



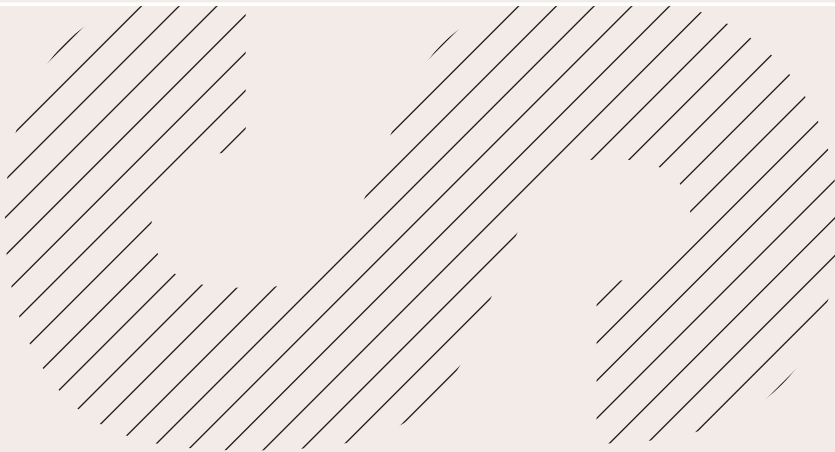
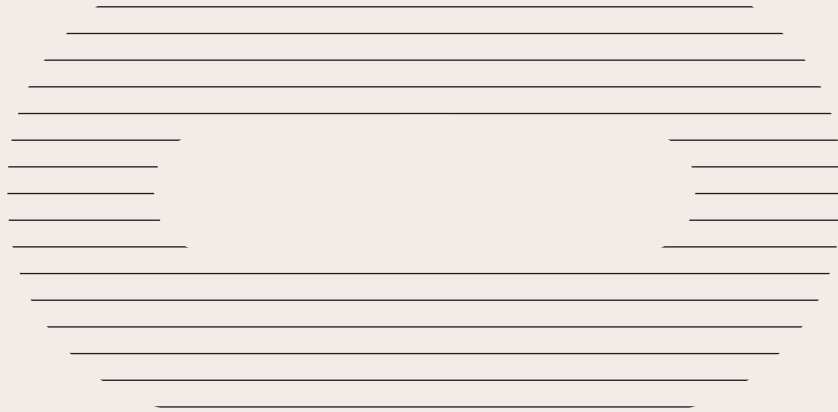
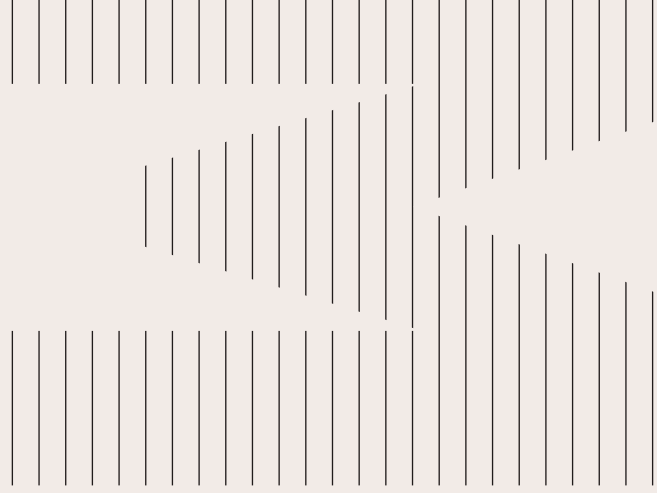
Most Kwai Chung Limited

毛記葵涌有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 1716



2020

**ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT**

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

INTRODUCTION, ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICIES

Most Kwai Chung Limited (the “Company”, together with its subsidiaries, the “Group”) is one of the Hong Kong’s leading advertising and media services providers. The Group has three operating segments, namely the digital media services, the print media services, and other media services. The digital media services segment involves the provision of one-stop advertising solution package for which the deliverables to customers are distributed on digital media platforms managed by the Group, third parties’ television (“TV”) channels, the internet and physical advertising spaces, subject to the needs of the customers. The print media services segment involves the provision of advertorial production and advertisement placement services as well as the sale of publications including books and magazines. The other media services segment involves the provision of other media services which include events organisation and artist management.

This Environmental, Social and Governance Report (“ESG Report”) summarises the environmental, social and governance (“ESG”) initiatives, plans and performances of the Group and demonstrates its commitment to sustainable development.

