



NORTHEAST ELECTRIC DEVELOPMENT CO., LTD.
東北電氣發展股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(在中華人民共和國註冊成立之股份有限公司)

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



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About This Report 關於本報告

This Environmental, Social and Governance Report is prepared by Northeast Electric Development Company Limited (the “Company”) and its subsidiaries (the “Group”) for the year ended 31 December 2017. Main businesses of the Group include research and development, design, production and sales businesses of power transmission and transformation equipment related products. Main products, such as electric power capacitors and enclosed busbars, are principally used in the power system field to improve the voltage quality of power systems and the transmission efficiency of transmission lines, and support the transmission of high-power electric energy, serving as the important equipment of power systems.

Actively realizing its environmental responsibility of “**Friendly Environment, Warm Home**”, the Company strives to create an environment-friendly enterprise. In line with the business objective of “**Good Faith for Reputation, Everlasting Innovation**”, it provides customers with better products/services through the concerted efforts of all employees to keep pace with the times and struggle ahead.

As a responsible and visionary corporate, we create value to shareholders/investors through optimizing corporate governance, environmental protection, talent development and community investment, and simultaneously support our business philosophy and objectives, promote sustainable development strategy, implement environmental friendly policies, fulfill corporate social responsibility, devote to sustainable talent growth, and endeavor to build a more pleasant and harmonious environment.

The Group actively improves its corporate governance structure to standardize its operation. In 2017, the Group seriously complied with the regulations of “Corporate Governance Code” and “Corporate Governance Report” stated in the Appendix 14 of the Hong Kong Stock Exchange Listing Rules, and adopted the best practices recommended contained therein in an appropriate circumstance.

本報告是東北電氣發展股份有限公司（「**本公司**」）及其附屬公司（「**本集團**」）截至 2017 年 12 月 31 日止之環境、社會及管治報告。本集團主要業務包括輸變電設備相關產品的研發、設計、生產和銷售業務，主營產品主要為電力電容器、封閉母綫等，主要應用於電力系統領域，用以改善電力系統的電壓質量和提高輸電綫路的輸電能效，支持大功率電能的傳輸，是電力系統的重要設備。

公司一直踐行「**環境友好、保護家園**」的環境觀，懷著共建環境友好企業的願望，本著「**以信持譽、創新永恆**」的經營宗旨，通過全體員工與時俱進的市場意識和拼搏進取的堅韌毅力，為客戶提供更優質的產品／服務。

作為一家具有責任心及遠見的企業，我們通過優化營運管治、環境保護、培養人才和社區投資等方面的措施，為股東／投資者創造價值的同時，也可實現經營理念和業務目標，推動公司可持續發展，履行友好環境策略，肩負起社會責任，推動人才永續成長，為建設更美好和諧的社會而奮鬥。

同時本集團積極完善公司法人治理結構，規範公司運作。本集團認真遵守《香港聯合交易所上市規則》附錄十四《企業管治守則》及《企業管治報告》的規定，並在適當的情況下採納其中所載的建議最佳常規。

Environment 環境

Actively realizing its environmental responsibility of “**Friendly Environment, Warm Home**”, the Company strives to create an environment-friendly enterprise. During the reporting period, the Group seriously carried out the national laws and regulations on energy conservation and environmental protection, managed pollutant emissions, and saved resources, and the usage of natural resources was in compliance with laws and regulations, the energy conservation and environmental protection achieved positive results, and no environmental incidents occurred in the whole year.

1. Emissions

The group strictly abides by national laws and regulations such as Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes, Comprehensive Emission Standard of Air Pollutants and Ambient Air Quality Standard, and constantly pays close attention to environmental protection, energy conservation and emission reduction. In daily production and operation, our design is carried out in strict accordance with the national environmental protection standards and design specifications, and our “Three Wastes” treatment involving the emission of waste gases and greenhouse gases has satisfied the relevant national emission standards.

1.1 Atmospheric Emissions

The Group engages in green, environment-friendly and energy-saving products, and strictly complies with Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution in respect of waste gas emissions in the production of power transmission and transformation products. For the gas, smoke, dust and other pollution substances generated in the production process, open-type operation shall be avoided as far as possible, and ventilation devices shall be set up. For the noise pollution caused by the mechanical equipment in processing and production, the equipment with noise < 60dB shall be selected to prevent workers from the noise.

