



東方報業集團有限公司

ORIENTAL PRESS GROUP LTD

(Stock Code:18)



2021

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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## About This Report

This is the Environmental, Social and Governance Report (the “Report”) of Oriental Press Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”), which covers the environmental, social and governance work of the Group for the period from 1 April 2020 to 31 March 2021 (the “Reporting Year”) and discloses to the stakeholders information on management approach, strategy, priorities and objectives of the Group, laying a foundation for the Group’s sustainable development.

The Report is based on the Environmental, Social and Governance Reporting Guide as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and discloses the following environmental, social and governance scope and key performance indicators for reference.

The Report has been reviewed and approved by the Board of Directors of the Company (the “Board”), and the Board has overall responsibility for the Company’s environmental, social and governance strategy and reporting.

## Governance Structure

The Board has assigned the Corporate Social Responsibility Committee (the “Committee”) to address environmental, social and governance issues since 2013, and its scope of responsibility has now been raised to the level of corporate governance structure. The Committee comprises the Group’s chairman and two independent non-executive directors and is chaired by Mr. Ching-fat MA. The Committee is responsible for enacting policies on corporate social responsibility, and making decision upon due consideration of opinions from stakeholders. With the purpose of improving the Company’s brand value and its operational efficiency, the Committee reviews the substance of policies from time to time to ensure the policies are up to date and in the interest of the Group. The objectives of corporate social responsibility policies are as follows:

1. To respect for laws and regulations, place strong emphasis on transparency and fulfill social responsibilities;
2. To promote environmental protection, encourage reduction of waste and pollution and optimise the use of resources to achieve sustainability;
3. To treat employees well and attract talents; and
4. To maintain quality of products and enhance brand value.

The management collected information and opinions through various channels in preparing the environmental, social and governance report, and determined the priority through materiality assessment. The Committee reviews the environmental, social and governance report submitted by the management on a regular basis, to ensure that the corporate governance measures and strategies in respect of environmental, social and governance are implemented and executed. Regular meetings are held by the Board to listen to the reports and opinions from the Committee. The Board will then conduct supervision, review, give advice and set objectives, with a view to well prepared for the risks arisen or likely to arise from the issues of environmental, social and governance.

The management has the responsibility to assess, manage and execute the respective policies and strategies implemented by the Committee.

The management identifies issues related to environmental, social and governance through on-going risk management and internal control system. The management meets regularly with supervisors from all departments to review the effectiveness of the relevant measures, assess risks and formulate objectives, ensuring the operation of the Group is in line with the policies. Also, the management collects the relevant statistics, monitors the execution of various measures and reports to the Board and committees accordingly.



The management issues internal notices and guidelines from time to time to explain the Group's new policies, measures and objectives and requires the supervisors and employees to follow the Company's policies on corporate social responsibility, for the purpose of refining the strategies on environmental protection, employees' benefit, strict control on production process and other aspects. The Company recognises that the environmental protection measures could not only reduce emissions but also lower costs; outstanding employees are valuable assets and improving benefits could help retaining talents; and strict control on production process could ensure the quality of product. Each policy and strategy of corporate social responsibilities is closely related to the Company's business.

## Reporting Principles

### Materiality

The Board has conducted a comprehensive materiality assessment for the principal business of the Group. The management collected opinions from our stakeholders such as shareholders, employees, advertisers, readers, agents and suppliers by means of meeting, telephone, letter, interview and questionnaire, and obtained the result of assessment by evaluating the stakeholders' influences to the Group and its understanding on the relevant content. Generally, the stakeholders are of the view that the aspect of employment is the most essential for the Group, as a media organisation and a corporate engaging in money lending business, secondly is health and safety, and thirdly are those of emissions and anti-corruption.

### Quantitative

The data stated in the Report is calculated based on the said measurement unit. Data from the previous year is provided for comparison purpose.

### Balance

The Report is prepared on an unbiased basis, allowing all the stakeholders to understand the overview and achievement on the Group's corporate social responsibility.