The Group believes sustainability is the key to achieve continuing success and has integrated this key concept into its business strategy. In order to pursue a successful and sustainable business model, the Group recognises the importance of integrating ESG aspects into its risk management system and has taken corresponding measures in its daily operations and governance perspective.

The ESG Governance Structure

The Group has established the ESG working taskforce (the “Taskforce”). The Taskforce composed of full-time staff from relevant departments and is responsible for collecting relevant information on its ESG aspects for compiling the ESG Report. The Taskforce periodically reports to the board of directors (the “Board”), assists in identifying and assessing the Group’s ESG risks and the effectiveness of the internal control mechanisms. The Taskforce also examines and evaluates the Group’s performances in different aspects, such as environmental protection, labour practices, and other ESG aspects. The Board sets the general direction for the Group’s ESG strategies, ensuring the effectiveness of risk management and internal control mechanisms.

SCOPE OF REPORTING

The ESG Report covers the Group’s business activities in Hong Kong, which represent the Group’s major sources of revenue. The Group will extend the scope of disclosures when and where applicable. The ESG key performance indicators (“KPIs”) are shown in the ESG Report as well as supplemented by explanatory notes to establish benchmarks.

REPORTING FRAMEWORK

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

Information relating to the Group’s corporate governance practices has been set out in the Corporate Governance Report on p.17 to p.29 of the 2020 Annual Report.

REPORTING PERIOD

The ESG Report specifies the ESG activities, challenges and measures being taken during the financial year ended 31 March 2020 (“2020”).

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STAKEHOLDER ENGAGEMENT

The Group values its stakeholders and their feedback regarding its businesses and ESG aspects. In order to understand and address their key concerns, the Group has maintained close communication with its key stakeholders, including but not limited to shareholders and investors, customers and business partners, employees, suppliers, regulatory bodies and government authorities, as well as media, non-governmental organisations (“NGOs”) and the public.

In formulating operational strategies and ESG measures, the Group takes into account the stakeholders’ expectations and strives to improve its performance through mutual cooperation with the stakeholders, resulting in creating greater value for the community by utilising diversified key communication channels, which are shown as below.

Stakeholders	Key Communication Channels	Expectations and Concerns
Shareholders and investors	<ul style="list-style-type: none"> • General meetings and other shareholder meetings • Financial reports • Announcements and circulars • Website 	<ul style="list-style-type: none"> • Shareholders’ rights and interest • Financial performance • Corporate governance • Accurate, complete and timely information disclosure
Customers and business partners	<ul style="list-style-type: none"> • Customer satisfaction surveys • Customer service team • Website • Social media platforms 	<ul style="list-style-type: none"> • User satisfaction • Privacy protection • Compliant operation
Employees	<ul style="list-style-type: none"> • Employee opinion surveys • Channels for employees feedback (form, suggestion box, etc.) • Regular performance reviews • Staff seminars 	<ul style="list-style-type: none"> • Remuneration • Career development • Fair working environment
Suppliers	<ul style="list-style-type: none"> • Supplier management meetings and events 	<ul style="list-style-type: none"> • Fair and open procurement • Stable relationship
Regulatory bodies and government authorities	<ul style="list-style-type: none"> • On-site inspections 	<ul style="list-style-type: none"> • Regulatory compliance • Corporate governance • Contribution to society
Media, NGOs and the public	<ul style="list-style-type: none"> • Media and website • ESG reports • Community investment program 	<ul style="list-style-type: none"> • Contribution to society • Accurate, complete and timely information disclosure • Compliant operation

