



香港經濟日報集團有限公司

HONG KONG ECONOMIC TIMES HOLDINGS LIMITED

Stock Code 00423

HONG KONG ECONOMIC TIMES HOLDINGS LIMITED

ENVIRONMENTAL, SOCIAL and GOVERNANCE REPORT

2022/2023



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About this Report

Hong Kong Economic Times Holdings Limited (hereinafter referred to as “HKET Holdings” or “the Company”) (Stock Code: 00423) is pleased to present this Environmental, Social and Governance Report (this “Report”). This Report focuses on certain sustainability aspects of the Company and its subsidiaries (collectively referred to as the “Group”) for the financial year ended 31 March 2023 (the “Reporting Period”). This Report is prepared in accordance with the disclosure requirements set forth in the Environmental, Social and Governance Reporting Guide (the “ESG Guide”) contained in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Scope of the Report

This Report covers the Group’s core businesses in Hong Kong, namely the media businesses, which includes newspapers and magazines publishing together with the printing houses, and financial news agency, information and solutions businesses.

Reporting Principles

Reporting Principles	The Group’s Application
Materiality	The Group communicated with different stakeholders on their specific concerns through formal or informal channels, by conducting focus groups or surveys. We prioritise our Environment, Social and Governance (“ESG”) issues based on the results of the stakeholder engagement. We identified the material areas that matter most to our stakeholders.
Quantitative	The Group records, calculates and discloses quantitative information and conducts comparisons with past performance where possible.
Balance	Information is disclosed as objectively as possible to provide stakeholders with an unbiased picture of our overall ESG performance.
Consistency	The Group ensures consistency in preparing the report and managing its ESG data for future comparisons.

Feedback

We value feedback from our stakeholders to ensure continuous improvement of our reporting process and to enable us to address stakeholders’ concerns. Please send your feedback and other sustainability related suggestions to groupinfo@hket.com.

Board Statement

The Board of the Company assumes the overall responsibility for the Company's ESG strategy and reporting. The Board is responsible for evaluating and determining the Company's ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place. The Board had received from the Management of the Group a confirmation on the effectiveness of these systems.

Sustainability Governance

In order to perform sustainable ESG governance, the Group has established a comprehensive governance structure for managing and monitoring ESG issues. The ESG Committee supports the Board to formulate sustainability strategies, coordinates the day-to-day execution of the Group's ESG initiatives and regularly reports to the Board on the progress of the Company's sustainability plans. Co-chaired by one Executive Director, the ESG Committee meets regularly together with different department representatives to, among other matters, review progress made against ESG-related goals and targets set.

Stakeholder Engagement

Stakeholder engagement is one of the key drivers in the continuous improvement of our ESG performance. We strongly believe that our stakeholders play a crucial role in sustaining the success of our business in the challenging market.

Key Stakeholders	Why we engage	How we engage
Employees	The attraction, retention and development of talent are essential for the Group's long term development. We continuously seek and respond to employees' views, ideas and concerns.	Trainings, intranet, annual performance review, company newsletters, employee handbook and employee suggestion boxes
Readers & Customers	Feedback from customers helps us improve our products, services and processes.	Questionnaires and surveys, social media, customer service and site visits
Suppliers & business partners	Working closely with our business partners at each stage allows us to monitor their quality and performance. This ensures high quality products and services are delivered.	Site visits, emails, questionnaires and surveys

Key Stakeholders	Why we engage	How we engage
Shareholders & investors	We engage with shareholders and investors to communicate our ESG strategy and performance, enabling them to make informed decisions about their investments and for our businesses to understand their expectations.	Annual meeting, interim and annual reports, conference calls and meetings
Government & regulators	Laws and regulations can have a significant impact on our operations. Therefore, we have to establish close communications with government agencies to ensure we abide by all related rules and regulations.	Statutory filing and announcements

Reporting on Environmental Aspects

The Group recognises the importance of good environmental stewardship and is committed to protecting the environment. We integrate environmental considerations into our business processes and strive to continually improve our environmental performance in line with local regulations and industry-specific guidelines.

