

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT 2021/2022

二〇二一至二〇二二年
環境、社會及管治報告

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

**萬華
媒體**

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

This Environmental, Social and Governance (“ESG”) Report (“Report”, or “ESG Report”) published by One Media Group Limited (the “Company”, which together with its subsidiaries, the “Group”) describes the Group’s sustainability journey in the last five years. It documents our response to our ESG impacts and our commitment to reporting on the disclosures of ESG issues that matter most to the Group and our stakeholders. Apart from disclosing our sustainability strategy, framework and initiatives, this Report also communicates the Group’s approach in integrating sustainability into our strategy and operations.

This Report shall be read in conjunction with the Annual Report 2021/22, which contains a comprehensive review of business performance, corporate governance and financial information of the Group.

REPORT SCOPE AND PERIOD

The scope of this Report covers the period from 1st April 2021 to 31st March 2022 for media business, including but not limited to magazine publishing and digital media business of the Group.

REPORT STANDARDS

This Report has been prepared in accordance with the requirements in ESG Reporting Guide as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“ESG Reporting Guide”).

During the preparation of this Report, the Group has applied the Reporting Principles stated in the ESG Reporting Guide, namely:

- (a) Materiality — This is described in the Stakeholders Engagement section of this Report.
- (b) Quantitative — In respect of the quantitative data disclosed for emissions and/or energy consumption, notes are inserted to explain the standard and conversion method used.
- (c) Consistency — This Report provides the standards used and where there are any inconsistencies, an explanation will be provided.

For the Group’s governance practices, please refer to the Corporate Governance Report in the Annual Report 2021/22. In respect of intensity, this is the first year that the Group is disclosing on the same.

FEEDBACK

Feedback from our stakeholders is vital for us to continually improve our reporting and sustainability practices. We welcome your views, comments or feedback, which may be directed to board of directors of the Company via email at corpcom@omghk.com or to the head office of the Company at 16th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong.

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BOARD STATEMENT

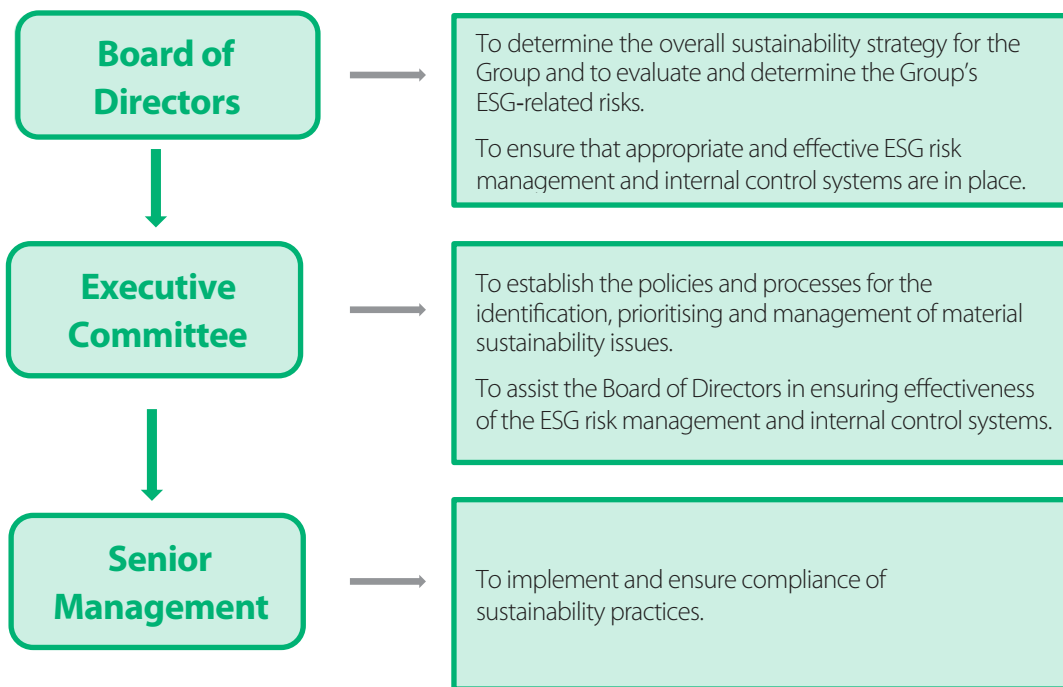
With the COVID-19 pandemic continuing into 2021, the Group continued to struggle to meet the challenges the pandemic brought about especially in terms of financial. The pandemic had demonstrated the necessity to integrate sustainable measures into the Group’s strategy and operations in order to build a sustainable business. The Group had to adapt its operations to meet the challenges faced in 2021 and this includes reviewing its material sustainable matters. The Board is committed to enhancing its sustainability practices which covers the aspects of ESG in order to meet the challenges like climate change, advancement of technology and geo-political tensions. The Group is hopeful that its sustainability practices will help build a more resilient operation and business.