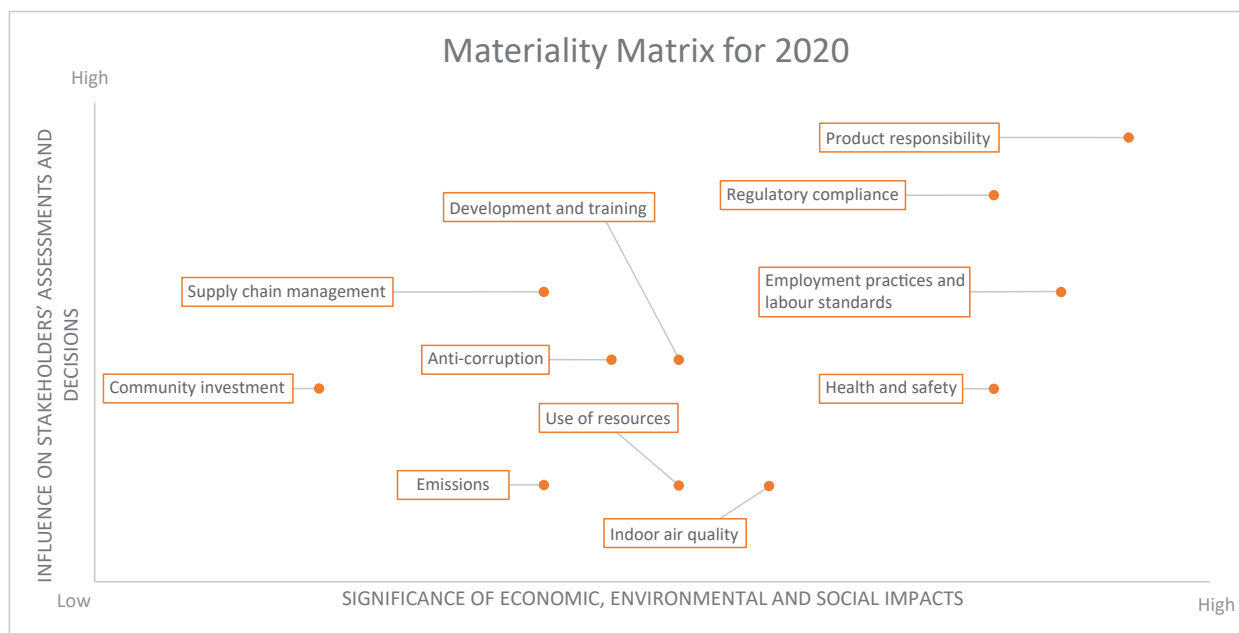
The Group aims to collaborate with its stakeholders to improve its ESG performance and create greater value for the wider community on a continuous basis.

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MATERIALITY ASSESSMENT

The management and employees who are responsible for the key functions of the Group have participated in preparing the ESG Report, assisted the Group in reviewing its operations, identifying key ESG issues and assessing the importance of these issues to its businesses and stakeholders. The Group has compiled a questionnaire in reference to the identified material ESG aspects to collect the information from relevant departments and business units of the Group.

The following materiality matrix summarises the Group’s material ESG issues as set out in the ESG Report:



The Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues, and confirmed that the disclosed contents are in compliance with the requirements of the ESG Reporting Guide.

CONTACT US

The Group welcomes stakeholders to provide comments and suggestions. You can provide valuable advices in respect of the ESG Report or the Group’s performances in sustainable development by emailing to ir@mostkwaichung.com.

A. ENVIRONMENTAL

A1. Emissions

The Group strives to protect the environment through the implementation of control activities and monitoring measures in its business activities and workplace. The Group is committed to promoting a green environment by introducing environmentally friendly business practices, educating its employees to enhance their awareness on environmental protection and complying with the relevant environmental laws and regulations.

As a corporation providing advertising and media services, the Group’s daily operations have limited impact on the environment. Its emissions are limited to greenhouse gas (“GHG”) emissions and non-hazardous waste, which are mainly derived from the use of resources in its offices in Hong Kong. With the aim to reduce GHG emissions and non-hazardous wastes generation, the Group focuses on nurturing and strengthening employees’ awareness of environmental protection in their daily work process, and actively implementing the Group’s environmental protection measures.

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In order to mitigate the environmental impact produced by the Group's operations, it has adopted and implemented relevant environmental policies. These policies apply the waste management principle of "Reduce, Reuse, Recycle and Replace" as well as emission mitigation principle, with objectives of minimising the adverse environmental impacts and ensuring the waste disposal or emissions being generated are conducted in an environmentally responsible manner.

Within the Group's policy framework, it continually looks for different opportunities to pursue environmentally friendly initiatives, enhances its environmental performance by reducing the use of energy and other resources.

For 2020, the Group has not identified any material non-compliance with the relevant environmental laws and regulations in Hong Kong in relation to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes. The relevant laws and regulations include, but are not limited to the Waste Disposal Ordinance (Cap. 354).

Air Emissions

Due to the Group's business nature, it considers the relevant air emissions generated were not significant.

GHG Emissions

The principal GHG emissions of the Group were generated from electricity consumption. The Group actively adopts electricity conservation and energy saving measures as well as other initiatives to reduce GHG emissions, including:

- Actively adopting measures for environmental protection, energy conservation, and water saving. Relevant measures are described in the section headed "Energy Consumption" in aspect A2; and
- Actively adopting paper saving measures in office. The relevant measures are described in the section headed "Waste Management" in this aspect.

