beauty Sanlian Cosmetics Co., Ltd.
- Natural Beauty Bio-Technology Company Limited

With the changes in the Company's operational data, dynamic adjustments will be made to the reporting scope in future reports.

DATA COLLECTION

All data herein are from the Company's statistical reports and official documents. The group company guarantees the objectivity and authenticity of the data herein.

報告期與週期

報告期為二零一六年一月一日至二零一六年十二月三十一日。此為年度報告。

指標選取

根據實質原則、持份者參與及可持續發展背景分析，以及化妝品行業之目標與體驗，本公司以下列方式確認報告項目及指標：

- 持分者溝通
- 可持續發展事宜之相關性及重要性分析
- 報告持續性分析

根據環境、社會及管治報告指引及持份者研究之密集分析，本公司採用整合量化分析及質性分析的方法，以全面性審閱《環境、社會及管治報告指引》規定及持份者的關注及溝通渠道，推動本公司在可持續發展及與持份者溝通及合作方面的持續改善。

報告範圍

鑒於本公司及其聯屬實體之規模、員工人數及收入分配，本報告涵蓋本公司總部、位於上海之兩處廠房及位於台灣之一處廠房，即：

- 上海自然美富麗化妝品有限公司
- 上海自然美化粧品有限公司
- 上海自然美三聯化粧品有限公司
- 自然美生物科技股份有限公司

由於本公司之營運數據變動，日後的報告中將於報告範圍內作出動態調整。

數據收集

本報告中之所有數據均來自本公司之統計報告及官方文件。本集團公司為本報告中之數據之客觀性及真實性作擔保。

About the Report 關於該報告

DATA COLLECTION METHODS

According to ESG Guide and other internationally recognized sustainability reporting guidelines, and based on the Company's best practices in sustainability for many years, the report optimizes the definition, calibre, standard, formula and specification of indicator data in a uniform way.

數據收集方法

根據環境、社會及管治報告指引及其他國際認可的可持續發展報告指引，並以本公司多年來在可持續發展方面的最佳做法為基礎，本報告致力以統一的方式完善指標數據之界定、性質、標準、公式及規範。



(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 00157