

Shen You Holdings Limited 申酉控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 8377

2018

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告



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Environmental, Social and Governance Report

環境、社會及管治報告

1 ABOUT THIS REPORT

• Overview

This is the second annual Environmental, Social and Governance (“ESG”) report (the “ESG Report”) of Shen You Holdings Limited for the period from 1 January to 31 December 2018.

• Basis of Preparation

The report is prepared with references to the Environmental, Social and Governance Reporting Guide (“ESG Guide”) set out in Appendix 20 to the GEM Listing Rules of The Stock Exchange of Hong Kong. It strictly follows the four principles of the guidelines: “materiality”, “quantitative”, “balance” and “consistency”. In the report, the Group demonstrated stakeholders’ identification and communication process, and determined the materiality matrix and key issues. On this basis, the Group made quantitative disclosures on the key performance indicators and prepared a comprehensive and fair report on the Group’s environmental, social and governance performance.

• Reporting Scope and Boundary

The purpose of this report is to objectively present the performance of the Group in the aspects of corporate governance, products and services, staff management, environmental protection, etc. The scope of report covers the Group’s business activities.

• Designation Description

For the convenience of expression and reading, in the Report, “Shen You Holdings” and “the Group” refer to “Shen You Holdings Limited”.

• Data Source and Reliability Statement

The data and information used herein come from the formal documents of the Group. The Group hereby pledges that no false or misleading statements are made in this report and we shall take responsibility for the report’s authenticity, accuracy and completeness.

1 關於本報告

• 概覽

本報告是申西控股有限公司第二份年度環境、社會及管治報告(ESG報告)，時間跨度為二零一八年一月一日至十二月三十一日。

• 編製依據

本報告參考香港聯交所GEM上市規則附錄二十《環境、社會及管治報告指引》(ESG指引)編製，嚴格遵守指引要求的「重大性」、「量化」、「平衡」、「一致性」四大原則。本集團在報告中展示了利益相關方的識別與溝通過程，確定了重大性矩陣及關鍵議題。在此基礎上，本集團對關鍵績效指標做出了量化披露，對集團在環境、社會及管治方面的表現做出了全面且公允的匯報。

• 報告範圍及邊界

本報告旨在均衡陳述本集團在公司治理、產品與服務、員工管理、環境保護等方面的表現，範圍與本集團的業務覆蓋範圍一致。

• 稱謂說明

為了便於表述與閱讀，本報告中「申西控股」、「本集團」、「集團」均指代「申西控股有限公司」。

• 數據來源及可靠性聲明

報告中所使用的數據和資料均來自本集團正式文件，本集團承諾本報告不存在任何虛假記載、誤導性陳述，並對其內容真實性、準確性和完整性負責。

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- **Acknowledgement and Approval**

Upon review by the Group's senior management, this report was approved by the Board of Directors on 14 May, 2019.

- **Access and Response to the Report**

The Group values your views and suggestions regarding to this report. If you have any comments or suggestions on the environmental, social and governance performance of the Group, please feel free to send Email to info@shenyouholdings.com.

- **確認及批准**

本報告經本集團高級管理層確認後，由董事會於二零一九年五月十四日審批通過。

- **獲取及回應本報告**

本集團重視您對本報告的看法及建議，如您對本集團的環境、社會及管治表現有任何意見或建議，歡迎電郵至info@shenyouholdings.com。

2 RESPONSIBILITIES AND GOVERNANCE

2.1 Structure of Governance

The Group establishes a sound corporate governance structure, which is shown in the chart below. The Board is responsible for reviewing and approving the corporate objectives and overall strategies, monitoring and assessing the Group's business operations, identifying key risks and ensuring that appropriate measures and control systems for risk management are implemented. The Board established Audit Committee, Remuneration Committee and Nomination Committee, each of which conducts research on specific matters and operates based on its respective terms of reference. They also provide advice and comments to the Board. The General Manager is responsible for making decisions regarding to the day-to-day business activities of the Company, while each functional department performs its duties to ensure the normal operation of the Company.

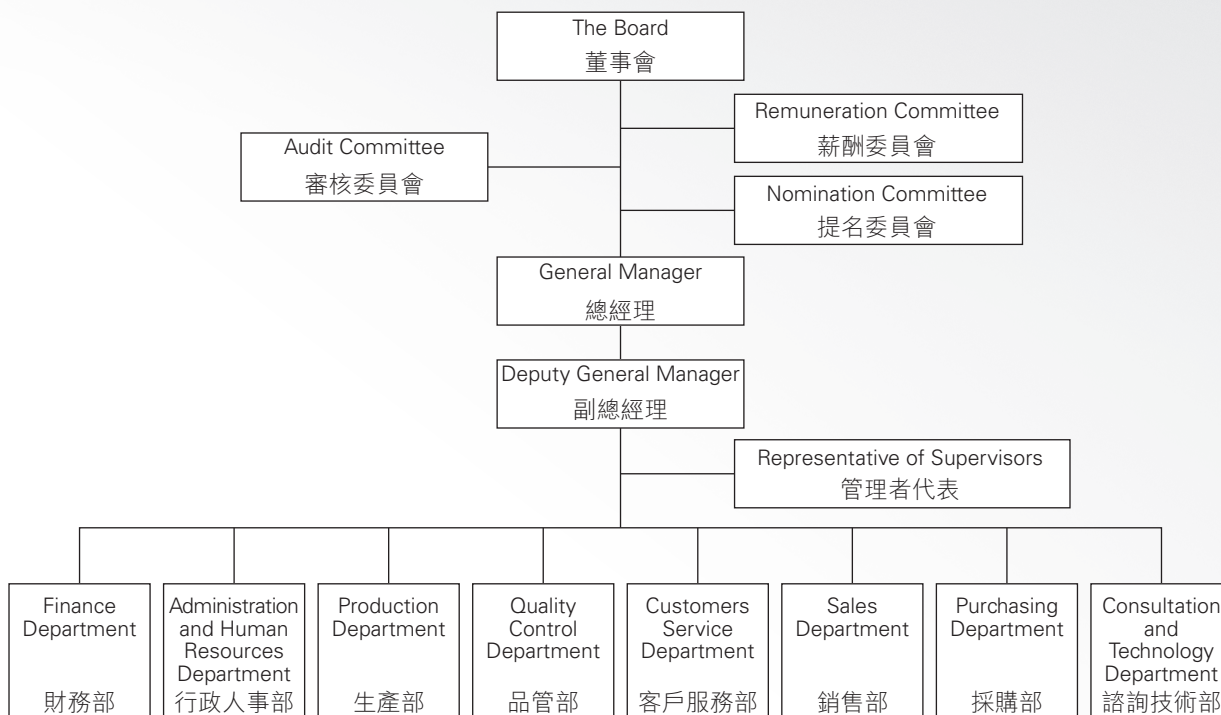
2 責任治理

2.1 管治架構

本集團建立了健全的企業管治架構，如下圖。董事會負責檢討及審批企業目標及整體策略，監察及評估本集團業務運作，識別主要風險，並確保管理有關風險的適當措施及控制系統得以推行。董事會下設審核委員會、薪酬委員會和提名委員會，各委員會就專門事項進行研究，根據其各自界定之職權運作，提出意見及建議，供董事會參考。總經理負責決策公司的日常經營活動，各職能部門各司其職共同保證企業的正常運營。

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環境、社會及管治報告(續)



2.2 Management of ESG Works

The Group establishes an Environmental, Social and Governance (ESG) Report Preparation Team to incorporate the promotion of the concept of sustainable development into its daily work during the preparation of the ESG Report. The preparation team is led by chief financial officer of the Group, and involves the heads of the Administration and Human Resources Department, the Production Department, the Quality Control Department, and the Purchasing Department. In the future, the Group plans to establish an ESG Governance Team. In addition to the preparation of the ESG Report, the ESG Governance Team will strengthen the participation of directors, through which reinforces the Group's ESG management.