One of the Group's printing plants had obtained ISO 14001 certification, which provides standards for our environmental management system. These standards help minimise the negative impact of operations on the environment, comply with applicable laws, regulations, and other environmentally oriented requirements, and improve environmental performance continually.

We have partnered with a third-party professional consultancy, CKP Sustainability Consultants Limited, in assessing our Group's environmental key performance indicators. The assessment references local guidelines published by government bodies, as well as the latest emissions factors as set out by relevant utility companies.

Aspect A1: Emissions

In reviewing the impact of our operations on the environment, in particular the greenhouse gases emission, we identified our newspapers and magazines publishing and printing operations to have the most significant impact on the environment. Our greenhouse gas emissions are primarily indirect emissions from electricity consumption for printing plants and offices, direct emissions from machinery and fuel combustion for our fleet, as well as other indirect emissions from the disposal of paper waste.

The printing operations of the Group release chemical wastes. The printing plants are registered as chemical waste producers with the Environmental Protection Department. All the chemical wastes are collected by licensed chemical waste collectors in compliance with the relevant regulations in Hong Kong. The printing plant had erected a Regenerative Thermal Oxidizer to reduce over 90% of the volatile organic compounds emissions generated during the printing process. Our printing plant has also adopted a non-alcohol printing method to reduce the use of chemicals.

The Group complies with all relevant laws and regulations that have a significant impact to the Group in relation to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Key Performance Indicators	Description	FY2021/2022 Data	FY2022/2023 Data
KPI A1.1	<p>Types of air emissions:</p> <p>The Group's air emissions mainly include nitrogen oxides ("NOx"), sulphur oxides ("SOx") and respiratory suspended particles ("RSP") generated by the use of the motor vehicles owned by the Group.</p>	<p>NOx: 410.29 kg SOx: 0.70 kg RSP: 37.54 kg</p>	<p>NOx: 332.03 kg SOx: 0.66 kg RSP: 29.81kg</p>
KPI A1.2	<p>Greenhouse gas (GHG) emissions:</p> <p>Scope 1 – The Group's direct GHG emissions are mainly from stationary combustion of liquefied petroleum gas (LPG), as well as combustion of fuels in motor vehicles owned by the Group.</p> <p>Scope 2 – The Group's GHG emissions are primarily indirect emissions from electricity consumption.</p> <p>Scope 3 – GHG emissions from business air travel and disposal of paper waste are not material and therefore not reported.</p>	<p>Scope 1: 733.79 tCO₂e-</p> <p>Scope 2: 5,205.35 tCO₂e-</p> <p>N/A</p> <p>Intensity: 0.01 tCO₂e-/HK\$'000</p>	<p>Scope 1: 617.93 tCO₂e-</p> <p>Scope 2: 4,389.71 tCO₂e-</p> <p>N/A</p> <p>Intensity: 0.01 tCO₂e-/HK\$'000</p>
KPI A1.3	<p>Hazardous waste produced:</p> <p>The Group's printing operations generate hazardous waste such as spent ink, and developed plates.</p>	<p>400 Litres</p> <p>200kg</p>	<p>1,100 Litres</p> <p>400kg</p>
KPI A1.4	<p>Non-hazardous waste produced:</p> <p>The Group's non-hazardous wastes produced are mainly general office wastes and are not material.</p>	NA	NA

Key Performance Indicators	Description	FY2021/2022 Data	FY2022/2023 Data
KPI A1.5	<p>Measures to mitigate emissions and results:</p> <p>The Regenerative Thermal Oxidizer erected in our printing plant reduces over 90% of the volatile organic compounds emissions generated during the printing process. The Group also adopted energy saving measures as described in Aspect A2 which in turn reduce the GHG emissions.</p> <p>The Group is not able to set specific emissions target as the emissions level varies on the business activities and performance of the Group.</p>		
KPI A1.6	<p>Handling of hazardous and non-hazardous waste:</p> <p>All the chemical wastes produced by the Group's printing plants are collected by licensed chemical waste collectors in compliance with the relevant regulations in Hong Kong.</p> <p>Waste paper is collected by a recycling company.</p>		

