

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2016

MODERN MEDIA HOLDINGS LIMITED

現代傳播控股有限公司

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

聞 嘅



現代傳播
Modern Media



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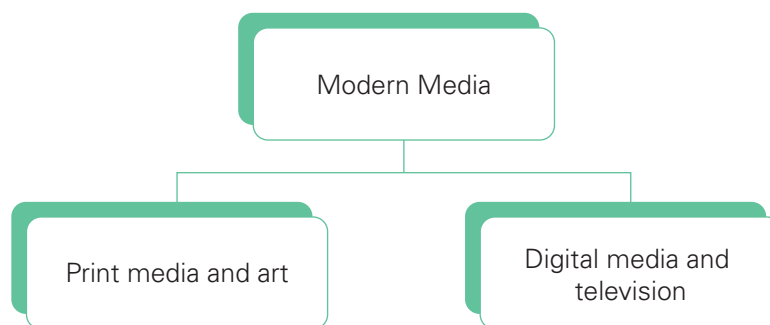
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ABOUT THE GROUP

Modern Media Holdings Limited (“Modern Media” or the “Group”) is principally engaged in multi-media advertising services, printing and distribution of magazines, advertising and related services, artwork trading and its related services. The operations of the Group comprise the “print media and art” segment, which engages in the sale of advertising spaces in magazines of the Group and the publication and distribution of the Group’s magazines and periodicals, artwork trading and auction, and art exhibition and education; and the “digital media and television” segment, which is a digital media platform publishing multiple digital media products, selling advertising spaces and engaging in the production of customized contents for brand advertisers.

After years of development, Modern Media has been transformed from a magazine publisher into a content provider. For better information dissemination and business development, the Group has offices in various cities across the country, including Guangzhou, Shanghai, Beijing, Shenzhen and Hangzhou, and is determined to become a cultural information platform between the international arena and the greater China region.

BUSINESS STRUCTURE OF THE GROUP



Corporate DNA

Internationalization, style, refined taste, social responsibility

Corporate Spirit

Striving for excellence and perfection.

Global Vision, Modern China.

ABOUT THE REPORT

This report is the first Environmental, Social and Governance (“ESG”) Report issued by Modern Media Holdings Limited, which discloses our practices and performance on sustainable development in a transparent and open manner, in order to increase our stakeholders’ confidence in and understanding of the Group.

REPORTING YEAR

All information contained herein reflects the performance of Modern Media in terms of environmental management and social responsibilities from January 2016 to December 2016. In the future, the Group will issue an ESG Report on an annual basis, for public inspection at any time, to continuously enhance the transparency and responsibility of information disclosure.

SCOPE OF THE REPORT

This report focuses on the operation of Modern Media Company Limited, which is located in Hong Kong, relating to the “print media and art” business. As our data collection system becomes more mature and our ESG practices further develop, the Group will expand the scope of disclosure to an extent that covers all of the operations of the Group. This report does not include the disclosure of environmental key performance indicators. In the next year, the Group will conduct a carbon assessment to further refine and standardize the reporting metrics.

REPORTING STANDARDS

This report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “Guide”) issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). It summarizes the performance of Modern Media on the ESG aspects in a simplified manner. The information contained herein is sourced from official documents and statistics of the Group, and integrated with control, management and operation information provided by the subsidiaries of the Group in accordance with the Group’s relevant policies. A complete content index is appended in the last chapter hereof for quick reference. This report is prepared in both Chinese and English and is available on the Group’s website at www.modernmedia.com.cn. In the event of any discrepancy or inconsistency between the English and Chinese versions, the Chinese version shall prevail.

We Value Your Feedback

Our continuous improvement relies on your valuable opinions on the contents and presentation of this report. If you are in doubt or have any recommendations, you are welcome to email us at hk@modernmedia.com.hk, which will assist us in for the continuously improving our performance in ESG work.

COMMUNICATION WITH THE STAKEHOLDERS

The Stock Exchange proposed four reporting principles in the Guide, including Materiality, Quantitative, Balance and Consistency, as the preparation basis of the ESG Report. Stakeholder engagement is a method for assessing materiality. Through communication with the stakeholders, corporations are able to understand their wide-ranging opinions, and identify crucial environmental and social issues.

For Modern Media, stakeholders represent groups and individuals who have significant impact on the Group's business, or those who are affected by the Group's business. Stakeholders of the Group include not only internal staff, management and directors, but also external customers, business partners, investors, regulators and various community groups, etc. During the last year, the Group communicated with key stakeholders through different channels. In the preparation of this report, we commissioned a professional consulting firm to conduct a substantive analysis by interviewing the management, and incorporated the advices of professional consultants to clarify important reporting issues and to determine the direction of the Groups' sustainable development.