2.2 ESG 工作管理

本集團建立了環境、社會及管治 (ESG) 報告編製小組，在 ESG 報告的編製過程中，將可持續發展理念宣傳貫徹到日常工作中。本編製小組由集團首席財務官統籌領導，行政人事部、生產部、品管部、採購部等部門負責人共同參與。未來，本集團計劃建設 ESG 管治小組，除編製 ESG 報告外，強化董事參與，以編促管，加強本集團 ESG 管理工作。

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2.3 Communications with Stakeholders

The Group establishes a constant stakeholder communication mechanism. It is expected that we will achieve positive interactions with each stakeholder through targeted and diversified communication channels. We actively respond to relevant concerns to promote the implementation of the Group's sustainable development strategies. The specific communication channels are shown in the table below.

2.3 利益相關方溝通

本集團建立了常態化的利益相關方溝通機制。希望通過有針對性且多樣化的溝通方式，實現與各利益相關方的良性互動，並積極響應相關訴求，促進本集團可持續發展工作的落實。具體溝通方式見下表。

Category of Stakeholders 利益相關方類別	Concerns and Expectations 訴求與期望	Communications and Responses 溝通與回應
Government and Regulatory Authorities 政府及監管機構	<ul style="list-style-type: none"> Compliance of the laws and regulations in the course of business 守法合規經營 Implementation of national policies 貫徹國家政策 	<ul style="list-style-type: none"> Continuously strengthen corporate compliance management 持續強化企業合規管理 Respond to relevant national policies 響應相關國家政策
Investors and Shareholders 投資者及股東	<ul style="list-style-type: none"> Creation of market value 創造市場價值 Strengthening disclosure of the information 加強信息披露 	<ul style="list-style-type: none"> Continuously develop operation results 持續創造經營業績 Improve the levels of corporate governance and risk management 提升公司管治及風險管理水平 Publish reports regularly and disclose information in a timely manner 定期發布報告，及時披露信息
Clients 客戶	<ul style="list-style-type: none"> The quality of products and services 產品服務質量 Protection of legal rights 保護合法權益 	<ul style="list-style-type: none"> Carry out surveys on clients' satisfaction 落實客戶滿意度調查 Establish a sound customer service system 建立健全客戶服務體系 Improve customers' feedback and complaint handling mechanisms 完善客戶意見反饋及投訴處理機制

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Category of Stakeholders 利益相關方類別	Concerns and Expectations 訴求與期望	Communications and Responses 溝通與回應
Staff 員工	<ul style="list-style-type: none"> Safeguarding the rights of staff 保障員工權益 Promotion of the employee development 促進員工發展 Caring about employees' health 關愛員工健康 Participation in the management of the Company 參與公司管理 	<ul style="list-style-type: none"> Establish competitive compensation system and welfare protection mechanism 制定有競爭力的薪酬體系和福利保障機制 Organize staff training sessions, improve the promotion system and establish development path 組織員工培訓，完善晉升機制，搭建發展平台 Improve working conditions and care for the staff in need 改善工作條件，關愛困難員工 Organize staff activities and promote communications among staff members 開展員工活動，加強員工溝通
Suppliers 供應商	<ul style="list-style-type: none"> Facilitation of the industry's development 促進行業發展 Cooperation and the creation of win-win situations 合作互利共贏 	<ul style="list-style-type: none"> Establish transparent and fair purchase process, and build up a responsible supply chain 實施陽光採購，打造責任供應鏈 Participate in industry organizations, facilitate developments of the industry 參與行業組織，推動行業發展
Research and Development Institutions, Industry Organizations, Media and Community Groups 科研院所、行業組織、媒體與社會團體	<ul style="list-style-type: none"> Compliance of the industry's practices 遵守行業規範 Disclosure of information 信息透明公開 	<ul style="list-style-type: none"> Strengthen the exchange and cooperation with external parties 加強對外交流與合作 Improve the system of news disclosure 完善新聞披露制度

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環境、社會及管治報告(續)

Category of Stakeholders 利益相關方類別	Concerns and Expectations 訴求與期望	Communications and Responses 溝通與回應
Community 社區	<ul style="list-style-type: none"> • Support of community charity 支持社區公益 • Provision of job opportunities 提供就業機會 	<ul style="list-style-type: none"> • Actively participate in the donations to charities and participate in social charity activities 積極參與慈善捐贈，投身社會公益活動 • Organize recruitments in schools and the community 校園招聘與社會招聘
Environment 環境	<ul style="list-style-type: none"> • Rational use of resources 合理利用資源 • Protection of ecological environment 保護生態環境 	<ul style="list-style-type: none"> • Improve the use efficiency of energy and resources 提高能源和資源使用效率 • Recycle renewable resources 回收利用可再生資源 • Strengthen disclosure of environmental information and risk management in relation to environment 加強環境信息披露，管理環境相關風險

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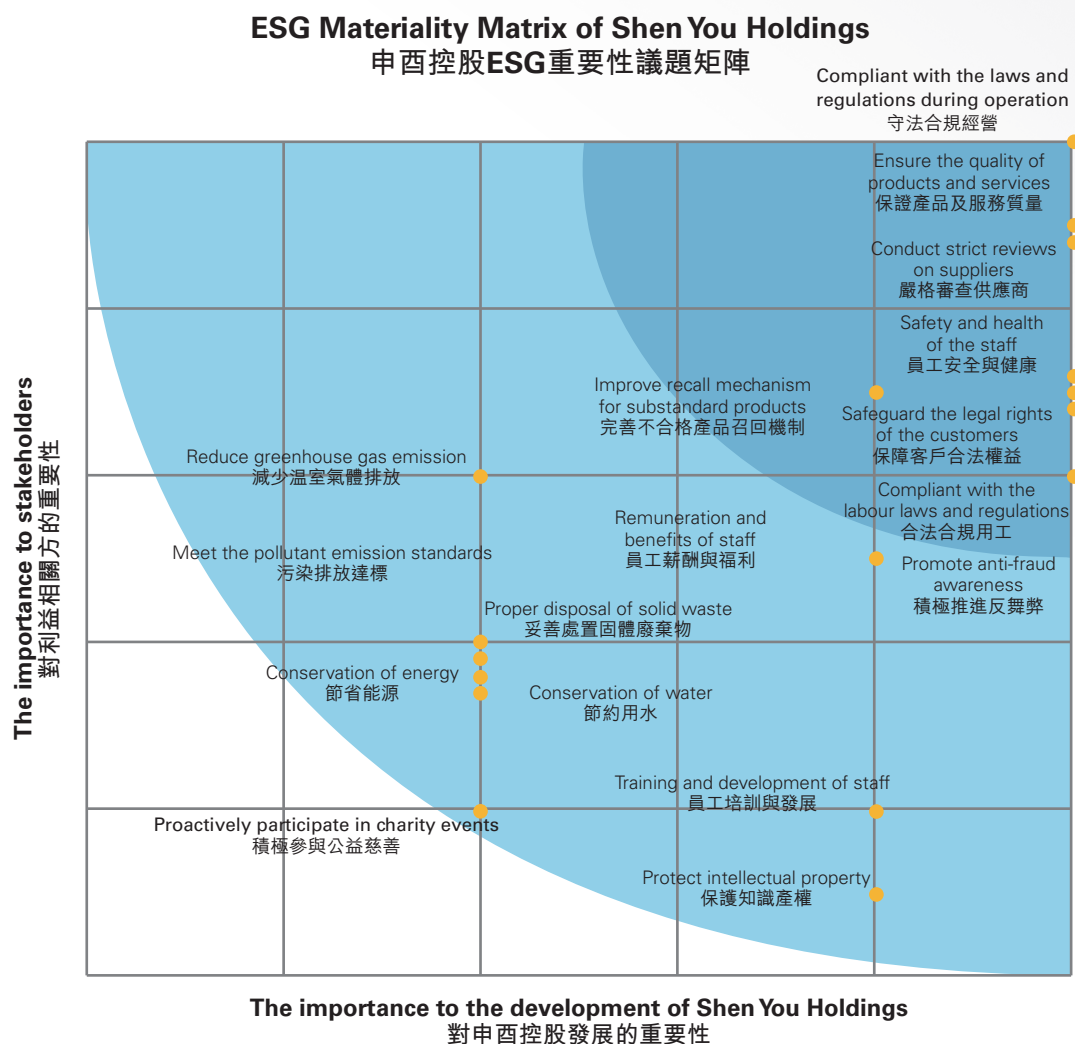
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2.4 Substantial Issues