公司一直踐行「**環境友好、保護家園**」的環境觀，共建環境友好企業。在報告期內，本集團認真執行國家節能環保法等法律法規，嚴格控制污染物排放；同時，堅決落實節約資源的措施，依法合規使用自然資源，節能環保工作取得積極效果，全年未發生環保事故。

1. 排放物

本集團嚴格遵守《中華人民共和國固體廢棄物污染環境防治法》、《大氣污染物綜合排放標準》和《環境空氣質量標準》等國家法律法規，持續關注環境保護和節能減排工作。在日常生產運營中，嚴格按照國家環保標準、設計規範進行設計，涉及有關廢氣及溫室氣體排放的「**三廢**」治理均達到國家有關排放標準。

1.1 大氣排放

本集團從事綠色、環保、節能的產品業務，在生產輸變電產品的過程，嚴格遵守《中華人民共和國大氣污染防治法》對廢氣排放的要求。針對在生產過程中產生的氣體、煙塵、粉塵等污染物質，盡可能避免敞開式操作，并設置排風裝置；針對機械設備在加工生產過程產生的噪音污染，盡可能選用噪音 < 60dB的設備，防止噪音對工人的危害。

Environment 環境

1.2 Sewage Emissions

The Group has fully satisfied the regulations provided in the Law of the People's Republic of China on Prevention and Control of Water Pollution and the Notice of the State Council on Issuing the Action Plan for Prevention and Control of Water Pollution, and the production companies of the Group now have no sewage in manufacturing, and have discharged all domestic wastewater in accordance with the national control standards.

1.3 Wastes

Solid wastes produced during material cutting and processing mainly include recyclable wastes, non-recyclable wastes and hazardous wastes. According to Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, we have formulated relevant rules and regulations and strictly implemented them. We adopt the classified and centralized management of solid wastes, in which the recyclable wastes are recycled regularly and used; non-recyclable wastes are handled by qualified environmental protection units; and hazardous wastes are treated strictly in compliance with the relevant regulations of the State.

1.2 廢水排放

本集團已全面落實貫徹《中華人民共和國水污染防治法》及國務院關於《水污染防治行動計劃的通知》的要求，集團內生產企業現無工業生產廢水，針對生活污水廢水均按照國家控制標準排放。

1.3 廢棄物

在材料切割和加工過程中產生的固體廢物主要包括可回收廢物、不可回收廢物和危險廢物。根據《中華人民共和國固體廢物污染環境防治法》，我們制定了相關的規章制度，並嚴格執行。我們採用對固體廢物進行分類集中管理，其中對可回收廢物進行定期回收並利用；對不可回收廢物則交給合資格的環保單位處理；對於危險廢物，嚴格按照國家相關規定執行。

Environment 環境

2. Use of Resources

The Group strictly abides by the national laws and regulations on resource protection, such as Provisional Regulations on the Control of Energy Conservation, Technical Regulations on Energy Conservation Design of Engineering Machinery and Standard and Common Industry, and Design Code for Energy Conservation of Machinery Industry. In daily production, the Group strengthens energy management and saves resources to the maximum extent such as installing metering meters in the sections with large consumption of electricity to save energy and reduce production costs. Taking the enclosed busbar production line as an example, various energy consumption types are illustrated as follows:

Energy Consumption Table

Serial No. 序號	Energy Types 能源種類	Unit 單位	Installed Capacity 安裝容量	Consumption 消耗量
				2017
1	Electricity 電力	kW	1,000	501,000
2	Production and Domestic Water 生產生活用水	m ³		3,218

2. 資源使用

本集團嚴格遵守國家有關資源保護的法律、法規，如《節約能源管理暫行條例》、《工程機械、標準通用行業節能設計技術規定》和《機械行業節能設計規範》。在日常生產中，加強能源管理，最大程度節約資源，如對用電耗量大的工段安裝計量表，以節省能耗，降低生產成本。現以封閉母綫生產綫為例，舉例說明各種能源消耗如下表：

