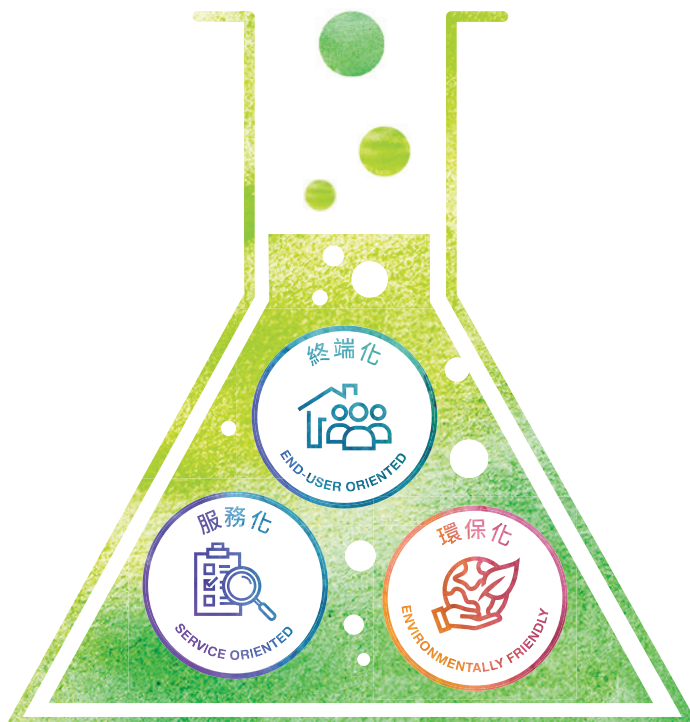




葉氏化工集團有限公司
Yip's Chemical Holdings Limited

於開曼群島註冊成立之有限公司
Incorporated in the Cayman Islands with limited liability

股份代號 Stock Code: 408



2018

Environmental,
Social and
Governance Report

環境、社會及管治報告



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管理層的話 Management Statement

葉氏化工集團有限公司(「葉氏化工」或「公司」，連同其附屬公司統稱「集團」)成立近半世紀，近年確立「百年葉氏，引以為傲，備受尊崇」的企業宏圖，我們致力朝可持續發展模式邁進，成為「百年企業」。我們欣然呈上集團第二份獨立成刊的《環境、社會及管治報告》，闡述我們在員工、供應鏈、顧客、社區及環境五大推動業務可持續發展範疇的管理方針和表現。

回顧二零一八年，集團繼續本著目前的業務基礎，朝著「環保化」、「終端化」及「服務化」的方向發展，致力推出環保產品及創新服務，為消費者生活添上健康色彩。在推動「環保化」方面，我們決心秉持清潔生產方針。由於集團的生產廠房、實驗室及主要銷售網絡均設於中國內地，而當地對環保及安全的法例及法規逐步行嚴，集團需加大力度投放資源，以回應執法機關及其他持份者的關注和要求。一如往年，我們繼續採取一切可行措施，嚴格控制揮發性有機化合物(VOC)的排放。另一方面，集團相繼研發或引入綠色產品，其實用性及環保性備受廣泛認同。在「終端化」及「服務化」方面，集團憑藉其紮根化工行業多年的基礎，積極開拓嶄新的業務發展平台，為消費者提供各種綠色生活方案，包括於銷售點加入裝修輔材產品，以及投資中國汽車保養連鎖品牌等。

Yip's Chemical Holdings Limited ("Yip's Chemical" or the "Company", and together with its subsidiaries, the "Group") was founded almost half a century ago. In recent years, it has set its sights "Towards a Century of Revered Leadership", with sustainable development at the heart of its vision of becoming a respected century-old corporation. We are delighted to present our second standalone *Environmental, Social and Governance ("ESG") Report*, which details our management approach and performance in five key aspects of sustainable business development: employees, supply chains, customers, communities and the environment.

In 2018, the Group continued to capitalise on its existing business foundations to embark on an environmentally friendly, end-user oriented and service-oriented journey of development. In doing so, we have strived to roll out eco-friendly products and innovative services to make consumers' lives healthy and colourful. In fostering environmental friendliness, we have shown determination to use clean production techniques. The Group's production plants, laboratories and major sales networks are located in Mainland China, where environmental and safety laws and regulations are becoming more stringent. The Group therefore has to invest significant resources in responding to the concerns and requirements of the authorities and other stakeholders. As in previous years, we have continued to implement strict controls on emissions of volatile organic compounds ("VOC"). We have also won widespread acclaim for the practicality and eco-friendliness of our newly developed green products. As we become more focused on end users and grow more service oriented, the Group has been leveraging its decades of expertise in the chemical industry to build a new business development platform that offers a range of green living solutions to consumers. Our new solutions include the addition of renovation auxiliary products at our points of sale, and our investment in a car maintenance chain in Mainland China.

集團深明氣候變化問題逼近眉睫，對全球的可持續增長構成威脅。鑑於《巴黎氣候協議》控制全球升溫在攝氏兩度內的目標，加上氣候相關財務信息披露工作小組(TCFD)對企業的建議，我們將繼續加強及拓展現行的環保措施，尤以減少排放及善用資源為基，來應對氣候變化帶來的風險，並從中把握低碳經濟轉型的機遇。集團設有完善體制監督環保事宜，公司董事會旗下安全健康環保委員會(「安委會」)負責制定環保策略及監察環保進度和成效。我們的溶劑生產線已逐步採用更潔淨的天然氣取代煤作燃料；主要塗料廠房選址化工工業園區，以平衡經濟活動及環境生態的風險；年內，公司獲批出一筆為期四年的2.5億港元綠色貸款，為旗下廠房的環保基建工程進行融資，推動集團走向更環保的生產環境。

葉氏化工對邁向可持續發展的道路十分堅定。我們衷心感謝沿路上所有內部及外部持份者的參與和支持。期望我們繼續攜手向前，為集團爭取卓越業績的同時，亦為社區締造更健康、潔淨及舒適的環境，實現低碳的可持續未來。

The Group well understands that climate change is a pressing issue that threatens the sustainable growth of the world. In view of the aim to keeping the rise in global temperatures below 2°C as per the Paris Agreement, as well as the recommendation of the Task Force on Climate-related Financial Disclosures (TCFD) to enterprises, we will continue to strengthen and expand our current environmental measures. We are particularly focused on emission reduction and efficient use of resources as ways to deal with the risks brought about by climate change, and seize opportunities to be part of world's transformation into a low-carbon economy. The Group has a robust system for supervising its environmental affairs, with the Health, Safety and Environment Committee ("HSE Committee") under the board of directors of the Company (the "Board") responsible for formulating environmental policies and monitoring the progress and effectiveness of our environmental protection work. Our solvents production lines are gradually switching from coal to cleaner natural gas fuel, while our major coatings plant is located in chemical industry park, to balance the needs of economic activities and the environment. In the reporting year, the Company was granted a four-year green loan of HK\$250 million to finance environmental infrastructure projects in its plants in order to make our production even greener.

Yip's Chemical is determined to achieve sustainable development. We are grateful to our internal and external stakeholders for their support along this journey. It is our wish to go forward together so that, while achieving outstanding results for the Group, we can also create a healthier, cleaner and more comfortable environment for the community, and help realise a low-carbon, sustainable future.



集團繼續朝著「環保化」、「終端化」及「服務化」的方向發展。
The Group continues along its environmentally friendly, end-user and service-oriented journey of development.



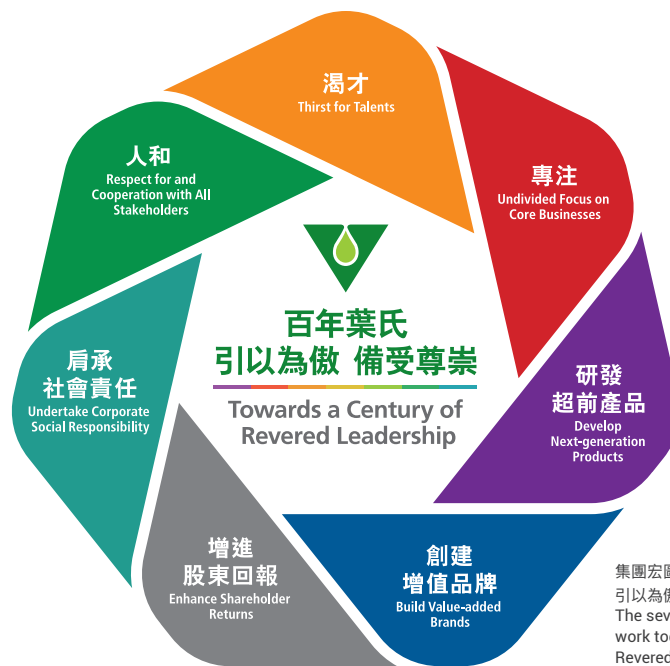
創造長遠價值——我們的可持續發展方針

Creating Long-term Values - Our Goals in Sustainable Development

集團訂立清晰及具前瞻性的宏圖，以「百年葉氏」為願景，當中的七大推動元素環環相扣，為我們邁向可持續發展奠下了穩固的基礎。集團在各個範疇均設立完善規章制度及措施，並透過整全的管理架構，有效令政策順利實施。集團定期檢討可持續發展事務，並適時審視現行政策，確保可持續發展模式在日常決策及營運中得以實踐。

The Group has a clear and forward-looking mission to become a corporation with "A Century of Revered Leadership". There are seven key forces driving the business as it pursues this vision, and they work in unison to give the Group a solid foundation from which to promote sustainable development. The Group has established sound systems and measures in all its business areas, and has effectively implemented its policies through a holistic management structure. It regularly reviews its sustainable development strategies, and examines its policies on a timely basis to ensure that its sustainable development approach is implemented in daily decision-making and operations.

集團宏圖 CORPORATE VISION



集團宏圖中的七大元素互相推動，以期達至「百年葉氏，引以為傲，備受尊崇」的願景。
The seven driving forces outlined in our corporate vision work together, so the Group's vision of "A Century of Revered Leadership" can be attained.

可持續發展相關 政策及指引

Policies and Guidelines related to Sustainable Development

操守及行為守則
Codes of Ethics and Conducts

風險管理及內部監控政策
Policy on Risk Management and Internal Control

產品品質安全風險管理政策
Policy on Management of Product Quality and Safety Risks

社區投資、贊助及捐贈政策
Policy on Community Investment, Sponsorships and Donations

安全健康環保政策
Policy on Health, Safety and Environment



整全的可持續發展架構

集團奉行高水平的可持續發展管治模式，這不但可提高競爭力，為公司增值，更保障了股東、員工、顧客及供應商各方面的權益。董事會是集團的最高權力實體，於二零一八年十二月三十一日，由三位執行董事、兩位非執行董事及三位獨立非執行董事組成，負責制定集團整體目標及策略，以及監察風險。董事會每年會審視集團不同層面的風險議題，包括有關環境、社會、管治及氣候變化的風險，透過考慮內在及外部因素而訂出年內風險管理的優先次序，並於每次會議檢討進度。在董事會以下附設高層領導團隊，成員包括行政總裁、副行政總裁及公司的其他高層管理人員，專責監督集團內部運作，推行董事會制定的計劃。雖然集團旗下公司主要業務同屬化工行業，但其所在地及營運模式各異。因此，集團會為子公司提供靈活指引，增加執行團隊的彈性，子公司可因應各自的考慮及情況規劃可持續發展措施。

公司的安委會於二零一二年成立，在截至二零一八年十二月三十一日止年度內，安委會由四位獨立非執行董事組成，專責更新集團的「安全健康環保政策」，管理有關範疇的風險及監控環境，包括組織架構及資源投放等，並由負責安全、健康及環保（「安健環」）表現的同事組成的安全健康環保部（「安環部」）於日常執行。報告期內，安委會共召開了四次會議，檢討集團安健環表現及審視相關計劃。集團其他部門亦各司其職，例如集團企業傳訊部負責策劃社區投資項目及推動企業義工服務的發展；集團人力資源部向子公司提供方向及策略，供子公司按當地法例法規處理人力資源事宜。其他範疇如供應鏈及產品責任等，則交由子公司管理。

要將可持續發展成為員工日常決策及執行時的考慮要素，集團除設立完善規章制度，亦重點投放資源於提升企業文化，強調專業態度及營運效益。集團提供內部指引，於年度評核及制定每年工作計劃時，將可持續發展的理念轉化成工作指標。集團亦善用對供應商及顧客的影響力，推動整個價值鏈的可持續發展。

Holistic Sustainable Development Structure

In embracing a high standard of sustainable development governance, the Group strives to raise its competitiveness, add value and also protect the interests of its shareholders, employees, customers and suppliers. The Board is the highest governing body within the Group. Comprising three executive directors, two non-executive directors and three independent non-executive directors as of 31 December 2018, it is responsible for formulating the Group's overall objectives and strategies, as well as monitoring risks. Every year, the Board examines the Group's various risk issues, including those related to the environment, society, governance and climate change, then prioritises risk-management tasks for the year ahead in accordance with internal and external factors. Progress made on each task is reviewed at each Board meeting. Under the Board is the Senior Leadership Team ("SLT") which comprises the Chief Executive Officer, the Deputy Chief Executive Officer and other top management personnel of the Company. The SLT is charged with supervising the internal operations of the Group and executing plans developed by the Board. Though the Group's main business segments lie in the chemical industry, they have different localities and modes of operation. The Group therefore provides its subsidiaries with flexible guidelines that empower them to adapt their own sustainable development measures to reflect their particular concerns and circumstances.

The Company's HSE Committee was established in 2012 and for the year ended 31 December 2018, it comprised four independent non-executive directors. It is responsible for updating the Group's Health, Safety and Environment Policy and managing related risks and issues, including organisational structure and resource inputs. Policies are then implemented by the Health, Safety and Environment ("HSE") Department, formed by employees responsible for HSE. In the reporting period, the HSE Committee had convened four meetings to review the Group's HSE performance and examine related projects. Other departments within the Group are responsible for handling different ESG matters. For example, the Group's Corporate Communications Department organises community investment projects and promotes corporate volunteering, while the Group's Human Resources Department gives direction and strategy to subsidiaries, enabling them to manage HR matters in accordance with local laws and regulations. Areas such as supply chains and product responsibilities are administered by the subsidiaries.

To make sustainable development a primary consideration in employees' daily decision making and execution, the Group looks beyond the establishment of robust policies and systems; it also allocates substantial resources towards promoting a corporate culture that emphasises professionalism and operational efficiency. The Group provides internal guidelines and rules around sustainable development, which are used during staff appraisals and the development of annual work plans as key performance indicators. The Group is also adept at using its influence on suppliers and customers to drive sustainable development throughout the value chain.