Aspect A2: Use of Resources

The Group is committed to improving energy efficiency and optimising its use of resources, such as water and raw materials. Reducing energy consumption is a priority as they account for a significant proportion of our carbon emissions. The Group's efforts to reduce energy consumption and conserve resources include:

- installing energy-efficient lighting and water efficient fixtures
- adopting water cooled air-conditioning system in the Group's printing plants
- controlling optimal temperature settings for offices and data centres
- placing signs to remind staff to save energy and adopt a low-carbon lifestyle
- reducing and replacing paper reports circulation by digital reports
- improving waste control in printing operations
- using computer to plate imaging technology in our printing process that removes the use of traditional film and associated chemicals from the prepress process
- using eco-friendly printing ink
- recycling water for plate developing
- recycling wastepaper and zinc plates

In order to accelerate the use of clean energy, the Group actively implemented the distributed photovoltaic power supply project in our printing factory situated at the Tai Po Industrial Estate, and it has started operating in April 2020.

Key Performance Indicators	Description	FY2021/2022 Data	FY2022/2023 Data
KPI A2.1	<p>Energy consumption:</p> <p>The Group's major energy consumption is for the printing operation and maintenance of data centre and server room.</p>	<p>51,380.35GJ</p> <p>Intensity: (49.23 MJ/HK\$'000)</p>	<p>45,129.77GJ</p> <p>Intensity: (44.12 MJ/HK\$'000)</p>
KPI A2.2	<p>Water consumption:</p> <p>Water consumption is mainly for the Group's printing and office operations.</p>	<p>14,503.09 cubic metres</p> <p>Intensity: (0.01 m³/HK\$'000)</p>	<p>18,323.51 cubic metres</p> <p>Intensity: (0.02 m³/HK\$'000)</p>
KPI A2.3	<p>Energy use efficiency initiatives and results achieved:</p> <p>The Group had adopted energy saving measures, including using energy-efficient lighting and water cooled air-conditioning system in the Group's printing plants, and controlling optimal temperature settings for offices and data centres. The Group also encourages staff to save energy and adopt a low-carbon lifestyle. The results of the above initiatives are not measured.</p>		
KPI A2.4	<p>Issue in sourcing water, water efficiency initiatives and results achieved:</p> <p>Water consumption is not significant to the Group's operations and the Group does not have issue in sourcing water. The Group uses recycled water for plate development and encourages staff to save water.</p>		
KPI A2.5	<p>Packaging material used for finished products:</p> <p>Minimal packaging materials are used by the Group for its finished products and therefore not reported.</p>		

Aspect A3: The Environment and Natural Resources

The Group is committed to environmental protection. Part of the papers used by the printing plants are supplied by paper mills that are members of Forest Stewardship Council ("FSC") or Programme for the Endorsement of Forest Certification ("PEFC"), promoting responsible and sustainable management of the world's forests. All paper wastes generated both from printing operations and office operations are collected by recycling companies. The Group's commercial printing plant has implemented a FSC product groups control system, according to the FSC certification system. FSC confirmed our conformation of the requirements of the FSC Chain of Custody standard, concerning the manufacture and sales of printed paper products certified FSC Mix and FSC Recycled. The commercial printing plant also obtained a certificate of conformity by PEFC, thereby confirming the meeting of the requirements for PEFC Chain of Custody Standard for PEFC certified paper printed products using physical separation method.

Key Performance Indicators	Description
KPI A3.1	Impacts of activities on the environment and natural resources: The Group publishes newspapers and magazines and provides printing services to other media and publishers. Therefore the Group deploys significant paper consumption, which had impacts on natural resources. The Group strives to improve wastage control in printing operations to mitigate the impacts.

