

## Environmental, Social and Governance Report

The Board and the management of Phoenix Satellite Television Holdings Limited firmly believe that, as an enterprise develops, in addition to its economic value, it must even more consider its value to the society. And an enterprise must fulfil its social responsibilities and uphold its standard of morality and conscience so as to stay in a strong position. This is the mission and objective of the Group concerning its corporate social responsibilities.

In terms of policy, the Group has implemented the “Corporate Social and Environmental Responsibilities Policy” which is approved by the Board. The policy sets out the tone and direction, and provides guidelines for the social and environmental protection activities of the Group, so that the Group can fulfil its responsibilities in a more effective way. The policy also helps the Group to ensure that the “Social, Environmental and Governance Report” is in compliance with the disclosure requirements under the Listing Rules.

In terms of strategy, leveraging on its own advantages as a media company, the Group produces and broadcasts television programs on public welfare and environmental protection, records online videos and sets up websites, organises charity events and provides an online platform to pool together resources from charitable organisations, media partners and caring enterprises, with the aims of promoting charity, facilitating public welfare and environmental protection projects and making contribution to the society.

To effectively manage the social and environmental risks arising from the course of business operation, the Group has included such risks in the corporate risk management system and established the corresponding system for risk management, internal control and information collection. A function specializing in corporate social responsibility has also been set up to assist the Board and the management in the identification, assessment, prioritisation, effective control and on-going monitor of various social and environmental risks.

This report is the fifth corporate social responsibility report published by the Group since 2012. The Group adopts balanced, objective, consistent, prioritised and quantifiable reporting standards when making disclosures on the Group’s major challenges and achievements in public welfare participations, employment relationship and environmental protection. This report documents the Group’s performance in undertaking corporate social responsibilities in 2016, and represents an opportunity for the Group to communicate with its Shareholders concerning its philosophy, practices and achievements on corporate social responsibilities.

## Social

### Community, Charity and Sustainable Development

In the areas of community involvement and charity, the Group's policy is to promote charity out of corporate social responsibilities by capitalising on its advantages as a media company to produce and broadcast objective, impartial and credible television programmes and news reports on public welfare and social phenomena. The Group also makes active efforts to understand and cater to the needs of the community and organizes a variety of charity events that aim at alleviating poverty, helping children in China and raising concerns about social phenomena.

Phoenix entered into a five-year "Strategic Partnership for Culture of Peace Programme" agreement with the United Nations Educational, Scientific and Cultural Organization (the "UNESCO") on 9 December 2012. Under the framework of this agreement, Phoenix shall donate USD1 million to the UNESCO within five years for cooperation on the Culture of Peace Programme. During this period of cooperation, Phoenix shall work with the UNESCO extensively in areas including sustainable development of humanity and culture, cultural heritage protection in chaotic countries, poverty elimination, global children education as well as ecological environmental protection with an aim of fulfilling social responsibilities worldwide. In 2016, Phoenix made the fifth-year donation of USD200,000 (approximately HK\$1.55 million) to the "UNESCO – Phoenix Strategic Fund" set up by the UNESCO.



In November 2016, Phoenix entered into a three-year media strategic partnership agreement with the United Nations Development Programme (the “UNDP”) to cooperate on the overseas sustainable development of Chinese enterprises, where the successful experience and lessons from the globalisation of Chinese enterprises will be promoted to developing countries, benefiting the South-South Cooperation (i.e. the cooperation between developing countries in the southern hemisphere and the southern part of the northern hemisphere). As the exclusive media strategic partner, Phoenix will assist the UNDP to collect first-hand cases and jointly establish a database for cases of overseas sustainable development of Chinese enterprises. Selected cases will be included in the “2016 Annual Report on Overseas Sustainable Development of Chinese Enterprises” to be prepared in collaboration by Phoenix and the UNDP, and will be demonstrated in the program named “The Odyssey of Dragon” produced by Phoenix. The parties will also jointly organize the “Round Table on Overseas Sustainable Development of Chinese Enterprises” and an annual forum. Moreover, as the UNDP highly recognises the achievements of Phoenix in advocating poverty alleviation both inside and outside of China, it has selected Phoenix to be the platform to raise public awareness for sustainable development.



