



ASIA COMMERCIAL HOLDINGS LIMITED

冠亞商業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 104)

2019 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

* *For identification purpose only*

INTRODUCTION

The Group is committed to maintain a high standard of environmental, social and corporate governance practices by incorporating relevant policies into its business strategies with a key focus to build a long term relationship with its different stakeholders so as to enhance the value of the shareholders.

As the Group is principally engaged in the trading of watches (retail and wholesale) and property leasing, it is not directly involved in the production process and hence most of the environmental impacts are indirect.

The structure of this report is by reference to Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. It is recommended that this report is to read together with the Corporate Governance Report as laid down in our Annual Report for the year ended 31 March 2019.

A. ENVIRONMENTAL

A.1 Emissions

The Group is committed to protect the environment from its business activities and workplace by implementing measures such as the use of power-saving devices, the promotion of e-documents, the use of recycle papers and the reduction of energy consumption during non-business hours with a view to stay efficient on resource consumption and reduce impact on environment.

During the reporting period (i.e. 1 April 2018 to 31 March 2019, “Reporting Period”), the Group was not aware of any material non-compliance incidents with relevant laws and regulations that have a significant impact on our operation.

KPI A1.1 and KPI A1.2

In view of our business nature, our primary focus of emission is the greenhouse gas emissions coming from the electric consumption. The following data was coming from the three core retail shops in Hong Kong and China respectively which accounted for the majority of the revenue of the Group during the Reporting Period.

Carbon dioxide emission from electricity consumption (tonnes): 843 (2018: 1,053)

Carbon dioxide emission from electricity consumption per gross floor area (tonnes/sq.m.): 0.5 (2018: 0.6)

KPI A1.3, KPI A1.4 and KPI A1.6

Given the nature of our business, we do not produce any form of hazardous waste from our operation. Hence our focus of waste management is to reduce the level of household waste. Our measures include the use of recycle papers, the use of recycle toner cartridges and the promotion of e-documents.

During the Reporting Period, the Group had generated approximately 8.9 (2018: 8.2) tonnes of household waste.

KPI A1.5

Referring to the section headed “A.1 Emissions”.

A.2 Use of Resources

To promote an efficient use of resources in view of the nature of our business, the Group is mainly focus on efficient electricity usage and reduction of paper consumption. Our measures include the use of power-saving devices, the promotion of e-documents, the use of recycle papers and the reduction of energy consumption during non-business hours.

KPI A2.1

The following data was coming from the three core retail shops in Hong Kong and China respectively which accounted for the majority of the revenue of the Group during the Reporting Period.

Indirect energy consumption by electricity (kWh): 637,088 (2018: 767,570)

Indirect energy consumption by electricity per gross floor area (kWh/sq.m.): 344 (2018: 414)

KPI A2.2, KPI A2.4 and KPI A2.5

Not applicable in view of the nature of our business as both the water consumption and packaging material are immaterial.

KPI A2.3

Referring to the section headed “A.2 Use of Resources”.

A.3 The Environment and Natural Resources

Referring to the section headed “A.2 Use of Resources”.

KPI A3.1

Referring to the section headed “A.2 Use of Resources”.

B. SOCIAL

B.1 Employment

The Group has a total of 149 employees in Hong Kong, China and Switzerland and complied with the relevant labour laws and regulations in these areas. Areas covered include compensation, recruitment, promotion, working hours, rest periods, diversity and equal opportunities, and prevention of forced and child labour. No employee is made to work against his/her will or work as forced labour, or subject to coercion of any type related to work. Employment and related documents are maintained by the personnel department and are open to verification by any authorised personnel or relevant statutory body.

B.2 Health and Safety

Besides providing a safe working environment and protecting employees from occupational hazards, the Group also maintains good hygiene standards in our shops and offices and prevents workplace accidents.

B.3 Development and Training

The Group offers competitive remuneration packages to employees in line with market trends which include medical benefits and other staff-related insurance funds. The Group also provides the employees with periodic trainings so that they can equip themselves with the relevant knowledge and skills for their work.

B.4 Labour Standards

Referring to the section headed “B.1 Employment”.

B.5 Supply Chain Management

The Group has maintained strong and solid relationship with our key suppliers by constantly exchanging views on the business operation. With a stable and solid supply chain, our product’s quality is maintained. In addition, the Group has established goods return policy to ensure that the customer’s interest is protected. The Group also protects customer privacy and supplier performance relating to sustainability.

B.6 Product Responsibility

Referring to the section headed “B.5 Supply Chain Management”.

B.7 Anti-corruption

The Group promotes and cultivates a high integrity corporate culture which includes the implementation of policies to encourage whistleblowing and anti-corruption reporting.

B.8 Community Investment

The Group supports and understands the needs of the communities and makes donations to the needed.