

Mobicon Group Limited

萬保剛集團有限公司

(股份編號Stock Code:1213)

環境、社會及管治報告 Environmental, Social and Governance Report 2019/2020

MOBICON

Enterprising - Pragmatic - Aspiring

10 years +
商界展關懷
caringcompany
Awarded by The Hong Kong Council of Social Service
香港社會服務界協會頒發

CONTENTS

About This Report	2
Stakeholder Engagement	2
Environmental Performance	
Aspect A1: Emissions	3
Aspect A2: Use of Resources	4
Aspect A3: The Environment and Natural Resources	5
Social Performance	
Employment and Labour Practices	
Aspect B1: Employment	5-6
Aspect B2: Health and Safety	6-7
Aspect B3: Development and Training	7
Aspect B4: Labour Standards	7
Operating Practices	
Aspect B5: Supply Chain Management	8
Aspect B6: Product Responsibility	8
Aspect B7: Anti-Corruption	9
Community	
Aspect B8: Community Investment	9
HKEX's Environmental, Social and Governance Reporting Guide Index	11-13

ABOUT THIS REPORT

During the Reporting Period (defined hereinunder), Mobicon Group Limited (the “Company”, and its subsidiaries from time to time (our “Group” or “we”)) operated three core business operations, namely: (1) the distribution of electronic components, automation parts and equipment under the brand of  (the “Electronic Trading Business”); (2) the Computer Business which includes (i) the retail sales of computer products and smartphone accessories under the brand of  (the “Computer Retail Business”) and (ii) the distribution of computer products and consumer products under the brand of  (the “Computer Distribution Business”); and (3) the Cosmetic and Online Retail Business under the brand of . Our Group’s head office is in Hong Kong and has subsidiaries in South Africa, China Mainland, Malaysia, Singapore, Taiwan and Portugal.

The report is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). Since our Group’s head office and main business is in Hong Kong, based on materiality principle, unless otherwise specified, this report focused principally on our measures and performance of the environmental and social aspect of the trading, distribution and retail businesses in Hong Kong.

This report covered the period from 1 April 2019 to 31 March 2020 (the “Reporting Period”). This report is accessible at the Stock Exchange’s website (www.hkexnews.hk) or the Company’s official website (www.mobicon.com).

STAKEHOLDER ENGAGEMENT

We understand that the engagement of stakeholders including shareholders, customers, staff, suppliers and community public is important to our environmental and social sustainability. During our operation, we keep communicating effectively with our stakeholders through various channels including employee workshops, shareholder meetings, and customer daily contacts to understand their concerns and expectations. All these feedbacks and communication help us to formulate our strategies in respect of sustainability and serve as the reference of materiality assessment in this report.

ENVIRONMENTAL PERFORMANCE

We understand that environmental protection is important to our businesses and social sustainability. In our operation, we use our best endeavour to minimize our impact on the environment. Reducing, reusing and recycling are our strategies for commitment to the environment.

Aspect A1: Emissions

In light of the business nature of our Group, no hazardous waste and emission was produced. Greenhouse gas (“GHG”) was our Group’s main emission. Electricity usage was the major source of GHG emission. Our Group continued improving the operation units’ facilities to enhance resource efficiency and produce less emission to protect the environment. The amount of emissions has been reduced as a result of our measures.

Hazardous Waste

In view of our business nature, our Group did not generate substantial hazardous waste during the Reporting Period. Nevertheless, our Group has established guidelines for governing the management and disposal of hazardous waste. All disposal processes must comply with all relevant laws and regulations.

Non-hazardous Waste

The non-hazardous waste generated by our Group was mainly office paper. During the Reporting Period, we generated a total of 2,500 kg of waste paper. To reduce paper consumption, our Group implements environmental protection rules and guidance for our staff to follow. We encourage our staff to make good use of office paper, including collecting single-sided paper for reuse and double-side used paper for recycle. Also, we provide Green Recycle Boxes in our workplaces, warehouses and offices for collecting paper for reuse or recycling.

