

# 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 2019/2020

二〇一九至二〇二〇年  
環境、社會及管治報告

The background of the entire page is a warm orange color. It features a faint, white outline of the map of China in the upper right quadrant. The lower half of the page is dominated by a large, stylized graphic of the Chinese characters '萬華媒體' (One Media Group) in a bold, white, sans-serif font. The characters have a slight 3D effect with a soft shadow. Behind the characters, there are abstract, wavy lines and a pattern resembling wood grain, all in shades of orange and white.

# 萬華媒體

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## SUSTAINABILITY POLICY

One Media Group Limited (the “Company”, together with its subsidiaries, the “Group”) is committed to creating sustainable and long-term business growth by being a trusted organisation publishing credible, high quality content while contributing positively to customers, the communities it operates in and the environment. Change continues to be a dominant factor impacting the media industry and the Group’s commitment to corporate responsibility remains vital during these challenging times.

The Group’s sustainability framework covers the core aspects of Environmental, Social and Governance (“ESG”). To embed sustainability across the organisation, the Group seeks to ensure that employees are made aware of the importance of sustainability for its operations. The Group implements continuous measures to develop and review its sustainability strategy to ensure that the strategy remains relevant in view of the opportunities and challenges faced by its business.

## GOVERNANCE

The Group’s sustainability vision is enshrined in its sustainability policy which guides the implementation of measures to achieve ESG goals. The policy provides an overall framework for the identification and management of ESG measures.

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

	Key role and responsibility
Board of Directors	<p>To determine the overall sustainability strategy for the Group and to evaluate and determine the Group’s ESG-related risks.</p> <p>To ensure that appropriate and effective ESG risk management and internal control systems are in place.</p>
Executive Committee	<p>To establish the policies and processes for the identification, prioritising and management of material sustainability issues.</p> <p>To assist the Board of Directors in ensuring effectiveness of the ESG risk management and internal control systems.</p>
Senior Management	To ensure compliance of sustainability practices.

## SCOPE AND REPORTING STANDARD

This report is in respect of the Group’s performance on ESG aspects for the financial year ended 31st March 2020. 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.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## MATERIALITY ASSESSMENT

Engagement with stakeholders is a core method for identification of material sustainability items within the ESG focus areas. The Group has in place arrangements that enables it to communicate with stakeholders on a regular basis and to gather relevant feedback with the aim of ensuring that its sustainability measures continue to create value for stakeholders.

In preparing the list of material sustainability items, the Group has also taken into account the impact of each of these items on its financial performance, business continuity, key operations and reputation. The Group's risk register was also reviewed to assist in identifying issues that may be material.

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

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

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## STAKEHOLDERS ENGAGEMENT

The Group places emphasis on ensuring stakeholder inclusiveness as part of its corporate responsibility goals. Feedback received from both internal and external stakeholders plays a significant role in shaping the Group's sustainability strategy and policies. The Group engages with stakeholders on an ongoing basis to understand any emerging concerns and to assist in formulating solutions to better meet their expectations.

The stakeholders and engagement methods are listed below:

Stakeholders	Key Interests	Method of engagement
Customers	<ul style="list-style-type: none"> <li>Credible and quality content</li> </ul>	<ul style="list-style-type: none"> <li>Events held for readers</li> <li>Social media and websites</li> <li>Awards and anniversary events</li> <li>Meetings and exhibitions</li> </ul>
Advertisers	<ul style="list-style-type: none"> <li>Good advertising coverage and opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Events held exclusively for advertisers</li> <li>Participation in events where advertisers will be present</li> </ul>
Community	<ul style="list-style-type: none"> <li>Social assistance</li> </ul>	<ul style="list-style-type: none"> <li>Social media</li> <li>Community events</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>Direction and performance of the Company</li> </ul>	<ul style="list-style-type: none"> <li>Annual general meeting</li> <li>Announcements</li> <li>Website postings</li> <li>Press releases</li> </ul>
Industry peers	<ul style="list-style-type: none"> <li>Development of Industry</li> </ul>	<ul style="list-style-type: none"> <li>Awards</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Competitive pricing and quality goods and services</li> </ul>	<ul style="list-style-type: none"> <li>Meetings</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Talent retention and human capital development</li> </ul>	<ul style="list-style-type: none"> <li>Corporate events</li> <li>Social functions</li> <li>Internal communications</li> <li>Training and development</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## SUSTAINABILITY AREAS

### 1. Environmental



The Group is committed to manage and minimise its environmental footprint in the delivery of its products and services. The Group constantly evaluates and improves its environmental practices in order to minimise waste, reduce greenhouse gas emissions and conserve water and energy. These environmental conservation measures are central to the Group's strategy to enhance sustainability across its business operations.

