

Hosen Capital 2021 ESG Report



厚生投資
HOSEN CAPITAL



Table of Contents

Message from Founding Partners

1. Hosen in Brief

- 1.1 Firm Overview
- 1.2 Portfolio Overview
- 1.3 Revision and Envision

2. ESG Management

- 2.1 Introduction
- 2.2 ESG Leadership and Oversight
- 2.3 Integrity and Ethical Governance
- 2.4 Grievance Mechanism
- 2.5 ESG Integration Methodology
- 2.6 Application of IFC Performance Standards

3. ESG Efforts

- 3.1 Commitment to Responsible Investment
- 3.2 Contribution to SDG Achievements
- 3.3 ESG Impacts
- 3.4 Honors and Awards in 2021

4. Responsible Citizenship

- 4.1 Caring about the Healthy Growth of the Next Generation
- 4.2 Our Charity Commitment

Creating a Better Future

Our Offices

Message from Founding Partners

“We **Partner** for **Industry Leadership**.”

Chris Wang
Co-Founder and Partner

In 2021, the world was becoming increasingly unpredictable. The COVID-19 pandemic has yet ended, and the consumption, policy, and industry environments were becoming more complex and changeable in the post-epidemic era. However, Hosen, a professional investment firm that focuses on food consumption, takes agile actions in harnessing the changes of supply and demand caused by uncertainty, and capturing the reshaped consumption concept, as well as consumption patterns impacted by the changes, and actively responds to the impact on the societal goals of carbon peaking and carbon neutrality.

Hosen has been focusing on the general “Food Space” for 12 years, and has established an investment portfolio of industry leaders in the core food track ranges from high-quality ingredients, supply chain, packaging, preservation, consumer end, to the related technological upgrading. We firmly believe that to detect and solve the industry’s pain points, to commit to and implement responsible investment, and to discover value, capture opportunities, and win rich returns for our investors based on a long-term perspective are the keys to fully meet the challenges brought about by changes.

This ESG report of 2021 will show you how we have focused on consumer concerns, such as food safety, health, nutrition, convenience and the benefits of our products, throughout our investment management process during the year. It also pays attention to the ESG performance of upstream and downstream partners in the industry, such as in the area of climate change, energy and resource consumption, waste management and supply chain sustainability, and participation in carbon trading activities.

Hosen has established a comprehensive ESG framework since 2013, strictly following UNPRI’s six principles of responsible investment and the relevant IFC Performance Standards. We have been exploring and practicing ESG investments for 8 years, covering every portfolio company and implementing through every stage of all investment projects. In addition, Hosen also implemented ESG assessment and monitoring of investment portfolios through internal staff training, formation of ESG monitoring teams, and cooperation with external expert teams.

From products to consumers, from production processes to philanthropy, from renewable energy electricity to water

“Pursue business for **Good Cause**, and augment **ESG integration** for a better future.”

Alex Zhang
Co-Founder and Partner

recycling, a growing number of practical cases have pointed to an important conclusion: societal value and economic value are not mutually incompatible, and the practice of ESG principles and standards does not hinder the pursuit of commercial interests.

Building on the first 12 years of experience, Hosen will continue to lead the ESG practice in the sector, to promote the adoption of the highest ESG standards in portfolio companies, and to help them to evolve through the germination, development and gradual maturity of our ESG management system.

Thank you for your time and interest in reading our report. We expect that over the next year, or even the next twelve years, Hosen will persistently practice the responsible investment, positively respond to the uncertain external environment, vitalize the food consumption ecosystem, and steadily work together to a sustainable future.



Chapter **1**

**Hosen
in Brief**

Firm Overview

Business for Good Cause.

Hosen Capital (“Hosen” or the “Firm”) is a private equity firm focused on middle market buyout and growth opportunities in the food industry and consumer sector (collectively the “Food Space”) in China or related to Chinese consumption.

Hosen Capital attaches great importance to the changing times, seeks to constantly optimize its investment processes and methodologies, and commits to developing best practices in investment management. Hosen provides customized corporate strategies for different companies and helps them optimize business planning, explore growth potential and foster strategic leaders. Meanwhile, Hosen also supports them in diversity, technological promotion, build of business platform and sustainable development. We incorporate our rich experience, strategic value of our ecosystem and industry relationships, and transformation knowhow into the partnership with our portfolio companies and their management teams. We believe that our approach can create long-term value for our portfolio companies not only in their business growth and leadership development in the Food Space, but also in environmental sustainability, social responsibility, and corporate governance.

2010

Founded

2.6

Bn USD Aggregate
Portfolio Revenue

50+

Past Investments

5 Offices

in Beijing, Shanghai, Hong Kong, Chengdu and Tokyo

30 Professionals

support Hosen’s investment activities ranging from deal sourcing to investment exit

Portfolio Overview

Adhering to the investment thesis of “Global Supply, Chinese Consumption”, Hosen has been investing in all segments of the global food consumption since 2010. Our global-based portfolio companies cover food production, restaurant chains, condiments, food solutions, take-aways, Western cuisine culinary education, supply chain, packaging, biotechnology, healthcare, etc.