Through the above GHG emissions mitigation measures, the employees' awareness of reducing GHG emissions has been enhanced.

Since the Group neither own vehicles nor has any activities that resulted in direct GHG emissions (Scope 1) during operation, energy indirect GHG emissions (Scope 2) due to purchased electricity was the only GHG emissions source. For 2020, the Group's total GHG emissions increased by approximately 8% from approximately 45.76 tCO₂e in 2019 to approximately 49.55 tCO₂e in 2020 due to the increase in electricity consumption.

Summary of GHG emissions performance:

Indicator ¹	Unit	2020	2019
Direct GHG emissions (Scope 1)	tCO ₂ e	–	–
Energy indirect GHG emissions (Scope 2)			
– Purchased electricity	tCO ₂ e	49.55	45.76
Total GHG emissions	tCO ₂ e	49.55	45.76
Intensity ²	tCO ₂ e/employee	0.48	0.42

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Note:

1. GHG emissions data are presented in terms of carbon dioxide equivalent and are based on, but not limited to, “The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards” issued by the World Bank Institute and the World Business Council for Sustainable Development, “How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange of Hong Kong Limited, the “Global Warming Potential Values” from the IPCC Fifth Assessment Report, 2015 (AR5) and the “Sustainability Report 2019” published by the CLP Power Hong Kong Limited.
2. As at 31 March 2020, the number of full-time employees of the Group was 103, while the number of full-time employees of the Group as at 31 March 2019 was 110. These numbers would also be used for calculating other intensity data.

Waste Management

Hazardous waste handling method

Despite the Group did not generate any hazardous waste during 2020, the Group has established guidelines in governing the management and disposal of hazardous waste. In case there are any hazardous wastes produced, the Group must engage a qualified chemical waste collector to handle such wastes, which complies with the relevant environmental laws and regulations.

Non-hazardous waste handling method

The Group emphasises on carbon reduction and waste reduction with the principle of “Reduce, Reuse, Recycle and Replace” to promote better utilisation of environmental resources.

With the aim of minimising the environmental impact of non-hazardous waste generated from its business operations, the Group has implemented relevant measures to handle such waste and launched different reduction initiatives.

For 2020, the Group’s total non-hazardous waste disposed was mainly office paper. Its disposal amount decreased approximately by 20% from approximately 0.71 tonnes in 2019 to approximately 0.57 tonnes in 2020.

Summary of non-hazardous waste disposal performance:

Types of non-hazardous waste	Unit	2020	2019
Office paper	tonnes	0.57	0.71
Total non-hazardous waste disposed amount	tonnes	0.57	0.71
Intensity	tonnes/employee	0.01	0.01

The Group’s staff and assigned administrative staff in the workplace collectively take the responsibility for waste management in the office with reference to the established environmental policies, including but not limited to the following:

- Utilising electronic communication where applicable such as e-cards for festival greetings and e-brochures for distributing to customers;
- Promoting the use of recycled paper and toner or environmentally friendly materials;

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- Using high performance and quality of all-in-one “multi-function printers” that incorporate printer, scanner and copier functions into a single device. This can be shared among different departments in order to reduce the total number of different kinds of devices so as to minimise power consumption and carbon footprint as well as maintenance follow up;
- Redeploying office furniture within the Group where possible to reduce the amount of wastes sent to landfill;
- Sorting recycled wastes into appropriate recycle bins, educating employees on sorting methods if needed; and
- Placing appropriate signage on walls and bins, stating what type of waste or recyclable should be placed in the recycle bins.

Through these waste management measures, the employees’ awareness on waste management has been enhanced.

Discharges into Water

The Group does not consume significant amounts of water in its business operations, and therefore its business activities did not generate material portion of discharges into water during 2020. Since the wastewater discharged by the Group is discharged into the municipal sewage pipeline network for processing, the amount of water consumption of the Group represents the wastewater discharge volume. The data of wastewater discharge volume will be described in the section headed “Water Consumption” in aspect A2. The majority of the water supply and discharge facilities are provided and managed by property management company.

A2. Use of Resources

The Group continues with initiatives to introduce resource efficiency and eco-friendly measures to the Group’s operations, and is committed to optimising the use of resources in all of its business operations.

During the operations, electricity and water are frequently consumed, and the Group has established relevant policies and procedures in governing the efficient use of resources in reference to the objectives of achieving higher energy efficiency and reducing the unnecessary use of materials.