Through conducting benchmarking of ESG guidelines with peers in the industry and combining the characteristics of production and operation of the corporate, the Group identified 17 substantial issues which stakeholders concern and have significant impacts on the development of the corporate. By engaging external experts and inviting corporate executives to score the substantial issues, the materiality matrix of 17 substantial issues was finalized, as shown below.

2.4 實質性議題

本集團通過對標 ESG 指引和業內同行，結合企業生產運營特點，識別了利益相關方關注以及對企業發展有重要影響的 17 項實質性議題。通過聘請外部專家和邀請企業高管對實質性議題進行評分，最終確定了 17 項實質性議題的重要性矩陣，如下圖。



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The substantial issues materiality matrix helps the Group understand the key concerns of stakeholders regarding to the Group's ESG report and guides the preparation of ESG report in response to the stakeholders' concerns.

通過實質性議題重要性矩陣，本集團瞭解到利益相關方對於本集團在 ESG 報告上的主要關注事項，並以此指導 ESG 報告的編製，以回應利益相關方的關注點。

3 COMPLIANCE OF OPERATIONS

3.1 Anti-Corruption

The Group attaches much emphasis to integrity, operating in strict compliance with relevant laws, industry regulations and standards including *the Criminal Law of the People's Republic of China* (《中華人民共和國刑法》), *the Anti-money Laundering Law of the People's Republic of China* (《中華人民共和國反洗錢法》), *the Anti-Unfair Competition Law of the People's Republic of China* (《中華人民共和國反不正當競爭法》), *the Interim Provisions on Banning Commercial Bribery* (《關於禁止商業賄賂行為的暫行規定》) and *the Prevention of Bribery Ordinance of Hong Kong* (《香港防止賄賂條例》). For the purpose of fraud prevention, we have formulated the "Anti-fraud System" (《反舞弊制度》) to enhance corporate governance and internal control of the Company, which explicitly regulates the professional conduct of the Directors, senior and middle management employees and ordinary employees of the Company, so as to create honest and diligent atmosphere and to prevent behaviors that prejudice the interests of the Company and the shareholders. In respect of external suppliers, as clearly stipulated by the Group, the "Anti-Fraud System" should also be delivered to the suppliers by fax or by e-mail and be signed by both parties. There were no lawsuit involving corruption, bribery, extortion, fraud and money laundering happened within the Group during the Reporting Period.

3.2 Supply Chain Management

The Group selects suppliers stringently and maintains a good and long-term relationship with selected suppliers. To lay a solid foundation for the manufacturing of quality products, we fully ensure the quality of raw materials through strict supply chain management regulations and active management measures.

3 合規經營

3.1 反貪污

本集團重視廉潔經營，嚴格遵守《中華人民共和國刑法》《中華人民共和國反洗錢法》《中華人民共和國反不正當競爭法》《關於禁止商業賄賂行為的暫行規定》以及《香港防止賄賂條例》等相關法律、行業規範和準則。為了防止舞弊，我們制定《反舞弊制度》，加強公司治理和內部控制，明確規範本公司董事、高中級管理層職員和普通員工的職業行為，樹立廉潔從業以及勤勉敬業的良好風氣，防治損害公司及股東利益的行為發生。對於外部供應商，本集團亦明確規定須將《反舞弊制度》通過傳真或電郵方式寄給供應商，並取得雙方簽署。於報告期內，本集團沒有涉及貪污、賄賂、勒索、欺詐及洗黑錢的訴訟案件發生。

3.2 供應鏈管理

本集團嚴格選取供應商，並與之維持長期良好的合作關係。我們堅持通過嚴格的供應鏈管理條例與積極的管理措施，全面保障原材料質量，為打造優質產品夯實基礎。

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The Group has strictly formulated and implemented internal policies such as the “Procurement Management Procedure”(《採購管理程序》), the “Supplier Management Procedure”(《供應商管理程序》), the “Outward Processing Management Procedure”(《外發加工管理程序》) and the “Outward Dyeing Processor Management Procedure”(《外發染色加工商管理程序》), and has conducted surveys and periodic assessment on suppliers for the preparation of a shortlist of qualified suppliers, which is subject to regular reviews and updates. In selecting suppliers, the Group selects suitable suppliers from the shortlist for procurement according to the procedures set out in the “Procurement Management Procedure”.

The Group carefully selects suppliers with eligible environmental qualifications. The forms of the “Supplier Survey Report”(供應商調查報告) included in the “Supplier Management Procedure” and the “Processor Survey Report”(加工商調查報告) included in the “Outward Dyeing Processor Management Procedure” clearly set out the inquiries on whether suppliers have requirements on their selection of environmentally-friendly materials or processes, and the requirements for processors to provide a copy of their relevant environmental certificates to demonstrate their service qualification so that a necessary assessment on their environmental management can be conducted. During the Reporting Period, the Group has built a collaborative relationship with 46 suppliers in total, the details of which are as follows:

本集團嚴格制定並執行《採購管理程序》《供應商管理程序》《外發加工管理程序》《外發染色加工商管理程序》等內部政策，對供應商進行調查和定期評估，以編製合格供應商名冊並保持定期審閱及更新。在甄選供貨商時，本集團根據《採購管理程序》的流程，在合格供應商名冊中選取合適的供應商實施採購工作。

本集團認真篩選具有合格環境資質的供應商，在《供應商管理程序》的「供應商調查報告」表格中，以及《外發染色加工商管理程序》的「加工商調查報告」中，明確列出關於供應商是否有按規定選用對環境無害的材料或工藝的詢問，並要求加工商提供相關環保證書複印件以示服務資質，以對其環境管理作出必要評估。於報告期內，本集團共與46個供應商存在合作關係。詳細情況如下：

Number of suppliers by regions

按地區劃分的供應商數量



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4 PRODUCT AND SERVICE

4.1 Product Responsibility

The Group attaches great importance to the management of product and service quality. In order to ensure product quality, customer satisfaction and corporate reputation, we have formulated and implemented internal procedures including the “Quality Objective Management Procedure” (《質量目標管理程序》), the “Quality Risk Management Procedure” (《質量風險控制程序》), the “Identification and Traceability Control Procedure” (《標識和可追溯性控制程序》) and the “Internal Quality Management System Audit Control Procedure” (《內部質量管理體系審核控制程序》). In addition, we adhere to our quality principles of “on-time delivery and quality assurance; full participation and continuous improvement; customer first and strive for the better” to ensure the comprehensive implementation of strict quality control measures. The Group has been accredited with the certification of “ISO 9001: 2015. Quality Management System” by DNV GL Business Assurance for the manufacturing of sewing threads.

