

CHINA TING GROUP

華鼎集團

Stock Code : 3398

Environmental, Social and Governance Report 2017





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ABOUT THE GROUP

China Ting Group Holdings Limited (“China Ting Group” or the “Company”) and its subsidiaries (collectively the “Group”) are principally engaged in the manufacturing and sale of garments, the manufacturing and retailing of branded fashion apparel, and property development. The Group mainly consists of three business segments: the manufacturing and sale of garments on an OEM basis, the manufacturing and retailing of branded fashion apparel and property development in the PRC. Meanwhile, the Company is engaged in the printing and dyeing of silk and other high quality fabrics in China through its subsidiaries.

In 2017, the Group exerted concentrated efforts in developing the business with its domestic brand customers and the new business of intelligent garment manufacturing, striving to change the traditional business mode by using information-based software and automatic equipment to enhance production efficiency at factories. Our wool textile business achieved profit for the first time and may hopefully emerge as an important business segment and source of profit to the Group in future. Meanwhile, the Group’s retail business also recorded remarkable growth of 3.8% in 2017.

In future, the Group will further enhance the information-based and automatic management of its factories to improve efficiency and flexible manufacturing capability of the factories, with a view to satisfying the need of the market for quick response regarding OEM and ODM businesses. In the meantime, the Group will strengthen its efforts in internal reform, talent cultivation and market exploration, and revolutionize the traditional manufacturing enterprises in China together with our customers, staff and investors.





**One sentence is &
very classic**

I am committed to the Chinese, though
much will punish



ABOUT THIS REPORT

This is the second Environmental, Social and Governance Report (the “Report”) released by China Ting Group. By reporting on the Group’s environmental, social and governance policies, measures and performance, the Report enhances stakeholders’ understanding of our progress and development direction on sustainable development. This Report is prepared in both Chinese and English and is available on the website of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Company’s website at www.chinating.com.hk.



ABOUT THIS REPORT



REPORTING YEAR

All the information in the Report has reflected the Group's performance on environmental protection and social care during the period from January 2017 to December 2017 (the "Year"). Subsequently, the Company will publish an annual Environmental, Social and Governance Report regularly for public access and continuously enhance the transparency in information disclosure.



ABOUT THIS REPORT

SCOPE OF REPORT

The Report focuses on the Group's textile, printing and dyeing as well as garment manufacturing businesses only and excludes all other businesses. The Report covers the Group's operations at 20 factories in Mainland China with respect to textile, printing and dyeing as well as garment manufacturing businesses, as specified in the table below. The Group will continue to improve its internal data collection procedures to gradually expand the scope of disclosure.

Business Type	Name of Subsidiary	Short Name of Subsidiary
Textile factories	Zhejiang China Ting Jincheng Silk Co., Ltd	"Jincheng"
	Zhejiang China Ting Textile Technology Co., Ltd	"Textile Technology"
	Zhejiang Huayue Silk Products Co., Ltd	"Zhejiang Huayue"
Printing and dyeing factories	Hangzhou Huaxing Silk Printing Co., Ltd	"Huaxing"
	China Ting Woollen Textile Co., Ltd	"Huabeina"
	He Shan Tri-Star Silk Dyeing and Printing Work Ltd	"Tri-Star"
Garment factories	Zhejiang Fuhowe Fashion Co., Ltd	"Zhejiang Fuhowe"
	Zhejiang Fucheng Fashion Co., Ltd	"Fucheng"
	Zhejiang Huali Fashion Co., Ltd	"Huali"
	Zhejiang Concept Creator Fashion Co., Ltd	"Concept Creator"
	Zhejiang Xinan Fashion Co., Ltd	"Xinan"
	Zhejiang China Ting Knitwear Co., Ltd	"China Ting Knitwear"
	Hangzhou Fuding Fashion Co., Ltd	"Fuding Fashion"
	Hangzhou China Ting Fashion Co., Ltd	"China Ting Fashion"
	Shenzhen Fuhowe Fashion Co., Ltd	"Fuhowe Fashion"
	Hangzhou China Ting Tailored Fashion Co., Ltd	"China Ting Tailored Fashion"
	Finity International Fashion Co., Ltd	"Finity International"
	Finity Fashion (Shenzhen) Co., Ltd	"Finity Shenzhen"
	China Ting (Hangzhou) Textile Technology Co., Ltd	"Hangzhou Textile"
Bolinding (Hangzhou) Textile Technology Co., Ltd	"Bolinding"	



ABOUT THIS REPORT

REPORTING CRITERIA

This Report is prepared in accordance with the “comply or explain” provisions set out in the Environmental, Social and Governance Reporting Guidance (the “Guidance”) issued by the Stock Exchange, with the four reporting principles covered therein, i.e. Materiality, Quantitative, Balance and Consistency, taken as the basis of preparation of this Report. Based on our actual situation, certain key performance indicators under “Recommended Disclosures” set out in the Guidance are adopted for the Report to improve completeness of its content. The Group has also engaged Carbon Care Asia, a professional consulting firm, to conduct a carbon assessment to ensure accuracy of the information about environmental key performance indicators. A complete index is appended in the last chapter of this Report for reading this Report in accordance with the Guidance.

CONFIRMATION & APPROVAL

All the information contained in this Report is sourced from official documents and statistical data of China Ting Group and its subsidiaries as well as the management and operation information collected in accordance with the Group’s policies. The Report has been confirmed and approved by the board of directors.

COMMENTS & FEEDBACKS

The continuous improvement of China Ting Group relies on your precious comments about our performance and the presentation of this Report. If you have any enquiries or suggestions about the Report, please send your opinions by email to esg@chinatingholdings.com for the continuous improvement of our environmental, social and governance work.



MESSAGE FROM CEO





MESSAGE FROM CEO


I am pleased to present the second Environmental, Social and Governance Report of China Ting Group. The change in expectations and mindsets of consumers nowadays means they are expecting more from products. This in turn brings all sorts of challenges and new opportunities for our industry. Globally, sustainable development has become a common goal shared by all sectors. Likewise, China Ting Group is determined to integrate the concept of sustainable development into operations through visionary and prudent strategies in a bid to maintain its leading edge in the industry.

The manufacturing of textile products has inevitable environmental impact. Therefore, the Group places particular emphasis on emissions management and control. As a targeted measure for the printing and dyeing processes, the Group has invested RMB8 million in renovating the infrastructure at production plants, in order to reduce consumption of dyes and water resources in the course of production, and to control sewage discharge and study the possibility of water reuse. Moreover, the Group re-laid the domestic sewage pipeline network for all its factories last year to avoid soil contamination.

Besides internal policies and resource inputs, China Ting Group also attaches great importance to collaborating with external institutions. For example, the partnership with Zhejiang Sci-Tech University (浙江理工大學) on the development of waterless and water-conserving printing and dyeing technologies is aimed at minimizing water consumption in the production process. The project has delivered encouraging testing results and its completion will significantly boost resource efficiency within the Group and across the whole sector, thereby easing the burden on the environment.

Employees are the key to success of China Ting Group. The Group bears the utmost responsibility for cultivating and looking after its employees. During the Year, the Group adopted various measures to improve employees' compensation and benefits, such as putting in place intelligent equipment and handling systems with a view to reducing labor intensity and lowering the chances of workplace injuries. Moreover, the Group refurbished the staff quarters to enhance employees' quality of life and promote their physical and mental well-being.

To address the challenges that lie ahead, China Ting Group adopts the approaches of advance preparation and continuous innovation to strive for better social and environmental performance in all facets of operations. The Group also considers extending and deepening the communication with stakeholders to fully understand and address their needs. With the support of both internal and external stakeholders, the Group will continuously maintain its competitive advantages and lead the industry to progressively attain sustainable development.