創造長遠價值——我們的可持續發展方針

Creating Long-term Values - Our Goals in Sustainable Development

持份者溝通

集團一向十分重視與持份者進行雙向溝通及交流，並積極保持開放的對話，以建立互信及長遠關係。我們深信過程有助提升集團的透明度，持份者的意見亦可幫助我們改善營運表現和匯報內容。集團部分的产品及服務針對終端消費者，所以我們定期透過社交媒體，包括面書(Facebook)專頁及微信(WeChat)訂閱號，發佈最新的企業資訊及推廣產品，與廣大消費者互動。除此之外，集團與不同持份者保持緊密聯繫，題材包括他們對集團可持續發展方面的意見，我們亦以此作為界定本報告的重要議題的基礎之一，遂就相關事宜作出匯報。下表概述了我們的主要持份者群體及日常與其溝通的主要渠道。

Stakeholder Engagement

The Group values the importance of two-way communication with its stakeholders, and actively maintains an open dialogue with them in order to build mutual trust and healthy long-term relationship. We believe that this improves the transparency of the Group, as well as provides useful feedback from stakeholders that can boost our operational performance and reporting content. Since some of the Group's products and services target end users, we regularly publish our latest corporate information and product promotions on our social media platforms, including Facebook page and WeChat subscription page. We also maintain close contact with a range of stakeholders so that we understand their views on the Group's sustainable development efforts. We draw on that insight to help determine the material issues to be addressed in this report and subsequently report on related matters. The following table summarises our key stakeholders and the main channels through which we maintain everyday communication with them.

主要持份者群體及定期溝通渠道一覽

Summary of Key Stakeholder Groups and Channels for Regular Communication

持份者團體	主要溝通渠道	Stakeholder Groups	Main Communication Channels
員工	員工溝通會 集團微信企業帳號 內聯網 學習小組 安健環技術論壇	Employees	Employee communication sessions Group WeChat corporate account Intranet Study groups Technical forums on HSE
股東及投資者	年報及中期報告 股東週年大會 投資者會議/電郵 實地參觀	Shareholders and investors	Annual and interim reports Annual general meetings Investor meetings/emails On-site visits
顧客	公司網站及社交媒體 顧客服務部 顧客滿意度調查	Customers	Corporate website and social media Customer Services Department Customer satisfaction surveys
政府/監管機構	會議 實地參觀	Governments/regulatory bodies	Meetings On-site visits
非牟利機構 (包括社福機構及 環保團體)	義工及社區活動 贊助及捐獻 獎勵計劃	Non-profit organisations (including social welfare organisations and green groups)	Volunteer and community programmes Sponsorships and donations Award programmes
傳媒	新聞稿 傳媒發佈會 聚餐 實地參觀	Media	Press releases Press conferences Luncheons On-site visits
供應鏈夥伴	招標及採購過程 行業展會 產品發佈會 技術交流會及 日常諮詢 定期供應商現場評審	Supply chain partners	Tendering and procurement processes Industry exhibitions Product launch briefings Technical know-how exchange sessions and daily consultation Regular supplier on-site assessments



目標制定及追蹤

為持續提升可持續發展表現，集團定期審視及檢討已制定的目標。以下是報告期內的短至中期目標，及有關實踐進度。

Target Setting and Tracking

To enhance our sustainable development performance, the Group regularly examines and reviews the targets it has set. The following sets out our short- and medium-term targets, and progress made during the reporting period.

議題 Topic	二零一八年目標 2018 Target	二零一八年進度 2018 Progress	二零一九年目標 2019 Target
<p>以清潔生產為方針，對環境影響盡量減低，集團致力為改善國內空氣質素的進程作出貢獻。</p> <p>With the goal of achieving clean production and minimising the environmental impacts, the Group strives to help improve air quality in Mainland China.</p>	<p>研究於其他廠房安裝大型VOC處理裝置的可行性。</p> <p>Study the feasibility of installing large VOC treatment facilities in other plants.</p>	<p>繼金山廠房的大型VOC處理裝置於二零一八年投入運作後，中山廠房大型VOC處理裝置安裝工程亦已開始。</p> <p>Following the commissioning of large VOC treatment facilities at the Jinshan plant in 2018, installation of similar facilities in the Zhongshan plant has begun.</p>	<p>中山廠房新安裝的大型VOC處理裝置投入運作。</p> <p>Commissioning of large new VOC treatment facilities at the Zhongshan plant.</p>
<p>環境保護一直是集團社區投資政策的重點之一，集團期望未來能進一步推廣環保。</p> <p>Environmental protection has always been a major focus of the Group's community investment policy; the Group will further promote environmental protection.</p>	<p>於社區及員工層面推行環保教育。</p> <p>Carry out education in environmental protection in the community and among staff.</p>	<p>夥拍聖雅各福群會及「黑暗劇場」合辦綠色社區劇場，邀請視障導師帶領集團義工及長者透過戲劇宣揚環保，同時推動社會共融(詳情請見「社區的長遠價值」章節)。</p> <p>In partnership with St. James' Settlement and "Theatre in the Dark", we ran a Green Community Theatre workshop. A visually impaired tutor led the Group's volunteers and senior citizens in drama plays to promote environmental protection while spreading a message of social inclusion. (For details, please refer to the "Long-term Values in Communities" section).</p>	<p>將繼續透過創新及互動的形式，向廣大市民及員工宣揚環保。</p> <p>Continue to make use of innovative and interactive formats to publicise environmental protection concepts to the general public and employees.</p>
<p>集團會於未來擴展《環境、社會及管治報告》範圍及提升內容，作務實而透明的匯報。</p> <p>The Group will expand the scope and enrich the content of subsequent ESG reports in a practical and transparent way.</p>	<p>集團將繼續研究擴闊報告範圍。</p> <p>The Group will continue to study the expansion of the reporting scope.</p>	<p>「環境的長遠價值」章節涵蓋塗料及油墨業務主要廠房的环境數據。集團正收集及審視其他廠房有關環境的數據，以為未來擴闊報告範圍做準備。</p> <p>The "Long-term Values in the Environment" section covers environmental data from major plants of the Group's coatings and inks divisions. The Group is now collecting and reviewing such data from other plants to prepare for expanding the reporting scope.</p>	<p>嘗試擴闊報告範圍。</p> <p>Try to expand the reporting scope.</p>
<p>集團會與持份者保持恆常溝通，並持續加強持份者參與。</p> <p>The Group regularly communicates with its stakeholders and will continue to enhance stakeholder participation.</p>	<p>集團於二零一八年未有訂立相應目標。</p> <p>The Group didn't set any respective targets in 2018.</p>	<p>由於未訂立目標，因此未有跟進措施。</p> <p>Since targets are not available, there is no follow-up action.</p>	<p>將研究擴大及深化持份者溝通環節，並於下一份《環境、社會及管治報告》更深入地體現他們的反饋訊息。</p> <p>The Group will study ways of expanding and deepening the scope of stakeholder engagement. Stakeholders' feedback will be better reflected in the next issue of the ESG report.</p>



員工的長遠價值 Long-term Values in Employees

集團員工總數逾3,000人，從生產至銷售人員，以至各個後勤部門也為業務投入了一定貢獻。我們銳意建構一支多元及具備靈活性的團隊，因此集團的人才管理政策皆以人為本，重視員工的專業發展及個人成長，同時營造一個公平公正和包容的理想工作環境。

建立卓越高效團隊

「工作新浪潮」(「TIDE」)是集團人才管理的核心，其代表「團結」(Teamwork)、「正直」(Integrity)、「決心」(Determination)及「卓越」(Excellence)，帶領同事於工作上時刻保持正面態度，成為企業文化的支柱，而我們的制度及措施也強調以上的員工素質。董事會頒佈的「操守及行為守則」列出了集團的核心價值及規範，為集團的制度、決策及執行提供指引。我們嚴厲打擊集團任何利益衝突的事件，而《員工手冊》亦已列明禁止員工參與存在利益衝突的活動，就收受禮物及利益、交際應酬及公司資源運用，以至員工親屬的避嫌列明規範。所有指定職級的員工均需於入職時及每年定期填寫利益申報表。我們邀請香港廉政公署為香港同事講解工作場所遇到的利益衝突、賄賂及貪污陷阱，並指示同事應如何處理，以杜絕貪腐事件。報告期內，公司沒有收到任何涉及貪污的舉報個案。除此之外，集團設有舉報機制，防止違法及違規個案。員工應先向直屬上司或人力資源部反映，如有需要，該員工可向總經理或集團高層領導團隊成員申訴。

我們絕不容忍工作場所內存在任何形式的歧視，並確保員工待遇不會因年齡、性別、種族、婚姻狀況或其他因素而異。集團嚴格遵守平等機會及反歧視條例，並把主要章節列於僱傭合約及《員工手冊》。集團亦不容許童工或強制勞工。以上種種規範為集團成為公平公正的工作場所奠下鞏固根基。

The Group has over 3,000 employees. All of them, from production workers to sales teams and personnel from supporting departments, have considerable contribution to the success of our businesses. Since we are committed to building a diversified and adaptable team, our talent management policies are people-oriented, with particular emphasis on the professional development and personal growth of employees while we strive to nurture a fair, just and inclusive working environment.

Building an Outstanding and Effective Team

The principles of "TIDE" (Teamwork, Integrity, Determination and Excellence) are central to the Group's talent management philosophy. With these core values underpinning our corporate culture, employees are encouraged to maintain a positive attitude to work at all times. Our systems and initiatives emphasise the qualities we value in our employees. The Board issued the "Codes of Ethics and Conducts", which list the Group's core values and standards of work behaviour. These serve as guidelines for its systems, decision making and action. We have strict procedures for dealing with any conflict of interest, and our *Employee Handbook* expressly prohibits employees from participating in activities where there is a conflict of interest. There are rules regarding employees' acceptance of gifts and benefits, business entertainment and utilisation of corporate resources; there are also rules on how employees' relatives should remain above suspicion. Employees of designated grades are required to fill out a declaration of interest form during new employee orientation, and update it on an annual basis. In our effort to eradicate corruption, we invite representatives of Hong Kong's Independent Commission Against Corruption to explain to our Hong Kong staff common pitfalls regarding conflicts of interest, and bribery and corruption in the workplace, and how to deal with them. In the reporting period, the Company did not receive any report involving corruption. The Group has a whistleblowing mechanism in place to help prevent the violation of laws and regulations. Under this mechanism, an employee should first present his/her case to his/her direct superior or the Human Resources Department. If necessary, the employee may lodge a complaint with the general manager or a member of the SLT.

We absolutely do not tolerate any form of discrimination in the workplace, and ensure that employee remuneration does not differ because of age, gender, race, marital status or other factors. The Group abides strictly by equal opportunity and anti-discrimination ordinances, and has included key sections of these ordinances in employment contracts and its *Employee Handbook*. The Group bans child labour and forced labour. All of the above rules help set a firm foundation for the Group to become a fair and just workplace.



員工的長遠價值

Long-term Values in Employees

人才發展與培育

集團致力培養內部學習氛圍，每年皆為員工度身訂製不同的培訓課程，主題包括工作相關的管理技巧及技能，以至個人發展，同時設有外部專業進修津貼及資助員工參與專業學會，提倡終身學習。年內，集團與內地知名學府中歐國際工商學院合作，推出了「葉氏網上學習平台」，集團同事可登入進修各個互動單元，於線上學習三大管理範疇——業務、團隊及自我管理。課程會因應員工的職級劃分，設有必修及選修科目。系統會記錄同事的學習時數及分數，供學員追蹤自己的表現。於香港總部，人力資源部會定期舉行研習小組，以小班形式與同事一起進行在線學習，分析及討論個案，增加學習趣味，並藉此加強同事間的交流。集團亦為中層管理人員舉辦管理培訓，以及為部份管理人員安排「中歐在線Mini-MBA」課程，擴闊管理層視野。除了課堂及線上學習外，我們亦在年內安排了企業參觀，到訪國內管道製造公司及瓷磚公司，讓管理人員與不同行業的精英交流。

Talent Development and Nurturing

The Group is committed to cultivating an environment of continuous learning. Every year, we tailor-make a range of training courses for our employees, with topics ranging from work-related management skills and techniques to personal development. Concurrently, we encourage lifelong learning by offering subsidies for external professional training, and we sponsor employees to join professional bodies. In the reporting year, we collaborated with China Europe International Business School ("CEIBS"), a respected academic institute in Mainland China, to launch "Yip's E-learning Platform". The platform allows the Group's employees to log in and study a variety of interactive modules that cover three management scopes: business, teamwork and self-management. The curriculum is adapted according to each employee's level of seniority, and there are both core and elective subjects. The system records each person's hours of study and the credits they have gained for employees to track their own progress. At the Group's headquarters in Hong Kong, the Human Resources Department runs a regular study group that allows employees to study online in a small group. Members of the study group find it more interesting when they can analyse and discuss cases together, and use the opportunity to exchange information with colleagues. The Group runs management training for middle management and an "Online CEIBS Mini-MBA" course to broaden the horizons of some management staff. During the reporting year, in addition to classroom and online learning, we also arranged a visit to a pipe production and ceramic tile manufacturing company in Mainland China, so our managers could exchange ideas and experiences with elite leaders in other industries.



於香港總部，人力資源部會定期舉行「Lunch & Learn」活動，邀請專業人士及員工導師利用午膳時間與同事分享不同主題的知識。

At the Group's headquarters in Hong Kong, the Human Resources Department runs a regular "Lunch & Learn" activity by inviting professionals and staff tutors to share different topics with our colleagues during lunch hours.



集團為中港兩地的同事舉行培訓工作坊，讓來自不同子公司的同事交流。

The Group holds training workshops for colleagues from Mainland China and Hong Kong to facilitate exchanges among different subsidiaries.





員工的長遠價值

Long-term Values in Employees

培育人才是推動集團可持續發展不可或缺的一環。我們擁有長遠的人才梯隊計劃，由集團主席及高層領導團隊成員組成的高管人才發展委員會（「委員會」）負責推行人才庫、繼任人計劃和管理培訓生計劃，以及各階級的培訓及發展計劃，一方面確保業務穩定發展，另一方面為人才提供發揮機會。委員會亦會定期檢討各部門架構及關鍵崗位的人事配合，加以培育有潛能的員工，達至薪火相傳。委員會於報告期內召開了一次會議，物色具備一定潛能的員工，並向他們提供培訓。

集團自二零零三年推行管理培訓生計劃，為管理培訓生制訂全面培訓課程及訂立清晰的職涯規劃。我們不斷檢視集團的人才管理策略，以符合市場發展及集團內部需要。集團現正部署，於內部選拔具發展潛力的年輕人才，提供性質類似管理培訓生的培訓計劃，包括調崗和參與短期項目，加速其事業發展以接任更高職位。

Nurturing talent is essential to the Group to drive towards sustainable development. We have a long-term succession plan overseen by a Senior Management Career Development Committee ("the Committee") headed by the Group Chairman and members of the SLT. The Committee is responsible for maintaining a talent bank, running a succession programme and a management trainee programme, as well as programmes for the training and development of personnel at different levels. This ensures the steady development of our businesses while offering our talented staff opportunities to shine. The Committee regularly reviews the organisational structures and key appointments in various departments which, in conjunction with nurturing high-potential employees, will ensure that the torch of excellence is passed on. During the reporting period, the Committee held one meeting to identify high-potential employees and arranged to provide them with training.