#### (a) Outsourcing of production and distribution

In order to manage costs, the Group currently has in place outsourcing arrangements with service providers and contractors to handle printing and product delivery operations. As such, the Group does not keep track of data on consumption of materials, waste disposal, fuel usage or greenhouse gas emissions from such activities.

However, given the Group's emphasis on waste management as well as recycling and proper processing of waste materials, one of the key criteria for selection of service providers is their ability to establish and implement appropriate waste management policies. In this regard, the Group engages printers who have in place established policies for reducing and recycling any waste generated, as well as ensuring proper disposal of chemical waste to approved chemical processing companies.

Any waste generated as a result of the business operations within the Group's offices is non-hazardous and can be disposed of using generic waste disposal methods. As the amount of waste generated is insignificant, the Group does not currently implement a mechanism for tracking the amounts of such waste.

#### (b) Use of resources

##### (i) Electricity

Energy consumption from the Group is mainly associated with office operations. As part of the Group's strategy to reduce its carbon footprint, it strives to implement measures to reduce energy consumption across its operations. These include putting in place measures to monitor and optimise electricity usage, as well as carrying out awareness campaigns to encourage employees to save energy and switch off lights, computers and other office appliances when not in use.

The Group's electricity usage for the financial years ended 31st March 2019 and 2020 were 498,035 kWh and 474,041 kWh respectively.

##### (ii) Water

The Group's water consumption is minimal and water is only used for general consumption such as drinking and cleaning. The Group is committed to maintaining and ideally reducing water consumption for its office operations.

The Group's total consumption of water for the financial years ended 31st March 2019 and 2020 were 282 m<sup>3</sup> and 254 m<sup>3</sup> respectively.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## SUSTAINABILITY AREAS *(Continued)*

### 1. Environmental *(Continued)*

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

The Group aims to reduce company-wide GHG emissions through analysing the impact that its products and services may have on GHG emissions and formulating appropriate solutions. This is achieved through its sustainability policy which includes measures for improving efficiency and reducing 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 calculating GHG emissions.

The total carbon emission from electricity consumption for the financial years ended 31st March 2019 and 2020 were 398,428 kgCO<sub>2</sub>e and 383,973 kgCO<sub>2</sub>e respectively.

#### (d) Ongoing targets

In general, the impact on the environment created by the media industry is relatively low in comparison to its scale. Nevertheless, the Group's commitment to protection of the environment and conservation of resources is critical to ensure that it is able to continue delivering products and services with minimal environmental impact. In this regard, the Group has determined that it will continue to reduce the consumption of electricity, GHG emission and the consumption of water for the year ending 31st March 2021.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## SUSTAINABILITY AREAS *(Continued)*

### 2. Social



The Group is dedicated to ensuring the welfare of its employees, health and safety of workers and stakeholders, talent retention and development, diversity in the workplace, anti-child labour and work-life balance as the Group believes that these form the cornerstone of its positive corporate culture and are important in creating value for its stakeholders.

#### (a) Employees

Having a highly motivated and well trained team is important for the sustainability of the Group's business. The Group therefore places significant emphasis on enhancing and retaining its talent pool while at the same time ensuring that employees are exposed to continuous training and development. The Group believes that diversity within the workforce and strong employee engagement will enhance the quality of the products and services it delivers. The Group also takes workplace health and safety seriously and has in place relevant policies and protocols to reduce risks of injuries at its offices. The Group's employment practices are in compliance with the relevant laws and regulations in Hong Kong.

##### (i) *Employment practices*

In order to create a healthy work culture as well as a safe and comfortable working environment for its employees, the Group has in place human resource policies and practices including policies on remuneration, dismissal, recruitment and promotion, working hours, rest periods, disciplinary practice, and other benefits and welfare. As an additional safeguard, there are also controls in place to reduce the occurrence of labour related risks and issues.

