

# China Ocean Industry Group Limited 中海重工集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號: 00651



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

2019

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## I. ABOUT THIS REPORT

As a renowned company in China, China Ocean Industry Group Limited (the “Company”) and its subsidiaries (collectively, the “Group”) stringently adhere to their environmental and social responsibilities.

Since the business case for a strong Environmental, Social and Governance (“ESG”) proposition becomes more compelling on the global stage, the Group believes that sustainable, resilient and reliable stewardship and development are essential to the Group’s long-term success. With a clear concept genuinely engrained in the business development, the Group has relentlessly been driving the acceleration of ESG integration and promotion throughout the organisation by taking into account its material social, environmental, economic and governance-related impacts. As sustainability is an inextricable part of business, the Group is deeply aware of the importance of fathoming and addressing the risks arising from the intertwined individual elements, which encompass carbon emissions, climate change, energy and resource use efficiency, labour relations and diversity, dialogues with communities, law compliance and its management robustness. Details of the Group’s management approach in both environmental and social aspects can be found throughout this ESG Report.

This ESG Report covers the environmental and social performance within defined operational boundaries of the Group that includes the Group’s business operations in Hong Kong and mainland China. This ESG Report is prepared in compliance with the ESG Reporting Guide as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## I. 關於本報告

作為中國知名企業，中海重工集團有限公司（「本公司」）及其附屬公司（統稱「本集團」）嚴格遵守其環境及社會責任。

由於強有力的環境、社會及管治（「環境、社會及管治」）的主張在全球舞台上變得越來越引人注目，本集團相信，靈活可靠的可持續性管理和發展對本集團的長遠成功至關重要。本集團於業務發展中真正地樹立了清晰的理念，透過考慮到其於社會、環境、經濟及管治方面的重大影響，堅持不懈地推動環境、社會及管治於整個組織範圍內加速融合及推廣。由於可持續發展乃業務不可分割的一部分，本集團深刻認識到深入了解及應對相互交織的各個因素所帶來的風險的重要性，該等因素包括碳排放、氣候變化、能源及資源使用效率、勞動關係及多樣性、與社區的溝通、法律合規及其管理的穩健性。本環境、社會及管治報告詳細介紹了本集團在環境和社會方面採取的管理方針。

本環境、社會及管治報告涵蓋本集團所界定營運範疇的環境及社會表現，包括本集團於香港及中國內地的業務營運。本環境、社會及管治報告乃根據香港聯合交易所有限公司證券上市規則附錄二十七所載環境、社會及管治報告指引而編製。

## II. REPORTING PERIOD AND SCOPE OF THE REPORT

This ESG Report covers the environmental and social performance within the operational boundaries of the Group that include the business of intelligent car-parking and automotive electronics business, shipbuilding business, trading business, steel structure engineering and installation business, and financial service business. The reporting period of this ESG Report is the financial year from 1 January 2019 to 31 December 2019 (“FY2019”), unless specifically stated otherwise. This ESG Report will be issued on an annual basis.

## III. INFORMATION DISCLOSURE

The information in this report was gathered from the official documents and statistics of the Group, the integrated information of supervision, management and operation in accordance with the relevant policy, the internal quantitative and qualitative questionnaires based on the reporting framework, and sustainability practices provided by the subsidiaries of the Group. This report is prepared in Chinese and English and has been uploaded to the Group’s website at [www.irasia.com/listco/hk/chinaoceanindustry/](http://www.irasia.com/listco/hk/chinaoceanindustry/). For any conflict or inconsistency, the English version shall prevail.

## IV. BOARD INCLUSIVENESS

### Group structure

The Group has established internal policies to create sustainable value for stakeholders and to reduce the negative impact the Group has on the environment. To implement a sustainable development strategy from top to bottom, the Board of Directors of the Group (the “Board”) has ultimate responsibility for ensuring the effectiveness of the ESG policies. In order to fully implement a sustainable development strategy, the Group has established dedicated teams to manage ESG issues. The Group has set up a sustainable development strategy to create sustainable value and continuously reduce the Group’s environmental impacts. Dedicated teams with designated staff for the management of ESG issues have been assigned to enforce and supervise the implementation of the relevant ESG policies cascading through the Group.

## II. 報告期間及報告範圍

本環境、社會及管治報告涵蓋本集團營運範疇的環境及社會表現，包括智慧停車及汽車電子業務、造船業務、貿易業務、鋼結構工程及安裝業務以及金融服務業務。除另有說明外，本環境、社會及管治報告的報告期間為自二零一九年一月一日起至二零一九年十二月三十一日止財政年度（「二零一九財年」）。本環境、社會及管治報告將每年刊發。

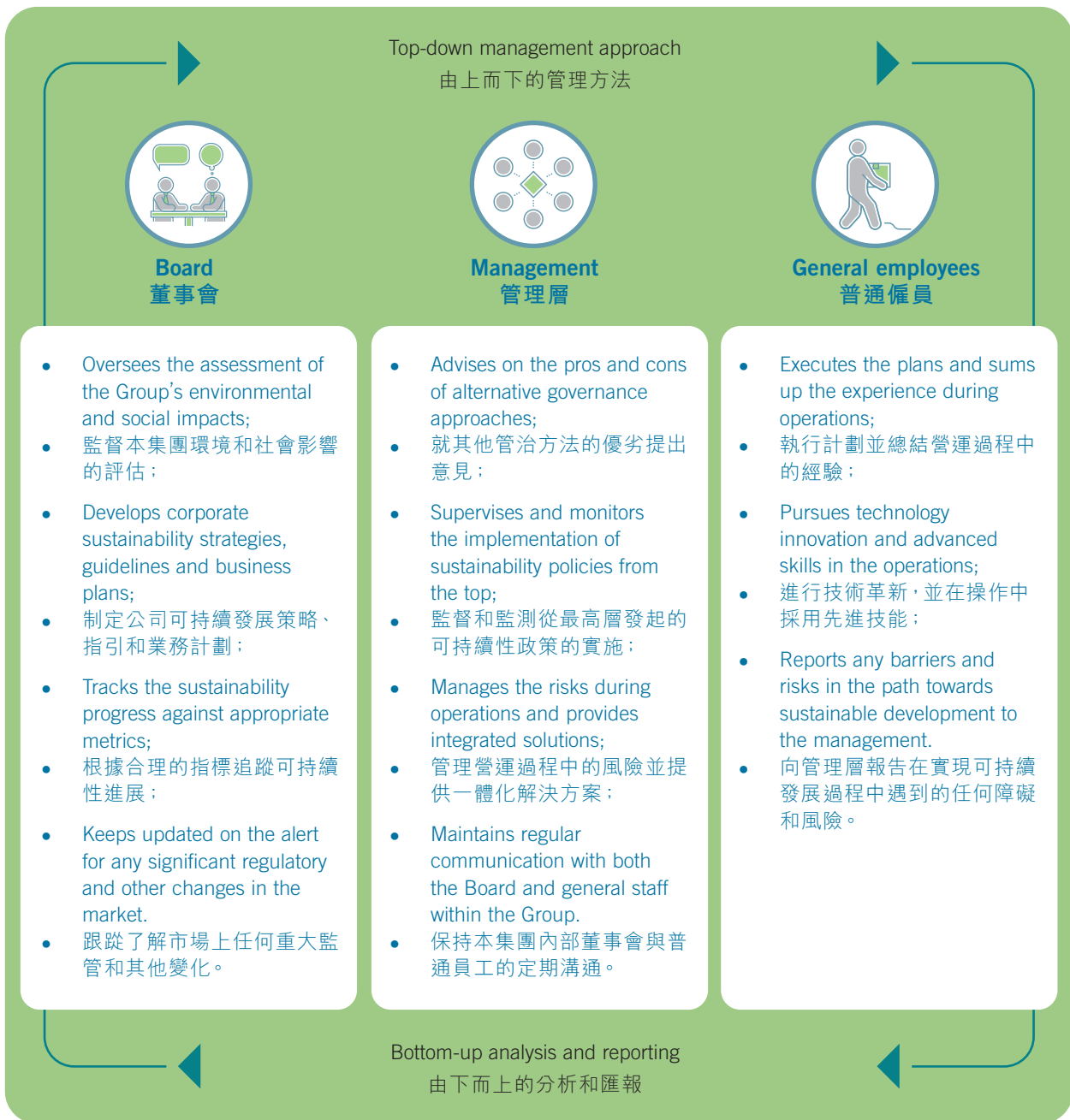
## III. 資料披露

本報告所載資料乃摘自本集團官方文件及統計數據，根據相關政策整合的監督、管理及營運資料，基於報告框架的內部定量及定性問卷調查，以及由本集團附屬公司提供的可持續常規。本報告分別以中文及英文編製，並已上傳至本集團網站 [www.irasia.com/listco/hk/chinaoceanindustry/](http://www.irasia.com/listco/hk/chinaoceanindustry/)。如有任何衝突或不一致之處，概以英文版本為準。

## IV. 董事會參與

### 集團架構

本集團已制定內部政策，旨在為利益相關者締造可持續發展價值，減低本集團對環境的不良影響。為了由上而下執行可持續發展策略，本集團董事會（「董事會」）對確保環境、社會及管治政策的有效性負有最終責任。為了全面貫徹執行可持續發展策略，本集團已設立專責團隊管理環境、社會及管治事宜。本集團已建立可持續發展策略，旨在締造可持續發展價值，並持續降低本集團對環境的影響。有關專責團隊已獲委派專責管理環境、社會及管治事宜的員工，並已獲分派負責執行及監督本集團在各個單位推行的相關環境、社會及管治政策。



Recognising that the pivotal role that the Board plays in ESG management is one of partnership with management and oversight, rather than unilateral board-level mandates. Thus, the Board strongly ramps up its bottom-up analysis and reporting mechanism, which could facilitate the barrier-free communication within the organisation, thereby being timely updated on the real impacts and related risks of ESG issues on the Group's operating model.

With the forward-looking guidance and well-designed plans of actions to address underlying ESG matters, the management and responsible teams keep reviewing and adjusting the Group's sustainability policies to satisfy the ever-changing needs of its stakeholders on a regular basis. Through the assignment of the responsibility of progress tracking to different management level positions, the Group is committed to achieving excellent performance in ESG management while remaining competitive compared with its peers.

本集團認識到董事會於環境、社會及管治管理中發揮的關鍵角色為與管理層及監管層的夥伴關係，而不是董事會層面的單方面授權。因此，董事會大力加強其由下而上的分析及報告機制，其可促進組織內部的無障礙溝通，從而及時了解環境、社會及管治問題對本集團運營模式的實際影響及相關風險。

本集團制定了處理相關環境、社會及管治事宜的前瞻性指引及精心構思的行動計劃，管理層及專責團隊一直定期檢討及調整本集團的可持續發展政策，致力滿足利益相關者不斷轉變的需要。透過將進度追蹤的責任委派予不同的管理層人員，本集團力圖在環境、社會及管治的管理方面達致卓越表現的同時，亦能在同業中保持競爭力。

## V. STAKEHOLDER ENGAGEMENT

Effective communication with both internal and external stakeholders is regarded as essential to the Group in many areas. It not only delivers the Group's commitment to long-term value creation to stakeholders who care about the level of sustainable development of the Group, but also helps the Group to garner a better understanding of those topics material and relevant to different groups of stakeholders.

Fostering a meaningful relationship with all stakeholders has been viewed as the premise of effective communications and the realisation of the Group's vision of value creation for all. As such, the Group relies on its good corporate citizenship, reputational influence and great capability in coordination, and has built a sound relationship with its stakeholders including policymakers, regulators, investors, customers, and suppliers. Through a broad range of open communication channels, the Group successfully gained a deeper understanding of its stakeholders' genuine concerns and expectations during recent years, which facilitated the Group to better position itself in the competitive market and to make a rapid and accurate strategic adjustment.

With the goal to strengthen corporate sustainability management, while enhancing stakeholders' awareness of ESG and sustainability issues, the Group has put tremendous efforts into its internal and external stakeholder inclusiveness. During the year under review, the Group carefully evaluated its stakeholders' opinions on corporate sustainable development, especially the material ESG topics, and committed to properly resolving the problems based on continuous, concise and effective communications. The Group actively collects feedback from its stakeholders in order to maintain a high standard of sustainability within the group while building a trustful and supporting relationship with them. The Group connects with its stakeholders through their preferred communication channels as listed in the table below.

