



**SHOUGANG CONCORD CENTURY  
HOLDINGS LIMITED**

**首長寶佳集團有限公司**

Stock Code 股份代號 : 103

**ENVIRONMENTAL,  
SOCIAL AND  
GOVERNANCE REPORT**  
環境、社會及管治報告

**2016**

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# REPORT PARAMETERS – SCOPE OF REPORT

## 報告參數－關於本報告

**Shougang Concord Century Holdings Limited** (“Shougang Century”/the “Company”; together with its subsidiaries collectively the “Group”) issues its first environmental, social and governance (“ESG”) report (the “ESG report”) for the year 2016. In preparing this ESG report including data collection and system set up, the Company has established an ESG working group and set up an ESG database during the years from 2013 to 2014. We have been collecting and keeping all ESG related data of the Company and its principal business units/subsidiaries since 2015.

We have followed all the “comply or explain” provisions set out in the ESG Reporting Guide (the “ESG Guide”) of Appendix 27 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and reported certain recommended disclosures for the purpose of providing our investors and stakeholders with comprehensive and comparative non-financial information. The ESG report explains how we comply with the provisions of the ESG Guide.

The Group is primarily involved in the manufacturing of steel cords and sawing wires and the processing and trading of copper and brass products. Hence, the ESG information contained in the ESG report is divided into three segments: (1) steel cord segment; (2) copper and brass products segment; and (3) head office and operating subsidiaries. The details of corporate profile can refer to the “CORPORATE PROFILE” section on page 2 of the 2016 annual report of the Company.

In addition to following the ESG Guide, we also take reference from international standards or guidelines to prepare our ESG report. The scopes of emissions and their emission factors are defined in accordance with Hong Kong and the international reporting framework published by the following and quoted from relevant websites:

- Respective Sustainability Reports 2016 and 2015 of CLP Power Hong Kong Limited and The Hongkong Electric Company Limited;
- the Hong Kong Environmental Protection Department’s (the “EPD”) Vehicle Emission Calculation model;
- the Greenhouse Gas Accounting Tool for Chinese Cities published by the World Resources Institute;
- Emission Factors of China’s Regional Power Grid Baseline of 2015 published by the Clean Development Mechanism in China;
- the World Resources Institute/World Business Council for Sustainable Development, as reported in The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and International Organization for Standardization (ISO), as reported in ISO14064-1;
- Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong published by the EPD and the Electrical and Mechanical Services Department (the “EMSD”);

首長寶佳集團有限公司(「首長寶佳」/「本公司」; 及於其於附屬公司, 統稱「本集團」) 發佈第一份於二零一六年度的環境、社會及管治(「ESG」) 報告(「本ESG報告」)。為擬備本ESG報告包括數據收集和系統設置, 本公司於二零一三年至二零一四年期間設立ESG工作小組和一個ESG數據庫。自二零一五年起, 我們一直收集和保存本公司及其主要業務單位/附屬公司的所有相關ESG數據。

我們遵守香港聯合交易所有限公司(「聯交所」) 證券上市規則(「上市規則」) 附錄二十七—環境、社會及管治報告指引(《ESG指引》) 所載的所有「不遵守就解釋」條文, 亦滙報了若干其他建議披露以向投資者和持份者提供全面和可比較的非財務資料。本ESG報告說明我們如何遵守《ESG指引》的條文。

本集團主要從事製造鋼簾線及切割鋼絲和銅及黃銅材料加工及貿易業務。因此, 本ESG報告列載的ESG資料會劃分為三個分部: (i) 鋼簾線分部; (ii) 銅及黃銅材料分部; 和(iii) 總部辦公室及營運附屬公司。公司概況詳情可參閱本公司二零一六年年報第2頁「公司概況」章節內。

除了遵守《ESG指引》, 我們亦會參考國際標準或指引以擬備我們的ESG報告。排放物範圍及其排放因子乃根據以下香港及國際報告框架發表的定義, 並取自相關網站:

- 中華電力有限公司及香港電燈有限公司各自的《可持續發展報告2016及2015》;
- 香港環境保護署汽車排放計算模型;
- 世界資源研究所發表的城市溫室氣體核算工具指南;
- 中國清潔發展機制網發表二零一五年中國區域電網基準線排放因數;
- 世界資源研究所/世界可持續發展工商理事會公佈的《溫室氣體議定書: 企業核算與報告準則》及國際標準化組織訂定的ISO14064-1;
- 香港環境保護署及機電工程署發表的香港建築物(商業、住宅或公共用途)的溫室氣體排放及減除的核算和報告指引;



# REPORT PARAMETERS – SCOPE OF REPORT

## 報告參數－關於本報告

- Emission factors from Intergovernmental Panel on Climate Change (“IPCC”); and
- The International Civil Aviation Organization and Carbon Care Asia Limited (CCA)’s Carbon Emissions Calculators.
- 政府間氣候變化專門委員會提供的排放物系數；及
- 國際民航組織及低碳亞洲有限公司碳排放計算器。

The figures of 2016 and 2015 have not been assured by third party. We will consider to benchmark our performance using relevant key performance indicators in the future.

二零一六年和二零一五年的數字沒有被第三方認證。我們考慮將來以相關關鍵績效指標檢測我們的表現。

## ESG REPORTING STRUCTURE AND RESPONSIBILITIES

### ESG報告架構和職責

Parties 參與方	Responsibilities 職責
The Board 董事會	<ul style="list-style-type: none"><li>• Review and approve the ESG report 審閱並批准本ESG報告</li></ul>
Company Secretarial Department and Human Resources and Administration Department 公司秘書部和人力資源及行政部	<ul style="list-style-type: none"><li>• Review the principles regarding ESG 審閱有關環境、社會及管治的原則</li><li>• Monitor the progress on ESG and community engagement programs 監測ESG進展和社區參與計劃</li><li>• Ensure good corporate governance standards and practices are maintained 確保維持良好的公司管治標準和慣例</li></ul>
ESG Working Group ESG工作小組	<ul style="list-style-type: none"><li>• Develop a list of key internal and external stakeholders, and identify their main concerns and expectations 編制一份主要的內部和外部持份者名單，並識別彼等的主要關注和期望</li><li>• ESG System set-up and maintenance ESG系統的設置和維護</li><li>• Data input, collection and analysis, and computing all relevant KPIs 數據輸入、收集和分析，以及計算所有相關關鍵績效指標</li><li>• Organise and implement community engagement programs 組織和實施社區參與計劃</li></ul>
Principal business units/subsidiaries 主要業務單位／附屬公司	<ul style="list-style-type: none"><li>• Gather ESG related data and data input 收集ESG相關數據和數據輸入</li><li>• Formulate and improve related ESG aspects’ policies/guidelines/procedures 制定和完善有關環境、社會及管治方面的政策／指引／程序</li></ul>

With regard to corporate governance aspect, please refer to “CORPORATE GOVERNANCE REPORT” section on pages 39 to 62 of the 2016 annual report of the Company. The ESG report can be downloaded from the websites of the Stock Exchange and the Company. If there are any comments or suggestions related to the ESG report, please share via post or email at the addresses below:

關於公司管治方面，請參閱本公司二零一六年年報第39至62頁「企業管治報告」章節內。本ESG報告可在聯交所和本公司網站下載。如對本ESG報告有任何意見或建議，請郵寄或電郵到以下地址：

### Postal address

5th Floor, Bank of East Asia Harbour View Centre  
51-57 Gloucester Road, Wanchai, Hong Kong

### 郵寄地址

香港灣仔告士打道五十一至五十七號  
東亞銀行港灣中心五樓

### E-mail addresses

business\_link@shougangcentury.com.hk  
ir@shougangcentury.com.hk  
scchl@shougangcentury.com.hk

### 電郵地址

business\_link@shougangcentury.com.hk  
ir@shougangcentury.com.hk  
scchl@shougangcentury.com.hk

# MESSAGE FROM CHAIRMAN

## 董事長致辭

I am pleased to present our first ESG report to the shareholders of the Company. ESG has emerged as a global trend and it continues to push toward greater corporate transparency, sustainability, and responsibility. We have seen the increasing level of compliance regarding the ESG reporting and hence, we started the planning of system set-up early in 2013 and have been collecting ESG data for analysis since 2015. Our efforts have eventually come to fruition.

Domestically, the China's 13th Five-Year Plan addresses environmental concerns, encourages the development of green industries and promotes a greener and low-carbon economy. In view of the above, the Company will focus on energy saving in production, enhance awareness of environment protection while exploring the potential of developing green businesses, for instance, recycling materials of our related business so as to create sustainable value for our stakeholders and the community and at the same time minimise any impact on the environment. Besides, we regard community investment and social engagement because they are part of our long-term development strategies. We had ever participated in various community activities in past years and are committed to further provide resources into community investment while inspiring and engaging our employees to support our community programmes with determination. We believe community commitment does not only benefit the society but also our employees by the fact that they feel closely associated with the company they are working for.

We also believe that the Group can be benefited from the growing focuses on ESG different aspects, including environmental, social and governance and help the Company to improve the financial performance in the long run. The below benefits are expected to be achieved:

本人欣然向本公司股東提呈本集團的第一份ESG報告。ESG已經成為全球趨勢，並繼續推動更大的企業透明度、可持續性和責任。隨著對ESG報告的合規水平不斷提高，因此，我們自二零一三年初已開始規劃系統設置，並自二零一五年收集ESG數據進行分析。我們的努力終於漸見成果。

在國內，中國的「十三五」規劃提出對環境的關注、鼓勵綠色產業的發展及提倡綠色低碳經濟。有見及此，本公司將集中生產節能，提高環保意識，同時發掘綠色業務的發展潛力，例如回收我們相關業務的物料以為我們的持份者和社區創造可持續價值，並同時盡量減少對環境的任何影響。此外，我們重視社區投資和社會參與因為它們是我們長期發展策略的一部分。我們在過去幾年曾參與過各種社區活動，並承諾將進一步投入更多資源於社區投資，並決心啟發和鼓勵僱員支持我們的社區計劃。我們相信對社區承諾不僅有利於社會，亦令我們的僱員覺得與工作的公司之間有緊密聯繫。

由於本集團對ESG不同方面包括環保、社會及管治日益重視，我們亦相信可以從中受惠，而長遠而言有助本公司提升財務表現。我們預期獲得以下益處：

### 1. ENVIRONMENTAL ASPECT

By reducing the emissions, using of resources properly, implementing effective resources management and avoiding pollution, we can benefit from the following:

- Reduce the costs by improving energy efficiency
- Reduce responsibility for the adverse impact on environment
- Explore competitive advantage
- Reduce the risk in relation to regulation, litigation and reputation
- Demonstrate corporate environmental responsibility and leadership

### 1. 環境方面

通過減少排放、適當地運用資源、實施有效的資源管理和避免污染，我們可以從以下方面受益：

- 透過提高能源效率減低成本
- 減少對環境的不利影響而應負責任
- 發掘競爭優勢
- 減少有關監管、訴訟及聲譽的風險
- 展示企業環境責任和領導能力

# MESSAGE FROM CHAIRMAN

## 董事長致辭

### 2. SOCIAL ASPECT

Employees are our valuable assets. Through improving and diversifying the working environment, fine tuning operating strategies and participating in community investment, we can benefit from the following:

- Enhance productivity and employees' morale
- Reduce the turnover rate of staff
- Raise the willingness to accept innovation and new ideas
- Reduce the risk of litigation and related reputations in respect of employment matters
- Enhance the understanding of laws, rules and regulations of the Peoples' Republic of China (the "PRC") and Hong Kong

### 3. GOVERNANCE ASPECT

We have guidelines/policies in place in relation to the remuneration of the senior management, board accountability, shareholders' rights and reporting and information disclosure in order to:

- Balance the interests of shareholders and the management of Company
- Avoid negative financial incidents
- Reduce relevant reputation risks in respect of corporate governance

Last but not least, with the greater expectation of maintaining a good corporate governance and the increase in demand for the transparency of the Company's ESG performance, we will put more resources on the enhancement of the ESG reporting disclosures gradually in the future.

I, on behalf of the Board, would like to express our deepest gratitude to the Board members and all employees who contributed to the ESG report.

**Li Shaofeng**  
Chairman  
Hong Kong, 23 March 2017

### 2. 社會方面

僱員是我們寶貴的資產。通過改善和令工作環境多元化、調整經營策略和參與社區投資，我們可以從以下方面受益：

- 提高生產力和僱員士氣
- 降低僱員流失率
- 樂於創新及接受新的想法
- 減少有關與勞工訴訟和相關聲譽的風險
- 加強對中華人民共和國(「中國」)和香港的法律、條例及規定的認知

### 3. 管治方面

我們制定了有關高級管理人員薪酬、董事會問責制、股東權利以及報告和信息披露的指引／政策，從而：

- 平衡股東和本公司管理層的利益
- 避免負面的財務事件
- 降低公司管治的相關聲譽的風險

最後，隨著對維持良好的企業管治的期望提高以及對本公司ESG表現之透明度的需求增加，我們將在未來投放更多資源以逐步加強ESG報告的披露。

本人謹代表董事會向董事會成員和對本ESG報告作出貢獻的所有僱員表示最深切的感謝。

董事長  
**李少峰**  
香港，二零一七年三月二十三日

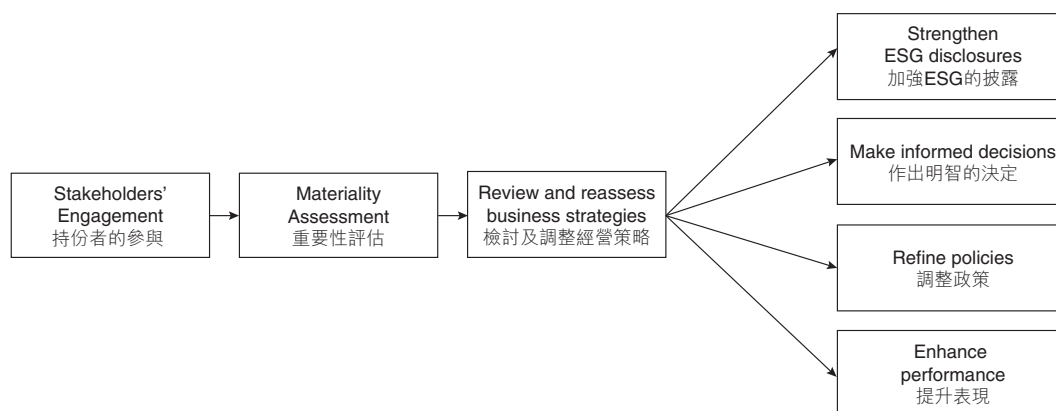
# STAKEHOLDERS' ENGAGEMENT AND MATERIALITY ASSESSMENT

## 持份者參與之重要性評估

In our way to achieving sustainability, the Group has given much effort and care in the interests of our stakeholders. Responding to the needs of stakeholders is one of our main responsibilities in addition to striving for better financial performance. We determine to make further review on our business decision, adjust policies and business strategies to improve business performance and satisfy the needs of stakeholders through a materiality assessment, so that our ESG disclosure can be strengthened, better policies can be carried out, proper business decisions can be made and the overall performance can be enhanced (in terms of monetary or non-monetary).

為達至可持續發展，本集團關心持份者的利益並為此付出了許多努力。我們除了盡力爭取更佳財務業績外，滿足持份者的需求亦是我們其中一個主要責任。我們透過重要性評估決心進一步檢討業務決定、調整政策和業務策略去改善業績表現及滿足持份者的需要，從而加強我們ESG的披露、執行更好的政策、作出更合適的業務決定，並提升在金錢上或非金錢上的整體表現。

**A flow chart showing the process of stakeholders' engagement and materiality assessment**  
有關持份者參與及其重要性評估流程圖



Our stakeholders are defined as any individuals or entities who have a significant interest or concern in the principal activities of the Group and whose actions are, in turn, of significant interest or concern to us in relation to our Group's finance, operation, community investment and environmental policies. These categories of stakeholders are recognised as shareholders, employees, customers, suppliers, media, community and general public, as well as the government and regulators. In order to map out our relation with stakeholders and their ability to influence our decision making process, the Stakeholders' Influence – Dependency Matrix below generates insights on the importance and influence of each category of stakeholders. With this information, it becomes possible to develop a specific approach for the identified stakeholders and their concerns:

持份者指在本集團的主要業務活動中擁有重要利害關係的任何個體或實體，相對地，他們亦對我們的財務、營運、社區投資及環保政策方面擁有重要利害關係。這些持份者被歸類為股東、僱員、客戶、供應商、媒體、社區及大眾，以及政府及監管機構。為了說明我們與持份者的關係及其對我們決策過程的影響，以下的《持份者影響－依賴關係矩陣》讓大家充分了解到每類持份者對我們的重要性和影響。根據這些資料，我們可以就針對持份者及其關注點制定具體的應對方法：

# STAKEHOLDERS' ENGAGEMENT AND MATERIALITY ASSESSMENT

## 持份者參與之重要性評估

		Stakeholders' influence on company (or objective, project or business line) 持份者對公司（或目標、計劃或業務）的影響					
		No influence 無影響力	Low influence 低度影響力	Some influence 部分影響力	High influence 高度影響力		
Stakeholders' dependence on company (or project, objective or business line) 持份者對公司（或目標、計劃或業務）的依賴程度	High dependence 高度依賴			Shareholders 股東	Employees 僱員	Customers 客戶	Suppliers 供應商
	No direct impacts 無直接影響			Media 媒體 Community & General Public 社區及大眾	Government & Regulators 政府及監管機構		

We engage with our stakeholders to promote sustainability in the workplace, environment, marketplace and community. The four main stakeholder categories identified by the management of the Group are namely shareholders, employees, customers and suppliers. Our engagement activities are listed in the following channels:

**Shareholders :** E-mail and postal correspondences, telephone enquiries, website of Shougang Century, complete the request information form on e-mail alert registration on website of Shougang Century, annual general meetings and general meetings.