“Promise 2020”, a program on poverty relief premiered by Phoenix in 2016, allows its audience to develop clear pictures on China’s rural areas and to observe, experience and understand the causes of poverty while exploring solutions for those who are in distress.



Through its subsidiary, namely Phoenix New Media, the Group has also initiated a series of online and offline public welfare projects.

The charity channel of Phoenix (<http://gongyi.ifeng.com>) under the Group’s official website “ifeng.com” is an online charity platform for continuous broadcast of public welfare information. It features news on major charity events, interpretation on public welfare policies in the form of salons and forums, and organisation and promotion of charity events.



In April 2016, Phoenix New Media launched a major poverty relief campaign named “War Declaration 2020” that features extensive report on poverty relief. In-depth coverage on poverty alleviating projects in five Chinese provinces and Autonomous Region, including Hotan Town in Xinjiang Uyghur Autonomous Region, Ningde City in Fujian province, Weining County in Guizhou province, Fuping County in Hebei province and Ansai County in Shaanxi province, was published on ifeng.com, with focuses on education support to Xinjiang, targeted poverty alleviation, as well as poverty relief through healthcare.





The program named “Charity Pioneer” produced by gongyi.ifeng.com in 2016 is an extensively promoted interview show with celebrities, business tycoons, industrial elites and people involved in popular events who are dedicated to the development of charity both in China and overseas. Through sharing and studying people’s stories about charity as well as their reflections and practical experience, the show advocates the modern idea of charity and public welfare and pushes forward the improvement of cultural environment and professionalism of charity in China.

The Group always cares about the survival, medical and healthcare as well as education and future development of underprivileged children in China.

In April 2016, Phoenix and Phoenix New Media jointly held a major charity brand event named “ifeng.com Forever Happiness 2016 • Charity Ceremony” in Xiamen, China. The event raised over RMB9.03 million in total, which will be applied to the “Girls’ Protection Fund” under China Charities Aid Foundation for Children, Chunhui Bo’Ai Children’s Foundation and the China Foundation of Culture and Arts for Children.



In June 2016, Phoenix New Media worked with the China Charities Aid Foundation for Children and set up the “China Charities Aid Foundation for Children – ifeng.com Special Charity Fund”, to which Phoenix New Media spearheaded and donated RMB1 million (approximately HK\$1.19 million). The special charity fund will be used for three charity projects “Benefiting the Children”, “Children Protection” and “Forever Happiness”, and will serve the purpose of organising charity auctions designed to boost the development of medical, healthcare and relief services in underprivileged regions and provide subsidies to orphaned and disabled children.



In September 2016, the “ifeng.com Forever Happiness 2016 • Operation Smile • Los Angeles Charity Night” was jointly organised by Phoenix New Media and “Operation Smile” (a charitable organisation), and co-organised by Phoenix North America Chinese Channel in Los Angeles, the USA. The charity night centred on raising funds for “Operation Smile” so that children with cleft lips and cleft palates in China can receive surgery and recovery treatment. This was also the first time since its inception ten years ago that “ifeng.com Forever Happiness” stepped out of China and held an international event with its charity partner in the USA to raise fund for children with cleft lips and cleft palates and to raise international awareness on children’s health. The “Forever Happiness • Los Angeles Charity Night” raised USD800,000 through auctions and donations.

In October 2016, Phoenix New Media, Phoenix and Chunhui Bo’Ai Children’s Foundation jointly organised the “ifeng.com Forever Happiness 2016 • Chunhui Bo’Ai Charity Night” in Shanghai, China and raised RMB5.15 million through auctions and specified donations. The proceeds will be fully used in the “Chunhui Bo’Ai Nurture Project for Orphaned and Disabled Children” jointly operated by Chunhui Bo’Ai Children’s Foundation and China Charities Aid Foundation for Children to provide care and love to orphaned and disabled children. In December 2016, Phoenix New Media donated RMB189,200 (approximately HK\$210,000) to Chunhui Bo’Ai Children’s Foundation to subsidise its education and nurture projects for orphaned, disabled and underprivileged children.



