



ARION ENTERTAINMENT SINGAPORE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199407135Z)

SUSTAINABILITY REPORT 2021

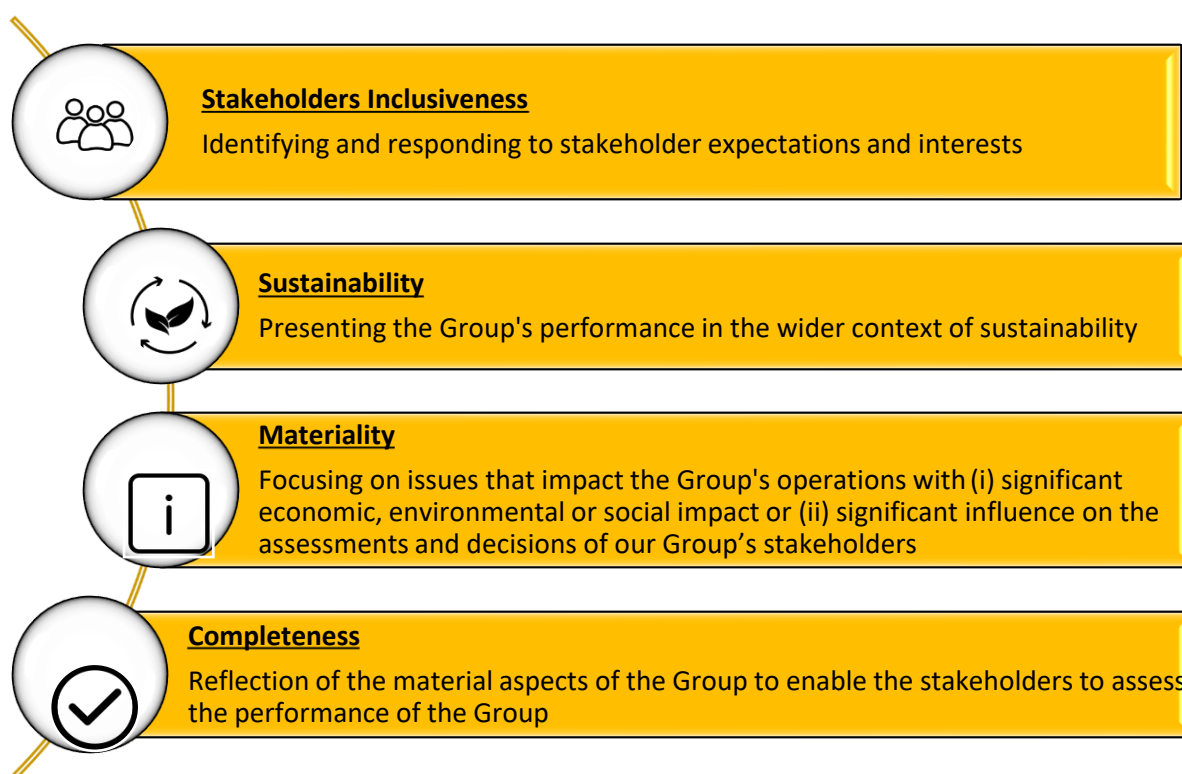
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ABOUT THIS REPORT

Arion Entertainment Singapore Limited (the “**Company**”, together with its subsidiaries, the “**Group**”, “**Arion**”, “**we**”, “**us**” or “**our**”) is pleased to present our fourth Sustainability Report.

Reporting Boundaries and Standards

This report has been prepared by applying the industry recognised international reporting framework, Global Reporting Initiative (“GRI”) Standards: Core Option and the requirements of Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Rules 711B and Practice Note 7F. We have chosen to adopt the GRI Standards for its vigorous principles, detailed guidance and representation of international best practices.



Reporting Period and Scope

This report covers data and information from 1 April 2020 to 31 March 2021 (“**FY2021**”) and discusses the Group’s achievements and performance towards Environment, Social and Governance (“ESG”) topics. The data presented in this report covers the Company and its subsidiary, Inovatif Media Asia Sdn. Bhd. (“**Inovatif**”). We have not sought external assurance for this report, but internal data monitoring and verifications were performed on the data disclosed.