During the Reporting Period, our Group has strictly complied with all relevant laws and regulations that have a significant impact on us relating to air and GHG emissions, discharges into water and land, and generation of the hazardous and non-hazardous waste. During the Reporting Period, our Group did not commit any material breach of or non-compliance with the applicable laws and regulations related to environmental protection in our Group, including but not limited to, the Product Eco-Responsibility Ordinance (Chapter 603 of the laws of Hong Kong) and Air Pollution Control Ordinance (Chapter 311 of the laws of Hong Kong).

Indicators	2018/2019 <i>Approximately</i>	2019/2020 <i>Approximately</i>
NOx emissions from vehicles (kg)	45.99	43.22
SOx emissions from vehicles (kg)	0.21	0.17
PM emissions from vehicles (kg)	4.23	3.97
Total GHG emissions (Scope 1, 2 and 3) (tonnes)	476	394
Total GHG emissions (Scope 1, 2 and 3) per floor area (tonnes/sq m)	0.07	0.06
Total GHG emissions (Scope 1, 2 and 3) per employee (tonnes/employee)	2	2
Scope 1 direct emissions (tonnes) – company fleet	34	27
Scope 2 indirect emissions (tonnes) – electricity	438	364
Scope 3 indirect emissions (tonnes) – business air travel	4	3

Aspect A2: Use of Resources

During the Reporting Period, our Group continued employing various energy-saving plans to improve our energy efficiency and to lessen our power consumption. We educated our staff on the green environment concept and promoted paperless office, green office and low carbon life. All new decoration or renovation in our offices or shops used high-efficiency T5 tubes and LED lighting. Room temperature of our offices was always kept at 25 degree celsius to minimize unnecessary power consumption. The air conditioners and lighting of our office/warehouse had various zone controls to achieve energy efficiency. Employees were encouraged to switch off the computers, monitors and equipment when they were not in use or when the employee(s) was/were off duty to save energy. Our staff was requested to ensure that air conditioners, lighting and office equipment were switched off when he/she was the last one to leave the office/shop. The amount of emissions has been reduced as a result of our measures.

In 2019, our Group was granted The Hong Kong Awards for Environmental Excellence.

Indicators	2018/2019	2019/2020
	<i>Approximately</i>	<i>Approximately</i>
Total energy consumption (kWh)	931,000	778,000
Total energy consumption per floor area (kWh/sq m)	140	120
Total energy consumption per employee (kWh/employee)	4,730	4,600
Direct energy consumption (kWh)	131,000	105,000
Unleaded petrol	58,000	35,000
Diesel	73,000	70,000
Indirect energy consumption (kWh) – electricity	800,000	673,000

Our business is operated mostly in commercial buildings, industrial buildings and shopping malls. Water supply/wastewater drainage is generally managed by the respective building/mall management office. The management offices do not provide meter or data in respect of the consumption level to individual tenant, so our Group does not possess information in respect of water consumption for disclosure. During the Reporting Period, our Group did not encounter any problems in sourcing water that is fit for purpose. Our Group encourages water conservation and reduces water wastage in our operation whenever possible.

During the Reporting Period, our Group had consumed a total of approximately 12 tonnes of Carton for products packaging, representing a decrease of about 14% from approximately 14 tonnes recorded during the period from 1 April 2018 to 31 March 2019.

Aspect A3: The Environment and Natural Resources

Although the business nature of our Group has little impact on the environment and natural resources, we still use our best endeavour to minimize our impact on the environment. Our Group educates our employees about environmental protection concepts, such as using less paper, using electronic communication (e.g. email, mobile phone Apps) to deliver information and avoiding unnecessary printing and use of paper and ink. The default setting of our Group network's printers is for both sides printing to minimize paper consumption. We encourage our staff to do both sides printing to reuse one side printed paper or recycle paper, and to use network copier sending or saving files to minimize paper consumption. At our warehouse, our carton boxes are reused repeatedly and recycle finally. At our offices, we provide recycling bins for waste paper and plastic bottles and arrange for collection periodically to reduce waste disposal and recycle materials. Old defective computers, office equipment and printer cartridges are also collected by recyclers to reduce environmental pollution. Our Group is committed to reducing waste generated from our business operation. During new decorations and renovations, we avoid purchasing new equipment.