能源消耗量表

Environment 環境

3. Environment and Natural Resources

The Group earnestly fulfills its responsibility for energy conservation and emission reduction, promotes the internal management, constantly explores the internal energy-saving potential, and makes efforts to reduce the influence of the production and management to the environment and natural resources, such as choosing metal halide lamps with high luminous efficiency, good color transmission, shock resistance and voltage fluctuation for the factories and production plants, high efficiency and energy-saving fluorescent lamps for office buildings, high pole street lamps for streets and other measures to save energy. Meanwhile, we focus on the environmental education and advocacy among staff. Various resources saving measures are implemented to raise the awareness of our people to understand the importance of resource conservation. They are encouraged to make full use of resources, to maximize their effectiveness and to avoid wastage of resources.

The Group has no non-compliance regarding environmental protection during the reporting period.

3. 環境與天然資源

本集團認真落實節能減排責任，推進內部管理、不斷發掘內部節能潛力，致力於減少生產和經營對環境和天然資源的影響，比如在廠區內和各生產廠房選用發光效率高，傳色性好，耐震耐電壓波動的金屬鹵化物燈，辦公樓採用高效節能熒光燈，道路燈具選用高杆路燈等措施來節約能源。同時，重視員工的環保教育和宣傳工作，並實施各種節約資源的措施，以提高員工明白節約資源的重要性，鼓勵他們充分利用資源，發揮其最大效能，且杜絕資源使用中出現浪費現象。

本集團在報告期內無環保違規情況。



Social 社會

The Group adheres to the talent concept of “**Believing, Employing, Cultivating, Motivating and Developing Talents**”, builds people-oriented harmonious labor relations and strives to create a non-discriminatory and equal working environment, strengthens occupational health protection and fully protects the health and work safety of employees, continuously improves salary distribution systems to provide attractive remuneration packages and promotion opportunities for employees, as well as adequate resources for training, enhances supply chain management, fulfills product responsibility, promotes sustainable and sound development of the Company, gives maximum consideration to the interests of all relevant parties, actively promotes community investment and anti-corruption, maintains stability and promotes harmonious development of the community.

1. Employment

Our human resources philosophy is “**solicit talents, make best use of talents and seat for promising talents**”. We devote to build a fair, comprehensive, diverse and equality corporate culture. During the staff recruitment and promotion, morality, knowledge, ability, physical fitness and job requirements are used as the selection standards. We provide equal opportunities to employees and they are not discriminated against because of their race, gender, age, nationality or religion.

In formulating relevant policies and procedures, the Group strictly follows the relevant labour laws and regulations, strictly forbids any unethical employment approaches, including child labor and forced labor in the workplace, ensures employees to enjoy labor rights and perform their obligations in accordance with laws, maintains relatively stable positions, actively promotes the full employment, fulfills social responsibilities, and avoids mass dismissal of employees under normal operation conditions to increase social burden.

本集團堅持「**相信人、使用人、培養人、激勵人、造就人**」的人才理念，建設以人為本的和諧勞動關係，致力打造非歧視、平等的工作環境；加強職業健康保護，充分保障員工健康和工作安全；不斷完善薪酬分配體系，為員工提供具有吸引力的薪酬待遇和晉升機會，以及準備充足的資源提供各種培訓；加強供應鏈管理，落實產品責任，推動企業持續健康發展，最大限度地兼顧各相關方利益；積極開展社區投資及反貪污，維護社區穩定，促進社區和諧發展。

1. 僱傭

我們的用人理念是「**廣攬人才、人盡其才、有為就有位**」，致力打造公平、全面、多元化及平等的企業文化。在招募和晉升的過程中，以品德、學識、能力、體格及應聘崗位的要求為標準，為員工提供平等機會，員工不會因種族、性別、年齡、國籍、宗教信仰等因素受到不平等對待。

在制定相關政策和程序的時候，嚴格遵守相關勞動法律法規，嚴格禁止任何不道德的雇用手法，包括在工作場所雇用童工和強迫勞工，保護員工依法享有勞動權利和履行勞動義務，保持工作崗位相對穩定，積極促進充分就業，切實履行社會責任。避免在正常經營情況下批量辭退員工，增加社會負擔。

Social 社會

In addition, The work hours of staff are in line with the relevant local labor laws and regulations. Staff consent for any necessary working overtime is needed so as to prevent forced overtime work; and they are compensated in accordance with the requirement of the local laws and regulations.