Energy Consumption

Energy policy has been developed to set energy conservation as one of the Group’s fundamental policies. All employees must implement the adopted measures, including the purchase of energy-efficient products and services and assume responsibility for the Group’s overall energy efficiency. By establishing an energy management system, the Group develops and regularly reviews its energy objectives and targets to continuously enhance the Group’s energy performance. Unexpected high consumption of electricity will be investigated to find out the root cause and preventive measures will be taken.

During 2020, electricity was the only energy source consumed by the Group. The energy consumption increased by approximately 10% from approximately 89,722.00 kWh in 2019 to approximately 99,091.00 kWh in 2020. The increase in energy consumption was due to the fluctuation in the electricity estimation by the power company.

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Summary of energy consumption performance:

Types of energy	Unit	2020	2019
Direct energy consumption	kWh	–	–
Indirect energy consumption			
– Purchased electricity	kWh	99,091.00	89,722.00
Total energy consumption	kWh	99,091.00	89,722.00
Intensity	kWh/employee	962.05	815.65

The Group has performed the following measures to reduce energy consumption:

- Using energy efficient LED lighting to replace energy-inefficient light bulbs by phases;
- Adopting higher energy-efficiency office equipment in the workplace;
- Encouraging staff to utilise teleconferences and video conferences to reduce air and GHG emissions related to transportation needed for meetings;
- Posting green messages on the information portal and message board to remind colleagues to support energy conservation; and
- Encouraging staff to participate in campaigns or activities relating to the promotion of green environment.

Through these energy conservation measures, the employees' awareness on energy conservation has been enhanced.

Water Consumption

The water consumption of the Group is limited to basic cleaning and sanitation in the office. The Group encourages all employees and customers to develop the habit of conserving water consciously. The Group has been strengthening its water-saving promotion, posting water saving slogans, and guiding employees to use water reasonably. Through these water conservation measures, the employees' awareness on water conservation has been enhanced.

The Group's total water consumption increased by approximately 37% from approximately 91 m³ in 2019 to approximately 125 m³ in 2020. This was due to the increase in water demand for sanitation in response to the outbreak of Coronavirus Disease 2019 ("COVID-19") pandemic.

Summary of water consumption performance:

Indicator	Unit	2020	2019
Total water consumption	m ³	125.00	91.00
Intensity	m ³ /employee	1.21	0.83

As the Group's business nature and operations are mainly based in Hong Kong, the issue in sourcing water that is fit for purpose is not relevant to the Group.

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Packaging Materials

The Group did not consume significant amounts of packaging materials for its product as it has no industrial production or any factory facilities.

A3. The Environment and Natural Resources

Although the core business of the Group has limited impact on the environment and natural resources, as an ongoing commitment to good corporate social responsibility, the Group recognises the responsibility in minimising the negative environmental impacts of its operations in achieving sustainable development to generate long-term values to its stakeholders and the community.

The Group works tirelessly to mitigate the environmental impacts of its activities through adopting industry best practices, targeted at reducing the natural resources consumption and effective emission management. The Group regularly assesses its businesses' environmental risks and adopts preventive measures in reducing those risks while ensuring the compliance with relevant laws and regulations.

Indoor Air Quality

Good indoor air quality is important as employees spend most of their time working at office. Indoor air quality in the workplace is regularly monitored and measured. Air pollutants, contaminants and dust particles are filtered by air purifying equipment in the workplace, and regular cleaning of air conditioning system is conducted to ensure office's indoor air quality.

B. SOCIAL

B1. Employment

Human resources are the foundation in supporting the development of the Group. Hence, the Group has established relevant policies to fulfil its vision on people-oriented management and realising the full potential of employees. These policies cover recruitment, compensation, promotion, working hours and rest periods, diversity, equal opportunity and dismissal, etc.

For 2020, the Group was not aware of any material non-compliance with employment-related laws and regulations that would have a significant impact on the Group. The relevant laws and regulations include, but are not limited to, the Employment Ordinance (Cap. 57) and the Minimum Wage Ordinance (Cap. 608).

Recruitment, Promotion and Remuneration

The Group applies robust and transparent recruitment processes based on merit selection against the job criteria, and recruits individuals based on their suitability for the position and potential to fulfil the Group's current and future needs.

The basis for remuneration and promotion are job-related skills, qualifications and performances, which ensures employees and applicants are treated and evaluated in a fair way. Employee's compensations are relative to the industry and local labour markets that the Group operates, which consists of competitive level of fixed and variable compensation. Remuneration packages include holidays, annual leave, medical scheme, dental scheme, group insurance, mandatory provident fund and discretionary bonus.