SUSTAINABILITY GOVERNANCE

The Group has adopted its parent company, Media Chinese International Limited’s policies on ESG. These policies sets out the scope and focus of the Group’s ESG practices.

The Board is primarily responsible for planning and mapping the sustainability journey of the Group. Sustainable matters are discussed and debated at Board meetings. The management of sustainable practices are delegated to the management by the Board. The governance structure for sustainability management in the Group is as follows:

GOVERNANCE STRUCTURE

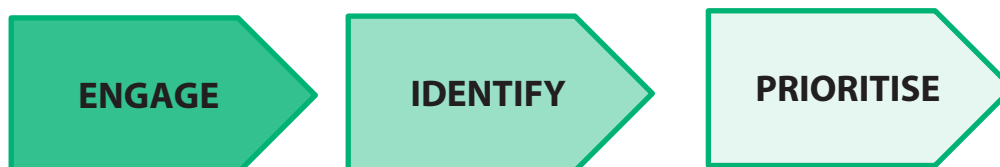


ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDERS ENGAGEMENT AND MATERIAL SUSTAINABILITY MATTERS

Materiality Assessment


Each year the Group will review its existing material sustainability matters and evaluate whether they are still relevant or there are additional material sustainability matters, taking into account the Group's current business operations.



The Group carries out this process by engaging with its internal and external stakeholders through various communication channels to gather feedback from them on what sustainability issues matter to them most. This is to ensure that the sustainability measures taken by the Group bring values to the Group's stakeholders. Following from the feedback received, the Group will then identify the sustainability matters relevant to the Group's operations and arrange them in the order of priority.

In preparing the list of material sustainability items, the Group had 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.

Below is the list of sustainability issues that were considered most material to the Group's operations and our stakeholders:

AREA	MATERIAL SUSTAINABILITY TOPICS	ESG REPORTING GUIDE
ENVIRONMENTAL 	• Emissions	• A1
	– Green House Emissions	
	– Waste	
	• Use of Resources	• A2
	– Energy	
	– Water and Effluents	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDERS ENGAGEMENT AND MATERIAL SUSTAINABILITY MATTERS *(Continued)* **Materiality Assessment** *(Continued)*

AREA	MATERIAL SUSTAINABILITY TOPICS	ESG REPORTING GUIDE	
SOCIAL 	<ul style="list-style-type: none"> • Employment and Labour Practices – Diversity and Equal Opportunity 	<ul style="list-style-type: none"> • B1 	
	<ul style="list-style-type: none"> • Health and Safety 	<ul style="list-style-type: none"> • B2 	
	<ul style="list-style-type: none"> • Development & Training 	<ul style="list-style-type: none"> • B3 	
	<ul style="list-style-type: none"> • Labour Standards 	<ul style="list-style-type: none"> • B4 	
	<ul style="list-style-type: none"> • Supply Chain Management 	<ul style="list-style-type: none"> • B5 	
	<ul style="list-style-type: none"> • Product Responsibility 	<ul style="list-style-type: none"> • B6 	
	<ul style="list-style-type: none"> • Anti-Corruption 	<ul style="list-style-type: none"> • B7 	
	<ul style="list-style-type: none"> • Community Investment 	<ul style="list-style-type: none"> • B8 	
	GOVERNANCE 	<ul style="list-style-type: none"> • Governance Structure 	
		<ul style="list-style-type: none"> • Corporate Governance 	

Note: This year the material sustainability matters have been renamed to be aligned to the ESG Reporting Guide.

