

西藏水資源有限公司
**TIBET WATER
RESOURCES LTD.**

(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:1115

**Environmental, Social and
Governance Report**
環境、社會及管治報告
2016



The board (the “**Board**”) of directors (the “**Directors**”) of Tibet Water Resources Ltd. (the “**Company**”) and its subsidiaries (collectively the “**Group**”) present the environmental, social and governance report for the year 2016. The Group is committed to running our business sustainably and for the well-being of employees, business partners, other stakeholders and the environment. For these purposes, as the premier Tibetan water and beer manufacturer, we ensure that we meet all relevant national and local laws and regulations as well as industry standards and are committed to conducting our business operations as a responsible, ethical and sustainable corporate.

We strive to offer the best quality products to the world and have built our production plants at highland areas at an altitude of about 4,800 meters and 3,600 meters. We continue to improve our ethical and environment conditions in accordance with international trends.

This report provides information related to the business activities of the production plants and facilities directly controlled by the Group, its headquarters and principal place of business in Hong Kong. Data from our customers or suppliers are not included as such data are difficult to verify with available resources.

西藏水資源有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)的董事(「**董事**」)會(「**董事會**」)謹此提呈二零一六年度的環境、社會及管治報告。本集團致力於業務的可持續發展，為僱員、業務夥伴、其他持份者及環境謀福祉。為此，作為西藏高端水及啤酒生產商，我們確保遵守所有相關國家及地方法律及規例以及行業標準，並致力作為負責任、有道德及可持續發展的企業經營業務。

我們力求向世界提供最優質的產品，並將生產廠房建在海拔約4,800米及3,600米的高原地區。我們根據國際趨勢，不斷提高我們的道德及環境條件。

本報告提供與本集團、其總部及香港主要營業地點直接控制的生產廠房及設施的業務活動有關的資料，當中不包括我們的客戶或供應商的資料，原因為該等資料難以利用可用資源進行驗證。

ENVIRONMENTAL PROTECTION:

Emissions

Our production facilities generate and discharge wastes during production activities, which mainly include waste water, plastics, papers and air pollutants. We consider the protection of the environment to be of utmost importance and have implemented procedures for waste storage, handling and disposal. The Group aims to minimize the impact of our activities on the environment and requires our staff to follow the same principle. We adhere to the principles of low carbon emission, waste and emission reduction, energy and cost saving and an overall environmentally friendly approach in the way we operate.

Our water processing process, which includes water collection, inspection, aeration, sedimentation and filtration, utilizes an open and accessible technology and is environment-friendly. No chemical raw materials or additive is involved during the water processing process. We employ two filtration technologies, namely, media filtration and membrane technology. Media filtration uses filtering materials such as activated carbon, sand and special granules for prefiltration to remove excessive iron, manganese, arsenic or uranium substances from the water. Membrane technology uses polyethersulfone ultrafiltration to remove bacteria, viruses and all undissolved substances from the water without changing its core mineral content. We have also integrated stretch blow-molding into bottling, bottle labeling and water filling into one unit to minimize contamination and maintain the purity and original taste of our water. We observe strict hygiene standards at our production facilities.

Our beer products are brewed using a process based on individual formulas. The typical brewing process involves mashing, lautering, boiling, fermenting, conditioning, filtering, filling, labeling and packaging. The production of our beer products follows the same brewery procedures as other beer producers in the market.

We maintain efficient production lines in order to minimize the wastes generated from production. We also advocate a paperless office and promote double-sided printing, to the extent printing is necessary.

To the best of our knowledge, there were no identified violation of relevant environmental laws and regulations by the Group during the reporting period.