Ting Hung Yi
CEO

China Ting Group Holdings Limited



COMMUNICATION WITH STAKEHOLDERS

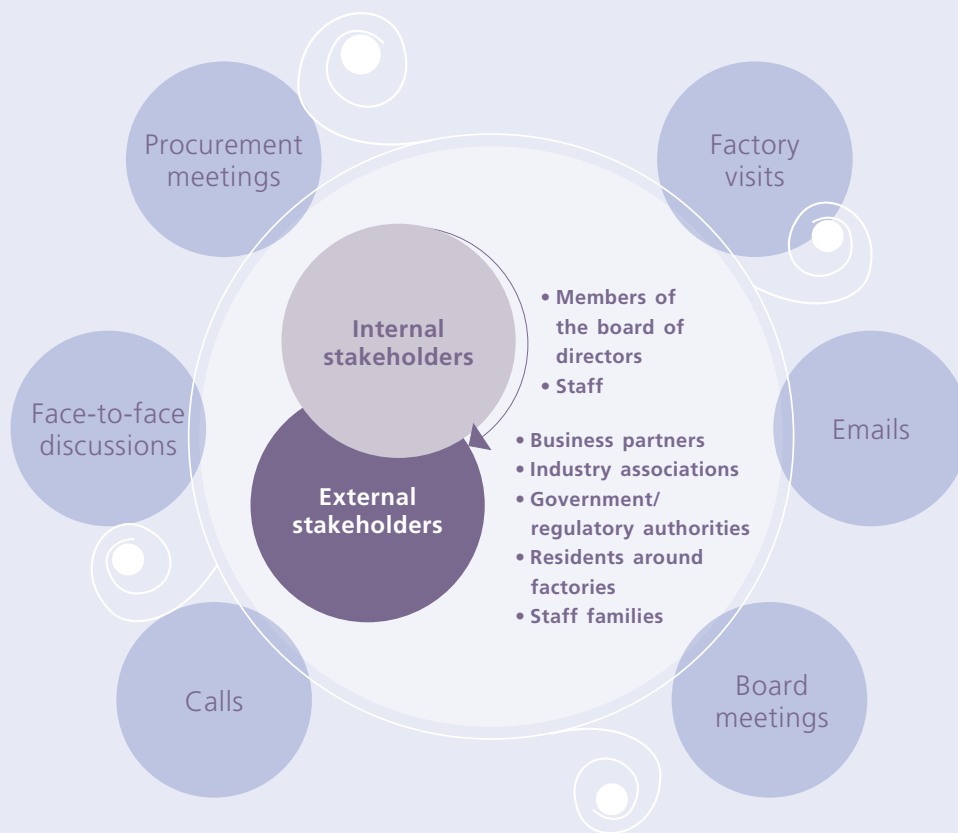
COMMUNICATION WITH STAKEHOLDERS

The participation of stakeholders¹ is one of the important components of the business management of China Ting Group, which helps the Group to review potential risks and business opportunities. Communicating with stakeholders and understanding their views enable the Group's business practices to be closer to their needs and expectations and enable the Group to properly manage the opinions of different stakeholders.

REGULAR COMMUNICATION WITH STAKEHOLDERS

During the year, the Group communicated with the key stakeholders in various ways. The specific types of stakeholders and the communication methods are shown in the right figure.

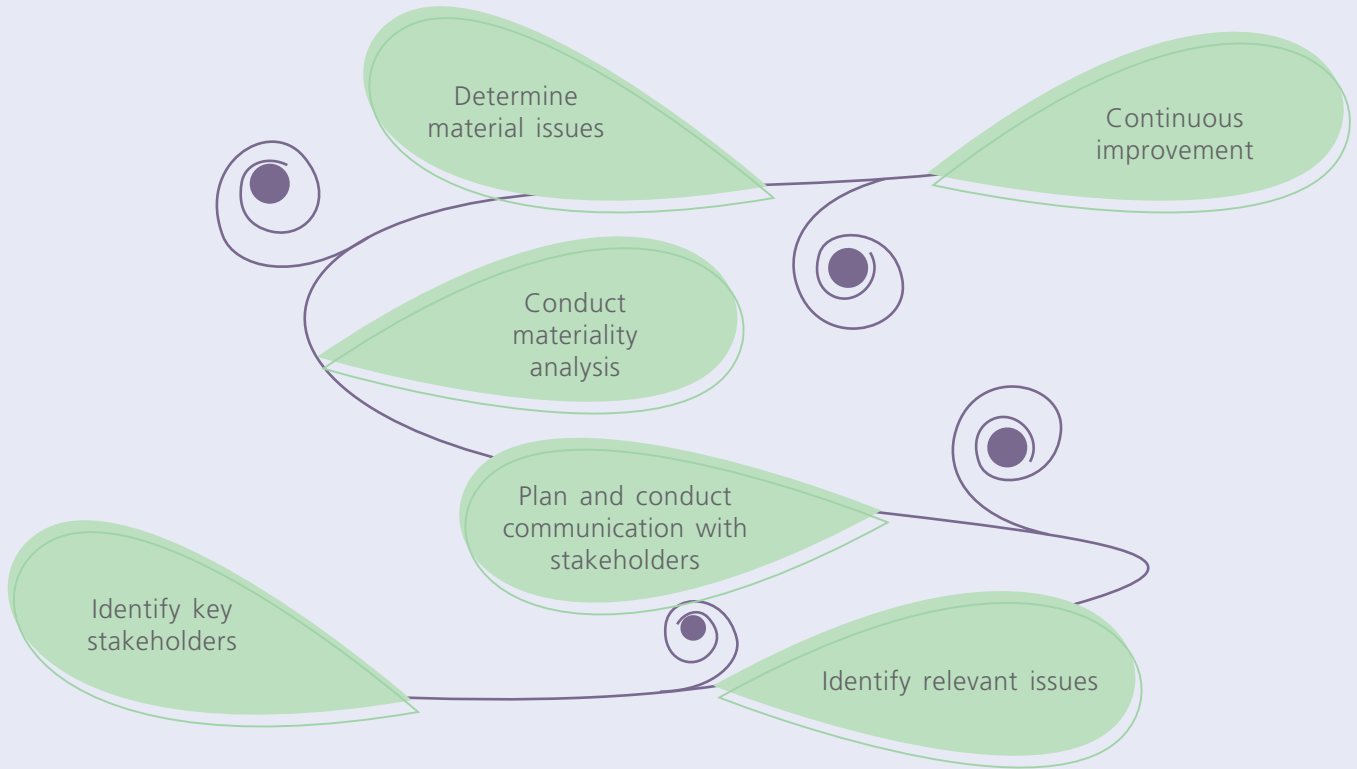
Since 2016, the Group has appointed a consultancy, Carbon Care Asia to assist in the communication with stakeholders and help the Group understand the views and expectations of different stakeholders on the sustainable development of the Group in a fair and impartial way, so as to identify and prioritize stakeholders' concerns and issues that have significant impact on the Group.



¹ "Stakeholders" refer to groups and individuals that have significant impact on the business of an enterprise or are affected by the business. Internal stakeholders include members of the board of directors and staff, while external stakeholders include business partners, industry associations, government/regulatory authorities as well as residents around factories and staff families.

COMMUNICATION WITH STAKEHOLDERS

The Group's work of communication with stakeholders specifically prepared for this report mainly includes the following steps:



IDENTIFY KEY STAKEHOLDERS

In order to identify the key stakeholders of the Group and plan the communication activities which meet the expectations of the stakeholders, the Group conducted analysis on different stakeholder groups. The key internal stakeholders of the Group include members of the board of directors and staff, while the key external stakeholders include business partners, industry associations, government/regulatory authorities as well as residents around factories and staff families.

IDENTIFY RELEVANT ISSUES

During the year, the consultancy assisted China Ting Group in the comprehensive review and revision of the Group's related environmental, social and governance issue list to ensure that the issues fully reflect the nature of the Group's business and the results of the past communication with stakeholders. Meanwhile, the consultancy conducted interviews with the Group's senior management representatives and incorporated the discussion results into the issue list.

The Group has identified 22 issues which are most closely related to the Group's business and its impacts, covering the four major areas of "environmental protection", "employment and labor practices", "operating practices" and "community investment", which form the basis for the communication with internal and external stakeholders.



COMMUNICATION WITH STAKEHOLDERS

PLAN AND CONDUCT COMMUNICATION WITH STAKEHOLDERS

The consultancy helped China Ting Group understand the views of stakeholders on sustainable development issues through interviews and questionnaire surveys. The communication was conducted in an anonymous way to ensure that the participants could express their opinions and expectations on the Group in a free and honest manner.