METHODS OF COMMUNICATION WITH THE STAKEHOLDERS DURING THE REPORTING PERIOD

Internal Stakeholders	External Stakeholders
<ul style="list-style-type: none"> • Directors of the Company • Management • Executive officers • Staff 	<ul style="list-style-type: none"> • Shareholders • Customers • Suppliers • Government/regulatory authorities • Banks • Investors
<p>Communication methods: Meetings, emails, interviews, internship, telephone, company visits</p>	

The operations of Modern Media have impacts on various stakeholders, while stakeholders have different expectations on the Group. Looking ahead, for a more refined substantive analysis, the Group will continuously strengthen its communication with stakeholders, and extensively collect their opinions in various ways. Meanwhile, the Group will also uphold the reporting principles in terms of quantitative, balance and consistency to define the contents of this report and enhance the presentation of information in a way which better meets the expectations of our stakeholders.

MESSAGE FROM THE MANAGEMENT

“The preparation of the ESG Report enables Modern Media to march towards a healthier and greener direction, thereby benefitting our stakeholders from every sector.”

We are pleased to present the first ESG Report of Modern Media, which enhances the transparency of information disclosure and reports on the impact of our operation on the environment and the society for various stakeholders’ monitoring. We are dedicated to improving our risk management of environmental and social issues, and enhancing the ability to identify risks in these aspects, so as to avoid any potential impacts.

The board (the “Board”) of directors (the “Directors” and each a “Director”) places great importance on the Group’s sustainable development. In November 2016, it established the Environmental, Social and Governance Committee (the “ESG Committee”) to further optimize the governance structure of the Group which lays a solid foundation for the sustainable, healthy and safe development of the Group.



The media industry emphasizes content innovation, while our staff are the core strength to promote our sustainable development. We care for the physical and mental health of our staff by providing them with a favorable working environment, and give our utmost attention to nurture our staff and encourage individual development of employees. As a premium information dissemination organization, we rely on the efforts of each staff and their acute sense to disseminate information in an effective and accurate manner. Training sessions with different themes are organized by each operation department so that our staff can get fully involved and be equipped with advanced expertise through experience sharing, which enable them to grow with the Group.

We understand that the Group’s sustainable development can only be achieved with effective supply chain management. We focus on publishing valuable and attractive contents. Leveraging on our close working relationship with business partners, such as publishers, copyright providers, content providers and photo suppliers, the Group provides excellent and innovative media services to clients with its ability to produce high quality contents and creative media design.

As an enterprise that receives much attention from the public and the industry, print media magazines published by the Group are influential to a certain extent. We always remind ourselves to offer diversified information to readers with an international perspective and a pragmatic attitude. Through the interactive platform of the internet, we also strive to provide our readers with an innovative experience and promote the spread and advancement of knowledge.

Looking forward, the sustainable development of the Group would require the joint and concerted effort of our staff. Under the leadership of the ESG Committee, we are committed to striking a balance between business development and the stakeholders’ attention towards environmental and social issues, so as to inject greater positive momentum into the society with new patterns, new methods and new directions.

Shao Zhong
Chairman of the Board
Modern Media Holdings Limited

ENVIRONMENTAL PROTECTION

Extreme weather caused by climate change not only directly or indirectly affects the ability of different institutions to access resources and to maintain operation, but also poses unprecedented challenges to the global economic development. Modern Media actively enhances its own performance in environmental protection. In particular, the Board attaches great importance to the Group's sustainable development, and has therefore established the ESG Committee to include environmental agendas in its operating plans and to take the initiative in promoting various solutions on environmental actions and measures.

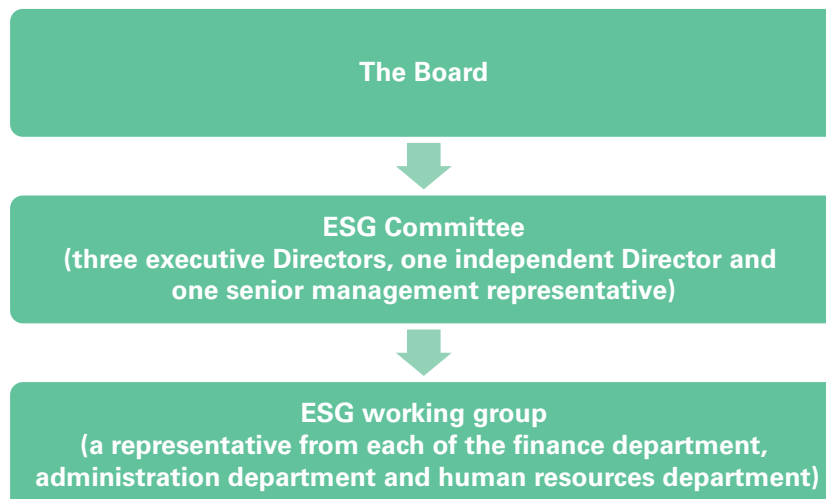
The ESG Committee comprises three executive Directors, one independent Director and one senior management representative, and its functions are:

- To formulate and review the ESG responsibilities, visions, strategies, framework, principles and policies of the Group, and implement the ESG policies approved by the Board;
- To establish policy objectives, key performance indicators and measures that are in line with Modern Media's operating conditions, and monitor the effectiveness of the related work;
- To review and monitor the ESG policies on an annual basis to ensure its continuous effectiveness.

The ESG working group comprises a representative from each of the finance department, administration department and human resources department, and its functions are:

- To implement ESG policies and its related measures, and organize staff trainings;
- To prepare the annual ESG report of the Group, and submit the report to the Board for its consideration and approval for disclosure.

ORGANIZATIONAL STRUCTURE OF THE ESG COMMITTEE



EMISSION AND USE OF RESOURCES

Emission of greenhouse gases

Emission of greenhouse gases from human activities has resulted in a rise in global temperature, and has caused immeasurable losses to the society and the economy. With the Paris Agreement coming into effect, coupled with the public's better understanding on climate changes, governments and dynamic enterprises of various countries have started to formulate and implement policies and measures to reduce greenhouse gases emissions.

Greenhouse gases are emitted through various activities, such as the use of fossil fuel by company vehicles, the use of refrigerants in refrigerators, the consumption of electricity and other energies, disposal of waste paper, sewage treatment and business air travel. As a media company and driven by the trend of corporate sustainable development, Modern Media established its Energy Conservation and Environmental Protection Management System in 2015, which aims at promoting the concept of "low-carbon, environmental friendly and green office", and is committed to reducing greenhouse gas emissions in the course of the Group's operation.

In November 2016, the Paris Agreement came into effect with an aim of controlling global temperature increase within 2°C by the end of this century, as compared to that before industrialization and striving to further control it to be within 1.5°C.

1. The Group requires that the temperature of air conditioners at its offices to be maintained at around 26°C, and around 20°C in autumn and winter;
2. The Group would make arrangements with the management office of the commercial building to have its air-conditioning filters to be cleansed every year in order to prevent the increasing consumption of electricity as a result of the cooling effect being affected by dust clogging;
3. Offices should make full use of natural light for illumination to reduce the consumption of electricity by lighting devices;
4. The Group encourages employees to travel in green ways, by reducing the use of company vehicles and switching to public transport or walking on foot for destinations within 3 kilometers.

Reducing greenhouse gas emissions is the most important approach to mitigate climate change, and carbon footprint assessment provides a foundation for reducing greenhouse gas emissions. Although the Group has yet to perform carbon footprint assessment for its operation, it has included this in its work plan for 2017. The Group will measure its greenhouse gas emissions annually as the first step towards carbon reduction, and thereby work out its carbon reduction targets and priorities to ensure that the carbon reduction process will be carried out in a more efficient manner.

Use of resources

Improving the efficiency of use of resources is one of the key objectives of the Energy Conservation and Environmental Protection Management System of the Company. Due to the nature of the Group's print media business, the major resources consumed by the Group are paper and electricity.

With regard to paper consumption, Modern Media encourages paperless office or the use of environmental friendly paper and double-sided printing, and engages waste paper companies to collect the Company's waste paper on a regular basis. Since January 2014, our monthly magazine, "LOHAS健康時尚", has started using papers certified by the Forest Stewardship Council ("FSC"), so as to ensure the papers used were made of timbers from renewable forests. The Group has also optimized the number of printed copies of its magazines, and developed a digital media magazine platform to reduce the amount of paper used in printing magazines.

In respect of the use of electricity, as the creation of print media relies heavily on computers, Modern Media regularly arranges designated personnel to perform computer maintenance in order to extend their useful life and effectively reduce the generation of electronic waste. For the battery usage of notebooks, the information technology department employs the Speed Step technology of Window XP to automatically underclock central processing units, which effectively reduces energy consumption by 40%.