Indicators	2018/2019 <i>Approximately</i>	2019/2020 <i>Approximately</i>
Office paper purchased (kg)	2,200	2,500
Carton purchased (pce)	14,000	12,000
Plastic bag purchased (pce)	10,000	8,000
Paper/carton recycled (kg)	7,800	8,200
Plastic bottle recycled (pce)	1,100	1,000

SOCIAL PERFORMANCE

Employment and Labour Practices

Aspect B1: Employment

Human capital is a valuable asset of our Group for the sustainability and growth of our business. As at 31 March 2020, our Group had a total of 376 full-time employees. Our Group employs latest talent, regardless of gender, age, marital status, family status, race and religion. All employees are treated equally and have the same opportunity. To the best information and knowledge of our directors, there is no discrimination and no harassment cases reported in our Group during the Reporting Period. The recruitment, promotion and remuneration of our staff are based on their abilities and performances without any discrimination.

To attract, motivate and retain talent, our Group provides our employees with competitive remuneration and welfare. Based on personnel performance and our Group's business performance, there will be a discretionary bonus at year-end. Our Group will review the remuneration and welfare provided to individual staff every year in order to maintain our market competitiveness on the retention of human resources.

During the Reporting Period, our Group has strictly complied with all relevant employment laws and regulations in Hong Kong that have a significant impact on it relating to compensation and dismissal, recruitment and promotion, working hour, rest period, equal opportunity, diversity, anti-discrimination and other benefit and welfare, including but not limited to the Employment Ordinance (Chapter 57 of the laws of Hong Kong), the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the laws of Hong Kong), the Minimum Wage Ordinance (Chapter 608 of the laws of Hong Kong) and all other relevant ordinances. During the Reporting Period, no claims of employment matters were brought against our Group by our employees. Our Group provides more holidays and rest periods than the statutory requirements to our employees. In addition to the entitlement of paid annual leave and statutory holidays, the office staff has paid rest days on Saturday and Sunday, and the staff of  shops has 5 days off per month. Our Group also provides medical insurance benefits to our employees.

Working hours and rest periods are clearly stated in our Group's employee handbook ("our Employee Handbook") and comply with the local employment laws.

Our Group compensates employees according to the statutory requirements. Unreasonable dismissal under any circumstances is strictly prohibited. There was no material non-compliance on part of our Group relating to compensation and dismissal, working hours and rest periods during the Reporting Period.

To boost our staff motivation and increase their sense of belonging, our Group organized birthday broadcasting party and snacks sharing. We offered various kinds of awards for outstanding staff on a monthly, quarterly and annual basis, e.g. The Best Attendance Award, The Best Cleaning Award and The Most Customer Visit Award. Our Group has been hiring hearing-impaired people as full-time employees for several years.

Aspect B2: Health and Safety

We are committed to providing a healthy and safe working environment to every employee and to providing the employees with the appropriate equipment, safety information and training. Our Group also helps improve our employee's concept of working safety and health by providing relevant trainings. Our Group further endeavours to build up a healthy and safe working environment with zero accident and zero work injury.

Prolonged usage of computers is a common problem for employees in office. In Hong Kong, our Group provides every employee in office with a glass stand to elevate the position of the computer monitor or notebook to encourage staff to have a correct posture for using a computer. We endeavour to provide a healthy and comfortable working environment for our employees.

In response to the outbreak of COVID-19, our Group is well-positioned to prevent and control measure in order to safeguard the health and safety of our staff. We provide epidemic prevention materials to our staff, the health and safety of employees in times of the pandemic remains our Group's primary concern.

