

Pioneering Metals Company Integrates **ESG Concepts** into Work Processes

— An Interview with
Ms Clara Chan

Vice-Chairman and CEO of
Lee Kee Holdings Limited



行業先驅的**金屬公司**

將**ESG**概念融入**工作流程**

— 專訪**利記控股有限公司**

副主席兼行政總裁 **陳婉珊**女士

With Environmental, Social and Governance (ESG) considerations increasingly becoming a “hot topic” for businesses across all industry sectors, Lee Kee Holdings Limited (HKEX 0637), one of the largest sourcing and distribution metals companies in the Asia region, is taking a leading role by integrating ESG concepts into strategy, operations and company culture.

“Our aim is to ensure long-term sustainability while driving positive outcomes for the company and our customers,” says Clara Chan, Lee Kee’s Vice-Chairman and CEO who explains how the company’s customers are increasingly facing demand from their customers for environmentally-friendly products made from sustainable materials. Taking a ground-breaking step for the high-end metals sourcing and distribution industry, Lee Kee has introduced labelling to disclose the carbon intensity of its products. “As a raw materials supplier, we see it as our responsibility to drive sustainability and ESG principles, which can help our customers to be more competitive,” says Chan, the fourth generation family member to lead the company. As part of its on-going ESG commitments, Lee Kee plans to introduce eco-friendly packaging and measures to reduce or reuse plastics. Accelerated by the COVID-19 pandemic, Lee Kee has also initiated several digitalisation initiatives to drive cost efficiencies and enhance quality control services.

Widely recognised as a pioneer in the commodities metal community, Lee Kee, which began operations in 1947 as a Hong Kong scrap metal recycling firm consistently looks for ways to reduce waste and energy usage. Using a combination of consultants, in-house expertise and technology, the company works with its upstream raw materials suppliers and evaluates the sustainability and EGS components of supply chain risk.

To track, measure and benchmark, a dashboard process is used which monitors sustainability-linked activities on a daily basis. The dashboard system also serves to reinforce cross-company sustainability objectives and encourages employees to feel part of the process, which Chan says is integral to achieving objectives. “ESG and sustainability are not standalone entities, they need to be embedded in every area of a company’s business activities,” says Chan. In addition to the signing of the Low Carbon Charter of the Hong Kong Business Environment Council as a commitment to decarbonise, Lee Kee’s subsidiaries have obtained a number of prestigious international certifications including the GRS (Global Recycle Standard). “It’s a journey, and we are not there yet, but we are making progress,” Chan notes.

隨著環境、社會及管治（ESG）考慮因素日益成為各行業公司的「熱門話題」，利記控股有限公司（港交所股份代號：0637）作為亞洲地區最大的金屬採購及分銷公司之一，正發揮領導作用，將ESG概念融入策略、營運及公司文化。

利記副主席兼行政總裁陳婉珊說：「我們的目標是確保長期可持續發展，同時為公司及客戶推動積極的成果。」她解釋該公司的客戶不斷面臨自身客戶對環保產品的需求，要求產品由可持續材料製成。利記在高端金屬採購及分銷行業邁出突破性的一步，引入標籤披露其產品的碳強度。第四代家族成員陳婉珊女士正領導公司。她說：「作為原材料供應商，我們認為我們有責任推動可持續發展及ESG原則，這可以幫助我們的客戶提高競爭力。」作為持續的ESG承諾的一部分，利記採用環保包裝及減少使用塑料或循環再用塑料的措施。在新型冠狀病毒疫情的推動下，利記亦採用多項數碼化措施，以提高成本效率及提升品質控制服務。

作為金屬商品界公認的先驅，利記於1947年香港成立開始營運，當初以從事廢料金屬回收，真到現在業務以金屬採購、分銷為主要，過程中一直均不斷尋求減少廢物及能源消耗的方法。該公司同時聘用顧問兼利用內部專業知識及技術的方法，與上游原材料供應商合作，評估可持續發展及供應鏈風險的ESG部分。