2. Health and Safety

The Group attaches great importance to the employees' health and safety, and has established rules and regulations on safe production and occupational disease prevention, strictly implements national standards and norms of occupational safety and health, pays attention to the work safety, performs dust, noise and heatstroke prevention, avoids accidents, ensures production safety for employees, avoids accidents, such as installing safety protective covers for removal of transmission parts of processing equipment and new equipment, strengthening the regular maintenance and management of production equipment with warning marks to eliminate hidden safety dangers in time. To avoid the occurrence of work-related injury accidents, the equipment layout shall take full account of the requirements for safe production.

Also, the Group insists on the principle of taking precautions as the main task, enhances its employees' sense of safety in various ways and extensively commences promotion, education and training on production safety, while safety education will be provided to new employees once they join the Group. With great emphasis on employee induction and orientation, we have implemented a qualification authentication system on special posts and carried out regular safety inspection for workplace to remove hidden safety risks timely and improve occupational health and safety and environment management.

During the reporting period, there was no major production safety accident in the Group.

此外，員工的工作時間也符合當地有關勞動法律法規，任何必要的加班安排必須獲得事先員工的同意，並按照法律法規給與員工補償，以避免強迫加班。

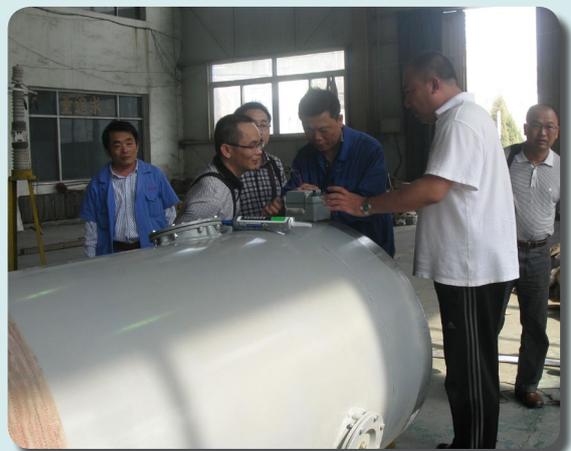
2. 健康與安全

本集團重視員工的健康與安全，並建立了安全生產和職業病防治方面的規章制度，堅決嚴格執行國家職業安全衛生標準和規範，注意工作安全，做好防塵、防噪音、防暑降溫、防止事故發生，保證職工安全生產，防止事故發生，如搬遷加工設備和新增設備傳動部分均應安裝安全防護罩，加強生產設備的經常性維護管理，並設有警示標記，及時排除安全隱患。防止工傷事故發生，設備布置應充分考慮安全生產要求。

同時，貫徹預防為主的原則，採用多種形式增強員工安全意識，加強勞動安全教育，廣泛開展安全生產宣傳教育培訓，對新入職的員工首先進行安全培訓，重視崗位培訓，對於特殊崗位實行資格認證制度，定期開展安全生產檢查活動，及時排除安全隱患，提供職業健康安全和環境管理水平。

本集團在報告期內無重大生產安全事故。

Social 社會



Social 社會

3. Development and Training

With a view to meeting the Company's development needs, providing career development opportunities to our employees and enhancing staff skill and ability, the Group has established policies and procedures in this area and prepared a well-considered training plan, through both internal and external staff training programs.

We shall arrange a pre-post training for new hires based on their positions, organize related personnel to visit the corresponding positions for learning, and help them get familiar with the job following the regulated process. The new staff may not start to work until they pass an assessment. In order to ensure that our employees are equipped with the required knowledge and skills and management capacity; employees have to receive updates and training periodically to improve their skills. Besides, the Company has conducted sufficient external trainings to enhance employees' expertise and skills, such as learning exchanges for manufacturers using similar equipment and introduction to labor laws and regulations.