During the Reporting Period, our Group has not recorded any work-related fatality and work injuries care. We have complied with relevant laws and regulations that have a significant impact on us relating to providing a safe working environment and protecting our employees from occupational hazards, including but not limited to, the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong).

Aspect B3: Development and Training

Our Group believes staff development and training are key factors for the development and growth of our business. We promote lifelong continuing learning among our staff and encourage them to equip themselves with knowledge of the latest technology or development for improvement in work performance. Our Group provides continuous on-the-job training to our employees to enhance their knowledge and skill. We also encourage our staff to attend courses or trainings for personal professional development organized by external entities.

Our Group was awarded “Happy Company” by the Promoting Happiness Index Foundation in 2019.

Aspect B4: Labour Standards

During the Reporting Period, our Group has complied with all relevant laws and regulations that have a significant impact on us relating to preventing child and forced labour, including but not limited to the Employment Ordinance (Chapter 57 of the laws of Hong Kong). Our Group did not have material non-compliance in relation to laws and regulations regarding prevention of child and forced labour during the Reporting Period. We do not accept any forms of forced labour.

We also prohibit employing child labour at any working place under any circumstances. To ensure that job applicants have met the legal working age, our Group will inspect job applicant’s documents and qualifications strictly during the recruitment process to ensure that all relevant laws and regulations in respect thereof are complied with, and all records will be kept for re-inspection when needed. During the Reporting Period, we did not identify any issue related to child labour or forced labour within our Group.

Operating Practices

Aspect B5: Supply Chain Management

Our Group was awarded ISO9001 certification, and we are committed to maintaining a high standard on purchase and supply chain management to improve our operational efficiency and manage the environmental and social risks of the supply chain.

Our Group has our own procurement process to ensure the quality of its supply chain. It aims to build and maintain trust with suppliers to ensure stable and reliable cooperation. To ensure the quality of our suppliers, we implement procedures for the suppliers' selection, including but not limited to, performing due diligence on the new suppliers and regular review of the supplier performance with a view to ensure the product provided to our Group is in high quality and safe for its purpose.

Aspect B6: Product Responsibility

Product quality is very important to our business and customers and we have a system to ensure product quality and safety. Under our supply chain management, our suppliers are requested to provide relevant documents and certification to us, and we shall ensure that the quality of our products complies with the relevant laws and regulations that have a significant impact on us relating to health, safety and intellectual property right matters.

We also use our best endeavour to ensure that our advertisements and communication to customers do not contain any false and misleading messages. It is our Group's policy that if any product is found to have health, safety and/or labelling issues, the sale or distribution of such product will be suspended immediately.

During the Reporting Period, our Group complies with relevant laws and regulations that have a significant impact on us relating to advertising and labeling, e.g. the Trade Descriptions Ordinance (Chapter 362 of the laws of Hong Kong). There was no material non-compliance relating to health and safety, advertising, labeling and privacy matters that have a significant impact on our Group during the Reporting Period.

We respect customer's privacy and we comply with the Personal Data (Privacy) Ordinance (Chapter 486 of the laws of Hong Kong) in protecting customer personal data. We only collect personal data relevant and necessary to conduct our business. Unless with the customer's consent or being compelled by law or for reasons of obtaining professional services such as legal and audit, we will not disclose customer personal data to any organization or person not belonged to our Group. Also, our Employee Handbook also clearly prohibits the unauthorized disclosure of the personal data of our customers. During the Reporting Period, our Group has complied with all relevant laws and regulations that have a significant impact on us relating to privacy matters and there was no non-compliance case concerning breaches of customer privacy or losses of the personal data of our customers.

Aspect B7: Anti-Corruption

Our Group is committed to maintaining our ethics and integrity at the highest standard in business. We have zero tolerance to corruption and bribery. All directors and staff must strictly comply with our Group's Employee Conduct Code to prevent any action of bribery and corruption and they shall also follow relevant rules and guidelines when any conflict of interests arises.