為了追蹤、衡量及設定基準，該公司使用儀表板程序，每天監測與可持續發展相關的活動。儀表板系統亦有助於加強跨公司的可持續發展目標，並讓僱員感到自己是其中一員，陳女士表示這對實現目標是不可或缺的一環。陳女士說：「ESG及可持續發展不是獨立實體，兩者需要融入公司業務活動的各個方面。」除了簽署香港商界環保協會《低碳憲章》作出減碳承諾外，利記的附屬公司亦獲得GRS（全球回收標準）等一系列國際權威認證。陳女士指出：「這是一段旅程，我們尚未到達終點，但正在取得進展。」



The Bigger Picture

More generally, from an industrialist's perspective, Chan observes that even as the case for implementing ESG becomes more compelling, for many companies, especially SMEs, understanding how and why the criteria is linked to value creation is less comprehensively understood. She explains while the majority of companies in the industrial space are familiar with the environmental and social principles of ESG, they tend to be less familiar with the reporting requirements. This could include how to calculate and provide credible data, how to conduct a carbon audit and how to evaluate external risks including supply chain and climate change risks.

On the surface, Chan says the principles of ESG are not new, but when applied to the industrial sector, they have become more complex because they go deeper into the interconnection between suppliers and customers. With a better understanding of the broader mechanisms of ESG, including how to utilise green finance funding to make improvements to equipment and business process, Chan believes what is often seen as a cost and something a company feels it must do to fulfil a business requirement, can be used as a door-opener for new possibilities. The starting point, Chan suggests, is to clarify what ESG means, which can differ widely from industry sector to industry sector, and even among companies within the same industry sector. "At first glance the benefits might not be immediate," Chan says. "However, if you look at ESG and sustainability from a long-term perspective, measures that reduce waste and energy costs and focus also on employee health and safety training can actually save companies money in the long-run."

Flexibility and Agility

When the COVID-19 pandemic struck almost two years ago and quickly disrupted supply chains and global markets, thanks to a strong foundation and strategies designed around resilience adopted in recent years, Chan notes how Lee Kee was able to respond quickly to customers' needs. While these "extraordinary" times stress-tested Lee Kee's capabilities, the company's diverse geographic presence across the Mainland and South East Asia offered a number of strategic advantages. Because of differing pandemic mitigation measures in different locations, the company rapidly modified its operations and staff deployment to continue providing services and products to its customers who were often compelled to operate their manufacturing processes during a "small window" of opportunity.

Setting New and Higher Standards

Listed on the Hong Kong Stock Exchange in 2006, in 2014 Lee Kee joined the ranks of renowned international metal players by becoming the first company in Greater China to be admitted as a Category 5 Associate Trade Member of the London Metal Exchange (LME). Apart from producing and distributing metals, the Lee Kee Group's businesses span from quality assurance and testing, technical



總攬全局

更普遍而言，從工業家的角度來看，陳女士發現，即使實施 ESG 的理由變得更有說服力，但對於許多公司，尤其是中小企而言，並不全面了解這些標準如何與價值創造相關以及其原因。她解釋稱，雖然工業領域的多數公司都熟悉 ESG 的環境及社會原則，但他們往往不太熟悉報告要求。這可能包括如何計算及提供可靠的數據，如何進行碳審計以及如何評估外部風險，包括供應鏈及氣候變化風險。

陳女士稱，從表面上看，ESG 原則並非新事物，但當應用於工業領域時，ESG 原則更涉及供應商與客戶之間的相互關係時，因而變得更加複雜。陳女士認為，隨著對 ESG 更廣泛機制的理解加深，包括如何利用綠色金融資金改善設備及業務流程，通常被視為成本及公司認為業務要求必須開展的工作，可作為開啓新商機的機會。陳女士認為，首先是說明 ESG 的涵義，而這在不同行業各不相同，甚至在同一行業不同公司間都有很大差異。陳女士說：「乍看之下，好處可能並非立竿見影。」
「然而，如果你從長期角度看待 ESG 及可持續發展，減少浪費及能源成本兼關注僱員健康及安全培訓的措施，長遠而言實際會為公司節省資金。」

