

SK TARGET GROUP LIMITED

瑞強集團有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 8427



2017 Environmental, Social
and Governance Report
環境、社會及管治報告

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THE REPORT

This is the first Environmental, Social and Governance Report (the “**ESG Report**”) of SK Target Group Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**” or “**We**”). The ESG Report summarizes the efforts and achievement made by the Group in sustainability and social responsibility. As for the information of corporate governance, please refer to the “Corporate Governance Report” on pages 38 to 53 of the Annual Report of 2017.

Scope of the Report

The ESG Report focuses on the sustainability approach and performance in the environmental and social aspects of the Group’s headquarter and production plant in Malaysia, covering the period from 1 June 2016 to 31 May 2017 (the “**Year**”). The Group will continue to strengthen information collection in order to enhance the environmental realm and disclosure of information on the sustainable development.

Reporting Framework

The ESG Report was prepared in accordance with the “Environmental, Social and Governance Reporting Guide” under Appendix 20 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited.

Stakeholder Engagement

The engagement of our employees from different departments of the Group helps us recognize our sustainability performance. The diligently collected and carefully analyzed data underscores not only the Group’s sustainable initiatives for the Year, but also the Group’s short-term and long-term sustainability strategy. The Group will continue to increase the involvement of stakeholders via constructive conversation with a view to charting a course for long term prosperity.

Information and Feedbacks

For detailed information about the environmental, social and corporate governance of the Group, please refer to the official website (<http://www.targetprecast.com>). Your opinions will be highly valued. If you have any advice or suggestions, please email to enquiry@targetprecast.com.

關於報告

此為瑞強集團有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」或「**我們**」)首份環境、社會及管治報告(「**本報告**」)。本報告概列本集團於可持續發展及社會責任方面所作出的努力及成果。有關企業管治的資料，請參閱2017年報第38至53頁「企業管治報告」。

報告範圍

本報告專注於2016年6月1日至2017年5月31日期間(「**本年度**」)本集團設於馬來西亞的總部及生產廠房在環境及社會方面的可持續發展方針及表現。本集團將繼續加強資料搜集，以披露更多有關環保方面及可持續發展的資料。

報告架構

本報告乃根據香港聯合交易所有限公司創業板證券上市規則附錄20「環境、社會及管治報告指引」編製。

持份者參與

本集團各部門僱員的參與有助我們了解我們於可持續發展方面的表現。經蒐集和仔細分析的數據，不僅總結了本集團於本年度在可持續發展方面的努力，亦展示了本集團短期及長期的可持續性策略。本集團將透過建設性對話繼續增加持份者的參與，從而達至長期繁榮發展。

資料及意見

有關本集團環境、社會及企業管治的詳盡資料，請參閱官方網站(<http://www.targetprecast.com>)。我們重視閣下的意見。倘閣下有任何意見或建議，請以電郵方式發送至enquiry@targetprecast.com。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT US

The Group is headquartered in Malaysia and is principally engaged in manufacturing and selling precast concrete telecommunication junction boxes and precast concrete electrical junction boxes, which are used mainly in telecommunication and electrical infrastructure upgrade and expansion works as well as construction projects in Malaysia. In comparison to traditional cast-in-situ junction boxes, a precast one can achieve higher time effectiveness, cost efficiency and structural specifications. Due to the aforementioned advantages, the Group has accumulated a wide range of customers such as infrastructure companies, construction companies, mechanical or electrical contractors and sub-contractors in Malaysia who participate in telecommunication or electrical infrastructure projects. To complement our core business, the Group also trades junction box accessories and pipes and offers mobile crane rental and ancillary services such as uplifting services for our precast concrete junction boxes. Thanks to the concerted efforts made by everyone in the Group, the Group was listed on the GEM Board of the Stock Exchange on 19 July 2017.

PROTECTING OUR ENVIRONMENT

Pollution Treatment

Environmental protection is beyond dispute a collective responsibility of all businesses given the stern environmental circumstances nowadays. As a responsible corporation and manufacturer, the Group has exerted itself to control emission from the production process, in spite of the fact that manufacturing precast concrete junction boxes generates very little air, water and noise pollution. We comply strictly with the laws and regulations related to emission, such as the *Environmental Quality Act*.