## V. 利益相關者參與

本集團一直認為與內部及外部的利益相關者進行有效的溝通，在多方面均極其重要。有效溝通不但可讓關心本集團可持續發展的利益相關者明白本集團矢志為其創造長遠的價值，同時亦有助本集團更清楚了解不同類別的利益相關者認為重要及相關的議題。

與所有利益相關者建立有意義的關係被視為有效溝通和實現本集團為所有人創造價值的願景的前提。因此，本集團依賴其良好的企業公民意識、聲譽影響力及強大的協調能力，並與包括政策制定者、監管機構、投資者、客戶及供應商在內的利益相關者建立了良好關係。通過廣泛的開放式溝通渠道，本集團近年來成功深入了解利益相關者的真實關注和期望，促進本集團更好地在競爭激烈的市場中定位，並進行快速準確的策略性調整。

為了加強企業可持續發展管理，同時提高利益相關者對環境、社會及管治和可持續發展問題的認識，本集團已為其內部和外部利益相關者參與做出了巨大努力。於回顧年度內，本集團審慎評估其利益相關者對企業可持續發展的意見，特別是有關環境、社會及管治的重要議題，致力於在持續、簡潔和有效的溝通基礎上以適當的方式解決問題。本集團積極收集利益相關者的反饋，藉以於集團內部維持高標準的可持續性，同時與彼等建立充滿信任與支持的關係。本集團透過下表所列利益相關者偏好的溝通渠道與其利益相關者取得聯繫。

Stakeholders 利益相關者	Expectations and Concerns 期望及關注點	Communication Channels 溝通渠道
Government and regulatory authorities 政府及監管機構	<ul style="list-style-type: none"> <li>– Law and regulation compliance 遵守法律法規</li> <li>– Anti-corruption policies 反貪腐政策</li> <li>– Occupational health and safety 職業健康與安全</li> <li>– Supporting local economic growth 支持當地經濟發展</li> </ul>	<ul style="list-style-type: none"> <li>– Supervision on compliance with local laws and regulations 監督其對當地法律法規的遵守情況</li> <li>– Routine reports and tax payments 例行報告及納稅</li> </ul>
Shareholders 股東	<ul style="list-style-type: none"> <li>– Return on investments 投資回報</li> <li>– Corporate governance 企業管治</li> <li>– Law and regulation compliance 遵守法律法規</li> </ul>	<ul style="list-style-type: none"> <li>– Regular reports 定期報告</li> <li>– Announcements 公告</li> <li>– Regular general meetings 定期股東會議</li> <li>– Official website 官方網站</li> </ul>
Employees 僱員	<ul style="list-style-type: none"> <li>– Employees' remuneration and benefits 僱員薪酬及福利</li> <li>– Career development 職業發展</li> <li>– Training opportunities 培訓機會</li> <li>– Health and safety in the workplace 健康與安全的工作環境</li> </ul>	<ul style="list-style-type: none"> <li>– Performance appraisal 表現考核</li> <li>– Regular meetings and training courses 定期會議及培訓課程</li> <li>– Written comments via emails, notice boards, telephone calls and team building activities with management 通過電郵、公告板提出書面意見、打電話及管理層團建活動</li> </ul>
Customers 客戶	<ul style="list-style-type: none"> <li>– Production quality assurance 保證生產質量</li> <li>– Protection of the rights of customers 保護客戶權利</li> <li>– Customer satisfaction 客戶滿意度</li> <li>– Enhancement of energy efficiency 提高能效</li> </ul>	<ul style="list-style-type: none"> <li>– Customer satisfaction surveys 客戶滿意度調查</li> <li>– Face-to-face meetings and on-site visits 面對面訪談及現場訪問</li> <li>– Customer service hotline and emails 客戶服務熱線及電郵</li> </ul>



Stakeholders 利益相關者	Expectations and Concerns 期望及關注點	Communication Channels 溝通渠道
Suppliers 供應商	<ul style="list-style-type: none"> <li>- Fair and open procurement 公平及公開的採購</li> <li>- Win-win upstream and downstream cooperation 上下游合作共贏</li> <li>- Environmental protection 環保</li> <li>- Protection of intellectual property rights 保護知識產權</li> </ul>	<ul style="list-style-type: none"> <li>- Open tenders 公開招標</li> <li>- Suppliers' satisfaction assessments 供應商滿意度評估</li> <li>- Telephone conferences, face-to-face meetings and on-site visits 電話會議、面對面訪談及現場訪問</li> <li>- Questionnaires and online engagement 問卷調查及網上互動</li> <li>- Industry seminars 行業研討會</li> </ul>
General public 大眾	<ul style="list-style-type: none"> <li>- Involvement in community activities 社區活動參與</li> <li>- Employment opportunities 就業機會</li> <li>- Conformance to business ethics 遵守商業道德</li> <li>- Environmental protection awareness 環保意識</li> </ul>	<ul style="list-style-type: none"> <li>- Media conferences and responses to enquiries 媒體會議及回應詢問</li> <li>- Face-to-face interviews 面對面訪談</li> <li>- Public welfare activities 公益活動</li> </ul>

## Materiality Assessment

As the ESG risk varies from industries and is subject to the specific business model of the company, the Group undertakes annual reviews in identifying and understanding its stakeholders' main concerns and material interests for the ESG Report. In FY2019, the Group kept engaging its stakeholders in its business development on a continuous basis. In FY2018, the Group performed a materiality assessment survey, which aimed to pinpoint the most pressing issues that may significantly impact the Group's sustainable development. The engagement process ranged from stakeholder identification, analysis, selection, communication, to results evaluation and topic prioritisation. Specifically, material stakeholders were chosen based on their influence and dependence on the Group, and then invited to participate in this online survey that was comprised of numerous well-designed questions to express their concerns on a list of sustainability issues. Through such objective, transparent and decision-useful materiality assessment, the Group could prioritise the material ESG topics and emphasise in the ESG report.

The Group believes that the direction of sustainable development and business strategies should be long-lasting and continual. In alignment with the Group's ongoing sustainable development plans, therefore, the Group decided to continue to use the outcome of the materiality assessment in FY2018, in order to better track its sustainability progress and to maintain the consistency of reporting and development.

With respect to materiality assessment, the Group identified "occupational health and safety", "energy use" and "air and greenhouse gas emissions" as issues of the highest importance to its stakeholders and the Group. This review has helped the Group to evaluate its sustainability issues and highlight the material and relevant aspects so as to align them with stakeholders' expectations.

## 重要性評估

鑒於不同行業的公司所面對的環境、社會及管治風險有所不同並取決於公司的具體業務模式，本集團每年進行檢討，以識別及了解其利益相關者對環境、社會及管治報告的主要關注點及重大利益。於二零一九財年，本集團持續邀請其利益相關者參與其業務發展。於二零一八財年，本集團進行重要性評估調查，旨在查明或會對本集團的可持續發展造成重大影響的最緊迫的問題。參與過程涵蓋利益相關者的確定、分析、甄選、溝通，乃至結果評估及議題排序。具體而言，本集團依據利益相關者對本集團的影響及依賴程度挑選重要的利益相關者，並隨後邀請彼等參與是次網上調查，就一系列可持續發展性事宜提出其看法。調查包括多項精心設計的問題，透過客觀、透明且對決策有幫助的重要性評估，本集團對本環境、社會及管治報告內的重大環境、社會及管治議題及強調事宜進行排序。

本集團認為可持續發展的方向及業務策略應長遠持久且不間斷，與本集團目前正在實施的可持續發展計劃一致，因此，本集團決定繼續使用二零一八財年的重要性評估結果，以更好地追蹤可持續發展進度及維持報告與發展的一致性。

就重要性評估而言，本集團確定「職業健康與安全」、「能源使用」以及「空氣及溫室氣體排放」是對其利益相關者及本集團最為重要的問題。是項檢討有助於本集團優先評估其可持續議題，並突出重要及相關方面，從而與利益相關者的期望一致。

## VI. ENVIRONMENTAL SUSTAINABILITY

The Group has been committed to the long-term sustainability of the environment and community where it operates. The Group stringently controls its emissions and consumption of resources and has complied with all relevant environmental laws and regulations in Hong Kong and the People's Republic of China ("PRC") in its daily operation. All operating regions of the Group have implemented effective energy conservation measures to reduce emissions and resource consumption. The applicable and material laws and regulations with which the Group strictly complied in FY2019 included:

- Environmental Protection Law of the People's Republic of China (中華人民共和國環境保護法);
- Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (中華人民共和國大氣污染防治法);
- Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes (中華人民共和國固體廢物污染環境防治法);
- National List of Hazardous Wastes (國家危險廢物名錄);
- Administrative Measures on Registration of Dangerous Chemicals (危險化學品登記管理辦法);
- Law of the People's Republic of China on the Prevention and Control of Water Pollution (中華人民共和國水污染防治法); and
- Waste Disposal Ordinance (Cap. 354 of the Law of Hong Kong).

This section primarily discloses the policies and practices of the Group on emissions, use of resources, the environment and natural resources during FY2019.

## VI. 環境可持續性

本集團一直致力於其營運所處的環境及社區的長期可持續發展。本集團嚴格控制排放物及資源消耗，並於其日常營運過程中遵守香港及中華人民共和國（「中國」）的所有有關環境法律及規例。本集團的所有作業區均實施有效的節能措施以減少排放物及資源消耗。本集團於二零一九財年嚴格遵守的適用及重要法律及法規包括：

- 《中華人民共和國環境保護法》；
- 《中華人民共和國大氣污染防治法》；
- 《中華人民共和國固體廢物污染環境防治法》；
- 《國家危險廢物名錄》；
- 《危險化學品登記管理辦法》；
- 《中華人民共和國水污染防治法》；及
- 《廢物處置條例》（香港法例第354章）。

本節主要披露本集團於二零一九財年在排放物、資源使用、環境與自然資源方面的政策及常規。

## A.1. Emissions

### *Air Emissions*

In FY2019, the Group adamantly abided by government laws and regulations regarding environmental protection in the daily operation.

#### *Shipbuilding business & Steel structure engineering and installation business*

In FY2019, air emissions from the shipbuilding and steel structure engineering business were mainly generated from the production process. The Group used diesel and gasoline as its major energy sources for the production process. The business segment generated a small amount of air emissions due to the use of paint spray, the amount of which was too small to be considered. The exhaust gases from the production process were under strict control and in strict compliance with the local regulations after filtration.

To reduce the amount of air emissions, the Group took a variety of effective measures in its daily operations in FY2019. Specifically, the mature environmental management system was set up in each of the manufacturing bases. The Manufacturing Department established a management team that specialised in environmental protection and energy-saving matters, while each manufacturing base allocated specific staff in charge of the operation of environmental protection and energy-saving facilities. Further, in order to reduce the emission of air pollutants, the Group adopted sealing operations for processes that may generate exhaust fumes during the production process and installed dust removal devices.

#### *Intelligent car-parking and automotive electronics & Trading and financial service business*

In these business segments, air emissions were mainly generated from car use in daily operations. Due to the nature of the business, gasoline was the major energy resource consumed during operations. The Group encouraged the employees to choose public transport means instead of driving private vehicles, and to consider low-carbon lifestyles, thereby mitigating their impacts on the environment.

## A.1. 排放物

### *空氣排放物*

於二零一九財年，本集團的日常營運堅定執行環保相關的政府法律法規。

#### *造船業務以及鋼結構工程及安裝業務*

於二零一九財年，造船及鋼結構工程業務的空氣排放物主要來自生產過程。本集團已採用柴油和天然氣作為生產過程的主要能量來源。業務分部因使用油漆噴霧會產生少量空氣排放物，其數量過少而不予考慮。生產過程中的廢氣會作嚴格控制及於過濾後嚴格遵守地方法規。

為減少空氣排放物數量，本集團已於二零一九財年於日常營運過程中採取多項有效措施。具體而言，各生產基地已設立成熟的環境管理系統。生產部門已成立專注於環境保護及節能事項的管理團隊，而各生產基地分配負責環境保護及節能設施運行的專責員工。此外，為減少空氣污染物排放，本集團對生產過程中可能產生廢氣的流程採用密封作業，並安裝除塵裝置。

#### *智慧停車及汽車電子以及貿易及金融服務業務*

就該業務分部而言，空氣排放物主要來自日常營運中汽車的使用。因該業務性質使然，汽油為營運過程中的主要能耗來源。本集團已鼓勵僱員使用公共交通工具代替駕駛私家車，並考慮低碳生活方式，從而減輕其對環境的影響。

The types of air emissions generated from the Group were mainly nitrogen oxides (“NO<sub>x</sub>”), sulphur oxides (“SO<sub>x</sub>”) and Particular Matter (PM) from the production process and the use of vehicles. In FY2019, the Group generated a total of 401.3kg SO<sub>x</sub>, 1,073.3kg NO<sub>x</sub>, and 179.1kg PM.