Since 2003, the Group has run a management trainee programme, and has developed comprehensive training courses and clear-cut career paths for trainees. We review our talent management strategy from time to time to ensure it is in line with market trends and our internal needs. We are currently preparing to select young, high-potential talent internally for a training programme similar to that for management trainees. This will entail job rotation and short-term projects to help accelerate career development, preparing these select few for more senior roles.

詳細培訓數據¹ Detailed Training Data

二零一八年
全年培訓總時數
Total Training Hours
in 2018

69,781

員工平均
培訓時數
Average Training Hours
per Employee

23

按性別
By Gender



員工平均培訓時數
Average Training Hours
per Employee (Male)

25

(男)



員工平均培訓時數
Average Training Hours
per Employee (Female)

17

(女)

按員工類別
By Employee
Category



員工平均培訓時數
(高級管理層)
Average Training Hours
per Employee
(Senior Management)

20



員工平均培訓時數
(中級管理層)
Average Training Hours
per Employee
(Middle Management)

16



員工平均培訓時數
(主任級員工)
Average Training Hours
per Employee
(Officer Grade)

19



員工平均培訓時數
(一般員工)
Average Training Hours
per Employee
(General Grade)

27

¹ 數據包括整個集團。
The data cover the whole group.





嘉許獎勵 精益求精

Employee Recognition – Pursuing Excellence

為嘉許傑出員工及建立團隊精神，集團於二零一八年推出「葉氏卓越大獎」，嘉許員工執行恆常工作以外的項目及成功優化工作流程的後勤員工。獎項除了鼓勵員工提升工作效益，亦讓他們深入了解集團不同部門的運作，加深部門之間的認識，更推動同事積極拓展跨部門工作，發揮協同效應，為集團創造最大價值。年內共有50名來自集團香港及內地的員工獲獎。勇奪冠軍殊榮的團隊由集團四個部門，包括財務部、顧客服務部、企業發展部及資訊科技部，一共10位成員組成，他們協助集團新收購的塗料業務順暢地融入集團管理。

As a way to recognise the efforts of our staff and build team spirit, the Group launched the “Yip's Chemical Excellence Award” in 2018. The programme honours employees who have gone beyond their daily duties, and also acknowledges back-office staff who have succeeded in optimising specific work procedures. This programme is not only designed to encourage employees to improve their work efficiency. By giving employees a better grasp of the work of other departments, fostering mutual understanding and encouraging cross-departmental projects, it also helps unleash synergies and maximise value for the Group. In the reporting year, 50 employees from Hong Kong and Mainland China received the excellence award. The top honour went to a 10-member team comprising members of the Finance, Customer Service, Corporate Development and Information Technology departments, who helped a newly acquired coatings business smoothly integrate into the Group's management structure.



安全的工作環境

集團從事的化工業務涉及廠房生產，我們嚴格遵守對集團有重大影響、有關提供安全工作環境及保障員工避免職業性危害的法律及規例。安環部負責確保相關法律及規例得到嚴格遵守。安環部定期對各廠房進行安全檢查，期內共進行了12次安全檢查和六次專項安全檢查，向不同廠房提供意見及要求作出整改，持續改進安全管理工作。於二零一八年，集團確立安健環願景為「減三廢，促持續發展；零事故，創百年葉氏；保健康，建美好家園」。為進一步提升職安健文化及管理水準，期內推出了以下兩項措施：

Safe Working Environment

Our chemical businesses involve production at plants. We strictly abide by all laws and regulations that are of significance to the Group, related to workplace safety, and that help employees guard against occupational hazards. The HSE Department is responsible for ensuring compliance with these laws and regulations, and for conducting regular safety inspections at our plants. In the reporting period, the department conducted 12 safety inspections and six special item inspections, offering suggestions and setting out any corrective action required by plants to help them improve workplace safety. In 2018, the Group set out its HSE vision: “Reduce waste, eliminate on-site accidents and create a people-friendly workplace”. In order to nurture a strong occupational health and safety (“OHS”) culture and further improve management standards, two initiatives have been staged during the period:



員工的長遠價值

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1. 舉辦安健環技術論壇，邀請各廠廠長及安健環管理人員一同就新的安健環資訊及經驗作出分享，包括加強溝通上述的安健環願景、重點事故分析、用電安全管理及法規要求等。
2. 選擇具參考價值的事務處理製作成資訊分享，圖文並茂地分析事故原因和整改措施，防止同類事故再次發生。

對於處理危險化學品，集團有特別的安全生產規章制度，涵蓋安全意識教育、預防措施、風險評估、生產過程安全管理、突發應急等一共32項要求。例如新入職的駐廠房員工必須先經過安全教育，課程包括基本安全法規、從事工種的危險因素、應急及自救處理等。員工必須通過安全考核才可以開始工作。

1. Hosted an HSE technical forum in which factory managers and HSE management personnel shared the latest information and experience, including ways to raise awareness of the vision mentioned above, analysis of major incidents, discussion of safe management of electricity usage and the latest regulatory requirements.
2. Produced illustrated circulars on selected incident handling procedures, with cause analysis and corrective measures to prevent reoccurrences.

Regarding the handling of hazardous chemicals, the Group adopts special safety production rules and regulations. These cover 32 requirements dealing with safety awareness education, preventive measures, risk assessment, safety management of production processes, and emergency responses. For example, new recruits who are to be stationed in a factory must take a safety education course that covers basic safety laws and regulations, hazard factors in their specific work conditions, emergency responses and self-rescuing in advance. Employees must pass a safety assessment before they start working.

年內集團及子集團共進行了**102,601**小時與安健環相關的培訓。

In the reporting year, the Group conducted **102,601** hours of HSE-related training.

因工死亡個案為**0**，涉及工傷的員工人數為**7²**人，牽涉因工傷損失工作日數**152.5³**日。

While there was **0** job-related fatality, **7²** employees sustained work injuries and **152.5³** workdays were lost.

香港總部所有新入職員工須接受職安健評估。人力資源部會根據既定清單，了解員工的工作環境周邊情況，包括電腦及座椅的水準高度、座位的光綫及舒適度等，主動收集意見，如有需要，會立即為員工跟進。

All new recruits at the Group's Hong Kong headquarters must undergo an OHS assessment. The Human Resources Department gains an understanding of the working environment around employees based on a checklist, which includes the standard height of their computers and seats, lighting and the comfort of their seats. They seek employees' opinions and, if necessary, carry out immediate follow-up actions for the employees concerned.

² 工傷定義為工傷日數五日或以上的個案。

Work injuries are defined as cases incurring the loss of five or more workdays.

³ 集團會按照當地法例安排醫療事項。此外，集團亦為有職業危害因素的員工提供定期的職業健康檢查。

Medical matters were dealt with in accordance with local laws. Besides, the Group provides regular medical checks to employees exposed to occupational hazards.



堅守安全第一 Uphold Safety First

紫荊花塗料集團(「塗料集團」)一直強調生產安全是工作的重中之重，一方面增強全體員工的安全意識，另一方面採取嚴格的安全監管及進行安全技術研究。

塗料集團工廠所有新入職員工須經過72小時的標準安全教育，考試合格後方可正式投入工作。廠房亦開展安全生產月活動、組織滅火演習、每月進行消防檢查、鼓勵員工向公司主動報告安全隱患以讓廠方進行整改。

在安全生產技術上，廠房採用全封閉式的制漆設備和過濾設施、VOC抽排及無害化處理系統、可準確控制溶劑流速和流量的自動化送料及製造系統等。廠房列明各級工人所須的保護器具及設有靜電釋放導體，杜絕易燃及爆炸的風險。廠房每層設有應急指示、可燃氣體探測警報器、洗眼器等設施，以備不時之需。

The Bauhinia Coatings Group (“the coatings group”) has always stressed the vital importance of production safety. The coatings group raises safety awareness among all its employees, implements stringent safety supervision, and carries out research on safety technology.

In the factories under the coatings group, all new recruits have to receive 72 hours of standard safety training and are only allowed to start working after passing an examination on safety measures. The factories also organise “Safety Production Month”, run firefighting drills, conduct monthly fire inspections and encourage employees to report voluntarily on possible safety risks to enable the plants to take corrective actions.

To ensure safe production, all factories are now using fully sealed paint manufacturing equipment and filtering facilities, VOC extraction, emission and detoxification treatment systems, as well as automatic feeding and production systems that allow precise control of the flow rate and amount of solvents. In each plant, the protective equipment required by workers of each grade is listed, and electrostatic discharge conductors are kept to eliminate flammability and explosion risks. On every floor of a factory, there are emergency response instructions, a combustible gas detection alarm and an eye washing station for use when necessary.



關注員工福祉

員工是集團最寶貴的資產，我們重視招聘過程及挽留人才。我們遵從業務所在地的僱傭及勞工條例進行招聘，而合約及《員工手冊》亦清楚列明聘用條件、薪酬、合約終止條款、假期及福利等。年內，集團實施「推薦

Nurturing Employee Welfare

Employees are the Group's most valuable assets, so we pay utmost attention to the recruitment process and the retention of talent. In recruitment, we comply with employment and labour regulations at the locality of each operation, while employment conditions, salaries, contract termination clauses, holidays and benefits are clearly listed in employment contracts and our *Employment Handbook*. In the reporting year, the Group



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員工獎勵計劃」，由員工推薦的後勤部門應徵者如被錄用，推薦人可獲獎勵。此舉有助集團廣納人才，壯大集團的人才庫。另一方面，集團致力營造一個家庭友善的工作環境：我們的強積金供款高於法例保障，而醫療福利亦把關愛延伸至員工家屬；員工亦可享每年一次免費身體檢查；除了設有超越法例要求的年假、產假、恩恤假、考試假及彈性上班時間外，於二零一九年一月起，集團更把有薪侍產假由法定五天增加至七天，支援新任爸爸全力照顧家庭；以及新增每一天的有薪生日假，讓同事與家人樂聚天倫。我們更舉辦「家庭參觀日」活動，讓員工家屬加深了解同事平日的工作。

為持續追求卓越，集團規定所有員工每年須進行最少一次績效評估，關鍵指標包括體現TIDE核心價值、工作表現、管理能力及道德行為。績效評估與員工調整薪酬及花紅比率掛鉤，而當中員工反映的意見亦有助管理層識別員工的培訓需要，讓集團進一步配合，為員工的職涯發展注入動力。人力資源部亦會與離職員工進行面談，了解同事離職的原因，從而不斷優化集團的人才管理系統。

implemented a Referral Reward Scheme, which rewards staff with a bonus if we hire a back-office applicant they have recommended. This arrangement helps us to cast a wider net to bring in talent. We also endeavour to create a family-friendly working environment. Thus, our mandatory provident fund (MPF) contribution is higher than required by regulations; our medical benefits also extend to employees' family members; our employees are entitled to a free check-up once a year; and, besides offering annual vacation, maternity leave, compassionate leave, examination leave and flexible working hours beyond the minimum prescribed by law, since January 2019, we have also increased paid paternity leave from the statutory five days to seven days, to lend support to new fathers in taking care of their families; we have recently launched paid birthday leave, so employees can celebrate their special day with their families. We also organise "Family Visit Day", so employees' family members can have a better understanding of employees' daily work.

In our continuous pursuit of excellence, we require all employees to undergo a performance appraisal at least once a year at which the key indices include demonstration of the "TIDE" core values, work performance, management competence and ethical behaviour. The result of the performance appraisal is tied to employees' pay adjustment and bonus ratio, while employees' opinions can help management identify opportunities for training that can inject fresh momentum into employees' career development. The Human Resources Department conducts exit interviews with resigning employees to understand their reasons for resigning, so the Group's talent management system can be optimised.



集團推廣工作與生活平衡，於香港總部舉行「家庭參觀日」，讓員工家屬加深了解同事平日的工作。

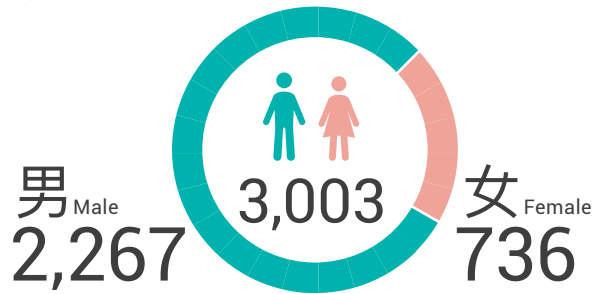
In promoting a healthy work-life balance, the Group organises "Family Visit Day" at its Hong Kong headquarters, so employees' family members can have a better understanding of employees' daily work.



集團總員工人數為3,003⁴人，其中81人為香港僱員，其餘均為內地僱員。詳細分佈如下：

The Group had a total headcount of 3,003⁴, of which 81 were Hong Kong employees and the rest were all from Mainland China. The detailed distribution was as follows:

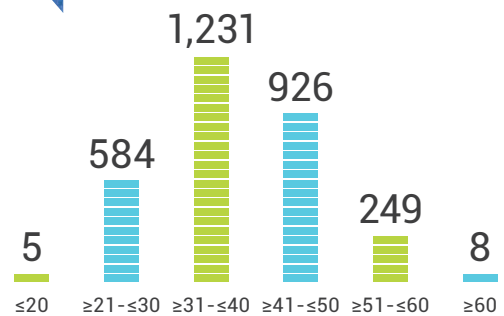
總員工人數 Total No. of Employees



僱傭類型 Employment Type

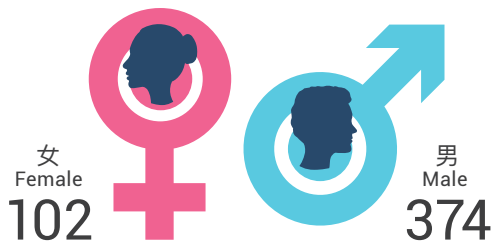


年齡組別 Age Group

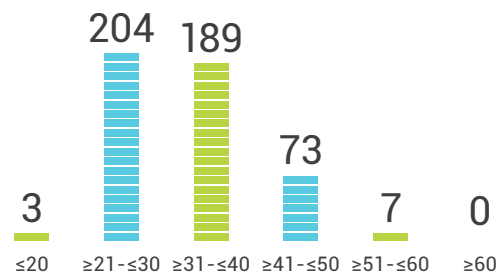


僱員流失比率為16%⁵，詳細分佈如下：

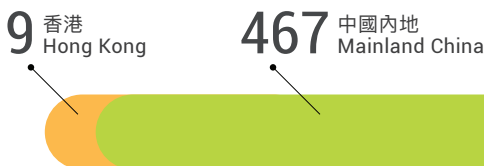
Employee turnover rate was 16%⁵. The detailed distribution was as follows:



年齡組別 Age Group



地區 Region



⁴ 於二零一八年十二月三十一日，包括集團所有員工總數。

⁵ 僱員流失率為截至二零一八年十二月三十一日止年度內自辭員工人數與於二零一八年十二月三十一日員工總數的比率。

⁴ As at 31 December 2018, inclusive of all employees in the Group.