關於我們

本集團總部設於馬來西亞，主要從事製造及銷售預製混凝土電信接線盒及電力接線盒，產品主要用於馬來西亞的電信及電力基建升級及擴張工程。相較傳統現澆接線盒，預製接線盒可達致較高時間效益、成本效益及結構規範。基於上述好處，本集團已累積廣泛的客戶，如參與電信或電力基建項目的馬來西亞基建公司、建築公司、機械或電力承包商及分包商。為配合我們的核心業務，本集團亦買賣接線盒配件及管道，並提供移動式起重機租賃及配套服務，如我們的預製混凝土接線盒的起重服務。憑藉本集團全體同心協力，本集團於2017年7月19日在聯交所創業版上市。

保護環境

污染處理

面對現時嚴峻的環境狀況，環境保護無疑是各行各業的共同責任。雖然製造預製混凝土接線盒只會產生極低的空氣、水質及噪音污染，但作為一家負責任的公司及製造商，本集團仍不遺餘力控制生產過程中的排放。我們嚴格遵守《環境質量法案》(Environmental Quality Act)等有關排放的法例及規例。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group has established an environmental policy and an environmental management system, which are unique to the Group's business context, aiming at preventing pollution and minimizing environmental impacts. The major source of air pollutants generated by the Group is the use of vehicles. To minimize the impacts, the vehicles, during entry to and exit from our plant, are sprayed with water to remove dusty materials. We also conduct regular inspection on tyre pressure and ensure engines are turned off for idling vehicles to reduce emission of pollutants. On the other hand, the major source of wastewater is the water used for cleaning our products. We adopt a filter system through which sand and pellets of rock are filtered out from the wastewater and are collected for recycling by designated contractors while wastewater enters the municipal drainage system for proper wastewater treatment. With regards to noise pollution, we have conducted a boundary noise monitoring test which proved that the noise during both daytime and nighttime around our plant was compliant with the mandatory limit set by the Department of Environment in Malaysia.

Waste Management

The Group strives to handle our waste with the highest degree of carefulness and compliance with laws, such as the *Environmental Quality Act* and the *Environmental Quality (Scheduled Wastes) Regulations*. To properly handle non-hazardous waste, the Group has devised a series of procedures in an effort to avoid harmful impacts to the environment resulted from our operation. We also recycle scrap metals so as to minimize the amount of waste being discarded. From our production process, minimal hazardous waste is generated.

In our office, a plenty of measures are also implemented to reduce waste. For instance, discarded papers such as documents and letters without confidential information, and envelopes are collected and sent to recycling companies. We also strive to extend the life cycle of office stationery by reusing envelopes and refilling pens. Besides, rechargeable batteries are chosen over disposable batteries in the office. Toners are recycled after use to avoid hazardous impacts to the environment.

本集團已訂立一套適用於本集團獨有業務環境的環境政策及環境管理系統，旨在防止污染及將對環境的影響減至最低。本集團所產生的空氣污染物主要來自於車輛的使用。為減低影響，我們會在車輛進出本集團廠房時向車輛灑水以清除塵垢物質。我們亦定期進行輪胎壓力檢查，並確保關掉閒置車輛的引擎以減少污染物排放。此外，污水的主要來源為清洗我們產品的用水。我們採用過濾系統以過濾污水中的沙粒及石塊，並經由專責承包商收集循環再用，同時污水會排進城市排污系統作適當的污水處理。至於噪音污染方面，我們已進行邊界噪音監察測試，證實日間及夜間在我們廠房四周所產生的噪音均符合馬來西亞環境部所訂的強制性上限。

廢物管理

本集團致力以高度謹慎的方式處理廢物，並嚴格遵守《環境質量法案》(Environmental Quality Act)及《環境質量(計劃內廢物)規例》(Environmental Quality (Scheduled Wastes) Regulations)等法例。為正確處理無害廢棄物，本集團制訂了一系列程序，以免因我們的營運對環境構成有害影響。我們亦循環再用廢金屬，以使廢物棄置量減至最低。我們在生產過程中產生了極少的有害廢棄物。

我們亦於辦公室實施多項減廢措施，例如收集非機密文件及信件以及信封等廢紙送往回收公司。我們亦致力透過重用信封及替換原子筆芯以延長辦公室文具的使用期。此外，我們的辦公室選用充電電池而非即棄電池。我們回收用完的墨粉匣，以免對環境產生有害影響。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Energy and Water Conservation

The Group is aware of the emergence of multifarious global environmental issues and the associated influences on the human society. We therefore shoulder the burden of environmental protection and sustainability through dedicating considerable efforts to reducing energy consumption. In order to minimize the electricity usage and enhance the efficiency of the lighting system, we reduce unnecessary lighting and ensure all light fixtures and lamps are cleaned regularly.

