

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2017

MODERN MEDIA HOLDINGS LIMITED

現代傳播控股有限公司

(Incorporated in the Cayman Islands with limited liability) Stock code: 72

環境



現代傳播
Modern Media

Environmental, Social and Governance Report

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Environmental, Social and Governance Report

ABOUT THE GROUP

Modern Media Holdings Limited (the “Modern Media” or the “Company”, together with its subsidiaries, collectively the “Group”) is a leading, high-end media company in China. It is a cross-media comprehensive cultural communication platform that contains platforms for digital media, print publishing, and international exhibitions. The Group was founded in 1993 and listed on the main board of the Stock Exchange of Hong Kong Limited in September 2009. The current operations of the Group comprise two business segments, namely the “print media and art” segment and the “digital media and television” segment.

The increasing presence of technology and digitalization and shift of readers’ preference for digital media over print media had caused significant downturn in traditional print media industry, which also impacted the advertising revenue contributed by our print media. The Group has proactively promoted the transformation of our business during the past year, and has endeavoured in and developed new businesses such as the development of “Nowness” video platform and the launch of the cultural and creative space in Shanghai.

Looking forward, the Group will continue to extend its business strategy towards four directions, namely “Modern Publishing”, “Modern Digital”, “Modern Expo” and “Modern Space”. “Modern Publishing” includes our printed magazines portfolio, which is the leading printed media in the PRC market for brand advertisers. “Modern Digital” continues to be the driving force of our business growth. “Modern Expo” will become the new driving force of the Group by utilizing our existing ample resources in marketing experts and social network. “Modern Space” is a real estate project involving cultural and creative spaces actively deployed by the Group, which will be extended to different cities in the PRC.

Mission

Internationalization, style, refined taste, social responsibility

Goal

spread the truth, spread trends, and spread aesthetic education

Vision

To become the world's foremost high-quality publishing media group, leading the development of China's high-quality publishing and cross-media industry

Environmental, Social and Governance Report

ABOUT THE REPORT

This report is the second “Environmental, Social and Governance Report” (“this report”) published by the Group. This report allows stakeholders to have better understandings about the progress and direction of the Group’s sustainable development through reporting the policies, measures and performance in terms of environmental, social and governance aspects for the period from 1 January, 2017 to 31 December, 2017 (the “reporting period”). This report has been prepared in both Chinese and English and uploaded to the websites of both the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Group at www.modernmedia.com.cn.

Scope Of The Report

The report focuses on Modern Media’s related operations of its “print media and art” business at headquarters in Hong Kong and offices in Shanghai (the “Hong Kong Headquarter” and the “Shanghai Office”, collectively referred to as the “operational points”). To facilitate readers’ comparison of the Group’s annual performance, the report structure is as close as possible to the first report. The report currently does not cover all operations of the Group. However, it is the goal of the Group to continuously improve internal data collection procedures and gradually expand the scope of disclosure.

Reporting Standards

This report complies with the “comply or explain” requirement set out in the Environmental, Social and Governance Reporting Guide (the “Guide”) promulgated by the Stock Exchange, which is prepared on the basis of four reporting principles — Materiality, Quantitative, Balance and Consistency. In order to ensure the accuracy of environmental key performance indicators, the Group has also engaged Carbon Care Asia Limited, a professional consulting firm, to carry out carbon assessments. In addition, the report also includes individual key performance indicators in the “Recommended Disclosures” of the “Guide” to enhance the effectiveness of reporting.

A complete content index is appended in the last chapter hereof for easy comprehension of the report according to the Guide.

Confirmation And Approval

All the information cited in this report is sourced from the Group’s official documents, statistical data, and the management and operational information collected under the Group’s system. The report was confirmed and approved by the Group’s board of directors (the “Board”) in June 2018.