Aspect A4: Climate Change

The consequences of climate change may threaten our business operations and result in potential financial loss. In order to mitigate the climate-related risks and impacts, the Group will formulate relevant policy for identifying and monitoring the issues and establish corresponding measures for mitigation.

Key Performance Indicators	Description
KPI A4.1	Impacts of activities on climate change: The Group recognises the significant impact of climate change. Any form of business activity inevitably creates carbon emissions, causes temperature rise, and eventually contributes to climate change.

Reporting on Social Aspects – Employment and Labour Practices

The Group employs around 1,450 employees, who are key to the Group’s success. The Board believes that employees are the most valuable asset of the Group and we are committed to providing a rewarding working environment for our employees that encourages collaborations, self enhancement and development. The Group’s Human Resources Department is responsible for planning and deployment of all human resources matters including but not limited to recruitment, training, retention, dismissal and other personnel matters. The Group is in compliance with all relevant laws and regulations of employment.

Aspect B1: Employment

Recruitment is at the Group’s top priority for maintaining a talent pool to fill the manpower requirements for the Group’s business development. We promote fairness and equality in talent recruitment. Employment is offered only to the candidates with reference to their skills, qualifications, abilities and aptitudes without regard to factors that are irrelevant to the person’s skills or abilities to fulfil the job requirements. Our employment practices do not discriminate on grounds of gender, disability, pregnancy, family status, religion, age or other conditions recognised in law. The Group encourages fair employment opportunities and complies with legal regulations.

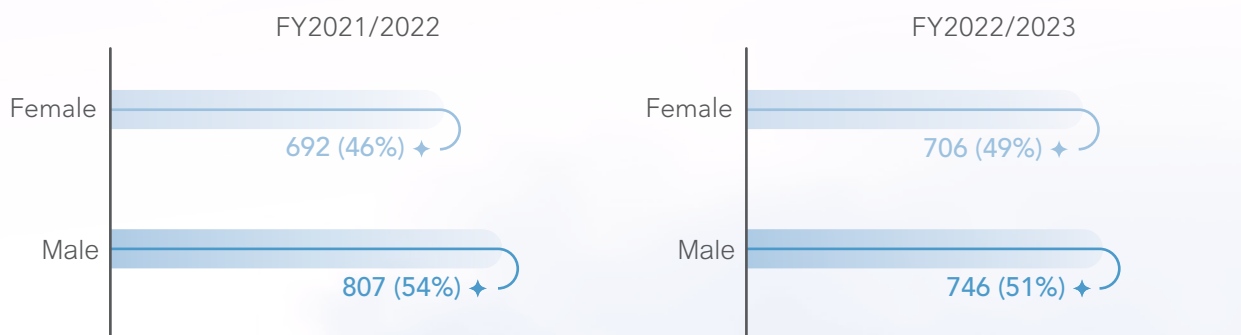
We provide employees with excellent career development opportunities, including skills development and leadership training and a “promotion from within” policy.

We offer competitive remuneration packages to retain quality staff. Employee benefits include medical insurance, discretionary bonus, provident fund schemes and other staff benefits.

For dismissal situations, Department Heads would consult the Human Resources Department to ensure that applicable legal requirements are observed.

KPI B1.1 The Group’s employee breakdown is shown below:

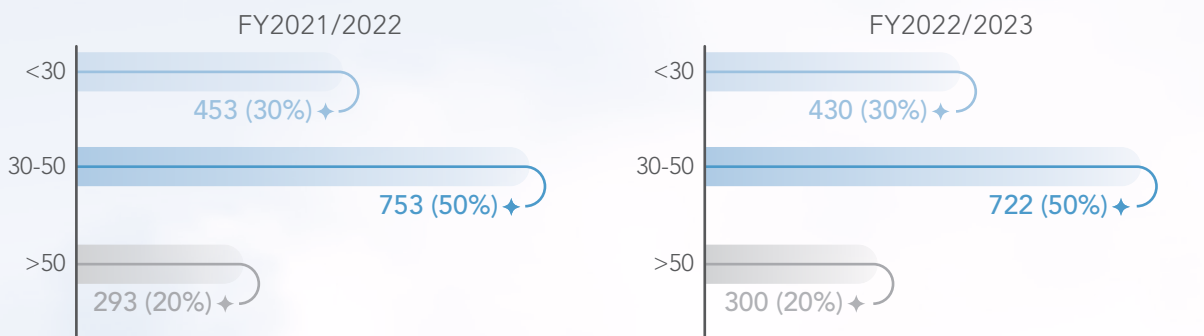
- by gender (full-time and part-time)