環境保護：

排放物

我們的生產設施於生產活動中所產生及排放的廢物主要包括廢水、塑料、紙張及氣體污染物。我們認為環境保護至關重要，並已實施各項措施儲存、處理及處置廢物。本集團致力減少我們的業務對環境造成的影響，並將要求員工遵守該原則。我們於業務營運過程中遵循低碳減排、節能節本及環保方針。

我們的水處理流程(包括水採集、檢測、曝氣、沉澱及過濾)採用公開及易於使用的技術且環保。水處理流程不涉及化學原料或添加劑。我們採用兩種過濾技術，即濾料過濾及膜技術。濾料過濾採用活性炭、砂及特殊顆粒等過濾材料進行預先過濾，分離水中多餘的鐵、錳、砷或鈾等物質。膜技術採用聚醚砜超濾法分離水中細菌、病毒及所有不能溶解物質，而不改變其核心礦物質含量。我們亦已把拉伸吹塑成型以一個單位整合至裝瓶、瓶上貼標籤及裝水，以將污染降至最低及維持我們的水的純度及原味。我們在生產設備遵守嚴格的衛生標準。

我們的啤酒產品以基於個別配方的流程釀造。一般釀造流程涉及糖化、過濾、蒸餾、發酵、浸泡、壓濾、裝瓶、貼標及包裝。我們的啤酒產品的生產遵循與市場上其他啤酒生產商相同的釀製程序。

我們維持高效的生產線，以盡量減少生產過程產生的廢物。我們亦倡導無紙化辦公，在需要打印時鼓勵雙面打印。

據我們所知，於報告期間並無發現本集團有違反相關環保法律及規例的情況。

Use of resources

The Group's main energy consumption includes water and electricity used in production lines. We advocate green initiatives and adopt measures to conserve resources and reduce their consumption.

Green electricity is used in full-scale in our production plant at the altitude of 4,800 meters. Furthermore, advanced energy saving contiform filler block and voice control LED lighting system are installed in the production plant. We pile up most of the production in spring, summer and autumn. Major maintenance works on production lines and employees' annual vacations are scheduled in winter time. During the intensely cold period, the production plants will put to semi or almost hibernated condition as higher energy consumption is needed to keep the production plants in full function. We actively implement energy conservation and environmental protection policies in our production plants and office. For instance, electrical devices must be completely shut down to prevent leaving devices on stand-by mode during non-operating hours. We also operate an in-house telephone and video conferencing system to reduce travelling needs of our management.

The environment and natural resources

In order to maintain the quality and safety of our water products, we have established a "water protection zone" of 60 square kilometers around our water source. No human activities are allowed in the most restricted zone and the spring source has been secured in a fully enclosed facility to prevent any potential contamination of our water source.

A 3-stage protection zone, including protection zone, limitation zone and monitoring zone, is set up for our water source. A 24-hour closed circuit television system is installed to monitor the trail from water source to the plant. Our water source is rich in content but the extraction rate is relatively low. The remaining flow of spring water follows the mountain slope and fills the wetland which breeds and protects the local ecology.

SOCIAL:

Employment

Our people are our most valued assets and their well-being is essential for the productivity and growth of our business. We treat them with fairness and respect and provide them with a supportive working environment within which they can unleash their greatest potential.

資源使用

本集團的主要能源消耗包括生產線所使用的水電。我們倡導環保實踐，採取措施節約資源，降低消耗。

在海拔4,800米的生產廠房全面採用環保電能，並於生產廠房內安裝先進的吹灌旋一體節能設備及聲控LED燈光系統。我們的生產主要集中在春季、夏季及秋季。生產線的主要維護工作及僱員年假安排在冬季。於嚴寒期間，由於維持生產廠房全面運轉需要更高能耗，因此生產廠房將處於半數或幾乎全部停產狀態。我們於生產廠房及辦公室積極實施節能環保政策。例如，不使用電子設備時應將其完全關閉，避免設備處於待機模式。我們亦設有內部電話及視頻會議系統，以減少管理層的差旅需求。

環境及天然資源

為維持水產品的質素及安全性，我們已於水源地方圓60平方公里內建立「水源保護區」。最受限制的區域內禁止一切人類活動，並已對泉水源頭建立嚴密的封閉設施，防止水源地受到可能的污染。

水源地周圍設立了三級防護區(包括保護區、限制區及監控區)，並沿着水源點到廠房的路段安裝了24小時閉路電視系統監控。我們的水源屬於超大型泉，惟採水率較低，其餘泉水順山谷流入濕地，為當地的生態提供繁殖機會與保護。

社會：

僱傭

我們的員工是我們最寶貴的資產，其身心健康對我們業務的生產力及增長至關重要。我們以公平、尊重的態度對待我們的員工，並提供一個讓他們能盡展潛能的支持性工作環境。

The Board believes in being people-oriented. The employees of the Group are one of the most important assets of the Group and their contribution and support are highly valued. The Group is committed to providing equal opportunities in recruitment and promotion, regardless of age, gender, race, skin colour, religion, nationality, marital status, disability or sexual orientation. The management review and adjust the structure, size, composition and diversity of the manpower of the Group on a timely basis and make every effort to ensure that there is no harassment in workplace.