Environment and Natural Resources

The United Nations General Assembly declared 2011 as the “International Year of Forests” with an aim to enhance awareness on the sustainable management and conservation of all types of forests around the world and increase the public’s awareness on sustainable development. According to figures from the United Nations, forests cover 31% of the Earth’s total land area and represent 80% of the terrestrial biodiversity. Based on a study conducted by Greenpeace, timbers account for 55% of the raw materials used for paper production of the world, in which 35% of the timbers are from artificially planted trees, with the rest coming from natural forests. Since deforestation is one of the major culprits responsible for the increase in greenhouse gas emissions, reducing the consumption of paper produced from natural forests would contribute to combating climate change.

Apart from dedicating itself to enhancing the environmental performance of its operation, Modern Media also spares no efforts in responding to the society’s new value of cherishing the environment and therefore endeavors to include green elements in its magazine contents. The Group promotes a green, organic, environmentally-friendly and sustainable lifestyle to the public in “LOHAS健康時尚”, a health-themed monthly magazine, and spreads messages of environmental protection in all of its magazines and mobile applications to facilitate the sustainable development with the strength of media.

VALUE OUR PEOPLE

EMPLOYMENT

As a forerunner of the media industry, Modern Media is committed to providing the public with innovative information. Innovative ideas are originated from our employees, who are not only valuable assets of the Group, but also the foundation for our growth and the driving force for corporate development.

Modern Media treats all of its staff fairly in terms of staff recruitment and promotion, and respects diversity of employees. In the course of staff recruitment, candidates of different races, ethnicities, ages, genders, marital statuses and religious beliefs will be treated in the same manner. When job vacancies arise, the Group would offer equal opportunities to internal and external talents during recruitment processes based on the principle of “meritocracy”. The Group believes that employees with different cultures, backgrounds and experiences can contribute to diverse thinking and observation, and bring in creativity at work.

Key Performance Indicators of Employment

		Age of employees				Male/female as a percentage to the total number of employees
		Below 30	30 to 50	Above 50	Total number	
Number of employees	Male	35	138	38	210	29.1%
	Female	198	293	21	512	70.9%
Total		233	431	59	722	100%

		Age of employees				New employees as a percentage to the total number of employees
		Below 30	30 to 50	Above 50	Total number	
Number of new employees for the reporting year	Male	18	10	4	32	4.4%
	Female	96	40	3	139	19.3%
Total		114	50	7	171	23.7%

	Age of employees	Below 30	30 to 50	Above 50	Total number	Employee turnover rate
Employee turnover for the reporting year	Male	35	65	12	112	15.5%
	Female	126	135	5	266	36.8%
Total		161	200	17	378	52.35%

Modern Media adopts the remuneration structure of “determining salaries by position, matching positions with talents, and adjusting salaries upon the change in positions” to categorize remunerations by fields and job characteristics. In recognition of employees’ valuable contribution to the development of the Group, the Group established the “Employees and Share Award Plan” in 2009 with a view to retaining talents with the continuous development of the Group and attracting talents to join the Group for its further development.

A performance assessment of employees is conducted in order to provide a reliable basis, and make an unbiased judgement, for salary increments, promotions, education and trainings, job rotations, rewards and recognition of employees. The Group has “key performance areas” and “key performance indicators” in place to assess the key impacts caused as well as the work and activities contributed by each employee to their respective departments. During the reporting period, the Group conducted assessments and evaluations on all employees according to the performance assessment policy.