Management Interview



In order to understand the management principles and plans for the environmental, social and governance of China Ting Group, the consultancy conducted detailed interviews with the management of China Ting and discussed the material issues of the Group.

Online Questionnaire Survey

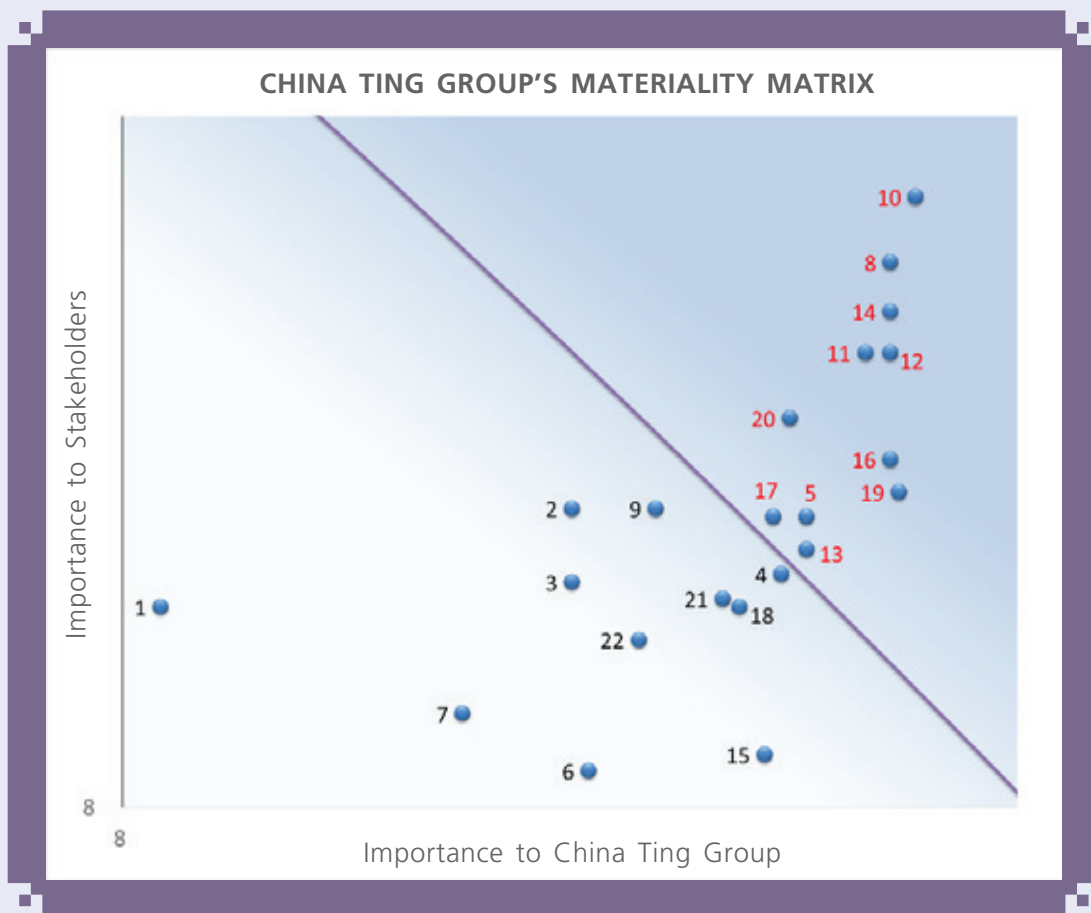
The consultancy distributed questionnaires through an online platform to enable stakeholders to score the importance of various sustainable development issues. The Group ultimately collected a total of 172 questionnaires, among which 102 were from internal stakeholders and 70 were from external stakeholders.



COMMUNICATION WITH STAKEHOLDERS

Conduct Materiality Analysis

Based on the results of the questionnaire survey, the consultancy conducted a materiality analysis. The consultancy integrated the average of all the stakeholders' scores to create the Group's materiality matrix (as shown in the graph below) and to determine the position of each issue in the matrix. The position of the median line represents the average score of all issues (as shown by the purple line in the graph below). The 11 issues shown in the top right of the median line are the most critical "material issues" for the Group.





COMMUNICATION WITH STAKEHOLDERS

Determine Material issues

Although the stakeholders have not expressed special concern in respect of the “community investment” area, as a responsible corporate citizen, the Group take the impact of business operation on the community into high consideration. The Group has included the principle of “ensuring that the business activities take into consideration the communities’ needs and interests” in the “material issues”, and 12 issues are listed as the reporting focus of this report.

12 “Material Issues”(as shown in the chart below) are listed below (in order of significance) :

Employment and Labor Practices	10	Prevent occupational diseases and injuries
	8	Establish a comprehensive employment system
	14	Adopt measures to prevent forced labor
	12	Support the staff’s sustainable development
	11	Provide knowledge and skill trainings to the staff
Operating Practices	13	Adopt measures to prevent employment of child labor
	16	Improve product quality and service responsibility management in order to protect customers’ health and safety
	19	Protect the interests of customers and business partners
	20	Prevent bribery, extortion, fraud and money laundering
Environmental protection	17	Comply with product label specifications
	5	Save water/improve water usage efficiency
Community Investment	21	Ensure that the business activities take into consideration the communities’ needs and interests

COMMUNICATION WITH STAKEHOLDERS

CONTINUOUS IMPROVEMENT

China Ting Group attaches great importance to the communication with stakeholders, actively consolidates the close and trustful relationship between each other, and realizes constructive interaction. In addition to the continuous regular communication activities with stakeholders, the Group plans to implement a long-term stakeholder communication strategy, namely to select different categories of stakeholders in different phases and conduct regular exchange concerning the work and efficiency in four areas of the Group (economic, environmental, social and governance aspects), and to periodically collect the latest views of stakeholders on the sustainable development of the Group based on the content of the report. Meanwhile, China Ting Group will, through occasional workshops, enable stakeholders to understand more about the Group's work in promoting sustainable development and jointly discuss the challenges faced by the Group and the roles of all stakeholders. In order to ensure the effectiveness of the communication with stakeholders, the Group is committed to establishing transparent, honest and accurate communication and providing timely response.





CHINA TING GROUP AND EMPLOYEES

China Ting Group strives to create a win-win situation in which “the employees are protected while the enterprise is well-developed”. The Group has established social responsibility management system and policies according to the Social Accountability 8000 International Standard. The Group has established an employment system and strives to provide the staff with a healthy and safe working environment and personal development opportunities. Meanwhile, the Group prevents forced labor and is committed to avoiding the employment of child labor.

OCCUPATIONAL HEALTH AND SAFETY

China Ting Group’s principal business involves factory production, and we put the staff’s safety and health in the first place. First of all, the Group safeguards the production work safety and the health of our staff via our mechanism. Some subsidiaries have established departments specially for health management (e.g. environmental health and safe production leading team, fire safety leading team), or appointed health and safety representatives at the management level to be responsible for the health and safety supervision and management for various production departments and the supervision of the implementation of management system related to health and safety.

Since the garment manufacturing and printing and dyeing industries require a certain amount of chemicals in their processes, it is of utmost importance to establish a relevant safety management system. The Group has developed the “Management System for the Use of Chemicals and Labor Insurance Products” or “Management Procedures for Chemical Safety”, so as to conduct safety management on the procurement, storage and use of chemicals to ensure the occupational health and safety of the staff.

In addition, the Group conducted regular monitoring of the factories’ working environment. During the year, passing grades have been stated in the workplace air quality sampling monitoring report and workplace occupational hazard monitoring report (the areas checked include: noise level, lighting brightness) in respect of certain garment manufacturing and printing and dyeing factories. Meanwhile, every year the Group provides occupational body checks, body checks of special items and/or staff body checks for employees involved in hazardous operations or employees of special posts.

The Group has also developed various types of emergency plans and conducted fire drills to prevent any possible accidents. Every year, the factories of each subsidiary shall conduct no less than two fire evacuation drills, and shall have special files for recording the conditions of such drills. Each subsidiary has also, based on the respective needs, developed a fire emergency plan, an accident emergency rescue plan, and an emergency plan for accidents such as work injury, or an accident emergency rescue system.