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Feedback

The Group values the opinions of stakeholders. If you have any questions or suggestions about the content or reporting form of this report, you are welcome to contact the Group through the following methods:

Address: 7th Floor, Global Trade Square, 21 Wong Chuk Hang Road, Aberdeen, Hong Kong

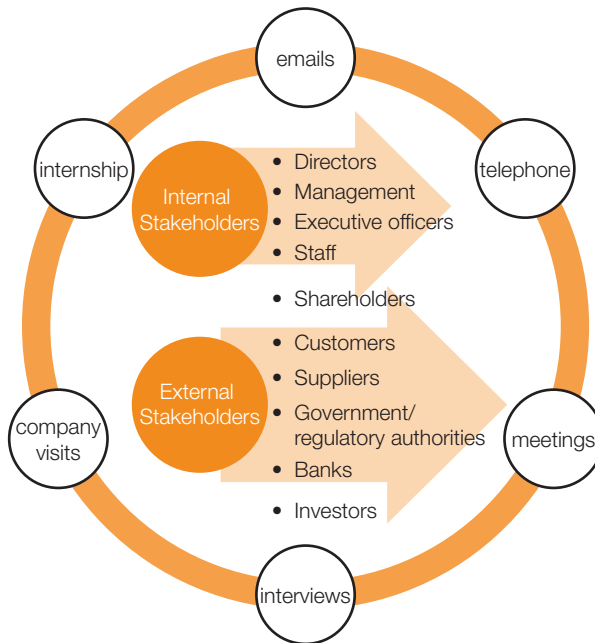
Email: hk@modernmedia.com.hk

Tel: (852) 2250 9188

COMMUNICATION WITH THE STAKEHOLDERS

In the course of our business management, the participation of stakeholders¹ is an important part, which helps the Group to examine potential risks and business opportunities. Communicating with stakeholders and understanding their views allow the Group’s business practices to keep abreast with their needs and expectations and properly proceed with the opinions of different stakeholders. The Group constantly communicates with key stakeholders inside and outside the Group through different channels. This ensures that they have the opportunity to understand the development and operational guidelines of the Group, which in turn serves as an opportunity for the Group to collect their opinions, thereby identifying the priorities of different issues and develop policies accordingly.

MAJOR METHODS OF COMMUNICATION WITH THE STAKEHOLDERS DURING THE REPORTING PERIOD



¹ “Stakeholders”, also known as “related parties”, “privileged parties” or “interested parties”, refer to groups and individuals who have significant impact on the Group’s business, or those who are affected by the Group’s business, including internal directors, management, executive officers, staff, and external investors, customers, suppliers, government/regulatory authorities, banks, investors, etc.

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As in last year, in order to establish the strategy and direction for the Group's sustainable development and identify environmental and social issues that are of importance to the Group and its stakeholders, the Group has engaged Carbon Care Asia Limited, a professional consulting firm, to conduct interviews with the management. Taking into account both the results of the interviews and the opinions of the consultant, the Group selected four items out of the eleven environmental and social aspects from the Guide as the key issues discussed in this report.

Employment

Development
and Training

Supply Chain
Management

Product
Responsibility

In order to ensure the effectiveness of communication with stakeholders, the Group is committed to establishing transparent, honest and accurate communication and providing timely responses. In the future, the Group will strengthen the interaction with stakeholders, explore more diversified channels, increase opportunities for contact with them, and create a mutually beneficial and win-win relationship.

MESSAGE FROM THE CHAIRMAN

Since the release of its first "Environmental, Social and Governance Report" last year, Modern Media Holdings Limited gradually enhanced its environmental and social performance under the leadership of the Environmental, Social and Governance Committee, the details of which is disclosed to all stakeholders in this report.

By adhering to its people-oriented principle, the Group trusts and respects its staff and is committed to provide them with an enlightening, equal and diversified working environment. The Group values the team cohesion and creativity, and promotes the employments of staff with different cultures, backgrounds, and experiences, so as to bring more thoughts and creativity to the Group. The Group has developed a proper remuneration and welfare system to build up a sense of belonging and promote work-life balance among its staff.

The media industry must always make progress. The Group understands the importance of staff training and encourages them to keep upgrading their professional knowledge and skills. The Group arranges different special trainings based on practical needs to inspire employees' thinking and broaden their horizons.

The Group looks forward to working with its peers to promote the sustainable development of the society and the environment. In order to minimise the environmental and social impacts of our business operations, the Group has formulated management policies and selection criteria for its suppliers to manage potential risks in the supply chain, and review such policies and criteria on a regular basis to ensure their effective implementation.

