

萬華媒體

One Media Group Limited

萬華媒體集團有限公司

Stock Code 股份代號：426

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/2019

二〇一八至二〇一九年
環境、社會及管治報告

萬華 媒體

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SUSTAINABILITY POLICY

One Media Group Limited's (the "Company", together with its subsidiaries, the "Group") sustainability vision is to create and publish credible and quality content, services and products with minimal environmental impact and delivering value to our shareholders. To this end, the Group adopts ethical and responsible business practices and good corporate governance in our operations and relationships with all stakeholders.

Sustainability measures are implemented in three core areas, namely, environmental, social and governance ("ESG"). The employees of the Group are made aware of the importance of sustainability for the Group's operations and are reminded of carrying out the Group's business responsibly, acting with integrity and considering how its operations may affect the environment, community and stakeholders' interests.

GOVERNANCE

The Group is committed to carrying out the sustainability policy and fulfilling the principle of sustainable development. The policy sets out the framework for the identification and management of sustainability items in the areas of ESG.

The governance structure for sustainability management in the Group is as follows:

Role and responsibility	
Board of Directors	To set the sustainability strategy for the Group
Executive Committee	To establish the policies and processes for the identification, prioritising and management of the material sustainability issues
Senior Management	To ensure the compliance of sustainability practices

SCOPE AND REPORTING STANDARD

This report covers the Group's performance on ESG aspects for the financial year ended 31st March 2019. All data and activities as disclosed in this report are based on the performance of the Group's business operations in Hong Kong.

This report is prepared in accordance with the ESG Reporting Guide set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

MATERIALITY ASSESSMENT

The Group including its management, assisted in reviewing its operations and sought feedback from relevant stakeholders from time to time to identify material issues in the ESG areas. The material sustainability issues were identified based on their impact on the Group's financial performance, operations and reputation. The Group's risk register was also reviewed to help identify such issues.

By applying the above methodology, the Group identified and prioritised the sustainability issues that were considered most material to the Group's operations and its stakeholders as below:

Area	Material sustainability issues
Environmental	<ul style="list-style-type: none"> • Energy • Water and Effluents • Greenhouse Gas Emissions
Social	<ul style="list-style-type: none"> • Diversity and Equal Opportunity • Training and Development • Health and Safety • Contribution to Community • Procurement Practices • Product Responsibility
Governance	<ul style="list-style-type: none"> • Governance Structure • Corporate Governance

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDERS ENGAGEMENT

The Group places importance on maintaining good and mutually beneficial relationships with our stakeholders. The Group engages its stakeholders in its daily operations through various channels to seek feedback and address stakeholders' concerns. The stakeholders engagement methods are listed below:

Stakeholders	Key interests	Method of engagement
Customers	<ul style="list-style-type: none"> Credible and quality content 	<ul style="list-style-type: none"> Social media and websites Events held for readers and advertisers Awards and anniversary events Meetings Exhibitions
Community	<ul style="list-style-type: none"> Social assistance 	<ul style="list-style-type: none"> Social media Community events
Shareholders	<ul style="list-style-type: none"> Direction and performance of the Company 	<ul style="list-style-type: none"> Annual general meeting Announcements Press releases
Industry peers	<ul style="list-style-type: none"> Development of Industry 	<ul style="list-style-type: none"> Awards
Suppliers	<ul style="list-style-type: none"> Competitive pricing and quality goods and services 	<ul style="list-style-type: none"> Meetings
Employees	<ul style="list-style-type: none"> Talent retention and human capital development 	<ul style="list-style-type: none"> Corporate events Trainings Internal communications

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SUSTAINABILITY AREAS

1. Environmental



The Group is committed to delivering its products and services with minimal environmental impact. In this regard, it aims to conserve water and energy, reduce greenhouse gas emissions, minimising waste and raise public awareness in support of environmental sustainability. The Group strives to identify opportunities and measures to minimise the direct and indirect impact of its Hong Kong operations and comply with the relevant environmental laws and regulations.