Other than the lighting system, measures are also implemented for more efficient operation of the air conditioning system. We conduct leakage check on refrigerants and replace the worn-out pressure gauges, pressure hose and connectors of air compressors to prevent refrigerant leakage. Besides, in hot weather and on Fridays, our employees are allowed to dress light so as to reduce the use of air conditioning. There is also room for cutting down energy usage in the use of other electric devices. For instance, computers and other information and communication technology equipment are set to automatic standby mode or switched off when not in use.

Our environmental commitment also encompasses an array of water-saving measures such as reducing water pressure of pipes to the lowest practical level, putting up water saving reminder label in toilet, carrying out regular check for leakage and fixing dripping tips in a prompt and timely manner. We also use water taps and urinal equipment with water-efficient label to minimize water consumption.

節能節水

本集團注意到全球出現多種環境問題及對人類社會的相關影響。因此，我們肩負環境保護與可持續發展的重任，竭力減少能源消耗。為減少用電量及提高照明系統的效能，我們減少不必要的照明及確保定期清潔所有燈飾及燈具。

除照明系統外，我們亦已採取更有效運用空調系統的措施。我們進行製冷劑洩漏檢查及取代老化的壓力錶、壓力軟管及空氣壓縮機的連接器，以防製冷劑洩漏。此外，於酷熱天氣及星期五，我們容許僱員穿著便服以減少使用空調。我們在使用其他電器用品方面也有節省能源的空間。例如，電腦及其他信息和通信技術裝置均會於閒置時自動調校至待機模式或被關掉。

我們的環境承諾亦包含一系列節約用水措施，如喉管水壓減至最低可用水平、於洗手間貼上節約用水的提示標誌、進行定期滲漏檢查以及迅速及即時修補滴水問題。我們亦使用符合高用水效益的水龍頭及衛生間設備以減少用水。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Green Operation

Climate change is the issue that dominates the world's attention as well as the Group's. It is our conviction that all of us have the obligation to take ownership of our carbon footprint. Therefore, apart from complying with the local laws and regulations relating to environmental protection, our dedication to cutting carbon footprint can be reflected by a couple of measures. Logistics and transportation is one of the major sources of greenhouse gas emissions of the Group, we thereby optimize route planning for the delivery of our products in order to minimize the mileage of vehicles. We also substitute phone or video conferences for business travel as much as possible. For unavoidable business trip, we always prefer direct flights and economy class so as to lower our carbon footprint from transportation.

The use of paper has long been a main source of carbon emission in modern society, thus we endeavor to reduce paper consumption in our office with pragmatism. We support the use of electronic means, rather than paper-based, to disseminate information wherever possible. Apart from setting our computers and printers as default duplex and economic modes, notices are also placed next to printers to remind employees to use and print on both sides of paper as well as to reuse paper wherever possible. To minimize paper waste, we encourage the use of reusable cutlery such as cups and chopsticks over the disposable one.

In general, we strive to promote carbon reduction by inculcating our staff with the emission reduction measures through email and posters to raise their awareness about carbon reduction and environmental protection.

綠色營運

氣候變化是一項引起全球關注的議題，本集團也不例外。我們深信，所有人均有責任控制其碳足跡。因此，除遵守當地有關環境保護的法律及規則外，我們亦採取了若干措施，足以反映我們在減低碳足跡方面的努力。物流及運輸是本集團溫室氣體排放主要來源之一。因此，我們已優化產品運送的路線規劃，以盡量降低車程。我們亦盡量以電話或視像會議取代商務旅行。如無法避免商務旅行，我們會選擇直航及經濟客位以減低我們在交通方面的碳足跡。

長久以來，紙張使用是現代社會的主要碳排放來源。因此，我們致力以務實方式降低辦公室的紙張消耗。我們支持盡量使用電子方式而非紙本方式發佈消息。除把電腦及打印機預設為雙面打印及經濟模式外，我們亦會在打印機旁張貼告示，提醒僱員盡可能雙面列印及重用紙張。為減少廢紙，我們鼓勵使用可循環再用而非即棄餐具（例如水杯及筷子等）。

總括而言，我們致力提倡減碳，透過電郵及海報教育，向員工灌輸各項減排措施，以提高他們對減碳及環保的意識。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