### Consistency

The Group has used consistent methodologies for stakeholders' easy comparison of the data stated in the Report.

## Reporting Scope

The Group operates two principal business (i.e. publication of newspapers and money lending business) in the Hong Kong Special Administrative Region ("Hong Kong"). Therefore, unless the context otherwise requires, the Report only covers the Group's operation in Hong Kong.

The Report sets forth the information in regard to the following two aspects of the Group during the Reporting Year:

- A. Environmental (emissions, use of resources, environmental and natural resources and climate change)
- B. Social (employment, health and safety, development and training, labour standards, supply chain management, product responsibility, anti-corruption and community investment)

For details of the Group's corporate governance, please refer to the Corporate Governance Report included in the Annual Report 2021 of the Group.

## A. Environmental

### Aspect A1: Emissions

Emissions were rated as the third most important aspect of the Reporting Year by the stakeholders. The Group attaches great importance to environmental protection and pays close attention to the impact of operation on the environment. Apart from complying with relevant standards and regulations enacted by the government, including Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong), Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong) and Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong), the Group has also formulated environmental protection policies and measures with a view to reducing wastage, mitigating emissions and reducing wastes. Notwithstanding that the Group's operation would not result in significant air and greenhouse gas emissions, discharges into water and land or generation of hazardous and non-hazardous wastes, the Group strives to reduce emissions and wastes and engage qualified contractors to properly treat the wastes which may affect the environment to reduce its impact on the environment. All environmental protection policies and measures are executed by department supervisors under the supervision of the management. The management has regular meetings with relevant department supervisors to review the emission reduction measures and enhance the performance standards, ensuring that the effectiveness is in line with the objectives established by the Group. From time to time, the Group implements various measures to enhance the environmental awareness of the employees. During the Reporting Year, the Group was not aware of any incidents of non-compliance with laws and regulations that have a significant impact on the Group concerning emissions.

#### A1.1

The Group's operation of its principal business would not result in significant air emissions which cause air pollution. The emissions are mainly generated from the nitrogen oxides, sulphur oxides and suspended particles (or Particular Matter "PM") emitted by the Group's vehicle fleet and shuttle buses, followed by the nitrogen oxides and sulphur oxides emitted from gaseous fuel consumption in the staff canteen and printing plants. Nevertheless, the above emissions are minor compared to the Group's operating scale.

During the Reporting Year, the Group's emissions of nitrogen oxides, sulphur oxides and PM are as follows:

	Emissions of nitrogen oxides (kg)		Emissions of sulphur oxides (kg)		Emissions of PM (kg)	
	2021	2020	2021	2020	2021	2020
Vehicle fleet and shuttle buses	1,621	1,339	3	3.6	137.7	131

#### A1.2

The greenhouse gas emissions generated from the Group's operations are mainly attributable to the "indirect energy" greenhouse gas emissions (Scope 2) caused by the purchased electricity and thermal energy consumed by printing plants, offices and the staff canteen, followed by the "direct energy" greenhouse gas emissions generated by fuel combustion from the Group's vehicle fleet and shuttle buses (Scope 1).

During the Reporting Year, the carbon dioxide equivalent (CO<sub>2</sub>e) emission of “indirect energy” greenhouse gas emissions caused by the Group’s purchased electricity and gas (Scope 2) and while the “direct energy” greenhouse gas emissions generated by fuel combustion from the Group’s vehicle fleet and shuttle buses (Scope 1) (including carbon dioxide, methane and nitrous oxide) are as follows:

	Carbon dioxide equivalent CO <sub>2</sub> e (ton)	
	2021	2020
“Direct energy” greenhouse gas emissions (Scope 1)	481	589
“Indirect energy” greenhouse gas emissions (Scope 2)	7,292	8,701

### A1.3

The hazardous waste generated by the Group’s printing plants, including waste ink, used printed zinc plates, blanket and roller washes of printing machines, dregs of wastewater treatment tanks, dregs of filter washing tanks, etc., are collected and treated properly by licensed waste collectors regularly to avoid adverse effects on the environment and ecology. There were totally 77.51 tons (2020: 101.4 tons) of hazardous waste generated during the Reporting Year.

