

Corporate Social Responsibility Report

At a speech at a charity event, Mr. LIU Changle, the chairman of the Board and chief executive officer of the Company said, “Charity care is a respectable virtue of a civilised nation and society, as well as a fine disposition of a citizen in pursuit of self-excellence. Phoenix is obliged to participate in public welfare services. We are proud to say that, today, Phoenix is cultivating a prominent team of colleagues who adhere to traditional Chinese cultures and contribute persistent efforts in our beliefs and dreams”.

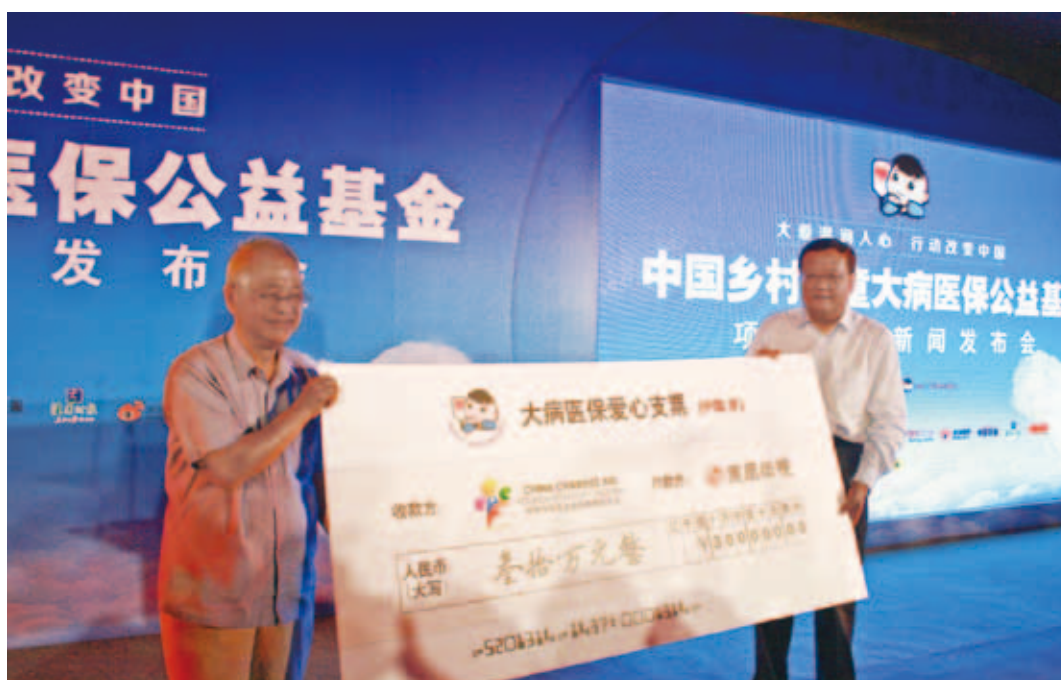
The management of Phoenix strongly believes that a successful enterprise must fulfil its social responsibilities and uphold its ethics. To be a true outstanding enterprise, not only does it have to maintain good business performance, more importantly, it has to gain the recognition and respect of the entire society. These are the values that Phoenix has been adhering to. In 2012, Phoenix made its contributions to society through a series of practical actions in the areas of charity and community involvement, culture exchange, environmental protection and sustainability, and staff care. Capitalising on its own media strengths, Phoenix produced several public welfare and environmental protection related TV programmes from the perspective on corporate social responsibilities.

This report is the first Corporate Social Responsibility Report (“CSR Report”) published by the Company, setting out the performance of Phoenix in corporate social responsibilities for 2012, and also serves as a communication bridge between the Company and its Shareholders in respect of the philosophy, practice and performance of corporate social responsibilities.

Charities and Community Involvement

As to community involvement, Phoenix places its emphasis on caring for and supporting poor children in China.