Performance Assessment – Self Management

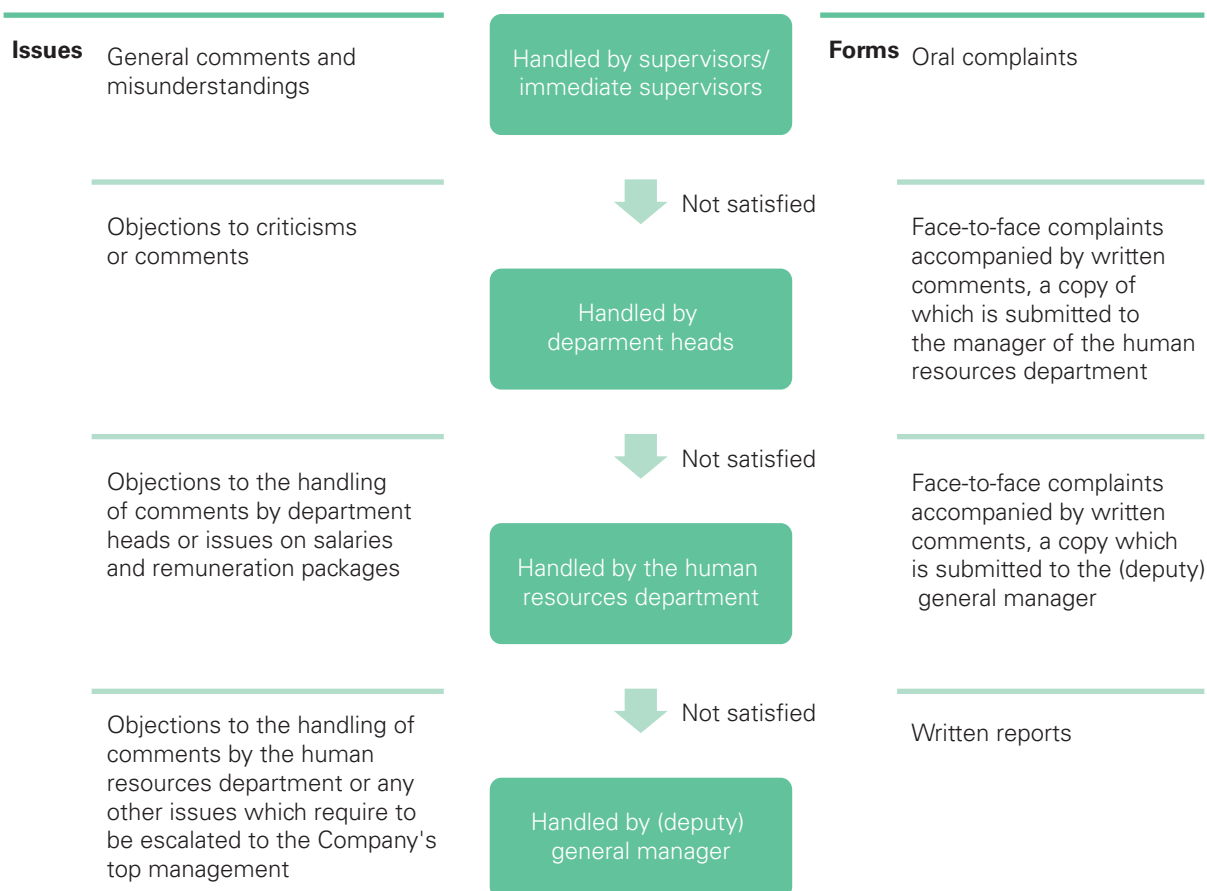
Attitude — Passion for perfection of every detail
 Knowledge — Desire to pursue knowledge with an insightful vision
 Skills — Professional competence
 Implementation — Results-oriented

Modern Media believes that a well-established benefits system would enhance not only its employees’ work efficiency but also their sense of belongings towards the Group. To motivate its employees, the Group provides them with competitive remuneration in line with the market level as well as benefits such as share awards scheme, medical benefits, insurance and leave entitlements.

Employees of Modern Media are encouraged to take enough rest and maintain work-life balance. In addition to statutory holidays and paid annual leaves, the Group provides its employees with additional holidays, such as holidays for parents’ meetings. If an employee needs to attend a parents’ meeting of his/her children’s school, he/she may apply to the Group for half-day paid leaves for not more than two times in each semester

An internal complaint process is established for employees to express their views to department heads or supervising authorities in case of any suspected non-compliance with the employment and labour legislations. A “whistleblowing policy” will also be formulated to establish a clear mechanism by which employees may report any suspected cases directly to the top management in order to ensure that the operation of the Group is not contrary to the public interests.

INTERNAL COMPLAINT PROCESS



During the reporting period, there was no non-compliance related to employment and labour practices which has come to the attention of the Group.

HEALTH AND SAFETY

Modern Media cares for the physical and mental health of its employees and regards the provision of a safe working environment to its employees as its basic corporate responsibility.

Laws of China and Hong Kong have stipulated the basic requirements on health and safety at workplace. With an aim to provide safety and health protection for its employees, the Group has maintained various insurance policies for them based on the different job natures of its operation in China and Hong Kong, which include medical insurance, employee benefit insurance plan and group accident insurance.