### A1.4

The non-hazardous wastes generated by the Group were mainly attributable to the waste paper from the printing process and general office wastes. The quantity is not significant. The Group has taken appropriate measures to reduce the impact of such wastes on the environment.

### A1.5

In order to achieve long-term reduction of emissions from the vehicle fleet, the Group have replaced with the vehicles which meet the EU 5 emission standards. The Group has required the vehicle fleet to strictly abide by the law of “switching off idling engines” and reduce vehicle use as required. In addition, the Group engages qualified contractors to collect waste lubricating oil of the vehicle fleet and shuttle buses for disposal at the sites approved by the Hong Kong Government on a regular basis. During the Reporting Year, approximately 400 litres (2020: 400 litres) of waste lubricating oil was collected by qualified contractors.

### A1.6

The Group issued internal notices to remind employees to comply with the Group’s environmental protection policy in dealing with hazardous and non-hazardous wastes from time to time, and requested the supervisors of all departments to set emission reduction targets and continuously monitor the progress. The management also regularly reviewed the results and makes timely improvements.

In addition, the Group implemented the following measures to achieve its long term policy goals of reducing waste and pollution:

As to the staff canteen, waste water is discharged after grease trap procedures. The Group engages qualified contractors to collect grease trap wastes and transport them to landfills designated by the Hong Kong Government on a regular basis. During the Reporting Year, the amount of collected grease trap wastes sent to the New Territories for disposal was approximately 24 cubic meters (2020: 24 cubic meters).

In the course of newspapers printing, after deducting normal waste paper loss, the amount of waste paper recycled during the Reporting Year was approximately 256.8 tons (2020: 467.1 tons). The Group also engages qualified contractors to regularly collect waste paper generated at the time of production.

The general office wastes of the Group are not significant as the Group encourages employees to re-use the electronic equipment and office equipment. There were approximately 3.51 tons (2020: 3.37 tons) of scrapped electronic parts during the Reporting Year and the Group has engaged environmental recyclers for handling while used printer cartridges are returned to suppliers for recycling to comply with the environmental protection policy of the Group.

## **Aspect A2: Use of Resources**

The Group advocates efficient use of resources and energy conservation to attain the goals of environmental protection and reduction of its production costs. The Group has implemented the following energy conservation measures in the production plants and the office.

### **A2.1**

The direct energy consumed by the Group is mainly used to operate the vehicle fleet. During the Reporting Year, the total gasoline and diesel consumption were approximately 76,059 litres (2020: 93,418 litres) and 115,196 liters (2020: 141,035 liters) respectively.

The indirect energy consumed by the Group mainly provides power systems for printing plants and offices. During the Reporting Year, the total electricity consumption was approximately 13,501,272 kWh (2020: 14,915,859 kWh) and the density was 268 kWh (2020: 296 kWh) per square meter.

### **A2.2**

The Group's water consumption is mainly used in printing plants, staff canteen and offices. During the Reporting Year, the total water consumption was 64,282 cubic meters (2020: 72,800 cubic meters) and the density was 1.41 m<sup>3</sup> per m<sup>2</sup> (2020: 1.6 m<sup>3</sup> per m<sup>2</sup>).

### **A2.3**

The Group has formulated a number of measures to improve energy efficiency. The Group adjusts the types of shuttle buses and its frequency according to the number of the on-duty and off-duty employees and time to reduce diesel consumption. The Group also adjusts the central air-conditioning system of the office on a seasonal and timely basis each year to keep a moderate temperature in order to save electricity consumption. In addition, the printing plants and the office are designed to make use of natural light. Energy-efficient T5 fluorescent tubes or electricity-saving fluorescent tubes are fully installed on each floor and the lights and air-conditioning system in the printing plant and the office are being operated depending on usage.