⁵ Employee turnover rate is calculated as the ratio of the number of employees leaving on their own accord during the year ended 31 December 2018 to the total number of employees of the Group as at 31 December 2018.



供應鏈的長遠價值 Long-term Values in Supply Chains

集團的生產及銷售有賴各個範疇上的持份者支持，尤以供應商及分銷商至關重要，他們佔集團的業務夥伴最大部分，彼此間的合作關係既廣且深。集團的供應商大致分類為原材料採購、機械設備、建築工程、資訊科技及貨物運輸。我們確保供應商遵守集團所列明的嚴格標準，包括於法規遵循、生產及品質管理、勞工守則和環境保護等方針，以妥善管理供應商的社會及環保績效。

子集團年內與**1,413¹**個供應商合作，
其中超過**95%**的供應商為營運地點的本地供應商，以減低運輸所產生的碳排放。

In the reporting year, our subsidiaries worked with **1,413¹** suppliers, of which over **95%** were local to the operations they served, thus minimising carbon emissions from transport.

¹ 數據包括塗料及油墨業務。
The data include the coatings and inks businesses.

供應商管理

子集團設立採購部，就業務性質根據既定程序對供應商進行管理及監察。子集團設有合格供應商名單，採購部會就供應商性質，與不同部門合作作出年度評審、定期評審及個別項目評審。基於化工原料涉及安全及環境風險，集團對於原材料供應商有更嚴格的要求，例如評估供應商於運送過程的保護措施。員工只可選用合格名單上的供應商，並就他們的往績評估決定採用的優先次序。這政策亦有利集團與優秀供應商維持長期而穩定的合作關係。子集團就公司最新政策或國家法規與供應商緊密聯繫，並定期對化工原料供應商就有害物質進行講解，從而鼓勵供應商為有害物質處理建立管控系統，保證產品品質。

除質量檢測，供應商有否履行社會責任也是年度評審的評分標準。如果供應商未達到合格分數而經過警告後仍未見改善，集團有可能會對其終止採購。子集團會每年更新名單，因此供應商要經過每年最少一次的年度評審。子集團亦會抽樣實地考察供應商，其中塗料及油墨業務於年內共進行了九次相關評估。

Supplier Management

The Procurement Department within each subsidiary manages and monitors its suppliers according to established procedures and the nature of their respective business. Each subsidiary has a list of qualified suppliers, and the Procurement Department conducts annual assessments, regular assessments and individual-item assessments of these suppliers. These assessments are conducted jointly with relevant departments according to the nature of the suppliers concerned. Safety and environmental risks are acute concerns regarding chemical raw materials, so the Group imposes more stringent requirements on suppliers of these materials, such as evaluating protective measures taken during shipment to us. Our staff can only engage partners from their list of qualified suppliers, and take into account the track record of each supplier when deciding which to use. This policy ensures consistent high quality and also enables the Group to establish a long-term, stable relationship with the most outstanding suppliers. Our subsidiaries communicate closely with their suppliers on the latest corporate policies, national laws and regulations. They also host periodic talks on hazardous substances for chemical raw material suppliers; this encourages them to set up management and control systems for the handling of hazardous substances, thereby ensuring product quality.

In addition to quality inspection and testing, suppliers are also rated on whether they have undertaken social responsibility in annual assessments. Any supplier that has failed to obtain a qualifying score and has not shown any improvement after being given a warning faces being de-listed as an approved supplier of the Group. Supplier lists are updated annually, so each supplier has to undergo at least one assessment every year. Each subsidiary pays on-site visits to its suppliers, determined by random sampling. In the reporting year, the coatings and inks divisions have carried out nine on-site assessments.



供應商 實地評估的 主要範疇

Main Aspects of On-site Supplier Assessments

1 環境、安全、
職業健康表現
Environmental, safety
and occupational
health performance

2 原材料檢驗管理
Raw material
inspection and testing
management

3 倉庫管理
Warehouse
management

4 設備及儀器管理
Equipment and
instrument
management

5 供應商的
甄選和評估
Selection and
assessment of
suppliers

6 生產過程管理
Production
process
management

7 產品品質和安全
Product quality
and safety

8 不合格產品管理
Non-conforming
product management

9 產品的追溯性
Product traceability

10 客戶投訴處理
Handling of
customer complaints

11 內部培訓
In-house training

確保供應鏈廉潔奉公

集團要求供應商恪守嚴謹的道德標準。在品質及社會責任的監控以外，集團亦秉持廉潔奉公的精神，絕不容忍業務夥伴進行貪污及賄賂。與供應商簽訂合作協議時，子集團須訂明一份廉潔聲明或承諾書，詳細列明不可接受的利益收受行為、違反規定的後果，以及申訴機制讓供應商有例可循。有關承諾書亦會列出申訴處理人的姓名及聯絡方法，讓集團及投訴人也可追蹤調查進度。子集團會作出突擊檢查以確保供應商及內部員工的道德行為合法合理。

集團深信透過完善的供應商管理系統，能有效抑制貪污活動。年內塗料及油墨業務並沒有供應商因違反上述聲明及承諾而接受警告或需要取消合作；亦沒有涉及賄賂或欺詐的訴訟。

A Law-abiding Supply Chain

The Group requires its suppliers to adhere to strict ethical standards. In addition to monitoring suppliers' quality and the undertaking of social responsibility, the Group also insists on integrity, and has zero-tolerance towards corruption and bribery by its business partners. When entering into a cooperation agreement with a supplier, subsidiaries require suppliers to make a probity declaration or sign a letter of undertaking; these clearly set out prohibited behaviour regarding accepting benefits. The declaration also details the consequences of any violation, and a whistleblowing mechanism. The name and contact information of the personnel handling complaints are stated in the declaration, so investigations can be tracked. Subsidiaries conduct unscheduled checks to ensure that suppliers and internal staff behave ethically and lawfully.

The Group believes that corruption can be effectively inhibited through the implementation of a robust supplier management system. In the reporting year, no supplier of the coatings and inks business was warned or disqualified for violating anti-bribery declarations or undertakings, nor was there any litigation involving bribery or fraud.



顧客的長遠價值 Long-term Values in Customers

葉氏化工的產品種類及用途廣泛，例如食品包裝用的油墨以至家居牆身及傢俱塗料等，都與日常生活息息相關，而且屬於耐用品，使用時間長久。因此，集團及其持份者十分關注產品安全及健康，而這亦是集團在產品責任範疇上的重要議題之一。集團透過高新技術、嚴格監控及產品認證三管齊下，堅持追求卓越品質，對客戶及消費者作出承擔。

產品質量管理

集團旗下的子公司均獲得ISO 9001質量管理體系認證，並實行企業資源規劃系統(「ERP」)以管理生產過程效益及確保材料使用的精準度，減低人為錯誤或資源浪費。塗料業務在生產至施工每個階段都進行多重的品質檢測，確保塗料產品安全耐用。其更成功獲得多項品質認可，包括中國環境標誌產品認證、中國國家強制性產品認證、中國船級社認證、美國產品安全UL認證、法國VOC A+認證及美國綠色衛士金級認證等。

油墨業務是中國首批引入QC 080000有害物質管理體系的化工企業，並透過建立有害物質管控數據庫及法規庫，控制產品中的重金屬及有機化合物等超過40種物質以符合歐盟、美國及日本等國家、地區的相關產品標準和環保標準，並不斷提升產品安全評估和風險管控能力。廠房採用無苯車間及管道化生產模式，以自控系統並連接ERP系統作全方位的生產過程監控。單張紙油墨產品通過美國大豆協會認可，授權使用大豆油墨標籤。

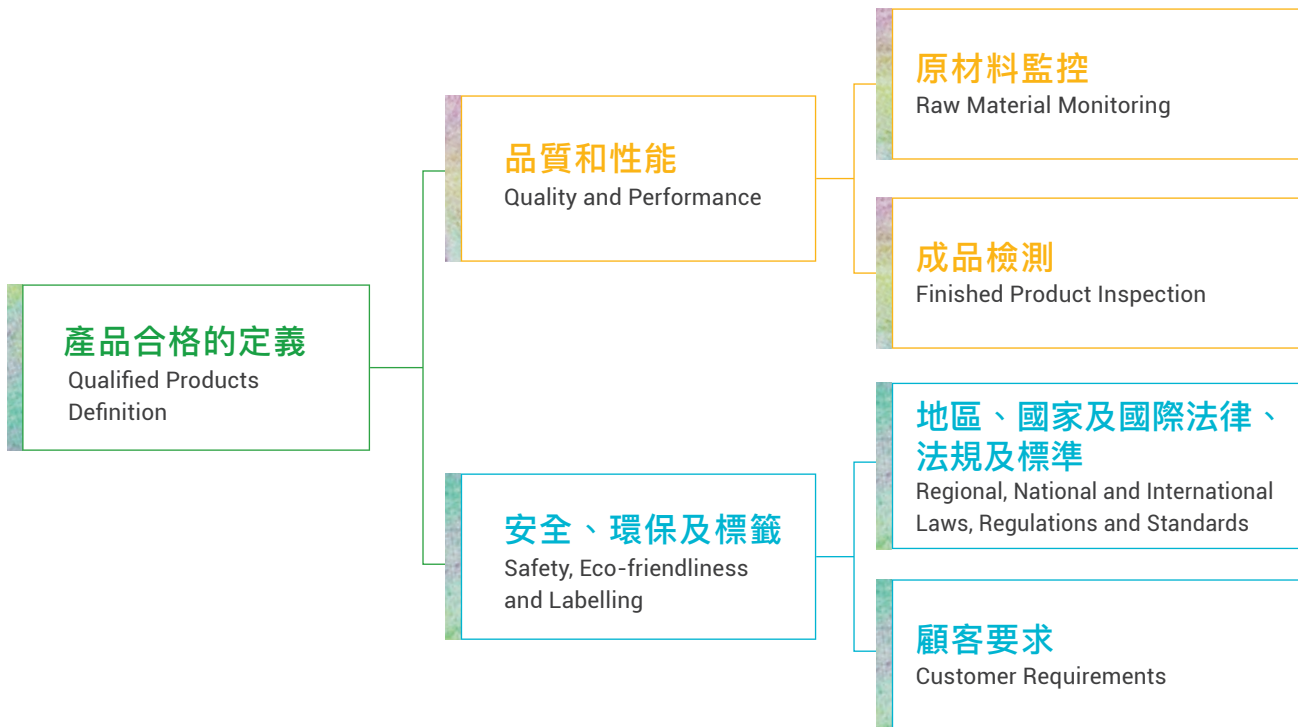
Yip's Chemical's product range is extensive, with many applications. It includes printing inks for food packages, household wall coatings and furniture coatings, all of which play an integral role in our daily lives over a long period of time. The Group and its stakeholders therefore see product safety and customer health as their highest priority, which is also one of the important issues under the area of product responsibility. We achieve product safety by taking a three-pronged approach, using innovative technology, stringent monitoring and product certification, to deliver optimum levels of safety and fulfil the Group's commitment to product excellence for clients and consumers.

Product Quality Management

Our subsidiaries are all ISO 9001 certified for their respective quality management systems, and they implement Enterprise Resource Planning ("ERP") system to manage the efficiency of their production processes and ensure the precise usage of materials to reduce the risk of errors and wastage. In the coatings business, to ensure the safety and durability of its coating products, multiple quality inspections are conducted during each of the production and application stages. This involves recognition from a range of standards organisations, including China Environmental Labelling Product Certification, China Compulsory Product Certification, China Classification Society Certification, American UL Product Safety Certification, French VOC A+ Certification, and American GREENGUARD Gold Certification, etc.

The Group's inks business is among the first chemical enterprises in Mainland China to adopt the QC 080000 Hazardous Substances Process Management system. By setting up a control database and a regulation database for hazardous substances, the Group's inks division controls more than 40 substances, such as heavy metals and organic compounds, to comply with product and environmental standards in countries and regions including the EU, the US and Japan. In addition, it is continuously enhancing its capabilities regarding product safety evaluation and risk control. The plants adopt fully pipelined manufacturing in benzene-free production conditions, while control systems are automatic and linked to an ERP system for comprehensive production process monitoring. Sheet-fed ink products have been approved by the American Soybean Association to use the SoySeal symbol.





安全及品質監控

除電腦化生產過程，品質管理還包括原材料及成品監控。專業質檢員會對原材料的來貨資料和品質檢驗報告進行核對，再根據ERP系統的技術指標抽樣檢測；或者進行原料同步檢驗——即與供應商共同制訂檢測指標，雙方均對原料作獨立檢測再對比兩邊的檢測報告。除對原材料進行檢驗外，相關部門同時也會對生產過程進行監督，其中包括檢測生產過程所使用的輔料、設備、工具和包裝容器等，以確保生產過程不受污染。

成品檢測是產品質量最重要的把關，主要由品質部及生產部負責。技術系統會就不同產品提出相應「品控指標」，作為相關部門的檢測根據。例如塗料產品會測試外牆塗料耐用度，是否通過紫外光加速試驗或加速曝曬和雨淋測評，其次會同步做戶外南45度角曝曬測試，主要評估漆膜變色、失光、粉化、脫落等耐久性指標。

Safety and Quality Monitoring

In addition to using computerised production processes, the Group also assures quality by monitoring raw materials and finished products. Professional inspection personnel check the information about incoming raw materials against quality testing reports, and carry out inspections and testing of random samples according to the technical specifications shown in the ERP system. Inspection and testing may be carried out simultaneously, using indicators jointly developed with suppliers. After both parties independently inspect and test raw materials, their reports are compared. Supervision extends to production processes, including the inspection and testing of auxiliaries, equipment, tools and packaging containers used during production to ensure there is no contamination.

Inspection and testing of finished products is the most important product quality control point, and is the responsibility of the Quality Department and Production Department. Respective "quality control indicators" for different products will form the basis in inspection and testing by related departments. For coating products, for instance, the durability of outer-wall coatings is evaluated by subjecting it to either UV-accelerated testing or accelerated sunlight exposure and rain-damage testing. Simultaneously, a sunlight exposure test is carried out by putting a surface coated with the product outdoor and inclining the surface at a 45° angle facing south. Durability indicators such as a change in colour, loss in lustre, pulverisation and peeling off of coating film are assessed.





顧客的長遠價值

Long-term Values in Customers

如果產品質量出現重大問題而需要回收，業務亦設有產品回收指引，並必須由質檢部提出申請以啟動程序，確保產品召回為管理層知悉，以進一步採取必要的糾正和預防措施，以防止同類事件再次發生。年內塗料及油墨業務並無因產品安全問題導致產品召回的個案。

塗料和油墨工廠先後建立三家中國合格評定國家認可委員會(CNAS)認可的檢測實驗室，提供產品安全和品質檢測的專業服務，由CNAS認可的檢測結果和報告獲多個國家和地區認可。塗料業務位於惠陽的實驗室除CNAS外，亦獲國際實驗室認證聯盟(ILAC-MRA)認證。

If there is a serious problem in product quality that requires a product recall, there are guidelines in place for this. A recall must be initiated by the Quality Department to ensure that management is informed and they can take corrective and preventive measures to prevent the problem recurring. There was no safety-related recall for the coatings and inks businesses in the reporting year.