In order to create a safe and comfortable working environment, Modern Media consults its employees via internal email to understand their needs. Based on the suggestions from its employees, the Group has invited Chinese medicine practitioners to provide a one-week free healthcare consultation at our offices. The Chinese medicine practitioners also give advices on recuperation of occupational diseases and healthcare, especially for diseases associated with cervical vertebrae strain, lumbar strain and muscle strain, and offered recuperation formulas for the above health problems, including traditional Chinese medicine massage, general massage, cupping and scraping. They also encouraged our employees to spare 15 minutes every day for healthcare exercises. In the middle of the year, the Group organized a “Love Tooth” (愛牙行動) oral health campaign at its offices by inviting Bybo Dental to explain oral health problems and provide free dental check-ups for its employees.

During the reporting period, there was no non-compliance related to health and safety which has come to the attention of the Group.

DEVELOPMENT AND TRAINING

Modern Media values its employees, and encourages employees to realize their value at work and pursue self-development at the same time. Each geographical division of the Group would provide induction trainings for new staff and arrange professional skills training courses based on the actual needs of different departmental functions, such as account servicing, finance, design, editorial and human resources, which enable its employees to achieve a continuous improvement in terms of work skills and professional competence.

The magazines published by Modern Media cover a wide range of contents and categories, which mainly include subjects like international news stories, international economic/business dynamics, green issues, organic issues, environmental protection, sustainable lifestyles, healthy lifestyle concepts and urban lifestyles. The provision of diversified information requires a pool of talents in various fields, and idea exchanges and discussions among employees are the processes of synchronous development of the Group and its employees.

In 2017, Modern Media plans to continue to increase its trainings for employees, and promote the communication among employees so as to inspire new ideas from them. The Group will hold internal sharing sessions to facilitate discussions among employees in relation to professional skills as well as industry news and trends learnt at work, and provide new staff with trainings on corporate culture, introduction to publications, and rules and regulations. The Group will also organize exchange sessions or training courses based on the nature of different positions. To ensure that the Group keeps abreast of the trend of low-carbon and green economic development, the ESG working group of the Group will arrange related training courses to enhance the awareness of its employees towards environmental and social risks.



Time	Courses	Duration	Number of participants
The end of each month	New staff trainings (including corporate culture, introduction to publications, rules and regulations, etc.)	5-6 hours	All new staff
Irregular	Trainings related to human resources operation (recruitment, training, performance, staff relations, etc.)	0.5-1 day	1-2 people
Irregular	Operational trainings of each department (case sharing, streamlining of business process, etc.)	1-2 hours	Related staff
The middle of each month	Internal sharing sessions (professional skills, industry news, industry trends, etc.)	1 hour	Approximately 30 people
Twice a year	Environmental, social and governance trainings	2 hours	All staff

LABOUR STANDARDS

Modern Media is fully aware that child labour and forced labour violate fundamental human rights and international labour conventions. Therefore, the Group strictly complies with the relevant laws and regulations. The actual age of the candidate will be reviewed during the recruitment and hiring process, which includes the examination of identity documents and detailed records. New staff are required to complete and sign the Staff Registration Form of Modern Media, Notice for New Staff Member and Staff Handbook, etc.

The human resources department carries out verification and filing of the information provided by new staff, and maintains the receipt record for such information. It would also sign a labour contract and relevant documents with the new staff within one month from the date of employment. The Group strictly carries out the requirements of standard labour contract and will not use any means to impose unfair restriction on the employment relationship between employees and the Group, such as withholding deposit or identity documents. Employees have the right to terminate the labour contract in accordance with the legal framework. During the reporting period, the Group did not identify any cases of child labour or forced labour.

The International Labour Organization is a specialized agency of the United Nations, which enacts labour standards in the form of international labour conventions and recommendations, and thereby improve the standard of work and living standards around the world. China is a founding member of the International Labour Organization and a permanent member of the organization. In Hong Kong, there are currently 41 international labour conventions applicable to working conditions and employment policies.