The promotion of the Group's employees is subject to review regularly. The Group has established objective performance indicators for annual performance evaluation. Based on the evaluation results, the Group offers rewards to employees to encourage their continuous improvement.

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Diversity, Equal-opportunity and Anti-discrimination

The Group is committed to creating and maintaining an inclusive and collaborative workplace culture in which all can thrive.

The Group is dedicated to providing equal opportunity in all aspects of employment and maintaining workplace that is free from discrimination against any individual on the basis of race, religion, colour, gender, physical or mental disability, age, place of origin, marital status and sexual orientation.

With the aim of ensuring fair and equal protection for all employees, the Group has zero tolerance on sexual harassment or abuse in the workplace in any forms.

Unreasonable dismissal under any circumstances is forbidden in the Group. Dismissal process will only be proceeded with a reasonable basis and sufficient communication on the problems is ensured prior to the official dismissal.

B2. Health and Safety

The Group is committed to providing and maintaining a safe and healthy environment for all employees. The Group has established relevant policies on the prevention and remediation of safety accidents, and detection on potential safety hazards in workplace so as to maintain a safe working environment.

For 2020, the Group was not aware of any material non-compliance with health and safety-related laws and regulations that would have a significant impact on the Group. The relevant laws and regulations include, but are not limited to, the Occupational Safety and Health Ordinance (Cap. 509) and the Employees' Compensation Ordinance (Cap. 282).

Health and Safety

The Group follows the occupational health and safety guidelines recommended by the Labour Department and the Occupational Safety and Health Council.

The Human Resources and Administration Department ("HRA") takes responsibilities for offices' occupational health and safety and relevant promotions and monitoring. It is responsible for monitoring and reviewing the safety and security management system periodically, and performing regular checking in the office to ensure the safety of employees.

Moreover, first aid boxes are available at easily accessible locations in both office and warehouse. The HRA is responsible to ensure the supplies inside the first aid boxes are not expired and sufficient in amount.

The Group also offers comprehensive health care coverage for all employees, including but not limited to health benefits. Health and safety communications are provided to employees to raise awareness of occupational health and safety issues.

Other Health and Safety Measures

With the outbreak of COVID-19 outbreak, the Group is highly conscious of the potential health and safety impacts brought to its employees. Apart from strengthening the sanitation in its operations to ensure a healthy and safe working environment, precautionary measures such as temperature screening before entering the workplace, and ensuring sufficient disinfection supplies such as face masks and hand sanitisers in the operations are also implemented.

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B3. Development and Training

Development and Training

The Group regards its staff as the most important asset and resource. It recognises the valuable contribution of its talents to the continued success of the Group. The Group is committed to inspiring its human capital towards delivering excellence. This is achieved through development of training strategy that focuses on creating value and serving the needs of customers, talents and society. In light of this, the Group provides regular training, development programmes and training sponsorship for employees.

To ensure the effectiveness of the training programmes, the Group has developed relevant policies in controlling the training related procedures. A training plan is developed by the management based on the requirements from various departments and employees. Training contents are regularly updated to ensure contents are relevant to stakeholders' changing needs such as laws and regulations, market trend, product trend and customer behaviour change. The Group encourages and supports employees to participate in personal and professional training to fulfil the needs of the Group's development. The Group also encourages the culture of sharing knowledge and experience. On the other hand, the Group provides on-the-job training to the new employees of the Group.

B4. Labour Standards

Prevention of Child Labour and Forced Labour

Child and forced labour are strictly prohibited during the recruitment process as defined by laws and regulations. The Group strictly complies with local laws and conducts recruitment based on the Hong Kong Employment Ordinance (Cap. 57). Personal data are collected during the process to assist the selection of suitable candidates and to verify candidates' personal data. The HRA also ensures identity documents are carefully checked. If violation is involved, it will be dealt with in the light of circumstances as clearly stated in the Group's Staff Handbook.

Furthermore, employees of the Group only work overtime if necessary and on a voluntary basis. The Group also prohibits any punishments, management methods and behaviours involving verbal abuse, physical punishment, physical abuse, oppression, sexual harassment, etc. against its employees for any reasons.

For 2020, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations that would have a significant impact on the Group. The relevant laws and regulations include, but are not limited to the Employment Ordinance (Cap. 57).

