Research on the Construction Path of Enterprise ESG System from the Perspective of Green Development - Taking Master Kong's "Yuan for Everything" Project as an Example

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Abstract. In the context of the continuous promotion of the global green development strategy, the enterprise ESG evaluation system has become a key indicator to measure the sustainable development ability. This study takes Master Kong in the food industry as a case and systematically discusses the construction path of ESG evaluation system in combination with the implementation of its "yuan for Everything" project. By analyzing the innovative measures of this project in environmental management, social responsibility and corporate governance, the core conclusion of building ESG system is revealed: food enterprises need to integrate green ESG concept into enterprise production and management through the implementation path of "technological innovation-process reengineering-value transformation". The research shows that Master Kong has achieved a win-win situation of economic and environmental benefits through the three-dimensional linkage of "technology-system-culture," revealing the significance of building ESG evaluation system to enhance the core competitiveness of enterprises and promote the green transformation of the industry, and providing replicable practical cases for the sustainable development of food enterprises.

1 Introduction

The reality of development strategic depth in the global green background, China's "double carbon" target through "carbon up to 2030 years ago the peak action" and so on policy continues to fall to the ground, promote enterprises to accelerate the transformation to a low-carbon. As the pillar of the national economy, the energy consumption of the food industry in the production process accounts for 18.7% of the total industrial energy consumption, and the annual consumption of packaging materials alone reaches 8.6 million tons, accompanied by the dual pressure of high carbon emissions and resource waste [1]. In recent years, the concept of green consumption has gradually been deeply rooted in people's hearts, and consumption patterns including production behavior and low-carbon diet are reconstructing people's consumption logic [2]. These drive enterprises to incorporate ESG into the strategic

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core, while the ESG practice of food enterprises is still faced with challenges such as fuzzy evaluation standards and insufficient adaptation of industry characteristics [3].

Domestic ESG evaluation system research has shifted from theoretical introduction to localization exploration. The food industry has certain particularities, such as agricultural product traceability, carbon footprint accounting of cold chain logistics and other subdivided fields, and it is difficult to construct evaluation models [4]. This study takes Master Kong's "Everything has yuan" project as a case to systematically discuss the construction path of ESG evaluation system for food enterprises. Through the analysis of its innovative practices in environmental management, social responsibility and corporate governance, it is found that the project converts ESG concepts into specific management tools through the three-dimensional linkage of "technology-system-culture". This model has won it the top spot in Forbes China ESG food industry for two consecutive years, which verifies the direct effect of localized ESG system on improving enterprise value [5].

The theme of this study is to take Master Kong in the food industry as the case, combined with the implementation of its "yuan for Everything" project, systematically discuss the construction path of ESG evaluation system; The research method is case analysis method; This study will carry out specific research content from three levels: first, in terms of environmental management, it will analyze in detail how Master Kong's "Everything has yuan" project reduces production energy consumption and carbon emissions and optimizes resource utilization efficiency through technological innovations such as "steam heat energy collection and reuse system" and "preform lightweight". Second, in terms of social responsibility, the specific measures of the project in the protection of employees' rights and interests, food safety control, rural revitalization assistance and other aspects are deeply discussed, as well as how to drive upstream and downstream enterprises to jointly practice social responsibility through supply chain coordination [6]. Third, in terms of corporate governance, Master Kong takes "carrying forward Chinese food culture" as its mission and "becoming a respected enterprise" as its vision, integrates the sustainable development concept of "evergreen home, health is a blessing" into the company's development strategy, pays close attention to the demands of stakeholders and constantly improves its sustainable development performance, and welcomes the "happy diet" together with stakeholders. A good life ". The core conclusion shows that Master Kong's "Everything has yuan" project has successfully integrated the concept of green development into the whole life cycle management of the enterprise through the ESG implementation path of "technological innovation-process reengineering-value transformation." Technological innovation provides hard support for environmental improvement, process reengineering realizes the systematic implementation of social responsibility, and value transformation ensures the deep integration of ESG practice and enterprise operation. This localized ESG system not only helps enterprises break through the dilemma of "high investment and low return" and achieve a win-win situation of economic and environmental benefits, but also provides a reproducible paradigm of "technology-driven, institutional guarantee and cultural penetration" in the construction of ESG system in the food industry, which strongly promotes the overall green transformation process of the industry.