**Employees :** Employees' Satisfaction Survey, charitable activities, training programmes, sports competition, regular employees' performance review, the management of the Group meet with the employee representative to discuss relevant employment issues at the Congress of Workers and Staff.

**Customers :** Customers' Satisfaction Survey, regular face-to-face meetings and visits that aim to provide better follow-up services for the usage of product, have a better understanding of customers' new product requirements through the provision of new specification testing subject to Advanced Product Quality Planning (APQP) control procedures.

**Suppliers :** Suppliers' Satisfaction Survey, regular face-to-face meetings and visits which are held according to the feedbacks on quality control, pre-testing orders and the progress on execution of orders.

我們與持份者緊密合作以促進在工作場所、環境、市場及社區的可持續發展。經本集團管理層確定的四大主要類別的持份者為股東、僱員、客戶及供應商。我們與持份者的溝通渠道列示如下：

**股東 :** 電郵和郵件、電話查詢、首長寶佳網頁、於首長寶佳網頁上的電郵提示填寫索取資料登記表、股東周年大會及股東大會。

**僱員 :** 僱員滿意度調查、慈善活動、培訓計劃、體育比賽、定期進行僱員表現評估、在職工代表大會上本集團管理層與僱員代表就有關勞工事宜進行洽談。

**客戶 :** 客戶滿意度調查、舉行定期會面及拜訪以提供更好的產品使用的售後服務，並透過根據產品質量先期策劃管理程序 (APQP)，提供新規格測試樣板，從而更了解客戶對新產品的要求。

**供應商 :** 供應商滿意度調查、根據質量控制、預訂單及執行訂單的情況提供意見反饋之定期會面及拜訪。



# STAKEHOLDERS' ENGAGEMENT AND MATERIALITY ASSESSMENT

## 持份者參與之重要性評估

After the engagement, we note as below the most concerned issues of the four main categories of stakeholders according to the above channels. With reference to the standard set out by the Global Reporting Initiative (GRI), we have identified the following expectations from them we considered as material (marked as "(M)"):

遵從以上渠道溝通後，我們注意到四大主要類別的持份者最關注以下問題，而根據全球永續性報告協會(GRI)制定的標準，我們找出以下關注問題且認為屬於高度重要性的標記為「(M)」：

Shareholders 股東		
1.	Profitability and dividends 盈利及股息	(M)
2.	Assets and liabilities 資產及負債	(M)
3.	Share capital and cash flow 股本及現金流	(M)
4.	Shareholders' rights and power 股東的權利與權力	
5.	Stock price performance 股價表現	(M)
6.	Transparency 透明度	
7.	Management policies 管理政策	
8.	Corporate governance structure 公司管治架構	
9.	Substantial transactions and proposals 重要交易和提案	
10.	Company's growth and sustainability 公司發展及可持續發展	(M)

Employees 僱員		
1.	Salary competitiveness 薪酬競爭性	(M)
2.	Work environment 工作環境	(M)
3.	Occupational health and safety 職業健康與安全	(M)
4.	Job security and satisfaction 工作保障及滿意度	(M)
5.	Career advancement and trainings 職業發展與培訓	(M)
6.	Benefits and welfare policy 福利政策	(M)
7.	Corporate culture 企業文化	
8.	Relationship with colleagues 與同事的關係	
9.	Work-life balance 工作與生活的平衡	
10.	Sense of belongings 對公司的歸屬感	
11.	Communication effectiveness 有效的溝通	
12.	Satisfaction with management 對管理層的滿意度	

Suppliers 供應商		
1.	Profitability 盈利	(M)
2.	Financial Management 財政管理	(M)
3.	Data protection and privacy 資料保護和私隱	
4.	Compliance with laws and regulations 遵守法律和法規	(M)
5.	Supply chain management 供應鏈的管理	(M)
6.	Accountability, credibility and reliability 責任感、誠信和可靠性	(M)
7.	Good communications 良好的溝通	(M)
8.	Reputation 信譽	(M)
9.	Target customers and the supply network 目標客戶和供應網絡	
10.	Purpose of products supplied 使用產品的目的	

Customers 客戶		
1.	Supply chain management 供應鏈的管理	(M)
2.	Price 價格	(M)
3.	Packaging 包裝	(M)
4.	Product safety 產品安全	(M)
5.	Compliance with laws and regulations 遵守法律和法規	
6.	Quality assurance process 品質控制程序	(M)
7.	Product specification requirements 產品規格的要求	(M)
8.	Reputation 信譽	
9.	Credibility 信貸能力	
10.	Pre-sale and after-sale services 售前及售後服務	(M)
11.	Condition of property, plants and equipment 物業、廠房和設備的狀況	(M)

Despite the variety of issues expressed by the main categories of stakeholders, we also take care of the minor issues addressed by each category of stakeholders and make sure the effectiveness of communication as a vital process for a continuous enhancement of our ESG overall performance.

儘管主要類別的持份者對本集團表達了不同的關注，我們同時亦顧及每個類別的持份者非最重要的關注，並確保有效的溝通作為持續提升我們ESG整體表現的重要一環。

# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

### ENVIRONMENT

The Group is fully aware of its businesses' impact on the environment in which it operates but also recognises its corporate responsibility to protect the environment. Hence, the Group is committed to protect environment proactively and comply with relevant environmental laws, rules and regulations in Hong Kong and the PRC in which it operates its businesses. We have implemented proper measures to reduce wastes and greenhouse gas ("GHG") emissions while maintaining and providing of high and safe quality products and services to our customers. We have adopted principles to reduce, reuse and recycle in the production lines so as to mitigate wastes and use energy and resources effectively. Employees are also nurtured and encouraged to have energy conservation and environmental protection consciousness. We believe by implementing policies and measures discussed hereunder, our businesses and the communities in which we operate can be benefited.

In summary, we have adopted the following policies, procedures and measures to reduce GHG emissions, wastes generated, energy consumption in the production lines:

### 環境

本集團充份地意識到其經營業務對環境的影響，同時也肩負着保護環境的企業責任。因此，本集團承諾會主動地保護環境，及遵守香港及中國其經營業務之所在地的相關環保法律、規則及規定。我們已採取適當措施減少廢物和溫室氣體（「溫室氣體」）的排放，同時保持和提供高質素及安全的產品和服務予我們的客戶。而我們在生產線上採取減少、重用和回收原則以減少廢物和有效使用能源和資源，亦培養和鼓勵僱員要有節能和環保意識。我們相信推行下述的政策和措施會使我們經營業務的社區從中得益。

總括而言，我們在生產線上採納以下政策、程序和措施以減少溫室氣體排放、廢物產生和能源消耗：

GHG Emissions 溫室氣體排放	Wastes Generated 廢物產生	Energy Consumption 能源消耗
<ul style="list-style-type: none"> <li>Procedures of handling excess emissions and measures on reduction of emissions 排放物超標處理程序及減少排放物措施</li> <li>Regulations on the management, prevention and control of waste gas pollution 廢氣污染防治管理規定</li> </ul>	<ul style="list-style-type: none"> <li>Management on the handling of hazardous waste system 有害廢物管理制度</li> <li>Regulations and methods on the waste treatment 廢物處置管理方法和規定</li> <li>Regulations on hazardous chemicals management 危險化學品管理規定</li> <li>Regulations on waste management 廢物管理規定</li> <li>Risk identification, assessment and control procedures 風險識別、評估與控制措施程序</li> </ul>	<ul style="list-style-type: none"> <li>Measures on effective energy conservation 有效節能措施</li> <li>Guidelines on resources conservation in offices and environmental protection 辦公室節約資源和環境保護指引</li> <li>Regulations on energy saving management 節能管理規定</li> </ul>

### Environment Management System Authentication

The ISO14001:2004 Environment Management System Authentication Certificate was obtained by each of our steel cord plants in 2014. The systems have been operating effectively and reviewed by WIT Assessment Company Limited and Shanghai NQA Certification Co. Ltd. respectively, In addition, we had been awarded ISO/TS16949: 2009 which would be reviewed annually, since 2010, and the latest certificates, ISO14001: 2004 and ISO/TS16949: 2009 were awarded in years of 2014 and 2017 respectively.

### 環境管理體系認證

於二零一四年，各鋼簾線廠房均取得ISO14001: 2004環境管理體系認證證書，該系統一直保持有效運作，並每年分別由萬泰認證有限公司和上海恩可埃認證有限公司進行審核。此外，我們自二零一零年亦取得ISO/TS16949: 2009，並每年進行審查以及分別於在二零一四年及二零一七年取得最新ISO14001: 2004 and ISO/TS16949: 2009證書。

# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

### EMISSIONS

The Group stringently controls and monitors the generation of wastes, sewage discharges and GHG emissions, and ensures all the emissions and discharges are within environmental quality standards as set out by the local government of the community where our businesses operate. These laws, ordinances and regulations include the Environmental Protection Law of the PRC (《中國環境保護法》), the Prevention and Control of Atmospheric Pollution of the PRC (《中國大氣污染防治法》), the Water Pollution Prevention and Control Law of the PRC (《中國水污染防治法》), the Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong), and the Product Eco-responsibility Ordinance (Chapter 603 of the Laws of Hong Kong) etc.

### Greenhouse Gas Emissions and Other Pollutants Emission

The Group aims to reduce GHG and other pollutants' emissions from every aspect in its business units by consuming energy and using resources effectively, and creating less wastes within all business areas as far as practicable. We have implemented the aforesaid policies and measures, for example, selling products with minimal packaging, using less heat and air conditioning in our manufacturing plants of the steel cord and copper and brass products segments etc. We have appointed environmental technicians in the steel cord segment to monitor all emissions from the plants and report to their management/supervisors immediately if the emission amount exceeds the standards required under the relevant environmental laws and regulations.

### Sewage Discharge Management

To ensure the sewage discharge complies with Environmental Quality Standard for Surface Water (《地表水環境品質標準》) and Wastewater Quality Standards for Discharge to Municipal Sewers (《污水排入城鎮下水道水質標準》) of the PRC, both plants have set up sewage treatment stations to collect and dispose of domestic sewage and industrial sewage to make sure the release of sewage to the sewer complies with the standards in the PRC. Besides, they have also set up condensate receivers to collect and reuse water from steam condensate return systems in the production lines. They monitor the pH value and Chemical Oxygen Demand (COD), and detect heavy metals ions of industrial sewage in the sewer daily at regular intervals and from time to time respectively. Necessary actions will be taken to stop the discharge of industrial sewage if emissions are discovered to be excessive, and perform exhaustive inspection to ensure all emissions are in compliance with the standards as set out by the PRC environmental regulatory authority. During the years ended 31 December 2016 and 2015, the pH value, COD and heavy metals ions of industrial sewage were lower than the stipulated standards.

### 排放物

本集團嚴格控制及監控生產線上產生的廢物、廢水排出和溫室氣體排放，並確保所有產生的排放物均在我們經營業務的地區政府規定的環境質量標準內。該等法律、條例及規定包括：《中國環境保護法》、《中國大氣污染防治法》、《中國水污染防治法》、廢物處置條例(香港法例第354章)及產品環保責任條例(香港法例第603章)等。

### 溫室氣體排放及其他污染物排放

本集團以減少其業務單位各方面的溫室氣體排放和其他污染物排放為目的，盡可能在所有業務範圍內有效地消耗能源和使用資源，和減少廢物。我們已實施前述的政策和措施，例如：在鋼簾線和銅及黃銅材料分部的生產廠房用最少量包裝物銷售產品、減少使用暖氣和空調等。我們已在鋼簾線分部委任環境技術人員監測廠房所有排放，如排放量超出有關環保法律和規定所定下的標準，會立即向其管理層/主管報告。

### 污水排放管理

為確保污水排放符合中國《地表水環境品質標準》及《污水排入城鎮下水道水質標準》的規定，兩廠均有設置污水處理站收集和處理生活污水和工業污水，以便按照中國標準規定在排水口排出。除此以外，他們亦在生產線上設置冷凝水接收器以收集及重用經蒸氣冷凝水回收系統所收集的蒸氣冷卻後的水。他們分別每天定期監測在排放口排出工業污水的酸鹼值及化學需氧量，並不時檢測重金屬離子。如發現超出標準，會採取即時行動停止排出工業污水，並進行徹底檢查，以確保所有排放物符合中國環境監管機構的標準規定。截至二零一六年及二零一五年十二月三十一日止年度，工業污水的酸鹼值、化學需氧量及重金屬離子均低於規定的標準。

# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

### Waste Management

We have set up a hazardous waste treatment system and waste treatment procedures which formulated provisions for collection, storage, and disposal of hazardous wastes generated in production lines. We have engaged with qualified disposal enterprises in accordance with the Measures for Hazardous Waste Operation Administration (《危險廢物經營授權管理辦法》) and the Environmental Pollution by Solid Wastes of Prevention and Control Law of the PRC (《中國固體廢物污染環境防治法》) to dispose of hazardous wastes properly. Most of the non-hazardous wastes should be disposed of by engaging recycling enterprises for recycling and reuse or by using other legitimate measures. Further details in respect of the disposal of hazardous and non-hazardous wastes are illustrated in the section of “**Hazardous and Non-hazardous Wastes**” of the ESG report.

The emissions information of three segments for the years ended 31 December 2016 and 2015 is as follows:

### Air Emissions

Air pollutants generated from gaseous fuel consumption in the production lines and also emitted from motor vehicles and corporate fleet. In general, the key air pollutants include nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>) and the respiratory suspended particles (RSP) (which is also known as particulate matter (PM)). The respective data of air emissions<sup>(1)</sup> of the three segments for the years ended 31 December 2016 and 2015 is as follows:

		Segment Cord Segment 銅線線分部		Copper and Brass Products Segment 銅及黃銅材料分部		Head Office and Operating Subsidiaries 總部辦公室及營運附屬公司		Total 合計	
		2016	2015	2016	2015	2016	2015	2016	2015
Nitrogen oxides (NO <sub>x</sub> ) (kg)	氮氧化物 (千克)	15.53	17.53	7.47	7.93	8.62	10.75	31.62	36.21
Sulphur oxides (Sulphur dioxide) (SO <sub>x</sub> ) (kg)	硫氧化物(二氧化硫) (千克)	0.33	0.34	0.15	0.15	0.21	0.18	0.69	0.67
Respiratory suspended particles (RSP) (kg)	懸浮顆粒 (千克)	1.18	1.34	0.42	0.46	0.63	0.79	2.23	2.59
Total air pollutants (kg)	空氣污染物總量 (千克)	17.04	19.21	8.04	8.54	9.46	11.72	34.54	39.47
Total air pollutants per thousand tonnes of production volume (kg/000 tonnes)	每千噸產量的空氣污染物總量 (千克/千噸)	0.11	0.17	0.92	1.03	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Total air pollutants per gross floor area (kg/m <sup>2</sup> )	每平方米的空氣污染物總量 (千克/平方米)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	0.01	0.01	N/A 不適用	N/A 不適用

1. The air emissions data is presented in NO<sub>x</sub>, SO<sub>x</sub> and RSP equivalent and the emissions factors are based on the IPCC and the Hong Kong Business Coalition on the Environment, the EPD Vehicle Emission Calculation model and the Huaian Environmental Protection Bureau in the PRC.

### 廢物管理

我們在生產線建立一套有害廢物處理系統和廢物處理程序以制定收集、儲存和處置有害廢物的規定。根據《危險廢物經營授權管理辦法》及《中國固體廢物污染環境防治法》，我們已聘用合資格的處置企業妥善處置有害廢物，而非有害廢物則會大多數交由回收公司進行回收循環再用或採取合法的途徑處理。有關處置有害及非有害廢物的進一步詳情請見本ESG報告的「**有害及非有害廢物**」章節內。

截至二零一六年及二零一五年十二月三十一日止年度，三個分部的排放物資料如下：

### 廢氣排放

空氣污染物是從生產線中氣體燃料消耗而產生，亦從汽車和公司車隊排出。一般來說，主要的空氣污染物包括氮氧化物(NO<sub>x</sub>)，二氧化硫(SO<sub>x</sub>)和懸浮顆粒(RSP) (亦稱為顆粒物(PM))。截至二零一六年及二零一五年十二月三十一日止年度，三個分部的空氣排放<sup>(1)</sup>相關數據如下：

1. 廢氣排放數據乃按氮氧化物(NO<sub>x</sub>)、硫氧化物(SO<sub>x</sub>)和懸浮顆粒(RSP)當量呈列，該等排放系數乃按照政府氣候變化專門委員會、香港環境保護署汽車排放計算模型及中國淮安市環境保護局。



# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

### GHG Emissions

GHG come from all sorts of everyday activities, such as electricity consumption, combustion of fuel and gases, and driving. The increase in GHG emissions is one of the main reasons that raises the temperature of the earth and carbon dioxide is the major GHG emitted through human activities. We are committed to managing our GHG emissions by reducing flaring and improving the efficiency in use of energy and resources in our day-to-day operations.

