

萬華媒體

One Media Group Limited
萬華媒體集團有限公司

Stock Code 股份代號：426

Environmental, Social and
Governance Report 2022/23
二〇二二至二〇二三年
環境、社會及管治報告



媒體 萬華



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

The Group's sustainability journey in the past three years is described in this report. It documents our environmental, social and governance (ESG) practices 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.

REPORT SCOPE AND PERIOD

This report covers the Group's business operations in Hong Kong for the period from 1st April 2022 to 31st March 2023.

REPORT STANDARDS

This report is prepared in accordance with the ESG Reporting Guide set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("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) Balance — this report provides an unbiased picture of the Group's performance and avoids any selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader; and
- (d) 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.

FEEDBACK

In order to continuously improve on our reporting and sustainability practices, we welcome your views, comments or feedback, which may be directed to 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.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

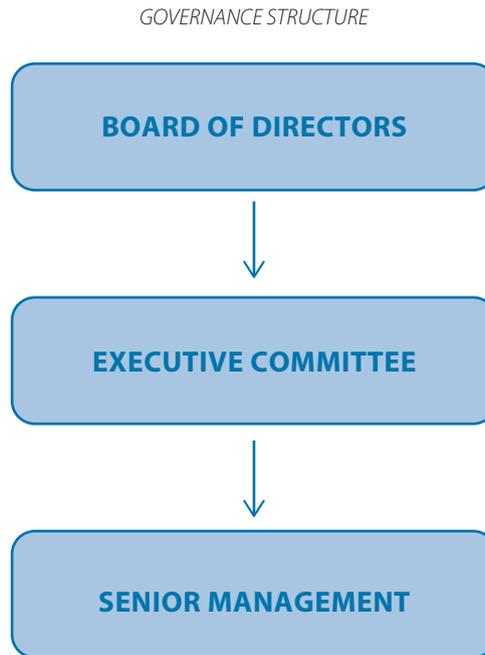
BOARD STATEMENT

Faced with the economic challenges brought about by the COVID pandemic which continued into 2022, the ability to maintain a sustainable business became even more crucial for the Group. Hence the Group continued its efforts to embed sustainability practices into its strategy and operations. The Board is aware of the need to continuously review its operations and improve its sustainability practices to meet the changing demands of its business brought about by climate change, technology advancements and rising operational costs. The Group will continue to educate its employees on the importance of implementing Environmental, Social and Governance practices in the strategy and operations of the Group.

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 practice.

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



Roles and Duties

The Board is primarily responsible for determining the overall sustainability strategy for the Group and to evaluate and determine the Group's ESG-related risks. Sustainable matters are discussed and debated at Board meetings.

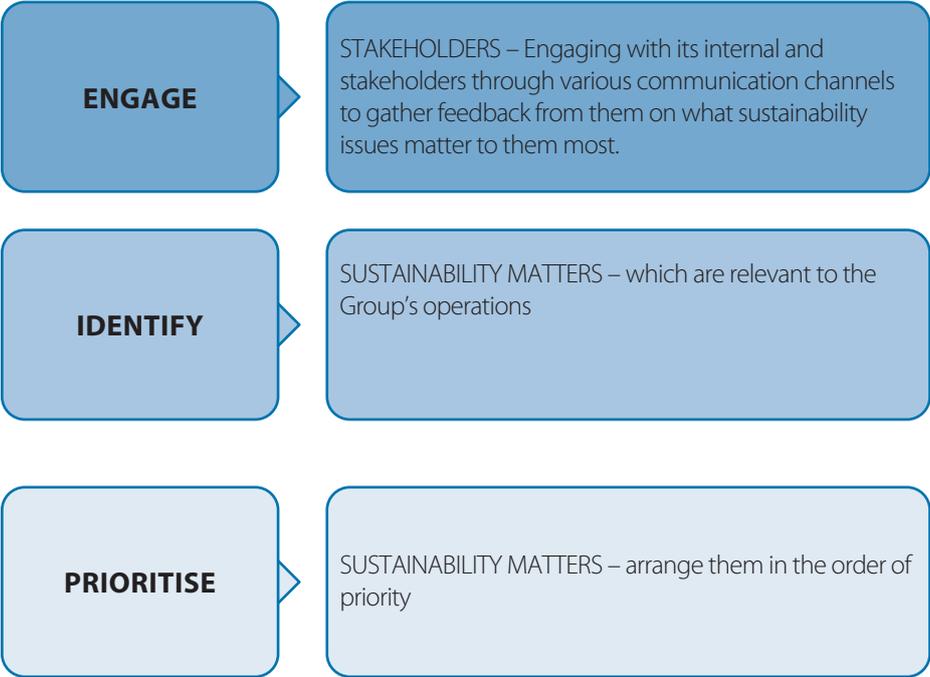
Meanwhile, the role of the Executive Committee is to establish the policies and processes for the identification, prioritising and management of material sustainability issues. This includes assisting the Board in reviewing ESG risk management and setting up internal control systems. The Senior Management is responsible for implementing and ensuring compliance of sustainability practices.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDERS ENGAGEMENT AND MATERIAL SUSTAINABILITY MATTERS