靈活性及機敏性

在大約兩年前新型冠状病毒疫情爆發並迅速擾亂供應鏈及全球市場時，依靠穩健的基礎及近年採取抗逆力相關的策略，陳女士指出利記如何能夠迅速回應客戶需求。雖然這些「非常時期」考驗了利記的能力，但該公司分佈於內地及東南亞的多元業務，具備一些策略優勢。由於不同地區的疫情紓緩措施不同，該公司迅速調整了營運及人員部署，以繼續向客戶提供服務及產品，這些客戶往往被迫在「很短」的機遇期內運轉生產流程。

consultancy to collaborative research and development. In 2016, Promet Metals Testing Laboratory (Promet), part of the Lee Kee Group, also became an approved LME Listed Sampler and Assayer (LSA) for pure zinc and aluminium alloys. Promet is not only the first laboratory in Hong Kong accredited in Metals and Metallic Alloys category by HOKLAS an accreditation scheme operated by Hong Kong Accreditation Service (HKAS), the lab is qualified to conduct tests for construction industry and test for containments in water.

Lee Kee is also experienced in developing specialised zinc and aluminium alloys together with manufacturers and brand owners in order to meet new product design or application requirements. The Group's broad portfolio of metals offerings include zinc, aluminium, nickel, copper as well as zinc alloy, aluminium alloy, stainless steel and electroplating chemicals. Lee Kee currently services customers across more than 20 sectors ranging from automobiles to toys to household hardware items and fashion accessories.

Re-industrialisation

While re-industrialisation as advocated by the Hong Kong Government is a fairly recent topic that refers to the development of high value-added industries, Lee Kee established its own high-end production facility in Hong Kong more than a decade ago. Looking beyond the metals industry, Chan believes re-industrialisation could provide the impetus required to diversify Hong Kong's dependence on the financial services sector. Furthermore, the type of re-industrialisation proposed for the Northern Metropolis would align closely with the Greater Bay Area (GBA) growth and development plans.

Meanwhile, Chan explains the rationale to set up a production facility in Hong Kong was based on a number of strong fundamentals. For instance, Hong Kong is geographically strategically positioned to serve the needs of customers across the Asia region. There is also the additional advantage of the Closer Economic Partnership Arrangement (CEPA) free-trade deal with the Mainland. Furthermore, Hong Kong provides a talent recruitment source for materials science graduates, which strengthens Lee Kee's capabilities to collaborate with manufacturers, engineers and product designers and drive innovation through research and development.

The Wow Factor

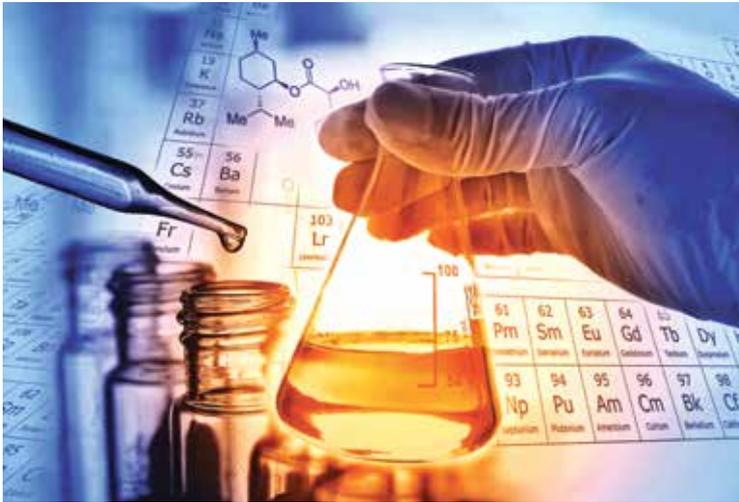
Similar to most businesses, Lee Kee relies on a diverse workforce of employees with different skill-sets. However, when it comes to recruiting talent, Lee Kee often needs to overcome the misconception that manufacturing is labour intensive with few career prospects and therefore not considered as an optimal career choice.