(a) *Outsourcing of production and distribution*

The Group outsources its printing operation and product delivery to contractors as part of its cost management effort. Therefore, the Group does not have data on the usage of materials and the disposal of wastes by the contractors or the usage of fuel or greenhouse gas emissions from such activities. Nevertheless, the Group selects service providers which conduct proper waste management in their operations. The printers have established policies in waste disposal, such as disposing waste paper to paper manufacturers for recycling, and chemical waste to approved chemical processing company.

The waste generated from the Group's office operations is non-hazardous and is disposed of through general waste disposal methods. Currently, the Group does not have a mechanism for gathering the statistics of general waste at its office as the amount of waste is insignificant.

(b) *Use of resources*

(i) Electricity

Electricity used for office operations accounts for a major part of the Group's usage. In line with its sustainability policy, the Group keeps track of the electricity usage of its operations and implements measures to reduce energy consumption. Some of these initiatives include conducting energy-saving campaigns at its offices where employees are reminded to switch off the lights, computers or equipments when not in use.

The Group's electricity usage for the financial years ended 31st March 2018 and 2019 were 518,047 kWh and 498,035 kWh, respectively.

(ii) Water

The Group is mindful that the use of natural resources like water must be managed with care to prevent wastage or abuse. The Group's usage of water is consumed at its offices only which is utilised for drinking and washing.

The Group's total consumption of water for the financial year ended 31st March 2018 and 2019 were 280 m³ and 282 m³ respectively.

(c) *Greenhouse gas ("GHG") emissions reporting*

The Group aims to reduce GHG emissions by identifying the sources and implementing solutions, which includes improving efficiency and minimising the environmental impact of its operations.

The Group has chosen its approach to report utility data from operations under its direct control in Hong Kong. Scope 2 (Electricity) is reported on below. The Group is not reporting on Scope 3 emissions from transport as the transportation of products has been outsourced to third parties and it does not own a fleet of vehicles. Scope 1 is not applicable to the Group as there are no direct emissions from its operations.

The Group has identified GHG emissions from purchased electricity. The "Emission Factor Electricity" supplied by Hong Kong Electric is used for calculation of GHG emission.

The total carbon emission from electricity consumption for financial year ended 31st March 2018 and 2019 were 409,257 kgCO₂e and 398,428 kgCO₂e respectively.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SUSTAINABILITY AREAS *(Continued)*

2. SOCIAL



The Group emphasises the establishment of a sound system to promote the welfare of its employees, talent retention and development, diversity, anti child labour, work life balance, health and safety and corporate social responsibility. Sound procurement processes, being responsible for its products and connecting with the community are also core concerns of the Group.

(a) Employees

A trained and talented team is essential for the sustainability of the Group's business. Hence, the Group believes in recruiting, building and retaining its talent pool. It also encourages diversity, talent development, and enhances employee engagement at its workplace. The Group implements health and safety practices at its offices to ensure a safe working environment. The Group's employment practices comply with the relevant laws and regulations in Hong Kong.

(i) Employment practices

The Group is dedicated to creating a safe, fair and harmonious work environment for its employees. The Group has established policies in relation to labour practices including remuneration, dismissal, recruitment and promotion, working hours, rest periods, disciplinary practice, and other benefits and welfare. There are also controls in place to reduce labour related risks and issues.

(ii) Diversity and equal opportunity

The Group encourages diversity among its workforce as it promotes innovation and creativity. Hence, the Group practises its recruitment process without any forms of discrimination. It also emphasises fair treatment of its employees, in terms of career development and remuneration, regardless of gender, age, race or other aspects of diversity.

The diversity of employees in the Group by gender is 57% female and 43% male.

(iii) Employee training and development

With the rapid changes in the media industry, training and development of its employees are essential to improve the Group's efficiency and productivity. The Group provides internal and external training programmes to its employees to help them to cope with changes in technology or new business development. In addition, annual performance evaluation is carried out to evaluate and track the performance of each employee.

(iv) Employee engagement

The Group is committed to building a cohesive team and fostering communication with its employees. In this respects, various staff activities including luncheon, Christmas party are organised to strengthen the bond among staff.

