



廣南(集團)有限公司

GUANGNAN (HOLDINGS) LIMITED

Stock Code: 1203



2017

Environmental, Social and Governance Report

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I. ABOUT THIS REPORT

The purpose of this Environmental, Social and Governance Report (“ESG Report”) is not only to communicate the sustainability strategies, management approaches and performances of Guanganan (Holdings) Limited and its subsidiaries (collectively the “Group” or “we”) with the stakeholders, but also strengthen the Group’s understanding towards their ongoing activities in sustainable development of the societies and the environment as a whole. This ESG Report summarizes the efforts and achievements made by the Group in corporate social responsibility and sustainable development.

The Group hopes to develop its business objectives and creates shareholder/investor value, while at the same time protects the ecological environment by fully utilizing resources and minimizing the emission of pollutants during operation. As a responsible and visionary corporate citizen, we have to balance the relationship between operations and environment by continuously optimizing operations management, business strategies and policies on environmental protection, training and development, and community investment; and contribute towards the sustainable development of the globe, human being and our business.

I. ABOUT THIS REPORT *(continued)*

Scope and Period of Reporting

The ESG Report mainly covers the manufacturing and sales of tinplates and related products, distribution and sales of fresh and live foodstuffs and foodstuffs trading business of the Group and presents the Group's strategic approach to sustainability and performance in the environmental and social aspects of its businesses for the reporting period from 1 January to 31 December 2017. The ESG Report does not cover the leasing of properties business as it only accounts for less than 1% of the Group's revenue. A summary of the environmental indicators and the performance data are listed out at the "Environmental Performance Data Summary" section to this report.

Reporting Guidelines

The ESG Report has been prepared in accordance with the updated Environmental, Social and Governance Reporting Guide issued by The Stock Exchange of Hong Kong Limited, as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.





II.

ENVIRONMENTAL PROTECTION

1. Management of Emissions

The Group puts great effort to environmental management of their factories as they fully aware of the sewage, exhaust air, wastes and noise are generated during operation. The objective is to reduce their impact to the environment. Besides, we utilize plenty of natural resources such as electricity, fuel, natural gas, water, etc. We take various measures to effectively save energy, strengthening recycling of resources, introducing advanced equipment to optimize waste treatment and minimizing the impact on the environment and natural resources. We have obtained the pollutant discharge permit from the government (exhaust air, sewage and noise). Zhongshan and Qinhuangdao plants were accredited ISO 14001:2015 Environmental Management System Certification. We set up specialized environmental protection organization such as environmental protection production units or Environmental Protection Management Committee responsible for management and monitoring of the corporate efforts in this area; conducting environmental test; promoting clean production following the environmental management system; formulating long-term environmental strategy, monitoring the treatment of sewage, exhaust air, greenhouse gases as well as solid wastes handled by various departments and factories. We monitor pollution sources and the environmental performance of the entire plant in a regulated and systematic manner. For areas that require special attention, a set of internal policies and

II. ENVIRONMENTAL PROTECTION (continued)

1. Management of Emissions (continued)

procedures has been formulated to monitor the emission of exhaust air, sewage, wastes and noise, and to ensure that all production are in compliance with the national and local environmental standards. We also identify and comply with the new environmental laws and regulations from time to time, and provide training to all the related staff to ensure their operation is in full compliance.

Management of Sewage

To comply with the “Water Pollution Prevention and Control Law of the People’s Republic of China”, environmental protection production team is responsible for monitoring the discharge of sewage of production plants. In order to meet the emission standard for sewage, we focus on managing and monitoring the chromium level and the sewage pH value. Discharge of plating bath solutions (including timplating solution, recovery liquid, chromeplating solution, passivation solution, etc.) during the timplating production process is not allowed unless an application is made three days in advance and an approval is obtained from the production technical department. The sewage volume and quality are monitored by setting up facilities at the electroplating sewage discharge outlet that connects directly, through data collection devices, to the system of Environmental Protection Bureau, for real time data retrieval. Respective departments test the water quality once a week and submit our self-assessment and monitoring program to the environmental protection authority for record. The authority also performs test randomly at our site two times each quarter. We also engaged a local accredited company to test and measure the pH value, chemical oxygen demand, ammonia nitrogen, total phosphorus, total nitrogen of waste water, and test results were in compliance with the emissions standards. We will continue improving our production techniques, strive to develop and utilize sewage recycling mechanisms to save water and to reduce sewage discharge.