Report Contact & Feedback

We are committed to listening to our stakeholders and we look forward to your feedback. You could reach us at: <http://www.egl.com.sg/contact-us.html>

BOARD STATEMENT

Sustainability Strategy

Global challenges such as corruption, global warming, gender inequalities, data privacy and pandemics have changed the way businesses operate. We recognise that we have a role to play in seeking solutions to these challenges. We have to be fully accountable for our impact on the environment, our stakeholders and for the future generation. Therefore, we ensure that sustainable practices are incorporated into our business operations and we believe that sustainability is vital to our continuous growth and success.

FY2021 had been a challenging year for many due to the pandemic, COVID-19, where it had impacted the global economy significantly and also had an adverse impact on the Group's operations in Malaysia. As a result of the pandemic, the Group has ceased plans to pursue the expansion of the publishing operations.

However, the Group continues to remain positive as we take this opportunity to shift towards digital and online publishing this year. We will continue to rationalise our publishing operations in Malaysia to improve sustainability of our business. Under the current challenging economic condition, the Group had diversified into property related businesses and acquired a Hong Kong based shelf company, Fame Harvest Limited, as announced on 14 May 2021, to serve as the holding company for the Group's intended businesses in Hong Kong.

Sustainability Governance

Our Board oversees the management and monitors the ESG topics highlighted in the Sustainability Report. Together with the management, we communicate regularly with our stakeholders to identify their needs and ensure that our long-term sustainability goals align. Understanding the needs of our stakeholders allows us to identify the ESG topics which are material to the Group.

Sustainability Factors

We review the material ESG topics annually based on issues or concerns that our stakeholders might have. Through our process of engaging our stakeholders, we are able to address the risks that have an impact to our operations and set goals for the achievement towards progress on our sustainability efforts.

Lastly, we would like to extend our deepest gratitude and appreciation to our stakeholders who have participated and contributed in our sustainability journey. We look forward to your continuous support and partnership in our journey towards building a sustainable future.

CORPORATE PROFILE

Arion Entertainment Singapore Limited was incorporated in 1994 as Panpac Media Group Limited. Listed on the Catalist Board of the Singapore Exchange Securities Trading Limited in 1997, the Company is an investment holding company with business activities in Malaysia involving in the sale and publishing of magazines and periodicals and events management.

Mission

- To build shareholder value by focusing our efforts and resources on areas with high growth potential.

Objectives

- Diversify revenue and earnings stream through various platforms such as digital publishing, property related businesses and money lending business.
- Continuously review the performance of the publishing operations as part of the Group's effort to rationalise the publishing operation and raise profits.



GROUP STRUCTURE

Arion Entertainment Singapore Limited

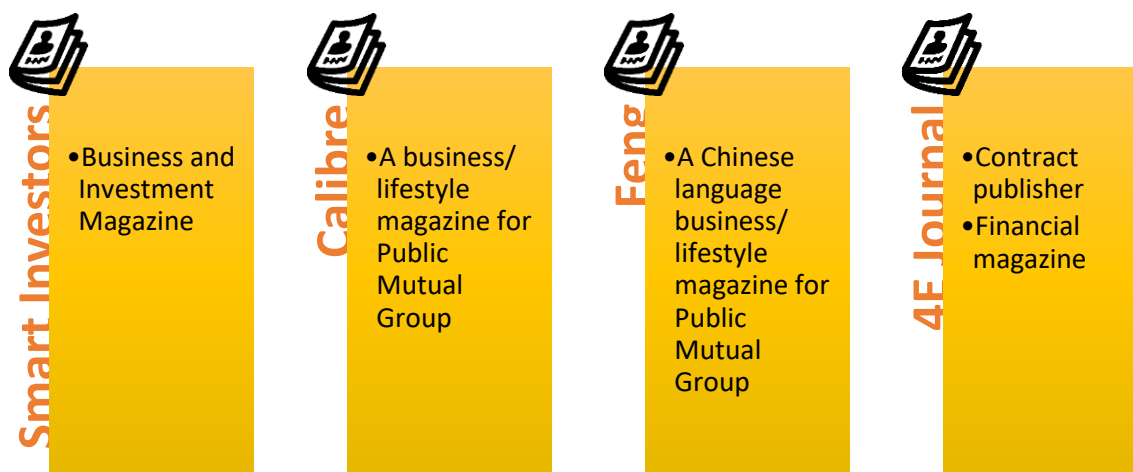
Arion Entertainment Singapore Limited has business activities in Malaysia and through its subsidiary, Inovatif, publishes special interest magazines and currently produces 4 titles in different languages.