OPERATE WITH CARE

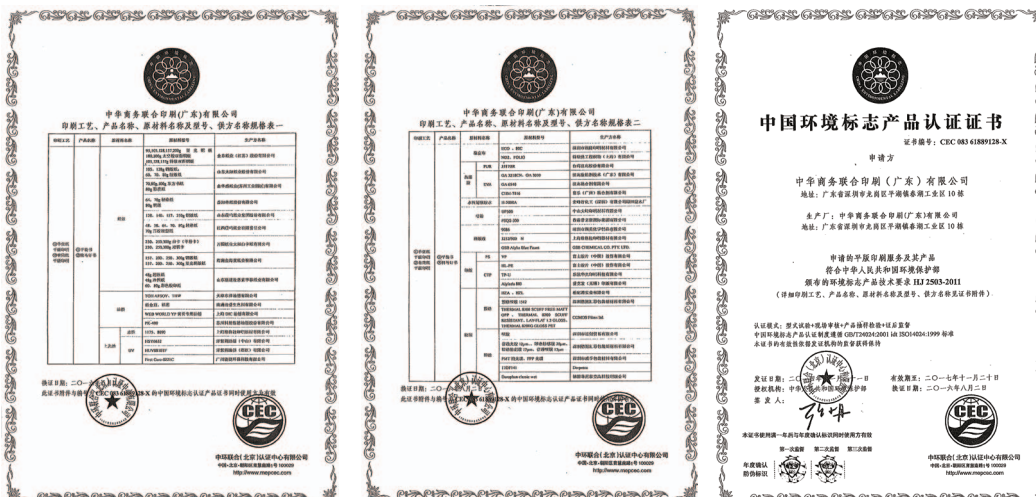
SUPPLY CHAIN MANAGEMENT

Under the trend of economic globalization, business outsourcing has become a routine practice. However, outsourcing does not mean that companies can evade responsibilities or risks arising from their environmental, social and governance performance. Modern Media understands that we should take responsibilities and play a supervisory role throughout the service cycle of creation, editing, printing, publishing magazines as well as providing advertising spaces and services.

It is well known that printing papers, which are made of timbers, are one of the factors causing deforestation and ecological damage. Although Modern Media does not engage in the printing of magazines directly, the Group understands that the source of papers used by printing suppliers and disposal of used toner cartridges would cause different levels of environmental damage.

Modern Media understands that the proper management of supply chain is a key for the Group to maintain brand reputation and ensure business sustainability. The Group's key suppliers are printing factories, and the environmental and social risks brought by them will be actively addressed by the Group. In this connection, the Group will gradually include requirements on environmental protection and contractors' environmental responsibilities in its existing Supplier Management Policy and "Selection Criteria for Printing Suppliers" to select qualified suppliers. Apart from considering factors such as quality, price, delivery and lead time of the printing services, we will gradually require suppliers to use FSC certified papers or recycled papers for printing, recycle used toner cartridges or use soy ink for printing. The Group's supplier selection team will regularly review the above management policies and requirements to ensure their effective implementation.

Modern Media constantly supervises the quality of goods and services provided by suppliers and reassesses their eligibility on an annual basis. Any failure to fulfill the requirements will render them eliminated and replaced by qualified suppliers. In the long run, the Group is willing to work closely with all business partners for effective communication in respect of sustainability principles. The Group will also encourage experience sharing between business partners to drive more business partners to enhance their environmental and social performance.



PRODUCT RESPONSIBILITY

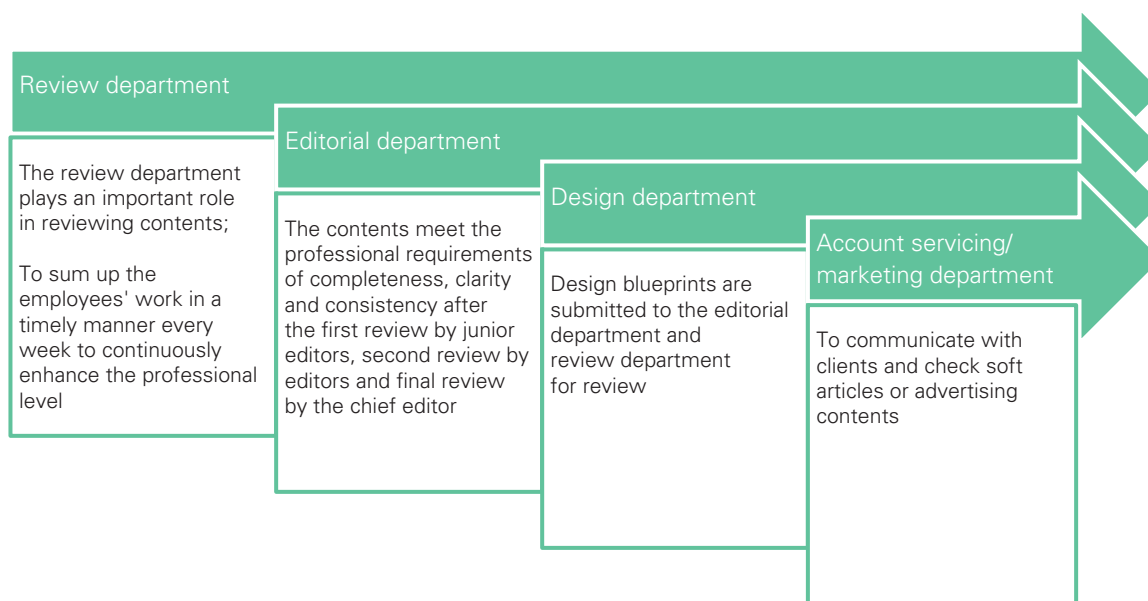
Modern Media takes responsibilities for the entire product cycle of content editing, design, distribution and sales of magazines. The Group has more than five main offices, with a well-equipped team assigned to each one of them to provide customer services and assist in brand building for clients.