### **Greenhouse Gases (“GHGs”)**

The GHG emissions of the Group mainly came from the indirect emissions of electricity consumption, and the production and transportation process. To reduce the amount of GHGs from the Group, the Group has been persevering with measures for carbon offset, and focusing its efforts on tree planting since its inception. As GHG emissions are positively correlated to electricity consumption, the Group insisted on reducing the electricity consumption in its daily operation through effective measures, which are further explained in the subsection headed “Electricity” under section A.2. Use of Resources of this ESG Report.

In FY2019, the total GHG emissions of the Group descended substantially as the business was undergoing strategic restructuring, which led to a drastic drop in electricity consumption. With the efforts of the Group in controlling the use of vehicles for business travel and goods transportation, the GHG emissions from mobile combustion sources declined by around 16.3%.

### **Wastewater**

Wastewater produced by the Group mainly came from the operations of factories and daily consumption from its staff in offices and canteens. The quality of wastewater must meet the national and local requirements before being discharged. Specifically, the domestic wastewater was discharged to the sewage pipe directly, while industrial wastewater was collected separately in special containers and sent to the professional treatment company for further treatment.

本集團產生的空氣排放物類型主要為生產過程及汽車使用產生的氮氧化合物、硫氧化合物及顆粒物。於二零一九財年，本集團共產生硫氧化合物401.3千克、氮氧化合物1,073.3千克及顆粒物179.1千克。

### **溫室氣體**

本集團的溫室氣體排放主要來自電力消耗的間接排放，以及生產及運輸過程。為減少本集團產生的溫室氣體，本集團自成立以來一直堅持碳補償措施，並致力於植樹。由於溫室氣體排放量與電力消耗呈正相關關係，本集團力圖通過有效措施減少日常運行中的用電量，有關措施於本環境、社會及管治報告第A.2.節資源使用的「用電」分節中作進一步闡釋。

於二零一九財年，由於本集團的業務進行策略性重組，導致用電量大幅減少，故其溫室氣體排放總量大幅下降。在本集團控制公務旅行及貨物運輸車輛使用的努力下，移動源燃燒產生的溫室氣體排放量下降約16.3%。

### **廢水**

本集團產生的廢水主要來自工廠的運營以及辦公室員工及餐廳的日常消耗。廢水的水質必須符合國家及地區的規定後才能排放。尤其是，生活廢水直接排放至排污管，而工業廢水則單獨儲存於特殊容器並運送至專業處理公司進行進一步處理。

In FY2019, the Group generated a total of 123.2 m<sup>3</sup> of wastewater. The sharp decrease in wastewater generation was mainly attributed to the decline of production and strategic business restructuring. A small amount of hazardous wastewater of 11.2 m<sup>3</sup> was generated from factories of shipbuilding business and was scientifically treated before being discharged to the wastewater treatment plant. Since wastewater generation is positively correlated to the water consumption, the Group adopted specific measures to reduce the water consumption, which are further explained in the subsection headed “Water” under section A.2. Use of Resources of this ESG Report.

### **Solid Wastes**

Given the business nature, solid wastes produced by the Group can be divided into general waste and hazardous waste. In FY2019, the general solid wastes included domestic and commercial solid wastes that were generated by the employees during working hours, waste paper, outmoded office appliances and other non-hazardous solid wastes. The general solid wastes were normally collected in rubbish bags and sent to the local recycling & treatment plants.

Hazardous wastes, which were mainly generated from the shipbuilding business and steel engineering and installation business, were collected and sealed in specific containers and sent to professional treatment companies regularly. The hazardous wastes included paint buckets, waste mineral oil, waste oil drums, paint residue, electroplating sludge, waste batteries, waste ink cartridges, waste lamps, waste film, and oily rags. For the treatment of hazardous waste, the Group has signed a pollutant recycling agreement with professional manufacturers to regularly recycle the industrial wastes. The relevant department of the Group also regularly inspected and supervised the performance of on-site environmental pollution control. Since the total amount of hazardous solid waste was too small to be recorded, no quantitative measurement was performed.

於二零一九財年，本集團產生合共123.2立方米的廢水。廢水的大幅減少乃主要由於產量的下降及策略性業務重組所致。工廠造船業務所產生的少量11.2立方米的有害廢水，經科學處理後排放至廢水處理廠。由於廢水產生與水資源消耗量呈正相關，本集團已採納具體措施減少水資源消耗，進一步措施載於本環境、社會及管治報告第A.2.節資源使用的「用水」分節中。

### **固體廢棄物**

鑒於業務性質，本集團產生的固體廢棄物可分為一般廢棄物及有害廢棄物。於二零一九財年，一般固體廢棄物包括僱員於工作時間產生的生活及商業固體廢棄物、廢紙、廢棄的辦公室設備及其他無害固體廢棄物。一般固體廢棄物通常使用垃圾袋收集並送往當地回收及處理廠。

有害廢棄物主要產生自造船業務、鋼結構工程及安裝業務，該等廢棄物將蒐集及封裝於指定容器內，定期送往專業處理公司。有害廢棄物包括油漆桶、廢棄礦物油、廢油桶、漆渣、電鍍污泥、廢電池、廢墨盒、廢燈具、廢膠片及油氈。就有害廢棄物處理而言，本公司已與專業製造商簽訂污染物回收協議以定期回收工業廢棄物。本集團相關部門亦定期對現場環境污染治理情況進行檢查監督。由於有害固體廢棄物總量太小而無法記錄，因此並無進行定量計算。

The Department of Transportation was mainly in charge of the collection, storage and transportation of all the solid wastes. The Planning Department was responsible for the disposal by delegating the qualified companies to treat all the hazardous wastes, while the Department of Security supervised all the procedures from waste generation to disposal.

To reduce the environmental impacts of solid wastes, the Group implemented various measures in its daily operations. The Group kept incorporating the concept of recycling used paper and stationaries such as lunch boxes, bottles and cans into operations. The Group prohibited the use of disposable paper cups. In FY2019, the Group generated a total of 254 tonnes of non-hazardous solid wastes. In particular, the Group has always been committed to the application of the “3R” principle – reduce, reuse and recycle. During the year under review, a total of 960 tonnes of metal waste was recycled by the Group for further treatment before being reused for other operations.

### **Noise**

In compliance with the law and regulations in the PRC, the Group conducted noise detection around the operation site to meet the requirement of the Emission Standard for Industrial Enterprise Noise at Boundary (工業企業廠界環境噪聲排放標準) (GB12348-2008).

運輸部主要負責收集、儲存及運輸所有固體廢棄物。規劃部負責處置，指派合資格公司處理所有有害廢棄物，而安全部負責監督廢棄物從產生到處置的全過程。

為降低固體廢棄物的環境影響，本集團於其日常營運中落實多項措施。本集團堅持將回收廢紙、餐盒及瓶罐等固體物之理念融入營運中。本集團禁止使用一次性紙杯。於二零一九財年，本集團產生合共254噸的無害固體廢棄物。尤其是，本集團一直堅持應用「3R」（即減少(reduce)、再用(reuse)及回收(recycle)）原則。於回顧年度內，本集團回收合共960噸金屬廢棄物，並於再用於其他營運前進行進一步處理。

### **噪音**

根據中國法律及法規，本集團已於經營場所周圍進行噪音檢測以符合《工業企業廠界環境噪聲排放標準》(GB12348-2008)之規定。



**Table 1 Total Emissions of the Group by Category in FY2019 and FY2018<sup>6</sup>**

**表1二零一九財年及二零一八財年按類別劃分的本集團排放物總額<sup>6</sup>**

Item 項目	Types of Resources 資源類別		Unit 單位	FY2019 二零一九財年		FY2018 <sup>1</sup> 二零一八財年 <sup>1</sup>	
				Amount 數量	Intensity <sup>2</sup> (Per employee) 密度 <sup>2</sup> (按僱員 人數計算)	Amount 數量	Intensity (Per employee) 密度 (按僱員 人數計算)
<b>Air emission<sup>3</sup></b> 空氣排放物 <sup>3</sup>		SO <sub>x</sub> 硫氧化合物	Kg 千克	<b>401.3</b>	-	1.5	-
		NO <sub>x</sub> 氮氧化合物	Kg 千克	<b>1,073.3</b>	-	95.8	-
		PM 顆粒物	Kg 千克	<b>179.1</b>	-	7.1	-
<b>GHG emission</b> 溫室氣體排放	Scope 1 範圍(一)	Stationary combustion 固定燃燒	Tonnes CO <sub>2</sub> -e 噸二氧化碳 排放量	-	-	873.4	1.6
		Mobile combustion 移動燃燒	Tonnes CO <sub>2</sub> -e 噸二氧化碳 排放量	<b>211.3</b>	<b>0.6</b>	252.5	0.5
	Scope 2 範圍(二)	Purchased electricity 採購電力	Tonnes CO <sub>2</sub> -e 噸二氧化碳 排放量	<b>167.7</b>	<b>0.5</b>	11,648.0	21.1
	Scope 3 <sup>4</sup> 範圍(三) <sup>4</sup>	Waste paper 廢紙	Tonnes CO <sub>2</sub> -e 噸二氧化碳 排放量	<b>22.6</b>	-	7.5	-
		GHG removals from newly planted trees 新種植樹木的 溫室氣體減除	Tonnes CO <sub>2</sub> -e 噸二氧化碳 排放量	<b>34.7</b>	-	-	-
		Total 總計	Tonnes CO <sub>2</sub> -e 噸二氧化碳 排放量	<b>366.9</b>	<b>1.0</b>	12,781.4	23.2
<b>Non-hazardous waste</b> 無害廢棄物	Non-hazardous wastewater 無害廢水		M <sup>3</sup> 立方米	<b>112</b>	<b>0.3</b>	73,543	133.5
	Non-hazardous solid waste <sup>5</sup> 無害固體廢棄物 <sup>5</sup>		Tonnes 噸	<b>254</b>	<b>0.7</b>	81.5	0.1
<b>Hazardous waste</b> 有害廢棄物	Hazardous wastewater 有害廢水		M <sup>3</sup> 立方米	<b>11.2</b>	-	<b>3.0</b>	-



- 1 The amount and intensity in FY2018 were extracted from the data in the ESG Report 2018 of the Group;
- 2 Intensity for FY2019 was calculated by dividing the amount of air, GHG and other emissions respectively by the Group's total workforce as of the end of FY2019;
- 3 For better accuracy, the air emissions in FY2019 incorporated both the emissions data from the production process and the emissions data from the exhaust gas of vehicles for transportation, whilst in FY2018, only certain types of fuel consumption were included;
- 4 The Group's Scope 3 (Other Indirect Emissions) included other indirect emissions from paper waste disposed at landfills;
- 5 The non-hazardous solid wastes in FY2019 included domestic, commercial and other non-hazardous solid wastes from operations;
- 6 The methodology adopted for reporting on GHG emissions set out above was based on "How to Prepare an ESG Report? – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange and the 2006 IPCC (Intergovernmental Panel on Climate Change) Guidelines for National Greenhouse Gas Inventories.

During the year under review, the Group was not in violation of any relevant laws and regulations, which have a significant impact on the Group, related to emissions.

## A.2. Use of Resources

In FY2019, the Group complied with the relevant laws and regulations in relation to its use of resources, including but not limited to Energy Conservation Law of the People's Republic of China (中華人民共和國節約能源法) and Provisions on the Management of Water Conservation in Cities (城市節約用水管理規定) during the year under review. Resources used by the Group mainly included electricity, water, paper, diesel and gasoline.

- 1 二零一八財年的數量及密度摘錄自本集團二零一八年環境、社會及管治報告之數據；
- 2 二零一九財年的密度分別按本集團的廢氣、溫室氣體及其他排放物的數量除以本集團截至二零一九財年末員工總數計算；
- 3 二零一九財年的空氣排放物同時包含生產過程的排放數據及交通運輸的汽車廢氣排放數據，以求更準確，而二零一八財年僅包含若干類別燃料消耗；
- 4 本集團範圍（三）（其他間接排放物）包括堆填區處理的廢紙產生的其他間接排放物；
- 5 二零一九財年的無害固體廢棄物包括營運產生的生活、商業及其他無害固體廢棄物；
- 6 匯報上述溫室氣體排放報告的方法基於聯交所發出的《如何準備環境、社會及管治報告？—附錄二：環境關鍵績效指標匯報指引》及二零零六年IPCC（政府間氣候變化專門委員會）國家溫室氣體清單指南。

於回顧年度內，本集團在排放物方面，並無違反對本集團有重大影響的任何相關法律及規例。

## A.2. 資源使用

於二零一九財年回顧年度內，本集團遵守有關資源使用的相關法律及規例，包括但不限於《中華人民共和國節約能源法》及《城市節約用水管理規定》。本集團所使用的資源主要包括電力、水、紙張、柴油及汽油。

### **Electricity**

All the electricity consumption by the Group came directly from the regular operations of both the operating factories and offices. The Group continued its practice to keep a comprehensive record of its electricity consumption. The total electricity consumption of the Group amounted to 319,000 kWh in FY2019. To ensure the effective use of electricity, the Group formulated internal policies, with which all subsidiaries of the Group stringently conformed to save energy. The Group's electricity saving policies included but were not limited as follows:

In the offices and parking lots:

- Modify the set temperature of air conditioners in the offices based on the season;
- Clean office equipment such as refrigerators, air conditioners and shredders regularly to ensure their efficiency;
- Replace the outmoded facilities to increase the electricity utilisation efficiency;
- Engage employees in energy management and conservation and bring forward brilliant ideas for energy-saving;
- Use electronic facilities with energy-saving labels; and
- Replace energy-intensity lamps with LED lights for office lighting.