II. ENVIRONMENTAL PROTECTION (continued)

1. Management of Emissions (continued)

Management of Exhaust Air and Greenhouse Gases Emission

The environmental protection production team and Environmental Protection Management Committee is responsible for monitoring the industrial exhaust gas. With full cooperation from production units, the overall management work in this area has been effectively improved. In order to ensure the emission standards are met, the management and monitoring of exhaust air and greenhouse gases are in compliance of local laws and regulations. Each production department is responsible for the management, repairs and maintenance of the facilities, and keeping operational records. We test the exhaust air and greenhouse gases emissions once every quarter, and the self-assessment and monitoring program are submitted to the environmental protection authority for records. We also engaged a local accredited company to test and measure the ash, dust, carbon monoxide, nitrogen oxides of exhaust air, and test results were in compliance with the emissions standards. To reduce the impact to the environment, we actively recycle exhaust air as well as utilize residual heat and pressure.

Management of Disposal of Solid Wastes

To comply with the “Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste” and relevant laws and regulations, the Group has established policies and procedures to manage and monitor the workflow of solid wastes handling. Solid wastes generated during the production process are categorized as recyclable wastes, non-recyclable wastes and hazardous wastes. We recycle as much recyclable wastes as we can. We have engaged local accredited companies for the disposal of non-recyclable wastes. Hazardous wastes are treated in accordance with the national requirements.

Chromium residues and chemicals from the production of tinplates are the main hazardous wastes of the Group. Highly corrosive chromium residues in sewage after treatment will precipitate at the bottom of the sewage pool and removed and taken away by accredited companies. Transportation of chromium residues are reported to the local environmental protection authority. Information about the weights and packaging of the residues, the vehicles registration, name of drivers, frame number, etc. are all recorded in the system and the transportation process is strictly monitored. The vehicles carrying the chromium residues should follow a predetermined route from the factories to the processing center. Upon arrival, the residuals are weighed again and stored. We keep on improving the treatment mechanism to reduce the chromium level in sewage and aiming at eliminating emissions.

II. ENVIRONMENTAL PROTECTION (continued)

1. Management of Emissions (continued)

Management of Disposal of Solid Wastes (continued)

The responsible department and user units strictly comply with the relevant local laws and regulations, and internal policies and procedures when using, transporting and storing the hazardous substances, and to take necessary measures to prevent environmental pollution.

We have set up strict procedures to handle the hazardous wastes from production process. The hazardous wastes are placed in designated area, and then delivered to designated treatment station by local accredited companies for treatment in order to prevent any hazardous materials from being improperly handled.

For non-hazardous wastes (e.g. packaging materials), we have devised a recycling approach corresponding to each source. Wastes are categorized by the production units, centralized at designated area, and an accredited service provider is appointed to collect waste for treatment. To improve resource utilization rate, we recycle papers used in office.

Management of Noise

To comply with the “Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Noise”, the Group have strict control and management of the impact of noise produced internally to the surrounding environment. We require employees to wear ear plugs when operating the production equipment and they have to carry out their work following the operation manual. We have strict control and management of sounds produced by equipment during our production. The production facility is muted, sound and vibration-proofed. The responsible department focus on management, repairs and maintenance of the production equipment in order to ensure that the noise level is within the national standards. We have appointed accredited service provider to test and measure noise level and test results were in compliance with the emissions standards.

II. ENVIRONMENTAL PROTECTION (continued)

2. Management of Resources Utilization

In order to comply with the “Energy Conservation Law of the People’s Republic of China”, and the other relevant internal policies and procedures, our energy management team promotes corporate culture on saving resources and is responsible for the corporate energy saving plan, establishing energy management system, coordinating, managing and monitoring the performance. We were accredited GB/T 23331-2012 / ISO50001:2011 Energy Management System Certification. We have set up various resource saving measures to raise the awareness of our employees to understand the importance of resource conservation. They are encouraged to make full use of resources, to maximize the effectiveness and to avoid wastage.