To promote the concept and lifestyle of sustainable development, “LOHAS健康時尚” (which means “Lifestyle of Health and Sustainability” in full), a healthy lifestyle magazine of Modern Media, continues to uphold the health idea of sustainable development and transmit information on green and sustainable lifestyle to readers. For examples, in terms of content editing and design, the Group has focused on social characters such as celebrities, stars, hosts and authors and arranged interviews with them to demonstrate their lifestyles and attitudes towards environmental protection. The Group has also produced a supplement known as “發現系列” (Discover) to introduce travel destinations from the organic, environmental friendly and sustainable lifestyle perspectives.

In addition, with regard to distribution and sales of magazines, FSC certified papers are used in printing “LOHAS健康時尚” in order to protect forests, while soy ink (a type of environmental friendly ink) is also used in printing magazines. With respect to packaging, the magazine is packed by plastic bags that can be degraded under certain conditions within 90 days. To demonstrate Modern Media’s determination to achieve sustainable development of its business, the Group will adopt the printing method of “LOHAS健康時尚” as the standard, to facilitate the other magazines to gradually reach the same standard.

The Group has established a review department to proofread and review all media contents to be published to ensure that they are in line with the theme of magazines.

PROOFREADING AND REVIEW PROCESS



Meanwhile, all magazines of Modern Media contain the statement of “All Rights Reserved” to protect our intellectual property rights. The Group strictly manages its advertising publications and services offered by requiring advertising clients to guarantee that the materials provided by them do not infringe the interests of any third party and to undertake that all the products and services offered by them are as advertised. All advertisements published must comply with the relevant advertising and trade descriptions ordinance.

ANTI-CORRUPTION

As a listed company in Hong Kong, Modern Media believes that the integrity of business is a foundation of corporate social responsibility as well as a fundamental element of a business's competitive advantage and sustainability. The Group has already included anti-corruption policies in its staff handbook to enable employees to have a clear understanding of the relevant responsibilities.

Modern Media requires its employees to adhere to legal and proper code of professional ethics when they are in contact with business associates. Accepting benefits by bribes or other unethical means is prohibited. Employees should base their decisions on quality, price and services no matter for the sale of the Group's products or the provision of services, or purchasing products or services from suppliers. Besides, they should not offer or accept any rewards, gifts or other special treatments to or from any particular client or in connection with the satisfaction of requirements by that client. During the reporting period, there was no corruption cases related to the Group and its employees.

CARE FOR THE COMMUNITY

COMMUNITY INVESTMENT

Modern Media contributes to the sustainability of the community by participating in, among others, education support, poverty alleviation and conservation of the Earth's water resources.

Modern Media has lent support to education projects in Mainland China with a view to transforming the lives of future generations. The Group made donations for the construction of "Modern Information Special Educational School in Songzi" and "Modern Information Science Building" in Central Primary School at Fucheng Street, Luoding. After the construction, the Group continued to support the academic development of both schools through grant of funds and donations of teaching and learning materials. Annual staff visits to special schools were also organized to express our care for their teachers and students. As at 31 December 2016, the donations made by the Group for the education sector totaled RMB840,000.

The Group also participated in poverty alleviation activities and made a donation of RMB 200,000 to the museum of Guangdong Federation of Literary and Art Circles this year in order to support the charity sale of paintings and calligraphies in Lianhe Village, Jiexi, for poverty alleviation.

The Earth Water Project aimed to draw attention to its "water for water" scheme, which provided clean water resources for needy children over the world. As the sole authorized media partner of "Earth Water" in China, our magazine "LOHAS健康時尚" has organized "LOHAS Market", "Earth Water Charitable Corner" and other offline events in several major cities in China this year. Over the past six years, the Group has provided clean water systems to 15 schools in Beijing, Yushu in Qinghai, Badong in Hubei and Yunan, benefitting over 20,000 teachers, students and children.

Next year, while pursuing business development, Modern Media will continue to take initiatives in fulfilling its corporate social responsibilities committed to promoting the community growth, and continue to take part in water resources conversion activities.

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