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As an influential media enterprise, the Group strives to maintain the accuracy of the information provided and the quality of other aspects of its products. All content is subject to reviewing and subsequent checking by the departments of design and marketing, editorial and reviewing, so as to ensure that such content meets professional standards and the requirements of customers and complies with the legislative requirements regarding advertisements and intellectual property rights. In the meantime, the Group also promotes the concept of green and sustainable life attitude among the public through the dissemination of healthy fashion information.

In the future, the Group will continue to provide readers with innovative experiences to fulfil its goal of promoting the dissemination and advancement of knowledge. The Group will arrange more activities in the coming year to promote better relationship among employees and listen carefully to their opinions, allowing the Group to further enhance its environmental and social contribution.

Shao Zhong

Chairman of the Board

Modern Media Holdings Limited

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CARE FOR THE STAFF

Employment system

Employees are the core of the Group's business. The Group is committed to provide its employees with a working environment that allow them to demonstrate their capabilities, create value, enhance their quality and achieve comprehensive development. Our recruitment of employees and internal promotions are based on the principle of selecting the best candidates. The Group's internal employees and external personnel have equal opportunities, and candidates of different races, ethnicities, ages, genders, marital statuses and religious beliefs will be treated in the same manner. The Group advocates employment diversity and encourages diversified employee composition, thereby contributing different skills, experience and diversified thinking to the Group for greater development potential.

The Group formulates a Staff Handbook to allow its employees to understand their rights and responsibilities in terms of working hours, salaries, allowances, bonuses, holidays, benefits and dismissal, with a view to safeguarding the interests of employees. In addition, the Group also attaches great importance to two-way communication and strives to collect opinions from employees. The Group believes that better internal communication is favourable for building trust with employees and enhancing working efficiency. The human resource department of each operational point of the Group has established a WeChat group to facilitate internal communication among employees at any time and place.

The Group provides employees with various forms of welfare and organizational activities to consolidate their sense of belonging to the Group and to inspire their creativity and working incentives. In addition to various social insurance, provident fund and maternity allowances for employees as required by the State's regulations, the Group also implemented the "Employee Share Award Scheme" to award the employees who have made outstanding contributions to the Group and held Christmas parties and Lunar New Year lucky draw events at various operational points.

The Group will continue to focus on improving the staff turnover rate and formulate relevant improvement measures in the future. During the reporting period, the Group was not aware of any non-compliance incidents relating to employment.

Development and training

The Group believes that nurturing and retaining outstanding talents is a crucial factor for ensuring the development of an enterprise and strengthening its competitiveness. The Group is committed to provide systematic and planned training for its staff to strengthen their managerial calibre and undergo diversified development. Management approaches in respect of internal training are set out in the Staff Handbook and employees are encouraged to participate in external forums and lectures.

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All employees of the Group enjoy equal opportunities for promotion. The Staff Handbook states that promotion is based on factors such as job performance, business standards, working potential, and occupational conducts of an individual employee. The Group conducts a comprehensive appraisal on employees' working performance, working ability and performance in various aspects on an annual basis, which serves as a fair judgment and reliable evidence for employees' salary adjustments, promotion, education and training, job rotation, awards and recognition. The department heads in charge conduct interviews with employees on their performance for the current year during the course of the appraisal and jointly formulate performance targets for the next year.

Safety and health

The Group valued the safety and health of employees and purchased social medical insurance for all employees. In order to maintain a healthy and safe working environment, the Group prepared the "Safety and Health" section set out in the Staff Handbook to help employees understand the Group's safety regulations, and emphasized the importance of ensuring workplace safety. In order to ensure a tidy working environment and prevent outbreak of fires in the office, the Group stipulates that smoking is not allowed in the office. In addition, in order to maintain the cleanliness of the office, the Group regularly engages professional agencies on weekends or holidays to exterminate insects, clean air-conditioning ventilation systems and cleanse carpets to ensure a hygienic and comfortable working environment. In light of our business nature, employees need to use computers for a long time. The Group therefore also reminded its employees who use the computer for an hour should relax properly, look out the window to rest their eyes, and do moderate amount of neck, waist, wrist and arm exercises to prevent strain.