The coatings and inks divisions have set up three testing laboratories accredited by the China National Accreditation Service for Conformity Assessment ("CNAS"). These laboratories provide professional services in testing the safety and quality of products, and CNAS-recognised testing results and reports are recognised by many countries and regions. The coating division's testing laboratory in the Huiyang plant is accredited by both CNAS and the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement (ILAC-MRA).



塗料和油墨工廠先後建立三家CNAS認可的檢測實驗室，提供產品安全和品質檢測的專業服務。

The three CNAS-accredited testing laboratories established by the coatings and inks divisions provide professional services in testing product safety and quality.

兒童漆品質的三重考驗

Three-step Testing of Child-safe Paints

第一重
Step 1

基礎性能測試 — 遮蓋力、耐洗刷性、乾燥時間、施工性、耐冷熱循環性等。
Demonstration of basic properties: Hiding properties, scrubbing resistance, time required for coating film to dry, workability, cold and heat resistance, etc.

第二重
Step 2

特殊性能測試 — 防霉性能、抗菌性能、淨化甲醛性能、耐污漬性能等。
Demonstration of special properties: Mildew resistance, anti-bacterial properties, purification of formaldehyde abatement functionality, stain resistance, etc.

第三重
Step 3

安健環指標測試 — VOC含量、甲醛及重金屬含量等。
Testing with respect to HSE indicators: Testing for VOC, formaldehyde abatement and heavy metal content, etc.

至誠服務

集團努力不懈提升產品及服務，而且不斷完善顧客反饋的渠道以作出相應改善。塗料及油墨業務設有清晰的顧客申訴機制及處理模式，以確保顧客的意見得到妥善處理。年內塗料及油墨業務有關質量投訴率分別為0.18%及1.43%，兩個業務均沒有發生違反有關健康與安全、廣告及標籤條例而對業務有重大影響的紀錄。

Heartfelt Services

The Group constantly seeks ways to improve its products and services and makes regular refinements to customer feedback channels so we can respond swiftly to users' evolving needs. To ensure that customer feedback is properly handled, a clear-cut customer grievance mechanism and complaint-handling procedures are in place in the coatings and inks divisions. In the reporting year, the rates of quality-related complaints in these two divisions were 0.18% and 1.43% respectively, and there was no violation of health, safety, advertising and labelling regulations that led to substantial impact on our businesses.





處理投訴程序

Complaint Handling Procedures

1

接收投訴
Receiving complaints

業務官方網頁均列出聯絡方法，並各自設有指定部門處理客戶投訴。由於塗料業務包括零售性質，回饋方法亦會印在油漆罐上，消費者可親自到經銷商或紫荊花漆辦事處使用紫荊花漆產品投訴系統，以便查詢。油墨業務客戶為印刷工廠或代理商，客戶會通過信函或向營業代表投訴。

Every business segment has a designated department to handle any customer complaints, and their contact information is available on their website. Since the coatings business involves retailing, the corresponding information is also printed on paint cans. Consumers may go in person to a distributor's store or to one of Bauhinia's sales offices to lodge complaints via the Bauhinia product complaint system. Clients of the inks business are either printing houses or agents, so they can lodge any complaints by letter or via sales representatives.

2

初步評估
Initial assessment

處理部門會先評估有關投訴是否成立，以及投訴內容是與產品質量還是服務相關。如投訴不成立需回應客戶；投訴成立則按分類及內部指引交給相關部門跟進。

The department in charge of customer complaints first assesses whether a complaint is valid and whether it is related to product quality or services. The customer is informed if the complaint is deemed invalid, and valid complaints are followed up by the relevant department according to the complaint classification and internal guidelines.

3

調查及改善
Investigation and improvement

負責部門需於指定時間內查找問題所在，並擬定改善措施。檔案將儲存於ERP系統或投訴系統以作日後參考。

The responsible department has to identify the root cause of the problem and come up with improvement measures within a specified period. It is then recorded in the ERP system or complaint-handling system for future reference.

4

回應顧客
Feedback to customers

投訴處理完成後需向客戶報告跟進結果，並了解客戶的滿意度。如過程涉及退貨或賠償，業務亦各自設有內部指引，並可按此執行。

After a complaint is processed, the customer is informed of the result and their level of satisfaction is noted. The return of goods and payment of compensation, if appropriate, follow each business segment's related internal guidelines.

基於集團業務性質，以上程序僅需要客戶少量個人資料(如名字及送貨地址)，而客戶多為公司客戶及經銷商，因此私隱事宜並非集團的重大關聯事宜。
Due to the nature of the Group's businesses, the above procedures require customers to provide only minimal personal data (such as their name and delivery address). Customers are mainly corporate clients and distributors. Personal privacy is not, therefore, a material issue for the Group.



社區的長遠價值

Long-term Values in Communities

集團一直本著「取諸社會，用諸社會」的理念回饋社會，集團承諾肩負企業社會責任，在發展業務的同時，亦不忘善用資源，連繫各界持份者，策略性地投放社會資本，為社會創造共同價值。

集團設有「社區投資、贊助及捐贈政策」，為篩選社區投資項目提供指引，子公司可根據營運所在地的社區需要選擇合適項目，由集團指定部門監察運作。作為化工行業，集團的持份者普遍認為環保是集團的重要可持續發展議題。因此，集團的策略性社區投資項目針對「環境保護」及「弱勢社群」兩大方向，並且積極發展相關的義工活動。集團於二零一一年成立「葉氏化工義工隊」，鼓勵員工參與公益事務，加強集團、員工及社會之間的身心連繫，實踐集團及社區的可持續發展。

The Group has a long-standing commitment to playing a key role in society, based on the premise that the business is built "from the community, and for the community". As it delivers on its pledge to fulfill corporate social responsibility, the Group makes full use of available resources and works with community partners and a range of stakeholders to bring to life our shared community values.

The Group's Policy on Community Investment, Sponsorships and Donations provides guidelines on the selection of community projects in which to invest. The Group's subsidiaries can choose suitable projects according to the needs of the communities in which they operate, and these projects are monitored by a department designated by the Group. As a chemical industry player, our stakeholders generally acknowledge that environmental protection is an important sustainable development issue of the Group. The Group's strategic community investment projects therefore focus on "environmental protection" and "underprivileged groups". Volunteering activities, supported by "Yip's Chemical Volunteers" founded in 2011 to encourage employee participation in social welfare activities, are aligned with these two issues as the Group works to foster connections with staff and local communities in pursuit of sustainable development.

社區投資、贊助及捐贈方向

Guidelines on Community Investment, Sponsorships and Donations



集團分別舉辦長期及短期的社區投資項目

The Group runs both long-term and short-term community investment projects

長期計劃 Long-term Projects

長期計劃有助深入解決社會議題，甚至為社會帶來長遠改變。

The long-term projects allow the Group to tackle social issues, and bring about far-reaching change for the society.

短期計劃 Short-term Projects

短期計劃能夠關注各類社會議題，從而發掘更多回饋社會的機會。

The short-term projects allow the Group to address various social issues, and explore more opportunities to contribute to the society.



流動眼科手術車捐贈計劃

由於集團的業務遍佈內地各省，當中部分城市的鄉鎮仍未全面發展，積存了不少社會問題。集團早年進入國內市場時已注意到部分地區存在大量白內障眼疾患者。由於病人普遍行動不便、自理能力較低，因此無法及時就醫。集團遂於二零一零年與亞洲防盲基金會及中國殘疾人聯合會共同發起旗艦項目——「流動眼科手術車捐贈計劃」，透過捐贈多架配備先進眼科手術儀器的流動手術車，幫助國內的白內障患者重見光明，重拾生活與勞動技能。每部手術車的建造費連眼科手術儀器價值超過250萬港元，配合專業的醫療團隊，從前期篩查、手術至後續會診，提供全面服務。集團已合共捐贈九部手術車分別予江蘇省、山東省、內蒙古自治區、雲南省、黑龍江省、山西省、湖南省、河北省及貴州省，捐贈金額總值超過2,200萬港元。

Mobile Eye Surgery Centre Donation Programme

The Group's businesses span many provinces in Mainland China; some of the townships it works in are not yet fully developed and many societal problems remain unsolved. As it expanded into Mainland markets in its early years, the Group became concerned about the high number of cataract sufferers in these regions. The people affected were usually immobile and had little ability to seek timely medical care. This is why, in 2010, the Group launched its flagship "Mobile Eye Surgery Centre Donation Programme" in collaboration with the Asian Foundation for the Prevention of Blindness and the China Disabled Persons' Federation. The Group has donated several mobile eye surgery centres, equipped with advanced ophthalmological surgery equipment. The programme works to restore the vision of cataract patients in remote parts of Mainland China, so they can regain their quality of life and their ability to do meaningful work. Each mobile centre costs over HK\$2.5 million to build and equip. Staffed by a team of professional medical personnel, the centres can offer a comprehensive range of services, including initial screening, surgery and follow-up consultations. So far, the Group has donated nine mobile centres to Jiangsu, Shandong, Inner Mongolia, Yunnan, Heilongjiang, Shanxi, Hunan, Hebei and Guizhou. This represents over HK\$22 million in total donations.



流動眼科手術車捐贈計劃自二零一零年推行至今，已有**九**部手術車在國內不同省份運作，為超過**108,000**名白內障患者提供手術。



Since the inception of the mobile eye surgery centre donation project in 2010, **9** mobile centres have been running in different provinces in Mainland China, and more than **108,000** cataract patients have undergone treatment.

「葉氏化工義工隊」每年會到訪受贈省份進行探訪活動，讓更多員工了解手術車成效及項目對當地的貢獻；另一方面，國內及香港同事亦可藉此了解白內障患者需要，讓手術車項目能更有效服務患者。年內，19位義工到訪山東省進行白內障預防教育、白內障患者及康復者探訪。子公司亦動員其他持份者如經銷商參與手術車相關的義工活動。

Every year, "Yip's Chemical Volunteers" visit a recipient province, so growing numbers of our employees can understand the benefits of the mobile centres and the contribution that the donation programme is making to the local communities. Employees from Mainland China and Hong Kong use these trips to better understand the needs of the cataract patients, and this, in turn, allows the service to be optimised to better serve patients. In the reporting year, 19 volunteers went to Shandong to give cataract prevention education, and visit cataract patients and those in recovery. Our subsidiaries have called on other stakeholders, such as distributors, encouraging them to join volunteering activities related to the mobile surgery units.





社區的長遠價值
Long-term Values in Communities



集團管理層慰問手術後的白內障患者，共同感受復明一刻的喜悅。
The Group's management cares for the cataract patients after the surgery and shares the joy of saving sight.



集團的企業義工每年會到訪受贈省份進行探訪活動，藉此了解手術車項目的運作。
Every year, corporate volunteers visit a province that is home to a mobile surgery centre, so they can see for themselves the impact of the donation project on people's lives.

集藝術、環保及共融的社區活動

葉氏化工的社區投資項目除了向受助人提供即時的生活支援，相關項目亦能夠促進共融，鼓勵人才發展，有助建構可持續發展的社區。集團於二零一八年夥拍聖雅各福群會及「黑暗劇場」合辦「好『融』『義』綠色社區劇場」，支持退休人士演出舞台劇，重新接觸和適應社會。一班退休人士及企業義工在視障導師的指導下參與演出及故事創作，透過戲劇提醒市民在節日慶祝時，切勿過度消費，造成浪費。過程中，各個單位充份發揮團隊及傷健共融精神。參加者於年內到訪樂善堂梁詠瑤書院、匡智翠林晨崗學校及荷李活道公園，分別為中學生、特殊教育學生及上環街坊演出，並且與觀眾互動，啟發彼此對綠色生活的見解。

Community Activities Linking Art, the Environment and Inclusivity

Yip's Chemical's investments in community projects are designed to offer timely livelihood support to people in need, as well as to foster inclusiveness, promote personal development and help nurture sustainable communities. In 2018, the Group partnered with St. James' Settlement and "Theatre in the Dark" in organising an "Inclusive Voluntary Green Community Theatre" to encourage retirees to participate in drama performances as a way to reconnect with society. Under the guidance of a visually impaired instructor, a group of retirees and corporate volunteers participated in both acting and scriptwriting. Through their drama plays, they reminded the public not to indulge in excessive consumption during festivals and celebrations, and the importance of reducing waste. In the process, everyone drew on their team spirit and demonstrated their desire to build an inclusive society. Throughout the reporting year, participants performed at Lok Sin Tong Leung Kau Kui College, Hong Chi Morninghill School, Tsui Lam and in Hollywood Road Park. After each performance, participants chatted with audience members about green living.



社區的長遠價值

Long-term Values in Communities



劇場接觸人次：

Number of persons connected:

近 **300** 人

培訓及綵排時數：

Number of training and rehearsal hours:

逾 **100** 小時

Over **100** hours

「葉氏化工義工隊」自二零一一年九月成立以來

Since "Yip's Chemical Volunteers" was founded in September 2011



累積服務小時
Hours of Service

7,819



義工人次
Number of Volunteers

1,434



其他愛心活動

葉氏化工亦積極支持由非牟利機構主辦的「海鷗助學計劃」，為計劃中受助的大學生提供暑期工作實習的機會。於二零一八年，集團安排了16名「海鷗助學計劃」中的大學生在子公司位於浙江桐鄉的廠房進行為期一個月的工作實習。每位實習生都得到實習報酬，集團亦為這些實習生提供免費膳食，員工宿舍住宿及交通。

Other Caring Activities

Yip's Chemical also supports the "Seagull Scholarship Programme", organised by a non-profit organisation, by offering summer internships to undergraduates. In 2018, 16 undergraduates in the programme participated in a one-month internship at the Group's plant in Tongxiang, Zhejiang. Interns were paid for their time, and were fully sponsored for their meals, accommodation and transport expenses.