The GHG emissions of the three segments for the years ended 31 December 2016 and 2015 are as follows:

### 溫室氣體排放

溫室氣體源自各種日常活動，例如電力消耗、燃燒燃料和氣體以及駕駛。溫室氣體排放增加是地球溫度上升的主要原因之一，而二氧化碳是通過人類活動所排放的主要溫室氣體。我們致力在日常業務中減少燃燒及改善使用能源和資源的效益以管理我們溫室氣體的排放。

截至二零一六年及二零一五年十二月三十一日止年度，三個分部的溫室氣體排放如下：

		Segment Cord Segment 鋼索線分部		Copper and Brass Products Segment 銅及黃銅材料分部		Head office and operating subsidiaries 總部辦公室及營運附屬公司		Total 合計	
		2016	2015	2016	2015	2016	2015	2016	2015
Direct emissions (tonne) (Scope 1)	直接排放(噸) (範圍一)								
Corporate fleet <sup>(5)</sup>	公司車隊 <sup>(5)</sup>	61.20	63.33	20.50	22.12	38.61	32.47	120.31	117.92
Liquefied petroleum gas	石油氣	N/A不適用	N/A不適用	5.89	5.65	N/A不適用	N/A不適用	5.89	5.65
Natural gas	天然氣	21,359.70	19,798.61	N/A不適用	N/A不適用	N/A不適用	N/A不適用	21,359.70	19,798.61
Diesel	柴油	N/A不適用	N/A不適用	3.36	3.01	N/A不適用	N/A不適用	3.36	3.01
<b>Total emissions (tonne) (Scope 1)</b>	<b>總排放量(噸) (範圍一)</b>	<b>21,420.90</b>	<b>19,861.94</b>	<b>29.75</b>	<b>30.78</b>	<b>38.61</b>	<b>32.47</b>	<b>21,489.26</b>	<b>19,925.19</b>
Indirect energy emissions (tonne) (Scope 2)	間接排放(噸) (範圍二)								
Electricity	電力	221,413,297.93	178,752,908.75	118,394.58	110,670.15	24,786.61	24,546.45	221,556,479.12	178,888,125.35
Other indirect emissions (tonne) (Scope 3)	間接排放(噸) (範圍三)								
Business travel <sup>(4)</sup>	公幹 <sup>(4)</sup>	26.40	24.82	1.32	1.38	58.68	42.67	86.40	68.87
Paper consumption	耗紙量	24.29	23.10	4.28	4.07	3.23	3.56	31.80	30.73
Water consumption	耗水量	144,427.50	113,673.52	761.43	862.26	5.72	5.80	145,194.65	114,541.58
<b>Total emissions (tonne) (Scope 3)</b>	<b>總排放量(噸) (範圍三)</b>	<b>144,478.19</b>	<b>113,721.44</b>	<b>767.03</b>	<b>867.71</b>	<b>67.63</b>	<b>52.03</b>	<b>145,312.85</b>	<b>114,641.18</b>
<b>Total emissions (tonne) (Scopes 1, 2 and 3)</b>	<b>總排放量(噸) (範圍一、二及三)</b>	<b>221,579,197.02</b>	<b>178,886,492.13</b>	<b>119,191.36</b>	<b>111,568.64</b>	<b>24,892.85</b>	<b>24,630.95</b>	<b>221,723,281.23</b>	<b>179,022,691.72</b>
Total emissions per thousand tonnes of production volume (tonne/000 tonnes)	每千噸產量的總排放量 (噸/千噸)	1,453,973.62	1,558,395.11	13,690.63	13,492.82	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Total emissions per gross floor area (tonne/m <sup>2</sup> )	每平方米的總排放量 (噸/平方米)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	15.96	15.80	N/A 不適用	N/A 不適用

- Due to the operation needs of the steel cord segment, GHG emissions mainly come from the combustion of natural gas and electricity consumption.
- Due to the operation needs of the copper and brass products segment, GHG emissions mainly come from the consumption of electricity.
- GHG emissions factors are calculated based on the Report on GHG Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) issued by the EPD and the EMSD, China's Regional Power Grid Baseline of 2015 (using the average of the operation margin and build margin) published by the Clean Development Mechanism in China and 2006 IPCC Guidelines for National GHG Inventories from the IPCC.

- 基於鋼索線分部的經營需要，溫室氣體排放主要源自燃燒天然氣及電力消耗。
- 基於銅及黃銅材料分部的經營需要，溫室氣體排放主要源自電力消耗。
- 溫室氣體排放數據乃根據機電工程署及環保署刊發的《香港建築物(商業、住宅或公共用途)的溫室氣體排放及減除的核算和報告指引》、中國清潔發展機制網發展發表二零一五年中國區域電網基準線排放因數(採用電量邊際排放因子和容量邊際排放因子之平均)及政府間氣候變化專門委員會發出的《二零零六年政府間氣候變化專門委員會國家溫室氣體清單指南》規定計算。

# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

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| <p>4. Emissions from business travel by air are measured as they account for a large part of emissions from business transportation. We use the emission factors quoted from the International Civil Aviation Organization and CCA's Carbon Emissions Calculators to calculate the amount of emissions.</p>  | <p>4. 由於航空旅程的排放量佔公幹排放量的大部分，故公幹的排放量只計算航空旅程。我們使用排放量系數乃根據國際民航組織及低碳亞洲有限公司碳排放計算器計算排放量。</p>   |
| <p>5. Emissions from corporate fleet only include the transportation of employees as we do not have our own corporate fleet to transport/deliver our products to customers in steel cord segment, therefore the data in respect of transportation of goods of copper and brass products segment is insufficient for measurement at this stage.</p> | <p>5. 由於我們沒有自己的車隊向鋼簾線分部的客戶運輸／運送產品，和銅及黃銅材料分部有關運輸產品的數據現階段不足以用於計算，故此公司車隊的排放量計算只包括接載僱員。</p> |
| <p>6. Paper consumption includes A4 papers used for printing corporate documents/communication in the ordinary course of business of the respective segment.</p>   | <p>6. 紙張消耗包括在日常業務中打印的公司文件／通訊。</p>   |

### Hazardous and Non-hazardous Wastes

Apart from air pollutants and GHG, other hazardous and non-hazardous wastes discharged of by the three segments for the years ended 31 December 2016 and 2015 are as follows:

#### Steel Cord Segment

鋼簾線分部

Types of hazardous wastes (tonne)	有害廢物類型(噸)	2016	2015
Solid wastes	固體廢物		
Sludge from sewage treatment station	污水站污泥	12,485.78	9,175.46
Sludge from lubricating station	潤滑站污泥	86.18	66.14
Total solid wastes	固體廢物總數量	12,571.96	9,241.60
Total solid wastes per thousand tonnes of production volume (tonne/'000 tonnes)	每千噸的固體廢物總數量(噸/千噸)	82.50	80.51
Liquid wastes	液體廢物		
Lubricant	廢潤滑液	2,593.98	2,204.98
Used acid	廢酸	22,086.32	20,814.95
Total liquid wastes	液體廢物總數量	24,680.30	23,019.93
Total liquid wastes per thousand tonnes of production volume (tonne/'000 tonnes)	每千噸的液體廢物總數量(噸/千噸)	161.95	200.54
Sewage <sup>(2)</sup>	污水 <sup>(2)</sup>		
Domestic and industrial sewage	生活及工業污水	1,096,330.91	870,586.91
Total sewage per thousand tonnes of production volume (tonne/'000 tonnes)	每千噸產量的污水總量(噸/千噸)	7,193.98	7,584.24

### 有害及非有害廢物

除空氣污染物和溫室氣體排放外，截至二零一六年及二零一五年十二月三十一日止年度，三個分部產生的其他有害及非有害廢物如下：

- |  |   |
|--|---|
| <p>1. In accordance with the List of National Hazardous Wastes formulated by the Environmental Pollution by Solid Wastes of Prevention and Control Law of the PRC(《中國固體廢物污染環境防治法》), all the captioned wastes we have recorded are defined as hazardous wastes.</p> | <p>1. 根據《中國固體廢物污染環境防治法》制定的「國家危險廢物名錄」規定，上述所有(我們有記錄的)廢物被界定為有害廢物。</p>        |
| <p>2. Sewage discharged in 2016 and 2015 were recalculated in tonnes instead of m<sup>3</sup>. Sewage was discharged of from the business units of the PRC and consumption data was based on the amount of sewage discharged.</p>                                  | <p>2. 在二零一六年和二零一五年的污水排放由以立方米為單位改為按噸為單位重新計算。從中國的業務單位排放的污水，數據基於污水排放量計算。</p> |
| <p>3. Since the production volume of steel cord in 2016 increased by 34% as compared to the last year, the amount of sewage generated in the production lines increased accordingly.</p>   | <p>3. 由於在二零一六年鋼簾線的產量比去年增加34%，因此，生產線上產生的污水量繼而增加。</p>                       |

# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

Types of non-hazardous wastes	非有害廢物類型	2016	2015
Industrial wastes (tonne)	工業廢物(噸)		
Scrapped wires, used packaging metals and steel wire rod ties	廢絲、打包鐵皮和盤條紮帶	<b>6,313.91</b>	4,916.17
Oxidised surface of steel wire rod	廢氧化皮	<b>671.85</b>	500.69
Total industrial wastes	工業廢物總數量	<b>6,985.76</b>	5,416.86
Total industrial wastes per thousand tonnes of production volume (tonne/'000 tonnes)	每千噸產量的工業廢料總數量(噸/千噸)	<b>45.84</b>	47.19
Metallic wastes (unit)	金屬廢物(隻)		
Scrapped spools	廢工字輪	<b>24,620.00</b>	226,973.00
Total metallic wastes per thousand tonnes of production volume (unit/'000 tonnes)	每千噸產量的金屬廢物總數量(隻/千噸)	<b>161.55</b>	1,977.31
Packaging wastes	包裝物廢物		
Scrapped plastic separators (piece)	廢隔板(張)	<b>1,509.00</b>	12,420.00
Total scrapped plastic separators per thousand tonnes of production volume (piece/'000 tonnes)	每千噸產量的廢隔板總數量(張/千噸)	<b>9.90</b>	108.20
Scrapped plastic bags (tonne)	廢塑膠袋(噸)	<b>1.54</b>	1.65
Used packaging plastic ties (tonne)	塑膠打包帶(噸)	<b>0.42</b>	1.08
Used packaging plastic bags for steel wire rod (tonne)	盤條包裝袋(噸)	<b>144.53</b>	114.10
Total scrapped plastic bags, used packaging plastic ties and used packaging plastic bag for steel wire rod	廢塑膠袋、塑膠打包帶及盤條包裝袋總數量	<b>146.49</b>	116.83
Total scrapped plastic bags, used packaging plastic ties and used packaging plastic bag for steel wire rod per thousand tonnes of production volume (tonne/'000 tonnes)	每千噸產量的廢塑膠袋、塑膠打包帶及盤條包裝袋總數量(噸/千噸)	<b>0.96</b>	1.02
Other wastes (tonne)	其他廢物(噸)		
Used sacks	麻袋片	<b>70.33</b>	26.45
Total used sacks per thousand tonnes of production volume (tonne/'000 tonnes)	每千噸產量的麻袋片總數量(噸/千噸)	<b>0.46</b>	0.23
Used powdered lubricant	廢潤滑粉	<b>160.06</b>	142.72
Total used powdered lubricant per thousand tonnes of production volume (tonne/'000 tonnes)	每千噸產量的廢潤滑粉總數量(噸/千噸)	<b>1.05</b>	1.24
Scrapped wooden brackets	廢木托	<b>138.23</b>	40.27
Total scrapped wooden brackets per thousand tonnes of production volume (tonne/'000 tonnes)	每千噸產量的廢木托總數量(噸/千噸)	<b>0.91</b>	0.35

- |   |  |
|---|--|
| <p>1. The captioned wastes generated in production lines of the steel cord segment were disposed of properly by those qualified disposal enterprises to mitigate the impact on the environment and those wastes are not defined as hazardous wastes according to the List of National Hazardous Wastes.</p> | <p>1. 鋼簾線分部生產線上產生的有害廢物已由合資格的處置企業妥善處理，以減少對環境的影響，而根據「國家危險廢物名錄」規定，該等廢物不定義為有害廢物。</p> |
| <p>2. Since the production volume of steel cord in 2016 increased by 34% as compared to the last year, the amount of sludge, scrapped wires and used packaging metals and steel wire rod ties and the oxidised surface of steel wire rod generated in the production lines increased accordingly.</p>       | <p>2. 由於在二零一六年鋼簾線的產量比去年增加34%，因此，生產線上產生污泥、廢絲、打包鐵皮和盤條紮帶及氧化皮的數量繼而增加。</p>            |
| <p>3. Scrapped plastic separators and spools would be reused in the production lines. The amount of scrapped plastic separators and spools in 2015 was higher than that of 2016 as a large number of scrapped plastic separators and spools kept for few years and were disposed of in one go.</p>          | <p>3. 廢隔板及廢木托盤會在生產線上重用。於二零一五年廢隔板及廢木托盤的數量多於二零一六年是因為廢隔板及廢木托盤已保存數年，並進行一次性處置。</p>    |

# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

### Copper and Brass Products Segment

#### 銅及黃銅材料分部

Types of non-hazardous wastes (kg)	非有害廢物類型(公斤)	2016	2015
Packaging wastes	包裝物廢物		
Used wrapping papers	包裝紙	2,504.77	2,078.16
Total used wrapping papers per thousand tonnes of production volume (kg/'000 tonnes)	每千噸產量的廢包裝紙總數量(公斤/千噸)	287.70	251.33
Used metallic and plastic packaging ties	打包鐵帶和打包膠帶	1,635.75	1,773.42
Total used metallic and plastic packaging ties per thousand tonnes of production volume (kg/'000 tonnes)	每千噸產量的打包鐵帶和膠帶總數量(公斤/千噸)	187.89	214.47
Used plastic films	膠膜	1,358.27	1,213.79
Total used plastic films per thousand tonnes of production volume (kg/'000 tonnes)	每千噸產量的膠膜總數量(公斤/千噸)	156.01	146.79
Used paper cores	廢紙芯	18,111.34	15,411.82
Total used paper cores per thousand tonnes of production volume (kg/'000 tonnes)	每千噸產量的廢紙芯總數量(公斤/千噸)	2,080.32	1,863.86
Scrapped wood pallets	廢木托盤	25,787.26	33,270.54
Total scrapped wood pallets per thousand tonnes of production volume (kg/'000 tonnes)	每千噸產量的廢木托盤總數量(公斤/千噸)	2,961.99	4,023.65
Paper wastes	廢紙	118.14	95.60
Total paper wastes per thousand tonnes of production volume (kg/'000 tonnes)	每千噸產量的廢紙總數量(公斤/千噸)	13.57	11.56

1. The captioned wastes generated in production lines of the copper and brass products segment are not defined as hazardous wastes according to the List of National Hazardous Wastes.

1. 根據「國家危險廢物名錄」規定，銅及黃銅材料分部的生產線上產生的上述廢物不被定義為有害廢物。

### Head Office and Operating Subsidiaries

#### 總部辦公室及營運附屬公司

Types of non-hazardous wastes	非有害廢物類型	2016	2015
Paper wastes collected for recycling (kg)	回收廢紙(公斤)	67.5	0

1. In 2016 and 2015, the head office and operating subsidiaries did not produce any hazardous wastes.

1. 於二零一六年及二零一五年，總部辦公室及營運附屬公司沒有產生任何有害廢物。



# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

### Measures have been Taken to Mitigate Emissions and Results Achieved

In 2016 and 2015, we implemented a number of energy saving measures such as using energy efficient equipment, reusing water produced by the condensation of steam in production lines and reducing electricity, water and paper consumption in offices to mitigate emissions. The increase of the total electricity consumption and combustion of fuel and gases in 2016 is attributable to the increase in the production volume of both steel cord and copper and brass products. However, we will continue to strengthen and improve the current measures and policies in mitigating emissions. The effectiveness of the measures will be reviewed periodically in order to seek continuous improvement in the efficient use of energy and resources.

### Disposal and Reduction Initiatives of Hazardous and Non-hazardous Wastes, and Results Achieved

The Group has entered into contracts in respect of the disposal of the sludge from sewage station and lubricating station, used acid, mineral oil and lubricant between qualified disposal enterprises. These hazardous wastes generated in production lines of the steel cord segment were disposed of properly by those qualified disposal enterprises in accordance to the Standard for Pollution Control on Hazardous Wastes Storage (《危險廢物貯存污染控制標準》) regulated in the PRC. One of the non-hazardous wastes, kitchen waste has been disposed of by engaging with qualified disposal enterprises for both steel cord and copper and brass products segments. These enterprises would sort food scraps from the kitchen wastes and turn into compost. Hence, the amount of the kitchen waste was not measured. Used wrapping papers, metallic and plastic packaging ties, plastic films, paper cores and scrapped wood pallets incurred in production lines of the copper and brass products segment were disposed of properly by those qualified disposal enterprises if possible. In the past, paper wastes were disposed of to landfill, but we have arranged the disposal of paper waste to recycling companies for recycling or reuse since 2017.