### **A2.4**

The Group has encountered no difficulty in sourcing water as its principal place of operation is Hong Kong. To control the water consumption effectively, automatic water faucets have been installed in the washrooms of the plants and offices at the time when the headquarters of the Group came into operation in 2004.

### **A2.5**

As there is no need to pack the newspapers separately, the total amount of packaging materials used in the finished products is not included in the Report.

## Aspect A3: Environmental and Natural Resources

### A3.1

In order to comply with the environmental protection policy of the Group, the Group purchases newsprints from the reputable newsprint suppliers, all of which are the members of the Forest Stewardship Council. The amount of newsprint used by the Group depends on market demands and would not be kept overstock. During the printing process of newspaper, the department supervisor exercises stringent supervision and control on the efficient use of newsprint. Also, the Group uses organic-based printing ink for printing newspapers so as to achieve the goal of environmental protection.

The operation of the Group would not cause any substantial impact on the environment and natural resources. To achieve the goal to make best use of resources, the Group promotes the environmental protection awareness of the employees by using renewable energy and promoting green office, including:

- (i) installing solar photovoltaic power generation system at Tai Po headquarters to mitigate the emission of carbon dioxide by utilizing solar power generation technology for the benefit of the environment;
- (ii) using re-cycling tableware in staff canteen to minimise waste;
- (iii) offering option of “half-portion meal” in staff canteen to encourage employees to treasure food and reduce food waste;
- (iv) the Group strives to facilitate paperless office with more frequent use of electronic forms, electronic photo-picking system and recycled papers. Intranet is used for internal communication purpose, so as to reduce paper use and increase administration efficiency; and
- (v) the technology department makes extensive use of virtual server architecture to effectively reduce electricity consumption and heat emission.

The Group also encourages employees to participate in environmental protection activities.

## Aspect A4: Climate Change

The business of the Group has no close connection with climate change and, accordingly, no disclosure on relevant issues is available.

## B. Social

### Employment and Labour Practices

Based on the findings of the materiality assessment in which the stakeholders participated, the stakeholders believe that the most important aspects of the Group is employment, followed by health and safety.

The Group believes that human resources are the key to corporate operation and development, the core of the Group's competitiveness and also the driving power of the Group's innovation. In order to create a united and harmonious working team, the Group provides the employees with a fair working environment, proactively safeguards their basic rights and interests and cares about their concerns, protects their physical and mental health, improving their knowledge and skills for discharging duties at work and thereby enhance their work efficiency.



## Aspect B1: Employment

The Group understands that outstanding employees are valuable assets and employee diversity could assist the Group to grab every opportunity that arises. With a view to retaining talents, the Group develops and gives incentives to its employees based on their performance and productivity. In terms of recruitment, promotion, remuneration, working hours, leave and benefits, the Group ensures the conditions of which are competitive and in compliance with relevant laws.

In respect of remuneration policy, the Group ensures that the employees' remuneration complies with the statutory minimum wage requirements and be competitive in the labour market. Further, in assessing the rate of annual salary adjustment, the Group takes into account of the annual results and makes reference to the economic environment, inflation, salary trends and industry salary adjustment in Hong Kong, and also relies on the appraisal reports and work performance of the employees to make adjustment.

In respect of dismissal policy, the Group offers chance for those employees who have been found at fault or failed to perform with standard to improve. If such employee still fails to make considerable improvement, the Group then considers dismissal and acts in accordance with the Employment Ordinance (Chapter 57 of the Laws of Hong Kong).

The Group pursues the principle of equal opportunities in recruitment policy. Selection criteria are mainly based on qualification, experience and passion for work of candidates. The Group also ensures the fairness of recruitment process without any violation of the Sex, Disability, Family Status and Race Discrimination Ordinances.

Regarding promotion policy, the Group attaches importance to cultivate the talents and offer promising career path. Thus, internal re-designation and promotion of potential employees will be first considered to fill any vacancy within the Group. Promotion criteria are based on various factors such as employees' working performance, leadership and cooperation. The Group also ensures that the fairness of process without any violation of the Sex, Disability, Family Status and Race Discrimination Ordinances.

