

2017

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



綠科科技

Greentech

Greentech Technology International Limited

綠科科技國際有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00195)

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Environmental, Social and Governance Report

1. ABOUT THIS REPORT

Greentech Technology International Limited (the “Company”) is pleased to present our Environmental, Social and Governance (“ESG”) Report (“ESG Report”) for the financial year ended 31 December 2017. The report involves environmental and social impacts, policies and initiatives of the Company and our major subsidiaries, (collectively called “the Group”) to demonstrate our continuous commitment to sustainability. Additional information in relation to the Group’s corporate governance and financial performance can be referred to our Annual Report 2017.

The present scope of ESG reporting covers the principal operating activities of the Group’s headquarters and subsidiaries, which include the mining operation in Australia and Group’s office in Hong Kong. This Report highlights our sustainability activities spanning over the period from 1 January 2017 to 31 December 2017.

The ESG Report is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” (the “ESG Reporting Guide”) under the Appendix 27 of the Main Board Listing Rules set out by the Hong Kong Exchanges and Clearing Limited (HKEx).

Those aspects and key performance indicators (“KPI”) defined in the ESG Reporting Guide which are considered to be relevant and material to the Group’s businesses and operations will be presented under the four subject areas, namely: Environmental Protection, Employment and Labour Practices, Operational Practices and Community Investment. A complete list of index in compliance with the ESG Reporting Guide is also available at the end of this Report for reference.

In order to define what are relevant and material to our business in relation to sustainability, the key is to understand what issues our stakeholders are most concerned with. We define our stakeholders as people who affect our business or who are affected by our business. In our daily business, we actively exchange information with our stakeholders through our transparent platform while we are devoted to continuous improvement of our communication system. We are committed in maintaining a long-term partnership with our stakeholders and are actively engaged in addressing their concerns with follow-up actions.

If you, as one of our stakeholders, have any questions about the content of the ESG Report or comments on the Group’s sustainability issues, please contact us via email, ir@green-technology.com.hk.

2. ENVIRONMENTAL PROTECTION

2.1. Corporate Environmental Policy

Being the foundation of a sustainable economy, a sustainable environment is crucial to the well-being of human beings. In accordance with our environmental vision, we are committed to comply with the environmental laws and regulations of the jurisdictions where we operate.

Our sites are subject to strict internal and external scrutiny to verify full adherence to applicable regulations and permits as well as our own internal standards. We also set and review our environmental objectives from time to time to minimise our environmental impact and seek for continuous improvement throughout all our workplaces.

2.2 Energy Efficiency Management

As a responsible miner, we have long advocated energy-saving measures and techniques for mitigating Greenhouse Gas (GHG) emissions.

During our operation, the Renison Bell Tin Mine is our major source of emission. At the mine site, electricity and diesel oil are mainly used for the mining operation and transportation on site. To achieve a better energy conservation and reduction of GHG emissions, we adopted several energy-saving initiatives, including:

- installing LED lighting system in some parts of the mining sites;
- adopting timer-controlled fans and energy efficient electric motors;
- putting up signage emphasizing the importance of energy saving;
- regularly monitored the power usage to identify any abnormal usage;
- adopting well-maintained machinery and vehicles; and
- using Hyper-V virtualization technology which lowers the server footprint.

In addition, with respect to the energy-saving practices in other offices outside of the mine site and the Group's office in Hong Kong, we also take various measures to raise the awareness of environmental protection, including:

- encouraging employees to turn off the IT devices when not in use;
- setting office machines such as copiers and monitors to turn off automatically after office hours;
- maintaining indoor temperature at an optimal level for comfort;
- encouraging employees to make the best use of the telephone/video conference facilities so as to avoid unnecessary travel arrangement.

Environmental, Social and Governance Report (Continued)

During our operation, the possible sources and types of airborne contaminants generated were identified, including respirable and inhalable dusts, diesel particulate matter and asbestos. To make sure the air emissions do not exceed the permit, we have conducted risk assessments and monitoring on the potential impacts and level of air contamination. Other control facilities such as dust suppression and extraction system and ventilation are also in place to minimise the impacts on the working environment.