The Group ensures staff are reasonably remunerated with regular reviews on compensations and benefits policies in accordance with the industry benchmark as well as the individual performance of the employees. Other fringe benefits, training, employee provident fund and share options, if applicable, are provided by the Group to solicit/retain loyal employees with the aim to form a professional and united staff and management team that can bring higher levels of achievements to the Group.

Health and safety

The Group follows a people-oriented philosophy by demonstrating care about the mental and physical health of employees and striving to create a comfortable working environment for our employees. We educate employees on health and safety risks that may exist in work, in order to equip them with the relevant knowledge and ability to safeguard personal and production safety.

We have posted operation safety procedures and instructions in production plants to remind employees of safety practices. We also implement appropriate protection measures for employees who work in positions with relatively higher safety risks to reduce the occurrences of occupational accidents and injuries.

No accident relating to serious injuries or death or property damage has been reported to our management during the reporting period. Furthermore, during the reporting period, we were not subject to any claim arising from any serious accident involving personal injury or death or property damage that had a material adverse effect on our business, operation or financial position.

董事會堅持以人為本。本集團僱員為本集團最重要的資產之一，他們的貢獻及支持受到高度重視。本集團致力於招聘及晉升方面提供平等機會，不論年齡、性別、種族、膚色、宗教信仰、國籍、婚姻狀況、殘疾或性取向。管理層適時檢討和修訂本集團的人力架構、規模、組成及多元化，並盡力確保工作場所內不存在任何騷擾行為。

本集團確保員工合理受薪，並根據行業基準以及僱員個人表現定期檢討薪酬及福利政策。本集團提供其他額外福利、培訓、僱員公積金及購股權(如適用)以招攬／挽留忠誠僱員，以建設專業及團結的員工及管理層團隊，促進本集團取得更高成就。

健康與安全

本集團堅持以人為本，關心僱員身心健康，力爭為我們的僱員營造舒適的工作環境。我們針對僱員在工作中可能存在的健康安全風險進行教育，從而讓他們擁有相關知識及能力維護自身及生產安全。

我們已於生產廠房張貼操作安全程序及說明，提醒僱員注意安全守則。我們亦為處於相對較高安全風險的職位的僱員實行適當的保護措施，以減少職業事故及受傷的發生。

於報告期間，我們的管理層概無接獲涉及重傷或死亡或財物損毀的意外報告。此外，我們於報告期間並無因涉及任何人身傷亡或財物損毀的嚴重意外而產生任何索償致使我們的業務、營運或財務狀況受到重大不利影響。

Development and training

The Group believes that employees' growth and development are essential to the sustainable growth and development of the Group. We provide diversified on-the-job training in our production plants based on the needs of the respective positions and talents of the employees. We also encourage our management staff to participate in continuous professional development training which are relevant to their professions. Apart from induction training, the Company provides updates to the Directors and senior management on the latest development regarding the Listing Rules and other applicable regulatory requirements from time to time, to ensure their compliance with and to enhance their awareness of good corporate governance practices.

Labour standards

The Group strictly prohibits the use of child labour and forced labour. We only employ employees aged over 18 years and never force employees to work overtime in order to foster a working environment that respects human rights. We do not allow any kind of discrimination or potential discrimination in our workplace.

In accordance with the Labour Contract Law of the People's Republic of China (the "PRC") 《中華人民共和國勞動合同法》，employers and employees shall enter into written employment contracts to establish their employment relationships. Employers are required to inform the employees about their job duties, working conditions, occupational hazards, manufacturing safety conditions, remuneration and other matters with which employees may be concerned. Employers shall pay remuneration to employees on time and in full in accordance with the commitments set forth in the employment contracts and the PRC laws and regulations.