Revision and Envision

Review of 2021

In 2021, Hosen has been continuously implementing environmental, social and governance (ESG) System both across the firm and at the portfolios level, and we conducted communications with our stakeholders, such as our limited partners, supply chain counterparties, and the wider community. In addition, we have focused on integrating ESG factors into corporate governance and the management of the entire investment lifecycle, covering pre-investment, post-investment and exit. We have built paths for close communication and delivery of our commitments to our LPs. Following the existing ESG management system, we strictly implemented risk assessment, due diligence, post-investment control and other relevant management tools on portfolios, and continuously optimized our system based on regular reviews. We are committed to promoting the development of the industry as the ultimate pursuit of our values, creating an exclusive platform to facilitate the communication of the industry chain, and vigorously promoting the transformation and reform of the food industry in the fields of innovative technology, digitalization and sustainability.



At the Firm Level, we:

Strengthened the ESG System and its implementation for each stage during the investment phase.

Conducted in-depth training on ESG management system, ESG performance standards and its application in different types of investment projects.

Added diverse members and professionals to all the boards of directors of our fund's General Partner to improve diversity and compliance.

Provided considerable charitable donations to the Giving Tree Life Care Center and Chunhui Children.

Created a sound environment for caring people, enhance team spirit and promote living a green lifestyle.



At the Portfolio Company Level, we:

Achieved 100% Social & Environmental Due Diligence (SEDD) on portfolio companies; **dynamically monitored** ESG post-investment performance on portfolio companies.

Provided extensive internal and external resources to our portfolio companies, e.g., carried out ESG trainings on risk control, ESG practices, and climate change.

Assisted portfolio companies in achieving United Nations Sustainable Development Goals (UN SDGs) and have promoted a target coverage rate of 15/17 UN SDGs by the end of 2021.

Revision and Envision

Goals for 2022

We hope to make progress every year on our ESG program. In 2022, we aim to:

- 1 Strengthen existing programs** to further integrate ESG factors in due diligence, ownership, post-investment management and exit processes.
- 2 Keep on developing and implementing an annual training plan** for portfolio companies and **drive portfolio improvements in ESG management**, especially in the areas of emissions and waste reduction, food safety and sustainability.
- 3 Encourage more portfolio companies to work towards Sustainable Development Goals** by taking actions and addressing exiting issues.
- 4 Take actions on responding to climate change**, such as **promoting portfolio companies to conduct carbon accounting**, reducing carbon emissions from operations, purchasing carbon credits and funding nature-based solution projects, etc.; aiming firstly to **achieve carbon neutrality at the firm level** and further work towards the long-term goal of **achieving net zero carbon emissions by 2050 at the portfolio level**.



Make progress on ESG initiatives:

- 5 At the firm level:**
 - Upgrade **Social and Environmental Management System (SEMS)**
- At the portfolio company level:**
 - Advocate **'save food, eliminate waste'**
 - Promote **carbon neutrality**



Chapter 2

ESG

Management

Introduction

***A Steady Path to The Future:
Only by taking social and environmental factors into account
can companies achieve significant long-term benefits.***

Hosen Capital has established a thorough ESG management structure with a clear division of responsibilities and a comprehensive ESG program since 2013 with a set of standard procedures, implementation guidelines and tools. Hosen continuously pursues a higher level of ESG governance, both at the Firm level and at the portfolio management level. We have established strict business integrity and ethical standards to govern our behavior and practices. In addition, based on our focus on ESG, as well as Chinese laws and regulations, we have developed our own ESG indicators for the selection and management of portfolio companies. Furthermore, Hosen has also referred to the standards and guidelines of other institutions and organizations, as well as relevant documents developed by other countries, to achieve a more comprehensive consideration and approach to international standards.

Became a signatory



Hosen Capital became the signatory of the United Nations-supported Principle for Responsible Investment (UNPRI) in April 2022, committing to integrating environmental, social and governance factors into the entire investment lifecycle in line with the UNPRI's six principles of responsible investment, as well as to actively exploring and promoting the localization of responsible investment practices. The signing and joining of UNPRI is an important step for Hosen to achieve self-refinement and drive the industry forward. We look forward to working with the world's most influential responsible investment organization to facilitate the sustainable development and bring more positive impact to the food sector.

(Picture Source: <https://www.unpri.org>)

Basic Principles of Hosen's

Responsible Investment:



Hosen will always incorporate the latest ESG factors into our investment analysis and decision-making process.



Hosen will not invest in any deal opportunities/target companies that does not adhere to our Social and Environmental Management System (SEMS) policies or violates our responsible investment philosophy.



Hosen will be active shareholders and incorporate ESG issues into our equity management and ongoing monitoring practices.



Hosen will seek appropriate disclosures on ESG issues from the portfolio companies.

We are fully involved in and have fundamentally incorporated the management of environmental sustainability, social responsibility and corporate governance into our execution framework.