### USE OF RESOURCES

The Group has adopted a specific and efficient policy in the use of resources in the production lines. Employees are nurtured and encouraged to have practices for energy and resources conservation. The Group has also implemented measures to reduce the use of papers, and water and electricity consumption in production lines and offices. To monitor the implementation of energy consumption measures, environmental technicians and/or the manager of human resources and administration department are responsible for monitoring the use of energy and resources in the production lines and offices.

### 已採取減少排放的措施和取得的成果

我們於二零一六年及二零一五年實施一系列的節能措施，例如在生產線上使用節能設備、重用蒸汽冷凝水及在辦公室減少用電、水和紙張消耗，以減少排放。基於鋼簾線和銅及黃銅材料分部產量增加，令二零一六年耗電量及燃燒燃料和氣體用量上升，但我們將繼續加強和改善現行的措施和政策減少排放，亦將定期審查該等措施的有效性，使能源和資源更能有效使用。

### 處置及減少有害和非有害廢物的行動和取得的成果

本集團與合資格的處置企業訂立合約處置污水處理站及潤滑站污泥、廢酸、廢礦物油及潤滑劑。根據中國《危險廢物貯存污染控制標準》的規定，鋼簾線分部的生產線上所產生的有害廢物，須交由合資格的處置企業妥善處理。其中廚餘，作為一種非有害廢物，鋼簾線和銅及黃銅材料分部已交至合資格的處置企業處理。該等企業會將由廚餘中分出食物廢料轉為混合肥料。因此，我們沒有量度廚餘的數量。而銅及黃銅材料分部的生產線上已用的包裝紙、金屬和塑膠打包帶、膠膜、紙芯和廢木托盤已盡可能交由合資格的處置企業妥善處理。從前我們將產生的廢紙送至堆填區處置，但由二零一七年開始我們已把廢紙交由回收公司回收或重用。

### 資源使用

本集團採納一套在生產線上特定和有效的資源使用政策，並培養和鼓勵僱員節約能源和資源的習慣。本集團亦在生產線及辦公室實施措施減少用紙、水和電力的消耗。為監測實施能源消耗措施，環境監察人員及／或人力資源及行政部經理負責監察在生產線和辦公室的能源和資源使用。

# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

### Direct and Indirect Energy Consumption

The direct and indirect energy consumption data of the three segments for the years ended 31 December 2016 and 2015 is as follows respectively:

### 直接及間接能源耗量

截至二零一六年及二零一五年十二月三十一日止年度，三個分部的直接和間接能源消耗數據分別列示如下：

		Segment Cord Segment 鋼索線分部		Copper and Brass Products Segment 銅及黃銅材料分部		Head office and operating subsidiaries 總部辦公室及營運附屬公司		Total 合計	
		2016	2015	2016	2015	2016	2015	2016	2015
Direct energy consumption (MWh)	直接能源耗量(百萬瓦時)								
Diesel <sup>(2)</sup>	柴油 <sup>(2)</sup>	N/A不適用	N/A不適用	14.26	12.77	N/A不適用	N/A不適用	14.26	12.77
Liquefied petroleum gas	石油氣	N/A不適用	N/A不適用	9.35	8.97	N/A不適用	N/A不適用	9.35	8.97
Natural gas <sup>(3)</sup>	天然氣 <sup>(3)</sup>	110,273.15	102,213.75	N/A不適用	N/A不適用	N/A不適用	N/A不適用	110,273.15	102,213.75
Petrol	汽油	212.46	219.86	71.16	76.79	134.03	112.72	417.65	409.37
Total direct energy consumption (MWh)	直接能源總耗量(百萬瓦時)	110,485.61	102,433.61	94.77	98.53	134.03	112.72	110,714.41	102,644.86
Indirect energy consumption (MWh)	間接能源耗量(百萬瓦時)								
Electricity consumption	耗電量	302,340.84	245,574.22	223.47	214.48	72.46	72.87	302,636.77	245,861.57
Total direct and indirect energy consumption (MWh)	直接和間接能源總耗量(百萬瓦時)	412,826.45	348,007.83	318.24	313.01	206.49	185.59	413,351.18	348,506.43
Total energy consumption per thousand tonnes of production volume (MWh/000 tonnes)	每千噸產量的能源總耗量(百萬瓦時/千噸)	2,708.91	3,031.72	36.55	37.85	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Total energy consumption per gross floor area (MWh/m <sup>2</sup> )	每平方米的能源總耗量(百萬瓦時/平方米)	N/A不適用	N/A不適用	N/A不適用	N/A不適用	0.13	0.12	N/A不適用	N/A不適用

- Energy consumption data was measured based on the amount of electricity, and fuels and gas consumed and energy conversion factors had taken reference from the Bioenergy Feedstock Development Program at Oak Ridge National Laboratory and a Beginner's Guide to Energy and Power, an article submitted by N Packer, Staffordshire University, UK, February 2011.
- Diesel was used by forklift in the plant of copper and brass products in the PRC.
- Natural gas was consumed in the combustion furnace at production lines and cooking in the steel cord plants in the PRC.

- 能源消耗量數據乃依據耗電和燃料及氣體數量計算及能源轉換系數是參考橡樹嶺國家實驗室(Oak Ridge National Laboratory)的生物能源材料再生發展計劃(Bioenergy Feedstock Development Program)及由英國斯塔福德郡大學N Packer於2011年2月提交的文章。
- 柴油於中國銅及黃銅材料分部廠房的鏟車中使用。
- 天然氣在中國鋼索線廠房生產線上的燃燒爐及煮食時消耗。

### Water Consumption

Water is a paramount resource in the running of our operation and production, therefore we aim to maximise our water utilisation efficiency. Currently, the water resources supply comes primarily from local municipal water supply and rivers. We have installed condensate receivers to collect and reuse water from steam condensate return system in the production lines.

### 耗水量

水是我們的經營業務和生產最重要資源，所以我們以最有效用水為目標。目前，水資源供應主要來自地方政府供水和河流。我們在生產線設置冷凝水接收器以收集及重用經蒸氣冷凝水回收系統所收集的蒸氣冷卻後的水。

# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

The water consumption data of the three segments for the years ended 31 December 2016 and 2015 is set out as follows:

截至二零一六年及二零一五年十二月三十一日止年度，三個分部的耗水量數據列示如下：

		Segment Cord Segment 銅線纜分部		Copper and Brass Products Segment 銅及黃銅材料分部		Head office and operating subsidiaries 總部辦公室及營運附屬公司		Total 合計	
		2016	2015	2016	2015	2016	2015	2016	2015
Total water consumption (m <sup>3</sup> )	總耗水量(立方米)	831,029.66	639,563.12	2,820.57	3,190.50	11.38	10.87	833,861.61	642,764.49
Total water consumption per thousand tonnes production volume (m <sup>3</sup> /000 tonnes)	每千噸產量的總耗水量(立方米/千噸)	5,453.11	5,571.65	323.98	385.85	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Total water consumption per gross floor area (m <sup>3</sup> /m <sup>2</sup> )	每平方米的總耗水量(立方米/平方米)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	0.01	0.01	N/A 不適用	N/A 不適用

- The head office and operating subsidiaries and copper and brass products segment operate in leased office premises in Hong Kong and the PRC where both the water supply and discharge are solely controlled by the respective property management, whom consider the provision of water withdrawal and discharge data or sub-meter for individual occupant is not feasible. Hence, only the data regarding drinking water was collected.
- The data of amount of water and bottled water consumed is quoted by the water bills received.

- 在香港及中國，因總部辦公室及營運附屬公司和銅及黃銅材料分部租賃辦公地方營運供水和排水均為物業管理處自行控制，而相關管理處認為向個別租戶提供用水和排水數據或分錶並不可行。因此，我們只收集飲用水之數據。
- 耗水量數據乃根據收到的水費單所列的耗水量和樽裝飲用量計算。

### Measures have been Taken on Energy Use and Water Efficiency Initiatives and Results Achieved

We have taken the following actions for the efficient use of resources in the production lines:

- setting up two sets of harmonic management devices to reduce the heating rate of cables and other production machinery and equipment;
- using energy efficient equipment, such as motors, frequency converters and reactors and the cross-sectional area of the cable in the power supply system to reduce the usage of electricity;
- reducing the amount of water consumption in the production lines through the reuse of water from steam condensate return system;
- using energy efficient LED lighting rather than fluorescent lamp; and
- selling products with minimal packaging.

The Group has also implemented energy saving measures in offices as stated under the heading “THE ENVIRONMENT AND NATURAL RESOURCES” in the ESG report.

### 已採取對能源使用和用水效益的措施及取得的成果

我們在生產線上採取以下行動以有效地使用資源：

- 設置兩套諧波治理裝置櫃，以降低電纜和其他生產機器和設備的加熱速率；
- 使用高效節能設備，如電動機、變頻器和電抗器和電力供應系統中橫截面面積的電纜，以減少電力使用；
- 通過利用蒸汽冷凝水回收系統重用蒸汽冷卻後的水，降低生產線上的耗水量；
- 使用高效節能的LED燈代替電燈泡；及
- 用最少量的包裝物銷售產品。

本集團亦在辦公室實施列於本ESG報告內標題為「環境及天然資源」的節能措施。

# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

Through implementing the aforesaid measures since the fourth quarter of year 2016, the electricity consumption in the head office has reduced by more than 11% as compared with the same period of the last year. Due to the increase of production volume of the steel cord and copper and brass products segments for the year 2016 as compared to the last year, the amounts of electricity and water consumption and combustion of natural gas, diesel and petrol have not observed a significant decrease. However, when we compare the total amount of water consumption per thousand tonnes production volume for the years 2016 and 2015, an improvement on our water utilisation efficiency can clearly be seen.

自二零一六年第四季通過實施以上措施，總部辦公室耗電量與上一年同期比較減少超過11%。於二零一六年，由於鋼簾線和銅及黃銅材料分部的產量比上一年增加，所以耗電和水量及燃燒天然氣、柴油及汽油的用量均沒有明顯減少。但是當比較二零一六年及二零一五年每千噸產量的總耗水量時，可清晰看到用水效率已改善。

### Packaging Materials for Finished Products

The Group understands that finished products produced by the steel cord and copper and brass products segments should be packed properly and follow customers' instructions before delivery so as to avoid any damage during transportation. Therefore, packaging materials could not be reduced significantly. However, certain materials like spools and wooden pallets are encouraged to be reused and recycled so as to reduce wastes. The types and data of package materials for steel cord and copper and brass products segments for the years ended 31 December 2016 and 2015 are as follows respectively:

### 製成品所用包裝材料

本集團明白鋼簾線和銅及黃銅材料分部生產的成品應按在交貨前依據客戶的指示妥善包裝，避免在運輸過程中有任何損壞。因此，包裝物不能顯著減少。但是，我們鼓勵重用和回收用若干包裝物，例如工字輪和木托盤架以減少浪費。截至二零一六年及二零一五年十二月三十一日止年度，鋼簾線和銅及黃銅材料分部的包裝物類型及數據分別列示如下：

### Steel Cord Segment

#### 鋼簾線分部

Types of packaging materials	包裝物類型	2016	2015
Wooden, plastic and metallic pallets (unit)	木、塑膠及金屬盤架(隻)	133,152.00	100,469.00
Total wooden, plastic and metallic pallets per thousand tonnes of production volume (unit/'000 tonnes)	每千噸產量的木、塑膠及金屬托盤架數量 (隻/千噸)	873.73	875.25
Spools (unit)	工字輪(隻)	6,520,267.00	5,099,847.00
Total spools per thousand tonnes of production volume (unit/'000 tonnes)	每千噸產量的工字輪總數量 (隻/千噸)	42,785.14	44,428.04
Plastic bags (unit)	塑膠袋(個)	134,700.00	104,150.00
Total plastic bags per thousand tonnes of production volume (unit/'000 tonnes)	每千噸產量的塑膠袋總數量 (個/千噸)	883.88	907.32
Cardboard boxes (unit)	紙板箱(套)	130,238.00	97,175.00
Total cardboard boxes per thousand tonnes of production volume (unit/'000 tonnes)	每千噸產量的紙板箱總數量 (套/千噸)	854.60	846.55
Plastic scale boards (piece)	塑膠襯板(張)	699,918.00	516,063.00
Total plastic scale boards per thousand tonnes of production volume (piece/'000 tonnes)	每千噸產量的塑膠襯板總數量 (張/千噸)	4,592.77	4,495.76
Humidity indicators (piece)	濕度指示咭(張)	129,030.00	108,537.00
Total humidity indicators per thousand tonnes of production volume (piece/'000 tonnes)	每千噸產量的濕度指示咭總數量 (張/千噸)	846.68	945.54
Desiccants (tonne)	乾燥劑(噸)	660.43	503.13
Total desiccants per unit of production volume (tonne/'000 tonnes)	每千噸產量的乾燥劑總數量 (噸/千噸)	4.33	4.38
Stretch films <sup>(1)</sup> (tonne)	拉伸膜 <sup>(1)</sup> (噸)	3.56	15.49
Total stretch films per thousand tonnes of production volume (tonne/'000 tonnes)	每千噸產量的拉伸膜總數量 (噸/千噸)	0.02	0.13
Packaging ties (tonne)	打包帶(噸)	34.90	22.76
Total packaging ties per thousand tonnes of production volume (tonne/'000 tonne)	每千噸產量的打包帶總數量 (噸/千噸)	0.23	0.20

1. The amount of stretch films used in 2016 has decreased significantly when compared with that of last year as we determine not to use stretch films for packaging products progressively.

1. 因為我們決定逐步不使用拉伸膜包裝產品，所以二零一六年拉伸膜的數量對比上一年大幅減少。



# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

Since the production volume of steel cord has increased by 34% in 2016 when compared to that of previous year, the amount of all packaging materials used in 2016 has increased accordingly. However, certain packaging materials are used more efficiently.

由於二零一六年鋼索線產量較上年同期增加34%，所有包裝物數量在二零一六年相應增加。但是若干包裝物卻能更有效地使用。

### Copper and Brass Products Segment

#### 銅及黃銅材料分部

Types of packaging materials (kg)	包裝物類型(公斤)	2016	2015
Wooden pallets <sup>(3)</sup>	木托盤架 <sup>(3)</sup>	145,526.80	146,880.72
Total wooden pallets per thousand tonnes of production volume (kg/000 tonnes)	每千噸產量的木托盤架總數量(公斤/千噸)	16,715.59	17,763.37
Plastic and metallic packaging ties <sup>(2)</sup>	塑膠及金屬打包帶 <sup>(2)</sup>	2,019.02	2,283.26
Total plastic and metallic packaging ties per thousand tonnes of production volume (kg/000 tonnes)	每千噸產量的塑膠及金屬打包帶總數量(公斤/千噸)	231.91	276.13
Wrapping papers	包裝紙	639.80	320.73
Total wrapping papers per thousand tonnes of production volume (kg/000 tonnes)	每千噸產量的包裝紙總數量(公斤/千噸)	73.49	38.79
Fiber tapes	纖維膠紙	94.27	90.44
Total fiber taps per thousand tonnes of production volume (kg/000 tonnes)	每千噸產量的纖維膠紙總數量(公斤/千噸)	10.83	10.94
Stretch films	拉伸膜	2,516.43	2,407.87
Total stretch films per thousand tonnes of production volume (kg/000 tonnes)	每千噸產量的拉伸膜總數量(公斤/千噸)	289.04	291.20

- The finer of slitting of copperplate at the customers' request, the more wrapping papers should be used. The number of customers required to use the wrapping papers for packaging increased in 2016, hence, the amount of wrapping papers increased significantly.
- Suppliers use different types of packaging ties (including plastic and metallic) when deliver the raw materials to us, hence, the weight of those packaging ties do not correspond with the growth rate of production volume.
- Wooden pallets are reused and disposed of until they are damaged. Hence, the movement of wooden pallets do not correspond with the change of production volume.
- Except the captioned packaging materials stated in points 1 to 3, the production volume of copper and brass products in 2016 was slightly increased by 5% when compared to previous year, hence, the amount of other packaging materials used increased accordingly.

- 客戶要求越仔細的切割銅板時，便需要使用更多的包裝紙包裝產品。在二零一六年，客戶數目要求使用的包裝紙增加，因此包裝紙的數量也顯著增加。
- 供應商運送我們原材料時會使用不同類型的打包帶(包括塑膠和金屬)，因此，該等打包帶的重量與生產量的增長並不一致。
- 木托盤會重用直至損壞時處置。因此，木托盤數量變動並不與生產量的變化對應。
- 除上述第1至3點所述的包裝材料外，在二零一六年銅和黃銅產品產量比上一年輕微增長5%，故此，其他包裝物用量也相應增加。

### THE ENVIRONMENT AND NATURAL RESOURCES

We recognise our business nature would have an impact on the environmental and natural resources. All we can do is to minimise such impact by implementing various measures at offices and production lines as far as we could so as to generate profit and return to the shareholders, and also protect the environment.