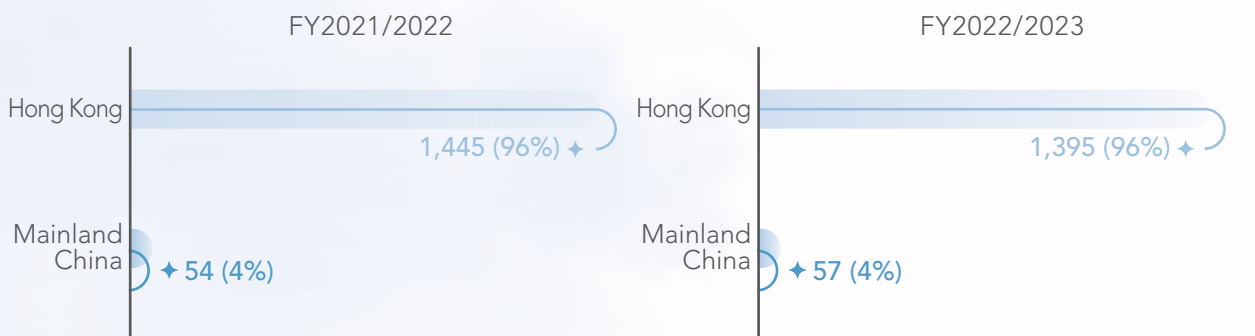
– by employment type (full-time and part-time)



– by age group (full-time and part-time)

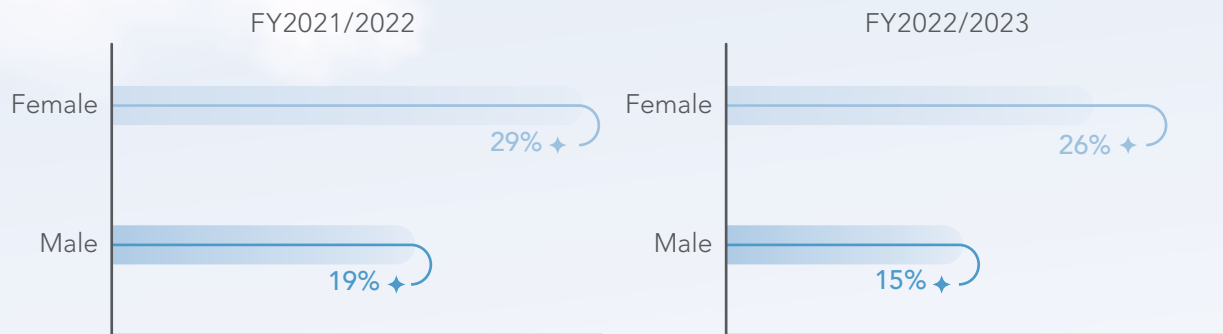


– by region (full-time and part-time)