During the reporting period, the Group was not aware of any non-compliance incidents relating to health and safety.

Labour standards

The Group complies with all applicable laws and clearly stipulates policies and enforcement measures regarding the prohibition of child labour and forced labour. To avoid child labour, the Group will examine the actual age of candidates during the recruitment process, and will check their identity documents and make detailed records on the day of entry. In addition, the Group will only implement the requirements of a standard labour contract and will not use any means to impose unfair restriction on the employment relationship between employees and the Group so as to avoid forced labour.

During the reporting period, the Group did not identify any cases of child labour or forced labour.

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OPERATION PRACTICE

Supply chain management

The Group's major service providers include printers, overseas and local copyright providers and content providers, photo providers, and other business partners that provide value-added services to the Group. The Group hopes to establish a long-term and stable cooperative relationship with its suppliers, where effective supply chain management is of utmost importance. In order to ensure that the suppliers meet the requirements of the Group, the Group has formulated the Supplier Management Policy that specifies the screening, rating and management measures for suppliers.

As for our selection and rating criteria of suppliers, apart from consideration factors such as suppliers' product quality, delivery capacity, prices and back-up services, their environmental and social performance are also included in our procurement considerations and assessment system. The Group evaluates the performance of individual supplier on an annual basis. Looking ahead, the Group will gradually require paper printing suppliers to use FSC certified paper or recycled paper for further use in the next three years. When there is an improvement in operating results, the Group will formulate specific plans and strive to promote the sustainable development of the industry as a whole.

Product responsibility

Quality control

The Group takes responsibilities for the entire product cycle of content editing, design, distribution and sales of magazines. The "Reviewing and Checking Requirements for Periodical Publications" are formulated and employees are required to meet the "zero error" requirement of the publication. In order to clarify the responsibilities of various departments, the Group strengthens internal management, and particularly specifies the regulations for the reviewing department, editorial department, design department and customer marketing department. During the reporting period, the Group did not receive any product recalls or complaints from customers.

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Protection on customer information and intellectual property

In order to safeguard the Group's intellectual property rights and customer information, the Group clearly defined measures to safeguard the office network system in the Staff Handbook. For example, the network department sets a power-on password for each computer and adds read passwords to important files; ensures that anti-virus software and other protection programs work well; and reminds employees to treat unclear messages carefully to prevent the spread of computer viruses. Employees are required to comply with the rules of use and confidentiality of personal computers and other office equipment. They are also restricted from obtaining or divulging corporate documents and statements through the Internet. In addition, the Group lists the electronic records of customer rosters, customer information and publications as confidential business information that requires strict management. The confidentiality requirements of employees are also stipulated in the Staff Handbook. The Group will sign commitment and confidentiality agreements with relevant employees as necessary. In the event of leakage of confidential business information, the Group will immediately terminate the labour contract with the employees so involved and insist on the legal accountability.

Advertising management

For the management of advertising, the Group generally selects the corresponding advertiser based on the theme of the magazine. If there are special circumstances, C-level senior management will make final decision in this regard. Before cooperating with new customers, the Group will require them to provide corresponding qualification documents for review.

During the reporting period, the Group was not aware of any non-compliance incidents relating to product responsibility.

Anti-corruption

Anti-corruption is already one of the basic principles for the international community to define corporate social responsibility. The Chinese government has also actively promoted anti-corruption work in recent years. The Group adopts a zero-tolerance policy towards any form of corruption, including bribery, extortion, fraud and money laundering, and promises to conduct business in an honest and ethical manner. The Group has already included anti-corruption policies in its Staff Handbook to enable employees to have a clear understanding of the relevant responsibilities. The Group stipulates that employees should base their decisions on quality, price and services no matter for the sale of the Group's products or the provision of services, or purchasing products or services from suppliers. Besides, they should not offer or accept any rewards, gifts or other special treatments to or from any particular client or representatives of that client. In order to ensure that employees are in compliance with the regulations and to encourage employees to report dishonesty, the Group has established a whistle-blowing procedure and established a mechanism for employees to report suspected cases directly to the top management.

