

Corporate Social Responsibility Report

At a charity event in 2013, Mr. LIU Changle, chairman of the Board and CEO of the Company said in his speech, “As an enterprise develops, in addition to its economic value, it has to consider its value to society. Besides an enterprise’s responsibility to deliver profits, the management should also consider its corporate social responsibilities. Adhering to this spirit over the last 17 years, Phoenix does not only work hard on enhancing its brand influence but also squarely face the grave social responsibilities we shoulder. Going forward, Phoenix will continue to take up social responsibilities as it has and put in more efforts to enhance its fulfilment of social responsibilities.”

The management of the Group strongly believes that a successful enterprise must fulfil its social responsibilities and uphold its standard of morality and conscience. A truly outstanding enterprise is required not only to maintain good business performance, but more importantly, it has to be able to gain the recognition and respect of society. These are the values that Phoenix has been adhering to. In 2013, Phoenix contributed to the community through a series of substantive actions in the areas of charity and public welfare, environmental protection and sustainable development, cultural exchange and care for staff. Capitalising on its media strengths in particular, Phoenix has produced and broadcasted a number of television programmes and news reports on public welfare, charity and social phenomena out of corporate social responsibility concerns.

This is a report of what the Group did in the area of corporate social responsibilities in 2013. It also serves as a platform for the Company to share with its Shareholders its philosophy, practices and achievements in relation to corporate social responsibilities.

Charity and Community Involvement

As to community involvement, Phoenix puts most of its efforts into caring for and supporting children living in poverty, airing concern about social phenomena. By capitalising on its own media strengths, Phoenix has been producing and broadcasting charity TV programmes to promote a spirit of charity.

In 2013, Phoenix produced a large-scale television programme titled “Charity China”. This programme covers various public welfare issues, including the plight and suffering of people, environmental issues and cultural heritage. It reports on special and influential charity activities across the Greater China region and introduces new philanthropy concepts to the public.



The programme has also worked with the China Foundation for Poverty Alleviation to produce and broadcast a charity programme called “Charity China • New Public Welfare Discovery” in which entries compete with each other to be selected.



Phoenix also worked with ifeng.com to launch the “In Pursuit of Dream” project in the TV programme “Walk Along with Dreams”, in which a professional filming crew was dispatched to record how ordinary people realised their charity dreams in the form of documentaries. The activity aimed to encourage more people to have charity dreams and put them into action by finding ordinary people with such dreams and recording how they realised them.



A news feature 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. Our undercover reporters brought to light the black chain from hogwash oil collection, processing to coming back on the dining table. The regulatory loopholes and solutions to tackle the problem were discussed. At the same time, the programme called for society’s regulation and awareness of such phenomenon. This feature story news programme won the Gold World Medal in the “Best Investigative Report” section of the News Programme category, the Silver World Medal in the “Social Issues” section of the Documentary Programme category, and a Finalist Certificate in the “Best Public Affairs” section of the News Programme category at the New York Festivals International TV Programs and Films Awards in April 2013.



Another feature story news programme produced by Phoenix, “News Zone: Enhancing Rural Education in China”, told the stories of how four young adults who graduated from top universities resolve to give up their well-paid jobs in large cities and become teachers in remote and backward villages. With their vision and enthusiasm for education, these young people strived to improve the quality of education there and narrow the gap between education in cities and in rural areas so as to help rural kids go to university. The programme won the Silver Plaque in the Investigative Reporting/ News Documentary category of the Chicago International Film Festival Television Awards in April 2013.

The news feature programme produced by Phoenix “News Zone: The Left-Behind Children in China” was an investigation of the left-behind children. With the rapid social, political and economic development in China, more and more young peasants are moving into cities, resulting in a special population of minors in vast rural areas called “left-behind rural children”. To gain an in-depth understanding of the left-behind children, our reporters visited a number of villages in Hunan Province and walked into the lives of these left-behind children to learn more about them, in whom they found valuable qualities such as maturity, sensibility and sturdiness.