### **用電**

本集團的所有電耗直接來源於運營工廠及辦公室的日常營運。本集團一如既往存置其電耗的詳細記錄。於二零一九財年，本集團的總電耗為319,000千瓦時。為確保有效用電，本集團已制定內部規例，並要求本集團所有附屬公司嚴格遵守以節約能源。本集團的節電規定包括但不限於以下各項：

於辦公室及停車場：

- 根據季節需要調整辦公室內的空調的設定溫度；
- 定期清洗冰箱、空調及碎紙機等辦公室設備，以維持其性能；
- 更換陳舊設備，以提高用電效率；
- 聘用員工進行能源管理及保護，並收集有關節能的寶貴意見；
- 使用貼有節能標籤的電器；及
- 辦公照明安裝LED燈代替高電耗燈。

In the factories:

- Limit the use of electric heaters for the industrial need, and employees must receive the permission of the relevant department in advance;
- Turn off idle machines timely;
- Arrange the operation of machines appropriately and repair them immediately;
- Install a solar heating system in the dormitory;
- Optimise the operational procedures by replacing the spraying production line, ovens and refrigeration equipment with more efficient ones;
- Install power compensation devices to reduce power loss;
- Minimise the use of high-power equipment during production; and
- Stagger the peak electricity consumption period and arrange energy-intensive production processes at night to save electricity.

In FY2019, the total electricity consumption dropped dramatically due to the reduction of production and strategic business restructuring.

於工廠：

- 限制使用工業用電加熱器，員工使用必須事先取得有關部門的許可；
- 及時關閉閒置機器；
- 合理安排機器運作，並及時進行維修；
- 在宿舍安裝太陽能加熱系統；
- 以更高效率的設備代替噴塗生產線、烤箱及製冷設備，優化操作程序；
- 安裝功率補償裝置，以減少功率損耗；
- 在生產過程中盡量減少使用大功率設備；及
- 錯開用電高峰期，夜晚安排高電耗生產程序以節約電力。

於二零一九財年，由於生產減少及策略性業務重組，總電耗急劇下降。

### **Water**

In FY2019, water consumed by the Group was mainly from domestic use by its employees during the working hours and industrial use for production. The total water consumption of the Group was 112,000 m<sup>3</sup> in FY2019. In order to strengthen its employees' awareness of water conservation, the Group utilised online resources to promote the importance of water conservation among staff, and established a reward and penalty mechanism to motivate all employees to save water. To further improve the utilisation efficiency of water resources, the Group formulated internal policies, including but were not limited to the followings:

- Recycle used water in daily practice if possible;
- Adopt low-flow faucets or showers in the office and staff living areas. Once there is a leaking problem, the Group will send a plumber immediately; and
- Allocate resources and manpower to inspect the water supply system regularly.

In FY2019, the amount of water withdrawal declined significantly as compared to the figure in FY2018 due to the reduction of production and strategic business restructuring.

### **Energy**

The Group consumed diesel and gasoline as its primary energy resources in FY2019. The diesel consumption came from the production process of shipbuilding and steel engineering. The diesel and gasoline consumed by the Group's operations during FY2019 amounted to 67,540 litres and 11,990 litres, which fell by 75% and 89% respectively due to the strategic business restructuring.

### **用水**

於二零一九財年，本集團的用水主要來源於員工在工作時間產生的生活用水及生產時產生的工業用水。於二零一九財年，本集團的總用水量為112,000立方米。為加強員工的節水意識，本集團利用線上資源向員工宣傳節水的重要性，並設立獎罰機制以鼓勵全體僱員節約用水。為進一步提高水資源的利用率，本集團已制定內部規例，包括但不限於以下各項：

- 日常過程中盡可能地循環用水；
- 在辦公室及職工生活區採用低流量水龍頭或淋浴頭，倘出現漏水問題，本集團將即時派遣水管工維修；及
- 分配資源及人力定期檢測供水系統。

於二零一九財年，由於生產減少及策略性業務重組，取水量較於二零一八財年急劇下降。

### **能源**

於二零一九財年，本集團主要消耗柴油及汽油。柴油消耗來源於造船生產過程及鋼筋工程。二零一九財年本集團營運所用柴油及汽油分別為67,540升及11,990升，因策略性業務重組分別下降75%及89%。

To avoid unnecessary fuel consumption, the Planning Department formulated the plan for procurement based on the actual production volume. Relevant departments were responsible for examining and recording the consumption of fuels, while users kept their consumption records and proactively took fuel-saving measures.

The Group also consumed other gaseous resources that supported the production process as well in FY2019. The gases consumed by the Group included compressed air, oxygen, carbon dioxide gas, acetylene gas, nitrogen, argon, steam and other gases for the production process. Gases purchased by the Purchasing Department were carefully examined and recorded. Users were required to strengthen the inspection of gas pipelines to prevent any air discharge and leakage. The Group was also responsible for checking the gas storage containers and organising maintenance work on a regular basis.

### **Paper**

In FY2019, paper was one of the major natural resources used by the Group, especially for operations in its offices. To reduce the consumption of paper, the Group adopted the following practices:

- Set duplex printing as the default mode for most network printers when printouts are necessary;
- Promote the idea of “Think before print” by using posters and stickers in the offices;
- Place boxes and trays beside photocopiers as containers to collect single-sided paper for reuse and used paper for recycling;
- Reuse the back of single-sided documents for printing or as draft paper; and
- Recycle used stationery whenever possible.

為避免不必要的油耗，規劃部已根據實際產量制定採購計劃。有關部門負責檢查及記錄所消耗的燃油，而相關用油單位亦須存備用油記錄，並積極採取節油措施。

於二零一九財年，本集團亦使用支持生產程序的其他燃氣資源。於生產過程中，本集團消耗的氣體包括壓縮空氣、氧氣、二氧化碳、乙炔氣、氮氣、氫氣、蒸汽及其他氣體。採購部門購買的氣體已經過仔細的檢查及記錄。使用者須加強對燃氣管道的檢查，以防止任何氣體溢出及洩漏。本集團亦負責檢查儲氣罐及定期組織維護工作。

### **紙張**

於二零一九財年，紙張為本集團（尤其是辦公室營運）所使用的其中一項主要自然資源。為減少紙張消耗，本集團已採納以下措施：

- 需要打印時，將大部分網絡打印機的預設模式設定為雙面打印；
- 在辦公室使用海報及便利貼推行「印前三思」的理念；
- 在複印機旁放置箱及盤，收集單面印刷的紙張以供再利用及收集用完的紙張以供回收利用；
- 重複使用舊的單面印刷文件的背面進行列印或作為草稿紙；及
- 盡可能回收利用曾使用的文具。

In FY2019, the total consumption of paper resources reached 4,750 kilograms, which moderately increased when compared to that in FY2018 due to more administrative work in the reporting year. Embracing the concept of the “3R” principle, the Group put great emphasis on the recycling of used paper and a total of 460 kilograms of paper were recycled in FY2019.

於二零一九財年，紙張資源消耗總量達4,750千克，較二零一八財年略有增加，原因是報告年度內行政工作增加。秉持「3R」原則的理念，本集團重視回收利用廢紙，於二零一九財年共回收460千克紙張。

**Table 2 Detailed resource consumption of the Group by category in FY2019 and FY2018**

**表2本集團二零一九財年及二零一八財年按類別劃分的資源消耗詳情**

Item 項目	Types of Resources 資源類別	Unit 單位	FY2019 二零一九財年		FY2018 二零一八財年	
			Amount 量	Intensity (Per employee) 強度 (每名員工)	Amount 量	Intensity (Per employee) 強度 (每名員工)
Energy consumption 能源消耗	Gasoline 汽油	L 升	11,990	34.3	105,600.0	191.7
	Diesel 柴油	L 升	67,540	193.0	272,711.0	494.9
Electricity consumption 用電		kWh 千瓦時	319,000	911.4	19,780,624.6	35,899.5
Water consumption 用水		m <sup>3</sup> 立方米	112,000	320.0	423,405.7	768.4
Paper consumption 紙張消耗		kg 千克	4,705	13.4	1,559.1	2.8

As shown in the table above, the Group's use of resources in FY2019 witnessed an enormous decline due to the reduction in production and strategic business restructuring.

如上表所示，由於產量減少及策略性業務重組，本集團於二零一九財年的資源使用大幅下降。

### A.3. The Environment and Natural Resources

The Group was in strict compliance with the relevant laws and regulations, namely Law of the People's Republic of China on Circular Economy Promotion (中華人民共和國循環經濟促進法) and Environmental Impact Assessment Law of the People's Republic of China (中華人民共和國環境影響評價法), in relation to the environment and the use of natural resources during the year under review.

In terms of the environmental impacts from the operation process, the Group's routine operations were under strict control. In the operation site of shipbuilding business, the Group formulated the Material Recycling Incentives (物資回收節約獎勵辦法) to encourage employees to make good use of residues and wastes (including waste steel, waste steel wire, cable head, non-ferrous metal scrap, iron shavings, paint bucket, wood/paper crates, welding head, wire rod, waste steel flange, pipe elbow, round plate and flange plate), and reduce the consumption raw materials (include electrodes, paint, diesel, gasoline, etc). The Group financially rewarded the employees who showed excellent performance in implementing the Group's environmental policies with the incentives accordingly.

### A.3. 環境及天然資源

於回顧年度，本集團嚴格遵守有關環境及自然資源使用的相關法律法規，即《中華人民共和國循環經濟促進法》及《中華人民共和國環境影響評價法》。

經營過程對環境產生的影響方面，本集團的日常經營受嚴格監控。於造船業務的經營場所，本集團已制定《物資回收節約獎勵辦法》以鼓勵僱員充分利用餘料及廢物（包括廢鋼、廢鋼筋、電纜接頭、有色金屬廢料、鐵屑、油漆桶、木架箱／紙箱、焊機頭、線棒、廢鋼法蘭、管道彎頭、圓片及法蘭片），並減少原材料（包括電極、油漆、柴油、汽油等）消耗。本集團對在執行本集團環境政策方面表現卓越的僱員進行相應的財務獎勵。



As an enterprise engaged in manufacturing activities, the Group has focused its efforts on evaluating its material environmental impacts of business operations and committed to making appropriate responses with solid actions according to global best practices and internationally recognised standards, in order to minimise the potential environmental risks. With the rapid development of sensing, computing technologies, automation and analytics techniques, the transformation of the manufacturing industry signals that it is necessary to march towards a new generation of operations with the application of sustainability, digitalisation and intelligence in business. Improving energy and resources consumption efficiency is undoubtedly an important component of the Group's ambition to forge a resilient and sustainable enterprise. Aiming to become a resource-efficient manufacturing model, the Group has been monitoring its daily consumption of energy resources and investing in supporting the innovation of companies in breakthrough technologies and applications, which could accelerate the Group's pace towards sustainability, while reducing the operating costs. Meanwhile, the Group benchmarks the best ESG practice from its global peers and commits to delivering on ambitious UN Sustainable Development Goals ("SDGs") with efforts on the learning and implementation of SDG Compass.

身為從事製造業活動的企業，本集團著力評估其業務營運對環境的重大影響，並致力於根據全球最佳常規及國際認可標準採取實質行動以作出恰當的回應，盡量減少潛在的環境風險。隨著傳感、計算技術、自動化及分析方法的快速發展，製造業轉型表明有必要向新一代業務進軍，實現商業可持續發展、數字化及智能化。提高能源及資源利用效益無疑是本集團打造適應力強及可持續的企業目標中的重要組成部分。為了成為資源節約型的製造業模範企業，本集團一直監察其能源資源的日常消耗並投資及支持公司在突破性技術和應用方面的創新，從而促進本集團的可持續發展，同時減少經營成本。此外，本集團以其全球同業的最佳環境、社會及管治常規為基準，致力於通過努力學習及落實聯合國可持續發展目標（「可持續發展目標」）指南實現宏大的可持續發展目標。

## SUSTAINABLE DEVELOPMENT GOALS





Furthermore, the Group aims to meet the national environmental protection standards of the shipbuilding industry, as such it has set corresponding targets that can be used to lead the Group towards a better future. The target include

- 1) Expand the coverage of the installation of exhaust gas monitoring device and timely dynamic monitoring, while increasing the adoption rate of exhaust gas purification device in the factories;
- 2) Further the improvement of sewage treatment equipment to reduce water pollution, while promoting the recycling of water in the factories to save water resources.