To make sure that the Group’s products conform to the dyeing requirements and standards of its customers, the Group requires its dyeing suppliers to undergo on-site inspections by quality control personnels, who check to ensure that (i) the industry environmental standard OEKO-TEX® STANDARD 100; and (ii) appropriate quality inspection work are being upheld and maintained. We have formulated the “Monitoring and Measuring Equipment Control Procedure” (《監測和測量設備控制程序》) to strictly ensure the equipment used for quality inspection have been performed by a qualified inspection agency and have issued an inspection certificate and relevant inspection correspondings.

4 產品與服務

4.1 產品責任

本集團注重產品和服務質量方面的管理，為了確保產品的質量、客戶的滿意與企業的信譽，我們制定並執行《質量目標管理程序》《質量風險控制程序》《標識和可追溯性控制程序》《內部質量管理體系審核控制程序》等內部程序。同時，為了保證嚴格的質量控制措施能夠得到全方位執行，我們遵循「交貨準期，質量保證；全員參與，持續改進；客戶至上，力求更好」的質量方針。本集團紡織線生產獲DNV GL Business Assurance頒發「ISO 9001：2015質量管理體系」認證。

為確保本集團的產品符合客戶的染色要求及標準，本集團規定染色供貨商須接受質量檢查人員的現場檢驗，確保(i)工業環境標準OEKO-TEX® STANDARD 100；(ii)建立及維持適當的質量檢測工作。我們制定《監測和測量設備控制程序》，嚴格保障用於檢測質量的儀器均已由具備相關資質的檢驗機構檢驗，並出具檢驗合格證及相應的檢驗證書。

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In accordance with the “Polyester Yarns Acceptance Criteria” (《滌綸胚紗驗收標準》), upon the arrival of raw yarns, the quality department is required to check each batch of raw materials in compliance with the “Inspection and Test Control Procedure” (《檢驗和試驗控制程序》) and the “Inspection Work Instruction” (《檢驗作業指導書》) on a sample basis, and a result of assessment shall be made based on the “Polyester Yarns Acceptance Criteria” by integrating each sampling inspection data of the raw materials. Qualified materials are allowed to be used in the next stage of production, while any products that do not conform to the “Inspection Standard for Finished Polyester Sewing Threads” (《滌綸縫紉線成品檢驗標準》) will be handled according to the “Procedures for Control of Unqualified Products” (《不合格產品控制程序》).

4.2 Customer Relationship

We focus on maintaining relationships with our customers by listening to their views and continuously improving service experience of customers. In this connection, we have formulated the “Management Procedure for Customer Returns” (《客戶退貨管理程序》), the “Procedure of Customer Satisfaction Survey Control” (《客戶滿意調查控制程序》) and the “Procedure for Handling Complaints in relation to Product and Service” (《與產品服務有關的投訴處理程序》), and firmly bear our company value of “Serving Customers and Satisfying Customer Needs” in mind at all times.

根據《滌綸胚紗驗收標準》，原材料胚紗進廠後，品質部對每批原材料按照《檢驗和試驗控制程序》《檢驗作業指導書》進行抽樣檢查，綜合各項抽樣檢驗數據對受檢原材料按滌綸胚紗驗收標準進行結果評定，若檢驗合格則允許放行進入下一序生產環節，任何不符合《滌綸縫紉線成品檢驗標準》的產品將按《不合格產品控制程序》處理。

4.2 客戶關係

我們注重與客戶的關係維護，時刻傾聽客戶聲音，不斷提升客戶的體驗。為此，我們設立《客戶退貨管理程序》《客戶滿意調查控制程序》及《與產品服務有關的投訴處理程序》，並時刻牢記「服務客戶，滿足客戶需求」的公司價值觀。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

During the year of 2018, we have further optimized our complaint handling mechanism with customer satisfaction survey conducted constantly, and handled issues related to customer service in a rational manner. The customer service department conducted a standardized survey based on customer levels: class A customers would be approached for an interview survey, while class B and C customers would receive an email survey form or undergo a question-and-answer interview by our staff. As stipulated by the Group, the customer service department is required to, subsequent to receiving customer complaints on our products, record and classify customer complaints; respond and explain minor complaints and quality inquiries not related to quality issue in a timely manner; inform the relevant departments of the significant complaints concerning quality issue for their proper and timely handling of complaints; report the significant complaints to the concerned persons in charge of the Company for investigation and assessment on the materiality of the complaints. Return procedures shall be made once the quality issue is determined as significant. During the Reporting Period, in terms of quality issue, the Group recorded the time of goods return totaled 2, the goods returning rate was 1.44% and the aggregate number of customer complaints was 11. The customer satisfaction survey scored 92.27.

We respect and protect the personal privacy of our customers. Access permission of our staff is in place by leveraging our information technology techniques so as to protect customer privacy and prevent personal data leakage. During the Reporting Period, the Group did not receive any complaints attributed to customer data leakage.

二零一八年，我們進一步完善投訴處理，堅持開展客戶滿意度調查，並科學理性地處理客服相關的事宜。客戶服務部根據客戶級別進行規範化調查：A類客戶通過走訪進行調查，B和C類客戶則用發送郵件及業務員詢問形式進行。本集團規定客戶服務部接收到客戶產品投訴後，必須針對客戶投訴進行記錄和分類處理，針對非質量問題的輕微投訴及質量查詢做到及時回覆並解釋；針對涉及質量問題的重要投訴，知會相關業務部門妥善處理並及時做出響應；針對嚴重投訴，報告公司相關負責人，調查評估，經核實屬嚴重質量問題的，啟動退貨程序。於報告期內，本集團因質量問題退貨2次，退貨率佔比1.44%，客戶投訴數目共11次，客戶滿意度調查達92.27分。

我們尊重並保護客戶的個人隱私，利用信息科學技術，對員工設置權限以實現客戶隱私保護及隱私泄露防禦。於報告期內，本集團未接收到因泄露客戶信息受到的投訴。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

5 PEOPLE-ORIENTED

Adhering to our people-oriented philosophy, the Group always put the interests of employees in the highest priority. We are committed to providing a fair, equitable, happy and development-friendly workplace where our employees may realize their talent and achieve personal development.