2 Realistic dilemma and development status of ESG evaluation system construction in food industry

At present, the food industry has not only made phased progress in the construction of ESG system, but also faces structural contradictions, which not only stem from the inherent attributes of the industry, but also reflect the institutional shortcomings in the transition period. From the perspective of environmental impact, the food industry has made some progress in energy conservation and emission reduction, resource recycling, such as recyclable environmentally friendly packaging becoming the industry consensus [7]. However, the food industry has the characteristics of high energy consumption and high water consumption, and will produce a large amount of greenhouse gas emissions and waste in production, processing, transportation, sales and other links. Some enterprises still have shortcomings in environmental management, such as non-standard management of emissions, insufficient attention to specific details such as raw material procurement and packaging, and lack of comprehensive assessment of environmental impact and effective response measures. In addition, the production process of many enterprises covers the primary, secondary and tertiary industries, involving a large number of greenhouse gases and exhaust emissions. Therefore, environmental management is also the core issue of food manufacturing industry [8]. At the same time, there are certain difficulties in the quantification and monitoring of environmental indicators in the industry, which affect the accuracy and reliability of the environmental dimension in the ESG evaluation system.

In terms of public understanding and participation, with the popularization of the concept of sustainable development, society is paying increasing attention to ESG in the food industry, consumers are paying more and more attention to food safety, nutrition and sustainability, and their expectations for corporate social responsibility are also increasing. However, the public has varying degrees of awareness and understanding of ESG and has not participated in ESG related projects. Regulators are also strengthening requirements for ESG disclosure in the food industry and pushing companies to improve their sustainability performance. Enterprises have the problem of imperfect information disclosure system, ESG information disclosure content design is not highly refined, and the degree of legislative systematization is low, which affects the accuracy and effectiveness of the evaluation system.

In terms of internal management of the company, some small and medium-sized enterprises do not pay enough attention to ESG, with the concept of "light management and heavy operation", no relevant cultural publicity and system practice, weak food safety awareness of managers, low investment and management level in ESG, and lack of perfect ESG management system and professional talents. The quality and standards of ESG information disclosure vary greatly among different enterprises, resulting in the lack of a unified benchmark for the evaluation system, making it difficult to conduct effective comparison and evaluation.

3 The ESG system construction logic and implementation path of Master Kong's "Everything has yuan" project

3.1 Environmental management: whole-chain collaborative paradigm innovation

Master Kong's "Everything has yuan" project is based on the theory of industrial ecology, breaks through the traditional thinking of terminal governance, and builds an environmental management system covering the whole industrial chain from "field to table". In order to make rational use of waste packaging materials, Master Kong uses rPET technology and its commercial application to manufacture waste PET materials into rPET products, and launches the activity of "Eliminating bottle empty Imagination Island and Living together with all Things", which is the first commercial rPET project of global development initiative to help Sustainable Development Goals (GDI for SDG). Further converted into more valuable commodities [8]. In order to reduce carbon emissions during product production, Master Kong's innovative production method optimizes factory production procedures, effectively improves energy efficiency and reduces carbon emissions. Master Kong will explore waste heat recovery technology from 2021, and in 2023, Master Kong will recycle and reuse a total of 1.22 million tons of alternative water resources, reducing 173,000 tons of carbon dioxide emissions annually [9]. Thanks to a series of carbon reduction practices, including steam waste heat recovery, from 2017 to 2023, Master Kong has achieved a reduction of 16.4% in comprehensive energy consumption per million yuan of revenue, 21.1% in greenhouse gas emissions per million yuan of revenue, and 17.1% in water withdrawal per million yuan of revenue (ton/million yuan).

3.2 Social responsibility: upgrading from public welfare input to value co-creation

Under the guidance of stakeholder theory, Master Kong project deeply integrates social responsibility practice with enterprise core business, drives the coordinated high-quality development of upstream and downstream of the industrial chain, and builds a sustainable ecological barrier. In Hebei, Shaanxi, Xinjiang and other regions, Master Kong has established an "environment-friendly vegetable base", created an industrial chain mode of "enterprise + base + farmer", and insisted on exploring the solution of green growth through innovative production methods. In Shenmu, Shaanxi Province, Master Kong cooperated with a dehydrated vegetable supplier and the Chinese Academy of Agricultural Sciences to improve the local saline-alkali land by converting waste coal slime into organic fertilizer using the biological fermentation technology of coal slime. In Kangbanoer, Kangbao County, Hebei Province, Master Kang helped Kangbanoer grassland and surrounding areas to establish a vegetable base of 200,000 mu, driving 150,000 farmers to employment [9]; In addition, Master Kong and its suppliers adopt the operation mode of "AI automated agriculture" to realize the whole process of vegetable planting, harvesting and processing, and innovate the degradable plastic film technology with zero pollution to the environment. The discarded disposable plastic film can be completely degraded into organic matter after being buried in the land for several months, ensuring the safety and quality of products from the source. Master Kong provides professional guidance to farmers to improve planting efficiency and farmers' income. The project has led 40 million farmers to purchase millions of tons of agricultural products every year. This dual path of "environmental governance + industrial empowerment" not only maintains the stability of agricultural ecosystem, but also ensures the quality of raw material supply for enterprises.