In July 2012, Phoenix spearheaded the “China Rural Serious Illness Children Medicare Charity Foundation” and raised RMB300,000 (approximately HK\$366,000) for such foundation. The foundation is a special foundation under “China Charities Aid Foundation for Children”, aiming to raise funds through various parties including caring enterprises, caring entrepreneurs, local governments and insurers to purchase commercial medical insurance for school-age children in trial regions so as to minimise the burden of sick children families and better safeguard the rights of rural children to a healthy life. The first trial region is Hefeng County, Hubei Province, which is one of the state’s poor counties. After the completion of coverage of this Medicare of serious illness, sick children families are entitled to a maximum of RMB200,000 for commercial medical compensation in addition to the compensation from local social insurance, providing local children with feasible health protection.

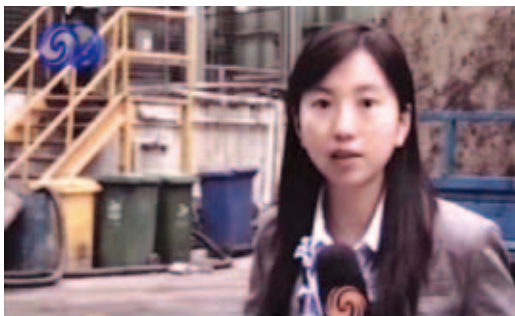




Charities and Community Involvement (Continued)

Phoenix attaches great concerns to the education of poor children in China. In 2012, Phoenix New Media Limited organised the “Children Education Sponsorship Programme” for the fourth year in a row. This year, we visited the primary schools in the poor areas in Huxiang. Volunteers delivered electronic teaching devices and sports equipment for the students in such poor areas with a view to improving the teaching environment of the schools and developing fundamental education in the poor areas. In addition, at the “Medicare of Serious Illness Charity Night” event held in September 2012, donations from live auction amounting to RMB8.12 million will be used for the “China Rural Serious Illness Children Medicare Charity Foundation” project.

A documentary “Journalist on the Spot: China Dolls – Fragile Bodies, Strong Minds” produced by Phoenix described the stories of three sick children with osteogenesis imperfecta (also known as “brittle bone disease”), depicting the shocking scenes of sick children tortured by such rare disease in the remote areas in China, which calls for society’s awareness on and support for those 100,000 brittle bone disease patients and 10 million carriers of rare diseases in China. In March 2012, the documentary won two bronze awards – “Social Responsibility” and “Public Hygiene” at the 33rd Annual Telly Awards. In April 2012, it won the Silver Hugo TV Award (Investigative Reporting/ News Documentary category) at the 48th Chicago International Film Festival.



A feature story news programme produced by Phoenix “News Zone: The Secret Truth of Hogwash Oil – Unravelling the Chain of Deception” revealed the publicly known “hidden rule” of trading hogwash oil in the black market in the catering industry where our undercover reporters brought to light the black chain from hogwash oil collection, processing to trading in black market, and discussed the regulatory loopholes and solutions to tackle the problem. At the same time, it called for society’s regulation of and awareness on such issue. The feature story news programme won the Silver Hugo TV Award (Investigative Reporting/News Documentary) at the 48th Chicago International Film Festival in April 2012.

In September 2012, Phoenix donated US\$50,000 (approximately HK\$387,000) to the Brookings Institution, US Think Tank, for the establishment of “Centre for Northeast Asian Policy Studies” to carry out researches on the prevention of natural disasters, solutions and international aids as well as the strategic decision for national safety of Northeast Asian countries.



Charities and Community Involvement (Continued)

In addition, Phoenix New Media Limited opens a public welfare channel <http://gongyi.ifeng.com> in its portal website (www.ifeng.com), providing instant news, updates, welfare salons and seminars on public welfare and environmental protection, and reporting on the public welfare events organised by the community, enterprises and celebrities.

Culture Exchange

In January 2012, Phoenix and the National Centre for the Performing Arts jointly organised “The Spring Festival Musical Gala For Chinese Around The World 2012”. Renowned Chinese musicians locally and overseas were invited and the concepts of globalisation were blended into the music performance, including care and praise for the nature, and envisaging for social and universal harmony. The ticketing revenue of Phoenix amounting to RMB414,000 (approximately HK\$508,000) was donated to the “Phoenix Charity Caring Foundation” managed by the China Charity Federation for organising charitable and public welfare activities.