In November 2016, “ifeng.com Forever Happiness 2016 • Charity Night” was jointly organised by Phoenix New Media and Phoenix, and co-organised by the China Social Assistance Foundation in Hangzhou, China. Through auctions, specified donations, silent auctions and subscriptions, the event raised RMB16.67 million for underprivileged children in China. The proceeds will be fully applied to the charity projects under China Social Assistance Foundation.



In October 2016, the “Girls and Sustainable Development” Seminar was held in Beijing, China, organised by All China Women’s Federation, and co-organised by China Children and Teenagers’ Fund, China Philanthropy Institute of Beijing Normal University and gongyi.ifeng.com. The seminar proposed the notion of “girls and sustainable development” in the areas of promoting gender equality in society, facilitating harmonious family environment, securing the education of underprivileged girls, caring for the well-being of girls and their future career development.

In June 2016, the commencement ceremony of “Activist League” was held in Beijing, China by gongyi.ifeng.com, who initiated the event to establish an interactive charity event platform for the cooperation among charitable organisations, creative industry, celebrities and caring enterprises. The platform aims at providing extra media resources and corporate support to different charitable parties. By calling for entries from all sectors of society and selecting innovative charity projects where communication through new media best applies, the platform participates in the caring of autistic children, environmental and animal protection, etc. Members of the League include China Social Welfare Foundation, China Foundation for Poverty Alleviation, China Foundation of Culture and Arts for Children, China Social Assistance Foundation, China Children and Teenagers’ Fund, China Charities Aid Foundation for Children, China Women’s Development Foundation, One Foundation and other major charitable organisations in China.



Since 2008, Phoenix and the National Centre for the Performing Arts have jointly-organised the yearly “Spring Festival Music Gala for Chinese around the World” to make the Chinese beautiful vision of social harmony known to the world. Each year, the ticket revenue will be donated to the “Phoenix Charity Caring Fund” managed by the China Charity Federation for organising charitable and welfare activities. In 2016, the donated ticket revenue of the concert amounted to approximately RMB240,000 (approximately HK\$270,000).



## Employment and Labour Practices

In terms of employment and labour practices, the Group adopts a “people-oriented” strategy where it attracts and retains talents by offering reasonable employment terms, safe and healthy work environment, a wide range of employee benefits and trainings for staff development while maintaining strict compliance with the labour practices.

### *Employment*

As at 31 December 2016, the Group employed 2,872 full-time staff members. The Group has strictly abided by the employment and labour laws and regulations in the countries of operation. It also emphasizes on equal opportunities and workplace diversity. The Group is against discrimination and undertakes that the employment, remuneration and promotion of its employees are irrespective of their political stance, gender, age, sexual orientation, marital status, religion, race, nationality or other social factors.

The remuneration packages of the employees are determined with reference to the business results of the Group and the performance of individual employee and are in line with the market rates. The Group also provides various benefits to employees, such as medical and other types of employee insurance coverage, defined contribution pension scheme and employee share option schemes to attract and retain competent staffs. Details of the employee remuneration, recruitment, termination of employment, working hours and holidays are set out in the staff manual distributed to the employees.

### *Health and Safety*

The Group has placed great emphasis on workplace safety so as to prevent occupational hazards. Phoenix has established a set of technical guidelines and codes on the safe operation of machineries and electronic equipment for program production. Moreover, fire suppression systems which are in compliance with the local requirements are installed in each of the office buildings of the Group. In addition to providing a safe workplace and raising safety awareness, Phoenix also maintains labour insurance and business travel insurance for its employees. Apart from the above, the Group’s Hong Kong headquarters organised the “Phoenix Healthy Living Day” where it offered flu shots and free health analysis to employees so as to raise their awareness toward healthy living style and daily health maintenance. In addition, it provides comprehensive sports and recreational facilities to encourage its staffs to exercise and stay healthy.

A banner with a blue background and white text that reads "鳳凰衛視「康健生活日」".

### *Development and Training*

The Group offers occupational training to its employees to enhance their knowledge and skills for performing job duties. Phoenix has in place a “Staff Training and Sponsorship Programme” to subsidise full-time employees who attend courses, seminars and workshops that are beneficial to their work performance or future career development.