In addition to feature programmes, Phoenix also utilised its media capabilities to produce and broadcast numerous news reports on people’s livelihood to draw people’s attention to a series of social problems and to provoke thinking. For example, in the news report series on the issue of loss-of-single-child families, reporters conducted in-depth interviews with such families, social welfare organisations and academics so as to bring out suggestions about how institutions can be changed to prevent such tragedies. In the news report series on the elderly issue, through interviews with the public, domestic helpers, nursing homes and academics, it was found why it is difficult to solve the problem under the existing system, and the government was called on to establish a more equitable and sustainable social security system. In the news report series on doctor-patient disputes in the mainland, through interviews with patients, practitioners and government officials, the root cause of the conflict was explored, the existing problems were reflected on and recommendations were made.

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Phoenix attaches great concerns to the education of poor children in China. In 2013, Phoenix New Media Limited organised the “Children Education Sponsorship Programme” for the fifth year in a row. This year, we visited primary schools in the poverty stricken areas such as Ya’an in Sichuan Province, Huangpi in Jiangxi Province and Anshun in Guizhou Province. Volunteers delivered electronic teaching devices and sports equipment to the students in those areas hoping to improve the teaching environment of the schools and to develop fundamental education in the poverty stricken areas.



In October 2013, Phoenix and ifeng.com co-organised the “2013 China Rural Kids Care Night” in Beijing, at which over RMB10 million was raised by means of a charity auction. The United Charity for Chinese Rural Children, being the beneficiary, has received the whole sum of the funds raised, which would be allocated to the children’s safety, free lunch, serious illness medicare and warmth plans of the China Social Welfare Foundation, the China Charities Aid Foundation for Children and the China Social Assistance Foundation. ifeng.com successfully bid a few pieces of artwork in the charity auction at RMB830,000 (approximately HK\$1 million), which were donated to the three charity foundations above.

Phoenix, ifeng.com and Wanda Group jointly held an evening cocktail reception titled “Wealth Ethics and Rational Charity” in June 2013 in Chengdu, China, at which the following major issues were discussed: “How to enhance mutual trust and coordination between the government and NGOs for a better collaboration mechanism; and how enterprises can play its role more effectively in the rescue exercise after a disaster so as to fulfil their social responsibilities”. About a hundred participants including business leaders of the World’s Top 500 corporations, government officials and celebrities turned up at the event to explore how and why wealth and philanthropy go together.



In addition, Phoenix New Media Limited started a public welfare channel <http://gongyi.ifeng.com> on its portal website (www.ifeng.com). It provides instant news, updates, and news from salons and seminars on public welfare and environmental protection. It also covers public welfare events held in the community, organised by enterprises and attended by celebrities.



Environmental Protection and Sustainable Development

As people are getting more concerned about air quality, PM2.5 has become the latest standard of the mainland people in measuring air pollution. Directed by its sense of responsibility as a mass medium, Phoenix launched a large-scale news report series titled “Following up on the PM2.5 issue”, in which Phoenix’s local reporters in Beijing, Shenzhen, Hong Kong, Taiwan, Japan, India, France, the United Kingdom and the United States interviewed the public, academics, think tank experts and government officials to find out the causes of pollution, to learn about the experiences of how various countries and regions around the world had dealt with air pollution and the lessons to learn. Effective measures to solve the air pollution problem in China were explored from a global perspective and valuable suggestions were given. That news report series expanded the scope of reporting pollution problems in Chinese-language media reporting and had a positive effect guiding public discussions of the air pollution problem.



In addition to news reports, Phoenix also produces and broadcasts a television series called “Earth Report”, which deals with nature and ecology and the sustainable development of society. The series consists of short episodes telling a story on Earth each day, such as the conflict between ghettos and environmental pollution, ecological refugees, reuse of energy in India, studies on climate change and alternative fuels. The series provokes people to think together how different creatures should live with each other and how the human race can survive on Earth sustainably.

In March 2013, 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, hoping to improve the living environment and the quality of life, which have been affected by climate change and urbanisation.



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Culture Exchange and Heritage

In February 2013, Phoenix and the National Centre for the Performing Arts jointly organised “The Spring Festival Musical Gala For Chinese Around The World 2013”. Top Chinese musicians from around the world were invited to share the stage at the concert. The ticketing revenue of Phoenix from the concert amounting to RMB401,000 (approximately HK\$503,000) was donated to the “Phoenix Charity Caring Foundation” managed by the China Charity Federation for organising charitable and public welfare activities.