Under applicable regulations, including the Interim Regulations Concerning the Levy of Social Insurance Fees 《社會保險費徵繳暫行條例》 and the Administrative Regulation on Housing Fund 《住房公積金管理條例》，employers in the PRC shall make contributions to the basic pension insurance fund, basic medical insurance fund, occupational injury insurance, unemployment insurance fund, maternity insurance fund and housing fund for their employees.

To the best of our knowledge, there were no identified violation of relevant employment laws and regulations by the Group during the reporting period.

發展及培訓

本集團認為僱員的成長及發展對本集團的可持續增長及發展至關重要。我們根據僱員的職位需要及專長於生產廠房提供多元化的在職培訓。我們亦鼓勵管理人員參加與彼等專業相關的持續專業發展培訓。除入職培訓外，本公司不時向董事及高級管理層提供有關上市規則及其他適用監管要求的最新發展情況，以確保彼等遵守並提高彼等對良好企業管治常規的認識。

勞工準則

本集團嚴格禁止使用童工及強制勞工。我們僅會聘請18歲以上的僱員且不會強迫僱員超時工作，從而營造一個尊重人權的工作環境。我們的工作場所不允許任何形式的歧視或潛在的歧視行為。

根據《中華人民共和國(「中國」)勞動合同法》，僱主與僱員須訂立書面僱傭合同以確立其僱傭關係。僱主須告知僱員其工作職責、工作條件、職業危險、生產安全狀況、薪酬及僱員要求了解的其他情況。僱主須根據僱傭合同的承諾以及中國法律及規例的規定按時向僱員支付足額薪酬。

根據適用法規，包括《社會保險費徵繳暫行條例》及《住房公積金管理條例》，中國的僱主須為僱員繳納基本養老保險金、基本醫療保險金、工傷保險、失業保險金、生育保險金及住房公積金。

據我們所知，於報告期間並無發現本集團有違反相關僱傭法律及規例的情況。

Supply chain management

The Group maintains long-term relationships with its suppliers to ensure stable supply of materials for production.

We also require our suppliers to improve their sustainability performance, act responsibly and to adhere to our environmental protection and product safety strategies.

Product responsibility

The Group has put quality as its priority to ensure customer satisfaction in terms of our products and services. Pursuant to the Product Quality Law of the PRC 《中華人民共和國產品質量法》，a manufacturer shall establish a comprehensive internal management system for product quality, and implement internal policies of quality, responsibility and assessment. We have been awarded several certifications attesting to our outstanding quality control systems over our products.

Our environment management system in the production and sales of our water products has been certified to comply with ISA 14001:2004 and GB/T 24001-2004 by the China Quality Certification Center since 2008. Our quality control system in the production and sales of our water products has been certified to comply with ISO 9001:2008 and G/T 19001-2008 by the China Quality Certification Center since 2008. Our production process of water business has been certified to comply with CAC/RCPI-1969, Rev4(2003) Guidelines for the Hazard Analysis Critical Control Point (“HACCP”), which is an internationally-recognized standard for food safety, since 2008.

Our environment management system in the production and sales of our beer products has been certified to comply with ISA 14001:2004 and GB/T 24001-2004 by the China Quality Certification Center since 2010. Our production process of beer business has been certified to comply with CAC/RCPI-1969, Rev4(2003) Guidelines for the HACCP, which is an internationally-recognized standard for food safety, since 2010.

To the best of our knowledge, there were no identified violation of relevant laws and regulations on product responsibility and data privacy by the Group during the reporting period.