Materiality Assessment

To ensure that its material matters stay relevant, the Group will review its existing material sustainability matters annually to evaluate whether they are still relevant or there is a need to add new material sustainability matters.



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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDERS ENGAGEMENT AND MATERIAL SUSTAINABILITY MATTERS *(Continued)*

Materiality Assessment *(Continued)*

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

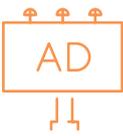
AREA	MATERIAL SUSTAINABILITY TOPICS	ESG GUIDE
ENVIRONMENTAL 	<ul style="list-style-type: none"> • Emissions <ul style="list-style-type: none"> – Green House Emissions – Waste 	<ul style="list-style-type: none"> • A1
	<ul style="list-style-type: none"> • Use of Resources <ul style="list-style-type: none"> – Energy – Water and Effluents 	<ul style="list-style-type: none"> • A2
	<ul style="list-style-type: none"> • Employment and Labour Practices <ul style="list-style-type: none"> – Diversity and Equal Opportunity 	<ul style="list-style-type: none"> • B1
	<ul style="list-style-type: none"> • Health and Safety • Development & Training • Labour Standards • Supply Chain Management • Product Responsibility • Anti-Corruption • Community Investment 	<ul style="list-style-type: none"> • B2 • B3 • B4 • B5 • B6 • B7 • B8
GOVERNANCE 	<ul style="list-style-type: none"> • Governance Structure • Corporate Governance 	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDERS ENGAGEMENT AND MATERIAL SUSTAINABILITY MATTERS *(Continued)*

Stakeholders Engagement

The Group engages with its stakeholders to better understand their needs and interests throughout the year, as well as identify opportunities for collaboration. The table below lays out the basis and methods of engagement with our stakeholders along with key interests for each stakeholder and our responses.

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 Effective advertising solutions 	<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"> Bi-Annually 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 Service and quality 	<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 is 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

In the past 3 years, the Group only reported its Scope 2 (Purchased Electricity) GHG emissions by calculating the Group’s electricity consumption for operations under its direct control in Hong Kong. The emissions data is reported below.

The Group has reviewed its operations and has started to track its vehicles used for distribution of its publications to advertisers. The Group will start reporting on emissions under Scope 1 in the year under review.

The Group will continuously look into 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 Company is used for calculating GHG emissions.

Total GHG Emission as at 31st March 2023

Scope	Unit	2022/2023	2021/2022	2020/2021
Scope 1	t/CO ₂ e	12.42	N/A	N/A
Scope 2	t/CO ₂ e	262.89	268.60	306.28
Total GHG Emissions Intensity	t/CO ₂ e	2.67	2.53	2.51

Note:

- (a) The intensity is derived from the calculation of Total GHG Emission divided by number of employees. Number of employees for the year in review is 103 (2021/2022: 106).
- (b) The “Emission Factor Electricity” supplied by Hong Kong Electric Company is used for calculating GHG emissions.
- (c) The data for financial year 2021/2022 stated above has been restated as there were errors in the calculation.