Looking ahead, the Group will continue to adhere to the safety, harmony and green development concept and make unremitting efforts to create a resource-saving and environmentally friendly corporation.

此外，本集團致力於符合造船業的國家環境保護標準，因此已設立可用於帶領本集團走向更美好的未來的相應目標。有關目標包括

- 1) 擴大廢氣監測裝置的安裝和及時動態監測的覆蓋範圍，同時提高工廠內廢氣淨化裝置的採用率；
- 2) 進一步改進污水處理設備以減少水污染，同時提升工廠內水的回收利用以節約水資源。

展望未來，本集團將繼續堅持安全、和諧、綠色發展的理念，為建設資源節約型、環境友好型企業作出不懈努力。

## VII. SOCIAL SUSTAINABILITY

### EMPLOYMENT AND LABOUR PRACTICES

#### *B.1. The Environment and Natural Resources*

The Group treasures employee's talent and is dedicated to providing a safe and sound working environment for employees and cultivating talents experienced in technology and management. Striving to provide its employees with a suitable platform for developing their career, professionalism and advancement, employees' rights and maintaining a robust labour standard are deeply rooted in the history, culture and business purpose of the Group. During the year, the Group has launched numerous programs and set up a series of effective policies to ensure that all of its employees are treated with respect and dignity. By improving the remuneration system and career path, the Group has been committed to establishing a comprehensive incentive system based on physical, mental, emotional and growth motivations to carry forward the harmonious and stable employment relationship. As of 31 December 2019, the Group employed a total of 350 employees in mainland China and Hong Kong,

## VII. 社會可持續性

### 僱傭及勞工常規

#### *B.1. 環境及天然資源*

本集團珍惜人才，致力為僱員提供安全及穩定的工作環境，培育富有技術和管理經驗的人才。本集團努力為其僱員的職業發展、專業及進步提供合適的平台，僱員權利及維持健全的勞工準則深深根植於本集團歷史、文化及經營宗旨之中。於年內，本集團推出多項計劃，並制定一系列有效政策，以確保其所有僱員均受到尊重且有尊嚴。透過完善薪酬體系及僱員職業發展通道，本集團致力於構建基於物質、精神、情感及發展激勵的全面激勵體系，維護和發展和諧穩定的勞資關係。截至二零一九年十二月三十一日，本集團於中國內地及香港共僱用350名僱員。

### *Law compliance*

The Group is an enterprise built on its employees, whose diversity, advanced expertise and commitment combine to create a successful company and shape a responsible future. The human resources policies of the Group strictly adhere to the applicable employment laws and regulations in Hong Kong and the PRC, and in FY2019, the Group abided by the relevant laws and regulations including but not limited to the followings:

- Employment Ordinance (Cap. 57 of the Law of Hong Kong);
- Labour Law of the People's Republic of China (中華人民共和國勞動法); and
- Labour Contract Law of the People's Republic of China (中華人民共和國勞動合同法).

In FY2019, the Group also complied with the laws and regulations with respect to the employees' social security schemes that were enforced by the local governments in the PRC and Hong Kong in relation to employee's benefits. Housing subsidies were provided to the employees in the PRC. The Human Resources Department of the Group reviewed and updated the relevant company policies on a regular basis in accordance with the latest laws and regulations.

### *法律合規*

本集團是一間以僱員為基礎的企業，僱員的多元化、先進專業知識及奉獻精神共同創造一間成功的公司，並塑造負責任的未來。本集團的人力資源政策嚴格遵守香港及中國適用之僱傭法律及法規，於二零一九財年，本集團遵守相關法律及法規，包括但不限於下列各項：

- 《僱傭條例》（香港法例第57章）；
- 《中華人民共和國勞動法》；及
- 《中華人民共和國勞動合同法》。

於二零一九財年，本集團亦遵守中國地方政府及香港政府就僱員福利實施的有關僱員社會保障計劃的法律及法規。本集團為中國僱員提供住房補貼。本集團的人力資源部根據最新法律法規定期檢討及更新相關公司政策。

#### *Recruitment and promotion*

One of the Group's most successful initiatives to uphold labour and human rights is its actions to improve recruitment processes. In FY2019, the Group set an annual recruitment plan to manage the recruitment. To attract high-calibre candidates, the Group offered fair, competitive remuneration and benefits based on the individuals' past performance, personal attributes, job experiences and career aspiration. The Group referenced market benchmarks in determining its remuneration and benefits policies, and recruited candidates through a wide variety of channels such as posting online advertisements, participating in recruitment seminars and partnering with headhunting companies. The performance evaluation was carried out regularly and the promotion report issued by the manager was based on the assessment results of employees.

#### *Compensation and dismissal*

As talent retention is vital to the sustainable business development, the Group constantly reviewed its compensation packages and performed probationary and regular evaluations according to the market level, the profitability of the Group and employee's performance in the past, which ensured that all employees can be recognised by the Group appropriately in terms of their efforts and contributions. In FY2019, the Group provided discretionary bonuses to employees according to their performance and arranged a share point scheme as a long-term incentive for key management staff.

Any appointment, promotion or termination of the employment contract would be based on reasonable, lawful grounds and internal policies including the Staff Handbook. In FY2019, the Group strictly prohibited any kinds of unfair or unreasonable dismissals to protect its employee's rights.

#### *招聘及晉升*

本集團在維護勞工及人權方面最成功的舉措之一是其改善招聘程序的行動。於二零一九財年，本集團制定了年度招聘計劃以管理招聘流程。為吸引高素質人員，本集團根據個人過往表現、個人素質、工作經驗及職業期望，提供公平及具競爭力的薪酬及福利。本集團參考市場基準釐定其薪酬及福利政策，並通過多種方式招聘人才，如發佈在線廣告、參加招聘會及與獵頭公司合作。本集團定期進行績效評估，經理則基於僱員的評估結果提交晉升報告。

#### *薪酬及解僱*

由於人才挽留對可持續業務發展至關重要，本集團不斷審閱其薪酬方案，並根據市場水平、本集團的盈利能力及員工的過往表現進行試用期考核及定期評估，這確保所有僱員的努力及貢獻可得到本集團適當的認可。於二零一九財年，本集團亦根據員工表現給予酌情花紅，並為重要管理人員設立股權計劃作為長期激勵。

任何委任、晉升或終止僱傭合約將基於合理及合法的理由以及內部政策（包括員工手冊）而作出。於二零一九財年，為保障員工權利，本集團嚴禁任何不公平或不合理的解僱。

#### *Working hours and rest period*

The Group formulated internal policies based on local employment laws for determining working hours and rest periods for employees. The Group strictly monitored its employees' working hours through Attendance management regulations (考勤管理規定) and regulated that employees who work at non-office hours can receive overtime pay or compensation leave. In addition to basic paid annual leave and statutory holidays stipulated by the employment laws of the local governments, employees were also entitled to additional leave benefits such as marriage leave and sick leave.

#### *Equal-opportunity and anti-discrimination*

Moving towards Goal 10: Reduced Inequalities in SDGs, as an equal opportunity employer, the Group has been committed to creating a fair, respectful and diverse working environment by promoting anti-discrimination and equal opportunity in all its human resources and employment decisions. For instance, training and promotion opportunities, dismissals and retirement policies were based on factors irrespective of the employees' age, sex, marital status, pregnancy, family status, disability, race, colour, descent, national or ethnic origins, nationality, religion or any other nonjob related factors in all business units of the Group. The equal opportunity policy allowed zero tolerance in relation to any workplace discrimination, harassment or vilification in accordance with local ordinances and regulations, such as Disability Discrimination Ordinance (Cap. 487 of the Laws of Hong Kong) and Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong). In FY2019, employees were encouraged to report any incidents involving discrimination to the Human Resources Department of the Group. The Group will take responsibility for assessing, dealing with, recording and taking any necessary disciplinary actions in relation to such incidents.

#### *工時及假期*

本集團已根據地方就業法律制定有關釐定僱員工作時數及假期的內部政策。本集團通過考勤管理規定嚴格監管員工的工作時數，並規定員工加班可獲得加班費或補休。除地方政府的就業法律規定的基本帶薪年假及法定假日外，僱員亦可享有額外的休假，例如婚假及病假。

#### *平等機會及反歧視*

就可持續發展目標的目標10：減少不平等而言，本集團為提供平等機會的僱主，在所有人力資源及僱傭決策中促進反歧視及平等機會，致力於營造公平、尊重及多元化的工作環境。例如，本集團所有業務部門的培訓及晉升機會、解僱及離休政策不受僱員的年齡、性別、婚姻狀況、懷孕、家庭狀況、殘疾、種族、膚色、血統、民族或種族、國籍、宗教信仰或任何其他與工作無關的因素干擾。平等機會政策根據地方法例及法規（例如《殘疾歧視條例》（香港法例第487章）及《性別歧視條例》）（香港法例第480章），不容許任何工作場所的歧視、騷擾或誹謗。於二零一九財年，我們鼓勵僱員向本集團人力資源部門報告涉及歧視的任何事件。本集團將負責對該等事件進行評估、處理、記錄及採取任何必要的紀律行動。

#### *Other benefits and welfare*

In terms of internal coaching and communication, effective two-way dialogue between general staff and the managerial staff was highly encouraged within the Group, which believes that a barrier-free employer-employee relationship was conducive to a productive and pleasant working environment. The employees maintained timely and smooth communication with each other and with the management through different channels, such as emails, regular meetings and social networks.

#### *其他福利及待遇*

在內部指導及溝通方面，本集團內部強烈鼓勵員工與管理人員之間的有效雙向溝通，其認為僱主與僱員之間無障礙的關係有助營造高效及愉快的工作環境。僱員通過電子郵件、定期會議及社交網絡等多種渠道，彼此之間及與管理層保持及時及順暢溝通。



The Group provided fully equipped dormitories, uniforms and meals to satisfy employees' needs. The Group offered bonuses and gifts to employees during traditional Chinese festivals. In FY2019, the Group hosted a series of activities for its employees, such as travelling, dinner parties and recreational activities. These events not only helped employees to relieve stress, but also contributed to the Group's corporate culture of solidarity and cohesion among its employees.

本集團提供設施齊備的宿舍、制服及膳食，以滿足員工的需要。本集團於中國傳統節日為員工發放獎金及禮品。本集團於二零一九財年為其僱員舉辦了一系列活動，例如旅遊、聚餐及娛樂活動。該等活動不僅有助僱員緩解壓力，並為本集團僱員團結及凝聚的企業文化作出貢獻。

During the year under review, the Group was in compliance with relevant laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, welfare and other benefits that have a significant impact on the Group.

### **B.2. Health and Safety**

Adhering to the policy of “Safety First, Prevention Primary, Comprehensive Treatment” (“安全第一·預防為主·綜合治理”), the Group attached great importance to providing and maintaining a good working environment. Aiming to pursue its goal of creating a safe workplace with zero injuries, zero occupational diseases and ensuring healthy lives and well-being for all employees, the Group set up work safety and health policies in line with various applicable laws and regulations in Hong Kong and the PRC. The material laws and regulations were Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong) and Employees’ Compensation Ordinance (Cap. 282 of the Laws of Hong Kong), Law of the People’s Republic of China on the Protection of Production Safety (中華人民共和國安全生產法) and Regulation on Work-Related Injury Insurance (工傷保險條例).