Conservation of Energy

We control the use of energy and improve resource usage efficiency through daily management and monitoring of energy consumption. We prohibit the use of high-energy consuming electromechanical equipment; replace lagging transformers with energy-efficient ones; substitute a high-energy consuming fan by two energy-efficient high-pressure fans for some drying systems. After such change, steam heating is no longer required and achieved power saving. We promote the use of energy-efficient lighting and high-performance LED controller. Lights shall be turned off whenever there is enough daylight. Air conditioners shall be turned off after work, and the use of which will be limited according to seasonal and temperature changes. Doors and windows shall not be stayed open when air conditioners are turned on. Employees are required to check and ensure that their department’s electrical appliances and computers are switched off when they get off from work.

During the reporting period, the Group’s business consumed 84,970 megawatt hours (“MWh”) of electricity, 73 tonnes of diesel and 57 tonnes of gasoline. With reference to the guidelines of the Greenhouse Gas Protocol and the regional emission factors, greenhouse gas emissions are calculated from the above-mentioned data. For total carbon dioxide emission during the reporting period, Scope 1 emissions and Scope 2 emissions were 354 tonnes and 84,105 tonnes respectively.

II. ENVIRONMENTAL PROTECTION (continued)

2. Management of Resources Utilization (continued)

Conservation of Water

The Group uses water from tap water, cooling tower water, deionized water and soft water. We hope every staff can make the best use of water resources and reduce wastage. Each production department and office have to check regularly its water facilities, pipes and taps to prevent wasting water. We also enhance our staff's awareness in water conservation. Once damaged pipes or valves or water leakage is found, the staff shall notify the maintenance department promptly for repair. During the reporting period, the Group's business consumed 919,990 tonnes of water.

Use of Fuel and Natural Gas

Procurement, storage and volume measurement of fuel and natural gas are handled by the Purchasing and Storage Department. The requisition and use of fuel and natural gas are strictly controlled and the Warehouse staff check all requisition details prior to distribution. Motor vehicles fuel consumption follows the company's guideline. In order to prevent environmental pollution caused by fuel leakage and enhance the thermal efficiency of natural gas, user departments are responsible for regular inspection, repairs and maintenance of the equipment and transportation pipelines.

Use of Steam

Our Production Technical Department is responsible for steam supply, coordination, daily inspection, and repairs and maintenance works. User departments are responsible for the inspection, repairs and maintenance of steam pipes and measuring instruments. Steam is used according to our assigned quota. Residual heat and condensed water are collected and recycled for reuse. Heat insulation layers are installed to boilers, steam pipes, valves, flanges and steam facilities to maintain the surfaces at an appropriate temperature.

II. ENVIRONMENTAL PROTECTION (continued)

2. Management of Resources Utilization (continued)

Conservation of Paper

Paper is an important natural resource. In order to avoid wastage, we advocate to create a paperless office and encourage staff to read documents in electronic format, rather than paper copies. Staff follows the principle of “think before printing” and selectively print to save paper. Duplex printing is suggested. The single-sided papers are reused and double-side papers are collected in recycling bin. Files are distributed in electronic format. During the year, we begin to use the paperless board meeting system to reduce the use of paper. During the reporting period, the Group’s business consumed about 4 tonnes of paper.

Compliance

During the reporting period, the Group did not involve in any incidents in relation to the environmental protection that had a significant impact on the Group.

3. The Environment and Natural Resources

Since our establishment, the Group has adhered to and implemented the principle of “environmental protection” and “energy conservation”, and devoted to care about and to protect the nature, everyone should take part in it and hope to create a beautiful world together. In order to let employees realizing that everyone has impact to the environment, we set up various policies and measures, and take actions, with an aim to reduce carbon footprint, and environmental impact in the staff’s personal and business lives (Please refer to “Management of Emissions” and “Management of Resources Utilization” above for details). We hope that every staff can start from themselves, convey the message of protecting the environment to families, friends and business partners; build powerful cohesion, and alleviate climate change jointly.



III. EMPLOYMENT AND LABOR PRACTICES

The Group believes employees are the most important partners, and hence a comprehensive human resources management mechanism is established. It plays critical roles in the Group's sustainable development, recruiting and retaining talented people. When we set up human resources policies, we strive to create a harmonious and comfortable working environment with pragmatic, conscientious, united and progressive attitudes. We establish an equal and competitive mechanism internally, regulate the promotion process of employees, and provide regular training activities to fully develop our people's personal and professional talents and lay the foundation for their future career development. Besides, we promote work-life balance and focus on staff physical and mental health; we organize activities to enrich their leisure time and, at the same time, to promote team cohesion. We also strive to create a safe workplace and retain talented people for our sustainable development.