Under the National Greenhouse and Energy Reporting Act 2007, the data in relation to our GHG emissions and energy consumption of our mines are submitted annually to the Clean Energy Regulator.

2.3 Waste Management

In the mining industry, waste management is considered as a crucial issue throughout the operation. Responsible storage, handling and disposal of any hazardous waste are central components of our effort in environmental protection.

Our corporate policies and practice manual emphasize minimising the generation of wastes, encouraging recycling of wastes, and monitoring the waste disposal procedure in an acceptable and proper manner. As a responsible corporate citizen, we fully understand that disposal of the hazardous waste should be handled by licensed contractors in a controlled manner.

The major source of the non-hazardous waste at our mine sites is waste rocks, which, based on our mine planning and production schedule, are removed and piled on the Waste Rock Holdings Pad during the peak production period. During the off-peak period, most of the waste rocks are returned to underground as back-fills.

Apart from waste rocks, our waste streams also include used oil and scrap metal, which are commonly recycled wherever possible. For the sake of a better waste management system and resource conservation, we have been studying improved screening and metallurgical technologies to separate tin and copper from Rentails tailings. All the wastes that are non-recyclable on-sites are collected by licensed contractors for waste disposal.

In relation to water discharge, we have established a series of corporate policies to monitor and control the quality of the water being discharged. Such that certain quality standards of acidity, total suspended solids, sulphates and metals meet the requirements of the Environmental Protection Notice (EPN). An internal control system including identification and responsive procedures for risk management are also in place for the targets of zero exceedance of EPN limits. We are also exploring ways to mitigate the acid mine drainage (AMD). We have implemented low sulphur tailings and water covers to manage AMD.

In our office, we have encouraged paperless solution such as documents storage, material sharing or internal administrative documents. When using paper, employees are encouraged to use double-sided paper, black and white or recycled papers when printing or photocopying documents. It considerably improves operational efficiency while helping create a paperless operation system.

Believing that every small step will make a difference, the Group is as committed as ever to conserving precious resources by taking eco-friendly measures to manage the waste generating during our operation and conserve resources. Our properties are periodically reviewed through our internal compliance team to ensure that they are in compliance with our internal standards and regulation commitments.

2.4. Environmental Performance

In accordance with the ESG Reporting Guide set out by the Hong Kong Stock Exchange, our environmental performance of “Energy Use and Emissions”, “Resource Use” and “Waste Management” during the reporting period are presented as below.

Table 1 — Energy Use and Emissions

Energy Use and Emissions	Unit	2017
Electricity	kWh	80,251,207
Unleaded Petrol	L	2,376
Diesel	L	2,148,401
Greenhouse Gas Emissions	CO ₂ e (kg)	17,490,158
Nitrogen Oxides	g	6,461,040
Sulphur Oxides	g	33,796.40
Particulate Matter	g	492,039

Table 2 — Use of Resources

Use of Resources	Unit	2017
Paper	kg	1,964

Table 3 — Waste Management

	Unit	2017
Hazardous Waste		
Waste Oil	L	26,760
Septic Waste	L	27,080
Non-Hazardous Waste		
Putrescible Waste	L	2,370

In the future, the Group will continue to raise employees’ awareness in environmental protection on an ongoing basis and perform our business with an environmentally conscious approach.

3. EMPLOYMENT AND LABOUR PRACTICES

3.1 Employment and Labour

Human capital has always been considered by the Group as the most important asset for our long-term operation and business development, thus the Group is committed to upholding an open, fair, just and reasonable human resource policy. The Group safeguards the rights of our employees by strictly complying with the applicable labour laws and regulations of the jurisdictions where we operate.

Equality and diversity is highly respected in our corporate philosophy during the process of employment, remuneration, promotion and termination. In our employee inclusion, we strictly follow the relevant laws and regulations and our employment policies to select candidates based on skillsets, experience and expertise, irrespective of race, gender, age, national origin, physical or other attributes and offer equal employment opportunities to different genders, age groups and nationalities. We also comply with regulations related to child labour and forced labour.

In Australia, the Group safeguards the rights of our employees by strictly complying with relevant employment laws and regulations. All employees are members of a state-managed retirement benefit scheme (Superannuation fund). Transportation and accommodation are also provided to employees with respect to their shift schedule. We strictly prohibit discrimination, harassment and bullying at all workplaces. We have also developed the Employment Opportunity Complaint Procedure where channels are provided for employees to report the matters to the management. All complaints are treated seriously and promptly, impartially and confidentially.