Roles and Major Responsibilities

Hosen has a clear role division to seek rigorous implementation and support of ESG management from different dimensions throughout the investment lifecycle (from project initiating to investment exit).



Integrity and Ethical Governance

We strive to become a trustworthy partner.

Hosen plays many important roles through the process of its own responsible investment, for example, we are a responsible GP for LPs, an enabler for portfolio companies, a promoter of development of the food industry and a guardian of the financial market. It is our duty to ensure that every decision made by Hosen is based on our professional judgement and is not influenced by any external factors. We need to protect the information security of our LPs and portfolio companies, as well as those hard-earned technology patents. We endeavor to reduce the risk of direct or indirect involvement in money laundering or terrorist financing activities.

Hosen has established a series of regulations and policies to standardize and govern our business integrity and ethical behavior, including:



Employee Handbook



Provisions on Confidentiality



Provisions on Intellectual Property



Gifts, Entertainment and Travel Policy



Anti-Corruption Policy and Anti-Money Laundering/Combating the Financing of Terrorism (‘AML / CFT’) Program

We view corporate integrity and ethical governance as an essential component of ESG management and believe that it could foster trust in our entity among domestic and international investors, financial markets, business partners, our employees and the public.

Grievance Mechanism

Hosen has disclosed our contact information on our official website, so that any complaints, comments, observations from stakeholders can be addressed through our mailbox or by dialing the publicly listed phone numbers. The S&E Management Officer is responsible for the screening and assessment of S&E related complaints.

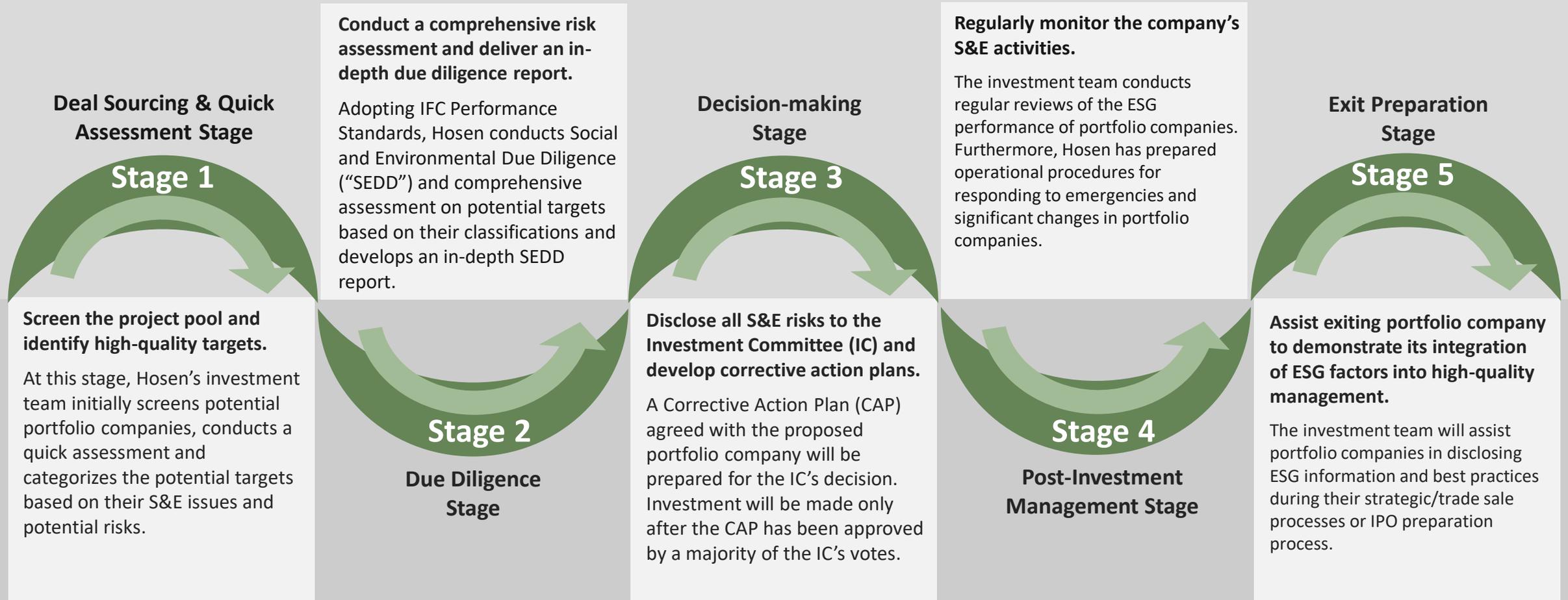


Once the complaints, comments or opinions are accepted, Hosen will arrange ad-hoc grievance officers to investigate, propose solutions and monitor the implementation of a corrective action plan. The S&E team will follow the grievance-handling process and keep corresponding records.

ESG Integration Methodology

Integrating ESG into the Entire Investment Lifecycle.

