

CABBEEN FASHION LIMITED

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2016

卡賓服飾有限公司
環境、社會及管治報告 2016



Cabbeen

Environmental, Social and Governance Report

環境、社會及管治報告

INTRODUCTION

This is the first “Environmental, Social and Governance Report 2016” issued by Cabbeen Fashion Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”). This report mainly introduces the Company’s policies and measures regarding environmental, social and governance (“**ESG**”) issues and is meant to strengthen communication and engagement with internal and external stakeholders.

The Board of Directors of the Company assumes full responsibility for the Company’s ESG strategy and ESG reporting and is responsible for assessing and determining the Company’s ESG risks and ensuring that the Company has an appropriate and effective ESG risk management and internal control system in place. The Board of Directors and its individual members affirm that this report contains no false or misleading statements or material omissions and that they are jointly and severally responsible for the truthfulness, accuracy, and integrity of its content.

This report covers the Company, its subsidiaries, the Group’s headquarters and a warehouse in Guangzhou City, Guangdong Province and an office and a warehouse in Shishi City, Fujian Province, the People’s Republic of China.

The Company’s ESG report is an annual report and this report is for the period from 1 January 2016 to 31 December 2016.

This report is prepared in accordance with the requirements of the HKEx Environmental, Social and Governance Reporting Guide as set out in Appendix 27 to the Rule Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

緒言

本報告為卡賓服飾有限公司(「**本公司**」，連同其附屬公司，統稱「**本集團**」)刊發的第一份「二零一六年環境、社會及管治報告」。本報告主要介紹本公司有關環境、社會及管治(「**環境、社會及管治**」)事宜的政策及措施，旨在加強與內部及外部利益相關者的溝通及交流。

本公司董事會就本公司的環境、社會及管治策略及環境、社會及管治報告承擔全部責任並負責評估及釐定本公司的環境、社會及管治風險及確保本公司設立適當及有效的環境、社會及管治風險管理及內部監控系統。董事會及其各成員確認，本報告並無載有虛假或具誤導成分的陳述或重大遺漏且彼等就其內容的真實性、準確性及完整性共同及個別承擔責任。

本報告涵蓋本公司、其附屬公司、本集團位於中華人民共和國廣東省廣州市的總部以及倉庫及福建省石獅市的辦公室及倉庫。

本公司的環境、社會及管治報告為年度報告且本報告的期間為二零一六年一月一日至二零一六年十二月三十一日。

本報告乃根據香港聯合交易所有限公司證券上市規則附錄27所載的香港聯交所環境、社會及管治報告指引規定而編製。

Environmental, Social and Governance Report (continued)

環境、社會及管治報告(續)

(A) ENVIRONMENT

The Group is principally engaged in design and sales of menswear apparels and accessories in the People's Republic of China (the "PRC"). The Group outsources production of all its products to third-party suppliers. Though our operating activities do not generate any emissions or wastes that would severely pollute the environment, we are committed to build an environmentally-friendly corporation that pays close attention to conserving natural resources. We are aware that we do not directly control most of the environmental impacts occur in our operations but we seek to improve environmental awareness of our employees and our business partners in the supply chain.

A1: Emissions

The Group is a non-production company and the emissions from its business activities only involve greenhouse gas emissions from the consumption of electricity. Greenhouse gas emissions from energy consumption and employee travels account for the major part of the Company's total emissions. We implement a low-carbon policy and encourage our employees to conserve energy where practicable, including shutting or minimizing the use of air conditioning and lighting during non-office hours.

For the year ended 31 December 2016, the Company has complied with all applicable environmental laws and regulations, and was not subject to any fine, penalty, investigation or prosecution for non-compliance with the relevant laws and regulations relating to emissions.

(A) 環境

本集團主要於中華人民共和國(「中國」)從事男裝及配飾的設計及銷售。本集團將其所有產品的生產外包予第三方供應商。儘管我們的經營活動不會產生嚴重污染環境的排放物或廢棄物，但我們致力成為一家密切留意節約天然資源的環保型公司。儘管我們並不直接控制大部分會對環境做成影響的業務環節，但我們將持續促使在供應鏈內的其他合作夥伴以及我們的員工提升環保意識。

A1：排放物

本集團為非生產型企業且其業務活動產生的排放物僅包括用電產生的溫室氣體排放。能源消耗及僱員出差產生的溫室氣體排放佔本公司總排放物的主要部分。我們實施低碳政策並鼓勵僱員切實節約能源，包括在非辦公時段關閉及減少使用空調及照明設備。