於回顧年度內，本集團在薪酬及解僱、招聘及晉升、工時、假期、平等機會、多元化、反歧視、福利及其他待遇方面，遵守對本集團有重大影響的相關法律及法規。

### **B.2. 健康與安全**

本集團堅持「安全第一·預防為主·綜合治理」的政策，將提供及維持良好的工作環境作為重中之重。為實現營造零受傷、零職業病的安全工作場所及確保全體僱員的健康生活和幸福的目標，本集團已制定符合香港及中國各項適用法律法規的工作安全與健康政策。主要法律法規包括《職業安全及健康條例》（香港法例第509章）、《僱員補償條例》（香港法例第282章）、《中華人民共和國安全生產法》及《工傷保險條例》。





#### *Providing a safe working environment*

Protecting employees from harm and safeguarding their health is key to the Group's success. The Group has been dedicated to maintaining and continuously developing the health, safety and welfare of employees at work. In FY2019, the Group kept creating a clean, tidy, smoke-free, harmless, non-hazardous, healthy and safe working environment for its employees. Specifically, the occupational health and safety of the Group was responsible by the Group's Security Department, which assigned specific safety personnel to conduct on-site inspections of workshops and departments from time to time, so as to ensure the Group's practices were in compliance with the government's supervision, while ensuring that the Group provided a healthy and safe working environment for its employees. The daily work of management and staff must follow the internal production safety management rules and policies, which cover a series of occupational health and safety measures including policies in fire safety, chemical management, emergency management and safety rewards and punishment system. Regarding the handling of hazardous chemicals, the Group required its employees to stack them separately according to their chemical properties so as to reduce the risks of accidents, while outsourced the handling and disposal of hazardous chemicals to qualified suppliers to minimise any risks arise from mishandling of them. The Group also arranged regular physical examinations for staff responsible for special types of work and required them to hold valid certificates before employment to make sure they are familiar with all the operational processes. Different departments were supposed to shoulder the responsibilities under the overarching guidance. The Group also formulated contingency plans and arranged drills at least once a year. Besides, the Group posted security bulletins, banners, slogans and warning signs to remind employees of safety.

#### *提供安全的工作環境*

保護僱員免受傷害及保護彼等的健康乃本集團成功的關鍵。本集團一直致力於維持並持續發展僱員工作中的健康、安全及福利。於二零一九財年，本集團不斷為其僱員創造一個乾淨、整潔、無煙、無害、無危險、安全健康的工作環境。具體而言，本集團的職業健康與安全由本集團的安全部門負責，該部門指派特定的安全人員不時對工廠及部門進行現場檢查，以確保本集團的常規符合政府的監督，同時確保本集團為其僱員提供健康安全的工作環境。管理層及員工每日必須遵循內部生產安全管理規則及政策開展工作，有關規則及政策包括一系列職業健康與安全措施，如消防安全、化學品管理及應急管理等方面的政策以及安全獎懲制度。關於危險化學品的處理，本集團要求僱員根據其化學性質將其分開堆放，以減少事故風險，同時將危險化學品的處理及處置外包予合資格供應商，以最大程度地減少因不當處理而產生的任何風險。本集團亦定期安排負責特殊工種的員工進行體檢，並要求彼等在上崗前持有有效的證書，以確保彼等熟悉所有操作流程。不同部門須承擔的責任有整體指示。本集團亦制定應急計劃，並每年至少安排一次演習。此外，本集團會發佈安全公告、橫幅、標語及警告標識，以提醒僱員注意安全。



In FY2019, no work-related fatalities occurred in the Group's related activities, and the lost days of work due to work-related injuries were 90 days. To raise its employees' awareness of occupational health and safety, the Group organised several safety training workshops for its staff so as to familiarise them with the necessary safety knowledge they need for working in the factories. During the year under review, the Group was not in violation of any of the relevant laws and regulations in relation to providing a safe working environment and protecting the employees from occupational hazards that have a significant impact on the Group.

於二零一九財年，本集團的相關業務活動並無發生因工死亡事故而因工傷損失工作日數為90日。為提高僱員的職業健康與安全意識，本集團為其員工舉辦了數次安全培訓講座，使彼等熟悉在工廠工作所需的必要安全知識。於回顧年度內，本集團在提供安全工作環境及保護僱員免受職業危害方面，並無違反任何對本集團有重大影響的相關法律法規。



### **B.3. Development and training**

The Group valued training and considered it essential to improve the Groups' overall operational efficiency. With the aim to develop its people through empowerment, teamwork and training, the Group arranged comprehensive training and development programmes for its staff to strengthen employees' work-related skills and knowledge.

The Group provided integrated induction training for newly recruited staff who were expected to understand the corporate culture, business processes, work health and safety, management system and group development. The Group established an intern-tutor system for job training, aiming to help the newly graduated employees to fulfil their work responsibility. For experienced employees, the Group developed annual training programs to enhance their work-related skills and knowledge through both physical lectures and online learning website.

The Group also used mobile applications as an innovative learning platform. Specifically, relevant departments shared useful learning materials through the intranet. Further, the Group established a training centre in Shandong to help employees build their occupational development schemes and provide technical training courses.

The Group encouraged outstanding employees to attend external training for enhancing their competitiveness and expanding their capacity through continuous learning. The Group also invited external organisations and experts to provide job-related training to its employees.

In FY2019, over 1,500 hours of training courses were provided by the Group to its employees.

### **B.3. 發展及培訓**

本集團重視培訓，認為培訓對提高本集團的整體經營效率至關重要。為透過賦能、團隊及培訓培養員工，本集團為員工安排全面的培訓及發展計劃，以加強員工的工作相關技能及知識。

本集團為新聘員工提供綜合入職培訓，幫助彼等了解企業文化、業務流程、工作健康與安全、管理制度及集團發展。本集團為工作崗位培訓設立內部導師制度，旨在幫助應屆畢業僱員履行其工作職責。對於具備充足經驗的僱員，本集團制定年度培訓計劃，以通過講座及在線學習網站加強其工作相關的技能及知識。

本集團亦採用移動應用程式作為學習平台。具體而言，有關部門將通過內部網絡共享有益的學習資料。除此之外，本集團已於山東省設立培訓中心，幫助僱員建立職業發展計劃及提供技術培訓。

本集團鼓勵優秀僱員參加外部培訓，通過不斷學習提高競爭力及提升能力。本集團亦邀請安排外部培訓機構及培訓人員為其僱員提供工作相關培訓課程。

於二零一九財年，本集團向其僱員提供超過1,500個課時的培訓課程。

#### **B.4. Labour Standards**

The Group strictly abided by the Employment Ordinance (Cap. 57 of the Law of Hong Kong), Labour Law of the People's Republic of China (中華人民共和國勞動法), Labour Contract Law of the People's Republic of China (中華人民共和國勞動合同法) and other related labour laws and regulations in Hong Kong and the PRC to prohibit any child or forced labour employment during the year under review.

To combat illegal employment on child labour, underage workers and forced labour, the Group's human resources staff required job applicants to provide valid identity documents before the confirmation of employment to ensure that the applicants were lawfully employable. If any untrue or invalid information is provided, the Group will terminate the employment according to relevant laws. The Group put child labour and compulsory labour policies in its staff manual to eliminate the labour risks. The Human Resources Department of the Group was responsible for monitoring and ensuring compliance with the latest relevant laws and regulations that prohibit child labour and forced labour.

During the year under review, the Group was not in violation of any of the relevant laws and regulations, in relation to the prevention of child and forced labour that has a significant impact on the Group.

#### **B.4. 勞工準則**

於回顧年度內，本集團嚴格遵守《僱傭條例》（香港法例第57章）、《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及香港和中國其他禁止童工或強制勞工的相關勞動法律及法規。

為防止非法聘用童工、未成年勞工及強制勞工的問題發生，在確定僱傭關係之前，本集團的人力資源部員工會要求應徵人員提供有效的身份證明文件，確保應職人員為合法可受僱的人士。倘提供任何失實或無效資料，本集團將根據相關法律終止僱傭。本集團將童工及強制勞工政策寫入其員工手冊以杜絕勞工風險。本集團的人力資源部負責監控並確保本集團遵守禁止童工及強制勞工的最新相關法律及法規。

於回顧年度內，本集團在防止童工及強制勞工方面，並無違反任何對本集團有重大影響的相關法律及法規。

## OPERATING PRACTICES

### *B.5. Supply Chain Management*

As a socially responsible enterprise, it is critical for the Group to maintain and manage a sustainable and reliable supply chain that makes minimal negative impacts on the environment and society. In FY2019, the Group systematically assessed and mitigated social, environmental, health & safety, and ethical risks in its supply chain. Each of the operating subsidiaries within the Group monitored the quality of its suppliers and their supply chain practices on a strict and continuous basis. The Group partnered with suppliers who are expected to share its values of respecting people and running business with integrity and excellence. Due to the nature of the business, the trading and financial service business involved only a few numbers of suppliers, which to a certain degree hence was not discussed in detail in this part. In FY2019, the Group partnered with over 400 suppliers in its business operations. In order to maintain the stability of the supply chain and business, the Group maintained stable communications with various suppliers and signed contracts with them to establish long-term cooperative relationships. The Group contacted suppliers through various communication methods such as emails and on-site visits, and managed the catalogue of qualified suppliers reasonably. About 50-90% of suppliers maintained a stable, safe and effective cooperation and communication mode with the Group. In addition, in order to ensure that the Group can reduce its impact on the environment from the entire value chain, in terms of green procurement policies, the Group prioritised high-quality materials that have low environmental pollution and are internationally recognized.

## 營運慣例

### *B.5. 供應鏈管理*

作為一間對社會負責任的企業，維持及管理可持續及可靠的供應鏈，以盡量減低對環境及社會造成的負面影響，對本集團而言至關重要。於二零一九財年，本集團系統地估計並降低其供應鏈的社會、環境、健康及安全以及道德風險。本集團內各營運附屬公司嚴格持續監察其供應商的質素及供應鏈慣例。本集團與預期擁有共同價值觀（即尊重他人、誠信經營、追求卓越）的供應商合作。由於業務性質，貿易及金融服務業務僅涉及少數供應商，因此可在一定程度上不在本節作詳細討論。於二零一九財年，本集團於其業務營運中與逾400名供應商合作。為維持供應鏈及業務的穩定性，本集團與不同供應商保持穩定溝通，並與彼等簽訂合約，建立長期合作關係。本集團通過電郵及實地考察等各種溝通方式與供應商聯繫，並合理管理合資格供應商目錄。約有50%至90%的供應商與本集團維持穩定、安全及有效的合作與溝通模式。此外，為確保本集團能夠減少整個價值鏈對環境的影響，在綠色採購政策方面，本集團優先選擇環境污染程度低及國際公認的優質材料。

*Shipbuilding business & Steel structure engineering and installation business*

Despite the reduction of production and strategic business restructuring, the policies of the business segments in maintaining a stable supply chain never changed.

The Group set up strict policies for supplier management. Specifically, the Group adopted the directory management and blacklist system and required suppliers to meet the China Classification Society (“CCS”) standard. Relevant environmental protection certificates, product production qualification certificates, the supplier’s reputation, past performance and credit agency records were all important factors that the Group considered when selecting suppliers. The Group necessitated its well-selected suppliers to be legitimate in providing high-quality products at a reasonable price. Suppliers in compliance with relevant environmental laws and regulations of the PRC are the prior choice of the Group.

The Procurement Department of the Group conducted surveys of potential suppliers in terms of their product quality, price, production capacity, reputation and their social and environmental responsibility during the selection process. According to the assessment, the Group blacklisted the supplier who was found to have serious problems with law compliance, delivery, health and safety or environmental risks. The qualified suppliers were added to the approved supplier list after an in-depth assessment based on the criteria explicitly set by the Group. All the qualified suppliers shall provide a copy of the business license, approval, qualification or inspection certificate, quality assurance certificate or product certificate, and other certificates that can prove the suppliers’ ability. The Group also required its suppliers to obtain specific industry qualifications if necessary.

*造船業務及鋼結構工程及安裝業務*

儘管減產及策略性業務重組，業務分部於維持穩定供應鏈方面的政策從未改變。

本集團建立嚴格的供應商管理政策。具體而言，本集團採用名單管理及黑名單制度，並要求供應商符合中國船級社（「CCS」）標準。甄選供應商時，相關環保證書、產品生產資質證書、供應商的聲譽、過往表現及信貸機構記錄均為本集團考慮的重要因素。本集團要求其經甄選供應商依法提供高質量、價格合理的產品，並優先選擇遵守中國相關環保法律及法規的供應商。

本集團採購部門在甄選過程中會對潛在供應商的產品質量、價格、產能、聲譽以及社會及環境責任進行調查。根據評估，倘發現供應商在法律合規、交付、健康與安全或環境風險方面存在嚴重問題，本集團會將其列入黑名單。合資格供應商在經過按照本集團明確設立的標準深入評估後會被添加至核准供應商名單內。所有合資格供應商須提供營業執照、審批、資格或檢驗證書、質量保證證書或產品證書以及其他可證明供應商能力之證書的副本。本集團亦要求供應商取得特定行業資格（如必要）。

To ensure the stability of the supply chain, at least two suppliers were selected for each raw material. In FY2019, the Group strengthened its monitoring and follow up of corrective actions to improve the control of its suppliers. Specifically, the Group performed an annual evaluation of the suppliers in terms of top management turnover, production capacity, changes in manufacturing techniques, raw materials and quality assurance ability to track their performances and law compliance. Random inspections before accepting the raw materials were conducted as well to check if they are consistent with the product-related quality certificates and test reports. If the supplier's products do not meet the Group's requirements after the official delivery, the Group reserves the right to adjust the orders and ask suppliers for economic compensations according to the mutually-agreed contract.