Hosen Capital follows international ESG assessment guidelines, such as IFC Performance Standards, and has incorporated the Social and Environmental Management System (SEMS) into its core investment management process, covering the entire investment lifecycle, including deal sourcing, risk assessment, post-investment risk management and exit evaluation.



Application of IFC Performance Standards

Hosen follows IFC's Sustainability Policies and Standards, which direct our business activities, lead us to achieve our overall development objectives and reflect our commitment to sustainable development, transparency of operation and good governance.

Hosen applies IFC's Environmental and Social Performance Standards to the management of the S&E risks in our portfolio companies.

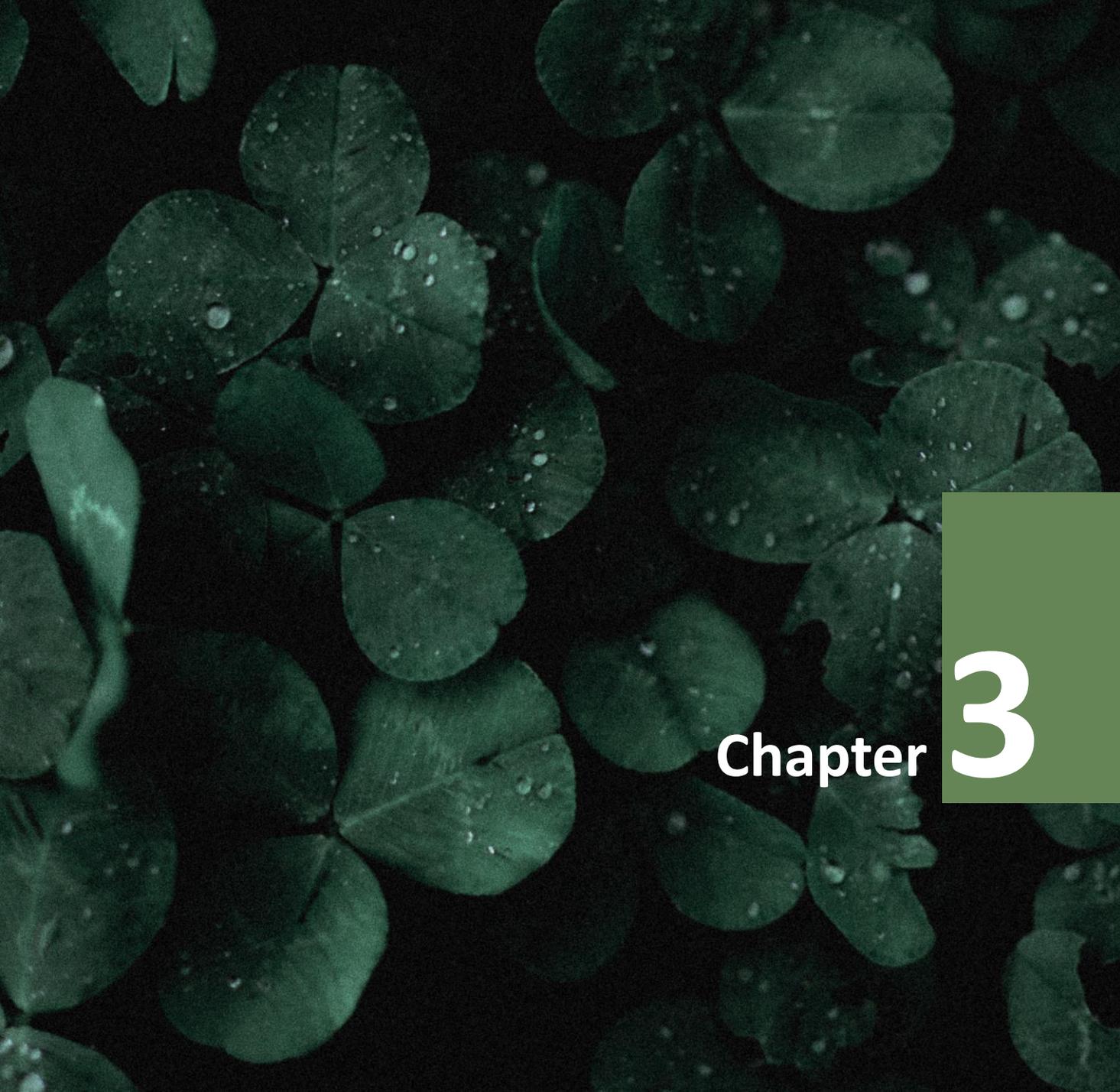
We have established our SEDD Guideline which contains the requirements of the 8 Performance Standards (PS).

We engage third-party professionals to assess potential risks and assist us in judgement making. Interviews with the management of portfolio companies, industry experts, government officers and local communities are carried out for comprehensive assessment.