(b) Waste

The Group does not generate any hazardous waste. Hence, it only reports on its non-hazardous waste namely paper generated from the business operations within the Group’s offices and from the unsold publications that have been returned. The Group had disposed its waste in accordance with the relevant laws in Hong Kong.

The Group encourages its employees to reduce the usage of paper by relying on electronic copies or using duplex printing, where possible. To reduce the unsold copies returned, the Group monitors the return rate and adjust the number of printing copies from time to time. At the same time, the returned magazines were sold to the waste paper recycler every month. The Group disposed such waste by selling the same to vendors who collect paper for recycling.

The Group outsourced the printing of its publications as it is more cost efficient to do so. Delivery of its publications is also outsourced. As such, the Group does not keep track of data on materials consumption, waste disposal, fuel usage or greenhouse gas emissions from such activities.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL *(Continued)*

(A) Emissions *(Continued)*

(b) Waste *(Continued)*

As the Group is committed to reduce the impact of its operations on the environment, one of the key criteria for the 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 waste management policies for reducing and recycling any waste generated, as well as ensuring proper disposal of chemical waste to the approved chemical processing companies. The Group also encourages its service provider to use environmentally friendly raw materials in their production process.

In the year under review, the total waste intensity had improved to 597 kg per employee which is an improvement compared to last year.

Total Waste as at 31st March 2023

Waste	Unit	2022/2023	2021/2022	2020/2021	Landfilled	Recycled
Hazardous	kg	N/A	N/A	N/A	N/A	N/A
Non-Hazardous	kg	61,518	79,652	120,994	No	Yes
Total Waste Intensity	Kg/employee	597	751	992		

Number of employees for the year in review is 103 (2021/2022: 106).

(B) Use of Resources

The Group strives towards the conservation of energy and water. It puts in place processes to reduce the use of energy and water.

(a) Electricity

Most of the energy consumption by the Group is from its office operations. The Company continuously encourages its employees to save energy by switching off lights, computers and other office equipment when not in use. The Group is committed to maintain or reduce its electricity consumption in the next three years.

The Group's electricity usage for the financial years ended 31st March 2022 and 2023 were 378,313 kWh and 370,271 kWh respectively. The electricity usage for the year in review had reduced by 2%.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL *(Continued)*

(B) Use of Resources *(Continued)*

(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 by in the next three years. To achieve this, the Group will run campaigns and post notices in restrooms and pantry to remind employees to conserve water.

The Group's total consumption of water for the financial years ended 31 March 2022 and 2023 were 280 m³ and 251 m³ respectively.

Total Use of Resources as at 31st March 2023

Type of Resources	Unit	2022/2023	2021/2022	2020/2021
Electricity	kwH	370,271	378,313	431,386
Total Electricity Intensity	kwH per employee	3,595	3,569	3,536
Water	m ³	251	280	266
Total Water Intensity	m ³ per employee	2.44	2.64	2.18

(i) Number of employees for the year in review is 103 (2021/2022: 106).

(ii) The data for financial year 2021/2022 stated above has been restated as there were errors in the calculation.

(c) Use of Packaging Material

The Group does not track the usage of such packaging material as its printing and packing functions are outsourced to third parties.

(C) The Environment and Natural Resources

In order to deliver advertisement solution and services that are in line with the new media trends, the Group has adopted technology at a faster pace. As a result of the same, the impact of the Group's operations on the environment is low. Further, as its readers now prefer to consume content digitally, the production of printed copies have also reduced. The Group now prefers to hold its meetings virtually to reduce travelling. The Group's Sustainability Policy sets out the Group's commitment to reduce its impact on the environment.