3.3 Corporate governance: institutional innovation from cultural concept publicity to mechanism embedding

In terms of corporate governance, Master Kong takes "promoting Chinese food culture" as its mission and "becoming a respected enterprise" as its vision, integrates the sustainable development concept of "evergreen home, health is a blessing" into the company's development strategy, pays close attention to the demands of stakeholders and constantly improves its own sustainable development performance [10]. Master Kong layout digital construction, establish digital factory to improve work efficiency; Build comprehensive and three-dimensional echelon empowerment projects for personnel at different levels and functions, carry out "younger cadres and diversified talents", and form a perfect talent training empowerment system; Through digital empowerment, energy conservation, emission reduction and carbon reduction process and product design, empowerment interaction of all staff propaganda and education activities, the concept of sustainable development is transmitted to employees, the creativity of sustainable development of the team is stimulated, and human support and power are provided for ESG project implementation [11]. Tingyi design as a whole from the management structure, through the vertical structure of the ESG target penetrated the each link of the enterprise organization, regularly carry out the mission and independent open to activities, arouse the creativity of sustainable development of the team, combined with daily work. Master Kong's governance innovation shows that only by transforming ESG concepts into institutional arrangements and forming a consensus among all staff through cultural construction can the sustainable promotion of ESG strategy be realized, which provides an important reference for other enterprises to improve their corporate governance system.

3.4 The ESG practice limitations of the "Everything has yuan" project

Although Master Kong's "yuan for Everything" project has made a significant breakthrough in the construction of ESG system, the wide promotion of its model is still facing practical bottlenecks. First, technical and economic barriers: the initial investment of a single set of equipment of steam heat recovery system is as high as one million yuan, and the carbon management of the whole industrial chain needs to be supported by a digital system. Small and medium-sized enterprises are faced with the dilemma of "high cost-low replication", highlighting the contradiction of scale effect of ESG technology application [12]. Second, supply chain synergy barriers: the food industry supply chain has multiple levels and geographical dispersion, the upstream and downstream enterprises have conflicts of interest in emission reduction targets and social responsibility input, and information asymmetry leads to low synergy efficiency. Suggestions for facing the above dilemma: first, technology empowerment and cost sharing: the government can lower the threshold of ESG technology application for small and medium-sized enterprises through special subsidies, and industry associations can take the lead in establishing "ESG technology sharing platform" to promote the standardization and modular transformation of steam waste heat recovery and other technologies; Second, construction of supply chain collaboration mechanism: with core enterprises as the hub, establish supply chain ESG performance evaluation system, and drive upstream and downstream collaboration through order incentive, joint certification and other ways.

4 Conclusion

Through in-depth analysis of Master Kong's case, this study confirms that the construction of ESG system of food enterprises should follow the principles of systematization, synergy and localization. In the field of environmental management, it is the key to improve the ecological competitiveness of enterprises to break through the traditional terminal governance thinking, build a carbon management system for the whole industrial chain, combine geographic information system, block chain and other digital technologies with the theory of industrial ecology, and achieve precise control of environmental impact from the raw material end to the consumer end. At the level of social responsibility, guided by stakeholder theory, deeply embedding social responsibility into supply chain management, and building a multi-party value co-creation network by solving substantive problems such as agricultural pollution and food safety can effectively enhance corporate social resilience. In the dimension of corporate governance, deeply binding ESG objectives with corporate culture is the institutional guarantee to ensure the implementation of ESG strategy. The practice of Master Kong fully proves that ESG is not the cost burden of enterprise development, but the value creation system through technological innovation to reduce costs, brand premium to increase efficiency, risk control and hedge, which can significantly improve the long-term competitiveness of enterprises and the voice of the industry.

Facing the future, there is still broad space for exploration in the construction of ESG system in the food industry. In terms of technological innovation, the application of digital twin technology is expected to realize the real-time dynamic simulation and optimization of the carbon footprint of the whole industrial chain, and provide decision-making support for enterprises to formulate precise emission reduction strategies. In the field of business form innovation, with the rise of plant-based food, cell culture meat and other emerging industries, their particularity in resource consumption, animal welfare, food safety and other dimensions, it is urgent to build a differentiated ESG evaluation index system. Under the background of global "dual carbon" goal and industrial chain reconstruction, Chinese food enterprises need to accelerate the innovation of local ESG system, transform from passive compliance to active leadership, and occupy the strategic commanding heights in the global green competition by participating in the formulation of international standards and exporting Chinese practical experience. Subsequent research can further focus on the construction of ESG evaluation standards for emerging business forms and feasible paths for smes to improve ESG capabilities, providing more targeted theoretical support and practical guidance for the overall green transformation of the industry.

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