B5. Supply Chain Management

Suppliers of the Group's integrated advertising and media services are primarily artistes, social media platforms, third party production houses and photographers, whereas suppliers of its print media services mainly comprised of printers, photographers and book writers in Hong Kong. The Group has maintained long term and stable relationships with major suppliers. All suppliers are evaluated carefully and are subjected to regular monitoring and assessment.

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Environmental and Social Risks of Supply Chain

In view of the increasing environmental concerns in society, the Group is aware of the importance in managing environmental and social risks of its supply chain. The Group has embedded environmental and social consideration in the procurement process and supplier communication. The Group will continue to monitor its supply chain regarding the environmental and social standards.

The Group has also formulated policies and procedures to ensure that the suppliers could compete in a transparent and fair way. The Group should not differentiate or discriminate certain suppliers. The procedures include measures to prevent all kinds of business bribery and conflict of interest of employees and suppliers.

B6. Product Responsibility

The satisfaction of customers is the cornerstone of the sustainable development of the Group. The Group is convinced that the success of its clients means the success of the Group, and has been emphasising the customer-centric business philosophy in the operations at all levels of the Group. Therefore, the Group strives to optimise and improve the quality of products and services according to the requests of the customers.

For 2020, the Group was not aware of any incidents of non-compliance with laws and regulations that have a significant impact on the Group, concerning product health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. The relevant laws and regulations include, but are not limited to, the Trade Descriptions Ordinance (Cap. 362), the Copyright Ordinance (Cap. 528) and the Personal Data (Privacy) Ordinance (Cap. 486).

Intellectual Property Rights

The Group believes that its brand and intellectual property rights are critical to its success. The Group believes that its strong client base is mainly due to its strong brand names and reputation. The Group's continuing success and growth of both print media services and digital media services segments therefore depend on its ability to protect and promote its brands, trademarks, copyrights and other intellectual property rights.

The Group registered a number of trademarks in Hong Kong and branded its business by using "Most" as its brand name. It manages security of its assets such as financial information, intellectual property, or employee details entrusted to the Group by third parties. For any infringement of its intellectual property, the Group will urge infringers to cease such infringement. The HRA of the Group will take further action if infringement continues.

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The Group has adopted the following policies and procedures to prevent infringement on third party intellectual property rights:

- Continuing to obtain license from the Composers and Authors Society of Hong Kong Limited (“CASH”) for the use of melodies and lyrics registered with CASH; and
- Reviewing all creative content published by the Group by its responsible key personnel before publication and/or distribution. The responsible key personnel should ensure that the Group had obtained the right and/or permission to use the relevant photos, songs, lyrics, etc. prior to publishing them in its content. Such key personnel includes:
 - Senior editor who reviews the content under advertorial production and advertisement placement;
 - Publishing manager who reviews all of the book publications;
 - Assistant creative director, digital manager and assistant digital manager who review all content to be distributed on the digital media platforms; and
 - Providing reference training to staff on copyright compliance and the function and duties of responsible personnel on such compliance matters.

Customer Privacy Protection

Visitors of the Group’s website at <http://www.tvmost.com.hk/> may choose to register as members. During the registration process, the Group collects its member’s personal information. As such, the Group adheres to the Personal Data (Privacy) Ordinance (Cap. 486) of Hong Kong and expressly reiterates confidentiality obligations when carrying out its operations.

The Group is determined to strengthen the protection of customers’ privacy. The Group’s employees are trained to maintain the confidentiality of its customers’ information. The Group also has a data backup system through which back-up data is stored in different locations to reduce the risk of data loss. The Group has also implemented firewall, anti-virus and anti-spam solutions for its IT systems which are upgraded constantly to prevent leakage of confidential information.

Advertising

The Group emphasises the importance of proper advertising and compliance with relevant requirements of media advertisements, such as posters, magazines and online advertising materials. The Group has established relevant policies and procedures. The Group also timely responds to feedbacks from audiences or the public. The Group strictly complies with all relevant laws and regulations regarding the proper advertising.

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B7. Anti-corruption

The Group does not tolerate any corruptions, frauds and all other behaviors violating work ethics. The Group values and upholds integrity, honesty and fairness in its business.

For 2020, the Group was not aware of any material non-compliance with the relevant laws and regulations of bribery, extortion, fraud and money laundering. The relevant laws and regulations include, but are not limited to, the Prevention of Bribery Ordinance (Cap. 201).

Anti-corruption

The Group has established relevant policies to define appropriate methods in handling conflict of interests, accepting advantages, leakage of confidential information, embezzlement of the Group's assets in one's position, fraudulent financial statements, etc. to comply with the relevant laws and regulations.