截至二零一六年十二月三十一日止年度，本公司已遵守所有適用環境法律及法規，並無因違反與排放物有關的法律及法規而遭受任何罰款、處罰、調查或起訴。

A2: Use of Resources

The Group strives to minimize its environmental impact by saving electricity and water, and encouraging recycle of office supplies and other materials. It helps save both money and natural resources. For waste that cannot be avoided, we strive to reuse and recycle the relevant supplies and materials as much as possible. The Group also aims at delivering products to retail stores and distributors' warehouses efficiently while minimizing the carbon footprint left behind. Accordingly, the Group has invested to build a centralized logistic centre in Fujian Province to enhance efficiency and reduce transportation costs by better planning product distribution and consolidating outbound product delivery.

The Group has also implemented the following measures to foster a culture of resources conservation awareness:

- The Group encourages paperless working procedures through intranet and use video-conference system to replace avoidable business trips and increase communication efficiency.
- The Group encourages its distributors to switch using LED lighting for retail outlets operated by them.
- The Group is dedicated to minimize use of materials and recycle any unused materials, such as leftover fabrics from sample rooms, hangers and shopping bags and cartoon boxes at warehouses and shop furniture, whenever possible.
- We avoid using excessive packaging and aim at having packaging offering protection for our products and at the same time appealing to customers.

A2 : 資源使用

本集團致力於通過節約用電及用水減少對環境的影響，鼓勵回收利用辦公用品及其他材料。這有助於節約成本及天然資源。對於無法避免的廢棄物，我們盡可能重複利用及回收有關用品及材料。本集團亦致力於以高效的方式向零售店舖及經銷商的倉庫送貨，同時最大限度地減少碳排放。因此，本集團已於福建省投資建設一個現代化的物流中心，集中管理產品配送，以提高效率並降低運輸成本。

本集團亦已實施以下措施，培養節約資源的意識及文化：

- 本集團透過使用內聯網提倡無紙化工作流程，並使用視頻會議系統，盡量避免商務差旅，並提高溝通效率。
- 本集團鼓勵經銷商於其經營的零售店舖改用LED照明。
- 本集團致力於減少材料的使用並盡可能回收任何未被使用的材料，如板房的剩餘面料、衣架及購物袋、倉庫的紙箱以及店舖擺設。
- 我們避免過度包裝產品，產品包裝旨在為產品提供保護，並吸引客戶的注意力。

Environmental, Social and Governance Report (continued)

環境、社會及管治報告(續)

- We maintain our air-conditioners regularly for better performance and an average indoor temperature of 25°C in order to minimize electricity usage.

- 我們定期維護空調系統以保持高效率運轉並維持辦公室室內氣溫在25度左右。

A3: The Environment and Natural Resources

Save as disclosed in sections A2 and A3 above, the Group's operating activities have no significant impact on the environment and natural resources.

A3：環境及天然資源

除上文第A2及A3節所披露者外，本集團的經營活動對環境及天然資源並無直接或重大的影響。

(B) SOCIAL

B1: Employment

As of 31 December 2016, the Group had 442 employees. Human resources are one of the greatest assets of the Group and the Group regards the personal development of its employees as highly important.

The Group endeavors to continue to be an attractive employer for committed employees. The Group conducts employee satisfaction survey once a year. It seriously considers all those valuable feedback from employees for enhancing workplace productivity and harmony.

The Group offers competitive remuneration packages to its employees and has also adopted share option schemes to recognize and reward the contribution of the employees to the growth and development of the Group. The Company's compensation system is strictly in compliance with the Labour Contract Law, the Labour Law and other relevant laws and regulations, with all statutory social security contributions being paid

(B) 社會

B1：僱傭

截至二零一六年十二月三十一日，本集團有442名員工。人力資源是本集團最大的資產之一，本集團高度重視員工的個人發展。

本集團致力繼續成為一名具吸引力的僱主，可吸引忠誠敬業的僱員。本集團每年進行一次員工問卷調查，以瞭解員工對工作環境滿意度，我們並認真考慮員工就提高工作效率及打造和諧工作環境所提供的一切寶貴意見。

本集團向員工提供具競爭力的薪酬待遇，並採納購股權計劃以表彰及獎勵對本集團發展及成長作出貢獻的員工。本集團的薪酬系統嚴格遵守勞動合同法、勞動法以及其他有關法律及法規，並按時繳足所有法定社會保障供款。本公司亦根據僱員表現及技能以及因應業內普遍薪酬水準，不時調整僱員薪金，以確保其薪酬系統具競爭力及公平性。本公

in full and on time. The Company also adjusts employee salaries from time to time according to their performance and skills and in the light of the general compensation level in the industry to ensure that its compensation system is both competitive and fair. The Company ensures that all employees are entitled to paid annual leave, marriage leave, maternity leave and other statutory leaves and holidays in accordance with the law and safeguards employees' basic rights.