5.1 Employment

The Group is in strict compliance with *the Labor Law of the PRC* (《中華人民共和國勞動法》), *the Labor Contract Law of the PRC* (《中華人民共和國勞動合同法》), *the Employment Promotion Law of the PRC* (《中華人民共和國就業促進法》), *the Social Insurance Law of the PRC* (《中華人民共和國社會保險法》), *the Employment Ordinance (Chapter 57, Laws of Hong Kong)*, *the Minimum Wage Ordinance (Chapter 608, Laws of Hong Kong)*, *the Mandatory Provident Fund Schemes Ordinance (Chapter 485, Laws of Hong Kong)*, and “Human Resources Management Program” (《人力資源管理程序》), “Operation Instruction for Recruitment” (《招聘作業指導書》), “Functions and Powers” (《職責和權限》), “Job Descriptions” (《崗位說明書》) and other internal policies to ensure compliance with the principles of openness, fairness and impartiality in terms of personnel recruitment, employment, training, and assessment.

The Group employs staff in accordance with the principles of anti-discrimination and diversity, treating all employees equally in the principle of fairness and impartiality. The employment, compensation package and promotion are not affected by their nationality, race, marital status, gender, region, religion, etc. The Group fully respects and upholds human right conventions and labour standards, and strictly complies with *the Law of the PRC on Protection of Minors* (《中華人民共和國未成年人保護法》) and *the Regulations on Prohibiting Use of Child Labour* (《禁止使用童工規定》). Identity check is performed on the employees recruited. The Group did not use any child labour and forced labour during the Reporting Period.

5 以人為本

本集團始終堅持「以人為本」的理念，將員工利益視為重中之重。本集團致力於每一位員工提供一個公平公正、助力發展且充滿幸福的工作環境，提供展現舞台與成長空間。

5.1 僱傭情況

本集團嚴格遵守《中華人民共和國勞動法》《中華人民共和國勞動合同法》《中華人民共和國就業促進法》《中華人民共和國社會保險法》以及僱傭條例(香港法例第57章)、最低工資條例(香港法例第608章)、強制性公積金計劃條例(香港法例第485章)等法律法規，並制定《人力資源管理程序》《招聘作業指導書》《職責和權限》《崗位說明書》等內部政策，以在人員聘用、錄用、培訓、考核等方面做到公開公正、合法合規。

本集團遵循反歧視和多元化的原則聘用員工，對所有員工一視同仁，本著公平、公正的原則，不因民族、種族、婚姻、性別、地區、宗教信仰不同而影響錄用、待遇、晉升等。本集團充分尊重和維護人權公約和勞工標準，嚴格遵守《中華人民共和國未成年人保護法》《禁止使用童工規定》，對招聘的員工進行身份核實。於報告期內，本集團無任何僱傭童工、強制勞動的現象發生。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

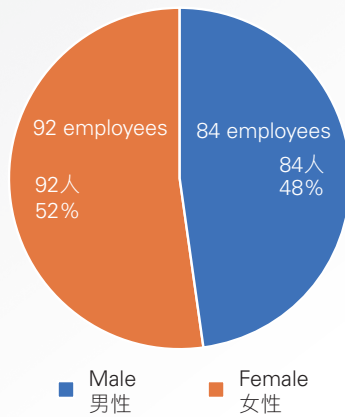
The Group has established a reasonable remuneration system and provided various benefits to its employees, including social insurance, housing provident fund, commercial insurance, transportation and meal allowance, birthday red pocket, and holiday benefits.

本集團建立了合理的薪酬體系，並為員工提供多種福利，包括社會保險、住房公積金、商業保險、交通及膳食補貼、生日紅包、節日福利等。

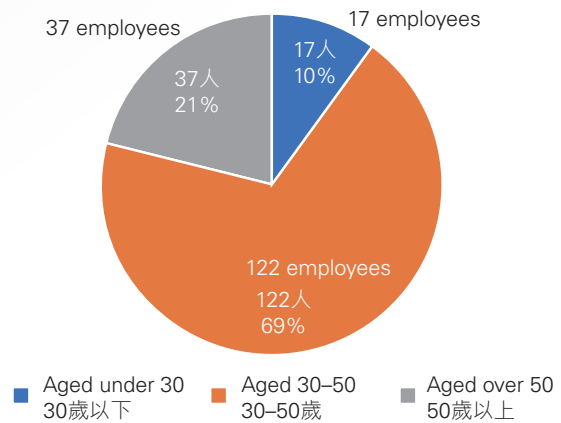
During the Reporting Period, the Group had 176 full-time employees, details of which are as follows:

於報告期內，本集團擁有 176 名全職僱員。詳細情況如下：

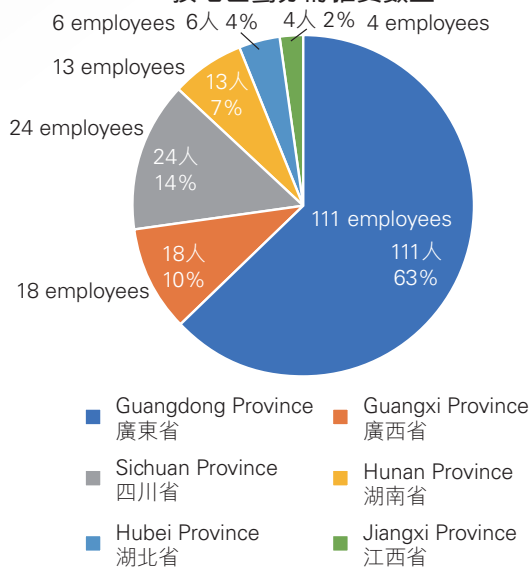
Number of employees by gender
按性別劃分的僱員數量



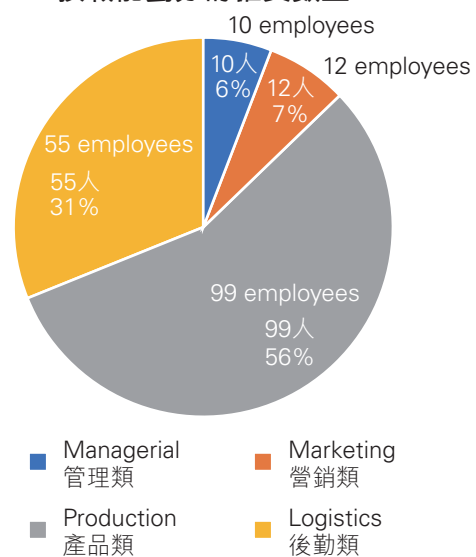
Number of employees by age
按年齡劃分的僱員數量



Number of employees by geographical region
按地區劃分的僱員數量



Number of employees by job function
按職能劃分的僱員數量



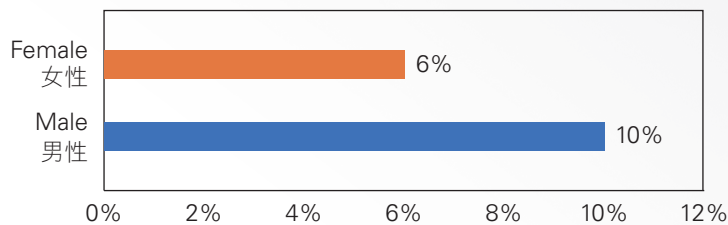
Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