CHINA TING GROUP AND EMPLOYEES



Meanwhile, the Group has strengthened its occupational safety and health education for the employees. Each subsidiary provides its employees with various education, such as the Three-level (i.e. subsidiary, department and team) Safety Education, specialized training for special types of work, safety education for return to work, safety education for foreign staff, as well as such courses as safe production and management, hidden issue troubleshooting knowledge, and safety education for the change of work categories.

Total number of people involved in work injuries	Work-injury rate (per thousand employees)	Number of fatalities caused by work
24 people	4.4‰	0

During the year, the Group had a total of 24 cases of work injuries and occupational diseases. The main cause of work injury was accidental injury in the course of machine operation, while the main hazardous factors of occupational diseases were workplace dust, toxic chemicals, high temperature and noise. To prevent work injuries and occupational diseases, the Group has regularly investigated workplace occupational disease hazardous factors and issued test report. Some subsidiaries have also required that occupational safety factors should be taken into consideration during the stages of materials procurement as well as machinery and equipment installation and that at the process design stage, toxic or harmful process technology and raw materials should not be used if possible or should be used as infrequently as possible.

The operation of China Ting Group complies with the laws and regulations such as the "Production Safety Law of the People's Republic of China", the "Occupational Disease Prevention Law of the People's Republic of China", the "Industrial Injury Insurance Regulations of the People's Republic of China" and the "Measures for the Assessment of Work-related Injuries" of the Order of the Ministry of Human Resources and Social Security No.8 of the People's Republic of China. During the year, no violation of health and safety-related laws or regulations was found in any of the Group's 20 factories in Mainland China.

EMPLOYMENT SYSTEM

China Ting Group is committed to creating a diverse and inclusive working environment of mutual respect that enhances the Group's competitiveness and employees' productivity. The subsidiaries of the Group list employment terms such as recruitment, salary, promotion, dismissal, working hours, holidays and other benefits, and related personnel management matters in the Employee Handbook.

Total number of employees	Ratio of male to female employees	Turnover rate	Percentage of new employees
5,414	0.55:1	30%	24%



CHINA TING GROUP AND EMPLOYEES

To attract and retain outstanding talents, the Group provides employees with benefits apart from the five types of statutory insurances², such as monthly comprehensive bonuses, piece-rate wages, welfare subsidies for business management personnel, rank allowances, food subsidies, employee dormitories, paid marriage leave or late-marriage leave, long service annual leave, public praise, material rewards, free travel, annual security awards and triple vacation pay, etc.

In order to provide equal opportunities and prevent discrimination, the Group stated both in the Employee Handbook and the Code of Conduct that it is forbidden to discriminate against employees or applicants based on their race, age, gender, social class, political stance, religion, pregnancy or marital status, sexual orientation, disability, household registration or other factors that are not related to work capability. The Group recruits publicly and selects the best candidates during the recruitment. For existing employees, the Group provides equal promotion opportunities according to their capability, potential and work performance. Fucheng has established a “System for Recruitment based on the Principle of Equal Opportunities” to provide equal opportunities for employees. The Group strictly complies with the “Special Rules on the Labor Protection for Female Employees” promulgated by the State Council, forbidding factories to require women to perform pregnancy tests or discriminate against pregnant workers, and requiring them to ensure equal pay for equal work between male and female workers. In addition, in principle, no factory is allowed to require workers or prospective workers to accept drug tests that are discriminatory.

The Group has developed and adopted a diversification policy for the board of directors; in the future, the Group will review the current policy and discuss how to further detail the employment guidelines and measures with respect to diversification.

The Group places emphasis on two-way communication with its employees and implements the “open door policy”. The established communication channels for employees include: 1) social media (daily WeChat group, Wechat official account); 2) opinion collection (internal communication meeting, questionnaire, employee suggestion box); 3) complaints and petitions (oral complaints, petition process, complaints hotline). The Group also regularly organizes employee activities, including: holiday tourism, New Year’s party, activities to increase employees’ sense of belonging, trade union activities, women’s day raffle and sports activities.

At the same time, employees’ rights to form and join trade unions are respected by the factories and the Group. The Group never combats or discriminates against employees’ freedom of association and collective bargaining rights with respect to labor, and provides appropriate resources to assist employees in achieving their negotiation goals. Employees’ petitions are kept confidential. All subsidiaries of China Ting Group have set up a labor dispute committee to actively resolve employees’ labor disputes.

The operation of China Ting Group complies with the laws and regulations such as the “Labor Law of the People’s Republic of China”, the “Labor Contract Law of the People’s Republic of China” and the “Social Insurance Law of the People’s Republic of China”. During the year, the Group had no violation of laws or regulations related to employment or labor practices, or complaints with respect to discrimination or harassment among the 20 factories in Mainland China.

² The “five types of statutory insurances” stipulated by the state represent endowment insurance, unemployment insurance, medical insurance, work-related injury insurance and maternity insurance.



LABOR STANDARDS

Prohibiting the use of child labor

Given the frequent use of child labor in factory operations, China Ting Group expressly stipulates the prohibition of recruiting and using child labor, and has formulated a series of remedial policies and procedures. The Group strictly abides by local laws and regulations concerning the minimum working age, especially the “Provisions on the Prohibition of Using Child Labor” issued by the State Council of the People’s Republic of China, and strictly prohibits the recruitment of minors under the age of 16. The factories of the Group need to file the date of birth of each employee or use legal methods to determine the age of each employee; in the event that there is no independent document, the factories must determine the age of an employee through other legal and reliable means.

If it is discovered that child labor has been inadvertently hired, the Group must implement remedial measures, provide all necessary support and take all necessary actions in accordance with the Group’s rules and regulations such as the “Child Labor Remediation Management Rules” or the “Relief Procedure for Child Workers” to ensure the safety, health, education and development of child workers who have been dismissed from work. The Group will penalize, according to its rules and regulations, anyone who illegally recruits or uses child labor without revealing the truth. The Group collects information provided by employees, external reports or notifications to discover whether there is any inadvertent use of child labor.

In the event that inadvertent use of child labor is found, a subsidiary should take the following emergency measures:

1. Immediately cancel the employment and fill in the “Child Worker and Underage Worker Registration Form” on their behalf;
2. Arrange physical examinations for them;
3. Understand the real living condition of the child labor, identify the reason for the employment and report solutions and rectification proposals in writing;
4. Make reasonable arrangements for their livelihood and education according to the actual situation to protect children’s rights and interests;
5. If the results of the physical examination show that the worker is in good health, the worker will be escorted by personnel back to the place of origin. The cost of all journeys will be borne by the subsidiary;
6. If medical treatment is needed, the subsidiary will bear all expenses until the worker is cured;
7. Calculate all wages and compensate the worker financially, and provide appropriate funding in accordance with the actual conditions of the worker’s family;
8. Advise and help the worker to receive education, and provide subsidies to help such workers complete their studies;
9. If the worker is willing to continue to work in the Group after reaching the age of 16, the worker’s application should be approved.

The Group also provides special protection and education for underage workers (employees who are 16 years of age or above but under 18 years of age), and has taken specific measures such as “Education Program for Underage Workers”, the “Special Protection Rules for Underage Workers”, and “Recruitment Procedures and Protection Policy for Underage Workers”.

Preventing forced labor

The Group has eliminated forced labor by adhering to the principle of free choice of profession. The Group implements the “Policy and Procedure for the Prohibition of Forced Labor” or “Regulations on the Prohibition of Forced Labor and Permission for Freedom”, and strictly prohibits imprisonment, seizure of documents, collection of entry deposits or security deposits, and forced labor without compensation, etc..

The Group also endeavors to make reasonable production arrangements to improve internal management and production efficiency, give employees appropriate working time and labor intensity, and avoid overtime. It is stipulated in the “Corporate Social Responsibility Management Manual” and other regulations that forced overtime is prohibited. Overtime must be based on the principle of voluntariness of employees. If employees are reluctant to work overtime, they may state this expressly. At the same time, the Group strictly controls the overtime of underage workers and does not allow pregnant women who are more than 7 months pregnant to work overtime. The extended working time should not exceed 3 hours per day, and employees should not work more than 60 hours per week. The Group has also unified the stipulations on the calculation of overtime wages.