##### (ii) *Diversity and Equal Opportunity*

The Group practises equal opportunities and does not tolerate discrimination in its recruitment process. By encouraging diversity within its workforce, the Group will also be able to promote innovation and creativity in the delivery of products. One of the main focus areas is implementing measures to allow for fair treatment of employees, in terms of both career development and remuneration, regardless of gender, age, race, religion or other aspects of diversity.

The diversity of employees in the Group by gender is 55% females and 45% male.

##### (iii) *Employee training and development*

Training and development is a vital part of human resource development, particularly in view of the fast changing technological landscape for the media industry. The Group aims to design and organise effective training programmes to improve efficiency levels within the organisation. The Group implements both internal and external training programmes to ensure that employees are able to keep abreast of technology changes and developments within the industry as well as improve the skills required for performing their duties. Annual performance reviews and appraisals are also adopted as a major component of employee development and to track employee performance.

##### (iv) *Employee engagement*

Employee engagement levels are key to the productivity of an organisation and the Group is dedicated to building a cohesive team and increasing job satisfaction for employees. To this end, the Group encourages open communication and organises regular activities such as group and team luncheons, celebration and gatherings during major cultural festivals to build team camaraderie and foster a sense of community within the workplace.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## SUSTAINABILITY AREAS *(Continued)*

### 2. Social *(Continued)*

#### (a) Employees *(Continued)*

##### (v) *Health and safety*

Workplace health and safety is paramount to the well-being of employees and sustainability of business operations. The Group is therefore committed to providing a safe working environment for its employees and has implemented appropriate health and safety measures to achieve this aim. At the same time, the Group continues to carry out regular safety inspections and trainings, including lifts and fire extinguisher maintenance, as well as fire drills. Based on data collected within the Group, there were no recorded accidents for the year ended 31st March 2020. To combat the coronavirus pandemic, the Group set up a committee to provide and maintain a safe and healthy workplace for the employees. The committee has adopted timely regulations and implemented precautionary measures to minimise the risk of exposure to coronavirus pandemic.

##### (vi) *Child and forced labour policies*

The Group complies with relevant labour laws in Hong Kong, including the 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 prohibiting any form of child or forced labour.

##### (vii) *Ethical conduct and anti-corruption*

The Group is committed to a high standard of corporate governance for long-term sustainability, a central feature of which is to adopt ethical business practices throughout its operations. Employees are reminded to maintain integrity in performing their roles and to always be mindful of potential conflict of interest situations. The Group also seeks to put in place appropriate measures that can be taken to manage such situations accordingly. Employees are also required to act in compliance with statutory and regulatory requirements at all times when carrying out their duties, including applicable anti-bribery and money laundering regulations.

##### (viii) *Anti-sexual harassment*

The Group also has an anti-sexual harassment policy to provide a working environment free of sexual harassment to all employees. Any concerns about sexual harassment may be reported to the individual's immediate superior or to the Human Resources Department and will be treated in the strictest confidence.

#### (b) Sound procurement practice and product responsibility

The Group's overarching goal is to always provide good quality products and services to its consumers. In this regard, the Group recognises that the procurement function plays a pivotal role in creating a sustainable supply chain for the operation of its business. One of the Group's major goals is to continue building strong relationships with its suppliers by maintaining ethical procurement practices and adopting fair and equitable treatment of suppliers.

##### (i) *Procurement*

The Group places strong emphasis on implementing responsible procurement processes. Employees who are involved in the procurement of goods and services are required to promote high standards of objectivity and impartiality when selecting suppliers. The procurement function works with all departments within the organisation to procure goods and services in a cost effective and timely manner.

The Group recognises the crucial role that suppliers play in the overall business operations and it is in the Group's interest to ensure that its suppliers comply with relevant legislation and provide effective after-sales services to meet its requirements. Formal assessments are conducted on an annual basis for major suppliers for quality control and to ensure that goods and services procured are cost competitive.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## SUSTAINABILITY AREAS (Continued)

### 2. Social (Continued)

#### (b) Sound procurement practice and product responsibility (Continued)

##### (ii) Product responsibility

The Group places paramount importance on the production of unbiased content with a strong focus on clear and accurate reporting. Feedback from readers is obtained through various channels including social media so that the Group continues to produce relevant content which meets consumer expectations.

Editorial policies play a central role in ensuring responsible journalism. Each publication is reviewed by the editor-in-chief of the relevant editorial team to ensure that the content is accurate. There are also appropriate policies and procedures in place to respond and react in a timely manner to any complaints from readers and advertisers.