Concerning the policy of working hours and leave, the Group ensures that the requirements of relevant laws and guidelines promulgated by the Labour Department from time to time have been complied with. Competitive working conditions are offered with reference to the overall industry situation.

The Group provides its employees retirement benefits through defined contribution plans. The Group operates a defined contribution retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) ("MPF Ordinance"), for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries, subject to a cap in accordance with the MPF Ordinance. Furthermore, employees who have completed at least five years of services with the Group are entitled to a long service payment and the amounts are calculated in accordance with the applicable laws in Hong Kong.

The Group also provides its employees with a quality working environment. A spacious staff canteen, floor lounge and car parking in the headquarter located in Tai Po are available for the employees to use. Further, a breastfeeding-friendly workplace in the headquarter is available for postpartum employees to use.

In the past year, the COVID-19 pandemic has been volatile. To safeguard the health of our employees, the Group has introduced a series of preventive measures, which include improving the cleanliness and hygiene conditions of our office, launching epidemic prevention notification and response mechanisms and establishing work-from-home arrangements for certain employees to reduce their risk of infection. Employees are also provided with free protective equipment, such as surgical masks and alcohol-based handrub. In addition, vitamin C and various other hot drinks are provided in the staff canteen for free as always, which helps building up their body immunity.

During the Reporting Year, the Group organised staff meal gatherings from time to time and gave presents to employees to thank for their hard work.

## B1.1

As of 31 March 2021, the Group employed 1,074 employees. The total number of employees classified by gender, employment type, age group and geographical region are as follows:

	2021	2020
Total number of employees by gender:		
Male	723	792
Female	351	399
Total number of employees by nature:		
Full-time	1,070	1,187
Part-time	4	4
Total number of employees by age group:		
40 or below	392	452
41 or above	682	739
Total number of employees (including overseas employees) by geographical region:		
Hong Kong	1,074	1,191
Australia	4	6

## B1.2

As of 31 March 2021, the employee voluntary turnover rate of the Group are as follows:

The employee voluntary turnover rate by gender:

Male	6.0%	9.3%
Female	17.2%	17.3%

The employee voluntary turnover rate by age group:

40 or below	15.8%	21.1%
41 or above	6.5%	6.4%

The employee voluntary turnover rate (including overseas employees) by geographical region:

Hong Kong	10.0%	12.2%
Australia	33.3%	14.3%

During the Reporting Year, the Group was not aware of any material non-compliance with relevant laws and regulations that would have any significant impact on the Group.

## **Aspect B2: Health and Safety**

The Group is committed to providing the employees with a safe and harmonious working environment. The Group provides suitable guidelines, tools and training to the employees in accordance with the relevant labour standards and requirements under the law, and by reference to the job nature, so as to facilitate them to perform duties safely.

### **B2.1**

The Group has no work-related fatality record for the past three years.

### **B2.2**

During the Reporting Year, there were a total of 619 days (2020: 273.5 days) of work-related injury leave were taken by our employees. Such number increased significantly as compared with the same period last year, which was mainly due to the injury of two employees when covering the Anti-Extradition Law Amendment Bill Movement.

### **B2.3**

The Group has established the occupational safety team, which is responsible for the promotion, training, supervision and management of occupational health and safety in accordance with the Factories and Industrial Undertakings Ordinance (Chapter 59 of the Laws of Hong Kong) and the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong), so as to enhance the employees' occupational safety awareness.

The Group's subsidiary, namely OPG Printing Limited has also particularly established the Safety Committee, which is principally responsible for discussing, making suggestions and reviewing the related measures from time to time with an aim of improving occupational safety and health matters. For instance, the Safety Committee reminds the related department that the lifting devices should be tested and inspected by qualified inspectors thoroughly and recognized certification is required before use. Besides, the Safety Committee also reminds the employees to pay attention to safety and use personal protection equipment during work according to different nature of work for prevention of accidents. The Safety Committee holds meetings and seminars on a regular basis for the purpose of strengthening the communications and improving matters relating to occupational safety and health. The occupational safety team regularly promotes safety trainings and provides safety practices for relevant employees and conducts regular inspections in accordance with the codes and guidance formulated by the Labour Department, Occupational Safety and Health Council and Hong Kong Construction Association.