設定新的更高標準

利記於2006年在香港交易所上市，2014年，利記成為大中華區首家獲倫敦金屬交易所（LME）接納為第五類標準交易會員的公司，躋身國際知名金屬企業行列。除生產及分銷金屬外，利記集團的業務還包括品質保證及測試、技術諮詢及合作研發等。2016年，利記集團旗下的利保金屬檢測有限公司（利保）亦成為倫敦金屬交易所之純鋅及鋁合金核准採樣及檢測商（LSA）。利保不僅是香港首間獲得由香港認可處管理的香港實驗所認可計劃（HOKLAS）金屬及合金檢測之認可實驗室，並且有資格為建築業進行檢測及進行水中雜質檢測。

利記與製造商及品牌所有者共同開發特種鋅及鋁合金方面，有豐富經驗，能夠滿足新產品設計或應用要求。該集團廣泛的金屬產品系列包括鋅、鋁、鎳、銅以及鋅合金、鋁合金、不銹鋼及電鍍化學品。利記現時為20多個行業的客戶提供服務，涵蓋汽車、玩具、家用五金及時尚飾品。





The reality, Chan says, is that high-end metals manufacturing is an advanced, high-value industry that utilises advanced technologies and offers plenty of scope for career development. As well as talking to university students the company is increasingly speaking to high school students to stimulate their interest before they make their career choices. “We put a lot of effort into demonstrating how a career with Lee Kee can be exciting, stimulating and professionally rewarding,” Chan says. When students discover what high-end metals manufacturing involves, the biggest reaction is often “Wow”. “It’s exciting to see students excited about the potential career prospects,” she adds.

As Lee Kee endeavours to reinforce its position as one of the world’s leading suppliers of metal solutions, looking ahead, Chan says the company will continue to capture opportunities while setting new standards in areas such as sustainable products to create new value for stakeholders. **M**

— Chris Davis
Editor

再工業化

再工業化是香港政府近期提出的議題，指發展高增值產業，而利記十多年前就已在香港建立自己的高端生產設施。展望金屬行業之外，陳女士認為再工業化可提供所需動力，使香港減少對金融服務業的依賴。此外，對北部都會區擬議的再工業化類型將緊密配合大灣區的增長及發展計劃。

同時，陳女士解釋稱，在香港設立生產設施的理由基於許多有力的基本因素。例如，香港在地理上處於有利地位，可以滿足整個亞洲地區客戶的需求。香港的另一項優勢是與內地簽署的《內地與香港關於建立更緊密經貿關係的安排》（CEPA）自由貿易協議。此外，香港為材料科學畢業生提供工作機會，加強了利記與製造商、工程師及產品設計師合作的能力，並透過研發推動創新。

令人驚歎的元素

與大多數企業類似，利記依靠擁有不同技能的僱員多元團隊。然而，在招聘人才時，利記往往需要消除這樣的誤解：製造業屬於勞動密集型，職業前景不大，因此不視為最佳職業選擇。陳女士說，實際情況是，高端金屬製造業是先進的高價值行業，運用先進的技術，提供大量職業發展空間。除了與大學生交流外，該公司越來越多地與高中生交談，在他們做出職業選擇前激發興趣。陳女士說：「我們投入大量精力，展示在利記工作既令人興奮，也充滿啟發性，兼得到專業上的回報。」當學生得知高端金屬製造所涉及的内容時，最大的反應常常是「哇」。她補充說：「看到學生對潛在職業前景感到興奮亦令我激動。」

利記努力鞏固其作為世界領先的金屬解決方案供應商之一的地位，展望未來，陳女士表示該公司將繼續抓住機遇，同時在可持續產品等領域設立新標準，為持份者創造新價值。 **M**

— Chris Davis
主編

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