環境的長遠價值

Long-term Values in the Environment

「環保化」是集團三大核心發展方向之一，因此我們一直以來也積極推動環保管理，與員工及供應商緊密合作，實踐清潔生產，集中在氣體排放、能源使用、廢棄物處置及排污方面落實不同舉措，同時研發一系列綠色產品進軍不同市場，為消費者建設更美好的生活環境。我們決心於業務投資資本性開支及各項技術，一方面提高營運效益，另一方面把從生產到產品使用對環境的影響減至最低。

完善的環境管理

集團設有完善體制監督環保事宜，董事會旗下安委會負責制定環保策略及監察相關風險，並由安環部負責日常執行具體措施及監控進度。我們在整個生產過程均對環保考慮周詳：從建廠選址佈局盡力平衡生態發展；進行環境風險評估，確保廠房長遠運作；製作過程減少耗費、排放及污染；以至向顧客提供符合環保安全規格的产品，足見我們對環境的承擔。由於集團業務生產模式及營運地不同，而各地均有所屬環保標準，因此廠房會按當地規管情況實行環保措施。

我們的生產線高度重視環保品質。位於惠州、中山、上海及桐鄉的廠房均獲ISO 14001環境管理體系認證證書，而多個產品也獲「十環」中國環境標誌產品認證，充分體現我們對環境保護的承諾。

節能減排

處理化工原料及生產時無可避免會釋放VOC。集團一直以來也有正視這項排放物，並配合當地政府的法例法規，盡量減低此對環境造成的污染。我們針對不同排放口定期進行檢測，以確保排放量維持在國家對塗料及油墨行業的大氣污染物的排放標準。一如去年的匯報所闡述，位於上海金山的塗料廠房於去年完成VOC

Becoming “environmentally friendly” is part of the Group’s three-pronged approach to development. We have, therefore, always been proactive in promoting environmental management; working closely with our employees and suppliers to put clean production strategy into practice; and focusing on optimising our handling of emissions, energy consumption, waste disposal and sewage discharge. We are developing a range of green products to help build a better living environment for consumers. We are determined to invest in capital expenditure and technology to improve our operational efficiency and minimise our impact on the environment, all the way from production to product usage.

Prudent Environmental Management

The Group has a robust system for overseeing environmental matters: the HSE Committee under the Board is responsible for setting environmental policies and monitoring related risks, while the HSE Department is charged with executing specific tasks on a daily basis and monitoring progress. We pay meticulous attention to every aspect of our production processes. The location and layout of our plants are planned with balanced ecological development front of mind. As further proof of our commitment to the environment, we strive to reduce wastage, emissions and pollution throughout our production processes; we offer our customers products that conform to environmental safety standards. Due to the different production processes and locations of our business units, we implement environmental measures in accordance with local regulatory requirements.

In our production lines, we give prime consideration to environmental quality. The environmental management systems in our plants in Huizhou, Zhongshan, Shanghai and Tongxiang have all been ISO 14001 certified, while a number of our products have qualified for China Environmental Labelling. These achievements are testament to our commitment to environmental protection.

Energy Saving and Emission Reduction

The release of VOC is inevitable when handling chemical raw materials and during our production processes. We have always been careful in dealing with VOC emissions in accordance with local government laws and regulations, and we are working hard to reduce the impact of VOC emissions to the environment. We conduct regular detection tests at emission points to ensure that emission levels meet the national atmospheric pollutant emission standards set for the coatings and inks industries. As reported last year, a VOC improvement project was carried



整改工程，大型VOC處理裝置已全面運作，因此本年度的VOC排放量較去年下跌60%。另一方面，位於中山的油墨廠房亦已於二零一八年完成安裝VOC處理裝置，而該裝置現正進行試運行。

大型VOC處理裝置使用的沸石轉輪吸附濃縮及蓄熱式氧化爐(RTO)處理工藝能將脫附出來的VOC加熱至超過攝氏800度至VOC完全燃燒分解，當中，RTO利用天然氣進行燃燒，以減少污染物排放。有見及此，本年度的天然氣用量較去年大幅增加。同時，我們再利用RTO的餘熱，用於沸石轉輪廢氣脫附，以及對進爐廢氣進行預熱，因而有助節省加熱能源及提高處理的穩定性及效率。

集團旗下溶劑廠房亦逐步採用天然氣取代煤作為燃料，以減少排放，達致更環保的生產環境。

out in our coatings plant in Jinshan, Shanghai, and now the large VOC treatment devices are fully operational. Consequently, our VOC emission level in 2018 was 60% lower than the previous year. Moreover, in our inks plant in Zhongshan, installation of VOC treatment devices was completed in 2018 and the devices are now being trialed.

The large VOC treatment devices use the zeolite rotor concentrator and regenerative thermal oxidizer ("RTO") technology to heat desorbed VOC to above 800°C until the VOC decomposes completely. Natural gas is used to fuel the RTO, to minimise pollutant emissions. For this reason, the amount of natural gas used in 2018 was significantly higher than in the previous year. Since we reuse the heat retained in the RTO during the process of desorption in the zeolite rotor concentrator and also in pre-heating incoming exhaust gas, energy for heating is economised and treatment stability and efficiency are enhanced.

The Group's solvents plants are gradually replacing the use of coal with natural gas as a fuel, to minimise emissions and achieve a more eco-friendly production environment.



VOC排放量較去年下降
VOC emission level was ↓ 60% lower than last year



上海塗料廠房大型VOC處理裝置已全面運作。
The large VOC treatment devices in Shanghai coatings plant are fully operational.



中山塗料廠房的VOC處理裝置現正進行試運行。
The VOC treatment devices in Zhongshan inks plant are now being trialed.



環境的長遠價值

Long-term Values in the Environment

集團在現有基礎下，探討各個可行方案節省能源。中山油墨廠於年內為全廠更換LED照明系統共661組，其防水及防爆等安全性能配合廠房日常營運。由於我們採用了優質的大功率LED晶片，光效更高，壽命更長，增加了環保效益。項目完成後節電率達到58%，令中山油墨廠每年可節省用電量約300,000千瓦時，同時降低生產成本。項目更獲香港工業總會主辦的「中銀香港企業環保領先大獎2018」選為環保傑出夥伴，反映集團對持續節省能源的決心。

自二零一八年一月起，《中華人民共和國環境保護稅法》（「環保稅」）正式實施，在全國對大氣污染物、水污染物、固體廢物和噪音等四大類污染物，共117種主要污染因子進行徵稅，實際稅收按公司的業務性質及排放量而定。集團各廠房一向嚴格根據當地政府的標準監控排放量，並按政府指引繳納環保稅。我們會密切留意稅法的更新及要求，確保業務合法合規，同時努力完善節能減排及廢物防治方案。

集團首個綠色金融項目

集團過去一直與員工及供應鏈夥伴合力提升整個生產週期的環保表現，務求為低碳未來出一分力。於二零一八年，我們獲香港滙豐銀行批出一筆為期四年的2.5億港元綠色貸款，為旗下廠房的環保基建工程進行融資。於二零一八年十二月三十一日，集團已提取當中1.5億港元進行相關工程，並已於二零一九年第二季提取餘下1億港元。該綠色貸款是根據集團《2018年綠色融資框架書》訂定，而該框架書已獲得香港品質保證局認證及頒發綠色金融發行前證書。於二零一九年三月二十五日，葉氏化工成為香港13家首批獲發綠色金融認證（貸款）的企業之一。

我們根據上述框架制定了一套準則，並設立了「綠色金融工作小組」，向集團的高層領導團隊建議合資格項目予以審批。有關項目必須符合既定指標，包括能源效益標準，配合科技以節省能源及原材料耗用；減低污染物及VOC排放。

The Group is also studying various feasible energy conservation solutions on the current situation. In the reporting year, our Zhongshan inks plant upgraded all 661 sets of metal halide lamps, replacing them with LED lamps that are waterproof and explosion-proof and therefore more suitable for daily plant use. Since high-power LED chips are used in these new lighting sets, they provide higher luminous efficacy and have a longer product lifespan, bringing additional environmental benefits. Upon completion of the upgrade, a 58% energy saving was achieved, which equates to a reduction of around 300,000 kWh of electricity, and a lowering of production costs. Our commitment to saving energy at our Zhongshan inks plant has earned us "EcoPartner" status at the BOCHK Corporate Environmental Leadership Awards 2018, held by the Federation of Hong Kong Industries.

Under the Environmental Protection Tax Law of the People's Republic of China ("environmental protection tax"), which came into effect in January 2018, tax is levied on four major categories of pollutants – atmospheric pollutants, water pollutants, solid wastes and noise – covering 117 common types of pollution. The actual amount of tax levied varies according to the nature of the business a company is in and the level of emissions. Our plants have always been controlling emissions in strict compliance with local government standards, and paying environmental protection tax according to government guidance. We are paying close attention to updates and requirements of this tax law to ensure our full compliance. At the same time, we are striving to improve our energy conservation, reduce emissions and prevent waste.

The Group's First Green Finance Project

The Group has always collaborated with employees and supply chain partners to enhance the environmental performance of the whole production cycle as a way to contribute towards a low-carbon future. In 2018, we were granted a HK\$250 million, four-year green loan by HSBC Hong Kong to fund the construction of environmental infrastructure at our plants. As of 31 December 2018, HK\$150 million of this loan had been utilised, and we drew the remaining HK\$100 million in the second quarter of 2019. This loan was structured in accordance with the Group's 2018 Green Loan Framework, which has been certified by the Hong Kong Quality Assurance Agency with the issuing of a "Green Finance of Pre-Issuance Stage Certificate". As of 25 March 2019, Yip's Chemical was among the first 13 companies in Hong Kong to earn the Green Finance Certification (Loan).

We have developed a set of eligibility criteria with reference to the above framework, and have also set up a "Green Finance Working Group" to propose eligible projects for endorsement by the Group's SLT. Projects must meet a range of requirements such as energy efficiency standards, they must apply technology to conserve energy and raw material consumption, and must reduce pollutants or VOC emissions.



集團獲發的綠色貸款主要用於兩大項目——江蘇泰興溶劑廠擴建計劃及廣東中山油墨廠VOC處理工程。泰興溶劑廠擴建計劃所動用綠色貸款融資佔約1.3億港元，項目將增加年產能45萬噸醋酸酯及10萬噸丙烯酸丁酯，工程包括採用熱耦合技術，共用蒸氣加熱，以達至減少使用蒸氣；優化技術，減少回流，以達至節省加熱能量及原材料損耗。透過設備及生產工藝升級，在生產過程中加強節能減排及源頭減廢。中山油墨廠VOC處理工程所動用綠色貸款融資佔約2,000萬港元，項目工程旨在改善VOC排放系統，提升VOC氣體處理率。是次綠色貸款體現了集團將環保元素融入業務的每一個環節，由根基做起，推動集團走向更環保的生產環境。

The green loan we have drawn is mainly being used in two projects - the expansion of the Taixing solvents plant in Jiangsu, and for the VOC treatment project at our inks plant in Zhongshan, Guangdong. About HK\$130 million is being used to finance the solvents plant expansion project in Taixing where a production capacity of 450,000 tonnes of acetates per annum and 100,000 tonnes of butyl acrylate per annum will be added. It involves the adoption of thermal coupling and shared steam heating to minimise the use of steam. Enhanced technology reducing backflow helps conserve heating energy and minimise raw material loss. By upgrading equipment and production techniques, the plant achieves energy conservation, emission reduction and waste reduction at source. The VOC treatment work at our Zhongshan inks plant accounts for about HK\$20 million of the green loan, and the objective is to improve the VOC emission system and raise the VOC treatment rate. The green loan helps us bring to fruition the Group's desire to integrate environmental elements into every facet of its business and, from the ground up, helps the Group create a more eco-friendly production environment.

泰興溶劑廠擴建項目估計能每年節省

最少**30,000**噸標準煤及達致約**5%**耗能，

而中山油墨廠項目估計能提升最少**10%**VOC氣體處理率。

The Taixing solvents plant expansion project is estimated

to save at least **30,000** tonnes

in standard coal equivalent and around **5%** in energy consumption,

while the Zhongshan inks plant is expected to

be able to raise the VOC treatment rate by at least **10%**.



葉氏化工《2018年綠色融資框架書》獲得香港品質保證局認證，於二零一九年三月二十五日，集團成為香港首13家獲發綠色金融認證(貸款)的企業之一。

Yip's Chemical's 2018 Green Loan Framework is certified by the Hong Kong Quality Assurance Agency. As of 25 March 2019, we are among the first 13 corporations in Hong Kong to earn the Green Finance Certification (Loan).



泰興溶劑廠
Taixing Solvents Plant



中山油墨廠
Zhongshan Inks Plant

集團獲發的綠色貸款主要用於兩大項目，包括泰興溶劑廠擴建計劃及中山油墨廠VOC處理工程。

The green loan that the Group has secured is mainly being used in two projects - the Taixing solvents plant expansion project and the VOC treatment project at the Zhongshan inks plant.





環境的長遠價值

Long-term Values in the Environment

廢物管理

工業生產過程中，除了需要嚴格控制排放，亦必須妥善處理廢棄物，慎防化學物質污染土壤及水源。集團委託政府認可的處理公司收集及處理危險廢物。位於上海的塗料廠房及位於中山的油墨廠房部分採用可循環再用的「噸桶」代替傳統鐵桶盛載塗料及油墨，同時鼓勵供應商回收及清洗噸桶，延長噸桶壽命。隨著廠房逐步轉用噸桶，年內鐵桶用量較去年大幅減少逾60%至2,712.51噸；廠房使用的噸桶相當於節省了1,216.14噸鐵桶量。

集團亦積極管理無害廢棄物，當中包括可回收及不可回收類別。年內的無害廢棄物量為235.79噸，比去年大幅減少約55%，主要由於廠房實踐源頭減廢，包括減少布碎採購量，反覆使用布碎；加強垃圾分類管理，減少混放。同樣地，我們銳意減少耗用包裝物料，例如以繩條代替塑膠膜，令年內的包裝物料，包括紙箱及塑膠膜用量，分別減少約30%及60%。

節約用水

集團十分關注生產活動的用水及污水處理，盡量透過重用，致力珍惜水資源。集團旗下廠房積極推行節水措施，包括各車間生產冷卻用水全部採用循環再用水，以及回收蒸氣凝結的水，作為處理VOC的RTO的補充用水，有效令我們的重用水比率達到92.27%。我們也委派人員定時巡查及監督各項用水設施，杜絕浪費。

Waste Management

In carrying out industrial production, not only is it necessary to strictly control emissions, but also to deal properly with waste in order to avoid polluting soil and water sources with chemical pollutants. The Group entrusts the collection and handling of hazardous wastes to the government-recognised waste handling company. Both the coatings plant in Shanghai and the inks plant in Zhongshan are now using recyclable "intermediate bulk containers" ("IBC") instead of traditional iron drums. Our suppliers are encouraged to recycle and wash the IBC to extend their usage life. In 2018, with the gradual adoption of IBC, the usage of iron drums was reduced to over 60% to 2,712.51 tonnes, equivalent to the saving of 1,216.14 tonnes of iron drums.

The Group is vigorously managing non-hazardous wastes, which can be classified into recyclable and non-recyclable waste. In the reporting year, we collected 235.79 tonnes of non-hazardous waste, which was a reduction of 55% from the previous year. The main reason was that our plants were practising waste reduction at source by, for example, reducing the amount of cloth scraps procured and by using cloth scraps repeatedly. We also strengthened our waste separation management to reduce mixing of wastes. Similarly, by striving to use less packaging material, for instance, through the use of strings to replace plastic films, we managed to reduce the use of packaging materials including cartons and plastic films in 2018 by around 30% and 60% respectively.