3. 發展及培訓

為了配合公司發展需要以及員工職業生涯規劃，不斷提高員工質素和工作能力，本集團建立內部規章制度，為員工訂立一套完善的內部與外部培訓計劃。

新入職員工必須按崗位進行崗前培訓，組織相關人員到對應的崗位進行參觀和學習，真正做到按規程熟練工作，經考核合格方可上崗。為達到執行工作所需要的學識技能和管理水平，員工需定期接受培訓，更新員工的知識體系，提高員工技能。此外，公司組織了充足的外部培訓課程，如同類設備使用廠家的交流學習機會、勞動法規講解等培訓，以提升專業人員的知識和技能。



Social 社會

4. Labor Standards

The Group adheres to its “people-oriented” principle of development, which emphasizes staff management, and has established various systems, including the “Staff Management System”, “Labor Contract Management Measures”, “Requirements on Labor Contract Termination” and “Implementation Measures for Paid Leave”. It endeavors to create better working environment for its staff, and at the same time reduces exposure to labor employment risks, as well as efficiently eliminates the use of child and forced labor.

5. Supply Chain Management

The Group has always focused on protecting the interests of consumers, suppliers and clients, treated them in good faith, and shall not pursue benefits through fraudulent promotion and false advertisements. We shall strengthen the quality of our products and services in earnest, especially ensuring the product or service safety, with an effort to provide safe and healthy products and services with high quality for the society.

We have established supply chain management system to encourage employees, suppliers, customers and other business-related parties in reporting any violations of laws or regulations or duties through different channels.

The Company’s professional review panel has conducted stringent accreditation on suppliers’ qualification, technological capacity, productivity and others to guarantee product quality and reduce production costs. Only those accredited suppliers will be on the list of cooperative units, by which the raw materials necessary for production are offered.

4. 勞工準則

本集團堅持「**以人為本**」的發展理念，重視員工管理，制定了《員工管理制度》《勞動合同管理辦法》《關於解除勞動合同的有關規定》《員工帶薪休假實施辦法》等制度，努力為員工創造良好工作環境的同時，也減少了勞動用工風險，並有效拒絕童工和強迫勞動現象。

5. 供應鏈管理

集團一向重視消費者、供應商和客戶權益保護，對消費者、供應商和客戶恪守誠信，不得依靠虛假宣傳以及虛假廣告牟利。切實提高產品質量和服務水平，特別是要保證其提供的商品或者服務的安全性，努力為社會提供優質安全健康的產品和服務。

我們建立了良好的供應鏈系統管理制度，鼓勵員工、供貨商、客戶和其他與我們有業務來往的人士，利用不同渠道舉報濫用職務的違法或違規行為。

為保證產品質量和降低生產成本，公司組織專業的評審團對供貨商的資質、技術水平、生產能力等方面進行嚴格評審，將通過評選的供應商進入協作單位名單，產品生產所需的原材料由協作單位供應。

Social 社會

6. Product Responsibility

Focusing on product quality, the Company under the Group has built first-class production conditions in China and a strict quality management system, and achieved localization with modern power transmission and transformation equipment of international standards via cooperation with ABB, Siemens, Hitachi and Alstom and introduction of their advanced technologies. In addition, the Group pays particular attention to its products' after-sales services and takes customer satisfaction as the tenet. It has been recommended by users and awarded as “**Winner**” of China Environment-friendly Power Station Construction Joint Meritorious Contest (全國環保電站建設聯合立功競賽) by the Department of Water and Power and Machinery Department three times in succession.

The Company takes the lead in the industry to establish “**Serving for Users System**”, with its main products having received awards from national, ministries, provincial and municipal authorities. All of our products are made in accordance with national standards, (GB) standards of International Electrotechnical Commission (IEC) and standards of developed countries including Germany, America, Japan and Britain, and have passed ISO9001:2008 international quality system authentication and reexamination.

The Company shall standardize the production process, establish a strict product quality control and inspection system, strictly control the quality, and prevent the products without quality assurance or jeopardizing the life and health of the people from flowing into the society. The Company shall think highly of the after-sales service of products. If it finds products with serious quality defects or hidden dangers after they are sold, it shall timely recall them or take other effective measures to minimize or eliminate the social harm that may be caused by these products.