Inovatif Media Asia Sdn. Bhd.

Inovatif was incorporated in 2002 to take over the operations of all the magazine businesses under Panpac Media Malaysia Group.

Besides publishing proprietary titles, Inovatif also provides contract publishing services. Inovatif is a contract publisher for 4E Journal, a financial magazine for members of Financial Planning Association of Malaysia. Inovatif has been working with several financial organisations in Malaysia as their media partner in printing reading materials with financial contents for their members.

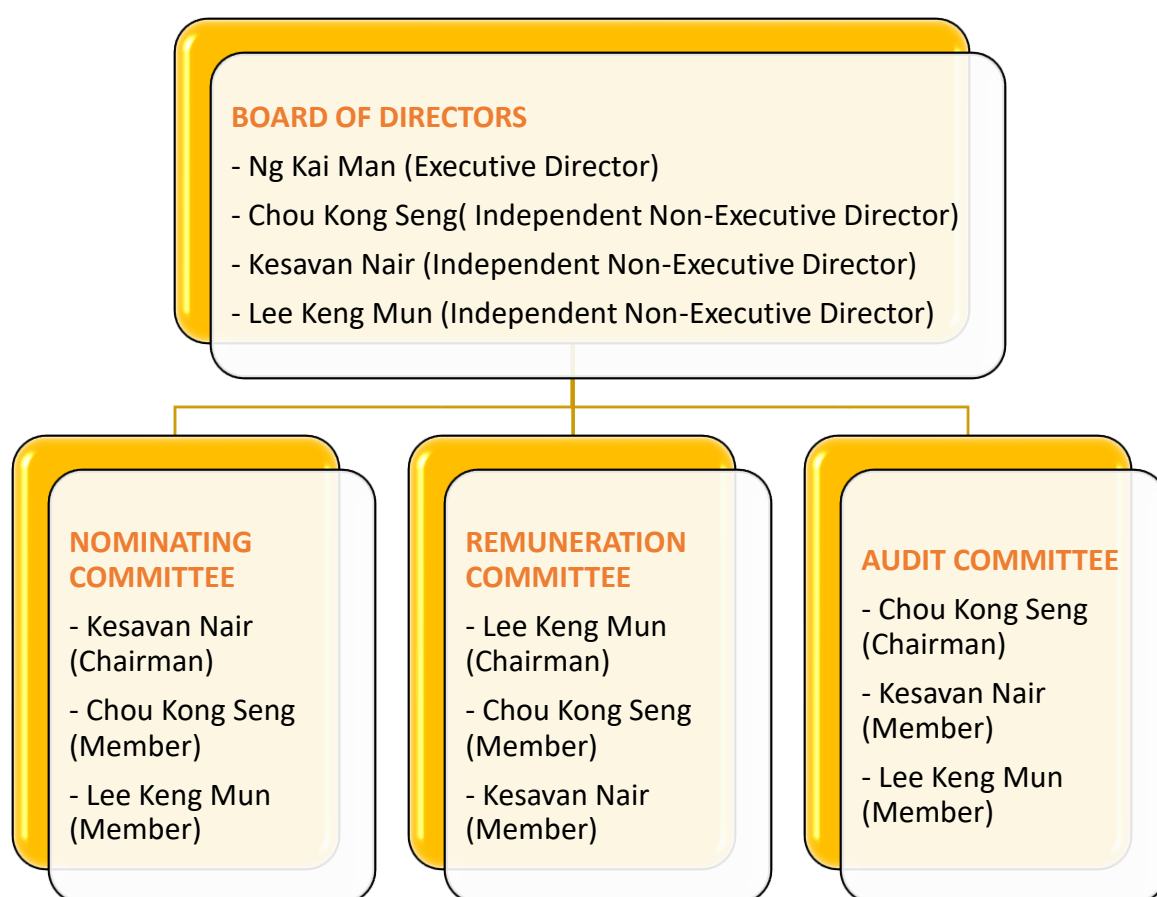
Currently, Inovatif publishes the following magazines for circulation in Malaysia.