The Group regularly provided quality management training and advice to suppliers at meetings. The Group maintained close liaison with its suppliers to ensure suppliers' compliance with local laws and regulations in operations and adherence to their business ethics such as the prohibition of the employment of child labour and forced labour. To facilitate better cooperation and communication between the Group and suppliers, suppliers were required to promptly update their inventory information and price through social networks, telephone calls and other tools.

為確保供應鏈的穩定性，各原材料至少選擇兩名供應商。於二零一九財年，本集團加強其對糾正措施的監控及跟進，以改進對供應商的控制。具體而言，本集團對供應商的高層變動、產能、製造技術變動、原材料及質量保證能力方面進行年度評估，以追蹤彼等的表現及法律合規情況。原材料驗收前亦進行隨機抽查，以檢查是否與產品相關質量證書及檢測報告一致。倘供應商的產品於正式交付後未能符合本集團的要求，本集團有權調整訂單並根據雙方協定的合約要求供應商作出經濟賠償。

本集團定期在會議上向供應商提供質量管理培訓及意見。本集團與供應商保持緊密聯繫，以確保供應商在經營過程中遵守當地法律及法規，並遵守彼等的商業道德準則，例如禁用童工及強迫勞工。為促進本集團與供應商之間更好的合作與溝通，供應商須透過社交網絡、電話及其他工具及時更新其存貨資料及價格。

The Group strived to reduce its environmental impacts along its value chain as well. The product quality standards of the Group clearly stated the specific environmental requirements of the Group. The Group performed interviews with its suppliers to assess their environmental risks, the history of pollution-related accidents, and their awareness of environmental protection.

#### *Intelligent car-parking and automotive electronics*

The Group's intelligent car-parking and automotive electronics business included two segments, which were intelligent car-parking and parking lot construction.

For the intelligent car-parking service, raw materials purchased by the Group were PCB, wiring harness, electronic components, galvanized sheet, and structural plastic. The Group set up internal regulations including Purchasing and Outsourcing Procedure (外協外購工作流程) to manage the supply chain and Supplier Field Assessment Report (供應商實地評鑒報告) to select suppliers.

Suppliers were chosen based on the needs for product development and the optimisation of the supplier management system. The Procurement Department went through the information of new suppliers such as the quality and price of products and completed the Supplier Basic Information Form (供應商基本概況表). The relevant departments formed a team to evaluate the pre-selected potential suppliers and filled out the supplier evaluation form in the Supplier Strength Evaluation Form (供應商實力評估表). Evaluations mainly covered product quality, production capacity, reputation, qualification, transportation management and their social and environmental responsibilities. Potential suppliers should at least possess ISO9000 certificates and meet ISO14000 environmental management standards and provide product samples.

本集團亦致力減少其價值鏈的環境影響。本集團產品質量標準明確規定本集團的具體環境要求。本集團與供應商進行會談，以評估供應商的環境風險、污染相關事故記錄以及環保意識。

#### *智慧停車及汽車電子*

本集團的智慧停車及汽車電子業務包括智慧停車及停車場建設兩個分部。

就智慧停車服務而言，本集團採購的原材料包括印製電路板、線束、電子元件、鍍鋅板及結構塑料。本集團已制定外協外購工作流程等內部規定，以管理供應鏈及供應商實地評鑒報告，挑選供應商。

供應商乃根據產品開發及供應商管理系統優化需要進行甄選。採購部門檢查新供應商有關產品質量及價格等資料，完成供應商基本概況表。相關部門組成一個小組，對預選潛在供應商進行評估，並於供應商實力評估表填寫供應商評估表。評估主要考慮產品質量、產能、聲譽、資質、運輸管理及其社會與環境責任。潛在供應商須至少具備ISO9000認證及符合ISO14000環境管理標準並提供產品樣品。



Only if the samples of potential suppliers including raw materials, auxiliary materials, components, semifinished products and processed products meet the quality and technical requirements of the Group and pass relevant assessments, can the supplier be marked as qualified suppliers. The qualified suppliers were then required to provide business licenses, tax registration certificate, organization code and other relevant certificates to the Group accordingly.

To ensure the quality of raw material and components, relevant departments conducted quality examinations of the products and made records. Quality management training programmes were provided for suppliers with advice on production risk management and quality management. The Group referred to its internal Control Process of Unqualified Product (不合格品控制程式) in managing and disciplining those who had a history of products being rejected.

The Group assessed the quality of purchased products, delivery time, coordination and/or service of the qualified suppliers every six months and recorded the results of the assessment in the Supplier Assessment Form (供應商實力評估表). For those who fail the assessment, the Group would provide a second opportunity for them to rectify and reform, and then conducted a second assessment.

僅當潛在供應商提供的樣品(包括原材料、輔助材料、元件、半成品及加工產品)符合本集團的質量及技術要求,並通過相關評估時,供應商方可被列作為合資格供應商。合資格供應商其後須向本集團提供相應的營業執照、稅務登記證、組織機構代碼證及其他相關證書。

為確保原材料及元件的質量,相關部門已對產品進行質量檢測並進行記錄。我們亦為供應商提供質量管理培訓及生產風險管理以及質量管理建議。本集團根據其內部不合格品控制程式,管理及懲戒產品曾遭拒收的供應商。

本集團每六個月評估一次採購產品之質量、交付時間、合資格供應商之協作性及/或服務,並將評估結果錄入供應商實力評估表。本集團將給予未能通過評估之供應商一次整改機會,其後進行第二次評估。



For the parking lot construction service, the suppliers were introduced and recommended through internal staff, outsiders and the internet. The recommended suppliers must meet the qualification of the PRC and have no record of any violation of laws in recent two years. At least two suppliers should be chosen as potential suppliers. After the determination of potential suppliers, professional engineers visited the suppliers to inspect the company's capability.

The raw materials must be qualified with the corresponding material testing report. The received raw materials should be randomly selected for third-party testing and applied to the engineering process after meeting the requirements. During the construction process, entrusted third-party qualified supervision companies supervised the quality of materials, services and projects. In addition, the government built specialised agencies that were responsible for supervising the safety and quality of the construction process.

If any accident occurs, the Group coordinated backup suppliers immediately to support the supplement, aiming to ensure that the production process and product quality were not influenced. Meanwhile, a series of investigations and meetings would be launched in order to identify the cause of the accident and to prevent a similar situation from happening again in the future.

就停車場建設服務而言，供應商乃透過內部員工、外部人員及互聯網推介及引薦。推薦供應商必須符合中國的資格，且近兩年並無任何違法記錄。至少應選擇兩名供應商作為潛在供應商。確定潛在供應商後，專業工程師將探訪供應商，檢查公司實力。

原材料必須符合相應的材料檢測報告。收到的原材料應隨機選擇進行第三方測試，並在滿足要求後應用於工程過程。在施工過程中，受委託的第三方合格監理公司監督材料、服務及項目的質量。此外，政府設有專門機構，負責監督施工過程的安全及質量。

倘發生任何事故，本集團會立即協調預備的供應商進行支援，確保生產過程及產品質量不受影響。同時，亦將啟動一系列調查及會議，查明事故原因並防止今後再發生類似情況。

#### *Trading and financial service business*

In addition to environmental and social risks, the innovation in the business model may also bring about and amplifies other risks such as legal risks. As such, the Group has established a risk assessment system, which was jointly established by the Risk Assessment Department, the Commerce Department, and the Asset Management Department, from multiple dimensions of customer risk, industry risk, asset operation risk, and business risk. For instance, in the trading and finance business sector, the Group set up project inspection and follow-up mechanism to keep abreast of the operation of the lessee at any time, so as to avoid false transactions and vicious defaults.

For better supply chain management, the Group divided suppliers into different groups according to the contract term, production scale and product category, in order for more efficient management and timely response in case of any risks or accidents arise.

#### **B.6. Product Responsibility**

The philosophy of products and service of the Group is to provide products with good quality up to the specification, keep in good relationship with customers, and pursue mutual benefits to both parties at all times.

#### *貿易及金融服務業務*

除環境及社會風險外，業務模式創新亦可能帶來及放大諸如合規風險等其他風險。因此，本集團從客戶風險、行業風險、資產運營風險及業務風險等多個維度，聯合風險評估部門、商務部門及資產管理部門設立風險評估系統。例如，本集團於貿易及金融業務板塊設立項目考察及跟蹤機制，隨時掌握承租人的經營狀況，避免虛假交易及惡性違約。

為優化供應鏈管理，本集團根據合約期限、生產規模及產品類別將供應商分為不同組別，以便更有效地進行管理，並在出現任何風險或事故時及時應對。

#### **B.6. 產品責任**

本集團的產品及服務理念為提供符合規格的優質產品、與客戶維持良好關係以及時刻追求互惠互利。

*Shipbuilding business & Steel structure engineering and installation business*

The Group believes that product quality is the essence of an enterprise and strictly adheres to the policy of “Quality First, Satisfy Customers” (“品質第一，顧客滿意”) and “Integrity of Life, Pursuit of Excellence” (“誠信做人，追求卓越”) in its businesses. In FY2019, the Group complied with laws and regulations that may significantly impact the Group such as:

- Patent Law of the People’s Republic of China (中華人民共和國專利法);
- Trademark Law of the People’s Republic of China (中華人民共和國商標法);
- Regulation for the Implementation of the Trademark Law of the People’s Republic of China (中華人民共和國商標法實施條例);
- Intellectual Property Law of the People’s Republic of China (中華人民共和國知識產權法);
- Tort Liability Law of the People’s Republic of China (中華人民共和國侵權責任法);
- People’s Republic of China Special Equipment Safety Law (中華人民共和國特種設備安全法);
- Agreement on Trade-Related Aspects of Intellectual Property Rights (與貿易有關的知識產權規定);
- Interim Provisions on occupational health supervision and management of workplaces (作業場所職業健康監督管理暫行規定); and
- Work Injury Insurance Ordinance (工傷保險條例).

*造船業務以及鋼結構工程及安裝業務*

對於該分部，本集團認為產品質量對企業至關重要並嚴格堅守「品質第一，顧客滿意」及「誠信做人，追求卓越」的政策。於二零一九財年，本集團已遵守可能對本集團產生重大影響的法律法規，如：

- 《中華人民共和國專利法》；
- 《中華人民共和國商標法》；
- 《中華人民共和國商標法實施條例》；
- 《中華人民共和國知識產權法》；
- 《中華人民共和國侵權責任法》；
- 《中華人民共和國特種設備安全法》；
- 《與貿易有關的知識產權規定》；
- 《作業場所職業健康監督管理暫行規定》；及
- 《工傷保險條例》。

The Quality Assurance Department of the Group was responsible for examining the product quality and ensuring the product's compliance with the ISO9000, ISO18000, ISO14000, ISO2003, GL\ABS testing and other relevant international standards. The Group implemented internal laboratory tests, wear tests and actual practice tests in every production process, which could help the Group to control the product quality. If any defective product is found, the Group is responsible for contacting the customer who has purchased the product, collecting the customer's sample for quality inspection and analysis, and asking the distributor to recall the nonconforming product if necessary.

Customer Service Department of the Group was responsible for collecting the feedback from customers and responding to them immediately. For any comments raised by the customers, the Group will conduct internal negotiation immediately and resolve the issues timely.

The Group complied with the Personal Data (Privacy) Ordinance (Cap. 486 of the Law of Hong Kong) and the relevant Hong Kong and PRC laws and regulations to ensure that the rights and interests of customers were strictly protected. Information collected by the Group from its customers would only be used for the purpose that has been illustrated to the customers. Only specific staff of the Group had the access to the information and the data processing was guided by different departments. The Group prohibited the provision of customer information to a third party without the authorisation of the customer. The employees were educated to enhance the awareness of the data leakage risks and sign the confidentiality agreement. The IT Department set obstruction between the office and commercial net to prevent unauthorised data use, exportation and copy.

本集團的質量保證部門負責檢查產品質量及確保產品符合ISO9000、ISO18000、ISO14000、ISO2003、GL\ABS測試及其他相關國際標準。本集團於各生產流程進行內部實驗檢測、磨損測試及實踐檢測，可幫助本集團控制產品質量。倘發現任何瑕疵產品，本集團負責聯繫已購買有關產品的客戶，收集客戶樣品進行質量檢查及分析，並要求分銷商收回不合格產品（如必要）。

本集團客服部門負責收集客戶的反饋意見並立即予以回復。對於客戶所提出的任何意見，本集團將立即進行內部協商，及時解決問題。

本集團已遵守香港法例第486章個人資料（私隱）條例及相關香港及中國法律法規，確保客戶權益得到嚴格保護。本集團向其客戶收集的資料僅會用於已向客戶說明的用途。僅本集團特定員工可查閱有關資料且數據處理乃由不同部門指引。本集團禁止未經客戶授權向第三方提供客戶資料。僱員接受培訓提升數據洩露風險意識並簽署保密協議。資訊科技部門在辦公及商業網絡之間設置阻攔，防止未經授權使用、外洩及複製數據。

To protect its intellectual property rights, the Group applied for intellectual properties timely and confirmed the utilisation before employing any external intellectual properties.

