



hmvod Limited

hmvod 視 頻 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8103)



INTRODUCTION AND SCOPE OF ESG REPORT

The Board is pleased to present the Environmental, Social and Governance (“ESG”) report which is prepared in accordance with Appendix 20 Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) set out by The Stock Exchange of Hong Kong Limited on GEM Board (“GEM Board Listing Rule”). The Board has reviewed and approved of the report and are pleased to present our performance and progress on environmental, social and governance for the year ended 31 March 2019 (the “Reporting Period”).

The ESG report of the Group has been presented into two subject areas, Environmental and Social and each subject area will have various aspects to disclose the relevant policies and the status of compliance with relevant laws and regulations as addressed by the ESG Reporting Guide.

Being a service oriented corporation our impact on the environment, the business community and the society in general in the context of the prevailing ESG guidelines, were generally regarded as minimal and indirect, the Group understands the importance of ESG report and is committed to making continuous improvements in corporate social responsibility into our business in order to better meet the changing needs of an advancing society. Our strategic approach to this subject matter including a wide range of considerations, including the monitoring of similar regulations of other jurisdictions. The Group adopted the priorities with reference to and akin to our understanding of the concerns of our stakeholders, with the objective to deploy our resources in an efficient, socially responsible and commercially viable manner. This report mainly presents policies, initiatives and performance. The following will show the ESG issues that found material for the Group and the relation to the ESG Reporting Guide:

ESG Guide	Relevant ESG issues to the Group
A. Environmental	
A.1 Emissions	Carbon dioxide emission and waste management
A.2 Use of resources	Energy and water consumption
A.3 Environmental and natural resources	Measures in reducing environmental impact
B. Social	
B.1 Employment	Labour practices
B.2 Health and safety	Workplace health and safety
B.3 Development and training	Employee development and training
B.4 Labour standards	Child labour and forced labour
B.5 Supply chain management	Sub-contract to service provider
B.6 Product responsibility	Client’s data and complaint handling
B.7 Anti-corruption	Anti-corruption and money laundering
B.8 Community investment	Community involvement

THE GROUP

During the Reporting Period, the Group’s operations have diversified to four operating segments including professional services, proprietary trading, money lending and over the top (“OTT”) services. The Group has ceased its business of system development and property investment.

A. Environmental

The Group always keeps itself up-to-date on developments in local legislation and standards for environmental protection. During the Reporting Period, the Group had not experienced in any cases of non-compliance relating to environmental laws and regulations in Hong Kong. Being a service oriented corporation, our non-hazardous wastes produces are domestic in nature and were deemed as insignificant.

A.1 Emissions

Carbon dioxide emissions

The operation of the Group does not involve in any manufacturing activities and does not have material impacts on the environment and natural resources. Nevertheless, the Group generates greenhouse gas ("GHG") emission through the combustion of fuels, the use of electricity and the production of paper waste in the offices.

The Group does not own and operate any transport fleets and therefore there is no emissions of sodium oxides ("SO_x"), nitrogen oxides ("NO_x"), particular matters ("PM") and carbon dioxide ("CO₂") from the combustion of fuel. The Group generates greenhouse gas ("GHG") emission mainly through the use of electricity and paper.

The table below shows the emissions of air pollutants and greenhouse gases for the reporting period:

	Emissions (kg)	Intensity (kg/staff)
Carbon dioxide ("CO ₂ ")		
Scope 1 – Combustion of fuel from stationary and mobile sources	Nil	Nil
Scope 2 – Use of electricity	20,787	799.5
Scope 3 – Other indirect emissions from business travel and the use of paper	1,211	46.6
Total CO₂ emissions	21,998	846.1

Waste management

Waste generated from the Group's business activities are mainly consisted of used papers and domestic wastes. No substantial hazardous waste was produced by the Group. Although these are still at their early stages of implementation, the Group had introduced a number of waste management programme, including:

- recycling paper materials, printing cartridges and batteries; and
- encourage duplex printing and reuse single-sided used papers in order to reduce paper consumption.

Our products do not involve usage of packaging material.

A.2 Use of resources

Energy and water consumption

The Group are proactively seeking opportunities for increasing operating efficiency and reducing the use of resources through a series of key initiatives, the following were introduced. Given these are still at their early stages of implementation, the Group will keenly monitor the result.

- blinds for windows to reduce the strength for lowering the temperature of air-conditioner;
- switch off lights and air-conditioner in areas when not in use; and
- replace the Group's properties light bulbs to LED lights to save energy usage compared with fluorescent lights.

Being a service oriented corporation, our water consumption is domestic in nature and was provided by the management office of our premises and were deemed as insignificant. During the reporting period, the energy consumed directly for all operations is as follows:

Use of resources	Unit	Consumption	Intensity (Per staff)
Electricity	kWh	25,539	982
Paper	kg	166	64

The Group will continue to closely monitors the utilisation of resources and conduct regular assessment to seek better ways for contributing to environmental protection.

A.3 Environmental and natural resources

Due to the nature of the business, the Group does not have any direct and significant impacts on the environment and natural resources during its operation. By taking the green initiatives mentioned above, the Group is committed to mitigate the environmental impact and acting in a manner that is both environmentally and socially responsible.

B. Social

B.1 Employment

The Group expects that all employees and contractors treat each other with respect. The Group's policy has covered the issues in relation to compensation and dismissal, recruitment and promotion, working hours, rest period, equal opportunity, diversity anti-discrimination and other benefits and welfare.