During the Reporting Year, the Group was not aware of any material non-compliance with relevant laws and regulations that would have any significant impact on the Group.

## **Aspect B3: Development and Training**

The Group understands that devoting resources in training employees is beneficial to the Group's future development. Accordingly, the Group provides employees at all levels with all-around technical trainings, so as to ensure the employees proactively equip themselves with skills and thus attain outstanding performance. Further, to foster a new generation of talents for the journalism industry, the Group has implemented a training scheme to groom a new generation of journalists by providing employees with work-related training and systematic training courses under appropriate guidance given by senior employees. The Group also provides the employees of the administrative departments with relevant courses and seminars to enable them to grasp the work-related knowledge, skills and attitude in order to keep abreast of the latest trend.

The training activities include:

- (i) a series of video clips and practical teaching materials for the employees to obtain basic work-related information, such as occupational safety information and application of computer system and various kinds of employees codes of conduct, etc;
- (ii) organize training courses and seminars on a regular basis for the employees to attend;
- (iii) distribute training materials on a regular basis to the employees for reading;
- (iv) arrange short-term internships for editorial employees on a regular basis; and
- (v) arrange the employees to attend external professional training courses at the expenses of the Group.

The percentage of employees trained by gender:

	<b>Percentage of trained employees</b>	
	<b>2021</b>	<b>2020</b>
Male	99.6%	99.6%
Female	99.1%	99.7%

The percentage of employees trained by employees category:

	<b>Percentage of trained employees</b>	
	<b>2021</b>	<b>2020</b>
Senior management	82.1%	90.0%
Middle management	100.0%	100.0%
General staff	99.9%	99.9%

The average training hours completed per employee by gender:

	<b>Average training hours completed</b>	
	<b>2021</b>	<b>2020</b>
Male	66.1 hours	58.8 hours
Female	84.1 hours	97.7 hours

The average training hours completed per employee by employees category:

	<b>Average training hours completed</b>	
	<b>2021</b>	<b>2020</b>
Senior management	6.8 hours	13.5 hours
Middle management	46.4 hours	41.6 hours
General staff	81.1 hours	80.8 hours

## Aspect B4: Labour Standards

As an organisation with more than 1,000 employees, the Group has formulated policies to ensure all employees and job applicants are entitled to fair opportunity and treatment.

### B4.1

The Group strictly complies with Employment of Children Regulations (Chapter 57B of the Laws of Hong Kong) and Employment of Young Persons (Industry) Regulations (Chapter 57C of the Laws of Hong Kong) throughout the recruitment and employment process, prohibits any employment of child labour. The human resources department shall check and verify the identity documents of applicants during the recruitment process, to make sure that all successful applicants have attained the legal working age. Besides, the Group prohibits forced labour and ensures legal and voluntary employment of all employees and each employee is required to sign the employment contracts upon commencement of employment.

### B4.2

During the Reporting Year, the Group was not aware of any non-compliance during the recruiting process.

## Operating Practices

## Aspect B5: Supply Chain Management

The principal business of the Group is publication of newspaper and raw materials for newspaper printing, such as newsprint and ink, are the major resources consumed by the Group. Paper factory and ink factory are the Group's main production suppliers.

### B5.1

Number of suppliers by geographical region

	Number of suppliers	
	2021	2020
Korea	1	1
Australia	1	1
Canada	6	3
Sweden	1	1
Chile	1	–
Norway	1	–
Russia	–	1
Malaysia	–	1

### B5.2

The Group pays much attention to the printing quality of the newspapers. In course of procuring the necessary equipment and raw materials for newspaper printing, the Group selects suitable supplier based on the procurement code of the Group. During supplier selection process, it takes into account the pricing, stability of provision of goods, reputation as well as the supplier's environmental protection policies. The procurement department compares five major suppliers and makes recommendations to the department head and management. The department head and management then review and give approval, in order to ensure the equipment and raw materials so purchased are of good quality and reasonable price. The procurement department also reviews the quality, pricing and stock of the goods from time to time.