Except the “Labor Law of the People’s Republic of China” and the “Labor Contract Law of the People’s Republic of China”, the operation of China Ting Group complies with the laws and regulations such as the “Provisional Regulations on Wage Payment” and the “Provisions on the Prohibition of Using Child Labor” of the Order of the State Council No.364. During the year, no violations of laws or regulations related to hiring child labor or forced labor were found in the Group’s 20 factories in Mainland China.

DEVELOPMENT AND TRAINING

China Ting Group attaches great importance to providing employees with opportunities for training and development in the hopes that the growth of employees will promote the continuous advancement of the Company, which in turn provides a broader space for the development of employees. In addition to the aforesaid safety education and training, the Group also has an “Employee Training System” to provide employees with internal and external professional skills training.

During the year, each subsidiary provided employees with various skills certification trainings, human resources knowledge trainings, and trainings for special job types such as boiler workers and welders.

CHINA TING GROUP AND EMPLOYEES

Internal trainings

- Senior management: nurturing and training of leadership
- Middle management: management skills
- Junior employees: business skills training and personal potential development program

External trainings

- Sponsored specialized training
- Professional skills training
- Special job posts training
- Training on state and local government security

Total number of trained employees	3,731 employees
Proportion of trained employees	69%
Total training hours	34,164 hours
Average training hours per employee	6.3 hours


Huabeina also provides bonuses for training and learning to encourage employees to study independently. If employees are able to persistently study in their spare time and continuously improve their business skills, and manage to receive higher education or professional certificates during their employment, they have the opportunity to obtain additional rewards.

The Group also conducts regular assessments of employees, including promotion reviews. The Group assesses staff performance through year-end evaluations, and makes arrangements such as offering a promotion, making salary adjustments or giving material rewards according to employees' performance.



CHINA TING GROUP AND OPERATIONS

The success of China Ting Group depends on the quality control of its products and its long-term relationship with its business partners. The Group is also committed to building a team that has integrity to prevent corruption.



PRODUCT RESPONSIBILITY

One of the primary responsibilities of the Group is to improve product quality and service responsibility management, and to manufacture textile, printing and dyeing materials and garments that meet acceptance standards to protect customers' health and safety. The Group has established quality inspection systems and measures. The "Customer-related Process Control Procedures" stipulates that each department must identify customer needs and expectations, maintain communication with customers, and check the quality requirements of the orders received. The "Quality Manual" provides guidelines on the standards during product manufacture and requires each subsidiary and its factories to verify, confirm, monitor, measure, inspect, and test products according to the acceptance criteria. Huaxing has also established the "Quality Inspection Procedures" to perform inspections on all products to check the cloth and printing and dyeing of semi-finished products and finished products.

With regards to the handling of customer complaints, the Group has established the "Customer Complaint Handling Procedures" and set up a team to analyze issues, treat hazards, and propose corrective measures and reports. During the year, the Group has handled four customer complaints related to service quality.

The "Product Early Warning, Claims, Returns and Complaints Information Procedures" or "Recall Procedures for Non-Conforming Products" of each subsidiary of the Group stipulates that if there is any problem with a product, it is necessary to conduct timely examinations and efficient investigations to maintain customer satisfaction and uphold the reputation of the Group. In addition, China Ting Fashion and China Ting Tailored Fashion have also established a "non-conforming product recall team" to minimize damage to the health and safety of customers and the general public.

With regards to advertising and labeling, the Group complies with the product labeling standards and prepares and regulates product labels according to relevant national policies and standards (e.g. GB/T 8685, "Standards for Maintenance Textile Labeling" and the "Technical Guidelines on Knitwear Export" issued by the Ministry of Commerce) to ensure that consumers use products correctly. Huali has established the "Procedures for Protecting Customers' Own Brand" to protect the trademark rights of its customers.



CHINA TING GROUP AND OPERATIONS

With regards to the protection of the privacy of suppliers and consumers, all subsidiaries of the Group have established policies and measures such as “Customer Privacy and Data Protection Systems” or “Customer Property and Privacy Protection Procedures”. These policies and measures require the implementation of strict controls and protects the information and privacy related to customers and consumers’ intellectual property rights (such as patented technology, product specifications, design drawings, trade secrets, etc.), and prohibit the disclosure or provision of private information to others without the customers’ permission. Information stored in a computer must be encrypted and protected in accordance with relevant rules. The “Program Files” also lists requirements for information and technical security, and lists computer security measures (such as hard disk backup for authorized personnel) to prevent information leakage.

With regards to protecting customers’ intellectual property rights, manufacturing plants need to respect and protect the intellectual property rights of the finished product factory. Employees must abide by confidentiality rules and protect intellectual property rights from infringement. China Ting Knitwear has established the “Trademark Control and Management Procedures” and destroyed unused and obsolete trademarks in accordance with the requirements for the protection of intellectual property rights. The “Brand Protection and Management Procedures” of each subsidiary controls the display of samples, defective products and sales, and each subsidiary has signed brand protection agreements with suppliers’ plants.

The operation of China Ting Group complies with the laws and regulations such as the “Contract Law of the People’s Republic of China”, the “Advertising Law of the People’s Republic of China”, the “Tort Liability Law of the People’s Republic of China” and the “Trademark Law of the People’s Republic of China”, as well as the national mandatory standards such as GB5296.4-2012 “Instructions to Consumer for Use of Products — Part 4: Textiles and Apparel”, GB18401 “National Standard for Basic Safety of Textile Products” and GB/T 23330-2009 “Requirements of Clothing Rainproof Performance”. During the year, the Group’s products had no violation of laws or regulations (including product health and safety, advertising, labeling and privacy) among the 20 factories in Mainland China.



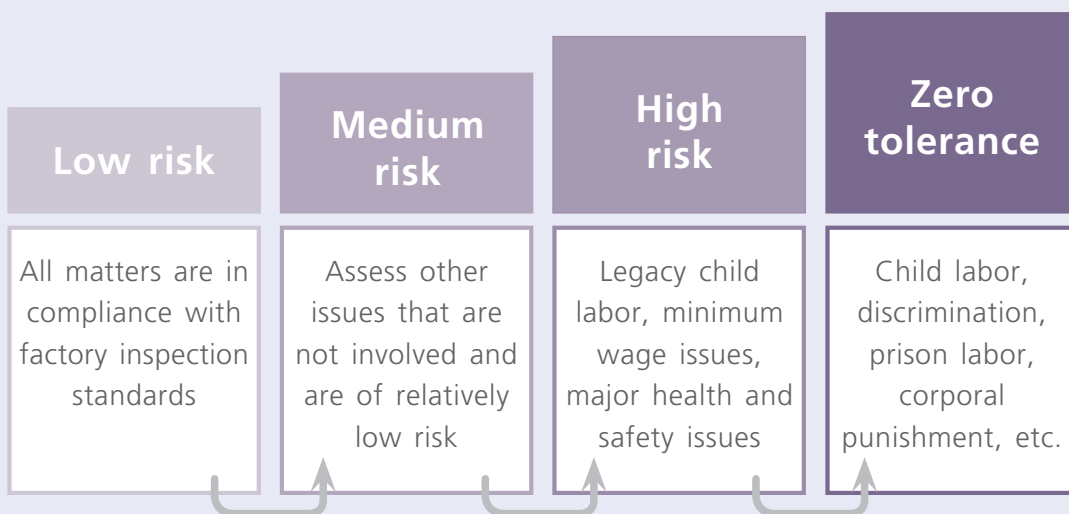
SUPPLY CHAIN MANAGEMENT

China Ting Group is committed to protecting the interests of its customers and business partners. The Group's suppliers include: entities which provide services, processes, goods or finished products to the Group's production.

During the year, the Group had a total of about 260 suppliers who are mainly distributed in mainland China. The products or services provided include fabrics and accessories, packaging materials, dyes and auxiliaries, raw materials, machine materials (such as engine oil and lubricants, etc), office and labor insurance, hangers and sewing machines, etc.

The Group has established the "Procedures for Controlling Suppliers and Subcontractors' Social Responsibility" to require procurement teams to select suppliers with good performance in social responsibility, create social responsibility profiles for suppliers, and keep records of the evaluation results and proof of improvement measures. The Group is responsible for sending personnel to perform on-site inspection once a year. If any violations of the labor standards are found, the partnership will be terminated immediately. The inspection scope is also extended to the supplier's commercial relationship with its sub-suppliers to prevent its sub-suppliers from seriously breaching social responsibility standards. The Group and its suppliers concluded a "Supplier's Undertaking to Compliance with and Continuous Improvement of Social Responsibilities" and conducted risk assessments for the suppliers (as shown in the following graph) to implement classification control.