During the reporting period, there was a case involving corruption related to the Group and its employees. It has been reported to the police and entered judicial proceedings.

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COMMUNITY INVESTMENT

The public's concern for corporate social responsibility keeps rising, while the concept of "social operation license" is derived. Such concept emphasizes that an enterprise should not only aim for short-term financial performance and shareholder returns, but should also take the long-term development of the entire society into consideration in the course of its operation.

The Group plans to establish a Modern Media Special Education Foundation in 2018. The community investment will focus on education issues and changing the lives of the next generation by supporting education in Mainland China. By adhering to the concept of "bringing love and education to the public", the Group supports educational development in Mainland China, particularly the special education, through donations, volunteer services and donated materials. Since 2011, the Group has helped build the Modern Media Special Educational School in Songzi to assist 150 children with disabilities such as hearing impairments, visual impairments, mental retardation, autism, or cerebral palsy to receive nine-year compulsory education. The Group also continuously improves the environment and facilities of the school to enhance the school's quality and social concern. In addition, the Group also held various forms of charitable activities at various operational points during the reporting period.

Community Investment Project

Summary

<p>"Modern Media Scholarship Fund" (現代傳播獎學基金) of the School of New Media, Peking University</p>	<p>To support the educational development of the School of New Media, Peking University, promote its teaching, scientific research, personnel training and academic exchanges, and cultivate excellent talents specialised in journalism and communication.</p>
<p>"Keep the elderly smiling and build a cozy home" (留住老人微笑，共築溫馨小屋) event in Shanghai</p>	<p>The Group's employee volunteers in Shanghai sent a blessing of Thanksgiving Day to the old people at the entrusted elderly home in Xichengju, Huaihai Street, Shanghai in November 2017.</p>
<p>"2017 Reading in Yangcheng" (2017閱動羊城) charitable event</p>	<p>The Group's employees in Guangzhou organized nine teams to participate in "2017 Reading in Yangcheng", a large-scale charity walk fundraising activity for children reading.</p>
<p>"Book: At the starting line" (書：在起跑線上) grassroots schoolchildren book donation activity</p>	<p>In December 2017, the Group and Joint Publishing (H.K.) jointly held a grassroots schoolchildren book donation activity known as "Book: At the starting line" at its branch bookstore in Central, Hong Kong.</p>

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Looking ahead, the Group will formulate a sound community investment policy based on the actual needs of the communities where the operational points are located, and plans to hold community charity events at least once a year in Beijing, Shanghai, Guangzhou and Hong Kong to encourage active participation of its employees.

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ENVIRONMENTAL PROTECTION

The Group actively responds to the global development policy of developing a low-carbon economy and fulfills its corporate social responsibilities. The Group established the ESG Committee (the “Committee”) and the ESG working group in 2016 and formulated its terms of reference. Generally, the Committee holds a regular annual meeting and meets irregularly when necessary.

ESG structure of the Group	Composition	Responsibility
ESG Committee	two executive Directors, one independent Director and one senior management representative	<ul style="list-style-type: none"> To formulate and review the ESG responsibilities, visions, strategies, framework, principles and policies of the Group, and implement the ESG policies approved by the Board; To establish policy objectives, key performance indicators and measures that are in line with the Group’s operating conditions, and monitor the effectiveness of the related work; and To review and monitor the ESG policies on an annual basis to ensure its continuous effectiveness.
ESG working group	a representative from each of the finance department, administration department and human resources department	<ul style="list-style-type: none"> To implement ESG policies and its related measures, and organize staff trainings; and To prepare the annual ESG report of the Group, and submit the report to the Board for its consideration and approval for disclosure.

Emission

To reduce pollutant emissions, protect and improve the environment, the Group has formulated the “Energy Conservation and Environmental Protection Management System” to promote the concept of “low-carbon, environmental friendly and green office”. While improving operational efficiency, the Group also strives to reduce the impacts of its business operations on the environment to enhance its environmental performance.

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Exhaust gas

The exhaust gas emitted by vehicles may cause environmental pollution. All air emissions of the Group are generated from vehicle of the Hong Kong Headquarter and the Shanghai Office. The Group advocates “green travel” for its employees. For example, the Group stipulates that driving may not be necessary for the travelling distance of less than three kilometers. Employees are recommended to use the subway or walk instead. For buildings of few floors, employees are recommended to take the stairs.