### **B5.3**

The Group will evaluate the environmental and social impact arising from its production and supply chains through daily contact with suppliers. Relevant departments will conduct ongoing supervision on such impacts and make appropriate recommendations on procurement to the management as and when appropriate.

### **B5.4**

The procurement department will use their best endeavors to make suggestions to each supplier to use more environmental friendly products from time to time, and the relevant departments will follow up the situation to timely make appropriate recommendations on procurement to the management.

## **Aspect B6: Product Responsibility**

The Group mainly operates newspaper publication and online news portal. It bears the responsibility of monitoring the society and protecting the public's right to know. Our stakeholders generally consider that product responsibility is significance in the environment, society and governance of the Group. The Group is fully aware that news information has a substantial impact on the society, such that great importance shall be attached to the authenticity of the news. The editorial department has established a set of editorial procedures and guidelines to ensure high level of reliability and accuracy of the news. Measures and/or policies for safeguard of privacy and intellectual property rights are also put in place, requiring non-infringement of the intellectual property works created by the employees in the course of employment and strict compliance with the collection of personal data policy and guidelines of the Group when dealing with personal information of customers and users, to ensure that employees respect other people's intellectual property rights and personal information. Apart from refining the Terms and Conditions of Use of "on.cc" to remind users of the privacy policy and intellectual property rights of the Group, the management and the legal department remind the employees of the provisions of Privacy Ordinance and relevant practical guidelines through internal meetings and by issuing guidelines, to strengthen the policies on monitoring the protection of intellectual property rights and personal information of the Group.

Another principal business of the Group is money lending business, where product responsibility is heavily emphasised. Staff members of credit department are required to strictly comply with the requirements of the licence conditions with regards to obtaining others' personal information. The Group has also formulated the Guideline on Anti-Money Laundering and Counter-Financing of Terrorism, which contains requirements for customer due diligence, reporting of suspicious transaction, record-keeping and staff training etc. During the Reporting Year, Oriental FA appointed a compliance officer and a money laundering reporting officer to assist in monitoring the procedures, and the management also from time to time reminds the responsible employees to fully comply with the Guideline on Compliance of Anti-Money Laundering and Counter-Terrorist Financing Requirements for Licensed Money Lenders established by the Companies Registry, and implements effective measures to reduce the risks of money laundering and terrorist financing.

### **B6.1**

During the Reporting Year, the Group did not have any sold or shipped products that need to be recalled due to safety or healthy reasons.

### **B6.2**

The Group has set up a hotline and an e-mail for the readers or clients to offer their feedback or submit complaints in respect of the products quality or services of the Group. During the Reporting Year, the Group did not receive any complaints about the product quality and services.

### **B6.3**

The Group also makes every effort to safeguard and protect the intellectual property. In addition to the information gathered by the News Department, the Group obtains news all over the world through major overseas news agencies. Before using any other information or photo, the Group identifies the copyright owner and ascertains the ownership of the relevant copyrighted work and obtains consent from the copyright owner. The Group will purchase copyrighted works from its owners for publishing purposes, whenever necessary, for protecting intellectual property rights. All computer software used by the Group are licenced works, and anti-virus softwares are installed to guard against hacker attacks.

### **B6.4**

The Group strives to maintain high standards and quality of the newspaper's content. Relevant employees review the news content and discuss the plan in reporting through regular meetings, which aim at improving the quality of newspaper's content and providing comprehensive coverage of social affairs to readers. Furthermore, during the newspaper printing process, the production department employees conduct random inspection of the newspaper from time to time in order to ensure the quality standards, and adjust and handle the issues immediately whenever necessary so as to make sure the newspapers distributed in the market meet the quality requirements. The Group engages specific agents for distribution of newspaper, who are also responsible for product recycling.