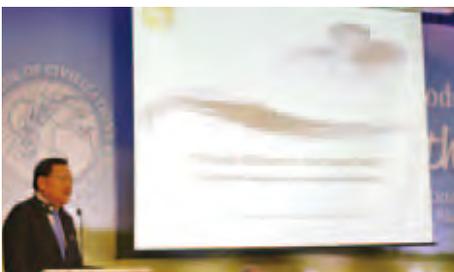
In 2012, Phoenix and the United Nations Educational, Scientific and Cultural Organisation (“UNESCO”) entered into a 5-year “Strategic Partnership for Culture of Peace Programme” agreement. Under such agreed framework, Phoenix shall donate US\$1 million to

UNESCO within 5 years to the Culture of Peace Programme. In 2013, Phoenix donated US\$200,000 (approximately HK\$1.55 million) to UNESCO. During the cooperation period, Phoenix will work with UNESCO extensively in areas including sustainable development of humanity and culture, cultural heritage protection in chaotic countries, poverty elimination, global children education and ecological environmental protection with the aim of fulfilling social responsibilities on a worldwide level.

In 2013, in collaboration with UNESCO, Phoenix produced and broadcasted a television programme titled “After The War: Libya And Their Cultural Heritage”. Through documenting damages suffered by the Libya civilisation arising from warfare and postwar reconstruction in Libya, this programme appeals for deep reflection on the impact of war on civilisation. In addition, in October 2013, to commemorate the 10th anniversary of the passing of The Convention for the Safeguarding of Intangible Cultural Heritage by the UNESCO General Conference, Phoenix and UNESCO jointly organised a TV forum titled “Cultural Protection And Contemporary World”. A series of events were also organised under the title of “China Day”. There were folk performances and art exhibitions, which demonstrated how the intangible cultural heritage of Weinan, Shaanxi, China had influenced the preservation of intangible cultural heritage around the world and showed the importance of intangible cultural heritage to the preservation of the human cultural diversity and sustainable development.



In November 2013, when the management of Phoenix visited Kyrgyzstan, they studied a minority people, the Dungan, living in Kyrgyzstan. The Dungan are the descendants of the Hui people in Gansu and Shaanxi of China who moved to central Asia. They still practise the local customs of the Hui people of Shaanxi. However, due to the poor economic conditions of the area where the Dungan live, the traditional Dungan culture may cease and disappear. In order to help local Dungan people to learn Chinese to pass down Dungan culture, Phoenix donated US\$20,000 (approximately HK\$155,000) to Dungan Association in Kyrgyzstan in December 2013 to support the passing down and development of Dungan culture.



In October 2013, the 13th World Public Forum “Dialogue of Civilizations” was held in Rhodes, Greece. Mr. LIU Changle, Chairman of the Board of Directors and CEO of Phoenix, delivered a keynote speech at the forum on the relationship between traditional Chinese philosophy and religion and war and peace, in which he expressed his belief in how traditional Chinese philosophy and religion can prevent and resolve human contradictions and conflicts.



Workplace Quality

The Group adopts a people-oriented strategy and each employee is given a fair opportunity and competitive remuneration package. As to health and safety issues, Phoenix provides safe workplace and purchases insurance policies for its employees. As to development and training, Phoenix has put in place vocational training and sponsorship programmes to subsidise employees taking courses relating to their work for the enhancement of their knowledge and skills. As to work environment, Phoenix's Hong Kong headquarters has large-scale greening, landscaping and recreational facilities to provide employees with a favourable work environment. Besides, to promote environmental protection, Phoenix encourages employees to switch to environmental friendly electric cars by newly setting up the electric vehicle charging devices in the car park of the Hong Kong headquarters.



Looking Ahead



In August 2013, Phoenix was awarded the title of one of the “Most Respected Companies in 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. Looking ahead, the Group will continue to fulfil its corporate social responsibilities while pursuing better business performance and value maximisation for the Shareholders. Capitalising on its media advantages, Phoenix will strive to exert its influence as a role model in society and create excellent media credibility through the care for humanity and social responsibilities.

This CSR Report was written with reference to the “Environmental, Social and Governance Reporting Guide” published by the Stock Exchange of Hong Kong Limited. The full text of the CSR Report has been verified by the Internal Audit department of the Group for the 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 the Group in respect of corporate social responsibilities in a reliable and clear manner and the representations contained therein are true and accurate. Your feedback regarding this report is welcomed and could be sent to the Group's CSR communication channel at csr@phoenixtv.com.