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. Disclosures and marketing materials included in the Group's publications are required to meet appropriate legal and regulatory expectations for the target audience. The Group also takes relevant measures to check that products are marketed accurately and are fairly described.

Employees are made aware of the need to maintain their customers' privacy under the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong). In addition, the Group uses security procedures and technology to protect the information held, and prevent unauthorised access, unlawful disclosure and misuse of personal information within the organization.

The Group also observes and protects intellectual property rights. Only licensed software is permitted and employees are reminded to refrain from installing unauthorised software on office desktops or laptops.

#### (c) Community

The Group strongly believes that giving back to the communities in which it operates is an integral feature of achieving its corporate social responsibility goals. It therefore engages regularly with these communities in order to fully understand their needs and interests and to identify ways in which it can contribute.

In July 2019, the Group participated in the "2019 Partner Employer Award" organised by the Hong Kong General Chamber of Small and Medium Business Limited in which summer internships were offered to a number of local university students for them to gain work experience and foster a positive working attitude, thereby enhancing their competitiveness in the market.

During the reporting period, the Group continued to support Sheng Kung Hui St. Christopher's Home in its fund-raising efforts and community projects by providing media coverage in the Group's publication, "Ming Pao Weekly Ming Zhou" ("MP Weekly").



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## SUSTAINABILITY AREAS *(Continued)*

### 2. Social *(Continued)*

#### (d) Customers — readers

The Group organises various events to engage with its readers and advertisers. Key events held in 2019 include:

- (i) the Top Gear Test Drive event organised on 15th June 2019 which provided an opportunity for readers and editors to meet and conduct knowledge sharing sessions. At the event, the Group also collaborated with automotive clients to organise test drive sessions for readers to experience new car models launched by these automotive companies.
- (ii) participation in the annual watch exhibition known as the Watch Clock Fair Salon de TE 2019 organised by the Hong Kong Trade Development Council. This exhibition was held at the Hong Kong Convention and Exhibition Centre in September 2019 and included forums discussing latest industry developments. The event was attended by industry experts as well as representatives from international research firms. As part of the event, Mr Simon Shia, the publisher of “Ming Watch 明錶” (“Ming Watch”), hosted a tour for Ming Watch readers and shared industry specific knowledge on watches for the benefit of the readers.

#### (e) Customers — advertisers

The Group recognises the importance of maintaining strong relationships with advertisers who are its clients and has organised the following activities targeted at enhancing engagement with this client segment:

- (i) Top Gear Awards 2019 held in January 2020 which sought to recognise honoured masterpieces in the automobile industry that have achieved extraordinary performance. The selection panel comprised industry experts and professionals with extensive expertise in this area. The awards ceremony provided an opportunity to bring the Group’s clients together for a joyful evening of celebration. There were a total of up to 80 participants for the event.
- (ii) The MP Weekly #我就是我 Cocktail Party held on 2nd April 2019, where a total of up to 450 guests and participants gathered together to celebrate the revamp of MP Weekly with a fresh new look. The event also served as a platform to continue establishing and maintaining MP Weekly’s relationship with its advertisers and clients.
- (iii) Ming’s Beauty Best Awards 2019 which is an award presentation ceremony aimed at recognising outstanding beauty brands with products that emphasise both physical and mental well-being. The event was held on 30th August 2019 with a total of up to 100 participants.

The Group also celebrated MP Weekly 51st anniversary by hosting a cocktail party on 4th November 2019. The celebration attracted a significant turnout with around 440 participants and played a major role in helping to establish and maintain the Weekly’s relationship with its advertisers.

#### (f) Investors/shareholders

The Company updates investors and shareholders regularly on any significant developments in its strategy and business operations through 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 2019/20 on pages 17 to 29. The Group’s website also provides detailed information on procedures for shareholders to propose a person for election as a director.

#### (g) Ongoing targets

Human capital is one of the Group’s key resources and it intends to provide continuous training and development for its people to ensure that there is a sustainable talent pool. The Group also aims to invest in ongoing communication and engagement with stakeholders and surrounding communities in the coming year.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## SUSTAINABILITY AREAS *(Continued)*

### 3. Governance



The Group aspires to uphold high standards of corporate governance, ethical business conduct and accountability. Its corporate governance framework and policies seek to ensure good compliance with regulatory requirements applicable to its business 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 2019/2020 on pages 17 to 29.