In the assessment of suppliers, each subsidiary conducts an item-by-item inspection according to the supplier's social responsibility review checklist, or fills in the plant supplier evaluation report. These evaluations assess suppliers' environmental and social risks, including: compliance with environmental regulations, prevention of child labor and forced labor, safety and health at work, anti-discrimination, appropriate working hours, reasonable benefits, production requirements and quality inspection, etc.



In addition, for the purchase of chemicals, the Group has formulated a monthly purchasing plan which will be strictly reviewed and approved. Suppliers are asked for a certificate of compliance for the chemicals to ensure the health and safety of the production environment and products.



CHINA TING GROUP AND OPERATIONS

PREVENTION OF CORRUPTION

China Ting Group strictly complies with the national laws and regulations to prevent bribery, extortion, fraud and money laundering. The Group has established guidelines for integrity construction, including the “Anti-Bribery Management System”, “Anti-Bribery Control Procedures”, and “Anti-Commercial Bribery Policy”, which stipulate that management personnel shall not conduct unfair activities or transactions by taking or offering bribes. China Ting Knitwear’s “Code of Conduct for Employees” specifically states that extortion, appropriation of company assets, taking or offering bribes (including kickbacks, introduction fees, etc.), or the bribery of current employees, etc., are all serious violations of company rules and regulations.

In the meantime, the Group focuses on providing employees with anti-corruption and anti-bribery training. During the year, the Group organized several rounds of relevant trainings for employees. The trainings uses question and answer sessions to help employees learn anti-corruption control procedures, strengthen internal control mechanisms, and prevent commercial bribery.

The Group also has processes to handle staff reports and complaints to control corruption from various channels.

The operation of China Ting Group complies with the laws and regulations such as the “Criminal Law of the People’s Republic of China”, the “Anti-money Laundering Law of the People’s Republic of China”, the “Anti-unfair Competition Law of the People’s Republic of China” and the “Tendering and Bidding Law of the People’s Republic of China”. During the year, no corruption-related reports, lawsuits or violation of laws or regulations were found to be relevant to any of the Group’s 20 factories in Mainland China.



CHINA TING GROUP AND ENVIRONMENT

China Ting Group is committed to fulfilling its social responsibilities and protecting the environment, and leads by example in its mission to promote and drive social and environmental protection. The Group has formulated and implemented an environmental management system and set out guidelines and directions on emissions, resource use and environmental impact. The Group also requires each subsidiary to establish an environmental management system based on its own business characteristics and formulate corresponding rules and regulations on environmental protection, as well as actively promote environmental protection knowledge to enhance the environmental protection awareness of all employees.

Some of the Group's factories are set up with internal environmental protection teams and energy conservation teams, which consist of managers and employees of the related departments to lead the subsidiaries in setting and achieving environmental protection goals. For example, Fuhowe Fashion develops and implements management guidelines for environmental protection, and conducts assessment on environmental system every six months. The assessment reports are submitted to the general manager for review, and the problems found are immediately handed over to relevant departments for rectification within a time limit; China Ting Knitwear sets up an environmental protection office and develops environment, health and safety (EHS) management procedures, and has an EHS team to handle related matters.

CHINA TING GROUP AND ENVIRONMENT



RESOURCE USE

China Ting Group understands the importance of the rational use of resources, and actively promotes energy conservation and clean production according to the environmental protection management system. The Group also uses environmentally-friendly materials as far as possible, explores technological innovations, and introduces new technologies for energy saving and environmental protection. At the same time, the Group encourages its employees to form good environmentally-friendly habits. Most of the Group's factories have established an energy management system and set up an energy management team to set annual energy saving targets and implementation plans, and to conduct statistics and summary at the end of the year.

Power consumption	Water consumption	Energy usage	Amount of packaging materials
22,217 MWh	1,100,970 cubic meters	741,392 GJ	337 metric tonnes

Water use

The Group has formulated and implemented a water management system that requires employees to use water prudently, uses more environmentally-friendly designs for new water-use facilities, strengthens the upkeep, maintenance, inspection and repair of water supply equipment so that they are always in good condition, promotes water-saving technologies, and increase the reuse rate of water resources. Some factories have also implemented a water quota management system and made the assessment results one of the performance criteria for staff performance.

Energy use

The Group emphasizes the electricity use management system and stipulates that relevant responsible groups should take responsibility for the power-saving management of their respective subsidiaries, strengthen power-saving management in all aspects of daily operations, reduce power losses and waste, and make more efficient and reasonable use of power resources. When purchasing key electrical equipment or components, the relevant purchasing departments should prioritize electrical equipment with energy-saving markings; workshop personnel should conduct operations in accordance with process requirements to minimize the idling of machines; responsible personnel should enhance daily inspections and supervision, regularly check and maintain energy-consuming equipment, and report cases of energy wastage and supervise the improvement thereof.



CHINA TING GROUP AND ENVIRONMENT

The Group requires each subsidiary to use lighting equipment, air conditioners, elevators and other electrical equipment in the factory and office areas in a reasonable manner. Some factories, such as China Ting Knitwear, have formulated energy management measures, adopted energy-efficient electrical equipment, improved production processes, enhanced equipment maintenance, deconcentrated peak electricity consumption as much as possible, and enhanced publicity and education to raise employees' energy-saving awareness to reduce electricity consumption.

The day-to-day operations of some factories involve the use of gas/steam management. Accordingly, a gas/steam management system has been formulated and implemented to require all production workshops to strictly comply with the operating procedures for all relevant operations and continuously drive technological innovations, so as to reduce energy consumption and meeting production needs by using steam that meet acceptance criteria, thus achieving balanced production and gas use, while also recording the amount of steam during production. Some factories, such as Huabeina, have implemented steam quota management for workshops, and installed steam flow meters for all relevant positions which must use steam according to the quota criteria. Before substantial cessation of the use of steam, all steam-using positions or water-steam workshops must be notified accordingly so as to adjust the steam volume in time. In addition, thermal insulation and anti-corrosion work on the pipelines must also be completed to reduce gas wastage.

The Group stipulates that the purchasing department shall be responsible for the procurement, storage and measurement of oil products. At the same time, relevant departments and oil-using units need to create an oil-use ledger. Some factories have set oil indicators for departments that need to use vehicles, requiring them to limit oil use within a reasonable range. For lubricants required for some factories' production, the relevant departments must create ledgers for the application for and use of lubricants, and install a lubricant recycle device.

Others

With regards to the use of resources such as raw materials and packaging materials (e.g. cartons and plastic bags), the Group has established waste disposal and control procedures based on the principle of conservation and utilization, strengthened employee education, and kept records of use; where necessary, ledgers are created for specific projects to stipulate usage indicators to reduce unnecessary waste.