In Hong Kong, the Group safeguards the rights of our employees by strictly complying with relevant employment laws and regulations, including the Mandatory Provident Fund Schemes Ordinance by participating in the Mandatory Provident Fund retirement benefit scheme for our eligible employees, the Minimum Wage Ordinance, Employment Ordinance and the Employees' Compensation Ordinance by offering competitive wages, medical insurance, disability and invalidity coverage, maternity leave and other compensation to our employees.

The Group also reviews the corporate policy of employment and labour regularly to ensure that the Group has fully complied with the local labour legislations and regulations.

3.2 Training and Development

Believing that the competence, work experience and skill-sets of our staff-members play an important role in maintaining our operation efficiency, the Group strives to ensure that our professional training and development programs continuously evolve to keep pace with the latest standards of the industry and create a listening culture through support and coaching.

Subsidies and supports are given to employees to attend relevant training programs related to work, and membership of professional organisations. At the mine site, sufficient training is provided to ensure that all employees are capable to acquire proper skills to handle their assigned tasks. Through a variety of on-the-job learning sessions, we are able to nurture and retain excellent talents so as to strengthen the competitiveness of the Group.

In accordance with the ESG Reporting Guide set out by the Hong Kong Stock Exchange, the details of the of training and development programs for the operation in Australia during the reporting period of 2017 are tabulated as well as presented in graphs below.

Table 4 — Training and Development *

Employee Training	Unit	2017
Average hours of training received per employees	hours	2.3
Average hours of training per employee by ranking		
Senior level	hours	4.0
Middle Level	hours	2.0
Entry Level	hours	2.0
Percentage of training by ranking		
Senior level	%	100
Middle Level	%	100
Entry Level	%	100

3.3 Health and Work Safety

Bearing in mind that health and safety is the key focus for the mine operation, the Group has been attaching great importance to a comfortable and safe working environment for our employees and workers which protect them from any potential occupational hazards.

At our mine site, we continuously perform risk assessments to identify, analyse, evaluate and control any potential risks associated with our operation. To mitigate the impacts and to maintain the wellness of our employees who are exposed to various hazards, such as exposure to atmospheric contaminants and radiation, noise, heat stress, ergonomic hazards and mental health hazards, we have implemented the following measures:

- situating the biological effluent treatment plant in a remote location to isolate potential hazards;
- installing dust suppression and extraction systems, gas detection monitors, and ultraviolet water sanitisers to improve the working environment; and
- implementing underground ventilation facilities for a better air quality and temperature at the workplaces.

Apart from the abovementioned engineering controls, we also formulate an emergency response plan to address safety issues which is reviewed at least twice annually to ensure it is up-to-date. We regularly organize training and assessment programs to support the well-being of our employees. Full reimbursement for subscription to gymnastic membership are provided for our eligible employees.

Environmental, Social and Governance Report (Continued)

Besides, we strive to ensure that all contractors align with our Occupational Health and Safety (OHS) standards and develop an OHS management system based on hazard analysis and risk assessment of their projects or operations. OHS audits are conducted on a scheduled basis to review effectiveness of the implementation of the OHS management system. We will provide contractors a corrective action plan within a required timeframe in the event that non-compliance or irregularities are identified for necessary corrective actions. The result of the OHS audits is an important part of our assessment of contract renewal with the contractors.

In Hong Kong, the Group is in strict compliance with the Occupational Safety and Health Ordinance, by ensuring that the employees are working in a safe environment. We have developed and adopted health and safety policies, including prohibition of smoking in workplace, abuse of alcohol and drugs, identification and prevention of risks and hazards in workplaces, and follow-up actions for accidents or personal injuries. The Group has offered various facilities to address the health and safety needs of our employees, encompassing:

- installing air purifiers in areas where are relatively crowded such as conference and meeting rooms;
- ensuring ample space between workstations and clean and tidy common space such as corridors and pantry; and
- maintaining sufficient ventilation and lighting system in the offices;

During the reporting period, the Group has achieved zero work-related fatalities and lost days due to work injury.