To go green at the offices, employees were encouraged to implement the following measures in the second half year of 2016:

### 環境及天然資源

我們明白到我們的業務性質會對環境和自然資源帶來影響。我們可以做到的是在辦公室和生產線上實施各項措施盡量減少該等影響，從而為股東爭取盈利及回報，亦能保護環境。

為綠化辦公室，我們於二零一六年下半年鼓勵僱員實施以下措施：

# OUR RESPONSIBILITIES FOR ENVIRONMENTAL PROTECTION

## 我們保護環境的責任

Green Measures Implemented 已實施之綠化措施	
Lighting 照明	<ul style="list-style-type: none"> <li>During lunch time and after office hours on business days, only those areas with lighting which are essentially needed for safety, security or other specific purposes are maintained. 於辦公日午飯時間及辦公時間後，只會保留配合安全、保安或其他特殊用途所需的照明設備的區域。</li> <li>Non-essential lighting should be switched off if there are only few people working in the office. 若辦公室人數不多，非必要的照明會關掉。</li> <li>The last-man-out should check and turn off the lighting of all areas of the office. 最遲離開辦公室的僱員應檢查並關掉所有辦公室區域的照明。</li> </ul>
Office Equipment 辦公室設備	<ul style="list-style-type: none"> <li>Affix "Save Energy" stickers near the main switches as a reminder to our employees. 在主要電源開關掣附近會貼上「節約能源」的貼紙，以向僱員作出提示。</li> <li>Computers, monitors and individual multi-functional printers (if any) should be switched off after office hours or when leaving the workplace to reduce power consumption. 在非辦公時間或離開工作間時應關掉電腦、電腦顯示屏及個人多功能列印機(如有)以減少耗電量。</li> <li>Purchase environmental friendly stationery and office equipment as priority. Stop purchasing and using stationery and office equipment which may cause an impact to the environment. 優先購買環保文具和辦公設備，停止購買和使用可能會對環境帶來影響的文具和辦公設備。</li> <li>The last-man-out should check and turn off all office equipment. 最遲離開辦公室的僱員應檢查並關掉所有辦公室設備。</li> </ul>
Water 水	<ul style="list-style-type: none"> <li>Strengthen the daily maintenance of water supply equipment. Employee should inform the property management office through Human Resources and Administration Department for carrying out repairing work promptly once water supply equipment is damaged. 加強供水設備的日常維護。一旦供水設備損壞，僱員應盡快透過人力資源及行政部通知物業管理處進行維修工程。</li> </ul>
Others 其他	<ul style="list-style-type: none"> <li>To nurture employees the habits of waste separation at source, two waste separation bins have positioned at pantry for collecting plastic and metallic wastes. Other domestic wastes which cannot be recycled should be placed in existing garbage bins. Printed waste papers after shredding will also be properly disposed of. 為培養僱員廢物源頭分類的習慣，兩個廢物分類回收箱已設置於茶水間用作收集塑膠及金屬廢物，其他不能回收的生活廢物則需棄置在現有垃圾筒內，而廢列印紙碎掉後亦將適當地處置。</li> <li>Encourage employees to adjust the margins and font size of documents in order to optimize the use of paper, use double-sided copying and reduce colour printing and copying. 為善用紙張，鼓勵僱員調整文件頁邊邊界及字體大小、使用雙面複印及減少彩色列印和複印。</li> <li>Refill instead of new pen will be provided when used up. 當原子筆的筆芯用完後，提供可更換的筆芯以代替新原子筆。</li> <li>Use environmental friendly paper (wood-free paper) for printing annual report. 用環保紙(無木紙)印制年報。</li> </ul>

Through implementing the aforesaid measures, reuse and recycle wastes, we believe that we can manage the negative impact on the environment and use resources effectively and efficiently to the greatest extent. We are also committed to continuing the improvement of our environmental performance in our production lines by the installation of more environmental friendly machines and equipment.

通過實施以上措施、重用和循環使用資源，我們相信我們可以管理對環境帶來的負面影響以及有效和高效地使用資源至最大程度。我們亦承諾在生產線上安裝更環保的機械和設備，致力繼續改善我們生產線上的環境績效。

# BUILDING A HARMONIOUS AND PROSPEROUS COMMUNITY ENVIRONMENT

## 建設和諧和繁榮的社區環境

### EMPLOYMENT

#### Our People and Safety

Employees are our essential assets and an integral part to the long-term sustainability of the Group. Needless to mention, ensuring their safety is of top priority. The Group is committed to provide a safe, healthy and productive workplace for all employees.

#### Management Systems for the Employees of the Group

The Group has prepared human resources policies, which are stipulated in employees' handbooks and relevant codes of conduct, and implemented employees' management systems in its business units. The areas of those handbooks, codes and systems cover rules and regulations in respect of compensation and dismissal, recruitment and promotion, working hours, rest periods, and other benefits and welfare. Regulations and rules set out in those handbooks, codes and systems are in line with the applicable laws and regulations in Hong Kong and the PRC, including the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong), Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong), Company Law of the PRC (《中國公司法》), Labour Law of the PRC (《中國勞動法》), Labour Contract Law of the PRC (《中國勞動合同法》), etc. During the year under review, there was no material breach of or non-compliance with those applicable laws and regulations by the Group.

#### Compensation and Dismissal

We have formulated procedures and terms and conditions in the employees' handbooks to deal with the employee who violates any regulations set out by the Group. A written warning notice will be given or immediate dismissal will be imposed to those employees depending on the level of severity of the case. Human resources department of the concerned company should be consulted prior to the proposed dismissal of any employee so as to ensure the compliance with the legal requirements.

We will pay sufficient compensation to those employees subject to the aforesaid laws and regulations.

#### Working Hours and Rest Periods

The employees' handbooks and employment contracts regulated employees' working hours. For employees who are required to work unsociable hours and on public holidays are offered overtime pay and additional compensation as defined in their employees' job description. The Group has complied with the relevant employment laws and regulations in respect of working hours and rest periods in Hong Kong and the PRC.

### 僱傭

#### 我們的僱員及安全

僱員是我們重要的資產及本集團長期可持續發展不可分割的部分。無庸置疑，確保他們的安全為最優先的考量。本集團致力為所有僱員提供安全、健康和具生產能力的工作環境。

#### 本集團僱員管理制度

本集團已於其業務單位之僱員手冊及相關行為守則內編制人力資源政策及實施僱員管理制度。該手冊、守則和制度的範圍均涵蓋補償及解僱、招聘及晉升、工作時數、休息時間、及其他利益及福利的法規及規則。該等僱員手冊及守則和僱員管理制度所載的法規及規則乃根據香港及中國適用法律及法規，包括僱傭條例(香港法例第57章)、僱員補償條例(香港法例第282章)、職業安全及健康條例(香港法例第509章)、《中國公司法》、《中國勞動法》、《中國勞動合同法》等而編制。於本年度回顧，本集團並無重大違反或不遵守該等適用的法律及法規。

#### 補償及解僱

我們在僱員手冊中制定程序及條款和條件，以處理違反本集團任何規定的僱員。此外，亦會按事件的嚴重性給予書面警告通知或直接解僱該等僱員。任何情況下，在建議解僱任何僱員之前，必須先諮詢各相關公司人力資源部門，以確保遵守法律要求。

我們會根據上述法律及法規給予該等僱員足夠的補償。

#### 工作時間和休息期間

僱員手冊和僱傭合同規定僱員的工作時間。需於非規定工作時間及公眾假期工作的僱員可按其工作職責所定義獲得加班費和額外補償，本集團已遵守香港及中國就工作時間及休息期間的相關僱傭法例及規定。

# BUILDING A HARMONIOUS AND PROSPEROUS COMMUNITY ENVIRONMENT

## 建設和諧和繁榮的社區環境

### Emolument Policies of the Directors and Employees

The emoluments of the directors of the Company are decided by the remuneration committee of the Company having regard to individual's performance, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition. The emolument policy of the Group's employees is also based on their merit, qualifications and competence as well as the prevailing market condition of the industry. In general, remuneration packages, which include an element of discretionary bonuses, are reviewed annually. In addition to salary payments, other employee benefits including medical subsidies, hospitalization scheme and a defined contribution provident fund stipulated by State Regulatory of the PRC, Mandatory Provident Fund Scheme stipulated by the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) and other retirement scheme or other similar defined contribution provident fund have been provided as retirement benefits to employees in Hong Kong and the PRC. There are also other benefits provided to the employees in the PRC subject to the Labour Law of the PRC (《中國勞動法》).

### Equal Opportunity, Recruitment and Promotion

The Group strictly prohibits any discrimination, harassment, victimisation or vilification in terms of age, gender, marital status, pregnancy, disability, family status or race, nationality or religion in the workplace environment for protection of human's rights. Hence, procedures regarding recruitment, promotion and retention of talents are implemented according to the equal opportunity principles under the Sex Discrimination Ordinance (Chapter 480 of the Laws of Hong Kong), Disability Discrimination Ordinance (Chapter 487 of the Laws of Hong Kong) and Race Discrimination Ordinance (Chapter 602 of the Laws of Hong Kong), Family Status Discrimination Ordinance (Chapter 527 of the Laws of Hong Kong), Protection of Women's Rights and Interests Law of the PRC (《中國婦女權益保障法》) and Protection of Disability Law of the PRC (《中國殘疾人保障法》).

The Group has formulated a promotion mechanism which set out uniform selection criteria and guidelines for promotion of employees. In addition, the Group has regulated a complaint channel for employee to make complaint if he/she has been suffered from any unequal treatments.

### Personal Data Privacy

The Group respects personal data privacy and is committed to implement and comply with the data protection principles and all relevant provisions of the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) and codes of practice/guidelines issued by the Privacy Commissioner for Personal Data, Hong Kong for the collection of personal data from employees for the purpose of provision of welfare, compensation, salary payments, performance assessment, promotion etc.

### 本集團董事及僱員之酬金政策

本公司董事之酬金由本公司薪酬委員會按照個人表現、本集團之業績及盈利狀況，亦按業界指標及當時市場環境而釐訂。本集團僱員之酬金政策亦按僱員價值、資格及能力，及按業界當時市場狀況而釐訂。一般而言，彼等之酬金包括酌情發放之花紅，會每年予以檢討。在薪金以外，其他僱員福利包括醫療保險、住院資助計劃及由中國國家監管部門監管規定的定額供款公積金計劃、強制性公積金計劃條例(香港法例第485章)規定的強制性公積金計劃，及其他退休計劃或類似定額供款公積金計劃分別為香港及中國僱員提供退休福利。根據《中國勞動法》，國內僱員亦享有其他福利。

### 平等機會、招聘及晉升

本集團嚴格禁止在工作場地環境上基於年齡、性別、婚姻狀況、懷孕、殘障、家庭狀況或種族、國籍或宗教的任何歧視、騷擾、受害或誹謗，以致力保護人權。故此，有關招聘、晉升及保留人才的執行情序均依據性別歧視條例(香港法例第480章)、殘疾歧視條例(香港法例第487章)、種族歧視條例(香港法例第602章)、家庭崗位歧視條例(香港法例第527章)、《中國婦女權益保障法》及《中國殘疾人保障法》規定下的平等機會原則進行。

本集團制定一套晉升機制，該機制設立了劃一的甄選準則及指引以晉升僱員。此外，本集團已設立投訴渠道，僱員如遭受任何不平等對待可通過該投訴渠道向本集團提出投訴。

### 個人資料私隱

本集團尊重個人私隱並承諾實施和遵守保障資料原則，以及《個人資料(私隱)條例》(香港法例第486章)的所有有關條款及香港個人資料私隱專員公署發出的實務守則／指引收集僱員的個人資料作為向他們提供福利、補償、薪酬、表現評核、晉升等為目的。



# BUILDING A HARMONIOUS AND PROSPEROUS COMMUNITY ENVIRONMENT

## 建設和諧和繁榮的社區環境

### Diversity and Gender Mainstreaming

The Group has established an employees' diversity policy to recruit talents based on their skills and professions, regardless of gender, age, religion, race and nationality. All employees are entitled to the same rights of work, salary and benefits. Furthermore, the Board has also established a board diversity policy to attract and retain talented people as board members. A summary regarding the board diversity policy can refer to the "CORPORATE GOVERNANCE REPORT" section on pages 39 to 62 of the 2016 annual report of the Company.

Further, the Company has joined the Gender Focal Point Network (GFPN) which was jointly organised by the Labour and Welfare Bureau (LWB) of the Government of the Hong Kong Special Administrative Region and the Women's Commission (WoC) in promoting the gender mainstreaming, which is a global strategy of the United Nations for the promotion of women's advancement and gender equality. We are willing to communicate and collaborate on gender-related matters in the daily work to our staff. Our Company's representative has also attended relevant events, one of them was the "Reception to Celebrate International Women's Day 2017" organised by the Women's Commission.

### Communication with Employees

The Group treasures employees as they are our important internal stakeholders and we recognise that a committed workforce does help to meet business strategies and in turn achieve missions and visions of the Group. Besides, the Group also values employees' opinion/view.

The two plants of the Group conduct an Employees' Satisfaction Survey every year by using a scoring assessment mechanism to indicate the employees' satisfaction level on their careers' perspectives. Through the surveys, we can measure the engagement level of our employees and know whether employees are engaged or disengaged under common factors, such as advancement, pay and benefits, work condition etc. The surveys also give employees a channel for open feedback and thus a two-way communication platform can be established. Further, the information obtained from surveys can allow us to identify the strength and opportunities for improving engagement in our Group. During the year of 2016, the Group has first time conducted an Employees' Satisfaction Survey to collect opinion/view of employment perspectives from employees and relevant employees' job satisfaction summary analysis report has been prepared for management's review. The management of the Group will consider and make response to the opinions made by feedback from employees, if practicable.

### 多元化及性別主流化

本集團建立了一套僱員多元化政策，不論性別、年齡、宗教、種族和國籍，而是基於他們的技能和專業招聘人才。所有僱員均有資格享有相同的工作權利、薪酬和福利。此外，董事會亦制定了一套董事會成員多元化政策，用以吸引和留住人才成為董事會成員。有關董事會成員多元化政策概要可參考載列於本公司二零一六年年報第39頁至62頁的「企業管治報告」章節內。

再者，本公司參加了由香港特別行政區政府勞工及福利局及婦女事務委員會共同舉辦的性別課題聯絡人網絡，推廣性別主流化，這是聯合國一項提高婦女地位和兩性平等的全球策略。我們願意與僱員在日常工作中就性別相關的事務溝通和合作。我們公司代表亦參加了有關活動，而其中一項是由婦女事務委員會舉辦之酒會慶祝2017國際婦女節。

### 與僱員的溝通

本集團重視僱員，因為僱員是我們重要的內部持份者，以及承認忠誠的僱員有助實現本集團業務目標及使命。此外，本集團亦重視僱員的意見／建議。

本集團兩廠每年均採用評分機制對僱員進行有關他們對職業前景的滿意度調查。我們可通過調查以量度僱員對公司的參與度及瞭解僱員在共同要素中，如晉升、薪酬和福利、工作條件等方面有否參與。該調查亦為僱員提供公開反饋的途徑，並建立雙方溝通的平台。再者，從調查中取得的資料可讓我們找出改善在集團的參與度的實力和機遇。在二零一六年期間，本集團首次對僱員進行僱員滿意度調查以收集僱員對工作前景的意見／建議並把相關僱員滿意度總結分析報告交予管理層審閱。本集團的管理層將考慮及回應僱員的意見(如可行)。

# BUILDING A HARMONIOUS AND PROSPEROUS COMMUNITY ENVIRONMENT

## 建設和諧和繁榮的社區環境

The Group is aware of the importance of maintaining the rights and interests of employees, in particular the production workers in the PRC since the number of production workers accounts for a majority of employees of the Group. Production workers who are not satisfied with their salaries, working hours and working conditions in addition to expressing their opinions to the management of the Group can have rights to report to the Chinese Trade Union and negotiate with their employers under the Trade Union Law of the PRC (《中華人民共和國工會法》), Articles of Association of Trade Unions in the PRC (《中國工會章程》) and Congress of Workers of the Industrial Enterprises Regulations (《全民所有制工業企業職工代表大會條例》). Our employees including production workers can give their comments and recommendations at the Congress of Workers and Staff. In conclusion, we are pleased to listen to the needs and opinions from employees and provide a comprehensive welfare package to attract and retain them. We also follow the Special Rules on the Labour Protection of Female Employees (《女職工勞動保護特別規定》) to protect the health of female employees.