供應鏈管理

本集團與其供應商保持長期的合作關係，以確保生產材料的穩定供應。

我們亦要求我們的供應商改善其可持續表現、負責任行事及遵守我們的環境保護及產品安全策略。

產品責任

本集團堅持質量第一，確保客戶滿意我們的產品及服務。根據《中華人民共和國產品質量法》，生產商須就產品質量設立綜合內部管理系統，實施質量、責任及評估的內部政策。我們已獲授多項認證，證明我們擁有卓越的產品質量控制系統。

我們生產及銷售水產品的環境管理系統自二零零八年起獲中國質量認證中心認證符合ISA 14001:2004及GB/T 24001-2004。我們生產及銷售水產品的質量控制系統自二零零八年起獲中國質量認證中心認證符合ISO 9001:2008及G/T 19001-2008。我們水業務的生產流程已自二零零八年起獲得認證，遵守危害分析重要管制點（「HACCP」）應用指引CAC/RCPI-1969, Rev4(2003)（國際認可食品安全標準）。

我們生產及銷售啤酒產品的環境管理系統自二零一零年起獲中國質量認證中心認證符合ISA 14001:2004及GB/T 24001-2004。我們啤酒業務的生產流程已自二零一零年起獲得認證，遵守HACCP應用指引CAC/RCPI-1969, Rev4(2003)（國際認可食品安全標準）。

據我們所知，於報告期間並無發現本集團有違反相關產品責任和數據私隱的法律及規例的情況。

Anti-corruption

The Group is committed to doing business with integrity and will not tolerate any bribery or other misconduct. We have implemented internal policies and guidelines to comply with applicable laws in the PRC on anti-bribery and anti-corruption. Whistle blower policies and procedures are in place and disseminated to all employees. These measures are subject to regular review and update to ensure their effectiveness to strengthen the internal controls and compliance regime of the Group. No complaints or suspect cases were received via the whistle blower channel or other channels in 2016.

Community investment

We act as a responsible member of the society and are dedicated to contributing to the well-being of our environment and to providing help to those who are in need.

The Group hired about 95% of its employees at the production plant at Dangxiong, Tibet, from local Tibetan farmers and herdsmen, and the Group provided them with relevant education and on-the-job training. As a result, these local people attained an average annual income of about RMB 50,000 per capita, a significant increase from the previous baseline of below RMB 2,000 per household before 2005.

By promoting opportunities and capabilities using a human development approach, the Group has educated farmers in the countryside in Tibet with new industry skills, improved their access to knowledge and learning, and provided them with opportunities to leave defunct industries. By introducing them to modern production methods, operations and management skills, local farmers and herdsmen in rural areas of China gained not only knowledge and skills, but also understanding of the modern society. Their living standards have substantially improved, and their ways of living have been changed rapidly.

In August 2016, the United Nations Development Program, in collaboration with the Development Research Centre of the State Council, jointly released the "China National Human Development Report 2016" in Beijing. The report used the Group as an illustration of developing local economy in Tibet and highlighted our experience in promoting the unique local water industry. Our case study emphasized the benefits of providing development-oriented aid to underdeveloped regions in Tibet instead of mere handing out one-off relief measures.

反貪污

本集團致力以誠信經營業務，絕不容許行賄或其他不當行為。我們已實施內部政策及指引，以遵守中國有關反賄賂及反貪污的適用法律。我們已訂立舉報政策及程序，並告知全體僱員。該等舉措須定期予以檢討及更新，以確保其可有效加強本集團的內部控制及合規制度。於二零一六年，我們並無從舉報渠道或其他途徑接獲任何投訴或疑似案例。

社區投資

我們身為社會上負責任的成員，致力為環境福祉作出貢獻，並向有需要人士提供幫助。

本集團於西藏當雄縣的生產廠房向當地西藏農牧民僱用約95%的僱員，且本集團向他們提供相關教育及在職培訓。因此，該等當地員工實現平均年收入人均約人民幣50,000元，遠高於二零零五年之前的先前基線每戶不足人民幣2,000元。

本集團以人才發展方針推動機遇及能力，為西藏農村的農民提供新的行業技能教育，改善他們獲得知識及學習的途徑，為他們提供離開過時行業的機會。通過引入現代生產方式、經營及管理技能，中國農村地區的當地農牧民不僅可獲得知識及技能，亦可了解現代社會。他們的生活水平大幅提高，生活方式迅速發生變化。

於二零一六年八月，聯合國開發計劃署聯合國國務院發展研究中心在北京發佈了《中國人類發展報告2016》，報告分享了以本集團為代表的西藏地方特色水產業發展當地經濟的經驗，實現西藏落後地區從「輸血式」扶貧向「造血式」幫扶的發展。