CARING ABOUT OUR EMPLOYEES Employment and Welfare

In order to provide the best working environment and protect the rights of our employees, the Group strictly conforms with relevant laws and regulations such as the *Employment Act*, *Employees Provident Fund Act*, *Employees' Social Security Act* and *Minimum Wages Order*. Adhering to the principle of fairness, our applicants are assessed on basis of merits and criteria regardless of his/her gender, race or religion. As a means to avoid employing child labour, our recruitment process also includes age verification which is an essential step requiring newly employed staff to provide identification documents. To prevent any form of forced labour, a job description outlining the principal accountabilities of the employee is attached in the letter of employment of every employee, which also covers matters such as wages, working hours, probation period, and requirement for notice of termination.

The Group seeks to build an elite workforce by recruiting and promoting outstanding employees. We offer an appealing remuneration package to our staff including salary, bonuses, allowances and medical benefits. The salary of each employee is determined according to his/her experience, qualifications, capability and the prevailing market remuneration rate. Staff performance review is also conducted regularly so as to form the basis of the management decision with regards to salary adjustment, bonuses and promotions. We take into consideration our staff's quality and adequacy of work output, punctuality, initiative, attitude and teamwork when considering salary increment and provision of bonuses. For employees who have decided to resign, exit interview will also be conducted in order to collect precious opinions for any possible improvement of the Group's policies.

關懷僱員 僱傭及福利

本集團嚴格按照相關法例及規定，如《僱傭法例》(Employment Act)、《僱員公積金法案》(Employees Provident Fund Act)、《僱員社會保障法案》(Employees' Social Security Act)及《最低工資法令》(Minimum Wages Order)，以提供最佳工作環境及保護僱員權益。本公司恪守公平原則，按申請人的長處和公司準則對其進行評估，而不論性別、種族或宗教。為避免聘請童工，我們的招聘程序當中亦包括年齡核證的重要步驟，要求新聘員工提供身份證明文件。為避免任何形式的強制勞工，每名僱員的聘書中均會附有一份列明員工主要職責的工作描述，當中亦會涵蓋工資、工作時間、試用期及終止聘任通知規定等事宜。

本集團透過招聘和提拔傑出僱員，致力建立優秀的工作團隊。我們向僱員提供具吸引力的薪酬方案，當中包括工資、花紅、津貼及醫療福利。各員工的工資乃根據其經驗、資歷、能力及現行市場的新酬水平釐定。本公司定期檢討員工表現，為管理層作出有關薪酬調整、獎金及晉升的決定提供依據。於考慮薪金調整、花紅及晉升時，我們會考慮員工的工作質素、出勤情況、主動性、態度及團隊合作精神。如員工決定呈辭，我們會進行離職面談，以收集任何有關本集團政策可改進之處的寶貴意見。

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Adding to the remuneration package is an assortment of welfare offered by the Group. In an attempt to assure our employees of sufficient rest time, working hours are clearly defined in the letter of employment of every employee and in compliance with relevant laws and regulations. Our staff is subject to a corresponding overtime salary rate for different types of overtime work. Our staff is also entitled to a number of leaves, either statutory or non-statutory, such as public holidays, annual leave, medical and hospitalization leave, maternity and paternity leave, marriage leave, and examination leave. Moreover, medical benefits, insurance and allowance are provided to all employees in the Group. Besides that, we also place emphasis on the work-life balance of our staff by hosting various leisure activities, such as festive luncheons, badminton competition and birthday celebration which allow our employees to relax and interact.

Training and Development

Fostering our employees' knowledge and skills hence their career development has long been seen as a core strategy of the Group. With the provision of specific training tailored to respective types of employees' goals and needs, we strive to create an intellectually-stimulating environment within which employees can develop basic skills and knowledge, if not specific talent and ability. We provide our staff with ongoing training and development programmes which encompass both technical and functional courses. For instance, courses regarding essential knowledge on concrete and concrete technology were arranged for our technical staff in an effort to deepen their understanding of concrete hence our products and production process. On the other hand, for accounting and financial staff, training and conference on topics such as goods and services tax (GST) were provided in a bid to improve the accuracy of the GST accounting transactions, beyond compliance to the GST Act 2014. We also offer training to the middle and top management from different departments so as to enhance their supervisory and management ability. As a way to encourage employees to take the initiative in learning, we offer reimbursements to our staff who have received relevant training and completed development programs that pertain to their respective work positions and skills.