本集團知悉維護僱員權益的重要性，特別是在中國的生產工人，因為生產工人的數目佔本集團僱員數目的大多數。對薪酬、工作時間和條件不滿的生產工人除可向本集團管理層反映其意見外，亦有權向中國工會報告，並根據《中國工會法》、《中國工會章程》及《全民所有制工業企業職工代表大會條例》與他們的僱主談判。我們的僱員包括生產工人可在職工代表大會上提出他們的意見和建議。總括而言，我們很樂意聽取僱員之所需和意見，並提供全面的福利方案吸引和保留他們。我們亦遵循《女職工勞動保護特別規定》保護女職工的健康。

### Total Workforce and Employee Turnover Rate by Gender, Employment Type, Age Group and Staff Hometown Region

Total workforce by gender, employment type, age group and staff hometown region of the three segments for the years ended 31 December 2016 and 2015 are as follows:

### 按性別、僱傭類型、年齡組別及僱員家鄉地區的僱員總數和僱員流失比率

截至在二零一六年及二零一五年十二月三十一日止年度，三個分部按性別、僱傭類型、年齡組別及僱員家鄉地區劃分的僱員總數如下：

Unit 單位	Segment Cord Segment 銅纜線分部		Copper and Brass Products Segment 銅及黃銅材料分部		Head Office and Operating Subsidiaries 總部辦公室及營運附屬公司		Total 合計		
	2016	2015	2016	2015	2016	2015	2016	2015	
Number of employees 僱員總數	1,831	1,774	53	62	40	38	1,924	1,874	
By gender 按性別劃分									
Male 男	No. of employees 僱員人數	1,728	1,692	36	42	19	19	1,783	1,753
Female 女	No. of employees 僱員人數	103	82	17	20	21	19	141	121
By employment types 按僱傭類型劃分									
Full time 全職	No. of employees 僱員人數	1,808	1,770	53	62	39	38	1,900	1,870
Part-time 兼職	No. of employees 僱員人數	23	4	0	0	1	0	24	4
By age group 按年齡組別劃分									
Below 30 三十歲以下	No. of employees 僱員人數	818	749	8	7	5	4	831	760
31 to 50 三十一歲至五十歲	No. of employees 僱員人數	909	939	31	33	16	16	956	988
Over 51 五十一歲以上	No. of employees 僱員人數	104	86	14	22	19	18	137	126

Year 年份	Unit 單位	Segment Cord Segment 銅纜線分部			Copper and Brass Products Segment 銅及黃銅材料分部			Head Office and Operating Subsidiaries 總部辦公室及營運附屬公司				Total 合計
		Shandong Province 山東省	Zhejiang Province 浙江省	Henan Province 河南省	Guangdong Province 廣東省	Hunan Province 湖南省	Chongqing Province 重慶省	Hong Kong 香港	Shanghai 上海	Beijing 北京	Others 其他	
By staff hometown region 按僱員家鄉地區												
2016	No. of employees 僱員人數	853	522	107	12	11	9	21	10	6	373	1,924
2015	No. of employees 僱員人數	790	544	108	20	9	8	21	8	5	361	1,874

# BUILDING A HARMONIOUS AND PROSPEROUS COMMUNITY ENVIRONMENT

## 建設和諧和繁榮的社區環境

The employee's turnover rate by gender, employment type, age group and staff hometown region of the three segments for the years ended 31 December 2016 and 2015 are as follows:

截止二零一六年及二零一五年十二月三十一日止年度，三個分部按性別、僱傭類型、年齡組別及僱員家鄉地區劃分的僱員流失率如下：

Unit 單位	Segment Cord Segment 銅纜線分部				Copper and Brass Products Segment 銅及黃銅材料分部				Head Office and Operating Subsidiaries 總部辦公室及營運附屬公司				Total 合計				
	2016		2015		2016		2015		2016		2015		2016		2015		
Number and rate of employee turnover 僱員流失總人數及百分比	440	2.01	433	1.88	22	3.02	18	2.38	4	0.80	9	1.84	466	2.01	460	1.90	
By gender 按性別劃分																	
Male 男	No. of employees and % 僱員人數和百分比	425	1.94	426	1.85	18	2.49	13	1.71	2	0.40	3	0.60	445	1.92	442	1.82
Female 女	No. of employees and % 僱員人數和百分比	15	0.07	7	0.03	4	0.53	5	0.66	2	0.41	6	1.20	21	0.09	18	0.08
By employment types 按僱傭類型劃分																	
Full time 全職	No. of employees and % 僱員人數和百分比	436	2.01	433	1.88	22	3.02	18	2.38	4	0.80	9	1.84	462	2.00	460	1.90
Part-time 兼職	No. of employees and % 僱員人數和百分比	4	0.02	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	4	0.02	0	0.00
By age group 按年齡組別劃分																	
Below 30 三十歲以下	No. of employees and % 僱員人數和百分比	281	1.28	306	1.33	1	0.13	1	0.13	0	0.00	1	0.20	282	1.22	308	1.27
31 to 50 三十一歲至五十歲	No. of employees and % 僱員人數和百分比	147	0.67	121	0.53	10	1.37	9	1.18	3	0.59	7	1.39	160	0.69	137	0.57
Over 51 五十一歲以上	No. of employees and % 僱員人數和百分比	12	0.06	6	0.03	11	1.51	8	1.07	1	0.21	1	0.20	24	0.10	15	0.06

Year 年份	Unit 單位	Segment Cord Segment 銅纜線分部				Copper and Brass Products Segment 銅及黃銅材料分部				Head Office and Operating Subsidiaries 總部辦公室及營運附屬公司													
		Shandong Province 山東省	Zhejiang Province 浙江省	Sichuan Province 四川省	Others 其他	Guangdong Province 廣東省	Sichuan Province 四川省	Hunan Province 湖南省	Others 其他	Hong Kong 香港	Zhejiang Province 浙江省	Shanxi Province 山西省											
2016	No. of employees and % 僱員人數和百分比	167	0.77	64	0.29	46	0.21	163	0.74	9	1.23	5	0.70	2	0.28	6	0.81	2	0.40	1	0.21	1	0.19
		Shandong Province 山東省	Zhejiang Province 浙江省	Henan Province 河南省	Other 其他	Guangdong Province 廣東省	Guangxi Province 廣西省	Hubei Province 湖北省	Guizhou 貴州	Other 其他	Hong Kong 香港			Shanghai 上海									
2015	No. of employees and % 僱員人數和百分比	158	0.68	49	0.20	42	0.18	184	0.80	9	1.19	3	0.40	2	0.27	2	0.26	2	0.26	6	1.23	3	0.60

# BUILDING A HARMONIOUS AND PROSPEROUS COMMUNITY ENVIRONMENT

## 建設和諧和繁榮的社區環境

### Promotion of Employees' Work-life Balance

Striking a perfect balance between career and family has always been a challenge for our employees. We understand employees who feel more motivated and less stressed out at work can maintain higher employee retention rates, which results in less time-consuming training and greater loyalty towards the Company. We consider one of the best ways to boost employee's morale and let them get to know each other in a non-stressful capacity is to offer occasional outing or activities. The Group has organised various activities, such as outdoor barbecue, Chinese New Year talent performance show and celebration and sports competition, like badminton and table-tennis competitions for employees' participation in during the years ended 31 December 2016 and 2015.

### HEALTH AND SAFETY

The Group attaches great importance to the health and safety of our staff and is committed to maintain a safe, healthy, and productive workplace for its employees. Hence, we provide comprehensive and ongoing safety trainings to our employees of the main departments in particular to those who worked at workshop and production lines of the Company and its principal business units/its subsidiaries.

In order to provide a safe and healthy working environment to our employees, the Group has formulated various production safety regulations, relevant workshop regulations and codes of conduct in workplace, which provide guidelines on handling personal injuries and operating equipment accidents in case of occurrence, handling dangerous chemicals and operating machines which is set out in the procedures on operation safety manual in accordance with the Occupational Safety and Health Ordinance, Occupational Disease Prevention Law in the PRC (《中國職業病防治法》), and the Production Safety Laws of the PRC (《中國安全生產法》).

### 促進僱員平衡工作和生活

在工作和生活之間取得完美的平衡一直是我們僱員的一個挑戰。我們了解僱員感到較積極和工作壓力較輕時可保持較高僱員保留率，從而減少培訓時間和加強對公司的忠誠度。我們考慮其中一個最佳的方法提升僱員士氣及讓他們在沒有壓力的位置下互相認識是偶爾提供郊遊或活動。本集團於截至二零一六年及二零一五年十二月三十一日止年度舉辦了各種活動，如戶外燒烤，農曆新年才藝表演和慶祝活動及體育比賽，例如羽毛球及乒乓球比賽給予僱員參與。

### 健康與安全

本集團非常重視僱員的健康和安全及承諾為僱員維持一個安全、健康、具生產力的工作地點。因此，我們為本公司及其主要業務單位／其附屬公司的主要部門，特別是於車間和生產線工作的僱員提供全面和持續的安全培訓。

為提供一個安全與健康的工作環境予我們的僱員，本集團根據《職業安全及健康條例》、《中國職業病防治法》及《中國安全生產法》制定各種安全生產規定、車間法規及在工作地點的相關行為守則，該等法規及行為守則提供處理個人工傷事故及一旦操作設備發生意外時的指引、處理危險化學品及列於安全操作程序和安全手冊中操作機器的程序。



# BUILDING A HARMONIOUS AND PROSPEROUS COMMUNITY ENVIRONMENT

## 建設和諧和繁榮的社區環境

We have adopted the codes of practice in safety operation for handling hazardous wastes and operating machines to strictly regulate employees who often handle hazardous waste and operate machines. They have to take and/or wear full set occupational protective equipment, such as face shield, safety glasses/goggles, safety belts, protective clothing etc. provided by the Group when they are handling dangerous chemicals or operating machines to protect their health and safety. They should check if the operating machines or equipment are in order and safe before using. All the operating machines and equipment have been inspected regularly to ensure safety. We have also prepared a compilation of responsibilities on safety issues to regulate the duties of each of main department of the two steel cord plants in terms of planning, monitoring and review of safety and health measures. Safety maintenance officers have been appointed by the two plants to implement, monitor and enforce the management of health and safety policies. In addition, we have also formulated regulations in respect of maintenance of healthy and safety workplace for our employees.

The Group has regulated that all new employees in the Mainland must take three levels of production safety trainings before taking up their duties, i.e. departmental trainings, workshop trainings and class/team work lines trainings. Employees who have special job duties, such as handling of dangerous chemicals, electricians, fitters, welders, forklift operators etc., must follow the operation safety rules. For employees who changed job positions must also re-take relevant safety trainings before serving. We also provide trainings to Hong Kong and PRC employees which aim at delivering the message of the importance of precaution of occupational health and safety in offices of Hong Kong and the PRC.

We have set up a reporting channel for work injuries and work-related fatalities. Managers of the Company and main business units of the subsidiaries must report to the manager of human resources and administration department immediately if any work injuries or work-related fatalities has occurred. We have also adopted an internal key performance indicator defining a tolerance level for the occupational injury and fatality of the main business units of the subsidiaries. When no occupational injury or serious occupational accident has occurred or the occurrence rate is below the tolerance level, the responsible person of the management will be awarded. We believe such measures can reduce the probability of occurrence of any work injuries.

我們採納處理有害廢物及操作機械的安全操作守則以嚴格規管經常處理有害廢物和操作機器的僱員。當他們處理危險化學物或操作機器時必須帶上及／或穿上本集團提供的全套工作保護設備，如面罩、護目鏡、安全帶及防護衣物等以保護他們的健康和安全。他們在操作機器或設備前需檢查該等機器或設備是否妥當及安全。所有操作機器和設備均須定時檢查以確保安全。我們亦編制了一份安全責任匯編規定鋼簾線兩廠每個主要部門的就規劃、監控和審查其安全與健康措施。兩廠亦委任安全監察員實施、監察及執行安全與健康管理政策。此外，我們亦為僱員制定了有關維持在工作場所健康與安全之規則。

本集團規定國內所有新入職的僱員任職崗位前必須先進行公司安全生產的三級培訓（即所屬部門培訓、車間培訓及班組／團隊工序培訓），任職特殊工種（如處理危險化學物）的僱員，如電工、鉗工、焊工、叉車工等必須按照安全操作規則。所有變更職位的僱員在入職前亦必須重新進行相關安全培訓。我們亦提供有關以傳遞辦公室預防職業健康和安全性的重要信息為目的之培訓予香港和中國的僱員。

我們設立了一個與工傷和工作有關的死亡事故報告渠道。如發生任何工傷或與工作有關的死亡事故，本公司和附屬公司之主要業務單位經理必須立即向人力資源及行政部經理報告。我們亦採納一個內部關鍵績效指標，對附屬公司之主要業務單位的工傷和與工作有關的死亡事故界定一個承受水平。當沒有發生工傷或嚴重工傷意外或發生率低於承受水平，負責該等工作的管理層會獲得獎勵。我們相信該等措施可減少發生工傷的可能性。

# BUILDING A HARMONIOUS AND PROSPEROUS COMMUNITY ENVIRONMENT 建設和諧和繁榮的社區環境

## Occupational Health and Safety Management System Authentication

We obtained the OHSMS18001 and OHSAS18001 Occupational Health and Safety Management System Authentication Certificate in January 2016 and October 2014 respectively which are reviewed by WIT Assessment Company Limited and Shanghai NQA Certification Co., Ltd. every year.

## Number and Rate of Work-related Fatalities and Lost Days due to Work Injury

Under the Employees' Compensation Ordinance, the Company should have a policy of insurance to cover its liabilities both under this ordinance and at common law for injuries at work in Hong Kong. As for employees in the PRC, they are protected subject to China's social security system. If an employee has suffered from work-related injury or fatalities or occupational disease in his or her course of employment, we must report in writing to the Labour Department in Hong Kong or Ministry of Human Resources and Social Security of the PRC within the period stipulated by the Occupational Safety and Health Ordinance, Regulation on Work-Related Injury Insurances (《工傷保險條例》) and The State Council of the PRC, as the case may be.

Save as disclosed as below, during the years ended 31 December 2016 and 2015, neither any accidents in relation to occupational health and safety nor work-related fatalities had occurred in connection to the Group.

## 職業健康安全管理體系認證

我們分別於二零一六年一月和二零一四年十月取得OHSAS18001和OHSMS18001職業健康安全管理體系認證證書，並每年將由萬泰認證有限公司和上海恩可埃認證有限公司對認證範圍進行審核。

## 因工作關係而死亡的人數及比率及因工傷損失工作日數

根據《僱員補償條例》，本公司必須投購僱員補償保險政策，以承擔其在該條例及普通法方面對工傷的法律責任。至於在中國的僱員，他們均根據中國社會保障系統涵蓋工傷和職業病的保護。如僱員在工作期間遭遇與工作有關的受傷或死亡或職業病，我們必須因應情況按香港《職業安全及健康條例》或中國《工傷保險條例》及中國國務院規定的期限內以書面形式向香港勞工處和中國人力資源和社會保障部報告。

除以下所述，載至二零一六年及二零一五年十二月三十一日止年度，本集團並無涉及職業健康及安全的意外亦沒有與工作有關的死亡事故發生。

		Unit 單位	2016	2015
No. of employee's occupational injury incidents <sup>(1)</sup>	僱員工傷事故次數 <sup>(1)</sup>	No. of incidents 次數	3	1
No. of employee's occupational injury	僱員工傷人數	No. of persons 人數	3	1
Percentage of employee's occupational injury <sup>(2)</sup>	僱員工傷人數比率 <sup>(2)</sup>	%	0.17%	0.05%
No. of working date lost due to employee's occupational injury	僱員因工傷損失工作日數	Days 日數	135	44
Compensation amount due to employee's occupational injury	僱員因工傷賠償金額	HK\$ 港幣	19,230.83	10,363.04
Person-time participated in safety training	僱員接受安全培訓人次	Person-time 人次	3,734	2,908

- Reportable injuries refer to work-related accidents to employees resulting in incapacity for a period exceeding 3 days in Hong Kong under the Employees' Compensation Ordinance and the days as defined under the Regulation on Work-Related Injury Insurances (《工傷保險條例》) in the PRC.
- The occupational injury rate is calculated as the number of injured employee divided by the number of employees employed and multiplied by 100%.

- 須予報告的工傷指僱員因工作相關意外，按《僱員補償條例》導致無法工作超過3天(香港)及按《工傷保險條例》(中國)所界定的天數。
- 工傷比率的計算方法是將受傷僱員的人數除以受僱人數再乘以100%。

# BUILDING A HARMONIOUS AND PROSPEROUS COMMUNITY ENVIRONMENT

## 建設和諧和繁榮的社區環境

### Compensation for Work Injuries

The Group complies with the laws, rules and regulations in relation to compensation for work injuries or occupational diseases in Hong Kong and the PRC, which include the Employees' Compensation Ordinance, Compensation Standard for Work Injury (《工傷賠償標準》), Regulation on Work-Related Injury Insurances (《工傷保險條例》) to pay compensation to employee who has suffered from work-related injuries or occupational diseases. The Group would also consider to pay more than the compensation statutorily required to the employees who are injured, dead or suffered from occupational disease in his or her course of employment.