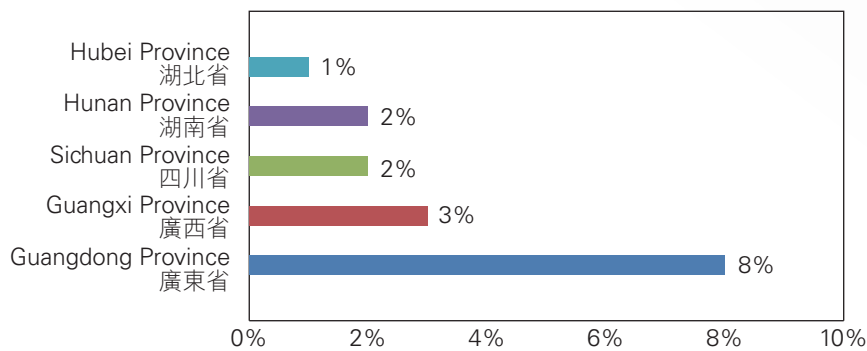
During the Reporting Period, the employee turnover rate of the Group amounted to 16%, details of which are as follows:

於報告期內，本集團的員工流失率為16%，詳細情況如下：

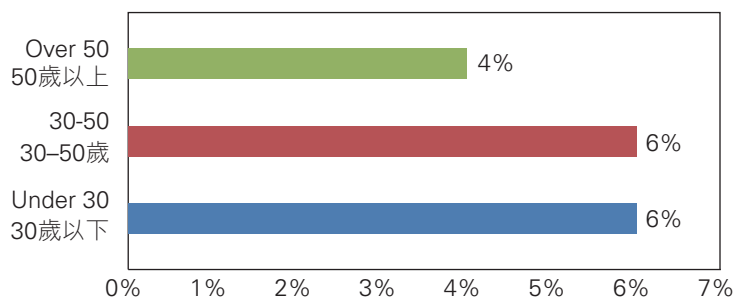
Employee turnover rate by gender
按性別劃分的員工流失率情況



Employee turnover rate by geographical region
按地區劃分的員工流失率情況



Employee turnover rate by age group
按年齡劃分的員工流失率情況



Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

5.2 Health and Safety

The Group is committed to providing a safe and comfortable working environment, creating a harmonious working atmosphere while comprehensively taking good care of the mental and physical health of our employees. The Group has complied with laws and regulations in relation to the protection of employees' occupational health and safety, including *the Work Safety Law of the PRC* (《中華人民共和國安全生產法》), *the Prevention and Control of Occupational Diseases Law of the PRC* (《中華人民共和國職業病防治法》), *the Industrial Injury Insurance Regulations* (《工傷保險條例》), *the Regulations Concerning the Labor Protection of Female Staff and Workers* (《女職工勞動保護規定》), *the Production Safety Accident Report and Investigation & Treatment Regulations* (《生產安全事故報告和調查》) and *the Occupational Safety and Health Ordinance* (《職業安全及健康條例》) (Chapter 509, the Laws of Hong Kong).

Besides, the Group ensures the staff's safety effectively through establishing guidelines and operation manuals that set out safety measures for production process and properly placing safety warning signs and first-aid kits, providing suitable personal protective equipment for employees involved in job positions exposed to health and safety risks and providing safety and occupational trainings and assessment to all employees.

During the Reporting Period, the Group was not aware of any non-compliance of laws and regulations relating to health and safety at workplace. There were neither work-related casualty nor lost days due to work-related fatalities.

5.2 健康及安全

本集團致力於為員工提供一個安全舒適的工作環境，營造和諧的工作氛圍，全面呵護員工身心健康。本集團遵守有關保護員工職業健康與安全的法律法規，包括《中華人民共和國安全生產法》《中華人民共和國職業病防治法》《工傷保險條例》《女職工勞動保護規定》《生產安全事故報告和調查》以及《職業安全及健康條例》(香港法例第509章)等。

此外，本集團通過設立安全指引及操作手冊，載列生產工序的安全措施，合理設置安全警示標誌及急救箱，為涉及健康安全風險崗位的員工提供適合的個人防護用品，並對全體員工進行生產安全及職業健康培訓與考核，切實保障員工安全。

於報告期內，本集團並無發現任何違反與工作場所健康與安全有關法律及規例之個案，無人因工死亡，未因工傷損失工作日數。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

5.3 Development and Training

The Group pays close attention to the growth of its employees, and provides its employees with room for development and offers a platform for value-discovery and self-improvement. The Group has formulated the "Human Resources Management Procedures" (《人力資源管理程序》) and devoted its efforts in enhancing the capabilities of its employees, broadening their career development pathway, and strengthening the cultivation of talent pool. Each department conducts regular training and assessments depending on various requirements of different job positions. Meanwhile, the Group also encourages office staff to attend seminars and external training courses in order to be better equipped with job-related knowledge and skills.

During the Reporting Period, the training coverage rate for the Group's employees reached 100%, with the total training duration of all employees amounted to 1,319 hours, and the average duration of training completed by each employee was 7.5 hours. The following table set forth the details on the duration of training by job function.

5.3 發展及培訓

本集團高度關注員工的成長，為員工提供發展空間，提供發現價值和提升自我的平台。本集團制定《人力資源管理程序》，致力於提高員工工作能力，拓寬員工職業發展通道，加強人才梯隊建設。各部門定期根據崗位需求進行培訓與考核，同時本集團亦鼓勵辦公室僱員參加研討會以及外部培訓課程，提升相關知識及工作技能。

於報告期內，本集團員工受訓覆蓋率為100%，全體員工的受訓總時長為1,319小時，每名僱員完成受訓的平均時長為7.5小時。按照崗位職能劃分的詳細受訓時長情況如下。

Employee training duration by job function in 2018

二零一八年按照崗位職能劃分的員工受訓時長

Job Function	崗位類別	Training duration 受訓時長 (hours) (小時)	Average training duration 受訓 平均時長 (hours) (小時)
Managerial (Management, administrative and finance)	管理類(管理、行政及財務)	30	3.0
Marketing (Sales and marketing)	營銷類(銷售及營銷)	36	3.0
Production (Procurement, production, quality control)	產品類(採購、生產、質量控制)	1,026	10.4
Logistics (Customer service, transportation team, warehouse and logistics)	後勤類(客服、運輸隊、倉庫和後勤)	227	4.1

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

5.4 Employee Care

The Group consistently adheres to its “people-oriented” corporate spirit, and sophisticatedly manages and cares for its employees. The Group purchases accident insurance for sales personnel and drivers to cover their business travel; expanded staff canteen to enhance employees’ satisfaction and sense of belonging; held employees’ sports day; promotes a caring culture towards employees’ mental health, and enables its employees to strike a better balance between work and well-being, so that they can perform their duties with good health and positive attitude while growing and evolving with the Company.

For employees undergoing hardships, the Group will also adopt special caring initiatives, such as granting compassionate money, and regularly offering consolation. During the Reporting Period, the labor union of the Group has granted compassionate money totaling RMB\$ 3,700.5 to employees undergoing special hardships and conducted 7 employee consolation sessions.

6 ENVIRONMENTAL PROTECTIONS

The Group has always perceived environmental protection as its mission and strived to incorporate the concept of sustainable development into its daily operations, and strictly complied with laws and regulations relating to environmental protections, including *the Environmental Protection Law of the PRC* (《中華人民共和國環境保護法》) and *the Law on the Prevention and Control of Solid Waste Pollution of the PRC* (《中華人民共和國固體廢物污染環境防治法》). The Group strictly controls its emissions through using energy and resources in a reasonable manner, and minimize the impact on the environmental and natural resources caused by its business operations.