Water Conservation

The Group is concerned about the water usage and sewage treatment of production activities, and strives to conserve water resources through reuse. The Group's plants proactively implement water-saving measures, including the use of recycled water for cooling during production, and the reuse of condensed water from steam to replenish the water for RTO in treating VOC. These measures have contributed to our 92.27% water reuse rate. We also assign personnel to regularly inspect and supervise the use of different water facilities to prevent wastage.





環境的長遠價值

Long-term Values in the Environment

立足環保 科技領先

集團非常重視終端顧客，除了奉行清潔生產原則，在生產流程的源頭融入環保元素外，更不斷研發及引入環保產品，為消費者及社會建設美好居庭。集團旗下紫荊花漆於產品研發、原料採購、生產管理等各個環節，全面實現環保，為顧客打造安全及健康的家居環境。其擁有行業領先的「水性樹脂」環保技術，為產品提供了優質原料及技術優勢。乳膠漆產品(優塗麗S系列及兒童漆)榮獲多項歐美權威認證，包括美國綠色衛士金級認證及法國VOC A+認證。而最新推出的貝倍安兒童漆，採用了淨味無添加技術，除了具備高效除甲醛技術，能捕捉空氣中的多種有害物質外，更加入抗菌技術，持續淨化室內空氣，呵護孩子健康成長。集團亦於二零一八年引入駱駝漆Aquapro塗料產品系列，源於澳洲技術的Aquapro專業全效抗菌乳膠漆及家居保乳膠漆均符合香港綠色建築議會綠材環評之評審標準並獲鉑金評級。

Green Innovation

The Group highly values its end-user customers. In addition to adopting clean production principles and integrating eco-friendly elements into production processes, it also develops environmentally friendly products that help build better homes for consumers and society. Our subsidiary Bauhinia Paints is embedding environmental practices in all of its processes, from research and development to raw material procurement, production and management, to build a safe and healthy living environment for its customers. Its industry-leading, water-based resin technology provides its products with superior raw materials and technology. Its emulsion paints (Youtuli S-series and child-safe paints) are certified by numerous American and European authorities, including the American GREENGUARD Gold Certification and the French VOC A+ Certification. Bauhinia Paints' latest "Baby Care" child-safe paints adopt an odourless and no-additive technology. Apart from possessing formaldehyde abatement functionality to capture a host of harmful substances, they also have anti-bacterial properties, which allow the continuous purification of indoor air, thus ensuring the healthy growth of children. In 2018, the Group acquired the Aquapro series of coating products from Camel Paints. The anti-bacterial Aquapro Professional Steriguard Coatings and Aquapro Protect Emulsion Paints for home use both conform to the standards of Green Product Accreditation and Standards (HK G-PASS), and are rated Platinum Grade by the Hong Kong Green Building Council.



紫荊花漆新推出的貝倍安兒童漆系列，具備高效除甲醛技術及抗菌功能，呵護孩子健康成長。Bauhinia Paints' newly launched "Baby Care" child-safe paints, with their revolutionary formaldehyde-removing technology and anti-bacterial function, are ideal to help ensure the healthy growth of children.



駱駝漆Aquapro專業全效抗菌乳膠漆及家居保乳膠漆均符合香港綠色建築議會綠材環評之評審標準並獲鉑金評級。Camel Paints' anti-bacterial Aquapro Professional Steriguard Coatings and Aquapro Protect Emulsion Paints for home use both conform to the standards of Green Product Accreditation and Standards (HK G-PASS), and are rated Platinum Grade by the Hong Kong Green Building Council.





環境的長遠價值

Long-term Values in the Environment

甲醇機油驅動綠色出行

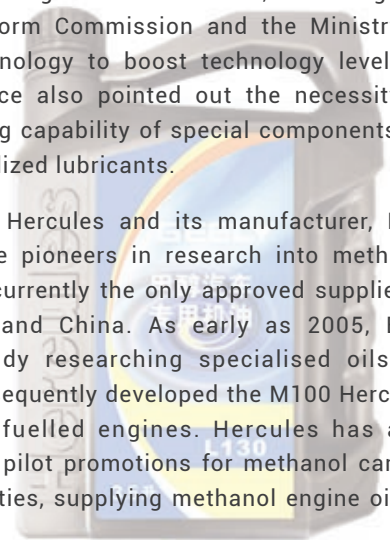
Methanol Engine Oil Fuels Green Travel

甲醇汽車是以甲醇為燃料的汽車，相比傳統汽油車，甲醇汽車的微細懸浮粒子(PM2.5)排放量低約80%，而使用壽命及耐力同等，因此甲醇汽車發展在中國內地漸受政策部門及市場關注。中國國家發改委及工業和資訊化部等八個部門於二零一九年首季發佈了《關於在部分地區開展甲醇汽車應用的指導意見》(「意見」)，以提升相關產業的技術水準及應用，意見更指出需強化甲醇汽車專用零部件的製造能力，包括專用潤滑油。

集團旗下力士潤滑油品牌及其生產商凌志潤滑油有限公司，為國內較早一批開展甲醇發動機潤滑油研究的公司，亦是現時國內唯一獲認可的甲醇機油供應商。早於二零零五年，凌志潤滑油有限公司已進行甲醇發動機專用潤滑油的研究，並成功研發力士M100甲醇汽油發動機油專用油。力士潤滑油亦多次配合政府當局在各大省市進行甲醇汽車試點推廣，為投入營運的甲醇汽車提供力士甲醇機油。

Methanol-fuelled cars generate around 80% fewer emissions of fine suspended particulates (PM2.5) than traditional cars, while offering a comparable life span and durability. For this reason, regulators and the market in Mainland China are showing increasing interest in methanol-fuelled cars. In the first quarter of 2019, *Guidance of Developing Methanol Vehicles Applications in Some Parts of China* ("the Guidance") was issued by eight government bodies, including the National Development and Reform Commission and the Ministry of Industry and Information Technology to boost technology levels in related industries. The Guidance also pointed out the necessity of strengthening the manufacturing capability of special components for methanol cars, including specialized lubricants.

The Group's lubricants brand, Hercules and its manufacturer, Best Lubricant Blending Limited, are pioneers in research into methanol engine lubricants. Hercules is currently the only approved supplier of methanol engine oil in Mainland China. As early as 2005, Best Lubricant Blending was already researching specialised oils for methanol engines, and has subsequently developed the M100 Hercules oil specifically for methanol-fuelled engines. Hercules has also participated in government-led pilot promotions for methanol cars in major provinces and municipalities, supplying methanol engine oil for use in methanol cars.



推廣綠色生活

追求簡約及健康的生活，既可提升個人的身心靈健康，長遠更有助地球環境及生態平衡。年內，我們於員工生日會上，提供素食及公平貿易產品，向同事宣揚可持續和負責任採購的意義；我們亦與支援基層婦女的社會企業 MicroForests 合辦微型森林製作班，助員工綠化生活及工作環境，體驗和諧及平衡。

Promote Green Living

Pursuing a simple and healthy lifestyle can improve an individual's physical, mental and spiritual health. In the long term, it can contribute to a better earth and ecological balance. In the reporting year, we provided vegetarian food and Fairtrade products at employee birthday parties, to spread the message of sustainable and responsible procurement. We also co-organised a micro forest handicraft class with MicroForests, a social enterprise that supports grassroots women, to help employees green their living and work environment, as well as embrace harmony and balance.



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員工生日會
Employee Birthday Party

我們於員工生日會提供素食及公平貿易產品，以宣揚可持續和負責任採購的意義。

We provide vegetarian food and Fairtrade products at employee birthday parties to spread the significance of sustainable and responsible procurement.



MicroForests微型森林製作班
MicroForests Handicraft Class

微型森林製作班助員工綠化生活及工作環境，體驗和諧及平衡。

The micro forest handicraft class helps employees green their living and work environment, as well as embrace harmony and balance.



集團在生產時致力減低對環境的影響，同時於辦公室日常運作融入綠色概念，讓員工身體力行為環保出一分力。集團位於香港灣仔的總部於二零一七年啟用，我們為工作間加添各式各樣環保、舒適及工作與生活平衡的元素，例如採用自然光設計、減少使用一次性塑膠產品，以及配置腳踏及電腦螢幕伸縮架等。集團再度獲世界綠色組織頒發「綠色辦公室」及「健康工作間」標誌，足證我們對關顧員工及保護環境的承諾。

The Group is devoted to minimising our impact on the environment during production, while the green concept is integrated into our office operation to enable employees to go green. The Group's headquarters in Wanchai, Hong Kong was opened in 2017. We inject elements of eco-friendliness, cosiness and work-life balance into our workplace, including capturing natural light, reducing the use of disposable plastic products, and providing footrests and installing adjustable arms on PC monitors. The Group was once again awarded the "Green Office" and "Eco-Healthy Workplace" labels by the World Green Organisation, which demonstrates our commitment to caring for our employees and protecting the environment.



為保障員工健康及減低其勞損機會，我們按需要為同事提供腳踏，以及於電腦螢幕背部設置可調節的伸縮架。

To protect employees' health and minimise fatigue and stress, we provide footrests to employees as appropriate, and install adjustable arms on PC monitors.



集團位於香港的總部支持「走塑」，採用可再用的水杯、器皿及餐具，並設有雨傘架，以減少使用膠袋。

The Group's headquarters in Hong Kong supports "plastic-free" dining by offering reusable cups, utensils and tableware. Umbrella stands are set up to minimise use of plastic bags.



環境的長遠價值

Long-term Values in the Environment

以下數據包括集團塗料業務的主要生產基地上海廠房及油墨業務的主要生產基地中山廠房。除非特別標明，數據由集團委託的第三方顧問根據香港聯合交易所有限公司(「聯交所」)《環境、社會及管治報告指引》的附錄二：環境關鍵績效指標匯報指引計算。

為確保數據報告的完整性及一致性，集團於年內為上海及中山兩廠進行環境數據檢閱。集團會繼續完善數據收集系統，於未來增加報告範圍。

The following data cover the Shanghai plant and Zhongshan plant, the Group's main production bases for coatings and inks operations respectively. Unless otherwise specified, the data were calculated by a third-party appointed by the Group in accordance with Appendix 2: Reporting Guidance on Environmental KPIs in the *ESG Reporting Guide* of The Stock Exchange of Hong Kong Limited ("the Stock Exchange").

To ensure the completeness and consistency of the data reported, the Group carried out a review of environmental data for the Shanghai and Zhongshan plants in the reporting year. The Group will continue to improve its data collection systems with a view to expand the reporting scope in the future.

	單位 Unit	2017	2018
排放物 EMISSIONS			
揮發性有機化合物 (VOC) Volatile organic compounds (VOC)	噸 Tonnes	2.99	1.18
顆粒物 Particulates	噸 Tonnes	10.32	16.17¹
生活油煙 Domestic exhaust gas	噸 Tonnes	0.02	0.01
排水量——生產廢水 Water discharge - from production	噸 Tonnes	5,984	20,290²
排水量——生活廢水 Water discharge - from living zone	噸 Tonnes	不適用 N/A	50,756³
化學需氧量(COD) ⁴ Chemical oxygen demand (COD)	噸 Tonnes	0.46	1.80⁵
硫氧化物 SO _x	噸 Tonnes	0.0031	0.4582⁶
氮氧化物 NO _x	噸 Tonnes	0.37	1.22⁶
溫室氣體——範圍一 ⁷ Greenhouse gases – Scope 1	噸二氧化碳當量 Tonnes of carbon dioxide equivalent	1,131.74	1,197.65
溫室氣體——範圍二 Greenhouse gases – Scope 2	噸二氧化碳當量 Tonnes of carbon dioxide equivalent	7,147.04	6,773.53
危險廢棄物 ⁸ Hazardous waste	噸 Tonnes	632.15	1,059.90
無害廢棄物 Non-hazardous waste	噸 Tonnes	518.45	235.79

	單位 Unit	2017	2018
消耗量 CONSUMPTION			
電力 Electricity	千瓦時 kWh	12,153,060	11,652,758
電油 Petrol	公升 Litres	128,006	77,204
柴油 Diesel	公升 Litres	73,604	83,946
天然氣 Natural gas	立方米 m ³	11,410	107,166 ⁹
生物燃料 Biofuels	噸 Tonnes	31.4	26.2
總能量消耗密度 Total energy consumption intensity	千兆焦耳/產品噸數 Gigajoules/tonne of products	0.58	0.54
自來水 ¹⁰ Water	噸 Tonnes	120,439	117,122
用水密度 Water consumption intensity	噸/產品噸數 Tonnes/tonne of products	1.34	1.21

包裝材料總量 PACKAGING MATERIALS USED			
鐵桶 Iron drums	噸 Tonnes	7,015.74	2,712.51
塑膠桶 Plastic buckets	噸 Tonnes	146.62	220.57
紙箱 Cartons	噸 Tonnes	584.12	422.67
塑膠膜 Plastic films	噸 Tonnes	17.34	7.35

- 由於二零一八年顆粒物的排放量包括廠房生產排放、車輛排放及RTO煙氣排放，因此與二零一七年資料(包括廠房生產排放及車輛排放)未能作直接比較。
Since 2018, total particulate quantity includes emissions from the plants' production, from vehicles and from RTO, which thus cannot be directly compared with 2017 total particulate quantity (including emissions from the plants' production and from vehicles).
- 上海廠於二零一八年修復管道，以及根據當地政府要求，將首15分鐘雨水進行處理。
Pipe repair was carried out at the Shanghai plant in 2018 and, in addition, the first 15 minutes of rainwater was treated according to local government requirements.
- 因完善數據收集系統，本年度中山廠匯報其生活廢水量，因此二零一八年資料未能與二零一七年總排水量(只包括生產廢水)作直接比較。
Due to the enhancement of data collection systems, the Zhongshan plant reported its water discharge from living zone in the year, so 2018 data cannot be directly compared with 2017 total water discharge which included water discharge from production only.
- 廠房設有污水處理設備，將化學需氧量減至最低。
The plants are equipped with sewage treatment equipment to minimise COD.
- 因完善數據收集系統，本年度中山廠匯報其化學需氧量，因此二零一八年資料未能與二零一七年的化學需氧量(只包括上海廠)作直接比較。
Due to the enhancement of data collection systems, the Zhongshan plant reported its COD in the year, so 2018 data cannot be directly compared with 2017 COD which included Shanghai plant only.
- 由於二零一八年排放量包括車輛排放及RTO煙氣排放，因此與二零一七年資料(包括車輛排放)未能作直接比較。
Since the emissions in 2018 included those from vehicles and RTO, they cannot be directly compared with 2017 figures, which included only vehicle emissions.
- 溫室氣體計算的二氧化碳排放因子數值參考自國家應對氣候變化戰略研究和國際合作中心(二零一一年及二零一二年版本)，全球變暖潛能值參考自政府間氣候變化專門委員會。
Carbon dioxide emission factors are referenced from the National Centre for Climate Change Strategy and International Cooperation (2011 and 2012 editions); for global warming potential values, reference is made to the Intergovernmental Panel on Climate Change.
- 危險廢棄物(包括報廢製成品)由政府認可的危廢處理公司處理。
Hazardous waste (including scrapped finished products) was handled by a government-recognised hazardous waste handling company.
本年度危險廢棄物增加主要由於部分業務生產線報廢，加上審視對環境的風險後，廠房改變了部分包裝桶的處理形式所致。
The increase in hazardous waste for the year was mainly due to the scrapping of several production lines; and after reviewing the environmental risks, the plants also changed the method of processing some of their bulk containers.
- 由於上海塗料廠房的大型VOC處理裝置已全面運作，其RTO利用天然氣進行燃燒，因此二零一八年的天然氣用量較去年大幅增加，詳情請見本章節的「節能減排」部分。
Since the large VOC treatment devices of the Shanghai coatings plant have been put on stream, while natural gas is used in the RTO for burning, the amount of natural gas used in 2018 was significantly higher than in the previous year. Please refer to "Energy Saving and Emission Reduction" in this chapter for details.
- 集團於求取通用水源上沒有任何問題。
The Group has no issue in sourcing water that is fit for purpose.