### **B6.5**

The Group also strives to protect the personal data it collected during the operation and keeps reminding the employees and emphasising the importance of safeguarding the security of personal data (privacy). When collecting and processing such data, the Group strictly complies with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) and the guidelines issued by the Office of the Privacy Commissioner for Personal Data, Hong Kong from time to time, with a view to protecting the privacy. The Group also implements measures to prevent unauthorised access to personal information, and imposes stringent requirements to employees as to dealing with personal information of customers, readers and/or users in accordance with the Personal Information Collection Statement and Privacy Policy and the Notice Relating to the Personal Data (Privacy) Ordinance as formulated by the Group. Supervisors of departments should exercise daily supervision and report to the management as and when appropriate. During the Reporting Year, the Group was not aware of any breach of relevant privacy policy.

## **Aspect B7: Anti-corruption**

Based on the findings of the materiality assessment in which the stakeholders participated, anti-corruption was rated as the third most important aspect of the Reporting Year. The Group highly recognizes the importance of the ethical conducts and integrity of each director and all employees in order to maintain a fair, honest and integrity-based business environment. The Group has set up a Prevention of Bribery Policy and formulated clear code of conduct in respect of the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong), employees' personal interests, conflicts of interest, prevention of extortion and fraud in the Employee Handbook.

### **B7.1**

During the Reporting Year, the Group was not aware of any material non-compliance with relevant laws and regulations that would have any significant impact on the Group, nor any corruption claims against the Group on the employees.

### **B7.2**

The Group reminds the employees by internal notice to avoid bribery and acceptance of advantages as and when appropriate. The Group has established a Whistleblowing Policy and encourages its employees to report any suspected corruption, bribery or misconducts through the whistle-blowing mechanism established by the Group. Such reports are kept confidential and the Group would spare no efforts to protect the whistleblowers from unfair treatment.

## **B7.3**

The Group has anti-bribery policy in place to further provide clear guidelines in respect of anti-bribery and maintaining honesty and integrity. The policy has been uploaded to the Group's intranet for employees to review at any time. Such policy is applicable to all directors and employees of the Group, together with the agents acting on behalf of the Group.

## **Community**

### **Aspect B8: Community Investment**

The Group participates in and promotes various community and volunteer activities for helping the needy in the society, promoting environmental awareness, fostering and facilitating industry development, with an aim to contribute to the society and fulfill our corporate social responsibility. Through the participation in and promotion of such activities, the Group has a better understanding of the needs of the society, which helps the Group to take the interest of the community into consideration during the course of business operation.

During the Reporting Year, affected by the impact of the outbreak of the novel coronavirus pneumonia epidemic in Hong Kong, number of occasions for organising and participating in community events have drastically decreased. The Group could only organise the activities set out below in 2021.

#### **on.cc eClass – Online Basketball Fitness Training Course**

As affected by the pandemic, all schools in Hong Kong have suspended face-to-face classes for an extended period of time. In order to encourage students to exercise regularly during such period of suspension, the Group launched the "on.cc eClass – Live Interactive Class" from May to June 2020, and jointly launched the Online Basketball Fitness Training Course with Nike Sports Camps x GMF Sports Academy. Bilingual teaching was conducted by the United States licensed coach, providing systematic trainings for school children, which has received enthusiastic response. To enable more students to participate in such learning, the Group provided approximately 20 additional free learning places to 8 local primary schools every week, with an aim to encourage students to keep fit and improve their English proficiency during the pandemic.

#### **Get Redressed Month**

The Group has always been committed to promoting environmental protection. Last year, as a media partner, the Group promoted the "Get Redressed Month" organized by Redress, a non-profit environmental protection organization, on "on.cc". In addition to the used clothes recycling activity, it also encouraged extending the life of clothes by mix and match and reuse. A review of shopping pattern can also reduce fashion waste.