III. EMPLOYMENT AND LABOR PRACTICES (continued)

Talent Selection

We follow the principles of openness and non-discrimination to recruit and hire, and devote to protect privacy of employees. During staff recruitment, knowledge, ability, morality and job requirements are used as the selection standards, and the principles of fairness, equality and openness are followed; and all candidates are not discriminated against because of their race, gender, age, nationality and religion. We provide equal opportunities to employees in terms of compensation and benefits, promotion, performance appraisal, training and career development. We only consider their morality, knowledge, ability and technical skills. We work with our employees together to create a win-win situation, and to establish our corporate culture of investing in talent development, encouraging continuous learning, reflecting, competing, innovating and communicating.

Labor Standards

The Group respects human rights and strictly prohibit any unethical hiring practices, including child labor and forced labor in the workplace. Policies and procedures are established to comply with the relevant labor laws and regulations. During the recruitment process, we review the identity documents of the applicants and never hire any applicant under the legal working age. The working hours of staff are in line with the relevant local labor laws and regulations. Staff consent for working overtime is needed so as to prevent forced overtime work; and they are compensated in accordance with the requirement of the relevant laws and regulations.



III. EMPLOYMENT AND LABOR PRACTICES (continued)

Compensation and Welfare

The Group attracts and retains outstanding talents with competitive remuneration packages and regularly examines their salary levels to ensure it is up to standard. The Group collects up-to-date remuneration data for our industry and strives to establish a fair, reasonable and competitive remuneration system. Staff salaries level are decided based on one's knowledge, skills, experiences and education background relevant to their work requirements. Basic remuneration of employees includes salary, variable salary, overtime allowances, working meals, paid holidays, etc. In accordance with the local labor laws and social security laws and regulations, we provide social security benefits for all employees, and protect their rights of rest days and holidays. We terminate and compensate staffs in accordance with local laws and regulations. Besides, we provide hospitalization and medical insurance protection, and general body check subsidies and various kind of subsidies. For the purpose of ensuring our staff are healthy physically and mentally, and fulfilling their growing cultural and entertainment needs, the Group organizes various recreational activities like badminton, table tennis, basketball, photography and occupational skills competition; we also organize team building activities on an irregular basis to enhance team coordination, work efficiency and team cohesion.



III. EMPLOYMENT AND LABOR PRACTICES (continued)

Development and Training

In order to align the staff career development with the long-term corporate business plan, the Group formulated training policies and procedures. Based on the departmental human resources needs, the human resources department established a comprehensive training program for staff, to create an excellent, well-trained and responsible corporate team. This not only enhances the staff's knowledge and management skills, but also improves their ability, performance and efficiency, and raises their enthusiasm and building team spirit. New hires must participate in pre-employment training and pass the assessment. The training topics include corporate culture, business, work-related rules and regulations, organizational structure, welfare, environmental protection and work safety, etc. (please refer to "Health and Safety" below for details of work safety). During the reporting period, on top of providing our new hires with pre-employment training, we also organized various training programs. The training topics include environmental protection regulation, business plan, labor regulation, techniques on managing VOCs emissions, internal audit practical training, production techniques, etc. We also design specific training to technical staff or site management staff in accordance with local labor regulations to enhance their professional knowledge and skills. Our staff need to pass the assessment and get the required licence for work.



III. EMPLOYMENT AND LABOR PRACTICES (continued)

Health and Safety

We care about our employees' health and the safety of their working environment in order to prevent occupational hazards and safety production incidents, and to comply with the relevant national laws and regulations on safety production, we have established a sound safety management system. We were accredited OHSAS 18001:2007 Occupational Health and Safety Management System Certification.