We provide long service awards to employees that have served the Group for 5 years, 10 years, 15 years, respectively. To enhance the sense of belongings of our staff to the Group, we also organize various interest group activities regularly for our employees.

B2: Health and Safety

The Group is committed to providing safe and healthy work environments for its employees. It also promotes health and well being of all employees by encouraging employees to do more exercises after work and organizes jogging and yoga class to employees at its headquarters in Guangzhou. In addition, the Company prohibits smoking in offices and the premises of the Group to eliminate all safety hazards. For the year ended 31 December 2016, the Company experienced no employee on duty casualty or any other serious accident and has been in compliance with the applicable laws and regulations relating to its employees' health and safety.

司確保全體僱員均有權享有法律規定的帶薪年假、婚假、產假及其他法定休假及假期並保障僱員的基本權利。

凡於本集團服務滿五年、十年及十五年的員工，均會獲頒長期服務獎。為提供員工對公司的歸屬感，我們也定期安排興趣小組活動給員工參與。

B2 : 健康與安全

本集團致力為員工提供安全及健康的工作環境。我們鼓勵員工在工作之餘加強身體鍛煉，並於廣州總部為員工組織慢跑及瑜伽課。此外，本公司嚴禁於本集團辦公室及其他場所內吸煙，以杜絕一切安全隱患。截至二零一六年十二月三十一日止年度，本公司並無出現任何員工意外傷亡或任何其他嚴重事故且一直遵守有關其僱員健康與安全的適用法律及法規。

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B3: Staff Development and Training

The Group strives to motivate its employees with a clear career path and opportunities for advancement and improvement of their skills. The Group provides pre-employment and on-the-job training and development opportunities to our staff members. The training programs cover areas such as accounting and tax updates, managerial and leadership skills, sales and production, customer services, quality control, workplace ethics and training of other areas relevant to the industry and employees' profession. We aim to foster teamwork cohesion and help equip our employees with new skills for the changing business environment in which the Group competes and new challenges.

B4: Labour Standards

The Group strictly prohibits child labour or forced labour for any position. No one aged below 16 is employed by the Group. There was no case of violation of laws and regulations relating to child or forced labour for the year ended 31 December 2016.

B5: Supply Chain Management

The Group currently outsources the production of all of its products to domestic OEMs. The Group carefully selects its OEMs and requires them to satisfy certain evaluation and assessment criteria, including environmental protection and sewage disposal standards. The Company manages a list of qualified suppliers. Only suppliers that have been assessed to be qualified in terms of safety, quality, business reputation and other indicators are included in the list and qualified to be engaged by the Group.

The Group reviews its suppliers' environmental, and health and safety performance, among other metrics, regularly, and inspects premises of the suppliers to ensure they are complied with the environmental and occupational health and safety management requirements.

B3：員工發展及培訓

本集團盡可能以清晰的職業發展路徑激勵其員工，並為彼等提供提升技術水準的機會。本集團為員工提供上崗前及在職培訓以及發展機會。培訓項目涵蓋最新的會計及稅務知識、管理技能、銷售與生產、客戶服務、質量控制、職業道德以及與行業及員工職業相關的其他領域培訓等。我們旨在透過員工培訓，凝聚團隊精神並提升員工的工作能力以面對多變的營商環境及新挑戰。

B4：勞工準則

本集團嚴禁任何職務僱用童工或強制勞工。截至二零一六年十二月三十一日止年度，本集團並無僱用任何16歲以下的人士，且並無違反有關童工或強制勞工的法律法規。

B5：供應鏈管理

本集團目前將其所有產品的生產外包予國內的供應商。本集團審慎地挑選其供應商，並要求彼等滿足若干評估及評核標準，包括環保及污水處理的標準。本公司管理一列表合資格供應商。僅經評定符合安全、質素、業務聲譽及其他指標規定的供應商方可納入列表及符合資格獲本集團委聘。

本集團定期審查(其中包括)其供應商於環境、健康與安全方面的表現，並對供應商的廠房進行檢查，以確保其符合環境及職業健康與安全管理的規定。

B6: Product Responsibility

It is essential that we provide products to our consumers that are innovative, inspiring, and safe. This helps fulfill our responsibilities to the public, enhances our competitive position in the marketplace, and retains the confidence of our customers. Products must be designed, produced, and serviced to our standards and should comply with applicable regulations and contractual obligations.