We are constantly committed to water source protection. Since November 2015, we have been in corporation with Thirst, an organization which aims at tackling the world's water scarcity crisis by educating and engaging the next generation of global consumers. The cooperation reflects our commitment to sustainability and environmentally responsible practices. Thirst promoted water saving education through programmes in primary and secondary schools in China to inspire the ideas and attitude towards saving water. So far more than 700,000 students have been involved in such programmes. Furthermore, Thirst promoted its missions through events with extensive media coverage such as the Run4Water Programme, in which Ms. Mina Guli, the founder of Thirst and a water environmentalist, ran for water through 7 deserts in 2016 and along 6 rivers in 6 continents in 2017.

Supporting education and helping to create a more productive community are the main drivers of the Group's community investment strategy. The donations made by "Tibet 5100 Education Fund (西藏5100教育發展專項基金)", the charity fund established by the Group, provide support to local basic education and healthcare providers and assist in poverty alleviation, examples include school meals and education facilities provided to local schools at Dangxiong, Tibet.

Shareholders

We strive to maximize long-term value and return for our shareholders.

Our commitment towards our stakeholders provides us guidance in respect of our corporate responsibility policy which we strive to ensure that the values of our social and environment responsibilities are integrated into our daily operations and business code of conduct.

Customers and business partners

Our main goal is to satisfy our customers and provide them with world-class Tibetan water and beer products. We regard each distributor and supplier as our long-term business partner and conduct all businesses with integrity and in a responsible manner.

我們一直致力於保護水源。我們自二零一五年十一月起與Thirst(一間致力於透過全球下一代消費者教育及參與而解決世界水短缺危機的組織)開展合作。與之合作反映我們於可持續發展及環保實務的堅定承諾。Thirst通過在中國各中小學舉辦多種活動推廣節水教育，以激勵節水理念及態度。迄今為止，已有逾700,000名學生參與其中。此外，Thirst通過舉辦各種活動吸引廣泛媒體報導，以此宣傳其使命，例如Run4Water(為「水」而跑)計劃，Mina Guli女士(為Thirst的創辦人，是一名水資源環保人士)為此於二零一六年穿越七大沙漠及於二零一七年跑遍六大洲的六條河。

支持教育及幫助創造更富有生產力的社區，是本集團社區投資策略的主要推動力。本集團建立的慈善基金「西藏5100教育發展專項基金」作出的捐贈，為當地基礎教育及醫療保健提供者提供支持並協助扶貧，其中包括向西藏當雄縣的當地學校提供學校用餐及教育設施。

股東

我們致力達至股東的長期價值及回報最大化。

我們對持份者的承諾為我們的企業責任政策提供指引，據此我們盡力確保將我們的社會及環境責任價值整合至我們的日常營運及業務操守準則。

客戶及業務夥伴

我們的主要目標為滿足客戶及為其提供世界級西藏水及啤酒產品。我們視各經銷商及供應商為我們的長期業務夥伴，並以真誠及負責任的態度進行所有業務。

The Group seeks to maintain good relationships with its customers. The Group maintains an after-sales call center to serve our end customers, and the sales personnel make regular visits and/or phone calls to the distributors and sales outlets in the market. If there is any complaint from customers, it will be reported to the management and immediate remedial action will be taken. Thereafter, the cause of such complaint will be studied, analyzed and evaluated, and recommendations will be made for future improvements.

The Group also seeks to maintain good relationships with its suppliers. During the year, there was no dispute in debts or unsettled debts. In addition, whenever the Group places orders, our suppliers are willing to accept our orders.

本集團尋求與其客戶維持良好關係。本集團設有售後服務中心，服務我們的終端客戶。銷售人員定期拜訪及／或致電市場經銷商及銷售網點。倘接獲客戶投訴，則會匯報至管理層並即時採取補救行動。此後，本集團將研究、分析及評估有關投訴的原因，並提出改善建議。

本集團亦尋求與供應商維持良好關係。年內，概無有關債務或未結債務之爭議。此外，當本集團下訂單時，我們的供應商均樂意接納訂單。

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