(D) Climate Change

The Group is aware of the impact of climate change on its business and operations. It had carried out a risk assessment exercise to identify the risks caused by climate change and find ways to mitigate the impact. Some of the risks highlighted are typhoon and heavy rain which will be a danger to employees when they are on the way to office. In order to mitigate the same, the Group had put in place that the employees do not need to go to office for work and stay home for safety when the typhoon signal 8 or black rainstorm signal is hoisted.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL



The Group is committed to providing a workplace that is safe, inclusive and free from discrimination in order to retain its talent. 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

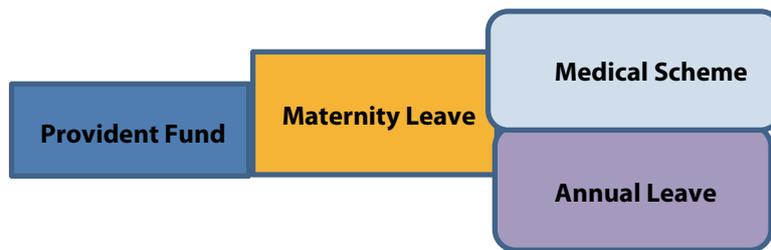
As an industry that relies heavily on creativity and delivery of good service, the Group’s employees define the quality of its product and content. For the past few years, the Group had been facing talent retention issues. However, in year under review, the Group has stabilised its workforce in terms of skill sets and optimum number of employees. Keeping with the latest technology developments is crucial for the Group’s business, hence the Group constantly provides relevant development and training programmes in order to build and retain talent for the Group.

For the year in review, the Group is 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 policies and practices*

To safeguard the welfare of its employees, the Group has in place human resource policies on remuneration, dismissal, recruitment and promotion, working hours, rest periods, disciplinary practice, and other benefits and welfare.

KEY STAFF BENEFITS



To build the bond among its employees, the Group organises social gatherings such as Christmas party and team dinners for the staff to get connected with each other.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL (Continued)

(A) Employment and Labour Standards (Continued)

Employment (Continued)

(ii) Diversity and Equal Opportunity

The Group is committed to provide a work environment which advocates diversity and inclusion, promotes equality for all and practises anti-discrimination among its workforce. It has in place policies that ensures fair treatment of employees, in terms of recruitment, career development and remuneration, regardless of gender, age, race, religion or other aspects of diversity.

Total workforce by Gender, Employment Type, Age Group and Geographical Region

	2022/2023	2021/2022	2020/2021
Total number of employees	103	106	122
Gender			
Male	56	51	59
Female	47	55	63
Age Group			
25 and below	13	11	9
26–49	56	68	86
50 and above	34	27	27
Geographical Region			
Hong Kong	98	102	117
Taiwan	5	4	5
Employment Type			
Permanent	100	103	118
Contract	3	3	4

Employee Turnover Rate by Gender, Age Group and Geographical Region

	2022/2023 Turnover Rate	2021/2022 Turnover Rate	2020/2021 Turnover Rate
All employees	34	51	54
Gender			
Male	10%	18%	17%
Female	23%	29%	25%
Age Group			
25 and below	4%	6%	0%
26–49	24%	36%	36%
50 and above	5%	5%	6%
Geographical Region			
Hong Kong	33%	47%	42%
Taiwan	0%	0%	0%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL *(Continued)*

(B) Health and Safety

In 2022, the Group had to continue to live with the COVID-19 pandemic measures imposed by the authorities until year end of 2022. Hence, the Group had improvised and strengthened its health and safety practices to include more measures in relation to the pandemic situation. This is in line with the Group's commitment to provide a safe working environment for its employees as part of its efforts to ensure a sustainable business operations.

For year in review, the Group had carried out regular safety inspections and trainings such as maintenance of the lifts and fire extinguishers and organising fire drills.

Human Resources Department cooperated with Labour Department to provide two seminars relating to health and safety to employees.

The Group is 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 for financial year ended 31st March 2023.