Our employee development strategy is more than mere provision of training as the Group is also devoted to paving a path for employees' career development. As mentioned, we carry out staff performance review regularly in an attempt to provide promotion opportunities for employees with outstanding performance. Recommendation on training is also given to staff so as to help them step further in their career path in the future.

除薪酬方案外，本集團亦提供多項福利。每名員工的聘書中均會清楚列明工作時數，並會符合相關的法例及規例，以確保員工有充足的休息時間。因應不同類型的超時工作，我們的員工可獲發相應的超時工資。我們的員工亦享有多項法定或非法定假期，如公眾假期、年假、醫療及住院假、產假及侍產假、婚假及考試假。此外，本集團亦向全體僱員提供醫療福利、保險及津貼。另外，我們亦強調員工的工作與生活平衡，透過舉辦節日午餐聚會、羽毛球比賽和生日會等休閒活動，讓員工舒緩壓力及聯誼。

培訓與發展

培養僱員的知識與技能，從而協助其事業發展，一直以來都是本集團的核心策略。透過提供切合不同類型員工的目標和需要的特別培訓，我們致力營造可激發員工智慧與潛能的環境，令員工能夠發展基本的技能與知識，甚或至其他特別的才能。我們為員工提供持續培訓和發展計劃，當中包括技術及功能課程。例如，我們為技術員工安排有關混凝土及混凝土科技基本知識的課程，以加深他們對混凝土的認識，從而更加了解我們的產品和生產過程。另一方面，我們為會計和財務員工提供各種課題（例如商品及服務稅）的培訓及研討會，以求除了遵守《2014年商品及服務稅法案》(GST Act 2014)的規定之外，亦提高商品服務稅會計交易的準確性。我們亦向不同部門的中高層管理人員提供培訓，以提高其監督和管理能力。為鼓勵員工主動學習，曾接受相關培訓及完成與其工作崗位及技能有關之發展計劃的員工均可報銷所支付的費用。

我們的員工發展策略不單為員工提供培訓，還致力為員工的事業發展鋪路。如上文所述，我們定期檢討員工表現，為表現出色的僱員提供晉升機會。我們亦會向員工提供培訓建議，以協助他們的未來事業更上一層樓。

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Health and Safety

In view of the paramount importance of employees' health and safety, we strictly abide by the laws and regulations that are relevant to occupational health and safety which include the *Occupational Safety and Health Act and the Workmen's Compensation Act*. To better ensure the safety and health of our staff, we have also established a Safety and Health Committee which is responsible for reviewing our safety and health measures, investigating cases of unsafe and unhealthy and coping with matters related to government investigation. Employee representatives are appointed to the Committee and meetings are held regularly so as to keep track of all health and safety matters.

The Group carries out a safety plan which consists of four areas. To minimize the risk of injury, we provide personal protection equipment such as safety shoes, gloves, spectacles, face shield and earplugs, which cater for the needs of workers from different departments. Safety training, which is conducted by either internal or external parties such as the National Institute of Occupational Safety and Health, is given to our employees before using any machine or equipment. Programs such as toolbox talks, induction programs, exercises, lectures and seminars are also organized to complement each other. Apart from training and equipment provision, we also carry out job hazard analysis on an ongoing basis in an attempt to set down potential hazards preventive measures for our employees to follow. Lastly, safety and health inspections are conducted regularly to ensure all health and safety measures are duly implemented.

In pursuit of an injury-free business environment, a fire drill, in addition to the aforementioned safety measures, is also arranged annually to enhance our employees' ability in dealing with emergency. In the Year, we have renewed the portable fire extinguishers so as to ensure accidents can be handled with well-functioning equipment.

健康與安全

鑑於僱員健康與安全的高度重要性，我們嚴格遵守有關職業健康與安全的法律和規定，包括《職業安全與健康法案》(Occupational Safety and Health Act)及《勞工賠償法案》(Workmen's Compensation Act)。我們亦成立了安全及健康委員會，負責檢討各項安全及健康措施、調查不安全及不健康的個案及處理涉及政府調查的事宜，以更佳地保障員工的安全及健康。僱員代表獲委任參與委員會，並定期舉行會議，以跟進所有健康和安​​全事宜。