6. 產品責任

本集團該公司非常重視產品質量，建立了國內一流的生產條件及嚴格的質量管理體系，通過引進 ABB、西門子、日立公司、阿爾斯通公司先進技術和合作製造，已實現國產化具有當代國際水平的輸變電設備。此外，本集團尤其重視產品的售後服務工作，以用戶滿意為宗旨，連續三次被用戶推薦和水電部、機械部命名為全國環保電站建設聯合立功競賽「**優勝單位**」。

公司主導產品榮獲國家、部委、省市各級權威機構的獎勵，并在同行業率先建立了「**為用戶服務制度**」。所有產品可按國家標準 (GB)、國際電工委員會標準 (IEC) 和德、美、日、英等發達國家標準生產，并已通過 ISO9001:2008 國際質量體系認證和複查。

公司規範生產流程，建立嚴格的產品質量控制和檢驗制度，嚴把質量關，禁止缺乏質量保障、危害人民生命健康的產品流向社會。重視產品的售後服務，售後發現存在嚴重質量缺陷、隱患的產品，應當及時召回或采取其他有效措施，最大限度地降低或消除缺陷、隱患產品的社會危害。

Social 社會



Social 社會



Social 社會

7. Anti-corruption

Pursuant to the Criminal Law of the People's Republic of China, Prevention of Bribery Ordinance implemented by Independent Commission Against Corruption of Hong Kong and the laws and regulations of other relevant countries, the Group has always focused on combating corruption and building a clean environment. We make all-around efforts to ensure that the supervisory responsibility is shouldered to foster a harmonious and honest working environment.

The Group has strictly controlled and prevented all kinds of illegal commercial bribery activities between the Company or staff and customers or suppliers through a series of internal control management systems and process control procedures, such as Incompatible Duties Separation System; properly maintains the personal information of consumers, suppliers and clients, and shall not use or resell those personal information in an illegal way for benefits; provides good after-sales services and duly handles the complaints and suggestion raised by consumers, suppliers and customers. When actively pushing forward the construction of a corruption prevention system, we conduct irregular trainings on integrity on employees to build a culture of integrity, and require each of our staff to act with an attitude of upright, impartial and honesty, so as to make them form the habit of strict observance of rules and regulations.

7. 反貪污

根據《中華人民共和國刑法》、香港廉政公署所執行的《防止賄賂條例》和其他相關國家的法律法規，本集團始終重視反腐倡廉制度建設，全面落實監督責任，致力於營造一個和諧、清廉的工作環境。

集團已經通過《不相容職務分離控制制度》等一系列內控管理制度和流程控制程序，嚴格監控和防範公司或職工與客戶、供應商進行的各類非法商業賄賂活動；妥善保管消費者、供應商和客戶的個人信息，不得非法使用或轉售上述個人信息牟利；提供良好的售後服務，妥善處理消費者、供應商和客戶等提出的投訴和建議。在積極推進預防腐敗體系建設中，不定期對員工進行開展廉潔培訓，推進廉潔文化建設，要求所有員工均應以正直、不偏不倚及誠實的態度行事，養成嚴格遵守規章制度的習慣。

Social 社會

8. Community Engagement and Charity

The Group strived to maintain community stability and promote community harmony. The Group consolidated internal resources during implementation of major asset restructuring and other measures in accordance with the national and local laws and regulations, and carried out corporate reforms orderly, which maintained the stability of the enterprise and the place in which it operates. Besides, the Group encourages its employees to be active in assuming social and charitable responsibilities and obligations, concerning and helping socially disadvantaged groups, supporting charity, participating in public welfare activities and contributing to the society; enhances its employees' senses of identity and belonging towards the Company and strengthens harmony of the community and regional charity growth.

8. 社區參與和慈善事業

本集團致力於維護社區穩定，促進社區和諧。依據國家、地方法律法規，在重大資產重組等措施的執行過程中，拯救和處理低效無效資產，有序進行企業處置工作，維護了企業及員工所在社區的穩定。同時，鼓勵員工積極履行社會公益方面的責任和義務，關心幫助社會弱勢群體，支持慈善事業，參與公益活動，身體力行回饋社會，增強員工對社會、對企業的認同感和歸屬感，推動了社區和諧和區域公益發展。



Governance 管治

The Company has been actively enhancing its corporate governance structure and standardizing its operations through strictly complying with relevant provisions such as the Company Law of the People's Republic of China and the Securities Law of the People's Republic of China. The Board of the Company is committed to maintaining a high standard of corporate governance, and believes that good corporate governance practices are crucial to the success and sustainable development of the Company's business in the long run.