### DEVELOPMENT AND TRAINING

The Group aims to ensure that development and training are ongoing for all employees and is committed to provide the mainland staff, directors and employees of the Company with continuous development training programmes/courses which are designed to enhance their technical skills in production and management, professional skills and knowledge, respectively. In this regard, the Group has adopted training course management policies which set out training structures to provide internal and external trainings programme/course to the different levels of employees of the Group including managerial grade or above, general staff and production workers. Each business segment is responsible for developing their own training programmes/courses to meet their specific business requirements. These training programmes/courses offered to employees include orientation training, on-the-job training, safety education, on-site training, simulative practice, vocational training, talk/lecture, quality management, job relocation training and external training related to professional qualifications. Through orientation training, new employees can have a quick understanding of the company, identify the organisational culture of the company and make the ease into it. Workers who failed the orientation training after the probation period stipulated in their employment contract and employees' handbook of their companies may result in disqualification as permanent employees with those companies. To assess employee's performance, any employee who has attended on-the-job training should take examination.

During the years ended 31 December 2016 and 2015, the Directors have attended programmes or seminar(s) organised by the group companies or other qualified professional bodies or regulatory authorities and/or read relevant training development materials to keep them informed of the latest updates in the relevant industry and market and the latest changes in the legal and regulatory environment. In addition, employees of copper and brass products segment who use cranes and operating machines are required to attend trainings held by the Construction Industry Council Training Academy and must pass the examination before taking up their duties. Employees are also encouraged to pursue lifelong learning and training and as such examination leaves, as one of the comprehensive benefits, are offered as benefits to employees who will attend examinations organised by professional bodies or academic institutions. In all, employees are offered all-round and comprehensive trainings to enhance their technical skills and knowledge continuously.

### 工傷賠償

本集團遵守香港及中國有關工傷或職業病賠償的法律、規則和法規，包括《僱員補償條例》、《工傷賠償標準》、《工傷保險條例》向受工傷或職業病的僱員支付補償。本集團亦會考慮向在工作期間受傷或死亡或遭受職業病的僱員支付比法定要求更多的賠償。

### 發展及培訓

本集團旨在確保所有僱員的發展及培訓持續進行，並致力向內地僱員、本公司董事及僱員提供持續發展培訓計劃／課程分別提升他們在生產技術和管理、專業技能和知識。在這方面，本集團採納培訓課程管理政策，該政策為本集團不同級別的僱員而設立，包括管理層或以上、一般僱員和生產工人提供內部和外部培訓計劃／課程的培訓架構。每個業務分部均負責發展他們自己的培訓計劃／課程，以滿足他們特定的業務要求。為僱員提供培訓計劃／課程，該等給予僱員的培訓計劃／課程包括入職培訓、在職培訓、安全教育、現場培訓、模擬實習、職能培訓、講座、質量管理、轉職培訓和有關專業資格的外部培訓。通過入職培訓，新加入的僱員能迅速了解公司，認識公司企業的文化及更輕鬆地融入公司。未能根據其僱傭合同及公司僱員手冊及規定的試用期後通過入職培訓的僱員，可能會被取消在該等公司作為全職僱員的資格。為評估僱員的表現，任何出席在職培訓的僱員須參加考試。

截至二零一六年及二零一五年十二月三十一日止年度，董事已參加由集團公司或其他專業資格團體或監管機構所舉辦的課程或研討會及／或閱讀有關培訓發展資料，讓彼等均知悉相關行業及市場的最新消息以及法律法規環境的最新轉變。另外，在銅及黃銅材料分部使用起重機和操作機器的僱員須參加由建造業議會訓練學院舉辦培訓，並在任職崗位前必須通過考試。為鼓勵僱員終身學習和培訓，我們提供考試假期給予將考取由專業團體或學術機構組織的專業資格的僱員作為其中一項全面福利。總括而言，本集團為僱員提供全方位和全面的培訓，並不斷提升他們的技術技能和知識。

# BUILDING A HARMONIOUS AND PROSPEROUS COMMUNITY ENVIRONMENT

## 建設和諧和繁榮的社區環境

### The Percentage of Employees Trained and Average Training Hours Completed per Employee by Gender and Employee Category

As at 31 December 2016 and 2015, the respective percentage of employees trained by gender and employee category of the 3 segments is as follows:

### 按性別及僱員類別劃分的受訓僱員百分比及每名僱員完成受訓的平均時數

於二零一六年及二零一五年十二月三十一日止，三個分部分別按性別及僱員類別劃分的受訓僱員百分比如下：

		Unit 單位	Segment Cord Segment 銅線線分部		Copper and Brass Products Segment 銅及黃銅材料分部		Head Office and Operating Subsidiaries 總部辦公室及營運附屬公司	
			2016	2015	2016	2015	2016	2015
Total no. of employees trained	接受培訓僱員百分比	%	45.51	29.83	3.45	1.58	17.54	7.09
Percentage of employees who received trainings by gender	按性別劃分接受培訓僱員百分比							
(i) Male	男	%	44.30	29.13	1.87	1.58	8.66	3.68
(ii) Female	女	%	1.21	0.70	1.59	0.00	8.88	3.41
Percentage of employees who received trainings by employee category:	按僱員類別劃分接受培訓僱員百分比							
(i) Directors and/Senior Management	董事及/高級管理層	%	0.00	0.00	0.00	0.00	3.65	2.68
(ii) Managerial grade or above	經理級或以上	%	0.15	0.06	0.26	0.00	2.40	0.80
(iii) Production workers	生產工人	%	41.91	28.34	2.25	1.06	0.00	0.00
(iv) Supporting/General staff	支援/一般僱員	%	3.00	1.33	0.94	0.52	7.63	1.17
(v) Others	其他	%	0.45	0.10	0.00	0.00	3.87	2.44
Total training hours completed by employees	僱員接受培訓總時數	Hours 時數	27,323.00	32,232.50	954.00	1,652.00	134.20	122.40
Average hours of training per employee	每名僱員平均培訓時數	Hours 時數	1.25	1.40	1.28	2.18	0.27	0.25
Average hours of training per employee by gender:	按性別劃分僱員平均培訓時數							
(i) Male	男	Hours 時數	1.29	1.43	1.51	3.13	0.29	0.23
(ii) Female	女	Hours 時數	0.60	0.61	0.76	0.00	0.25	0.27
Average hours of training per employee by employee category:	按僱員類別劃分僱員平均培訓時數							
(i) Directors and/Senior management	董事及/高級管理層	Hours 時數	0.00	0.00	0.00	0.00	0.62	0.87
(ii) Managerial grade or above	經理級或以上	Hours 時數	0.39	0.22	0.04	0.00	0.26	0.13
(iii) Production workers	生產工人	Hours 時數	1.34	1.52	2.76	5.37	0.00	0.00
(iv) Supporting/General staff	支援/一般僱員	Hours 時數	0.90	0.61	0.63	0.92	0.21	0.11
(v) Others	其他	Hours 時數	0.28	0.41	0.00	0.00	0.35	0.65
Total charges for employees' external trainings paid by the Group	集團支付僱員外部培訓的總費用	HK\$ 港幣	25,064	27,304	0.00	2,600	5,140	10,930
Time cost for training hours completed by employees	僱員接受培訓時數所佔的時間成本	HK\$ 港幣	604,721	707,969	16,681	30,640	48,902	56,570

### LABOUR STANDARDS

To recruit talents of various nationalities, genders, ages and religions in a fair and equitable manner in the Group, we have formulated a comprehensive set of human resources policies stipulating rules on but not limited to recruitment and also formulated a strict recruitment policy to prevent child and forced labour, and other potential illegal incidents.

### 勞工準則

本集團制定一套全面但不限於招聘的人力資源政策規定，以公平公正的方式招聘不同國籍、性別、年齡及宗教的人才，並制定嚴格的招聘政策以防止童工及強制勞工和其他潛在不合法的事件發生。



# BUILDING A HARMONIOUS AND PROSPEROUS COMMUNITY ENVIRONMENT

## 建設和諧和繁榮的社區環境

### Management Systems for Recruitment

The Group aims to recruit and retain the best employees to help itself to achieve business objectives, missions and visions and has stringently implemented recruitment management systems. The Group has taken all practical steps to ensure that the job seeker is lawfully employable subject to the Prohibition of Child Labour of the PRC (《中國禁止使用童工規定》) and relevant laws and regulations in Hong Kong and the PRC and request new applicants truthfully fill in their personal information in the personal data form, and provide identification documents and/or working visa (if any) to human resources and administration department in a fair and equitable manner and also under legitimate procedures. The procedures include but not limited to verification of identity to prevent from recruiting employees under the age of 16 and prevent forced labour. In addition, we ensure that applicants and employees are treated equally in the aspects of recruitment, assignment, development, evaluation and reward.

### Prohibition of Child Labour and Forced Labour

The Group is prohibited to recruit employees under the age of 16 and prevent forced labour. In this connection, we have formulated regulations on managing the prohibition of child labour and forced labour, which prevents the recruitment of child labour and forced labour, and set out the procedures to deal with the incidents if any child/forced labour is found, necessary actions will be taken to transport back those labour to hometown or place of origin. Disciplinary actions including the possibility of summary dismissal will be taken against employees deliberately providing untrue personal data or forged certificates or violating such regulations subject to the concerned company's employees' handbook and policies. Those regulations are in line with the Employment Ordinance and relevant laws and regulations in the PRC. In all, the Group shall review the overall recruitment practices from time to time to prevent child labour, forced labour and other potential illegal incidents. During the years of 2016 and 2015, the Group did not aware of any breach of or non-compliance with applicable laws and regulations in relation to child labour and forced labour.

### 招聘管理系統

本集團以招聘和保留最優秀僱員為目標，從而幫助實現業務方針、目標及使命，並嚴格推行招聘管理系統。本集團根據《中國禁止使用童工規定》及其他香港及中國相關法律及規定採取所有切實可行的步驟確保求職者為合法受僱，並按公平及公正的態度及合法的過程，要求新入職僱員填寫真實的個人資料在個人資料表格上，以及提供身份證明文件及／或工作簽證(如有)予人力資源及行政部。該等過程包括但不限於核實身份防止招聘十六歲以下的人士及防止強制勞工。此外，我們確保求職者和僱員均在招聘、分配工作、發展、評估和獎勵各方面受到平等的對待。

### 禁止童工和強制勞工

本集團禁止招聘十六歲以下的人士及禁止強制勞工。在這方面，我們編制了禁止僱用童工和強制勞工的管理規則，規定禁止招聘童工和強制勞工，以及設立發現僱用任何童工／強制勞工的事件處理程序，如需要我們會採取必要措施送他們回到家鄉或出生地。根據相關公司的僱員手冊和政策，故意提供不真實的個人資料、或偽造證書或違反該等規定的僱員將給予紀律處分，包括可能即時解僱。該等法規符合僱傭條例及中國的相關法例及規則。總括而言，本集團將不時審查整個招聘慣例以防止童工、強制勞工和其他潛在不合法事件。於二零一六年及二零一五年內，本集團並沒有知悉任何違反或不遵守任何關於童工及強制勞工適用的法律及法規。

# OPERATING PRACTICES

## 營運慣例

### SUPPLY CHAIN MANAGEMENT

#### Our customers and suppliers

The Group has maintained good business relationship with its suppliers since they have been consistently providing stable quality of raw materials to the Group. The supplies from our suppliers mainly comprised of steel wire rod for manufacturing steel cords and copper and brass materials for copper and brass products segment.

We are committed to deliver good quality and advanced steel cords and sawing wire products to our customers, i.e. tyre manufacturers. Quality control is one of the key features in supply chain management. Both steel cord and copper and brass products segments strictly select raw material suppliers with quality assurance and good reputation. They also select our raw material suppliers by using a stringent procurement management mechanism to rate those suppliers qualification based on various factors including the price, exclusivity, convenience transportation, financial condition, quality, techniques and skills, reputation, after-sale services and social responsibility. The suppliers' environmental and social responsibilities are also our concern in supply chain management. We try to procure locally or in nearby places rather than overseas so as to reduce carbon emissions associated with transport and shipping, as such most of our suppliers are located in Jiangsu (for steel cord segment) and Guangdong (for copper and brass products segment).

In addition, we regularly evaluate the existing suppliers and the major factors of evaluation include the on-going quality of raw material, costs, service, delivery, feedback from customers, etc. We have gone through a standard procedure to select and evaluate samples of raw material to meet the quality requirements of international standard, such as ISO9001:2008.

### 供應鏈管理

#### 我們的客戶及供應商

基於供應商一直為本集團提供穩定的原材料質量，本集團長期與他們保持良好的業務關係。我們供應商主要供應包括用於製造鋼簾線的盤條和用於銅及黃銅材料分部的銅及黃銅材料。

我們致力為我們的客戶，即輪胎製造商提供優質和先進的鋼簾線和切割鋼絲產品。質量控制是供應鏈管理的其中一個關鍵。一般來說，鋼簾線和銅及黃銅材料分部均嚴選有品質保證及具有良好信譽的原材料供應商。他們用一個嚴謹的採購管理機制根據多種因素，包括：價格、獨家、運輸便利、財務狀況、質量、工藝技術、信譽、售後服務及社會責任選擇我們原材料供應商。供應商對環保及社會的責任亦是我們供應鏈管理的關注點。我們嘗試在本地或附近而非海外採購以減低因運輸及航運產生的碳排放，故此我們大部分供應商也位於江蘇（鋼簾線分部）及廣東（銅及黃銅材料分部）。

此外，我們會定期評估現時的供應商，而評估的主要因素包括原材料的持續質量、成本、服務、交付情況、客戶的反饋等。我們已通過一個標準的程序來選擇和評估原材料的樣本以達到如ISO9001：2008的國際標準。

# OPERATING PRACTICES

## 營運慣例

### Number of Suppliers by Geographical Region

The number of suppliers by geographical region for steel cord segment for the years of 2016 and 2015 is as follows:

		2016	2015
PRC	中國		
Jiangsu	江蘇	5	5
Others	其他	4	4
Subtotal	小計	9	9
Japan	日本	2	–
Korea	韓國	1	–
Total	總計	12	9

The number of suppliers by geographical region for copper and brass products segment for the years of 2016 and 2015 is as follows:

		2016	2015
PRC	中國		
Guangdong	廣東	7	4
Shanghai	上海	4	4
Zhejiang	浙江	3	3
Jiangsu	江蘇	2	1
Others	其他	6	5
Subtotal	小計	22	17
Hong Kong	香港	9	13
Korea	韓國	2	1
Others	其他	1	2
Total	總計	34	33

### Practices relating to Engaging Suppliers, Number of Suppliers where the Practices are being Implemented, and the Execution and Monitoring of those Practices

With regard to the steel cord segment, its purchasing department has procedures on supplier management to strictly monitor the quality of raw materials and review the rating of those supplies regularly to ensure a suitable supplier with provision of high quality raw materials and good services is chosen. We have a supplier product quality assurance cooperation agreement especially drafted for our key suppliers to ensure that the products provided by them meet our quality requirements. We believe this practice can build our mutual trust and safeguard both parties' interests.

### 按地區劃分的供應商數目

於二零一六年及二零一五年年度鋼索線分部按地區劃分的供應商數目如下：

於二零一六年及二零一五年年度銅及黃銅材料分部按地區劃分的供應商數目如下：

### 聘用供應商的慣例，向其執行有關慣例的供應商數目，以及有關慣例的執行及監察方法

對於鋼索線分部，其採購部門已有供應商管理程序以嚴格監控原材料的品質，並會不時對該等供應商審查評分，確保挑選可提供高質量原材料和優質服務之供應商。我們特別草擬了一份供方產品質量保證合作協議書給我們的主要供應商簽訂，以確保他們提供的產品符合我們的質量要求。我們相信該慣例能幫助建立共同互信和維護雙方的利益。

# OPERATING PRACTICES

## 營運慣例

With regard to the copper and brass products segment, it has set up a procurement procedure and a monitoring quality system. An abnormal quality report will be submitted to general manager and related departments once abnormal quality is found on the raw materials. Based on the control procedures and continuous monitoring of the performance of suppliers, we can ultimately increase the company's overall productivity. For the existing suppliers of this segment, the satisfaction survey is conducted regularly based on the price, quality, financial condition, after-sale service and etc. Based on these procedures, the procurement department can monitor performance of suppliers and provide feedback to respective suppliers to improve their overall performance.

The above practices applied to all suppliers for all segments during the years of 2016 and 2015.

We encourage the suppliers to adhere to the Group's standards, comply with all applicable laws and regulations, and strive to minimize their negative impacts on environment and preserve our natural resources.

Suppliers also have expectations on us, including our profitability, financial management, data protection and privacy, compliance with laws and regulations, supply chain management, accountability, credibility and reliability, good communications, reputation, target customers and the supply network and purpose of products supplied.

We want to be customers of the choice of suppliers. In turn, their loyalty, support and collaboration enable us to operate more effectively, source our materials more sustainably and so strengthen our supply chain value.

### PRODUCT RESPONSIBILITY

To become a qualified supplier of a new radial tyre customer, we have to go through the stringent testing procedures. These testing procedures could last for about 2 years in most international radial tyre manufacturers in order to test the properties of steel cord in the radial tyres under various weather conditions. In this connection, the Group has attached great importance to the provision of products with good quality and high safety standard to its customers aiming of maintaining our "Eastern" brand recognition in steel cord industry. We monitor the quality of different specifications of steel cord constantly to ensure that radial tyre manufacturers are satisfied with our products, and their requirement of production of safe radial tyres can be met. Through the application of these standards, we can obtain their long-term support and trust and in turn increase the profitability of the Group. To maintain the customers' confidence in our product quality, the Group provides after-sale services to its customers. If we receive a complaint from any customer, we will first communicate with the customer and arrange our technical personnel to visit the customer's site for inspection or fine tune our product specification as the case may be. Thereafter, we will further improve product quality to suit this customer's need.