We focus on the performance of our portfolios according to the following standards:

- PS1: Assessment and Management of Environmental and Social Risks and Impacts
- PS2: Labor and Working Conditions
- PS3: Resource Efficiency and Pollution Prevention
- PS4: Community Health, Safety, and Security
- PS5: Land Acquisition and Involuntary Resettlement
- PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources
- PS7: Indigenous Peoples
- PS8: Cultural Heritage



Chapter 3

ESG Efforts

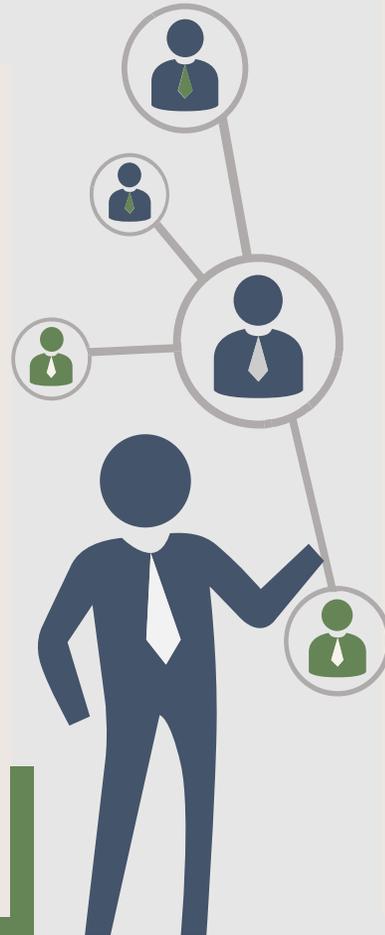
Commitment to Responsible Investment

We insist on being a responsible investment institution.



Responsibility to stakeholders -- our community

Hosen is committed to being a responsible investment institution. We have built a unique food ecosystem ranging from the supply of raw food materials, food packaging and logistics, to food consumption, and the technological upgrade in the food sector. Through this ecosystem, we hope to provide consumers with healthy, safe, nutritious and convenient products and bring pleasure to their modern lifestyle. To achieve this goal, we have established a comprehensive ESG management system, and implemented strict screening and oversight throughout our portfolios. In the long term, we are committed to driving our portfolio companies to be in line with international standards and working to improve investment value persistently.



Responsibility to stakeholders -- our Limited Partners (LPs)

Hosen is devoted to being a responsible General Partner (GP). We abide by the requirements from LPs and integrate their focus into our ESG development. For Hosen, it is our fundamental responsibility to meet the LP's monitoring requirements and keep self-examination. On this basis, Hosen strives to move a step further beyond our LP's concerns on ESG issues, and keeps ourselves surefooted while looking to the future.

In addition, we insist on seeking approaches to enhance effective communication with LPs, such as annual meetings to present our practices, exchange key management experiences, and get strategic advice. The 2021 Annual General Meeting was held online in Nov. 2021 where investors of the Hosen USD funds were invited. We shared with them our latest development, industry insights, as well as the importance of talent introduction, financial management, digital transformation and ESG improvements in our post-investment management and investment strategy. Our LP representatives also expressed investors' concerns on macroeconomics, Buy & Build strategy, business development, ESG, etc.

Commitment to Responsible Investment

Portfolio company management practices

Under the guidance of IFC Performance Standards, we have established a comprehensive social and environmental management system to provide assessment, risk control and management support to portfolio companies, which reflects Hosen's commitment to ESG integration and sustainable long-term value.

Hosen actively works with a number of consulting agencies and experts in the food sector to conduct due diligence, monitoring and training for portfolio company.



Risk Management

We conducted due diligence on all of our portfolio companies in 2021 through desktop research, remote interviews and site visits. During this process, ESG issues identified mainly relate to management systems, labor and working conditions, resource efficiency, pollution prevention, etc. In order to make these portfolio companies being fully compliant, Hosen dominated the development of CAPs for all of them after the due diligence.

ESG Training

We work closely with our portfolio companies to support their ESG practices and help to resolve their confusions. We conduct survey on their expectations and priority issues and undertake ESG training on a regular basis.

In Aug. 2021, we held a comprehensive online and offline training for portfolio

companies. This training invited experts from a third party to impart the thesis of responsible investment and ESG risk assessment, with the aim of helping portfolio companies understand the importance of ESG management in investment and potential actions they could take to increase their long-term ESG value.

100%

Due Diligence

100%

Post-investment management

Contribution to SDG Achievements

We strive for a better world.

Since the founding of Hosen, we have been focusing on the United Nations (UN) blueprint for sustainable development. We believe that businesses, as members of our society, can also play an important role in creating a better world. Hosen takes the 17 Sustainable Development Goals (SDGs) as a key reference to our ESG development for both Hosen and our portfolio companies. We are committed to

promoting portfolio companies to integrate ESG practices in their management and to making the SDGs achievement to be our key social responsibility. In 2021, we have firmly driven ESG practices of our portfolio companies in multiple areas, including charity, energy conservation, waste reduction, and sustainability, and we have already contributed to 15 goals.

(Picture Source: <https://sdgs.un.org>)



Contribution to SDG Achievements



1 No Poverty

Social donation:

Feihe has implemented the public welfare concept of “do your best to feed the community” and donated nearly RMB 500 million in total.