During the period under review, the Group has carried out the materiality assessment. The Group has identified certain sustainability issues and considered that they are most material to the Group’s business operation and to our stakeholders. Given the considerations to the environmental and social responsibilities, the Group will continuously focus on each of the ESG aspects and actively respond to the stakeholders’ concerns in order to sustain its long term growth.





ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDERS ENGAGEMENT AND MATERIAL SUSTAINABILITY MATTERS *(Continued)*

Stakeholders Engagement

The Group places importance on engagement with its stakeholders as it values the feedback received from both its internal and external stakeholders. Such feedback can help the Group to review its sustainability strategy and practices and also improve its products and services.

The stakeholders and engagement methods are listed below:

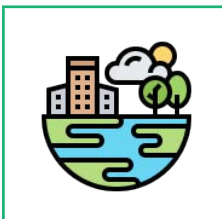
STAKEHOLDERS	KEY INTERESTS	METHOD OF ENGAGEMENT	FREQUENCY
CUSTOMERS 	<ul style="list-style-type: none"> Credible and quality content Relevant and entertaining content 	<ul style="list-style-type: none"> Events held for readers Social media and websites Awards and anniversary events Meetings and exhibitions 	<ul style="list-style-type: none"> Throughout the year
ADVERTISERS 	<ul style="list-style-type: none"> Good advertising coverage and opportunities 	<ul style="list-style-type: none"> Events held exclusively for advertisers Participation in events where advertisers will be present 	<ul style="list-style-type: none"> Throughout the year
COMMUNITY 	<ul style="list-style-type: none"> Social assistance 	<ul style="list-style-type: none"> Social media Community events 	<ul style="list-style-type: none"> Throughout the year
SHAREHOLDERS 	<ul style="list-style-type: none"> Direction and performance of the Company 	<ul style="list-style-type: none"> Annual general meeting Announcements Website postings Press release 	<ul style="list-style-type: none"> Quarterly Annually Throughout the year

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDERS ENGAGEMENT AND MATERIAL SUSTAINABILITY MATTERS *(Continued)* **Stakeholders Engagement** *(Continued)*

STAKEHOLDERS	KEY INTERESTS	METHOD OF ENGAGEMENT	FREQUENCY
INDUSTRY PEERS 	<ul style="list-style-type: none"> Development of Industry 	<ul style="list-style-type: none"> Awards Meetings 	<ul style="list-style-type: none"> Throughout the year
SUPPLIERS 	<ul style="list-style-type: none"> Competitive pricing and quality goods and services 	<ul style="list-style-type: none"> Meetings 	<ul style="list-style-type: none"> Throughout the year
EMPLOYEES 	<ul style="list-style-type: none"> Talent retention and human capital development 	<ul style="list-style-type: none"> Corporate events Social functions Internal communications Training and development 	<ul style="list-style-type: none"> Throughout the year

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. For the year in review, the Group was not aware of any non-compliance of any laws relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL *(Continued)*

(A) Emissions

(a) Greenhouse gas (“GHG”) emissions reporting — A1

The Group has chosen its approach to emissions from electricity consumed by its operations under its direct control in Hong Kong namely Scope 2 (Electricity) which data is reported on below. Scope 1 is not applicable to the Group as there are no direct emissions from its operations.

The Group will continuously look at ways, including but not limited to the implementation of energy saving measures, to reduce GHG emissions by the Group. The Group has set a target to reduce its GHG Emission by 25% by 2025.

The Group has identified GHG emissions from purchased electricity. The “Emission Factor Electricity” supplied by Hong Kong Electric is used for calculating GHG emissions.