關於此報告 About the Report

葉氏化工集團有限公司的二零一八年《環境、社會及管治報告》按照聯交所證券上市規則附錄二十七闡述的《環境、社會及管治報告指引》編寫，以適切性、重要性及平衡考慮匯報可持續發展事宜，並基於業務性質對持份者的影響性以及考慮到相關事宜的披露深度而擬定報告範圍。除非另有說明，這份年度報告描述集團在二零一八年一月一日至二零一八年十二月三十一日期間可持續發展方面的表現和措施。

The 2018 Environmental, Social and Governance Report of Yip's Chemical Holdings Limited is prepared in accordance with the *Environmental, Social, and Governance Reporting Guide* set out in Appendix 27 of the Rules Governing the Listing of Securities on the Stock Exchange. Sustainability disclosures are applicable and material, and disclosures of the Group's sustainability performance are made in a balanced manner. The reporting scope is based on the influence of businesses to stakeholders and the consideration of providing in-depth disclosures of material issues. This report covers the Group's performance and measures relating to sustainable development for the period from 1 January 2018 to 31 December 2018 unless otherwise specified.

《環境、社會及管治報告指引》—— 內容索引 Environmental, Social and Governance Reporting Guide - Content Index

層面、一般披露及 關鍵績效指標 Aspects, General Disclosures and KPIs	描述 Description	《2018 年環境、社會及 管治報告》頁數 Page no. of ESG Report 2018	補充 Remarks
層面A1：排放物 Aspect A1:Emissions			
一般披露 General Disclosure	有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	26-35	就此報告部份的披露範圍，董事會於報告期內沒有從政府相關機構收到違反相關法律、法規、規章及規例，並對集團業務產生顯著影響的通知。相關法律、法規、規章及規例包括但不限於《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》、《中華人民共和國節約能源法》、《中華人民共和國水污染防治法》、《工礦用地土壤環境管理辦法(試行)》、《污染地塊土壤環境管理辦法(試行)》、《中華人民共和國固體廢物污染環境防治法》以及《中華人民共和國環境保護稅法》。
關鍵績效指標 KPI A1.1	排放物種類及相關排放數據 The types of emissions and respective emissions data	34	
關鍵績效指標 KPI A1.2	溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算) Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	34	In regard to the disclosure in this report section, the Board had not received from related government authorities any notice related to major violation of related laws and regulations that had significant impacts on its businesses. Related laws and regulations include but not limited to Environmental Protection Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on Conserving Energy, Law of the People's Republic of China on the Prevention and Control of Water Pollution, Measures for Soil Environmental Management in Industrial and Mining Land, Measures for the Management of Soil Environment in Contaminated land, Law of the People's Republic of China on the Prevention and Control of Environment Pollution caused by Solid Wastes and Environmental Protection Tax Law of the People's Republic of China.
關鍵績效指標 KPI A1.3	所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算) Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	34	
關鍵績效指標 KPI A1.4	所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算) Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	34	



層面A1：排放物 Aspect A1: Emissions

關鍵績效指標 KPI A1.5	描述減低排放量的措施及所得成果 Description of measures to mitigate emissions and results achieved	26-32
關鍵績效指標 KPI A1.6	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 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	30

層面A2：資源使用 Aspect A2: Use of Resources

一般披露 General Disclosure	有效使用資源(包括能源、水及其他原材料)的政策 Policies on the efficient use of resources, including energy, water and other raw materials	26-30
關鍵績效指標 KPI A2.1	按類型劃分的直接及/或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算) Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	34
關鍵績效指標 KPI A2.2	總耗水量及密度(如以每產量單位、每項設施計算) Water consumption in total and intensity (e.g. per unit of production volume, per facility)	34
關鍵績效指標 KPI A2.3	描述能源使用效益計劃及所得成果 Description of energy use efficiency initiatives and results achieved	28
關鍵績效指標 KPI A2.4	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 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	30, 35
關鍵績效指標 KPI A2.5	製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位估量 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	34

層面A3：環境及天然資源 Aspect A3: The Environment and Natural Resources

一般披露 General Disclosure	減低發行人對環境及天然資源造成重大影響的政策 Policies on minimising the issuer's significant impact on the environment and natural resources	26
關鍵績效指標 KPI A3.1	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 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	26-29



層面B1：僱傭 Aspect B1: Employment

一般披露 General Disclosure	有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	8, 13-14	就此報告部份的披露範圍，董事會於報告期內沒有從政府相關機構收到違反相關法律、法規、規章及規例，並對集團業務產生顯著影響的通知。相關法律、法規、規章及規例包括但不限於香港《僱傭條例》、《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、香港《性別歧視條例》、《殘疾歧視條例》、《家庭崗位歧視條例》、《種族歧視條例及中華人民共和國殘疾人保障法》。 In regard to the disclosure in this report section, the Board had not received from related government authorities any notice related to major violation of related laws and regulations that had significant impacts on its businesses. Related laws and regulations include but not limited to Hong Kong Employment Ordinance, Labour Law of the People's Republic of China and Labour Contract Law of the People's Republic of China, Hong Kong Sex Discrimination Ordinance, Disability Discrimination Ordinance, Family Status Discrimination Ordinance, Race Discrimination Ordinance and Law of the People's Republic of China on the Protection of the Disabled.
關鍵績效指標 KPI B1.1	按性別、僱傭類型、年齡組別及地區劃分的僱員總數 Total workforce by gender, employment type and geographical region	15	
關鍵績效指標 KPI B1.2	按性別、年齡組別及地區劃分的僱員流失比率 Employee turnover rate by gender, age group and geographical region	15	

層面B2：健康與安全 Aspect B2: Health and Safety

一般披露 General Disclosure	有關提供安全工作環境及保障僱員避免職業性危害的 (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	11-12	就此報告部份的披露範圍，董事會於報告期內沒有從政府相關機構收到違反相關法律、法規、規章及規例，並對集團業務產生顯著影響的通知。相關法律、法規、規章及規例包括但不限於香港《職業安全及健康條例》、《中華人民共和國安全生產法》以及《中華人民共和國職業病防治法》。 In regard to the disclosure in this report section, the Board had not received from related government authorities any notice related to major violation of related laws and regulations that had significant impacts on its businesses. Related laws and regulations include but not limited to Hong Kong Occupational Safety and Health Ordinance, Work Safety Law of the People's Republic of China and Law of the People's Republic of China on the Prevention and Control of Occupational Diseases.
關鍵績效指標 KPI B2.1	因工作關係而死亡的人數及比率 Number and rate of work-related fatalities	12	
關鍵績效指標 KPI B2.2	因工傷損失工作日數 Lost days due to work injury	12	
關鍵績效指標 KPI B2.3	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 Description of occupational health and safety measures adopted, how they are implemented and monitored	11-13	



層面B3：發展及培訓 Aspect B3: Development and Training

一般披露 General Disclosure	有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。 Policies on improving employees' knowledge and skills for discharging duties at work and description of training activities	9-10
關鍵績效指標 KPI B3.2	按性別及僱員類別劃分，每名僱員完成受訓的平均時數 The average training hours completed per employee by gender and employee category	10

層面B4：勞工準則 Aspect B4: Labour Standards

一般披露 General Disclosure	有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	8	就此報告部份的披露範圍，董事會於報告期內沒有從政府相關機構收到違反相關法律、法規、規章及規例，並對集團業務產生顯著影響的通知。相關法律、法規、規章及規例包括但不限於附屬於香港《僱傭條例》的《僱用兒童規例》及《僱用青年(工業)規例》、中國國務院頒布的《禁止使用童工規定》、《中華人民共和國勞動法》以及《中華人民共和國勞動合同法》。
關鍵績效指標 KPI B4.1	描述檢討招聘慣例的措施以避免童工及強制勞工 Description of measures to review employment practices to avoid child and forced labour	8	In regard to the disclosure in this report section, the Board had not received from related government authorities any notice related to major violation of related laws and regulations that had significant impacts on its businesses. Related laws and regulations include but not limited to the Employment of Children Regulations and Employment of Young Persons (Industry) Regulations under Hong Kong Employment Ordinance, Provisions on the Prohibition of Using Child Labor issued by State Council of the People's Republic of China, Labour Law of the People's Republic of China and Labour Contract Law of the People's Republic of China.
關鍵績效指標 KPI B4.2	描述在發現違規情況時消除有關情況所採取的步驟 Description of steps taken to eliminate such practices when discovered	8	



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層面B5：供應鏈管理 Aspect B5: Supply Chain Management

一般披露 General Disclosure	管理供應鏈的環境及社會風險政策 Policies on managing environmental and social risks of the supply chain	16-17
關鍵績效指標 KPI B5.1	按地區劃分的供應商數目 Number of suppliers by geographical region	16
關鍵績效指標 KPI B5.2	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 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	16-17

層面B6：產品責任 Aspect B6: Product Responsibility

一般披露 General Disclosure	有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	18-19	就此報告部份的披露範圍，董事會於報告期內沒有從政府相關機構收到違反相關法律、法規、規章及規例，並對集團業務產生顯著影響的通知。相關法律、法規、規章及規例包括但不限於GB 9685-2016食品安全國家標準食品接觸材料及製品用添加劑使用標準、GB/T 10004-2008包裝用塑膠複合膜、袋幹法複合、擠出複合本標準、GB/T 26572-2011《電子電氣產品中限用物質的限量要求》、GB 18581《室內裝飾裝修材料木器塗料中有害物質限量》以及《中華人民共和國廣告法》。
關鍵績效指標 KPI B6.1	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 Percentage of total products sold or shipped subject to recalls for safety and health reasons	20	In regard to the disclosure in this report section, the Board had not received from related government authorities any notice related to major violation of related laws and regulations that had significant impacts on its businesses. Related laws and regulations include but not limited to GB 9685-2016 National Food Safety Standard: Standard for the Use of Additives in Food Contact Materials and Articles, GB/T 10004-2008 Plastic Laminated Films & Pouches for Packaging - Dry Lamination and Extrusion Lamination, GB/T 26572-2011 Requirements on Concentration Limits for Certain Restricted Substances in Electrical and Electronic Products, GB 18581 Indoor Decorating and Refurbishing Materials - Limit of Harmful Substances of Coatings for Woodenware and Advertising Law of the People's Republic of China.
關鍵績效指標 KPI B6.2	接獲關於產品及服務的投訴數目以及應對方法 Number of products and service related complaints received and how they are dealt with	20-21	
關鍵績效指標 KPI B6.4	描述質量檢定過程及產品回收程序 Description of quality assurance process and recall procedures	20	



層面B7：反貪污 Aspect B7: Anti-corruption

<p>一般披露 General Disclosure</p>	<p>有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering</p>	<p>8, 17</p>	<p>就此報告部份的披露範圍，董事會於報告期內沒有從政府相關機構收到違反相關法律、法規、規章及規例，並對集團業務產生顯著影響的通知。相關法律、法規、規章及規例包括但不限於《中華人民共和國刑法》、《中華人民共和國反不正當競爭法》、《最高人民法院關於審理不正當競爭民事案件應用法律若干問題的解釋》、最高人民法院及最高人民檢察院關於印發《關於辦理商業賄賂刑事案件適用法律若干問題的意見》的通知、《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》、《有組織及嚴重罪行條例》、《刑事罪行條例》、《盜竊罪條例》及《打擊洗錢及恐怖分子資金籌集條例》。</p>
<p>關鍵績效指標 KPI B7.1</p>	<p>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 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases</p>	<p>8</p>	<p>In regard to the disclosure in this report section, the Board had not received from related government authorities any notice related to major violation of related laws and regulations that had significant impacts on its businesses. Related laws and regulations include but not limited to Criminal Law of the People's Republic of China, Anti-unfair Competition Law of the People's Republic of China, Interpretation of the Supreme People's Court on Some Issues Concerning the Application of Law in the Trial of Civil Cases Involving Unfair Competition, Notice of the Supreme People's Court and the Supreme People's Procuratorate on Issuing the Opinions on Issues concerning the Application of Law in the Handling of Criminal Cases of Commercial Briberies, and Interim Provisions on Banning Commercial Bribery; and also Prevention of Bribery Ordinance, Organized and Serious Crimes Ordinance, Crimes Ordinance, Theft Ordinance, and Anti-Money Laundering and Counter-Terrorist Financing Ordinance in Hong Kong.</p>
<p>關鍵績效指標 KPI B7.2</p>	<p>描述防範措施及舉報程序，以及相關執行及監察方法 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored</p>	<p>8, 17</p>	<p>In regard to the disclosure in this report section, the Board had not received from related government authorities any notice related to major violation of related laws and regulations that had significant impacts on its businesses. Related laws and regulations include but not limited to Criminal Law of the People's Republic of China, Anti-unfair Competition Law of the People's Republic of China, Interpretation of the Supreme People's Court on Some Issues Concerning the Application of Law in the Trial of Civil Cases Involving Unfair Competition, Notice of the Supreme People's Court and the Supreme People's Procuratorate on Issuing the Opinions on Issues concerning the Application of Law in the Handling of Criminal Cases of Commercial Briberies, and Interim Provisions on Banning Commercial Bribery; and also Prevention of Bribery Ordinance, Organized and Serious Crimes Ordinance, Crimes Ordinance, Theft Ordinance, and Anti-Money Laundering and Counter-Terrorist Financing Ordinance in Hong Kong.</p>



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層面B8：社區投資 Aspect B8: Community Investment

一般披露 General Disclosure	有關以社區參與來了解營運所在社區需要和確保其業務活動會 考慮社區利益的政策 Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	22-25
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關鍵績效指標 KPI B8.1	專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、 體育) Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	22-25
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關鍵績效指標 KPI B8.2	在專注範疇所動用資源(如金錢或時間) Resources contributed (e.g. money or time) to the focus area	22-25
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葉氏化工集團有限公司
Yip's Chemical Holdings Limited

於開曼群島註冊成立之有限公司
Incorporated in the Cayman Islands with limited liability
股份代號 Stock Code: 408

2018

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