2 Zero Hunger

Supply chain management:

KGF has recently developed a breakthrough labelling system, and it enables data query via built-in tag code, and ensures traceability of origin and product feature data for exported goods.

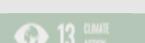
Food donation:

New Hope Dairy actively participates in the national “Student Milk Program” and “Student Nutrition Improvement Program”. It has provided high-quality and nutritious milk to more than 3.31 million students in various provinces across China since 2002, which benefits children in remote mountainous areas in Yunnan, Guizhou, Sichuan, Jiangxi and Guangxi.

Food safety:

New Hope Dairy raises and follows various principles to ensure food safety.

Zero food safety incidents in 2021 across all portfolio companies of Hosen.



Contribution to SDG Achievements

- 1 NO POVERTY
- 2 ZERO HUNGER
- 3 GOOD HEALTH AND WELL-BEING
- 4 QUALITY EDUCATION
- 5 GENDER EQUALITY
- 6 CLEAN WATER AND SANITATION
- 7 AFFORDABLE AND CLEAN ENERGY
- 8 DECENT WORK AND ECONOMIC GROWTH
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 10 REDUCED INEQUALITIES
- 11 SUSTAINABLE CITIES AND COMMUNITIES
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13 CLIMATE ACTION
- 14 LIFE BELOW WATER
- 15 LIFE ON LAND
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
- 17 PARTNERSHIPS FOR THE GOALS

3 Good Health And Well-Being

Healthy living:

Feihe has donated RMB 176 million worth of medical equipment to 11 state-level poor counties, benefiting more than 1 million people. Regarding maternal and infant care, Feihe donated RMB 21 million to support the treatment of postpartum depression.

In 2021, all portfolio companies have arranged COVID-19 vaccination to all of their employees.



4 Quality Education

Education opportunities:

Feihe has constantly carried out the “Feihe Warm Heart Schooling and Education Program”, investing more than 27.5 million in total and endowing more than 80 schools.

7 Affordable and Clean Energy

Renewable energy:

KGF has implemented the industry’s first biomass wastewater power generation system to generate sustainable and renewable electricity that can meet 80% of its electricity demand.

6 Clean Water And Sanitation

Water management:

KGF has developed an industry’s first water recycling system that uses wastewater for electricity generation.

Xianheng Food has deployed water-saving measures that reduce water consumption by a total of 17,667 tons in 2021.

8 Decent Work And Economic Growth

Job opportunities:

Over the past five years, KGF has invested more than \$150 million in plant upgrading, creating 700 new jobs.

Feihe's business growth has driven the value-add of more than 1 million mu of arable land in Heilongjiang province, creating 150,000 jobs in total.

Contribution to SDG Achievements



9 Industry, Innovation And Infrastructure

Industrial innovation:

In June 2021, Sinolong has achieved an advanced breakthrough in the field of biodegradable packaging, where it pioneered the China's first mass production BOPLA, the film format of the polylactic acid.

12 Responsible Consumption And Production

Non-renewable energy management:

Since 2006, Feihe has been investing significantly in promoting the switch from coal to gas, and it has reduced over 40,000 tons of standard coal burning in total by the end of 2020.

Xianheng Food has reduced non-renewable energy consumption, saving 30.45 tons of diesel and 100,919 cubic meters of natural gas in 2021.

In 2021, several plans were launched by Liuhe Qinqiang Food to reduce diesel consumption, including the replacement all of diesel forklifts with electric forklifts.

11 Sustainable Cities And Communities

Sustainable development:

New Hope Dairy's Asahi-Weipin Project focuses on building a benchmark project in recycling. It covers soil levelling and improvement, ecological planting, scientific breeding, fermentation of cow manure into organic fertilizer which is then fed back to the soil, creating a sustainable ecosystem.

Feihe has introduced the "large-scale biogas and organic fertilizer recycling project", which takes air-dried straw and cow manure as raw materials and produces biogas and organic fertilizer through high concentration anaerobic fermentation. The project has achieved the recycling of corn straw, which would normally be burned off, and livestock manure resources in cold regions of China, and created an ecological a closed-loop for the whole industry chain.



Contribution to SDG Achievements



13 Climate Action

Carbon emissions reduction:

KGF has successfully reduced 64,000 tons of carbon emissions from 2019 to date through biomass power generation, water recycling, coal use reduction, etc., far exceeding the industry average. It has achieved carbon neutral within its business in Australia in 2021 and is expected to achieve carbon neutral across the group by 2023.



Compared with regular packaging materials, Sinolong's BOPLA can reduce carbon emissions by more than 70%.

Feihe reduces carbon emissions during the construction and operation of its factories through equipment renovation and process optimization.



14 Life Below Water

Marine life conservation:

Hosen constantly adheres to the principle of protecting all wildlife whether it is aquatic or otherwise in its business practices (including during banquets, social or public activities, interactions with suppliers, etc.), refuses to buy any wildlife products, and pushes portfolio companies to become environmental friendly.