Training is important in ensuring safe work environment and occupational health. We provide all staff with production safety training, including internal and external training. New staff are required to attend and get pass in examination after a 3-level safety training, including company level, department level and team level, before they are assigned to jobs. We also provide all staff with environmental, occupational health and safety education at least once a year to help them understand our corporate environmental approach and improve their awareness of environmental protection, occupational health and safety continuously. Any latent safety threats must be reported to the safety and environmental protection department immediately for appropriate action. New employees must join the orientation training covering our policies and procedures and safety training on top of their department-specific training. Besides, a comprehensive annual safety training is conducted on a regular basis. The safety management team arranges daily safety inspection to the production department. They sample check the staff safety education files to ensure our workplace safety. Specialists like electricians, stoves workers, welders, etc., must possess valid license and passed examinations recognized by the Nation before they are allowed to work.

Pursuant to the requirements of the "Law of the People's Republic of China on Prevention and Control of Occupational Diseases", an occupational health management system which protects our workers' health, rights, and interests was established. We provide our workers with protective equipment (such as earplugs, uniforms, protective shoes, etc.) that meets national standards, and supervise and educate them how to wear and use them. Stringent safety work and fire prevention guidelines are also established. Employees are required to perform medical checkup every year and to pass in the medical assessment as a prerequisite for continuous employment. We care about employee's health and occupational safety.

Compliance

During the reporting period, there were no identified violations that were related to labor practices with a significant impact on the Group.



IV.

OPERATING PRACTICES

Supply Chain Management

We are dedicated to maintaining long-term, stable and strategic cooperative relationships with leading suppliers, and are committed to a strategic procurement-led approach, achieving co-development with our suppliers on the basis of equality and win-win situation. We establish supply chain management system with strict requirements to provide channels to employees, suppliers, customers and other business parties to report any violations of laws or regulations. During the reporting period, the Group did not have significant issues relating to violations in this respect.

Our tinplate business has a strict procurement management system to control the quality of products and services from suppliers, to evaluate new suppliers, to periodically assess current suppliers at least once a year and to maintain an “approved suppliers list” and a supplier database. We believe that strict control in raw material procurement is crucial to producing quality products. There is a segregation of duties for the signing of contracts with suppliers, inspection of raw materials and monitoring. Our suppliers are required to provide recognized certifications, adopt good internal management system, make on-time delivery, comply with relevant laws and regulation, adopt professional skills, and provide products with high and stable quality. As such, we can ascertain that the suppliers selected are competitive and qualified products and services are provided.

There is also a procurement system for our fresh and live foodstuff business. Suppliers selection is strictly assessed and controlled. We use qualified suppliers in Mainland China to ensure that the fresh and live foodstuff are safe, up to standard and able to satisfy our customers’ need.

IV. OPERATING PRACTICES (continued)

Product Responsibility

We devote in providing quality and safe tinplating products, and good service to satisfy customer needs. With technological advancement and improved living standards, customers are increasingly demanding for product quality. Therefore, we keep improving product quality and implement an effective quality control system, including investment in research and development of new technologies and products; strict control and monitor product quality; and established a sound customer service system in order to satisfy customer requirements. We were accredited ISO 9001:2015 Quality Management System Certification and FSSC 22000 Food Safety System Certification.

Our fresh and live foodstuff business also has strictly control over tally and quality to ensure higher quality, safety and hygiene of foodstuffs supplied to customers. Staff of our Fresh Meat Processing must follow our internal policies and procedures. Qualified hygiene supervisors are appointed following the requirement of Food and Environmental Hygiene Department. The hygiene supervisors and designated managers strictly carry out their job duties in this area. Our staff also coordinate with the on-site quality controllers from the business partner to monitor the entire operation to ensure fresh meat quality.

During the reporting period, there is no non-compliance incidents relating to our products which has significant impact on the Group.

Anti-corruption

The Group requires directors, management and general staff to be honest, conducting business with high integrity and follow the requirements in business ethics and culture in order to avoid any bribery. The behavior of those personnel involved in production to operations are monitored, and they are demanded to build up a habit of complying to policies and procedures. We have established whistle-blowing channel like a mailbox and hotline to make sure that the informer can report incidences like suspected use of one's position for personal gains, bribes, blackmailing, fraud and money laundering in strict confidence. We are dedicated to anti-corruption and are willing to contribute to the building of an honest and upright society. Before employees are on board, they are required to attend training in business ethics. Employees who are in breach of the company's code of conduct are disciplined or dismissed.

During the reporting period, there is no litigation of corruption involving the Group or our employees.