Waste

The Group places emphasis on the proper disposal of waste and the enhancement of employees’ environmental awareness. The Group implements a waste recycling plan in its offices. Each department collects the waste generated in a centralized manner and then passes it to recycling service providers for disposal. Neither the Hong Kong Headquarter nor the Shanghai Office has generated hazardous waste within the scope of this annual report. As for non-hazardous waste, the Hong Kong Headquarter and the Shanghai Office generated approximately 4.5 tonnes and 46.2 tonnes of domestic waste, respectively.

Greenhouse gases

Greenhouse gas emissions are closely linked with climate change and global warming. Enterprises in various countries have adopted measures and targets with regard to carbon reduction. During the reporting period, the Group engaged Carbon Care Asia Limited, a consulting firm, to carry out carbon assessments. The quantification process was based on guidelines² prepared by the Environmental Protection Department and the Electrical and Mechanical Services Department in Hong Kong, guidelines³ issued by the Shanghai Municipal Development and Reform Commission, and international standards such as ISO14064-1.

The Group’s carbon emissions are mainly attributable to the purchase of electricity (representing approximately 63%) within the scope 2, followed by the aircraft business travel within the scope 3 (representing approximately 26%). The Group will continue to evaluate, collect and disclose greenhouse gas emissions data on an annual basis, and make comparison with future data with reference to those of the reporting period. For the greenhouse gas emissions of the current year, please refer to the summary of key performance indicators on page 17.

² Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong

³ Guidelines to Account for and Report on Greenhouse Gas Emissions in Shanghai (《上海市溫室氣體排放核算與報告指南》)

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Use of resources

The Group has always been adhering to the principle of reducing resource consumption and enhancing the efficiency of use of resource. Resources used by the Group mainly include the use of electricity purchased and water at the Hong Kong Headquarter and the Shanghai Office.

Use of Resources

Use of energy	Hong Kong Headquarter	Shanghai Office
Gasoline (GJ)	252	850
Electricity purchased (MWh)	102	458
Use of water	water consumption (cubic meters)	
Total consumption of water	1,010	
Use of paper	paper consumption (kg)	
Total consumption of paper	2,253	

The Group stipulates various management regulations for the management of use of resources in the “Energy Conservation and Environmental Protection Management System” to continuously conserve energy and reduce use of resource.

Resources	Items used	Management regulations
Energy	Lighting	<ul style="list-style-type: none"> • Make good use of natural light for lighting purposes to reduce power consumption of lighting equipment in the office • Use LED environment-friendly energy-saving lamps • Employees turn off lights after meeting and after work
	Computer	<ul style="list-style-type: none"> • Enable the “sleep” mode of the computer when not in use for a short time • Turn off the computer and monitor during lunch breaks and after work • Adjust the energy consumption mode when using a laptop to reduce battery power consumption • Reduce the brightness of the computer screen • Disable unused computer programs • Carry out regular maintenance on the computer, and pay attention to moisture and dust to facilitate computer cooling
	Air-conditioner	<ul style="list-style-type: none"> • Maintain the temperature of air conditioners at around 26°C in summer and around 20°C in autumn and winter • Cleanse filters of air-conditioners regularly to prevent dust clogging for better cooling effect

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Resources	Items used	Management regulations
Office resources	Office supplies	<ul style="list-style-type: none"> Promote paperless office and adopt an approval process based on an electronic system Set up cardboard boxes next to photocopiers and printers to collect one-sided blank paper and encourage employees to reuse Use double-sided printing mode when copying and printing documents Reuse the toner cartridge by refilling toner powder Reuse envelopes
Water	Water in washroom	<ul style="list-style-type: none"> Set up an automatic water-saving system for faucets in toilets

The Group is committed to transform the traditional printing magazine business into an environment-friendly one. In response to the slogan “Green Life, New Advocacy,” the Group’s monthly magazine, “LOHAS健康時尚”, has started using papers certified by the Forest Stewardship Council (“FSC”) since January 2014 to ensure that the paper source comes from forests managed in a sustainable way. The Group also promotes the application of soy ink for printing and the use of biodegradable plastic bag for packaging. In addition, the Group plans to complete the upgrading of the air-conditioning and power system to optimise its energy-saving measures.