To further mitigate business frauds, the audit committee is also responsible for continual evaluation of the Group's internal control effectiveness, detecting potential deficiency, and identifying areas of improvement. Audit report is distributed to the responsible departments for the timely remediation. The Board and the audit committee will supervise and review the implementation and effectiveness of the Whistle-blowing Policy on a regular basis.

Whistle-blowing Policy

The Group has also implemented the Whistle-blowing Policy which allows all employees as well as independent third parties (e.g. customers, suppliers, contractors, etc.) to report any possible improprieties, misconducts, malpractices or irregularities in matters of financial reporting, internal control or other matters to the Board or the audit committee anonymously. Reports and complaints received will be handled in a prompt and fair manner. Such policy also aims at protecting whistle-blowers from unfair dismissal, victimisation and unwarranted disciplinary actions, the identity of the whistle-blower will be kept strictly confidential where possible. Any person who is found to have victimised or retaliated against those who have raised concerns under this policy will be subjected to disciplinary sanctions. In some cases, the Group might need to refer the case to the competent authorities.

B8. Community Investment

Community Participation

The Group is committed to supporting the public by means of social participation and contribution as part of its strategic development. To nurture corporate culture and strengthen practices of corporate citizenship, the Group embraces human capital into the social management strategies so as to sustain its corporate social responsibility and support the Group's strategic development. Employees are encouraged to donate to recognised charitable institutions in order to help the grass-root community or those in need so that they can receive proper education and medical care.

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THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE OF HONG KONG LIMITED

Subject Areas, Aspects, General Disclosures and KPIs

Description

Section/Declaration

Aspect 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 Exhaust Gas and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
KPI A1.1 ("comply or explain")	The types of emissions and respective emissions data.	Emissions — Air Emissions, GHG Emissions
KPI A1.2 ("comply or explain")	GHG emissions in total (in tonnes) and intensity.	Emissions — GHG Emissions
KPI A1.3 ("comply or explain")	Total hazardous waste produced (in tonnes) and intensity.	Emissions — Waste Management (not applicable — explained)
KPI A1.4 ("comply or explain")	Total non-hazardous waste produced (in tonnes) and intensity.	Emissions — Waste Management
KPI A1.5 ("comply or explain")	Description of reduction initiatives and results achieved.	Emissions — GHG Emissions
KPI A1.6 ("comply or explain")	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Emissions — Waste Management

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Subject Areas, Aspects, General Disclosures and KPIs

	Description	Section/Declaration
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
KPI A2.1 ("comply or explain")	Direct and/or indirect energy consumption by type in total and intensity.	Use of Resources — Energy Consumption
KPI A2.2 ("comply or explain")	Water consumption in total and intensity.	Use of Resources — Water Consumption
KPI A2.3 ("comply or explain")	Description of energy use efficiency initiatives and results achieved.	Use of Resources — Energy Consumption
KPI A2.4 ("comply or explain")	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Use of Resources — Water Consumption
KPI A2.5 ("comply or explain")	Total packaging material used for finished products (in tonnes) and with reference to per unit produced.	Use of Resources — Packaging Materials (not applicable — explained)
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1 ("comply or explain")	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources — Indoor Air Quality

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect B1: Employment		
General Disclosure	Information on: <ul style="list-style-type: none"> <li data-bbox="453 599 687 618">(a) the policies; and <li data-bbox="453 670 1104 832">(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, antidiscrimination, and other benefits and welfare. 	Employment
Aspect B2: Health and Safety		
General Disclosure	Information on: <ul style="list-style-type: none"> <li data-bbox="453 1015 687 1034">(a) the policies; and <li data-bbox="453 1086 1094 1213">(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 	Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
Aspect B4: Labour Standards		
General Disclosure	Information on: <ul style="list-style-type: none"> <li data-bbox="453 1569 687 1588">(a) the policies; and <li data-bbox="453 1640 1094 1729">(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 	Labour Standards

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
Aspect B6: Product Responsibility		
General Disclosure	Information on: <ul style="list-style-type: none"> <li data-bbox="491 767 724 799">(a) the policies; and <li data-bbox="491 836 1129 1004">(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 	Product Responsibility
Aspect B7: Anti-corruption		
General Disclosure	Information on: <ul style="list-style-type: none"> <li data-bbox="491 1183 724 1215">(a) the policies; and <li data-bbox="491 1252 1129 1353">(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 	Anti-corruption
Aspect 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.	Community Investment

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