COMMUNITY INVESTMENT

We advocate accountability in our corporate culture. Everyone is accountable to oneself, their family, their employer, and the society. We pay attention to our corporate image and act as a responsible corporate citizen contributing to the society. We organized our staff to donate monies when disasters occurred. We have been donating monies to the “Charity Miles” campaign in Zhongshan City for years. We encourage staff to help people in need by making donation or participating in volunteer services, like arranging volunteer team to visit the elderly centers.

The Group is a responsible taxpayer and offers job opportunities to local people. We assisted our employees to prepare for their retirement. We have maintained good operation, actively promoting environmental protection and to achieve good development order; and to some certain extent, we have contributed to social stability and building a harmonious community.





VI. HONORS AND CERTIFICATIONS

Zhongshan Zhongyue Tinplate Industrial Company Limited

- (1) ISO 14001:2015 Environmental Management System Certification
- (2) GB/T 23331-2012/ISO 50001:2011 Energy Management System Certification
- (3) ISO 9001:2015 Quality Management System Certification
- (4) FSSC 22000 Food Safety System Certification
- (5) OHSAS 18001:2007 Occupational Health and Safety Management System Certification
- (6) Top 100 China Packaging Enterprises (中國包裝百強企業)
- (7) The Most Socially Responsible Enterprise in Guangdong Province 2017 (2017 廣東省最具社會責任感企業)
- (8) Quality and Credit Enterprise in China (中國質量誠信企業)
- (9) Environmental Protection and Credit Enterprise of Guangdong Province (廣東省環保誠信企業)

Zhongyue Posco (Qinhuangdao) Tinplate Industrial Co., Ltd.

- (1) ISO 14001:2004 GB/T 24001-2004 Environmental Management System Certification
- (2) GB/T 23331-2012/ISO 50001:2011 RB/T 117-2014 Energy Management System Certification
- (3) ISO 9001:2008 GB/T 19001-2008 Quality Management System Certification
- (4) GB/T 22000-2006/ISO 22000:2005 Food Safety System Certification
- (5) OHSAS 18001:2007 GB/T 28001-2011 Occupational Health and Safety Management System Certification
- (6) Advanced Family for Workers (先進職工之家)
- (7) The Outstanding Organization of The Seventh Cultural and Art Festival in Qinhuangdao Economic & Technological Development Zone (第七屆文化藝術節優秀組織單位)
- (8) The Outstanding Organization of The Third Occupational Skills Competition in Qinhuangdao Economic & Technological Development Zone (秦皇島經濟技術開發區第三屆職工職業技能大賽優秀組織獎)

VI. HONORS AND CERTIFICATIONS (continued)

Zhongshan plant:

(1)



(2)



(3)



(4)



(5)



(6)



(7)



(8)



VI. HONORS AND CERTIFICATIONS (continued)

Qinhuangdao plant:

(1)



(2)



(3)



(4)



(5)



(6)



(7)



(8)





VII. VISION OUTLOOK

As a good corporate citizen, the Group hopes to balance between achieving the corporate economic goals and business objectives, and to fulfill their social responsibility. The Group will continue to pay attention to environmental protection, employee care, product/service quality and community contribution so as to create niche for sustainable development.

As for environmental protection, the Group will endeavor to comply with the stringent environmental protection laws and regulations, allocate resources and undertake various environmental improvement projects, including improving exhaust air, sewage and waste treatment facilities. When it comes to employee care, the Group will put employee satisfaction and production safety as our top priority. Through ensuring occupational safety and a competitive system, the Group aims to attract more talents in the technical and management arenas. As far as product and service quality are concerned, the Group will continue to provide customers with high quality products to conform with the environmental protection requirements. For community contribution, the Group is committed to fulfilling its social responsibility by participating in charitable activities and promoting the community's sustainable development.

The Group aims at becoming a respectable enterprise, and hopes to improve business performance and create more meaningful value for our stakeholders through implementing sustainability strategies.