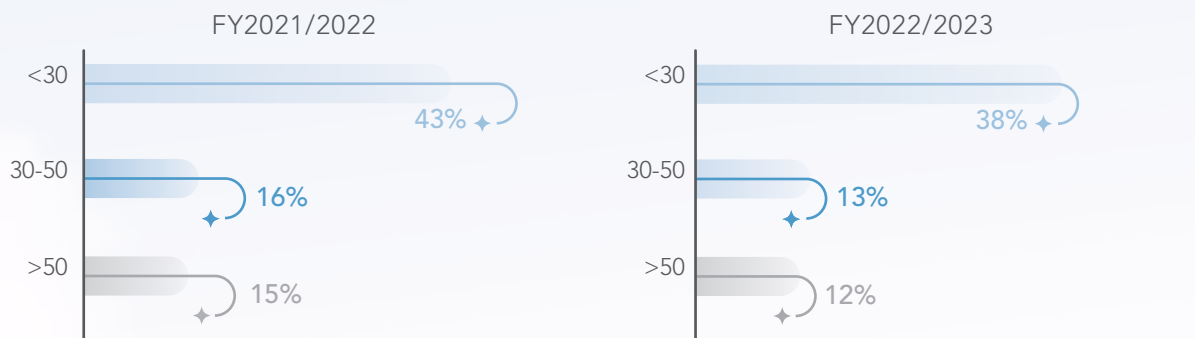


KPI B1.2 For the year ended 31 March 2023, the Group's employee turnover rate was 20% (FY21/22: 24%).

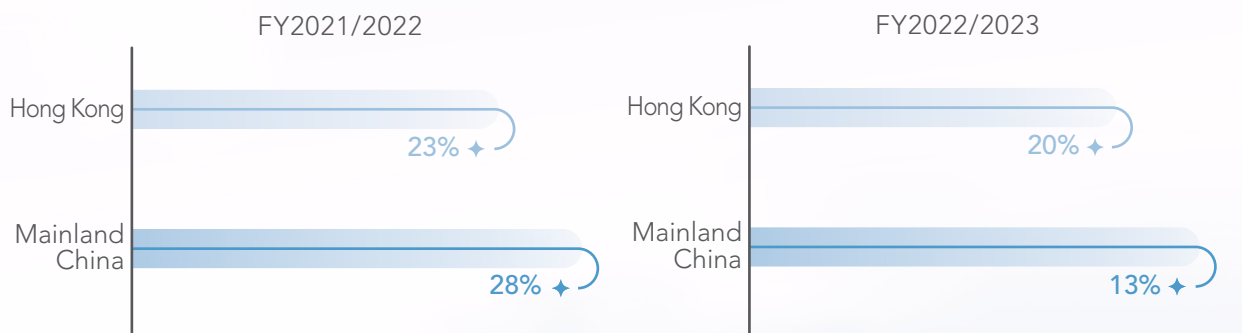
– by gender



– by age group



– by region



Aspect B2: Health and Safety

The Group is committed to maintaining a healthy and safe work environment and complying with all relevant laws and regulations. The Group's Human Resource and Administration Department are responsible to enact all necessary measures and guidelines to foster a healthy and safe work environment. The Administration Department would carry out workplace assessment periodically to assure office and production equipment is in compliance with occupational health and safety standards and maintain a clean and effective office ventilation system.

We are concerned with the health and well-being of our employees, and thereby adopted some preventive measures to help combat the spread of diseases, such as respiratory infections or flu. We also encourage employees to arrange 5-10 minutes periodic rest breaks to conduct more relaxing and stretching exercises to reduce muscle strain and work stress, especially those whose works involve frequent use of computers or require repetitive movements.

Key Performance Indicators	Description
KPI B2.1	The Group recorded no material accident resulting in fatality in the three preceding years including this reporting year.
KPI B2.2	For the year ended 31 March 2023, the Group recorded a loss of 319 working days (FY21/22: 144 days) due to work related injury, which mainly occurred at the Group's printing factory.
KPI B2.3	Safety Management System is implemented in our printing plants to enhance workplace safety. Each plant has its own Safety Committee that focuses on the continuous development and promotion of a safety culture through training, monitoring and transparent reporting.