(v) Health and safety

The Group strives to ensure a safe workplace by promoting awareness among its employees of the importance practising health and safety measures. Regular safety inspections and trainings, including lifts and fire extinguishers maintenance, and fire drills are carried out by the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SUSTAINABILITY AREAS *(Continued)*

2. SOCIAL *(Continued)*

(a) *Employees (Continued)*

(vi) Child and forced labour policies and others

The Group complies with relevant labour laws and regulation in Hong Kong, including Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong). The Group has adopted a policy to prohibit any form of child or forced labour.

Further, the Group believes in conducting business in an ethical way that promotes governance in its business practices. It always requires its employees to avoid situations where conflicts of interest may arise and to maintain integrity at all times.

The Group has an anti-sexual harassment policy to provide all employees with a working environment free from any form of sexual harassment. Any concerns about sexual harassment may be reported to the individual's immediate supervisor or Human Resources Department and will be treated in utmost confidentiality.

(b) *Sound procurement practice and product responsibility*

The Group aims to conduct business in a fair manner and prioritise product quality. It believes in sound and ethical procurement practices to ensure a sustainable supply chain for the procurement of goods and services necessary for its business. This will also build a strong and mutually beneficial relationship between the Group and its suppliers.

(i) Procurement

The Group strives to operate in an ethical environment and practising responsible procurement processes to ensure sustainable performance. The Group's procurement process emphasises high standards of objectivity and impartiality in the selection of suppliers. Suppliers are required to comply with relevant legislations while providing quality goods and services and effective after-sales services that meet the Group's expectations. Annual evaluations of its suppliers are carried out to ensure that the quality is maintained, the goods and services are delivered effectively, and the prices charged are competitive.

(ii) Product responsibility

The Group prides itself in producing accurate and unbiased contents. It regularly engages its readers through various channels, such as social media, to ensure its contents meet its readers' demands. Additionally, editorial policies are in place to ensure responsible journalism. The Group's editorial team managed by the chief editor of each respective publication reviews their own publications to ensure accuracy of the information contained. Policies and procedures are also implemented to ensure that complaints from readers and advertisers are handled in an appropriate and time-efficient manner.

The Group complies with Hong Kong laws and regulations, including the Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong) to ensure its products are properly marketed and customers are treated fairly. It requires that disclosures and marketing materials published in the Group's publications meet relevant regulations for the target audience and that the products marketed are accurately and fairly described.

The Group also ensures that its employees are aware of the importance of maintaining the privacy of personal and business data. With reference to the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong), the Group has adopted policies and security procedures to protect the information from unauthorised access, unlawful disclosure and to prevent misuse of personal data.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SUSTAINABILITY AREAS (Continued)

2. SOCIAL (Continued)

(c) Community

The Group is committed to supporting the public by means of social participation and believes in giving back to the community where it operates to fulfill its corporate social responsibility. During the reporting period, the Group continued to support various organisations, such as Sheng Kung Hui St. Christopher's Home, Breathe Life Arts and Culture, in their fund raising campaigns and community projects by offering media coverage in the Group's publication, "Ming Pao Weekly 明周".



(d) Customers

The Group organises various events to engage with its readers and advertisers.

In 2018, "Ming Pao Weekly 明周" celebrated its 50th Anniversary with a party attended by many celebrities and advertisers and it had a readers gathering at the Mills, Tsuen Wan.

"TopGear 極速誌" had celebrated its 100th Issue Anniversary with a luncheon and had also held its Top Gear Awards 2018. MING's held its MING's Beauty Best Awards. Meanwhile "MING Watch 明鏡" celebrated its anniversary with a gathering with its advertisers.

(e) Investors and shareholders

Investors and shareholders of the Company are updated on the development and operations of the Company through its corporate announcements, quarterly, interim and annual financial results announcements, press releases and at its general meetings.

The Company has in place a shareholders' communication policy. The details of shareholders' rights are set out in the Corporate Governance Report in the Company's Annual Report 2018/19 on pages 17 to 28. The Group's website also provides detailed information on procedures for shareholders to propose a person for election as a director.

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3. Governance



The Group endeavors to uphold ethical business conduct, strong governance and accountability. Hence, it implements good governance practices in the management of its business and operations.

Further details on the corporate governance policies and practices of the Group are set out in the Corporate Governance Report in the Company's Annual Report 2018/19 on pages 17 to 28.



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