During the reporting period, the Company has fully complied with all code provisions set out in the Corporate Governance Code and Corporate Governance Report in Appendix 14 of the Listing Rules of the Stock Exchange of Hong Kong and, where appropriate, adopted the recommended best practices as specified therein.

To protect the interests of the Group and the shareholders while enhancing the corporate value, the Group has been adopting a sound structure, good practices and proper procedures of corporate governance. The Board of Directors, now comprised of six executive directors and three independent non-executive directors, is the highest governing body of our Group. In strict compliance with good corporate governance principles, the Board has clear division of responsibilities. The Chairman is responsible for the management and leadership of the Board to ensure that our Group maintains strong and effective corporate governance practices and procedure. The Chief Executive Officer is responsible for the daily management and operation of our Group's business, who, with the assistance of the other Board members and other senior management members, closely monitors the operation and financial results of our Group, identifies the operational deficiencies and carries out all necessary and appropriate actions to correct such deficiencies. The Chief Executive Officer is also responsible for formulating our Group's future business plans and strategies which are subject to the Board's approval. There are the Strategic Development Committee, the Investment Management Committee, the Remuneration Committee, the Nomination Committee and the Audit Committee under the Board, each of which regularly evaluates and reviews the effectiveness of its work in accordance with its terms of reference.

本集團嚴格按照《中華人民共和國公司法》、《中華人民共和國證券法》等有關規定，積極完善公司法人治理結構，規範公司運作。本公司董事會致力繼續提高企業管治的水平，并堅信良好的管治是公司業務的長遠成功及可持續發展關鍵之點。

在報告期內，本集團全面遵守《香港聯合交易所上市規則》附錄十四《企業管治守則》及《企業管治報告》的規定，并在適當的情況下採納其中所載的建議最佳常規，

為保障集團及股東利益及提升公司價值，集團一直以來奉行良好的企業管治架構實務及程序。董事會是本集團的最高管理機構，現由六名執行董事及三名獨立非執行董事組成。董事會堅守良好的企業管治原則并有明確分工，主席負責管理及領導董事會，確保本集團維持強而有效的企業管治實務及程序。總裁負責本集團業務之日常管理運作，于董事會其他成員及其他高級管理層之協助下，緊密監控本集團之營運及財務業績，找出經營中不足之處，并作出所有必需及適當行動改善該等不足，其亦負責訂立本集團未來業務計劃及策略，待董事會批准。董事會之下已設戰略發展委員會、投資管理委員會、薪酬委員會、提名委員會及審計審核委員會，各委員會根據其所屬職權範圍，定期評估及審查其工作的有效性。

Governance 管治

During the reporting period, the Board of the Company has strictly observed the policies and practices in compliance with laws and regulatory requirement, and also formulated and amended its regulations with reference to those policies and practices, with an aim to perfect our corporate governance policies and practices. The Company continues to focus on the training and continuing professional development of directors and senior management, and actively carries out internal review and rectification work to improve the level of the Company's governance.

The Group reviews the Governance Code in a timely manner to strengthen the internal control and improve the prevention and management of risks. Compliance with the latest regulatory requirements is thus ensured. For the more detailed corporate governance policies and procedures of our Group and other information, please refer to the Corporate Governance Report set out in the Annual Report 2017 of our Company.

在報告期內，本公司董事會嚴格遵守法律及監管規定方面的政策及常規，并以此制定及修訂公司規章制度，不斷完善企業管治政策及常規，持續關注董事及高級管理人員的培訓及持續專業發展，并積極開展內部審查整改工作，以提高公司管治水平。

本集團會適時檢視管治守則，強化內部監控、完善風險防範與管理，確保符合最新的監管要求。有關本集團更詳盡的企業管治政策和程序及其他數據，請參閱本公司2017年年報內所載之企業管治報告。



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東北電氣發展股份有限公司