15 Life On Land

Terrestrial ecosystem protection:

Feihe attaches great importance to wetlands as well as biodiversity protection and commits to keeping the balance between production revenue and environmental protection.



Contribution to SDG Achievements



16 Peace, Justice And Strong Institution

Information disclosure:

On the official website, Feihe, as well as other listed portfolio companies, has made its financial highlights, performance report, ESG annual report and product traceability available for consumers to review.

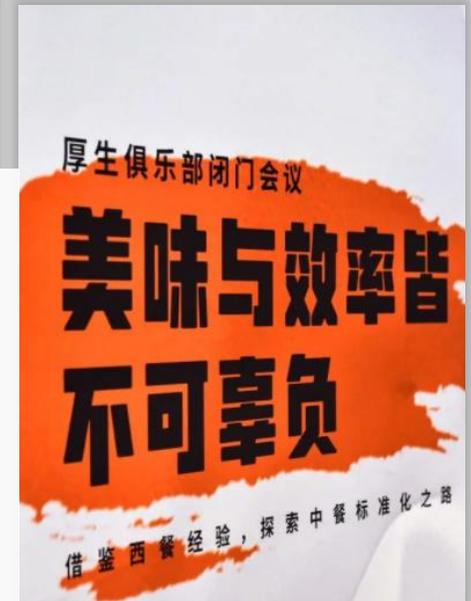
New Hope Dairy also discloses information including corporate annual reports, strategic plans, quarterly reports, reports on the work of the board of directors, and corporate articles on its official website.



17 Partnerships For The Goals

Ecosystem:

Hosen has committed to build an ecosystem in the food sector, so we established “Hosen Club” to connect industry leaders in the upstream and downstream sector, well-known food consumption businesses, and top-tier investment institutions. We regularly organize offline events to strengthen the ecosystem and to provide comprehensive resources support for portfolio companies.



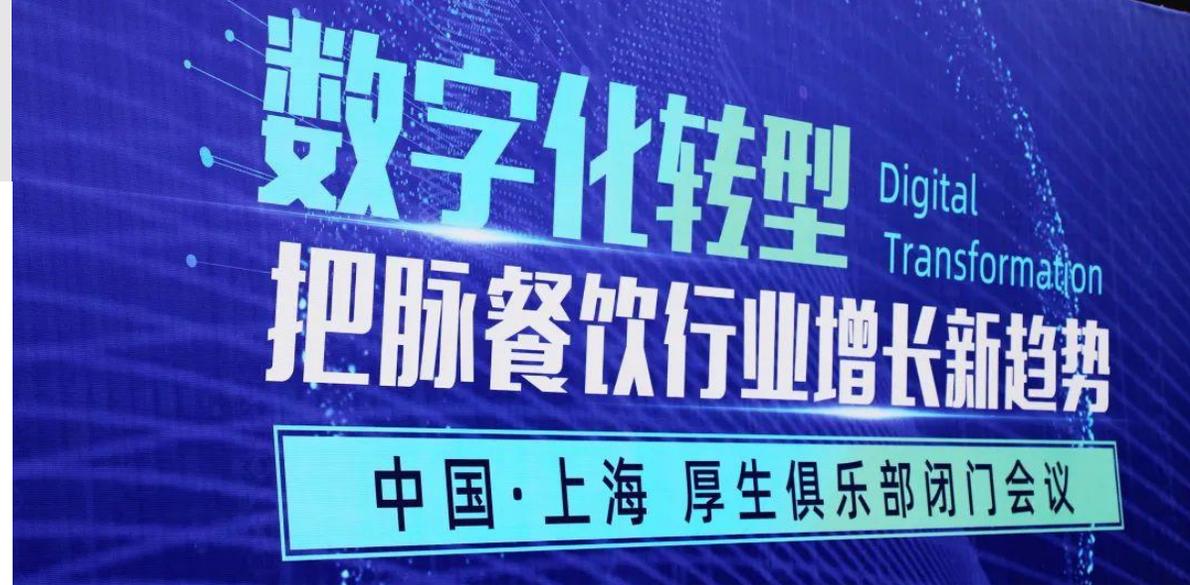
ESG Impacts

The ultimate value we pursue is directing the industry to sustainable transformation.

Communicating future trends

Hosen has been deeply involved in the food industry for 12 years. Over the past 12 years, we have built a positive relationship with our stakeholders, gained respected influence in the industry and decided to use our influence to deliver our visions on industry development, establish a communication platform, and facilitate intra-industry dialogues.

In 2021, we organized several Hosen Club events focusing on the economy and consumption trends, the standardization of Chinese catering, digitalization, food technology innovation, and sustainable development. From epistemology to methodology, from macro-economics to industry specific topics and corporate development, such events and dialogues have been continuously empowering Hosen's ecosystem partners.



ESG Forum for Food Industry, Oct. 2021, Suzhou

This Forum invited representatives from prestigious multinational companies in the Food Space. It conducted a series of high-level, high-standard, high-density dialogues on future trends of the food industry and discussed goals of carbon neutral and forward-looking practices in the food industry.