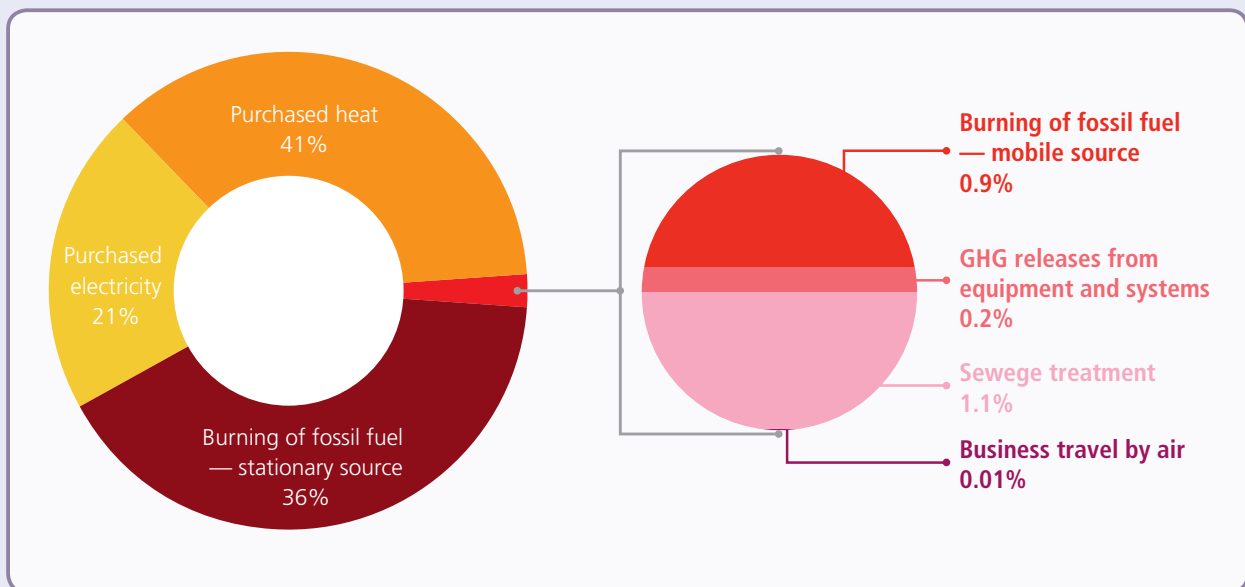
EMISSIONS

The Group has formulated waste management systems and disposal procedures which require each subsidiary to classify and properly treat the waste generated during operation; at the same time, each subsidiary must establish annual emission reduction targets and corresponding implementation plans to reduce emissions.

CARBON EMISSION

During the year, China Ting Group commissioned a consultancy firm to conduct a carbon assessment and quantify the GHG emissions (or “carbon emissions”) generated during operations; the quantification processes were carried out in accordance with the “General Guideline of the Greenhouse Gas Emissions Accounting and Reporting for the Industrial Enterprise (Trial)” and international standards such as ISO14064-1.

GREENHOUSE GAS EMISSIONS (ACCORDING TO SOURCE OF EMISSIONS)



The Group’s carbon emissions were mainly from the use of purchased heat in Scope 2, which accounted for about 41% of the total emissions, followed by burning of fossil fuel in stationary combustion units, which accounted for 36% of the total emissions. In response to the major sources of carbon emissions, the Group will continue to assess, record and annually disclose its greenhouse gas emissions and other environmental data. The Group will further use this year’s data as a benchmark for comparison with future data, so as to review the effectiveness of ongoing measures and help further develop emission reduction targets in future.



CHINA TING GROUP AND ENVIRONMENT

Air pollutants

The Group's garment factory only produced a small amount of air pollutants in their operations; the main air pollutants come from the use of heating equipment such as boilers during the production process of printing and dyeing and textile factories as well as the use of vehicles. Air pollutants mainly include sulfur oxides, nitrogen oxides and dust. Relevant factories such as Huabeina have installed a bag filter on the boiler to treat the exhaust gas, and, at the same time, conduct research to improve technologies and reduce the generation of atmospheric pollutants.

Nitrogen oxide	Sulfur oxide	Suspended particles
2,082 kg	98 kg	1,397 kg

Solid waste

The Group meticulously treats the solid waste generated during operation processes in accordance with the waste management system of each subsidiary of the Group. The Group classifies solid waste generated from operations into general non-hazardous waste, recyclable waste and hazardous waste. Each subsidiary has established relevant waste control procedures in accordance with their own operational needs. For general non-hazardous waste (such as discarded cartons and plastic products), the Group has instructed the cleaning staff of each factory to collect them. Some factories have entered into contracts for garbage transportation, according to which garbage transport firms will transport the garbage to a local disposal point. The Group collects and classifies recyclable waste (such as newspapers and cartons) and delivers them to recyclers for reuse. The Group collaborates with qualified professional hazardous waste disposal companies to classify and collect hazardous waste (such as containers of chemical product) and that the company responsible for the waste to recycle them; furthermore, each of the Group's factories have set up ledgers for hazardous waste, and specialized personnels will be responsible for recording the generation, storage and disposal of hazardous waste.

Wastewater

The wastewater generated by the Group mainly includes industrial wastewater and domestic wastewater. Sewage treatment systems are installed in some factories to directly treat the wastewater generated from operations. After they pass the acceptance standard, they will be discharged into the municipal sewage pipeline network. Since most factories do not generate hazardous wastewater, they discharge non-hazardous wastewater through the sewage pipe network which concentrates the wastewater in a local sewage treatment plant for further treatment.



ENVIRONMENT AND NATURAL RESOURCES

China Ting Group strives to protect the natural environment and cherish natural resources through its actions. It has formulated and implemented various management systems to minimize the impact of its daily operations on nature. The Group's factories have all established environmental factor identification processes to carefully monitor the environmental accidents that may occur and regularly reviewed and evaluated their environmental performance. Some factories such as Fuhowe Fashion have formulated emergency plans for environmental protection and procedures for the notification of local communities in the event of major environmental accidents. Remedial measures are taken promptly to minimize the damages to the surrounding environment and people.

The operation of China Ting Group complies with the laws and regulations such as the "Environmental Protection Law of the People's Republic of China", the "Water Pollution Prevention and Control Law of the People's Republic of China", the "Environmental Noise Pollution Prevention and Control Law of the People's Republic of China" and the "Solid Waste Pollution Prevention and Control Law of the People's Republic of China". During the year, none of the 20 factories of the Group in the Mainland China have been found to be in violation of any environmental laws and regulations.

Looking ahead, the Group plans to continue implementing energy conservation and environmental protection measures, and will strive to revise and improve relevant policies and present relevant improvements in the next year's report.





CHINA TING GROUP AND COMMUNITY

Society expects companies to operate responsibly and cooperate with all sectors of society to care for and contribute to the community. China Ting Group is committed to fulfilling its corporate social responsibilities and contributing to the communities in which it operates to create value for both the society and the environment. The Group encourages employees to actively participate in volunteering activities to create a harmonious and civilized community culture.

During the year, the employees of the Group invested a total of 180 hours in volunteering activities. In addition, the Group focused on community investment that helped the environment. A total of RMB400,000 was invested in environmental matters in the community during the year.

In the future, the Group will continue to pay attention to the needs of the community, improve the relevant policies for community investment and enhance the performance of community investment.





OVERVIEW OF KEY PERFORMANCE INDICATORS

ENVIRONMENTAL PERFORMANCE

	Emission type	Emissions	
Exhaust gas and greenhouse gas emissions	Nitrogen oxides (kg) ³	2,082	
	Sulfur oxides (kg) ⁴	98	
	Particulate matters (kg) ⁴	1,397	
	Scope 1 Direct greenhouse gas		Emissions (metric tons of CO ₂ equivalent)
	Fossil Fuel Combustion — stationary source		25,015
	Fossil Fuel Combustion — mobile source		631
	GHG releases from equipment and systems during operations		169
	Sewage treatment		782
	Subtotal		26,597
	Scope 2 Energy indirect greenhouse gas emissions		
	Purchased electricity		15,020
	Purchased heat		29,163
	Subtotal		44,183
	Scope 3 Other indirect greenhouse gas emissions		
	Business travel by air		8
	Subtotal		8
	Total greenhouse gas emissions		70,788
	GHG density (calculated based on turnover, i.e. metric tons of CO ₂ equivalent/turnover in HK\$'000)		0.03

³ The data only include only biomass boiler of Zhejiang Huayue, and emissions from combustion of fuels for vehicles of Textile Technology, Zhejiang Huayue, Huaxing, Huabeina, Tri-Star, Concept Creator, China Ting Fashion and Fuhowe Fashion

⁴ The data do not include emissions from boilers of Tri-Star and stationary source equipment of Zhejiang Fuhowe

OVERVIEW OF KEY PERFORMANCE INDICATORS



	Waste type	Waste generated
Waste	Total hazardous waste generated (in metric tons) ⁵	108
	Hazardous waste density (calculated based on plant area, i.e. metric tons/square meter)	0.001
	Total non-hazardous waste generated (in metric tons) ⁶	626
	Non-hazardous waste density (calculated based on plant area, i.e. metric tons/square meter)	0.002