5.4 員工關愛

本集團貫徹和執行「以人為本」的企業精神，對員工進行人性化管理和關懷。本集團為銷售人員以及司機購買意外保險，為其出行提供保障；擴建員工餐廳，提高員工滿意度和歸屬感；舉行員工運動會；進行員工心理健康關愛，讓員工更好地平衡工作與身心，以強健的體魄、積極的心態投入到工作，與公司共同成長與發展。

對於困難員工，本集團亦會採取特殊的關懷活動，如發放慰問金、定期慰問等。於報告期內，本集團工會發放幫扶特困員工慰問金共計 3,700.5 元，員工慰問活動共 7 次。

6 環境保護

長期以來，本集團以環境保護為己任，努力將可持續發展理念融入日常經營中，嚴格遵守《中華人民共和國環境保護法》《中華人民共和國固體廢物污染環境防治法》等環境保護相關的法律法規，嚴格控制排放物，合理使用能源及資源，儘量減少企業營運對環境及天然資源造成的影響。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

The Group is principally engaged in the manufacturing and selling of polyester sewing threads, with the yarn production process and the dyeing process subcontracted to external service providers. Accordingly, the Group's actual business operation does not produce any exhaust emissions, waste water and hazardous waste, and only discharges insignificant amount of non-hazardous waste. Thus, our operation does not cause any material adverse impact to the environment. The non-hazardous waste generated by the Group includes a small amount of waste plastic hoses and waste paper tubes, which were handled in accordance with the "Code of Practice for Handling Waste Generated from Manufacturing Process" (《生產工序後廢棄物料處理守則》), whereby waste plastic hoses and waste paper tubes were recycled and reused by plastic suppliers and the paper-making companies, respectively. In addition, the packaging paper boxes used between the Group and its suppliers were reused repeatedly until the boxes could not be reused again, in which case, the paper boxes will be recycled by the paper-making companies.

During the Reporting Period, the Group did not produce any waste paper boxes. The detailed data of other non-hazardous waste generated are as follows:

本集團主要從事生產及銷售滌綸線，其中紗線生產工序以及染色工序均分包給外部供應商，故本集團實際營運過程不產生廢氣、生產廢水及有害廢棄物，僅產生少量無害廢棄物，且對環境及天然資源不造成重大影響。本集團產生的無害廢棄物包括少量的廢膠管和廢紙管，並均按照《生產工序後廢棄物料處理守則》進行處理：廢膠管由塑料供應商回收循環再用；廢紙管由造紙生產公司回收再利用。此外，本集團與供應商之間循環周轉使用包裝送貨紙箱，待紙箱無法再循環使用時則由造紙生產公司回收再利用。

於報告期內，本集團未產生廢紙箱，其他產生的無害廢棄物具體數據如下：

Non-hazardous waste categories	無害廢棄物類別	Volume 數量 (tonnes) (噸)	Density 密度 (tonnes/ sales volume in RMB'0000) (噸/萬元 銷售額)
Scrap PVC pipe	廢膠管	17.43	0.0034
Waste paper roll	廢紙卷	14.39	0.0028

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

Resources consumed by the Group during its operation include water consumed for daily office and domestic use and the electricity consumed for production and domestic use by its employees. The Group has always maintained and adopted a series of measures to reduce its consumption in water and electricity, which include:

- in summer, the air conditioning is set to a reasonable temperature, which is usually not lower than 25 degrees Celsius;
- regularly check whether the Company's lighting and air conditioning has been turned off properly every day, and remind employees to turn on and off the company's air conditioning and lightings when necessary;
- remind employees to pay close attention to the maintenance of pipelines to prevent wasting of water caused by the occurrence of running, dropping, dripping and leakage of water;
- encourage employees not to leave any computers and other office equipment idle, causing any waste of resources;
- arrange training in relation to environmental protection and cultivate employees' awareness in energy conservation and environmental protection;
- post slogans in the office area and production plants to promote the concept of energy conservation and emission reduction.

本集團在營運中使用的資源能源包括員工日常辦公和生活用水以及生產和生活用電。長期以來，本集團堅持採取一系列措施節約用水和用電，包含：

- 夏季空調溫度設置為合理溫度，通常不低於25攝氏度；
- 每天定時檢查公司照明及空調的關閉情況，提醒員工合理開啟及關閉公司的空調及照明；
- 提醒員工密切注意管道維護，以防「跑、冒、滴、漏」等現象造成的水資源浪費；
- 鼓勵員工避免閒置電腦以及其他辦公設備，造成資源浪費；
- 安排環境保護相關培訓，培養員工節能環保意識；
- 在辦公區域及生產廠區張貼標語宣傳節能減排。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

During the Reporting Period, the detailed data regarding the water consumption and electricity consumption of the Group are as follows:

於報告期內，本集團用水量及用電量的具體數據如下：

Category	類別	Consumption 用量	Density 密度
Water Consumption	用水量	6,000 m ³	1.17m ³ /萬元銷售額 (1.17m ³ /sales volume in RMB'0000)
Purchased electricity	外購電力	905,211 kWh	175.79 kWh/萬元銷售額 (175.79 kWh/sales volume in RMB'0000)

With regard to greenhouse gases, there was no direct emission of greenhouse gases as the Group did not directly consume fossil energy. Meanwhile, the Group has strictly controlled the number of business travels taken by its employees, and ensured that sales and marketing efforts were done via electronic communication channels. As a result, the greenhouse gas emission generated by travelling with public transportation was insignificant. Based on the foregoing, the greenhouse gas emission of the Group was mainly due to the utilization of purchased electricity. During the Reporting Period, the detailed data on the greenhouse gas emission of the Group are as follows:

溫室氣體方面，由於本集團未直接使用化石能源，故無溫室氣體直接排放。同時，本集團嚴格控制員工出差、營銷銷售等業務，基本通過電子通訊渠道完成，故由乘坐交通工具產生的溫室氣體排放可以忽略不計。綜上，本集團溫室氣體主要來自於外購電力使用產生。於報告期內，本集團溫室氣體排放數據如下：

Ranges of Greenhouse Gas Emissions	溫室氣體排放範圍	Emissions (tCO ₂ e) 排放量 (噸二氧化碳 當量)	Intensity (tCO ₂ e/ sales volume in RMB'0000) 密度(噸二氧化碳 當量/萬元 銷售額)
Total emissions of Greenhouse Gas	溫室氣體排放總量	490.76	0.095
Scope 1 of Greenhouse Gas Emissions	溫室氣體排放範圍一	0	-
Scope 2 of Greenhouse Gas Emissions	溫室氣體排放範圍二	490.76	0.095

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

7 SOCIAL WELFARE

Along with its development and growth, the Group has always regarded social responsibility as an internal driving force, actively giving back to the society and incorporating social welfare into the group planning. The Group actively practices public welfare undertakings, fulfills social responsibilities, and encourages and supports more employees to join. In the future, the Group will continue promoting public welfare undertakings and seek more opportunities to cooperate with social charities to help difficult employees and socially disadvantaged groups and repay the society.