*Intelligent car-parking and automotive electronics & Trading and financial service business*

The Group implemented the policy of “Quality comes from responsibility”(品質源於責任) and spared no efforts to insert the pursuit of quality throughout the various aspects of the enterprise. The Group complied with local relevant laws and regulations, including

- Product Quality Law of the People’s Republic of China (中華人民共和國產品質量法);
- Production Safety Law of the People’s Republic of China (中華人民共和國安全生產法);
- Consumer Protection Law of the People’s Republic of China (中華人民共和國消費者權益保護法);
- Price Law of the People’s Republic of China (中華人民共和國價格法);
- Regulations on the Safety of Special Equipment (特種設備安全監察條例);
- Opinions on Several Issues Concerning the Implementation of the Regulations on the Safety Supervision of Special Equipment (關於實施《特種設備安全監察條例》若干問題的意見);
- Rules on the Installation and Maintenance of Electromechanical Special Equipment (機電類特種設備安裝改造維修許可規則);

為保護知識產權，本集團及時申請知識產權並在使用任何外部知識產權前確認使用。

*智慧停車及汽車電子以及貿易及金融服務業務*

本集團執行「品質源於責任」的政策，不遺餘力地在企業的各個方面貫徹質量至上的理念。本集團遵守當地相關法律及法規，包括

- 《中華人民共和國產品質量法》;
- 《中華人民共和國安全生產法》;
- 《中華人民共和國消費者權益保護法》;
- 《中華人民共和國價格法》;
- 《特種設備安全監察條例》;
- 《關於實施<特種設備安全監察條例>若干問題的意見》;
- 《機電類特種設備安裝改造維修許可規則》;

- Procedures of Installation Supervision and Periodic Inspection of the Mechanical Parking Equipment (機械式停車設備安裝監督與定期檢驗規程);
- Manufacturing rules for mechanical and electrical special equipment (機電類特種設備製造許可規則);
- Special Equipment Safety Supervision Ordinance (特種設備安全監察條例); and
- General safety requirements for mechanical parking equipment (機械式停車設備通用安全要求) (GB17907-2010).
- 《機械式停車設備安裝監督與定期檢驗規程》;
- 《機電類特種設備製造許可規則》;
- 《特種設備安全監察條例》; 及
- 《機械式停車設備通用安全要求(GB17907-2010)》。

The Quality Department was in charge of the quality inspection process, which was comprised of four detection groups responsible for the inspection of the reliability of new products, the quality of raw material, the production process and finished products respectively. To ensure the quality of the products, the Group assigned experts to develop specific garage maintenance programmes and professional maintenance staff to conduct routine maintenance inspections. The Group also provided free training to the customers for independent operation and general troubleshooting. The products of the Group normally have a warranty period of 2 years, during which all the parts and components are free for maintenance. The maintenance and change of components are charged after the warranty period. Meanwhile, the Group promised a 24-hour free service hotline to receive calls. It had two to three maintenance personnel on board and can reach the sites 30 minutes after the call. The repair time for general failure was less than 1 hour and less than 24 hours for complicated failure.

質管部負責質檢流程，分為四個檢測小組，分別負責檢查新產品的可靠性、原材料質量、生產流程及製成品。為保證產品質量，本集團指派專家制定專門的車庫維修計劃和專業維修人員進行日常維修檢查。本集團亦為客戶提供免費培訓，以進行獨立操作及一般故障排除。本集團產品的保修期通常為2年，在此期間所有部件和組件均免費維修。保修期過後維護及更換組件將會收費。同時，本集團開通24小時免費服務熱線。我們安排兩至三名維修人員現場作業，並可以在呼叫後30分鐘到達現場。一般故障的維修時間少於1小時，複雜故障的維修時間亦不超過24小時。

When receiving complaints, the relevant departments will start the analysis of complaints immediately. The After-Sales Service Department will then research and determine the responsibility of the complaints. In particular, a WeChat group was established to deal with any complaints in the first place. The management from the Group was also in the WeChat group to monitor the operation. The complaints must be responded to in 30 minutes and dealt with within one day.

The Group took measures to protect its intellectual property rights and actively applied for the new trademark, label and specialised knowledge as the intellectual property to protect the exclusive right. The Group had a legal consultant to provide legal advice on the protection of intellectual property rights and arranged internal legal staff to inspect and prevent intellectual property infringement. The distributor signed a confidential agreement to protect the intellectual property of the Group.

The Group attaches great importance to information and data security. The Group will not collect any other personal information from customers apart from fulfilling the requirements of the Customer Identification System when establishing business relationships with customers. All data will only be used for the purpose as illustrated. In compliance with the Consumer Protection Law of the People's Republic of China (中華人民共和國消費者權益保護法), the Group strictly prohibited its employees from disclosing any information to any third parties without customers' consent. All personal data is saved in an encrypted computer system which only a few numbers of designated personnel have access to. Meanwhile, the relevant employees needed to sign a confidential agreement to guarantee the non-disclosure of the customer information. In order to further enhance the data security of the Group, it has established a network centre and regularly maintains the network to prevent hacker intrusion and data leakage due to software vulnerabilities.

當接到投訴時，有關部門會即時開始分析有關投訴。售後服務部門將研究並確定投訴的責任。實際操作中，我們建立微信群以便在出現投訴時第一時間進行處理。本集團管理層亦在該微信群中監察其處理情況。投訴必須在30分鐘內得到回應並在一天內得到處理。

本集團已採取多項措施保護其知識產權並積極申請新商標、標誌及專業知識為知識產權以保護其專有權利。本集團聘用法律顧問就知識產權保護提供法律意見並安排內部法務人員審查並預防知識產權侵權行為。分銷商已簽署保密協議以保護本集團的知識產權。

本集團重視信息及數據安全。在與客戶建立業務關係時，除滿足客戶身份識別制度的要求外，本集團將不會向客戶收集任何其他個人資料。所有數據將僅用於所說明的目的。根據《中華人民共和國消費者權益保護法》，本集團嚴禁其員工於未經客戶同意的情況下向任何第三方披露任何信息。所有個人信息將儲存於加密電腦系統內，該系統僅可由少數指定員工登錄。同時，相關員工須簽署保密協議，以保證不會披露客戶信息。為進一步加強本集團的數據安全性，本集團已建立網絡中心並對網絡進行定期維護，以防止因軟件漏洞而造成的黑客入侵及數據洩漏。



The Group set up internal policies to ensure all the promotion and advertising are in compliance with local laws such as Advertisement of the People's Republic of China (中華人民共和國廣告法). No false representation or exaggeration of the product in the advertisement was allowed. All promotions and advertising materials must pass the basic test of the Law Department to ensure their legality, fairness and honesty. If the materials are not in compliance with internal procedures, the Law Department of the Group will take corrective measures immediately.

To avoid operational risks, the Group established Risk Management Department run by professional employees to ensure the strict control of operations and only receive interests on rent in the condition of security funds by signing contracts, while relevant departments conducted the net value investigation and risk control.

Given the materiality principle, since labelling is not a material matter to the Group considering its business nature, the relevant policies and actions are not elaborated in the report. In FY2019, the Group was not in violation of any relevant laws and regulations regarding health and safety, advertising, labelling and privacy matters of its products and services that have a significant impact on the Group.

本集團已制定內部政策，以確保所有推廣及廣告活動符合《中華人民共和國廣告法》等當地法律。不允許在廣告中對產品作出任何錯誤表述或誇大。所有推廣及廣告材料均必須通過法務部的基本測試以確保其合法性、公正性及真實性。倘相關材料不符合內部程序，則本集團法務部將立即採取糾正措施。

為規避運營風險，本集團已成立風險管理部門，由專門僱員管理以確保嚴格控制運營及僅在資金安全的條件下簽訂合同收取租賃利息，而有關部門負責進行淨值調查及風險控制。

鑒於重要性原則，業務性質使然，標籤對本集團而言並不屬重大事項，因此報告中並未闡述相關政策及行動。於二零一九財年，本集團並未違反任何對本集團有重大影響的有關其產品及服務的健康與安全、廣告、標籤及私隱事宜方面的相關法律及規例。

### **B.7. Anti-corruption**

To maintain a fair, ethical and efficient business and working environment, the Group strictly adhered to the local laws and regulations relating to anti-corruption and bribery, irrespective of the area or country where the Group conducts its business, such as Law of the People's Republic of China on Anti-money Laundering (中華人民共和國反洗錢法) and Interim Provisions on Banning Commercial Bribery (關於禁止商業賄賂行為的暫行規定). In addition, the Group also signed an anti-corruption contract with employees and suppliers to avoid any bribery.

The Group set the Chairman mailbox for employees to report any bribery, extortion, fraud and money laundering. If any of the corruption operations is found, the Group will deal with it immediately and transfer to the judiciary if necessary.

The Group established internal policies to prevent the concentration of power and invited external clients and suppliers to participate in supervision on corruption. Training courses and seminars relating to anti-corruption were provided to enhance colleagues' awareness of corruption.

### **B.7. 反貪污**

為保持公正、廉潔及高效的業務和工作環境，本集團嚴格遵守其開展業務的所有地區或國家的當地反貪污及賄賂的法律法規，如《中華人民共和國反洗錢法》及《關於禁止商業賄賂行為的暫行規定》。此外，本集團亦與僱員及供應商訂立反貪污合約以避免任何賄賂。

本集團設立了主席信箱，供僱員報告任何賄賂、勒索、欺詐及洗錢行為。如發現任何貪污活動，本集團將立即處理並在必要時移交司法機關。

本集團制定了內部政策以防止權力的集中，並邀請外部客戶及供應商參與對貪污行為的監督。本集團向員工提供了反貪污相關培訓及研討會以增進員工對貪污的認識。

#### *Trading and financial service business*

In accordance with Article 16 of the Anti-Money Laundering Law of the People's Republic of China (中華人民共和國反洗錢法), this business segment established a Customer Identification System which specifies that, when establishing business relationships with customers or providing customers with one-off financial services such as cash remittances, cash exchanges, and bill redemptions of more than a prescribed amount, customers shall be required to show true and effective identity documents or other identification documents for verification and registration. Where a client handles the business on behalf of another person, the Group shall check and register the agent and the principal's ID or other identification documents at the same time.

During the year under review, the Group was not in violation of any of the relevant laws and regulations in relation to bribery, extortion, fraud and money laundering that have a significant impact on the Group.

## COMMUNITY

### **B.8. Community Investment**

As corporate citizens, the Group believes that the community is the foundation on which the company depends for survival and development, therefore, it is its responsibility for contributing and building the communities in which it operates so as to gain the social licences to operate while giving back to the society at the same time. In FY2019, all business activities of the company fully considered the interests of the community. Since its inception, the Group has focused its efforts on fulfilling corporate social responsibility, especially in the education and environmental construction in the community. Participation in such projects could help the Group formulate policies and objectives, which were in line with the interests of these communities. The Group was also keen to support social welfare activities and community care projects and always encouraged its own employees to take part in these activities and projects.

#### *貿易及金融服務業務*

根據《中華人民共和國反洗錢法》第16條，此業務分部建立了客戶身份識別制度，當中規定，在與客戶建立業務關係或向客戶提供規定金額以上的現金匯款、現鈔兌換及票據兌付等一次性金融服務時，應當要求客戶出示真實有效的身份證件或其他身份證明文件，進行核對及登記。倘客戶代他人辦理業務，本集團須同時檢查及登記代理人及委託人的身份證件或其他身份證明文件。

於回顧年度內，本集團並未違反對本集團有重大影響的任何與賄賂、勒索、欺詐及洗錢相關的法律法規。

## 社區

### **B.8. 社區投入**

作為企業公民，本集團相信社區乃公司賴以生存及發展的基礎，因此，本集團有責任貢獻及建設其運營所在的社區，從而獲得社會營運許可證，同時回饋社會。於二零一九財年，公司的所有業務活動均已充分考慮社區的利益。自成立以來，本集團始終重視履行其企業社會責任，尤其是在社區教育及環境建設方面。參與該等項目有助於本集團制定符合社區利益的政策與目標。本集團亦積極支持社會福利活動及社區關愛項目，並一直鼓勵其員工參加相關活動及項目。