Number and rate of work-related fatalities

	2022/2023	2021/2022	2020/2021
Number of work related fatalities	Nil	Nil	Nil
Rate of fatalities	Nil	Nil	Nil
Loss days due to injury	Nil	Nil	Nil

(C) Development and Training

To ensure that its employees keep abreast with the changes in the media landscape, the Group implements both internal and external training programmes. Annual performance reviews and appraisals are also carried out as part of the Group's employee development effort and to track employee performance.

The total number of training hours for the year ended 31 March 2023 was 87 hours. These training activities included both internal and external courses paid by the Company and were with the purposes to improve employees' knowledge and skills for discharging duties at work.

Average Training Hours completed by employees (by Gender and Employee Category)

	2022/2023	2021/2022	2020/2021
Gender			
Male	4.4	2.3	0.7
Female	1.0	0.4	-
Category			
Senior management	23	57	22
Middle management	1.5	4	0

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL (Continued)

(C) Development and Training (Continued)

Percentage of employees trained (by Gender and Employee Category)

	2022/2023 %	2021/2022 %	2020/2021 %
Gender			
Male	83	85	100
Female	17	15	–
Category			
Senior management	83	84	100
Middle management	17	16	–

(D) 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.

(E) Supply Chain Management

To ensure ethical procurement and supplier management, the Group has a procurement policy in place. The policy outlines the processes related to 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. The Group conducts annual evaluation of its suppliers to evaluate the quality, service and cost effectiveness. It places priority on suppliers which adopts environmental friendly practices.

The total number of suppliers for the Group are as follows:

	2022/2023	2021/2022
Hong Kong	345	306
	100%	100%

(F) Product Responsibility

With fake news being rampant in this world, the Group places paramount importance on the production of unbiased content with a strong focus on unbiased, ethical and accurate reporting. As the demands of its readers are ever changing, the Group has to constantly seek feedback from its readers through various channels including social media in order to produce relevant content which meets consumer expectations.

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

The Group complies with Hong Kong laws and regulations, including the Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong) to ensure its products are properly marketed and customers are treated fairly. Disclosures and marketing materials included in the Group's publications are required to meet appropriate legal and regulatory expectations for the target audience. The Group also takes relevant measures to check that products are marketed accurately and are fairly described.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL *(Continued)*

(F) Product Responsibility *(Continued)*

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.

The Group is not aware of any products sold or shipped which are subject to recalls for safety and health reason and has not received any complaints on the same.

(G) Anti-Corruption

The Group is in compliance with Hong Kong laws and regulations in relation to bribery, extortion, fraud and money laundering as provided under Prevention of Bribery Ordinance (Cap. 201). The Group has in place an Anti-Bribery and Corruption Policy ("ABAC Policy") which outlines its anti-corruption practices. This policy is applicable to its directors and employees.

Amongst others, the ABAC Policy sets out the following:

- Gifts and the exceptions to the same;
- Entertainment and Corporate Hospitality — its definition and exceptions;
- Money Laundering;
- Corporate Social Responsibility;
- Procurement — which includes due diligence;
- Dealing with third parties;
- Consequences of breach of the ABAC Policy.

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

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 Company held a seminar for the employees to explain and discuss the Anti-bribery and Corruption Policy of the Company and 18 employees had attended this seminar.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

COMMUNITY INVESTMENT

Giving back to society is an important value for the Group especially to the communities in which it operates in. Through its media platforms and physical events, the Group engages with these communities to understand their needs and interests and to identify ways in which the Group can help.

For the financial year ended 31st March 2023, the Group had provided free advertisement spaces totalling HK\$130,000 to charity bodies to assist them to raise funds and promote charitable activities.

GOVERNANCE

	The Group is committed to upholding high standards of corporate governance and building an ethical business environment in its organisation. It has an established corporate governance framework and policies to ensure good compliance with applicable laws and regulatory requirements.
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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 2022/2023 on pages 16 to 28.