### *Labour Standards*

The Group forbids employment of children or forced labour such as compulsory labour or bonded labour.

### Operating Practices

The Group is principally engaged in television broadcasting, new media and outdoor media business, hence corporate social responsibilities in relation to supply chain management and physical products are not relevant to its core activities. Despite this fact, the Group emphasises that it should not broadcast media contents that are detrimental to the community on its media platforms, and should firmly uphold the code of conduct of the media industry to safeguard the independence and diversity of media content, and also protect intellectual property rights.

The Group is dedicated to its social responsibilities of fighting corruption. To achieve its goal, it has established and implemented the "Phoenix Corporate Governance Code and Procedures" to help its employees to develop clear understanding on the Company's code and procedures in relation to contract execution, conflict of interests, solicitation, acceptance or offer of advantages and entertainment, dealing with confidential information and insider dealings. In addition, the Group has also set up a communication channel through which its employees may directly contact the independent internal audit department of the Group in the event of concerns about financial reporting, internal control, risk management and other matters, or in the case of employee misconduct that may harm the interest of the Group (such as offering and accepting bribes, conflict of interests, insider dealings, blackmail, fraud, money laundering, disclosure of confidential information and violation of professional ethics).

### Environmental

In the area of environmental protection, the management closely monitors key environmental performance indicators, which include those of waste air emission and energy consumption, so as to continuously enhance its efforts in environmental protection.



Phoenix produces and broadcasts a television programme series named "Earth Report" which focuses on natural ecology and sustainable development of society. The series consists of short episodes telling a story of Earth each day, such as ecological protection, sustainability of the agricultural industry, protection of wild animals, natural disaster and climate change studies, etc.. The series encourages people to think how different creatures should live with one another and how human race could survive on Earth sustainably.

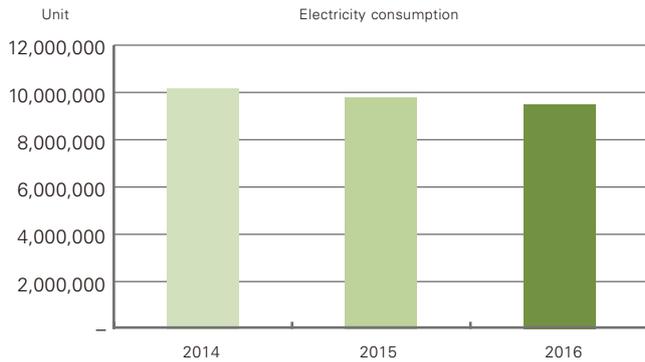


The management emphasizes on the cultivation of environmental awareness and has implemented a series of environmental protection measures at the Phoenix Center in Hong Kong, which is the Group's headquarters. Such measures include maintaining large area of green space, reengineering of air conditioning and lighting system for higher energy efficiency, waste separation for recycling incentives, and the provision of electric vehicle charging devices in the car park to support low-carbon emission. In addition, the Group also pays close attention to the consumption of electricity, gas and water in the course of daily operation to ensure it is at a reasonable and environment-friendly level, thereby minimizing energy waste.