本集團實施由四個範疇組成的安全計劃。為盡量降低受傷風險，我們提供切合不同部門員工需要的個人防護裝備，如安全鞋、手套、眼鏡、面罩及耳塞。員工在使用任何機器或設備前，均會接受由公司內部及外界機構(例如國家職業安全與健康研究所(National Institute of Occupational Safety and Health))向他們提供的安全培訓。我們亦會舉辦工地座談會、入職課程、練習、講座及研討會等不同課程，以作相互配合。除提供培訓及設備外，我們亦持續進行職業危害分析，以制定預防潛在危害的措施讓員工遵守。最後，我們亦會定期進行安全及健康檢查，確保所有健康和安​​全措施獲妥善執行。

為追求零傷害的業務環境，除了上述安全措施外，我們每年均會安排火警演習，以加強員工處理緊急情況的能力。年內，我們已更換便攜式滅火器，從而確保能夠以精良設備處理事故。

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OPERATING OUR BUSINESS

Supply Chain Management

To comprehensively fulfill our environmental and social responsibility, the Group also puts effort in managing our business operation including the supply chain. We purchase raw materials and accessories for the manufacturing of our precast junction boxes. When selecting suppliers, we take into account a range of criteria including product pricing, product quality, supply capability, business track record and the services provided by the suppliers. Environmental performance of the suppliers is also an essential factor affecting the Group's decision. For example, we focus on the chemical constituent of raw materials and consider if they are detrimental to the health and safety of our employees or customers.

After collecting the relevant information during the selection process, we have compiled a list of approved suppliers to facilitate periodic review. The Group works closely and regularly with our suppliers in order to review their background and performance as well as their business licenses and requisite certifications. Besides, product quality, ease of contacting and response to enquiries and complaints are also parts of our consideration. To enhance the reliability of the results of performance review, site visits to our main suppliers are also conducted to better evaluate their business performance. In general, we aim to maintain a good relationship with suppliers with remarkable environmental and social performance while suppliers who fail to satisfy any of the aforementioned requirements or in violation of the Group's policy would be excluded from the supplier list.

Quality Assurance

As a manufacturer, we never spare ourselves in the pursuit of excellence in product quality and we always adopt stringent and high-standard quality control for our products and services so as to achieve a continued success. The Group has established a quality management system which is designed and implemented according to requirements of the ISO 9001:2008 Quality Management System. While our top management is fully responsible and dedicated to the development, implementation and continual improvement of the quality management system, a quality control team is assigned to oversee the quality control measures for our products and raw materials.

經營業務

供應鏈管理

為全面履行環境及社會責任，本集團亦致力管理其業務營運（包括供應鏈）。我們就製造預製混凝土接線盒採購原材料及配件。在挑選供應商時，我們考慮包括產品定價、產品質素、供應能力、業務往績以及供應商所提供的服務等多項準則。供應商的環境表現亦為影響本集團決定的重要因素。舉例而言，我們著重原材料的化學成份，並考慮有關成份會否損害僱員或客戶的健康與安全。

在挑選過程中收集相關的資料後，我們已編製一份認可供應商名單，以便定期審閱。本集團與供應商緊密且定期合作，以審查彼等的背景和表現以及其業務牌照及所需認證。此外，產品質素、聯繫的方便程度以及對查詢及投訴的回應速度亦為我們考慮因素的一部分。為提高表現審查結果的可靠性，我們亦會實地造訪主要供應商，以更佳地評估其業務表現。一般而言，我們致力與在環境及社會方面表現卓越的供應商維持良好關係，並將未能符合上述要求或違反本集團政策的供應商從供應商名單剔除。

質量保證

作為製造商，我們在追求卓越產品質素方面從不怠懈，並一直對產品及服務採用嚴格且高標準的質量監控，務求取得持續成功。本集團已建立一套質量管理系統，乃根據ISO 9001:2008質量管理系統的要求設計及推行。我們的管理層全面負責及致力發展、推行及持續改善質量管理系統，而質量監控團隊則負責監察產品及原材料質量的監控措施。

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Generally, our quality management measures are carried out in several steps. Before commencing the manufacturing of products for our customers, the Sales Department is responsible for ensuring all customer requirements are clearly defined so that products specifications as required by our customers can be met. After that, a physical inspection will be arranged for all incoming raw materials and equipment to avoid any non-compliance with the specifications. Upon completion of the manufacturing, our products are subject to various quality examinations such as measuring product dimensions, loading test and concrete hardness test. To better improve our product quality, customers' perception as to whether or not we meet their requirements is determined through customer satisfaction surveys, regular meetings or visits to customers. The results of the aforementioned procedures will be properly documented.