Believing that sense of belonging is the key for the healthy growth of every commercial organization, the Group promotes open and direct communication between employees and management. Regular and festival gatherings are organized to enhance the harmonious spirit of different levels of staff members throughout the Group.

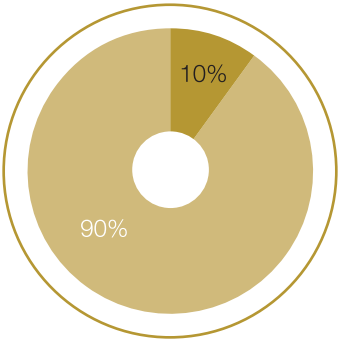
3.4 Our Workforce

In accordance with the ESG Reporting Guide set out by the Hong Kong Stock Exchange, the details of the workforce of the Group during the reporting period of 2017 are tabulated as well as presented in graphs below.

Table 5 — Workforce

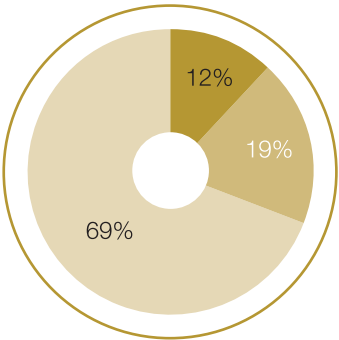
	2017
Total Number of Full-Time Employees	275
Turnover rate by gender (%)	
Female	6.9%
Male	8.5%
Turnover rate by Age Group (%)	
Under 30 years old	5.9%
30–50 years old	9.0%
Over 50 years old	8.5%
Turnover rate by Geographic Region (%)	
Hong Kong	11.8%
China	8.1%

Workforce by Gender



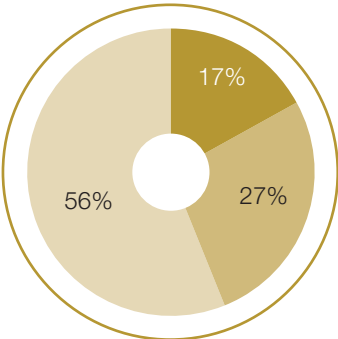
● Male ● Female

Workforce by Ranking



● Senior level ● Middle level ● Entry level

Workforce by Age Group



● Under 30 years old ● Between 30 and 50 years old ● Above 50 years old

4. OPERATING PRACTICES

The Group has developed the management systems which is aligned with the Corporate Governance required by HKEX.

4.1 Supply Chain Management

Across our industry, demands for ethical compliance are increasingly strict. As a responsible corporate citizen, one of our missions is to disseminate the pursuit of sustainability into our core business. Our supply chain management team is central to provide assurance that our operations do not contribute to human rights abuses or breaches from international laws.

We have established a risk-based due-diligence process to evaluate whether the vendors/contractors are capable to meet our quality requirements and whether they are in compliance with labour practices and in line with our ethical commission.

Our supply chain management team will evaluate their track record related to legal compliance, ethical and social compliance such as child and forced labour, workplace health and safety, hours of work, compensation, benefits and wages, mitigation of environmental impacts, protocols against sexual and gender discrimination, protocols against harassment and abuse.

We require our suppliers to comply with all the applicable laws and regulations to follow the principles of proper social, environmental and ethical conduct. If the supplier cannot reach the applicable compliance standards, the Group will not engage such supplier.

4.2 Anti-Corruption

The Group is committed to upholding a high standard of business ethics and to standards to prohibit bribery and corrupt practices. The Group has developed a series of company policies on anti-fraud, anti-bribery, anti-extortion and anti-money laundering with reference to the Prevention of Bribery Ordinance (Cap 201 of the laws of Hong Kong). These policies apply to all members of the Group, and we also encourage all of our business partners to abide by the principles of the policies.

The Group conducts periodic and systematic fraud risk assessments and will effectively communicate its anti-fraud policy and procedures to all levels of employees. The Group continues to monitor the effectiveness of its control related to mitigating fraud risk and remedy any deficiencies identified internally and by any external parties in a timely manner.

During the reporting period, we comply with the corporate policy of anti-corruption and no cases of anti-corruption have been concluded.