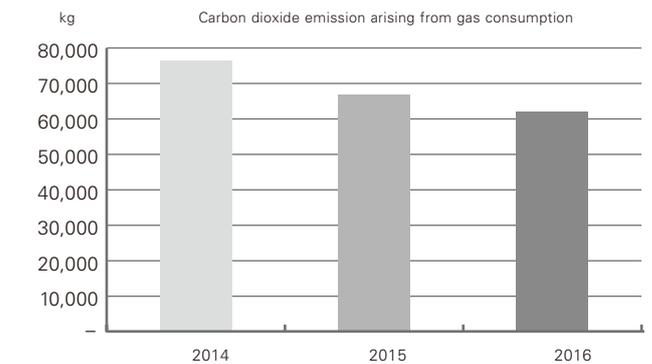
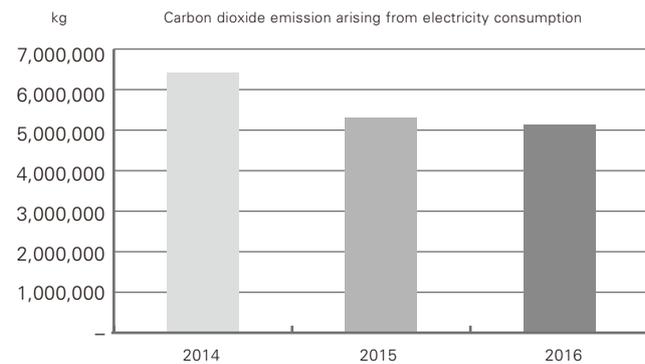
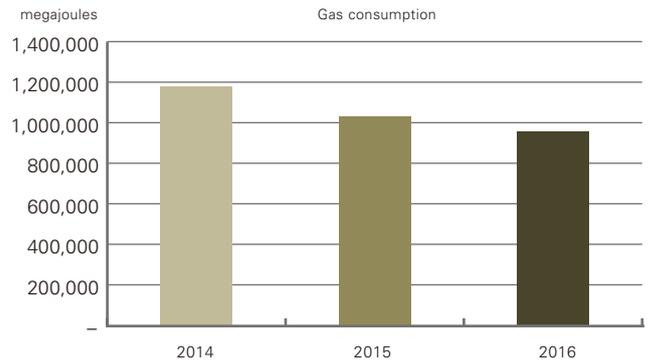


Details of energy consumption and carbon dioxide emission at Phoenix Center, the Group’s headquarters in Hong Kong, are disclosed as below:

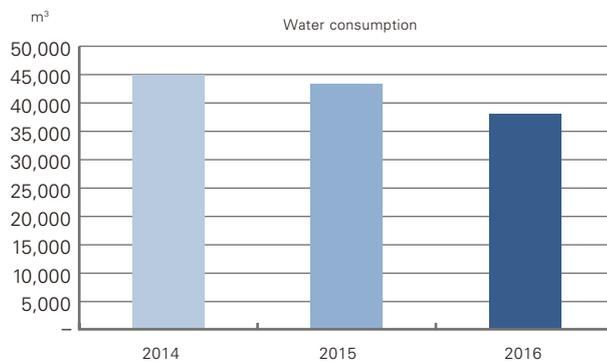
Electricity consumption and the resulting carbon dioxide emissions:



Gas consumption and the resulting carbon dioxide emission:



Water consumption:



In addition, Phoenix Metropolis Media, a subsidiary of the Group engaged in outdoor screen advertising business, has implemented the following environmental protection measures:

In order to reduce light pollution from screens, screens installed by Phoenix Metropolis Media are all equipped with an outdoor light assessment system, so screen brightness can be automatically adjusted to accommodate to the surrounding environment. Phoenix Metropolis Media also introduces new LED screens that adopt a colour depth of 16 bit, thereby producing softer colours and helping to alleviate discomfort from bright lights.

For the purpose of saving energy, Phoenix Metropolis Media uses screens with energy-saving LED light tubes which automatically adjust brightness when in use, cutting electricity consumption for normal use to approximately 40% of the designed peak consumption level, thereby saving energy. Apart from that, it uses axial fans instead of air conditioning for ventilation, which further reduces energy consumption while ensuring normal operation of screens.

In terms of recycling and reuse of dismantled screens, Phoenix Metropolis Media cleans and modifies components that are still useful and reuses them as spare parts for newly built or modified screens or for screen repairing. Screen components that cannot be reused will be dismantled and disposed of by specialised recycling companies.

## Looking Ahead

Looking ahead, the Group will continue to fulfil its belief on corporate social responsibilities while pursuing higher business performance and value maximisation for Shareholders. Capitalising on its media advantages, Phoenix will strive to exert its influence as a role model in society, better undertake its obligations on public welfare and environmental protection, and create excellent media credibility through its care for humanity and sense of social responsibilities. This report was prepared in strict compliance with the disclosure requirements under Appendix 27 "Environmental, Social and Governance Reporting Guide" of the Main Board Listing Rules of the Hong Kong Stock Exchange. Your feedback regarding this report is welcome and could be sent to [csr@phoenixtv.com](mailto:csr@phoenixtv.com).