In case of any non-conformance of our products, either to the prescribed standards or the customers' requirements, we will carry out remedial and preventive action in response to the complaints from our clients. Reports will also be prepared to summarize the cases and suggest corrective actions. As a responsible manufacturer, we always strive for zero-complaint.

As recognition of our effort in achieving high product quality, the Group has obtained registrations from the Scientific and Industrial Research Institute of Malaysia (SIRIM) for a certain models of our standard precast concrete junction boxes in relation to product quality since 2005. We have also successfully obtained the certificate of ISO 9001:2008 for our quality management system applicable to our precast concrete manholes and accessories.

Protection of Customer Data and Privacy

Regarding customer information and data, the Group always handles it with the highest degree of confidentiality. Instruction with respect to confidentiality is clearly stated in the letter of employment of our employees. In other words, employees are well noted about the importance of protecting the privacy of our customers and the Group even before their commencement of work. Our employees are prohibited to reveal or capitalize on any confidential matters or information related to their work and the Group no matter under employment or after termination of their employment. To emphasize the significance of privacy protection, divulging confidential information to any third parties or outsiders without authorization is regarded as a major misconduct and could result in disciplinary actions

一般而言，我們的質量管理措施按多個步驟進行。為客戶製造產品前，銷售部門負責確保已明確界定客戶的所有要求，從而令產品規格符合客戶要求。之後，我們將會安排對所有進貨原材料及設備進行實質檢查，以避免任何不符合規格的情況。製造完成後，產品須接受多項質量測試，例如量度產品尺寸、載荷測試以及混凝土硬度測試。為進一步改善產品質量，我們透過進行客戶滿意度調查、定期會面以至客戶探訪，了解我們能否符合他們的要求。上述程序的結果均會以文件妥善記錄。

如有任何不合格產品（不論是未能符合規定標準或客戶要求），我們將會因應客戶的投訴採取補救及預防行動。我們亦會編製報告，概述有關事件並建議糾正措施。作為負責任的製造商，我們一直致力以零投訴作為目標。

本集團已自2005年起就若干型號的標準預製混凝土接線盒取得由Scientific and Industrial Research Institute of Malaysia (SIRIM)發出的產品質量認證，表彰我們在達成高產品質量方面所付出的努力。我們亦成功就適用於預製混凝土沙井及配件的質量管理系統取得ISO 9001：2008認證。

保障客戶數據及私隱

本集團一直以高度保密方式處理客戶資料及數據。有關保密方面的指示已於僱員的聘書中清楚列明。換言之，僱員在展開工作前已清楚了解保障客戶及本集團私隱的重要性。不論在受聘期間或在終止受聘後，僱員不得透露或利用任何與其工作及本集團有關的機密事宜或資料。為強調保障私隱的重要性，未經授權向任何第三方或外界人士洩露機密資料被視為重大不當行為，可導致紀律處分。

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Business Ethics

The Group spares no effort to protect the intellectual property rights of the Group by conforming to the relevant laws and regulations such as the *Trade Marks Act and Common Law Protection towards Unregistered Trade Marks*. We have registered our trademark in Malaysia and all our precast concrete junction boxes are labeled with the registered trademark to prevent any infringement of our intellectual property rights by any parties. We respect intellectual property rights and do not tolerate any breach of third parties' copyrights. We also require absolute accuracy of all information on our website and forbid any false, misleading or inaccurate statement in any form of our marketing activities. In the Year except for the litigation involving the Company's subsidiaries as stated in the Company's announcement dated 16 October 2017, we had not engaged in, and were not aware of, any litigation or legal proceedings for the violation of intellectual property rights or any material violation.

Anti-corruption

Corruption could be a source of risk that weakens a business's stability and hampers its development. Thus, the Group has made its greatest effort to adhere strictly to a high standard of business conduct. We truly believe that the business conduct of the Group highly hinges on every employee's conduct hence we have formulated a code of ethics and make sure it is well communicated to all employees in the Group.

Following the code of ethics, our employees are forbidden to undertake any activity from which a conflict of interest of the Group could arise. Any employee found to be in a position of conflict must declare his interest and abstain from taking part in any decision making process concerning that activity. Besides, we also have clear regulations governing the receipt of gifts by employees from customers, clients or suppliers, to deter any form of bribery. Excessive and lavish entertainment without a clear business purpose is strictly prohibited. For easier and clearer communication of the meaning of the code of ethics, a list of major misconduct is also included. For example, failure to declare interests by an employee is deemed to have committed a major misconduct and subject to a disciplinary action.