Equal opportunity

The Group specifically prohibits discrimination on the basis of age, colour, disability, ethnicity, marital or family status, national origin, race, religion, gender, sexual orientation, or any other characteristic protected by law. These thoughts extended to all employment decisions, including but not limited to recruiting, training, promotion etc.

All employees are committed to maintaining a professional and harassment-free working environment – places where employees act with respect for one another and for those with whom we do business. Behaviours such as unwelcome conduct and sexual harassment are strictly prohibited.

Staff are remunerated according to the job nature, market trends and individual performance. Apart from medical insurance and mandatory provident fund, discretionary bonuses are rewarded to employees based on individual performance.

Labour practices

As at 31 March 2019, the Group employed 26 (2018: 27) full time staff, including the executive directors. The Group has a diverse workforce in terms of gender and age. As a whole, the male/female ratio is approximately 2:1. Breakdown by gender and age group are as follows:

By Gender		By Age Group	
Male	Female	18 to 40	41 to 60
17	9	16	10

B.2 Health and Safety

Workplace health and safety

The Group is committed to providing a healthy and safe workplace for all its employees. In a safe and healthy working environment, fire facilities and safety equipment are regularly checked to ensure the safety of the employees and in prevention of fire accident. During the reporting period, there were no cases of non-compliance with the laws and regulations in respect of the provision of a safe working environment and the protection of employees from occupational hazards and no cases of injury have been reported within the Group. The Group complied with relevant laws and regulations that have a significant impact on the Company relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

B.3 Development and Training

Employee development and training

The Group provides diversified on-the-job trainings based on the needs of respective positions and talents and interests of employees. The Group provides both internal and external trainings for employees, including orientation training for new employee, specialized trainings for different departments, management trainings etc. Moreover, the Group's guidelines are established to assess the performance of employee so as to identify and implement development programs for employees.

B.4 Labour Standards

Child labour and forced labour

The Group does not tolerate any form of child labour and forced labour. In the Group's recruitment guideline, candidate under legal working age is not allowed to work in the company. During the Reporting Period, the Group complied with relevant laws and regulations that have a significant impact on the Group relating to preventing child and forced labour and was not subject to any punishment by the government and was not involved in any lawsuit relating to child and forced labour.

B.5 Supply Chain Management

Sub-contract to service providers

The Group sub-contracted functions related to supply chain management to service provider hence management is not directly involved in the daily operational aspects. Although this is out-sourced, the Group will continue to assess service providers to ensure the quality meets the Group's standards and expectations.

B.6 Product Responsibility

Data protection and privacy policies

Being a licenced money lender and a service provider of OTT services in Hong Kong, the Group collects personal details of borrowers and customers, therefore, ensuring the privacy of customer information is one the issues the Group cares the most.

The Group has formulated a set of privacy principal in collection, retention, use, security, openness and accessibility of information to ensure all lessees' information received is only for its intended purpose and to prevent information leakage, such as:

- Access control to all information;
- Requiring employees not to retain and disclose any confidential information about the Group's business and other sensitive confidential data to any third party; and
- Requiring employees not to obtain any unnecessary information from the borrowers and customers.

There were no incidents or substantiated complaints concerning breaches of customer privacy or losses of customer data during the reporting period.

Intellectual Property Rights

The Group respects third party intellectual property rights and implements internal measures for the protection and confidentiality management. The measures specifies the relevant responsibilities of our employees, customers and other third parties when handling our proprietary information.

During the year ended 31 March 2019, the Group does not aware of any infringement of any law and regulations relating to copy rights and intellectual properties.

Complaint handling

Once a relevant complaint is received by telephone, email or letter, it must be reported to the management. Investigation is carried out to identify the reason of the complaint. Responsible department is required to formulate long term strategy and the result will be reviewed by responsible staff.

B.7 Anti-Corruption

Anti-corruption and money laundering

In order to uphold the highest ethical standards, both the management and staff of the Group follow the Group's Code of Conduct. With the purpose of preventing potential bribery, extortion and fraud, the Group's Code of Conduct clearly states that:

- Employees shall not accept gifts or other benefits that are beyond common business hospitality;
- Employees shall not offer bribes to any person or company for the purpose of obtaining or retaining business;
- Employees should always avoid any situation involving a conflict, or that could be perceived by others as a conflict, between their personal interests, or those of their close relatives, and the performance of their official duties; and
- If a potential conflict exists, employees should make prompt and full disclosure to the management.

To prevent and detect money laundering and terrorist financing, the Group follows the “Guideline on Compliance of Anti-Money Laundering and Counter-Terrorist Financing Requirements for Licensed Money Lenders” issued by the Company Registry and has incorporated policies and procedures in our operation and credit guidelines and policies, which include procedures for customer due diligence, reporting of suspicious transactions, record-keeping, and staff training.

To maintain a high standard in our business integrity there is no tolerance towards any corruption, fraud, money laundering, bribery and extortion. For the Reporting Period, no such events took place in the Group. The department will from time to time evaluate the policies. The Board has reviewed the effectiveness of implementation of such policies. The Group complied with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.

B.8 Community investment

Community involvement

For the continuous effort in giving back to the society, the Group would seek for opportunities to get involved in various community programs. The Group’s approaches toward community involvement are as follows:

- fulfils the corporate social responsibility through the sustainable development strategy to expand its efforts in the areas of charity work;
- assesses how to give business activities to the interests of community; and
- commits to the provision of career opportunities to the locals and promotes the development of the community’s economy.

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