Protecting our Employees throughout COVID-19

The ongoing COVID-19 pandemic in 2022 had continued to significantly affect the community. As a caring company, the Group remains committed to protecting our employees and implemented a series of measures to combat COVID-19. The precautionary measures include:

- arranging employees to work from home by rotation to limit crowd gathering. Clear records are retained by Human Resources to track the work locations of staff
- monitoring employees' health status and asking staff who had close contact with the confirmed case to take the COVID-19 test, and not return to the workplace until a negative test result is confirmed

- checking body temperature of employees and visitors before entering the work premises and wearing a mask in the office
- stepping up cleansing and disinfection measures in all our workplaces
- providing protective and disinfection products such as face masks, alcohol-based hand sanitisers and other protective equipment for our staff to use
- encouraging social distancing in the workplace and adopting tele-conference or video conference to minimise physical contact
- encouraging vaccination by providing employees vaccination leave for each dose received to ensure that they can have sufficient time to recuperate after getting vaccinated.

Aspect B3: Development and Training

The sustainable growth of the Group’s businesses can only be achieved with the growth of our employees. In the era of media transformation and with the rapid development of technology, our employees need to keep abreast of the latest digital media development for a smooth transition of their daily focus. The Group arranged and organised various training courses, seminars and sharing sessions to promote a learning culture among our employees.

The Group also encourages employees to attend external training programmes to support their career development. Course fees may be subsidised or reimbursed on a case by case assessment on relevancy and achievement.

Key Performance Indicators	Description
KPI B3.1	Around 47% of the Group’s staff received training through various experiences sharing technical updates sections. In the financial year ended 31 March 2023, a total of 682 participants engaged in external and internal training programmes held by the Group with a total of 8,227 training hours (FY21/22: 261 participants with 877 hours).
KPI B3.2	Average number of hours of training completed per employee who received trainings arranged by the Group was 12.06 hours for the financial year ended 31 March 2023 (FY21/22: 3.36 hours).

Aspect B4: Labour Standards

The Human Resources Department as well as Department Heads will ensure compliance of related labour standards including but not limited to the Employment of Children Regulations (Cap.57B of the Laws of Hong Kong) and Employment of Young Persons (Industry) Regulations (Cap 57C of the Laws of Hong Kong), throughout the process of recruitment and employment registration.

During the Reporting Period, the Group did not employ any child or forced labour.

Key Performance Indicators	Description
KPI B4.1	The Group prohibited any child and forced labour employment.
KPI B4.2	Human Resources Department is responsible to monitor and verify the eligibility of employment including checking identity of the applicants.

Reporting on Social Aspects – Operating Practices

Aspect B5: Supply Chain Management

The main raw materials used by the Group include paper, ink, printing plates and chemical glue with paper being the Group's principal raw material.

Key Performance Indicators	Description
KPI B5.1	The Group has more than 1,000 suppliers, more than 90% of our suppliers are based in Asia.
KPI B5.2	Purchase requisitions are placed with paper vendors based on sales forecasts and orders which are developed with the Group's print publications and external customers.
KPI B5.3	The Group reviews the list of suppliers on regular basis to ensure the suppliers comply with relevant regulations.
KPI B5.4	The Group endeavours to work with FSC certified paper suppliers to ensure that paper purchased and used in the production of our publications or for its customers are in compliance with all standards of environmental care and social responsibility as required by customers. We are committed to developing and maintaining effective and mutually beneficial working relationships with our suppliers.

Aspect B6: Product Responsibility

The Group is committed to delivering services and products with the highest level of quality and credibility that brings values to our customers and readers. We believe in continual improvement and advancement of our products for sustainable growth of the Group. Our products have received tremendous support and recognition from the public. The Group complies with all relevant laws and regulations on upholding product responsibility.

Key Performance Indicators	Description
KPI B6.1	The Group is not aware of cases related to recalling products due to health and safety reasons.
KPI B6.2	The Group is not aware of products related complaints.
KPI B6.3	If there is any infringement of intellectual property rights, an immediate response will be taken to remove the content and undergo investigation.
KPI B6.4	The Group's publications organised regular focus groups with readers to rate the content published. The commercial printing plant of the Group had obtained ISO 9001 certification confirming that the operation's products and services have consistently met customer's requirements, and that quality has consistently improved.
KPI B6.5	We provide updates/trainings on relevant laws and regulations to our staff addressing health and safety, advertising labelling and privacy matters ensuring related staff are in pace with the development of legal requirements.