In April 2012, Phoenix donated NT\$8 million (approximately HK\$2 million) to the National Palace Museum, Taiwan, to drive the cultural exchange between Mainland China and Taiwan as well as organise culture related exhibitions, education promotions and academic seminars.

In December 2012, Phoenix and the United Nations Educational, Scientific and Cultural Organisation (“UNESCO”) entered into a 5-year “Strategic Partnership for Culture of Peace Programme” agreement. Under such agreement framework, Phoenix shall donate US\$1 million within 5 years to the Culture of Peace Programme, and work with UNESCO extensively in areas including sustainable development between humanity and culture, cultural heritage protection in chaotic countries, poverty elimination, global children education and ecological environmental protection with an aim to fulfil social responsibilities on a worldwide level.



Environmental Protection and Sustainability

In January 2012, an ecological documentary “Global Walk” jointly produced by The State Forestry Administration and Phoenix aired its pilot episode, expounding the ecological protection and development of the forest industry in China in a multi-perspective and multi-layered manner to explore the way for sustainable development of the forest industry.



Another feature story TV programme “China Sizzles – The Way Out to Address Climate Change” aired by Phoenix looked into the environment and climate, and recommended solutions to tackle the changing climate in China. The programme won the silver world medal in the environment and ecology category at the 55th New York International Film and TV Festival in April 2012.



In March 2012, Phoenix donated GBP85,000 (approximately HK\$1 million) to The Prince's Foundation for Building Community, founded by The Prince of Wales, with the theme of urban environmental protection and society's sustainable development.

Staff Care

Phoenix adopts a people-oriented strategy and each staff is given a fair opportunity and competitive remuneration packages. Given the depreciation of Hong Kong dollars against RMB, coupled with the increasing inflation worldwide, since October 2011, Phoenix's Hong Kong headquarter has been paying staff salaries in RMB to alleviate the pressure as a result of depreciation of Hong Kong dollars and inflation. In addition, Phoenix offers 3-day paid paternity leave to male staff since 2001, which is in line with the request for paternity leave in Hong Kong in recent years. As to health and safety of employees, Phoenix purchases group medical, personal accident, life insurance and business trip insurance plans with global coverage for employees.

For staff's individual development and training, Phoenix has put in place staff training and sponsorship programmes to subsidise staff taking courses and seminars relating to their work so as to enhance their knowledge and skills as well as help them adding value.

As to work environment, Phoenix's Hong Kong headquarter has large-scale greening, landscaping and recreational facilities to provide staff with a favourable work environment. Phoenix also arranges a variety of leisure activities such as health seminars and interest classes with purpose of enhancing the work-life balance of employees and increasing their sense of belonging to the company.

Looking Ahead

In May 2012, Phoenix was awarded the title of one of the "Most Respected Companies of China" jointly issued by Peking University Case Research Centre and The Economic Observer for 11 years in a row. It is the only media enterprise that is granted with such an honour consecutively since the launch of the award. It also won the title of "Corporate Social Responsibility Enterprise of the Year". Looking ahead, Phoenix will endeavour to fulfil its corporate social responsibilities while pursuing better business performance and value maximisation for Shareholders; capitalising on its media advantages and social role model, and create excellent media credibility through care for humanity and social responsibilities.

The full text of the CSR Report has been verified by the Internal Audit department of the Group, with purpose of providing independent and objective assurance on the accuracy, reliability and completeness of the contents set out in the CSR Report. The Internal Audit department considers that the CSR Report reflects the performance of Phoenix in respect of corporate social responsibilities in a reliable and clear manner and the representations contained therein are true and accurate. Your feedbacks regarding this report are welcomed and could be sent to the Group's CSR communication channel at csr@phoenixtv.com.