商業道德

本集團透過遵守相關法例及規例(如《商標法》(Trade Marks Act)及《普通法對非註冊商標的保障》(Common Law Protection towards Unregistered Trade Marks))，致力保障本集團的知識產權。我們已於馬來西亞註冊商標，而所有預製混凝土接線盒上均已印有註冊商標，以避免任何人士侵犯我們的知識產權。我們尊重知識產權，不會容忍任何違反第三方版權的情況。我們亦要求載於本集團網站的所有資料絕對準確，並禁止在市場推廣活動中作出任何形式的虛假、誤導或失實陳述。年內，除了於2017年10月16日的公佈所述涉及本公司之附屬公司的訴訟外，我們並無涉及且並不知悉任何有關違反知識產權或任何重大違規事宜的訴訟或法律程序。

反貪污

貪污有可能成為削弱業務穩定性及阻礙發展的風險來源。因此，本集團盡最大努力恪守高標準的商業操守。我們確信，本集團的商業操守高度取決於每位僱員的操守，因此我們已制定道德守則，並確保已有效地向本集團全體僱員傳達有關守則。

根據道德守則，僱員不得進行任何可能對本集團造成利益衝突的活動。任何僱員如被發現出現利益衝突，必須申報其利益並避免參與有關活動的任何決策過程。此外，我們已就僱員收取顧客、客戶或供應商的餽贈制訂明確規則，以防止任何形式的賄賂。我們嚴格禁止在沒有明確商業目的的情況下，作出過度鋪張的宴請。為更方便及清晰地傳達道德守則的涵義，守則內亦載列了一份重大不當行為的清單。舉例而言，沒有申報利益的僱員會被視為干犯重大不當行為，並須受到紀律處分。

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CONTRIBUTING TO OUR COMMUNITY

Apart from the pursuit of business development, the Group also exerts itself to attain its philanthropic goal through participating in various charitable activities. Our endeavour in youth development is exemplified by our active participation in the Charity Run to raise funds for the relocation of a local primary school, the SJK(C) La Salle. The Group has also played a part in the preservation of local culture by making a charity donation to support the reconstruction of Huat Heap Temple.

貢獻社區

除了追求業務發展，本集團亦透過參與各種慈善活動，實現其慈善目標。我們致力於青少年發展，例如我們積極參與慈善跑，為馬來西亞當地的大城堡樂聖華文小學(SJK(C) La Salle)搬遷校舍籌款。本集團亦參與保育當地文化，透過慈善捐款支持千百家法協壇(Huat Heap Temple)的重建。

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Appendix: Content Index of ESG Reporting Guide

附錄：《環境、社會及管治報告指引》內容索引

ESG Indicators

環境、社會及管治指標	Summary 概述	Reference Sections 參考部分	Page 頁次
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A. Environment

A. 環境

A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	— Pollution Treatment — Waste Management — Green Operation	3, 4, 6
A1：排放物	一般披露 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法例及規例的資料	— 污染處理 — 廢物管理 — 綠色營運	3, 4, 6
A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials	— Energy and Water Conservation	5
A2：資源使用	一般披露 有效使用資源(包括能源、水及其他原材料)的政策	— 節能節水	5
A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources	— Energy and Water Conservation — Green Operation	5, 6
A3：環境及天然資源	一般披露 減低發行人對環境及天然資源造成重大影響的政策	— 節能節水 — 綠色營運	5, 6

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ESG Indicators	Summary	Reference Sections	Page
環境、社會及管治指標	概述	參考部分	頁次
B. Society			
B. 社會			
B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	— Employment and Welfare	7
B1: 僱傭	一般披露 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法例及規例的資料	— 僱傭及福利	7
B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	— Health and Safety	9
B2: 健康與安全	一般披露 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法例及規例的資料	— 健康與安全	9
B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	— Training and Development	8
B3: 發展及培訓	一般披露 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動	— 培訓與發展	8

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ESG Indicators 環境、社會及 管治指標	Summary 概述	Reference Sections 參考部分	Page 頁次
B4: Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	— Employment and Welfare	7
B4：勞工準則	一般披露 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法例及規例的資料	— 僱傭及福利	7
B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain	— Supply Chain Management	10
B5：供應鏈管理	一般披露 管理供應鏈的環境及社會風險政策	— 供應鏈管理	10
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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

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