As for paper saving, the Group has been optimizing the number of printed copies of its magazines, and a digital media magazine platform was developed to reduce the amount of paper used in printing magazines. The amount of paper used by the Group during the reporting period was approximately 36% lower than that of 2016.

Environment and natural resources

The Group’s daily operations do not have a direct impact of material nature on the environment and natural resources, but the Group understands that its products and services will indirectly affect the environment. The Group promises to actively promote environmental protection messages to the public. In addition to promoting environment-friendly lifestyle to the community through the monthly magazine, “LOHAS健康時尚”, the Group also actively spreads messages of environmental protection in other magazines and mobile applications, with an aim to make contribution to the sustainable development with the strength of media. The Group considers increasing the proportion of FSC paper and recycled paper used for printing magazines in the future to mitigate greenhouse gas emissions and climate change arising from deforestation.

During the reporting period, the Group was not aware of any non-compliance incidents relating to emissions, use of resources or environment and natural resources.

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SUMMARY OF KEY PERFORMANCE INDICATORS

Environmental Performance

	Category	Emissions (kg)	
Exhaust gas	Nitrogen oxides	9.9	
	Sulfur oxides	2.1	
	Suspended particles	0.8	
	Scope	Emissions (t CO2e)	
Greenhouse gases	Scope 1: Direct emissions of greenhouse gas	81.8	
	Scope 2: Indirect emissions of greenhouse gas attributable to energy consumption	441.3	
	Scope 3: Other indirect greenhouse gas emissions	182.5	
	Total greenhouse gas emissions	705.6	
	Intensity of greenhouse gas (t CO2e/sq. m)	0.1	
	Category	Waste generated (metric tonnes)	Intensity (metric tonnes/sq. m)
Waste	Hazardous waste	0	Not Applicable
	Non-hazardous waste	50.7	0.008
	Category	Energy consumption	
Use of energy	Direct energy (GJ)	1,101.9	
	Indirect energy (MWh)	559.9	
	Intensity of energy (MWh/sq. m)	0.5	
	Category	Water consumption (cubic meter)	
Use of water	Total water consumption	1,010	
	Intensity of water consumption (cubic meter/sq. m)	0.2	
		Amount of packaging material produced (metric tonnes)	
Packaging material		0	

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Social performance

Number of employees by age, gender and rank

Region	Gender	Rank/Age	Aged under 30	Aged 31-40	Aged 41-50	Aged over 50	Total number of employees by gender	Total	Ratio of male and female employees	Ratio of remuneration of male and female employees
Hong Kong	Male	C-level senior management	0	1	0	1	10	35	0.4:1	0.95:1
		Senior management	0	1	2	0				
		Mid-level management	0	0	0	1				
		General staff	4	0	0	0				
	Female	C-level senior management	0	0	2	0	25			
		Senior management	0	3	0	1				
		Mid-level management	0	1	2	1				
Shanghai	Male	C-level senior management	0	0	1	4	139	552	0.3:1	1.06:1
		Senior management	4	19	8	1				
		Mid-level management	7	4	3	2				
		General staff	37	32	6	11				
	Female	C-level senior management	0	4	2	1	413			
		Senior management	7	41	11	0				
		Mid-level management	33	28	4	0				
		General staff	179	88	5	10				

Number of new hires by age, gender and region

Region	Gender	Rank/Age	Aged under 30	Aged 31-40	Aged 41-50	Aged over 50	Total number of employees by gender	Total number of new hires	New hire rate
Hong Kong	Male	C-level senior management	0	0	1	0	6	17	49%
		Senior management	0	0	0	0			
		Mid-level management	0	0	0	0			
		General staff	5	0	0	0			
	Female	C-level senior management	0	0	1	0	11		
		Senior management	0	0	0	0			
		Mid-level management	0	2	0	0			
Shanghai	Male	C-level senior management	0	0	0	0	39	165	30%
		Senior management	3	1	3	0			
		Mid-level management	3	1	0	0			
		General staff	16	11	1	0			
	Female	C-level senior management	0	0	0	0	126		
		Senior management	3	6	0	0			
		Mid-level management	7	6	1	0			
		General staff	87	11	1	4			
Total new hire rate									31%