5. COMMUNITY INVESTMENT

The Group is committed to improving the society through community involvement. Both the Group and employees of the Group have put their best effort in helping the local communities and people in needs in the society. In our community involvement, we mainly focus on three areas, namely assisting the disadvantaged, promoting education, health and well-being, and supporting volunteer emergency services provider.

By employing local workforce and initiating the internship programs for university students, our investment in Australia contributed to the local labor market. Moreover, apart from donation to various organization, we have also participated in the Zeehan Gem and Minerals Fair to connect the community and showcase the minerals and mining history of Tasmania.

In the future, the Group is committed to attaching great importance to community services. We will encourage our staff members to be actively engaged in voluntary services and join hands together to disseminate the spirit of services in the community where we all depend on.

6. HKEX ESG GUIDE CONTENT INDEX

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
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	Environmental Protection	
KPI A1.1	Types of emissions and respective emissions data	Environmental Protection	
KPI A1.2	Greenhouse gas emissions in total and intensity, where appropriate	Environmental Protection	
KPI A1.3	Total hazardous waste produced and intensity, where appropriate	Environmental Protection	
KPI A1.4	Total non-hazardous waste produced and intensity	Environmental Protection	
KPI A1.5	Description of measures to mitigate emissions and results achieved	Environmental Protection	
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Environmental Protection	

Environmental, Social and Governance Report (Continued)

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
Aspect A2: Use of Resources			
General Disclosure	Policies on efficient use of resources including energy, water and other raw materials	Environmental Protection	
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity	Environmental Protection	
KPI A2.2	Water consumption in total and intensity	—	Water consumption is not material to our core business.
KPI A2.3	Description of energy use efficiency initiatives and results achieved	—	Water consumption is not material to our core business.
KPI A2.4	Description of whether there is any issue in sourcing water, water efficiency initiatives and results achieved	—	The Group believes that no issues related to sourcing water have been identified at this moment.
KPI A2.5	Total packaging material used for finished products, and if applicable, with reference to per unit produced	—	Use of packaging material is not applicable to our core business.

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
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Aspect A3: The Environment and Natural Resources

General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources	Environmental Protection	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them	Environmental Protection	

Aspect 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 Labour Practices	
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	Employment and Labour Practices	
KPI B1.2	Employee turnover rate by gender, age group and geographical region	Employment and Labour Practices	

Environmental, Social and Governance Report (Continued)

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
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	Employment and Labour Practices	
KPI B2.1	Number and rate of work-related fatalities	Employment and Labour Practices	No work-related fatalities were recorded during the reporting period.
KPI B2.2	Lost days due to work injury	Employment and Labour Practices	No lost days due to work injury were recorded during the reporting period.
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Employment and Labour Practices	

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
Aspect B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Employment and Labour Practices	
KPI B3.1	The percentage of employees trained by gender and employee category	Employment and Labour Practices	
KPI B3.2	The average training hours completed per employee by gender and employee category	Employment and Labour Practices	
Aspect 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 Labour Practices	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	Employment and Labour Practices	No such incidents were reported during the reporting period.
KPI B4.2	Description of steps taken to eliminate child and forced labour practices when discovered	—	No such incidents were reported during the reporting period.

Environmental, Social and Governance Report (Continued)

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain	Operating Practices	
KPI B5.1	Number of suppliers by geographical region	Operating Practices	
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Operating Practices	
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	—	Not material to the core of the Group's operation.
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	—	No incidents were reported during the reporting period.
KPI B6.2	Number of products and service related complaints received and how they are dealt with		No complaints were reported during the reporting period.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights		Not material to the core of the Group's operation.

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
KPI B6.4	Description of quality assurance process and recall procedures		Not material to the core of the Group's operation.
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored		Not material to the core of the Group's operation.
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	Operating Practices	
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	—	No concluded legal cases regarding corrupt practices were brought against the issuer or its employees during the reporting period.
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Operating Practices	

Environmental, Social and Governance Report (Continued)

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
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 takes communities' interests into consideration	Community Investment	
KPI B8.1	Focus areas of contribution	Community Investment	
KPI B8.2	Resources contributed to the focus areas	Community Investment	