	Use type	Consumption	
Energy used	Direct energy	Bituminous coal (GJ)	111,905
		Gasoline (GJ)	5,666
		Diesel (GJ)	3,673
		Liquefied petroleum gas (GJ)	185,667
		Natural Gas (GJ)	78,696
		Biomass Fuel (GJ)	712
		Renewable energy — solar (MWh)	2,771
	Indirect energy	Electricity (MWh) ⁷	22,217
		Heat (GJ)	265,117
		Total energy consumption (GJ)	741,392
	Energy density (calculated based on turnover, i.e. GJ/HK\$1,000 of turnover)	0.32	

	Use type	Consumption
Water used	Total water consumption (cubic meters) ⁸	1,100,970
	Water consumption density (calculated based on turnover, i.e. cubic meters/turnover in HK\$'000))	0.471

	Use type	Consumption
Packaging materials	Total packaging materials (metric tons) ⁹	337
	Density of packaging materials (calculated based plant area, i.e. metric tons/square meter)	0.01

⁵ The data include only the production of Huaxing, Huabeina and Tri-Star

⁶ The data do not include production of Jincheng, Tri-Star, Zhejiang Fuhowe, Fucheng, Xinan, China Ting Knitwear, Hangzhou Textile and Bolinding

⁷ The data do not include the usage of China Ting Knitwear and Finity Shenzhen

⁸ The data do not include the usage of Xinan, Hangzhou Textile and Bolinding

⁹ The data only include the usage of Tri-Star, Concept Creator, Hangzhou Textile and Fuhowe Fashion

OVERVIEW OF KEY PERFORMANCE INDICATORS

SOCIAL PERFORMANCE

Number of employees by age and gender					
	20-40 years old	40+	Total (by gender)	Total	Ratio of male to female employees
Male employees	1,118	814	1,932	5,414	0.55:1
Female employees	2,106	1,376	3,482		

Number of employees by rank and gender				
	Senior management	Medium management	Frontline employees	Total (by gender)
Male employees	40	112	1,781	1,933
Female employees	33	140	3,308	3,481

Number of employees by gender and employment type				
	Full time	Part time	Long-term	Temporary/ Fixed-term
Male employees	1,765	100	67	0
Female employees	3,482	0	0	0

Number of new employees by age and gender and number of employees departed					
		20-40 years old	40+	Total (by gender)	Total percentage
Proportion of new employees	Male employees	30%	15%	24%	24%
	Female employees	28%	16%	24%	
Turnover rate of employees	Male employees	40%	20%	31%	30%
	Female employees	33%	23%	29%	

Number of workers died or injured in course of duty				
Gender	Number of work-related deaths	Number of employees injured at work	Total	Injury rate (per thousand employees)
Male employees	0	11	24	4.4‰
Female employees	0	13		

OVERVIEW OF KEY PERFORMANCE INDICATORS

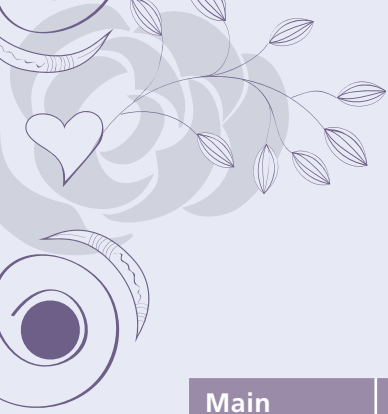


Number of trained staff and training hours by gender and rank ¹⁰					
		Senior management	Medium management	Frontline employees	Total
Percentage in number of employees trained	Male employees	83%	79%	72%	Percentage of employees trained 69%
	Female employees	61%	68%	67%	
Average training hours	Male employees	16.2	10.7	7.8	Average training hours for all employees 6.3
	Female employees	9.8	7.2	5.2	

Supplier management			
Business	Products or services provided	Supplier location	Number of suppliers
Textile	Fabrics, accessories	Mainland China	7
	Packaging materials		2
Printing and dyeing	Dyes, auxiliaries		34
	Raw materials		4
	Machining materials		3
	Office, labor insurance		3
	Packaging materials		6
Clothing	Fabrics, accessories		185
	Hangers, sewing machines		11
	Packaging materials		4
Total			259

Community investment			
Field of contribution	Number of volunteers	Volunteer hours (hours)	Investment amount (RMB)
Health	10	30	0
Environmental issues	0	0	400,000
Other community investment activities	8	150	0
Total	18	180	400,000

¹⁰ These statistical data do not include those of Finity International



OVERVIEW OF KEY PERFORMANCE INDICATORS AND REPORT CONTENT INDEX

Main categories	Content	Page index/ notes
A1 emissions		
General disclosure	Related to waste gas and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: (a) the policies; and (b) information on the compliance with relevant laws and regulations that have a significant impact on the issuer	29–30
A1.1	The types of emissions and respective emissions data	29–30 24–35
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, density (e.g. calculated based on per unit of production volume, per facility)	29, 34
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, density (e.g. calculated based on per unit of production volume, per facility)	35
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, density (e.g. calculated based on per unit of production volume, per facility)	35
A1.5	Description of measures to mitigate emissions and results achieved	29–30
A1.6	Description of how hazardous and non-hazardous waste are handled, treated initiatives and results achieved	29–30
A2 Use of resources		
General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	27–28
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and density (e.g. calculated based on per unit of production volume, per facility)	27, 35
A2.2	Water consumption in total and density (e.g. calculated based on per unit of production volume, per facility)	27, 35
A2.3	Description of energy use efficiency initiatives and results achieved	27–28
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency enhancement initiatives and results achieved	27; The Group has no problem in sourcing water that is fit for purpose
A2.5	Total packaging materials used for finished products (in tonnes) and, where appropriate, portion per unit produced	27, 35

OVERVIEW OF KEY PERFORMANCE INDICATORS AND REPORT CONTENT INDEX



Main categories	Content	Page index/ notes
A3 Environment and Natural Resources		
General disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources	27, 31
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	27, 31
B1 Employment		
General disclosure	Relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) the policies; and (b) information on the compliance with relevant laws and regulations that have a significant impact on the issuer	17–18
B1.1 (partial)	Total workforce by gender, employment type, age group	36
B1.2 (partial)	Percentage of employee turnover by gender and age group	36
B2 Health and Safety		
General disclosure	Relating to providing a safe working environment and protecting employees from occupational hazards: (a) the policies; and (b) information on the compliance with relevant laws and regulations that have a significant impact on the issuer	16–17
B2.1	Number and rate of work-related fatalities	16–17, 36
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	16–17
B3 Development and Training		
General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	20–21
B3.1	The percentage of employees trained by gender and employee category	21, 37
B3.2	The average training hours completed per employee by gender and employee category	21, 37
B4 Labor Standards		
General disclosure	Relating to preventing child and forced labor: (a) the policies; and (b) information on the compliance with relevant laws and regulations that have a significant impact on the issuer	19–20
B4.1	Description of measures to review employment practices to avoid child and forced labor	
B4.2	Description of steps taken to eliminate such practices when discovered	



OVERVIEW OF KEY PERFORMANCE INDICATORS AND REPORT CONTENT INDEX

Main categories	Content	Page index/ notes
B5 Supply Chain Management		
General disclosure	Policies on managing environmental and social risks of the supply chain	24
B5.1	Number of suppliers by geographical region	24, 37
B5.2 (partial)	Description of practices relating to engaging suppliers, how they are implemented and monitored	24
B6 Product Responsibility		
General disclosure	Relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress: (a) the policies; and (b) information on the compliance with relevant laws and regulations that have a significant impact on the issuer	22–23
B6.2	Number of products and services related complaints received and how they are dealt with	22
B6.3	Description of practices relating to observing and protecting intellectual property rights	23
B6.4	Description of quality assurance process and recall procedures	22
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	23
B7 Anti-corruption		
General disclosure	Relating to bribery, extortion, fraud and money laundering: (a) the policies; and (b) information on the compliance with relevant laws and regulations that have a significant impact on the issuer	25
B7.1	Number of concluded legal cases regarding corruption brought against the issuer or its employees during the reporting period and the outcomes of the cases	25
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	25
B8 Community Investment		
General disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	32
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	32, 37
B8.2	Resources contributed (e.g. money or time) to the focus area	



CHINA TING GROUP HOLDINGS LIMITED
華鼎集團控股有限公司

Environmental, Social and Governance Report 2017