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Number of resigned employees by age, gender and region

Region	Gender	Rank/Age	Aged under 30	Aged 31-40	Aged 41-50	Aged over 50	Number of resigned employees by gender	Total number of resigned employees
Hong Kong	Male	C-level senior management	0	0	0	1	6	18
		Senior management	0	0	0	0		
		Mid-level management	0	1	0	0		
		General staff	3	1	0	0		
	Female	C-level senior management	0	0	0	0	12	
		Senior management	0	1	1	1		
		Mid-level management	0	2	0	0		
		General staff	5	1	1	0		
Shanghai	Male	C-level senior management	0	0	0	0	12	38
		Senior management	1	2	0	0		
		Mid-level management	1	0	0	0		
		General staff	2	6	0	0		
	Female	C-level senior management	0	0	0	0	26	
		Senior management	0	2	0	0		
		Mid-level management	1	3	0	0		
		General staff	15	3	1	1		
Total turnover rate			10%					

Health and Safety

Region	Gender	Work-related fatality	Work-related injury	Injury rate (per 1,000 employees)	Number of lost days due to work injury	Number of absentee days	Number of working days	Absentee rate
Hong Kong	Male	0	0	0%	0	33	2,470	2.1%
	Female	0	0		0	145	6,175	
Shanghai	Male	0	0	0%	0	234	34,611	0.7%
	Female	0	0		0	695.5	102,837	

Number of employees receiving training and training hours

Hong Kong	Gender/ rank	C-level senior management	Senior management	Mid-level management	General staff	Total	Percentage of employee receiving training	Average training hours	Percentage of employees receiving regular performance and career development review
Number of employees receiving training	Male	0	0	0	0	0			
	Female	0	0	0	0	0			
Total training hours	Male	0	0	0	0	0			
	Female	0	0	0	0	0	0%	0	100%
Number of employees receiving regular performance and career development review	Male	2	3	1	4	35			
	Female	2	4	4	15				

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Shanghai	Gender/ rank	C-level senior management	Senior management	Mid-level management	General staff	Total	Percentage of employee receiving training	Average training hours	Percentage of employees receiving regular performance and career development review
Number of employees receiving training	Male	0	7	4	28	165			
	Female	0	9	14	103				
Total training hours	Male	0	17.5	10	70	412.5			
	Female	0	22.5	35	257.5		30%	0.7	0%
Number of employees receiving regular performance and career development review	Male	0	0	0	0	0			
	Female	0	0	0	0				

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Subject Areas	Description	Page Index/Notes
A. Environmental		
A1 Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste.	13–14
A1.1	The types of emissions and respective emissions data.	17
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	17
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	17
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	17
A1.5	Description of measures to mitigate emissions and results achieved.	13–14
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A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	17
A2.3	Description of energy use efficiency initiatives and results achieved.	15–16
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	16; there is not any issue in sourcing water
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	17
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	16
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	16
B. Social		
B1 Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	7
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B1.2	Number of resigned employees by gender, age group and geographical region.	19
GRI 401-1	Total number of new employee hires.	18
	Percentage of new employee hires.	18
	Total number and percentage of new employee hires by gender, age group and geographical region.	18

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B2.2	Lost days due to work injury.	19
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	8
GRI 403-2	Injuries rate (i.e. number of injuries per thousand employees).	19
	Absence rate.	19
B3 Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	7–8
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	19–20
B3.2	The average training hours completed per employee by gender and employee category.	19–20
GRI 404-3	Percentage of employees receiving regular performance and career development review.	19–20
B4 Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	8
B4.1	Description of measures to review employment practices to avoid child and forced labour.	8
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	9

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Subject Areas	Description	Page Index/Notes
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B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	9
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B6.3	Description of practices relating to observing and protecting intellectual property rights.	10
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	10
B7 Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	10
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	10
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	10
B8 Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	11–12
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	11–12