ENVIRONMENTAL PERFORMANCE DATA SUMMARY

	Unit	Tinplating Business	Fresh and Live Foodstuff Business	2017 Total
Greenhouse gas:				
Scope 1:	Tonnes	351.06	2.98	354.04
Scope 2:	Tonnes	84,029.36	75.15	84,104.51
Air emissions:				
Nitrogen oxides	Tonnes	17.61	0.25	17.86
Sulfur oxides	Tonnes	2.37	0.02	2.39
Particles	Tonnes	5.64	0.03	5.67
Hazardous wastes:				
<i>Solid wastes generated:</i>				
Total	Tonnes	964.22	—	964.22
Intensity	Tonnes	— *	—	N/A
<i>Sewage discharged:</i>				
Total	Tonnes	432.44	—	432.44
Intensity	Tonnes	— *	—	N/A
Non-hazardous wastes:				
<i>Solid wastes generated:</i>				
Total	Tonnes	14,372.47	1,117.69	15,490.16
Intensity	Tonnes	0.07	0.24	N/A
<i>Sewage discharged:</i>				
Total	Tonnes	403,522.80	Note 1	Note 1
Intensity	Tonnes	1.90	Note 1	N/A

VIII. ENVIRONMENTAL PERFORMANCE DATA SUMMARY (continued)

	Unit	Tinplating Business	Fresh and Live Foodstuff Business	2017 Total
Packaging materials used:				
Total	Tonnes	2,943.81	59.86	3,003.67
Intensity	Tonnes	0.01	0.01	N/A
Energy and water consumption:				
<i>Electricity:</i>				
Total	MWh	84,870.51	99.41	84,969.92
Intensity	MWh	0.32	0.02	N/A
<i>Diesel:</i>				
Total	Tonnes	73.26	—	73.26
Intensity	Tonnes	— *	—	N/A
<i>Gasoline:</i>				
Total	Tonnes	56.04	0.87	56.91
Intensity	Tonnes	— *	—	N/A
<i>Water:</i>				
Total	Tonnes	912,469.00	7,521.03	919,990.03
Intensity	Tonnes	4.29	1.64	N/A
<i>Natural gas:</i>				
Total	M ³	4,558,859.00	—	4,558,859.00
Intensity	M ³	17.22	—	N/A

Note 1: The sewage from the fresh and live foodstuff business is mainly generated from cleaning of the poultry pig in the slaughterhouse (third party) which is responsible for collecting the sewage. There are various tenants in the slaughterhouse at the same time, and the slaughterhouse has not provided sewage data in relation to our business. Therefore, we did not disclose the data in this report.

* The data are less than 0.01

N/A Not applicable

IX.

“ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE” BY HONG KONG STOCK EXCHANGE

Key Performance Indicators (“KPIs”)	Reporting Guideline	Page
A. Environmental		
Aspect 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.	4 - 7
KPI A1.1	The types of emissions and respective emissions data.	23
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	23
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	23
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	23
KPI A1.5	Description of measures to mitigate emissions and results achieved.	4 - 7
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	4 - 7
Aspect A2	Use of Resources	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	8 - 10
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (MWh) and intensity (e.g. per unit of production volume, per facility)	24

IX. “ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE” BY HONG KONG STOCK EXCHANGE (continued)

Key Performance Indicators (“KPIs”)	Reporting Guideline	Page
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	24
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	8 - 10
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	9
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	24
Aspect A3	The Environment and Natural Resources	
General Disclosure	Policies on minimizing the issuer’s significant impact on the environment and natural resources	10
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	10
B. Social[#]		
Aspect B1	Employment and Labor Practices	
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.	11 - 13

IX. “ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE” BY HONG KONG STOCK EXCHANGE (continued)

Key Performance Indicators (“KPIs”)	Reporting Guideline	Page
Aspect 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.	15
Aspect B3	Development and Training	
General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.	14
Aspect B4	Labor 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 labor.	12
Aspect B5	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	16
Aspect B6	Product Responsibility	
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 health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	17

IX. “ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE” BY HONG KONG STOCK EXCHANGE (continued)

Key Performance Indicators (“KPIs”)	Reporting Guideline	Page
Aspect B7	Anti-corruption	
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 bribery, extortion, fraud and money laundering.	17
Aspect B8	Community Investment	
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.	18

Pursuant to Appendix 27 of the “Main Board Listing Rules”, the KPIs under Area B “Social” are recommended disclosures only. Therefore, the Group choose not to disclose those KPIs in this report.



GDH

廣南(集團)有限公司

GUANGNAN (HOLDINGS) LIMITED