It is our Group's policy that our employee is not allowed to solicit or accept any advantages from our customers, potential customers, or company business partners. The types of advantages and interests include but not limited to money, gift, loan, fee, reward, employment, contract, service and favour.

Our Group has a whistle-blowing policy and we encourage staff to report any suspected corruption case directly to our Group's top management.

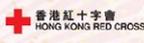
Our Group has been in strict compliance with laws and regulations related to anti-corruption, including the Prevention of Bribery Ordinance (Chapter 201 of the laws of Hong Kong). During the Reporting Period, there was no legal case regarding bribery, extortion, fraud and money laundering brought against our Group or our employees.

Community

Aspect B8: Community Investment

Our Group has a strong commitment to corporate social responsibility to support the long-term development of the communities. We endeavour to participate in and organise the activities that will bring positive influence to the communities and take into consideration the communities' needs and interests. We concern youth education and the vulnerable. We encourage the employees to participate in community charitable activities to help those in need. For several years, our Group has participated in Yan Chai Hospital Charity Walk and Hong Kong Red Cross Blood Donation Day. Our Group has continuously employed hearing-impaired people as full-time employees for several years. Our Group has also provided placement opportunities to the students of local tertiary institutions and South Asian race secondary school students. Our Group had been awarded the Caring Company Logo for 14 consecutive years by the Hong Kong Council of Social Service in recognition of its achievement in corporate social responsibility in areas such as "Giving", "Employing the Vulnerable", "Caring the Employees" and "Caring the Environment".

立即加入

2019 再接再厲!  香港紅十字會
HONG KONG RED CROSS

捐1次血 救3個人
One Blood Donation, Saves 3 Lives



網上預約服務








26 JUL 2019 



BANNERSHOP × **仁濟慈善行**
Yan Chai Charity Walk
2019



wishh!
推廣 · 彰效 · 跨局




20 Oct 2019

HKEX'S ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE INDEX

Subject Areas and Aspects

Page of Report

A. Environmental

Aspect A1: Emissions

3

General Disclosure	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.
KPI A1.1	The types of emission and respective emissions data
KPI A1.2	Greenhouse gas emissions in total and intensity
KPI A1.3	Total hazardous waste produced and intensity
KPI A1.4	Total non-hazardous waste produced and intensity
KPI A1.5	Description of measures to mitigate emission and results achieved
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction, initiatives and results achieved

Aspect A2: Use of Resources

4

General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials
KPI A2.1	Direct and/or indirect energy consumption by type and intensity
KPI A2.2	Water consumption in total and intensity
KPI A2.3	Description of energy use efficiency initiatives and result achieved
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved
KPI A2.5	Total packaging material used for finished products and with reference to per unit produced

Aspect A3: The Environment and Natural Resources

4-5

General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them

B. Social

Aspect B1: Employment		5-6
General Disclosure	Information on: <ul style="list-style-type: none"> (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. 	
Aspect B2: Health and Safety		6-7
General Disclosure	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to provision of a safe working environment and protecting employees from occupational hazards. 	
Aspect B3: Development and Training		7
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work Description of training activities	
Aspect B4: Labour Standards		7
General Disclosure	Information on: <ul style="list-style-type: none"> (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. 	
Aspect B5: Supply Chain Management		8
General Disclosure	Policies on managing environmental and social risks of the supply chain	

Aspect B6: Product Responsibility	8
General Disclosure	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.
Aspect B7: Anti-Corruption	9
General Disclosure	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.
Aspect B8: Community Investment	9
General Disclosure	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.

Mobicon Group Limited

萬保剛集團有限公司

(股份編號 Stock Code : 1213)

www.mobicon.com

MOBICON

進取 - 務實 - 翹四方

A watercolor illustration of a landscape. In the foreground, several tall, slender trees with green foliage stand on a yellowish-green ground. The background features soft, blue and green washes representing mountains or hills under a light sky. The overall style is artistic and naturalistic.

環境、社會及管治報告
Environmental, Social and
Governance Report
2019/2020