7 社會公益

在企業發展的同時，本集團一直將社會責任作為內在驅動力，積極回饋社會，將社會公益事業納入集團規劃。本集團積極踐行公益事業、履行社會責任，並鼓勵和支持更多的員工參與其中。未來本集團將繼續不斷推進公益事業，尋求更多機遇與社會公益慈善機構合作，幫扶困難員工以及社會弱勢群體，回報社會。

8 ESG GUIDE CONTENT INDEX

8 ESG 指引索引

Subject Areas, General Disclosures and Key Performance Index(KPI) of Environmental, Social and Governance		Corresponding Sections
環境、社會及管治範疇與一般披露及關鍵績效指標(KPI)		對應章節
Environmental 環境		
A1: Emissions 排放物	General Disclosure 一般披露	Environmental Protection 環境保護
	A1.1 The types of emissions and respective emissions data 排放物種類及相關排放數據	This KPI is not applicable to the Group's business as no exhaust emissions, waste water and hazardous waste is produced during the Group's actual business operations. 本集團實際營運過程不產生廢氣、生產廢水及有害廢棄物，故該項指標不適用
	A1.2 Total emissions of Greenhouse Gas and Intensity 溫室氣體總排放量及密度	Environmental Protection 環境保護
	A1.3 Total hazardous waste produced and intensity 所產生有害廢棄物總量及密度	This KPI is not applicable to the Group's business as no exhaust emissions, waste water and hazardous waste is produced during the Group's actual business operations. 本集團實際營運過程不產生廢氣、生產廢水及有害廢棄物，故該項指標不適用
	A1.4 Total non-hazardous waste produced and intensity 所產生無害廢棄物總量及密度	Environmental Protection 環境保護
	A1.5 Description of measures to mitigate emissions and results achieved 描述減低排放量的措施及所得成果	Environmental Protection 環境保護
	A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果	Environmental Protection 環境保護

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

Subject Areas, General Disclosures and Key Performance Index(KPI) of Environmental, Social and Governance		Corresponding Sections
環境、社會及管治範疇與一般披露及關鍵績效指標(KPI)		對應章節
A2: Use of Resources 資源使用	General Disclosure 一般披露	Environmental Protection 環境保護
	A2.1	Total energy consumption and intensity 能源總耗量及密度 Environmental Protection 環境保護
	A2.2	Total water consumption and intensity 總耗水量及密度 Environmental Protection 環境保護
	A2.3	Description of energy use efficiency initiatives and results achieved 描述能源使用效益計劃及所得成果 Environmental Protection 環境保護
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果 Environmental Protection 環境保護
	A2.5	Total packaging material used for finished products and per unit produced 製成品所用包裝材料的總量及每生產單位估量 It is not applicable to this index as no packaging material is used by the Group. 本集團未使用包裝材料，故該項指標不適用
A3: Environmental and Natural Resources 環境及天然資源	General Disclosure 一般披露	Environmental Protection 環境保護
	A3.1	Description of the significant impacts of activities on the environmental and natural resources and the actions taken to manage them 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動 There are no significant impacts to the environmental and natural resources as our Group's business only consists of outsourced processing, sales and business transactions. 本集團業務僅包含外發加工、銷售和辦公，均未對環境及天然資源產生重大影響

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

Subject Areas, General Disclosures and Key Performance Index(KPI) of Environmental, Social and Governance		Corresponding Sections
環境、社會及管治範疇與一般披露及關鍵績效指標(KPI)		對應章節
Social 社會		
B1: Employment 僱傭	General Disclosure 一般披露	People-oriented 以人為本
	B1.1 Total workforce overhead by gender, employment type, age group and geographical region 按性別、僱傭類型、年齡組別及地區劃分的僱員總數	Employment Scenario 僱傭情況
	B1.2 Employee turnover rate by gender, age group and geographical region 按性別、年齡組別及地區劃分的僱員流失比率	Employment Scenario 僱傭情況
B2: Health and Safety 健康與安全	General Disclosure 一般披露	People-oriented 以人為本
	B2.1 Number and rate of work-related fatalities 因工作關係而死亡的人數及比率	Health and Safety 健康及安全
	B2.2 Days of absence due to work injury 因工傷損失工作日數	Health and Safety 健康及安全
	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored 描述所採納的職業健康與安全措施，以及相關執行及監察方法	Health and Safety 健康及安全
B3: Development and Training 發展及培訓	General Disclosure 一般披露	People-oriented 以人為本
	B3.1 The percentage of employees trained by gender and employee category 按性別及僱員類別劃分的受訓僱員百分比	Development and Training 發展及培訓
	B3.2 The average training hours completed per employee by gender and employee category 按性別及僱員類別劃分，每名僱員完成受訓的平均時數	Development and Training 發展及培訓
B4: Labour Standards 勞工準則	General Disclosure 一般披露	People-oriented 以人為本
	B4.1 Description of measures to review recruitment practices to avoid child and forced labour 描述檢討招聘慣例的措施以避免童工及強制勞工	Employment Scenario 僱傭情況
	B4.2 Description of steps taken to eliminate such practices when discovered 描述在發現違規情況時消除有關情況所採取的步驟	Employment Scenario 僱傭情況

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

Subject Areas, General Disclosures and Key Performance Index(KPI) of Environmental, Social and Governance		Corresponding Sections	
環境、社會及管治範疇與一般披露及關鍵績效指標(KPI)		對應章節	
B5: Supply Chain Management 供應鏈管理	General Disclosure 一般披露	Operations in Compliance 合規經營	
	B5.1	Number of suppliers by geographical region 按地區劃分的供應商數目	Supply Chain Management 供應鏈管理
	B5.2	Description of practices relating to engaging with suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored 描述有關聘用供應商的慣例，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	Supply Chain Management 供應鏈管理
B6: Product Responsibility 產品責任	General Disclosure 一般披露	Products and Services 產品與服務	
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons 已售或已運送產品總數中因安全與健康理由而須回收的百分比	Relationship with Clients 客戶關係
	B6.2	Number of products and service related complaints received and how they are dealt with 接獲關於產品及服務的投訴數目以及應對方法	Relationship with Clients 客戶關係
	B6.3	Description of practices relating to observing and protecting intellectual property rights 描述與維護及保障知識產權有關的慣例	During the Reporting Period, the Group has been in strict compliance with laws and regulations relating to intellectual property rights. 報告期內，本集團嚴格遵守知識產權保護相關的法律法規
	B6.4	Description of quality assurance process and product recall procedures 描述質量檢定過程及產品回收程序	Product Responsibility 產品責任
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored 描述消費者資料保障及私隱政策，以及相關執行及監察方法	Relationship with Clients 客戶關係

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

Subject Areas, General Disclosures and Key Performance Index(KPI) of Environmental, Social and Governance		Corresponding Sections	
環境、社會及管治範疇與一般披露及關鍵績效指標(KPI)		對應章節	
B7: Anti-corruption 反貪污	General Disclosure 一般披露	Operations in Compliance 合規經營	
	B7.1	Number of concluded legal cases regarding corruption practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果	Anti-Corruption 反貪污
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored 描述防範措施及舉報程序，以及相關執行及監察方法	Anti-Corruption 反貪污
B8: Community Investment 社區投資	General Disclosure 一般披露	Social Welfare 社會公益	
	B8.1	Focus areas of contribution 專注貢獻範疇	The Group has incorporated social welfare undertakings as part of the Group's planning. 本集團已將社會公益事業納入集團規劃
	B8.2	Resources contributed to the focus area 在專注範疇所動用資源	



Shen You Holdings Limited
申酉控股有限公司