Closed-Door Conference on Digital Transformation, Apr. 2021, Shanghai

Participants: Industry experts, management representatives from portfolio companies and guests from leading companies in the Food Space.

Content: The Conference explored the method of digital transformation and emphasized the importance to strengthen high trust connections with customers and enhance the open API ecosystem in supply chains, which would play an important role in innovative growth trends of the Food Space.



ESG Impacts

Empower the Food Space with technology and digitalization

In the past two years, Hosen has begun to deploy technological innovation and has been committed to promoting the digital transformation of the Food Space.

Hosen believes that it should take the responsibility for promoting digital upgrades and supporting food technology innovation, which is essential to the sustainable development of the entire food industry.

So far, Hosen has invested in innovative technology enterprises including Bloomage Biotech, Sinolong, Eppen Biotech and sunHY, with research areas covering biological enzymes, biological fermentation, food safety testing, hyaluronic acid microbial fermentation, film material, etc.



Honors and Awards in 2021

We have actively explored and promoted the localized practices on responsible investment and supported our portfolio companies to comply with higher ESG standards. In 2021, our portfolio companies have realized a number of achievements in ESG:

Feihe:



On December 3, 2021, the Environmental, Social and Governance (ESG) Fundamental textbook was released, and Feihe was selected as the “2021 Responsible Company of the Year” and as an excellent case study for its innovative initiatives and outstanding achievements in ecological and environmental protection.

Dekon Group:



On November 1, 2021, the Ministry of Agriculture and Rural Affairs announced the commendation decision for the 2020-2021 Shennong China Agricultural Science and Technology Award. The scientific and technological achievements of “Establishment, Promotion and Application of Precision Feeding Technology Based on the Integration of Mother and Child to Improve Pigs Weaned per Sow per Year (PSY)” jointly completed by Dekon Group and research teams from several universities won the first prize. This technology provides great progress in the whole industry chain of pig rearing such as breeding, nutrition, disease control, etc.





Chapter **4**

**Responsible
Citizenship**

Caring about the Healthy Growth of the Next Generation



Chunhui Children

We are committed to helping Giving Tree Life Care Center, develop a youth mental health charity program, and helping Chunhui Children care for the physical and mental health and education of orphaned children and children left behind in rural areas, through multiple donations in 2021.

Chunhui Children Charity Foundation (“Chunhui Children”) was registered in Beijing in 2012. It recruits front-line caregivers and teachers and trains them to provide consistent family-like love and science-based, child-centered education for orphaned children in welfare institutions and for children left behind by migrant parents in rural areas. Chunhui Children has trained a total of **69,434** child caregivers, benefiting over **215,285** children.

(Picture Source: <https://www.chbaf.org>)



Giving Tree Life Care Center

Giving Tree Life Care Center (“Giving Tree”) in Shanghai’s Pudong New District originated from a life education volunteer team in 2009, which consisted of a group of mothers who witnessed some students’ mental fragility, loss of control of their emotional behaviors, and study weariness. They are invited by primary and secondary schools to conduct life education public welfare courses. Giving Tree has successively provided **212,984** life education public welfare courses with more than **50** schools in Sichuan, Yunnan, Hubei, and Anhui Provinces along with Shanghai and other areas.

(Picture Source: Official WeChat Account)



Our Charity Commitment



Hosen is committed to investing **1% of our revenue** into social welfare every year, in which **one-third** will be provided to **our regular charity programs**, namely “Giving Tree” and “Chunhui Children”, and the other **two-thirds** will be donated to the social welfare campaigns or programs as proposed, screened and voted on by all “Hoseners” within the current year.



Picture Source: <https://www.chbaf.org> & Official WeChat Account of Giving Tree

Creating a Better Future

***Harboring love and gratitude.
Facing an uncertain future together.***

Hosen Capital was founded with a spirit of responsible investment, a focus on the power of creation, sustainability, and with a strong sense of ESG integration. We are working with our Investors to help solve many pressing challenges in the food and consumption industry by investing and servicing our portfolios.

Currently, there are many places around the world in crisis, while others are rebuilding. We do not know what tomorrow will bring. While we hope our society is built more strongly and resiliently, we know that unprecedented challenges will continue to occur. What we know is that when we work together, when we care and love for one another we can achieve far more. Thank you for all the ways that you contribute to these efforts and push us to go further.



Our Offices

Beijing

Suite 2606
Twin Towers (West)
Jianguomenwai Ave.
Beijing 100022

Chengdu

22nd Floor
Zhongding International Building No.2
No.366 Industrial Park, Jinjiang District
Chengdu 610041

Tokyo

H¹O 310, 8-6 Kobunacho ,
Nihonbashi, Chuo Ward,
Tokyo, Japan, 103-0024

Shanghai

Suite 308, Block G
Hongqiao Green Valley Plaza
69 Yonghong Road
Shanghai 201106

Hong Kong

20th Floor
One International Finance Centre
1 Harbour View Street
Central, Hong Kong