Our flagship newspaper, Hong Kong Economic Times, ranked number one in media credibility among all paid and free Chinese newspapers in Hong Kong by a tracking research in 2016 – "Public Evaluation on Media Credibility" conducted by the Centre for Communication and Public Opinion Survey of The Chinese University of Hong Kong.

Our digital newspaper, hket.com was ranked 1st in "Financial Information" in Digital Media of the Year 2022.

Our financial news agency, ET Net has won "Top Securities Data Vendor" and "Top Derivatives Data Vendor" in HKEX Market Data Awards 2022.

Our lifestyle brand, U Lifestyle, was ranked 1st in "Lifestyle" in Digital Media of the Year for 6 consecutive years (2017 – 2022).

Our travel and lifestyle brand, *U Magazine*, was the winner in “Travel Magazine of the Year (Local) Award” by Marketing Magazine for 8 consecutive years (2011 – 2018). In 2022, *U Magazine* ranked 1st in “Travel” by Marketing Magazine.

Our talent brand, CTgoodjobs has won “Triple Crown Award – Recruitment Marketing” and “Market Leadership Award – Recruitment Marketing” in HKIM Market Leadership Award 2022.

Aspect B7: Anti-corruption

The Group is committed to maintaining a high standard of corporate governance, the principles of which serve to uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of our businesses.

We have a zero-tolerance policy regarding bribery and corruption in any form or at any level in association with any aspects of the Group’s activities.

The Group complies with all relevant laws and regulations that have a significant impact to the Group in relation to bribery, extortion, fraud and money laundering.

Key Performance Indicators	Description
KPI B7.1	During the Reporting Period, the Group was not aware of any case brought against the Group relating to bribery and corruption.
KPI B7.2	The Group encourages the reporting of illegal practices, including but not limited to, bribery, fraud and money laundering through our whistle-blowing mechanism. All cases are treated with strict confidence and submitted to designated personnel for further investigation.
KPI B7.3	<p>The Group had incorporated an anti-bribery guideline in the Staff Handbook distributed to all employees when they join the Group requiring staff to strictly comply with the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong).</p> <p>The Board is ultimately accountable for the Group’s activities and financial performance. Anti-corruption training materials are circulated to the Board during the Year to further strength directors’ awareness against corruption.</p>

Reporting on Social Aspects – Community

Aspect B8: Community Investment

We are committed to operating as a responsible corporate citizen and continually supporting the economic and social vitality of local communities through corporate sponsorships and charitable donations.

Key Performance Indicators

Description

KPI B8.1	<p>etnet.com.hk, under the Group’s financial news agency, information and solutions segment, operates an online Social Enterprise Gallery (社企廊), providing a platform for the social enterprises in Hong Kong to promote and share their business information. The platform supports social enterprises business to achieve specific social objectives, such as providing services (such as support service for the elderly) or products needed by the community, creating employment and training opportunities for the socially disadvantaged, and protecting the environment. The Social Enterprise Gallery (社企廊) once earned the Outstanding Partner of Social Enterprise Award. etnet.com.hk also operates an innovation-driven online channel “社創 SoIN” to promote social inclusion and provide a platform for business communities and professional sectors to support various social groups to become self-sustainable.</p> <p>The Group’s several business units have been awarded “Caring Company” for more than 10 years. These business units provided volunteer activities to nominators or participated in their volunteer services, and provided cash or in-kind donations to the nominators. They support the rehabilitated people in returning to the work force with the Phoenix Clubhouse, under the auspices of The University of Hong Kong and the Queen Mary Hospital. These business units are caring for local communities and the environment.</p> <p>The Group, as a media and information provider, aims to deliver objective, insightful, trustworthy and quality reporting and content that demonstrates our commitment in being a socially responsible corporate citizen.</p>
KPI B8.2	<p>The Group contributed on the form of providing promotion platform for various charity or social caring projects.</p>