Total GHG Emission as at 31st March

Scope	Unit	2022	2021
Scope 1	t/CO ₂ e	N/A	N/A
Scope 2	t/CO ₂ e	216.25	306.28
Total GHG Emissions Intensity	t/CO ₂ e	2.04	2.51

Note: Number of employees as at 31st March 2022 was 106 (2021: 122).

The intensity is derived from Total GHG Emission divided by number of employees for the year in review. The Group has just started to report on intensity this year.

(b) Waste

The Group does not generate any hazardous waste and it only keeps records of the non-hazardous waste namely paper generated from the business operations within the Group’s offices and publications unsold. The Group had disposed its waste in accordance with the relevant laws in Hong Kong.

The Group encourages its employees to reduce the use of paper by relying on electronic copies or using duplex printing, where possible.

The Group uses contract printing for printing of its publications. This helps contain its costs. Delivery of its publications is also outsourced. 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.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL *(Continued)*

(A) Emissions *(Continued)*

(b) Waste *(Continued)*

Nevertheless, based on the Group's commitment to reduce the impact of its operations on the environment, one of the key criteria for selection of service providers is their ability to establish and implement appropriate waste management policies. Hence, 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. The Group also encourages its service providers to use environmentally friendly raw materials in their production process.

The Group's total waste for the financial year ended 31 March 2022 had reduced by 34% if compared to previous year. This was mainly due to reduction in number of copies printed for each publication .

Total Waste as at 31st March

Waste	Unit	2021/2022	2020/2021
Hazardous Waste	Kg	N/A	N/A
Non-Hazardous Waste	Kg	79,562	120,994
Total Non-Hazardous Waste Intensity	Kg/Employee	751	992

(B) Use of Resources

The Group is aware of the importance of conserving the use of energy and water. It has in place policies that emphasise on conservation of resources such as energy and water.

(a) Electricity

The energy consumption by the Group is mainly from its office operations. In order to reduce its carbon footprint, it strives to implement measures to reduce energy consumption across its operations. The Group inculcates awareness in conserving the use of electricity by encouraging employees to save energy and switch off lights, computers and other office equipment when not in use. The Group is committed to maintaining or reducing electricity consumption in the next three years.

The Group's total consumption of electricity for the financial year ended 31 March 2022 had reduced by 29% if compared to previous year.

(b) Water

The Group uses water in the office for cleaning and drinking hence water usage is minimal. As the Group's office is in a building, there is no difficulty in sourcing for water fit for purpose. The Group has set a target to maintain or reduce water consumption for its office operations in the next three years. To achieve this, the Group will run campaigns to remind employees to conserve water and not waste.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL *(Continued)*

(B) Use of Resources *(Continued)*

(b) Water *(Continued)*

The Group's total consumption of water for the financial year ended 31 March 2022 had reduced by 15% if compared to previous year.

Total Use of Resources as at 31st March

Type of Resources	Unit	2021/2022	2020/2021
Electricity	kWh	304,575 kWh	431,386 kWh
Total Electricity Intensity	kWh per employee	2,873	3,536
Water	m ³	226 m ³	266 m ³
Total Water Intensity	m ³ per employee	2.13	2.18

(c) Use of Packaging Material

As the Group had outsourced its printing and packing functions to third parties, the Group is not able to track the usage of such packaging material.

(C) The Environment and Natural Resources

The impact of the Group's operations on the environment is low as the Group has adopted more technology in its operations and more of its content is now consumed digitally. The Group had accelerated its adoption on technology to cope with the challenges faced in the COVID-19 pandemic. As more businesses and consumers turn to online channels to carry out their activities, the Group had responded by improving its range of digital offerings. The Group had reduced much of its business travelling and most meetings are now conducted virtually. This will reduce the carbon footprint of the Group. The Group has an environmental policy to reduce its impact on the environment.