對於銅及黃銅材料分部，其有制定採購程序及監控質量系統。當發現原材料質量異常，便需向總經理及有關部門提供質量異常報告。有賴供應商監控程序和持續監控供應商的表現，我們最終定能提高公司的整體生產力。對於此分部現有的供應商，我們會根據價格、質量、財務狀況、售後服務等定期進行滿意度調查。採購部門可以按此程序監控供應商的表現，並向相應的供應商提供反饋，以提高供應商的整體表現。

於二零一六年和二零一五年上述慣例適用於全部分部的所有供應商。

我們鼓勵供應商遵守本集團的標準，遵守所有適用之法律和法規，並在努力減少對環境的負面影響的同時保護我們的天然資源。

我們的供應商亦對我們有期望，包括：盈利、財政管理、資料保護和私隱、遵守法律和法規、供應鏈的管理、責任感，誠信和可靠性、良好的溝通、信譽、目標客戶和供應網絡、使用產品的目的。

我們希望成為供應商選擇的客戶。而他們的忠誠、支持和合作使我們能夠更有效地運作，更可持續地獲得原材料，及從而增強我們的供應鏈價值。

### 產品責任

要成為子午線輪胎新客戶的合資格供應商，我們必須經過嚴格的測試程序。該等測試程序在大多數國際子午線輪胎製造商可持續長達約兩年，以測試在各種天氣條件下子午線輪胎中的鋼簾線性能。有見及此，本集團高度重視為客戶提供優質及安全極高的產品，以保持我們在鋼簾線行業中「東方」品牌的美譽。我們持續監控不同規格的鋼簾線質量，以確保子午線輪胎製造商滿意我們的產品及符合其對生產子午線輪胎的要求。透過應用這些標準，我們可以得到他們的長期支持和信任，從而提高本集團的盈利能力。為了保持客戶對我們產品質量的信心，本集團為客戶提供售後服務。如果我們收到客戶的任何投訴，我們將先與該客戶溝通，並安排我們的技術人員拜訪該客戶以進行檢查或調整我們的產品規格（視乎情況而定）。之後，我們將進一步提高產品質量以滿足客戶的需要。



# OPERATING PRACTICES

## 營運慣例

We have passed the ISO/TS16949: 2009 quality control system and a certificate was issued by TÜV Rheinland Cert GmbH, a leading international provider of inspection services, since February 2011 in this regard. It is intended to build up or enforce the confidence of a customer towards the system and process quality of a supplier, in particular for the development, production and installation and servicing of automotive-related products.

For steel cord segment, it has pre-product quality control planning procedures and sales of products policies and procedures. The area of those procedures and policies cover sales return policy, customers' complaint procedures and maintenance and safeguard products' intellectual property policies and measures. Besides, it conducts customers' satisfaction surveys every year to collect comments from customers about our quality of products and after-sale service. The sales representatives of steel cord segment always visit the customers from time to time to obtain comments/opinions so as to improve the quality of our products and enhance our technical skills and knowledge to meet the requirements of the customers as far as practicable.

For copper and brass products segment, it has product complaint and process form for customers to make complaints and the relevant department will follow up with customers afterwards. The management of this segment has practice to visit customers in order to build better business relationship.

We recognise the importance of intellectual property rights protection. We have in place some guidelines on the identification of intellectual properties and the application for registration. Intellectual properties are the Company's precious assets, we put effort to safeguard the rights and interests. As the owner of certain intellectual properties, we have adopted products standard management procedures to protect customers' information from unauthorized access, usage and leakage and maintain their data properly. There was no issue regarding material non-compliance with the relevant laws and regulations that have any significant impact on the Group relating to health and safety, advertising, labelling and privacy matters during the year.

There are no products of the Group sold or shipped subject to recalls for safety and health reasons, for the years 2016 and 2015.

我們已通過ISO/TS16949:2009質量控制系統，並自二零一一年二月以來獲一間提供檢驗服務的國際服務商TÜV Rheinland Cert GmbH頒授了有關這方面的證書。該證書的目的為建立或加強客戶對供應商，特別是對於汽車相關產品的開發、生產、安裝以及服務的系統及質量監控程序的信心。

鋼簾線分部有產品前期質量監控計劃程序及產品銷售政策和程序，這些程序和政策包括退貨政策、客戶投訴程序及有關保護產品的知識產權政策和措施。此外，該分部每年亦會進行客戶滿意度調查，收集客戶對我們的產品質量和售後服務的意見。鋼簾線分部的銷售代表會不時拜訪客戶以獲得他們的評價意見，藉此改善我們的產品質量、提升技術和知識，以盡量滿足客戶的要求。

而銅及黃銅材料分部則有產品投訴及程序表格供客戶填寫投訴，相關部門之後便會跟進客戶的投訴。該分部的管理層亦經常拜訪客戶以建立更好的各方業務關係。

我們深明保護知識產權的重要性，因此已制定了一些辨識及申請註冊知識產權的指引。知識產權是公司的重要資產，我們努力保護知識產權的權利和利益。作為若干知識產權的持有人，我們採用了產品標準管理程序保護客戶的資料以避免未經授權的存取、使用和洩漏，並適當地保存其資料。本集團於本年度並沒有不遵守相關法律與法規對有關健康與安全、廣告、標籤及私隱事宜對本集團有重大影響的事件。

本集團於二零一六年及二零一五年沒有因安全與健康理由而須回收的已售或已運送產品。

# OPERATING PRACTICES

## 營運慣例

### Number of Products and Service Related Complaints Received and How to Deal With

When customer complaints are received, we investigate the reasons immediately and record properly. The Company responds to the customers based on the reasons of their complaints such as product quality and product specifications. The responsible business segment will contact the customer and conduct an on-site investigation, if possible, will then fine tune the properties of products to suit their radial tyres' requirement. Any corrective actions will be recorded in the corrective action report afterwards and will follow up if any corresponding actions are required. Customers may return the products or exchange for new products subject to the terms and conditions of contracts.

### 與產品和服務相關之投訴數量及處理方法

當收到客戶投訴後，我們會立即調查原因並適當地記錄。本公司會根據客戶投訴的原因，例如產品質量和產品規格，對其投訴作出回應。負責的業務分部將聯繫客戶並到其廠房進行調查，然後，如可能將微調產品的規格以符合客戶對子午線輪胎的要求。隨後任何糾正行動會記錄於糾正措施報告，如有需要則會採取任何相應行動跟進。客戶可以根據合同的條款和條件退回貨品或換貨。

		Steel Cord Segment 鋼簾線分部		
		Unit 單位	2016	2015
Total number of products related complaints received per thousand tonnes of production volume	每千噸產量的接獲關於產品的投訴總數目	No. of complaints/'000 tonnes 次/千噸	0.21	0.45

		Copper and Brass Products Segment 銅及黃銅材料分部		
		Unit 單位	2016	2015
Total number of products related complaints received per tonnes of production volume	每噸產量的接獲關於產品的投訴總數目	No. of complaints/tonnes 次/噸	0.004	0.003

### ANTI-CORRUPTION Standard of Conduct

Having good standards of corporate governance is the key of success of our development because this can promote and reinforce the confidence of its stakeholders. We have devised and adopted several clear guidelines/policies for the directors, management and/or employees of the Group which enable the Group to achieve a higher standard of conduct, including the follows:

- Declaration of Conflict of Interest
- Guidelines on Accepting and Offering Gift and Entertainment
- Whistleblowing Policy
- Key channels of compliant

All the above policies/guidelines are annexed to the Internal Management and Control Manual ("Internal Control Manual") of the Company which is reviewed and updated regularly. All employees, including directors of the Group should avoid conflict of interest between their private interest and the interest of the Company and should report in such cases. In addition, all employees, including directors, of the Group must follow the guidelines in relation to provision of gifts and entertainment and accepting gifts and benefits and observe any updates and changes regarding the anti-corruption measures.

### 反貪污 經營守則

擁有良好的企業管治是我們成功發展的關鍵，因為這可以促進和加強持份者的信心。我們為本集團的董事、管理層及／或僱員制定及採納多項明確的指引／政策，使本集團能提升經營守則的標準，包括：

- 利益衝突申報書
- 接受和送贈禮物及娛樂的指引
- 舉報政策
- 主要投訴渠道

所有上述政策／指引均已附載於本公司的內部管理及監控指引（「內部監控指引」），並會定期作出檢討及更新。本集團所有僱員（包括董事）應避免個人利益與本公司利益發生衝突，如有衝突則必須稟報。此外，本集團的所有僱員（包括董事）必須遵守有關提供及接受禮物及娛樂的指引，並留意有關反貪腐措施的任何更新及改動。

# OPERATING PRACTICES

## 營運慣例

Besides, a whistleblowing policy was devised and adopted by the Board on 22 March 2012 to provide procedures to employees who have concerns about any suspected misconduct or malpractice within the Group, those employees can come forward to reflect those concerns or submit a written report to the Company through this policy. The Company will then evaluate the report to decide whether a full investigation is needed. If the answer is positive, the investigation process will begin and an investigation report will be prepared to the audit committee of the Company upon completion of the investigation. The audit committee of the Company has the responsibility for monitoring and reviewing the operation of the whistleblowing policy and provide any recommendation for action resulting from the investigation of complaints.

We set out policies/guidelines that provide guidelines on anti-corruption and codes of conduct for respective core business units in China, namely Guidelines on Corporate Corruption Prevention, Regulations on Anti-corruption and Anti-bribery, Whistleblowing Policy (applicable in the PRC), Code of Conduct and Code of Ethics relating to fraud, bribery and extortion.

With regard to suppliers, we have a stringent procurement management system to evaluate our suppliers' performance and conduct in order to enhance the suppliers' commitment to the Group's standards and principles.

In addition, the audit committee members of the Company (comprising of three independent non-executive directors) have responded to the external auditors their knowledge on any actual, suspected or alleged fraud affecting the Group during the year. The internal auditors, among others, reviewed the risk management and internal control systems and provided comments to improve the anti-corruption measures, if any.

All operations comply with relevant laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering in the PRC and Hong Kong.

We are not aware of any legal cases regarding corrupt practices brought against the Company or its employees during the year.

此外，董事會於二零一二年三月二十二日制定並採納了舉報政策，為僱員提供有關舉報本集團內任何做出可疑或不當行為的程序。該等僱員可以通過該政策向公司表示關注或提交書面報告。隨後，公司將會針對該報告進行評估以決定是否需要進行全面調查。如認為有此需要，調查過程將會執行，且將於完成後向本公司審核委員會提供調查報告。本公司審核委員會有責任監管和審查有關舉報政策的實施情況以及對投訴所作出調查行動的任何建議。

我們制定了針對中國各核心業務單位的反貪腐和行為守則的政策／指引，即《關於預防腐敗的公司指引》、《反貪污和反賄賂管理規定》、《公司舉報政策》(適用於中國)、《行為守則》和有關欺騙、賄賂和勒索的《道德守則》。

對於供應商，我們有嚴格的採購管理系統以評估供應商的表現和守則，以增加供應商對遵守本集團之標準和原則的支持。

此外，本公司審核委員會成員(由三位獨立非執行董事組成)已回應外聘核數師對彼等知悉於該年度有關任何影響本集團的實際、懷疑或涉嫌的欺詐行為；而內部核數師將除了其他事項，審閱風險管理及內部監控系統並為改善反貪腐措施提出建議(如有)。

所有業務均符合中國及香港有關賄賂、勒索、欺詐及洗黑錢對本集團有重大影響的相關法律及法規。

於本年度並沒有對本公司或其僱員提出有關貪腐行為的任何訴訟。

# OUR COMMUNITY

## 我們的社區

### COMMUNITY INVESTMENT

The Group recognises the importance of making a positive contribution to the communities in which we operate. We are keen to support social welfare activities and community care projects through making donations. We believe community care is an integral part of our corporate values. Our two main focuses are (i) promoting environmental awareness; and (ii) show care of people who are in need in society.

In order to increase our employee's awareness on environmental protection and encourage their contribution to the society, we have formulated the Corporate Social Responsibility Guidelines and Social Welfare Activities and Philanthropy Management Guidelines that encourage all employees to participate in and give support to community activities, maintain a safe and healthy working environment, comply with the relevant laws and regulations, and have commitment towards environmental protection. We believe employees do play important roles in the community investment.

The Company has joined as a member in the "Jockey Club CarbonCare Open Innovation Lab" (COIL) since 2015, which is established by CarbonCare Inn Lab and contributed by the Hong Kong Jockey Club Charities Trust. The COIL holds events and/or seminars monthly, inviting a number of low-carbon experts specialised in different areas or the management of companies/organisations to provide information about low-carbon and share their experiences in reducing carbon emission. Through participating in events and seminars held and information provided by the COIL, our knowledge in various environmental protection aspects is enhanced, such as climate justice, carbon reduction, resource conservation and adaptation to future climate scenarios, which help the Company to devise relevant measures and policies on carbon reduction effectively, and play a role in environment protection to save the earth.

To promote the work in alleviating poverty, the Group had participated in an community investment activity namely "Upward Mobility Formula" under the Future Stars programme in 2014, which is launched by the Commission on Poverty (a commission established by The Administration Wing of the Chief Secretary for the Policy and Project Co-ordination Unit) and administered by the Hong Kong Council of Social Service. The Company's wholly owned subsidiary, Hing Cheong Metals (China & Hong Kong) Limited, had invited 30 grass-roots youths to visit its plant situated in Tsuen Wan, Hong Kong. The aims of the programme were to assist the youths from low privileged families in their transition from school to work, encouraged them to plan for their future and increased their upward social mobility. Through this activity, the youths could understand more about copper and brass products trading and related industry and we could give advices on their career path after graduation.

### 社區投資

本集團知悉為營運社區作出積極貢獻的重要性。我們熱心支持社會福利活動和通過捐款支持社區關懷項目。我們相信關懷社區是我們企業價值的一個核心。我們的兩大關注點是(i)提高環保意識；及(ii)關心社會中需要幫助的人。

為了提高我們僱員的環保意識並鼓勵他們對社會作出貢獻，我們制定了企業社會責任指引和社會公益活動與慈善管理指引，鼓勵所有僱員參與及支持社區活動、保持一個安全與健康的工作環境、遵守相關法律和法規及對環保作出貢獻。我們相信僱員在社區投資中能發揮重要的作用。

本公司自二零一五年起加入了由香港賽馬會慈善信託基金贊助及賽馬會低碳創聚成立的低碳想創坊。低碳想創坊會每月舉辦活動和／或研討會，邀請多個不同領域方面的低碳專家或公司／團體的管理層宣揚有關低碳的資訊及分享他們在減排方面的經驗。透過參與由低碳想創坊舉辦的活動和研討會以及他們提供的資訊，我們可以提升保護環境方面的知識，例如氣候公義、減碳、資源保育和如何適應未來氣候環境，從而幫助本公司制定相關的措施和有效的減碳政策，並在保護環境以拯救地球中發揮積極的作用。

對於扶貧方面，本集團於二零一四年參加了由扶貧委員會（即政務司司長辦公室轄下的政策及項目統籌處）舉辦的一個社區參與活動「明日之星」之上游方程式。本公司之一間全資附屬公司，興昌五金（中港）有限公司邀請了三十名來自基層家庭的青少年參觀其位於荃灣的廠房。該活動的目的是協助基層青少年從學校過渡到職場，鼓勵他們為未來作出計劃並增進他們向上流動的能力。透過該項活動，青少年能更了解銅及黃銅材料貿易及相關行業，我們亦可以啟導他們畢業後的就業方向。



# OUR COMMUNITY

## 我們的社區

During the year of 2016, the Group had made a nominal donation amounted HK\$200 to The Community Chest, which is one of the most important charities in Hong Kong. During the year of 2015, the Group had donated HK\$1,000 to the programme “New Hope for Blind Children” organised by Orbis, an international non-profit medical educational organisation dedicated to saving sight worldwide, to supporting and assisting the developing countries in addressing the problem of avoidable blindness.

The investment of community is still in the early stage. Nevertheless, the Group encourages participation of employees in a wide range of activities such as social welfare activities and community care projects to support their local community. Looking ahead, we are liaising with green organisations to participate in activities relating to environmental protection that aim at promoting energy saving and environmental awareness. The Group is committed to put more resources for the participation in charity activities or programmes in the coming years.

於二零一六年，本集團象徵式捐贈了港幣200元予香港其中一個最重要的慈善團體公益金。於二零一五年，本集團已捐贈港幣1,000元奧比斯(一個國際性的非營利醫療教育組織，致力支持及協助發展中國家解決可避免的失明問題)予「失明孩子新希望計劃」。

雖然社區投資仍處於初部階段，然而，本集團會鼓勵僱員參與不同範疇的活動，例如社會福利活動和社區關懷項目以支持本地社區。展望未來，我們正與綠色環保團體洽談參與一些有關節能和提高環保意識的環保活動。本集團承諾在未來將投放更多資源參與慈善活動或計劃。