We have established a supplier quality assurance system covering supplier approval and evaluation, quality inspection and strategic supplier development policy. Our OEMs are generally required to procure raw materials, manufacture and package our products in accordance with national standards and our guidelines. Our OEMs are not allowed to sub-contract their work to other third parties without our prior written approval. OEMs are required to provide quality inspection reports issued by Fujian Institute of Fiber Inspection (福建纖維檢驗所) or Guangzhou Fiber Product Testing Institute (廣州市纖維產品檢測院) on raw materials they procured and quality inspection reports by a third-party quality inspection institution designated by us on finished products. We also periodically despatch order handling and quality control staff to inspect the production process. OEMs are required to obtain our approvals upon our inspection of the product samples before a volume production can be taken place.

B6 : 產品責任

向消費者提供創新、啟發靈感及安全的產品對我們而言至關重要。這有助於履行我們對公眾的責任，提高我們於市場上的競爭地位，並讓客戶保持信心。產品必須按照我們的標準設計及生產，並應符合適用的法規及合約責任。

我們已建立供應商認證制度，包括對供應商的審核和評估、品質監督及拓展供應商戰略合作關係。我們的供應商通常須根據國家標準及我們的指引採購原材料、生產產品及進行包裝。未經我們事先書面同意，供應商不得將其工作分包予其他廠商。供應商必須就採購的原材料提供福建纖維檢驗所或廣州市纖維產品檢測院出具的質量檢驗報告，並就產成品提供我們指定的質量檢驗機構出具的質量檢驗報告。我們亦會定期派遣跟单及質量控制人員檢查生產流程。在開始批量生產之前，供應商的產品樣品必須經過我們的檢驗並獲得批准。

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環境、社會及管治報告(續)

B7: Anti-corruption

We highly value honesty and integrity. We give each employee clear guidelines in staff handbook on prevention of corruption. Employees of the Group may never offer, give, or accept gifts of cash (or cash equivalents) in any business relationship because these could be considered an illegal bribe or kickback. Gifts and hospitality from business partners to members of employees' family, to those with whom the employee has a close personal relationship, are considered to be given to that employee as well.

We require all of our distributors and suppliers to sign anti-bribery sub-agreements when they enter into agreements with us. These anti-bribery sub-agreements impose obligations on our distributors or suppliers and us to comply with certain PRC laws and regulations in relation to unfair competition and anti-bribery. We are entitled to terminate the agreements with distributors or suppliers for their non-compliance with the terms of the anti-bribery sub-agreements.

For the year ended 31 December 2016, the Company did not find any significant risks relating to corruption and was not subject to any confirmed corruption cases involving the Company or any corruption investigation or prosecution against the Company or any of its employees.

B8: Community investment

The Group cares about the community and encourages its employees to participate in charity events to help people in need. The Group also makes donations to education associations and charitable organizations.

B7 : 反貪污

我們非常重視誠實守信。我們的員工手冊就防止貪污為每位員工提供明確的指引。本集團員工於任何業務關係中不得提供、給予或接受現金(或現金等價物)餽贈，這些可能會被視為非法賄賂或回佣。商業夥伴向員工家屬或與員工存在緊密關係的人士贈送禮品及進行招待會被視為相當於向該員工贈送禮品及進行招待。

我們要求我們所有的經銷商及供應商簽署防止賄賂協議。上述防止賄賂的協議規定，經銷商或供應商及我們有責任遵守有關不正當競爭及防止賄賂的若干中國法律法規。我們有權因經銷商或供應商不遵守防止賄賂協議的條款而終止與彼等的合作。

截至二零一六年十二月三十一日止年度，本公司並無發現任何與貪污有關的重大風險且本公司並無涉及任何已確認貪污案例或向本公司或其任何僱員進行任何貪污調查或起訴。

B8 : 社區投資

本集團關懷社區，並鼓勵其員工參與慈善活動，幫助有需要的人。本集團亦向教育機構及慈善組織捐款。

Cabbeen

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