(D) Climate Change

The Group is fully cognisant of the importance of being aware of the impact of climate change on its business and operations. It has started to take action to identify the risks caused by climate change and find ways to mitigate the impact. The task force on Climate-related Financial Disclosures had divided climate risks to transition (1) risks related to the transition to a lower-carbon economy and (2) risks related to the physical impacts of climate change.

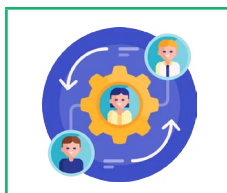
For the transition risks, the Group may face financial risks if there are changes to the laws or policy which may impose taxes to encourage reduction of carbon emission or the need to pay for greener energy. For physical impacts, adverse climate changes may impact its supply chain or the distribution and sales of its publication.

The Group has in place the following measures to respond to the potential impact which brought by the climate change:

- (i) Review and update the emergency policy for Typhoon and Rainstorm; and
- (ii) Point-to-point shuttle bus services.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL



Building a positive, inclusive and safe working environment for its employees is at the forefront of the Group's operational priorities. The Group strives to put in place processes to promote the welfare and rights, health and safety, talent development, diversity in the workplace and uphold labour standards and anti-child labour.

(A) Employment and Labour Standards

Employment

Creativity is an essential skill for the Group in order to produce content and advertisement solutions that will attract both its readers and advertisers. Hence, the Group's employees are a corner stone for the Group. The Group has a robust recruitment process to attract and select suitable candidates as its employees. Employees are also provided with relevant development and training in order to build and retain talent for the Group.

For the year in review, the Group was not aware of any non-compliance with the relevant laws and regulations in Hong Kong that have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

(i) Employment practices

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. These practices safeguard the interest of the employees. The staff benefits include mandatory provident fund ("MPF"), annual leave, sick leave, maternity leave and medical scheme. The Group will also conduct social gatherings for the staff such as Christmas party in order for the staff to get connected with each other and create harmonious working environment.

(ii) Diversity and Equal Opportunity

The Group practises equal opportunities and does not discriminate anyone in its recruitment process. The Group advocates diversity within its workforce as diversity promotes different perspectives which will allow a healthy debate over an issue. It has in place policies that ensure fair treatment of employees, in terms of recruitment, career development and remuneration, regardless of gender, age, race, religion or other aspects of diversity.

Number of employees according to gender

Gender	2021/2022 No. of Employees	2020/2021 No. of Employees
Female	55	63
Male	51	59

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL (Continued)

(A) Employment and Labour Standards (Continued)

Employment (Continued)

(ii) Diversity and Equal Opportunity (Continued)

Number of employees according to age group

Age	2021/2022	2020/2021
25 years and below	11	9
26 to 49 years	68	86
50 years and above	27	27

Number of employees according to type of employment

Type of Employment	2021/2022 No. of Employees	2020/2021 No. of Employees
Permanent	103	118
Contract	3	4

Attrition rate of employees according to gender

Gender	2021/2022 %	2020/2021 %
Female	29	25
Male	17	16

Attrition rate of employees according to age group

Age	2021/2022 %	2020/2021 %
25 years and below	6	0
26 to 49 years	36	36
50 years and above	5	6

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL *(Continued)*

(A) Employment and Labour Standards *(Continued)*

Health and Safety

With the emergence of the COVID-19 pandemic, health and safety of the Group's employees have heightened. The Group had implemented several measures to prevent the spread of COVID-19 in its offices. Policies and processes had been put in place to ensure the same. The Group is committed to providing a safe working environment for its employees as sustainability of its operations is dependent on the health and safety of its employees. The Group had also carried out regular safety inspections and trainings such as lifts and fire extinguisher maintenance and fire drills.

For the year in review, the Group was not aware of any non-compliance with the relevant laws and regulations in Hong Kong relating to providing a safe environment and protecting employees from occupational hazards.

Number and rate of fatalities

	2021/2022	2020/2021	2019/2020
No. of work related injuries	Nil	Nil	Nil
Rate of fatalities	Nil	Nil	Nil
Loss days due to injury	Nil	Nil	Nil

Development and Training

With the continuous changing media landscape, 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. The performance review also helps to increase performance of the Company.

The total number of training hours for the year ended 31 March 2022 was 136 hours. Those trainings covered the topics of industrial changes, update of the technical knowledge and the managerial skill.

Average Training Hours by Gender

Gender	2021/2022 (Hours)	2020/2021 (Hours)
Female	0.4	–
Male	2.3	0.7

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL (Continued)

(A) Employment and Labour Standards (Continued)

Development and Training (Continued)

Average Training Hours by Category of Employment

Category of Employment	2021/2022 (Hours)	2020/2021 (Hours)
Senior Management	57	22
Middle Management	4	0

% Employees Trained by Gender

Gender	2021/2022 (% trained)	2020/2021 (% trained)
Female	15	–
Male	85	100

% Employees Trained by Category of Employment

Category of Employment	2021/2022 (% trained)	2020/2021 (% trained)
Senior Management	84	100
Middle Management	16	–

Labour Standards

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.

Supply Chain Management

The Group practises ethical procurement and supplier management. It has a procurement policy which sets out the processes on general procurement and procurement in bulk, limits of authority and the process for receiving goods. Before on-boarding a supplier, the Group conducts due diligence on new suppliers. An annual evaluation of its suppliers is conducted for quality control and to ensure that goods and services procured are cost competitive. It places priority on suppliers which adopts green practices. For example, the printer selected for the printing of its publications conforms to ISO 14001:2015.

The number of suppliers it had for 2021/2022 was 306 and 100% were from Hong Kong.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL *(Continued)*

(A) Employment and Labour Standards *(Continued)*

Product Responsibility

The Group has a policy that states its aims to produce publications and offer services that are of high quality and meet its readers' and customers' needs. In addition, delivering accurate content and products is a top priority. To ensure that, the Group has in place the policies to guide its employees in maintaining high standards. 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 is not aware of any non-compliance with relevant laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labelling and privacy matters relating to products and services provided. The Group has not received any complaint on its products.

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 organisation.

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.

Anti-Corruption

The Group's Anti-Bribery and Corruption Policy ("ABAC Policy") sets out its zero tolerance to bribery and corruption. This policy is applicable to its directors and employees. The Board and the Executive Committee are committed to set out processes and controls to track any act of bribery and corruption. This policy is reviewed periodically by the Board to ensure its relevance to the Group's business operations.

Amongst others, the ABAC Policy sets out the following:

- (a) Gifts and the exceptions to the same;
- (b) Entertainment and Corporate Hospitality — its definition and exceptions;
- (c) Money Laundering;
- (d) Corporate Social Responsibility;
- (e) Procurement — which includes due diligence;
- (f) Dealing with third parties;
- (g) Consequences of breach of the ABAC Policy.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL *(Continued)*

(A) Employment and Labour Standards *(Continued)*

Anti-Corruption *(Continued)*

The Group is not aware of any non-compliance by the Group of any relevant laws and regulations relating to bribery, extortion, fraud and money laundering. For the year in review, there were no legal cases regarding corrupt practices brought against the Group.

The Group has a Whistleblower Policy for employees who have concerns about possible improprieties in financial reporting or internal control matters within the Group to come forward and voice their issues. The Audit Committee has responsibility over this policy and has delegated day-to-day responsibility for overseeing and implementing it to the Company Secretary of the Group. Employees can whistleblow to the Company Secretary, Chairman of Audit Committee or Chairman of the Executive Committee.

During the year, the Group invited representatives from Independent Commission Against Corruption to conduct seminars relating the topic "Anti-Bribery" for its directors and employees.

Community Investment

The Group believes in making a positive impact in the communities which it operates in. It is stated in its social policy that the Group supports initiatives that focus on education, knowledge building, medical and humanitarian.

Being a media company, the Group contributes to the communities in need by offering its products and services to help them highlight their plight or projects.

During the year, the Group provided free advertisements with value approximately HK\$100,000 to different charities to promote their charitable activities.

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 2021/2022 on pages 17 to 29.