CORPORATE GOVERNANCE

The Group is committed to acting lawfully and with integrity in every aspect of our business. We have zero tolerance towards corruption and malpractice in the Group and have adopted a corporate governance framework which includes policies and procedures, such as the Code of Conduct Policy and Whistle-blowing Policy, in line with the principles and guidelines set out in the Code of Corporate Governance 2018.

The Board of Directors (the “Board”) holds meetings on a regular basis annually to review and approve the Group’s major strategic plans as well as major investments, disposals and funding matters. The Board provides oversight for the overall corporate governance practices of the Group.



CORPORATE INFORMATION

Training and Updates for the Board

In FY2021, there were no new appointment of directors.

The Board regularly receives updates on regulatory changes from the Company Secretary and latest accounting standards requirements from the independent auditors. The Executive Director provides timely updates to the Board on business and strategic developments, highlighting all notable issues as well as risk areas of the Company at every Board meeting.

Supply Chain Management

We engage our business partners in developing a sustainable supply chain for our existing business model. We diligently identify and work with our printing materials and paper suppliers who are ISO 14001:2015 certified, which ensures that our partners value sustainability by efficiently utilising their resources and reducing waste. Although our regular print suppliers were not open for business during the Movement Control Orders (“MCO”) instituted by the Malaysian Government as a result of the COVID-19 pandemic, we were able to partner with other ISO 14001:2015 certified print suppliers who were available in the market. Hence, our business operations, in terms of supplies, were not disrupted. There were no significant changes to our supply chain for FY2021.

Memberships of Associations and Permits

Inovatif holds the printing and publishing deeds for the publishing rights to Feng, Calibre, Smart Investor and 4E Journal magazines.

STAKEHOLDER ENGAGEMENT

Stakeholder	Concerns	How we engage	Expectations and Actions
Supplier	<ul style="list-style-type: none"> ▪ Communication ▪ Quality ▪ Eco-friendly 	<ul style="list-style-type: none"> ▪ Supplier Assessment ▪ Feedback 	Complying with internal purchasing procedures and ensuring consistent communication with suppliers to ensure efficiency, quality and retention of environmental friendly suppliers.
Customers	<ul style="list-style-type: none"> ▪ Outreach ▪ Value ▪ Confidentiality of personal data 	<ul style="list-style-type: none"> ▪ Brochures distribution ▪ Formal meeting ▪ Feedback from sales agents and customers ▪ Establishment of data protection policy to safeguard customer personal data 	Expanding our outreach and continuing to provide exemplary services to our customers through communication and analysis while safeguarding the personal data of our customers.
Employees	<ul style="list-style-type: none"> ▪ Opportunities ▪ Fairness 	<ul style="list-style-type: none"> ▪ Communication sessions ▪ Yearly staff evaluations ▪ Whistle-blowing Policy 	Providing constant communication with our employees and ensuring fair and non-discriminatory practices at our workplace.
Shareholders	<ul style="list-style-type: none"> ▪ Company Growth ▪ Transparency 	<ul style="list-style-type: none"> ▪ Annual Meetings with shareholders ▪ Company's website – http://www.egl.com.sg ▪ SGXNet Announcements 	Conveying timely, full and credible information to shareholders through announcements and creating long term value and economic growth.
Readers	<ul style="list-style-type: none"> ▪ Good Content ▪ Accessibility 	<ul style="list-style-type: none"> ▪ Feedback from readers ▪ Roadshows ▪ Information analysis and surveys 	Obtaining reader's feedback and translating their demographics and concerns into improved content for further outreach.
Government and Regulators	<ul style="list-style-type: none"> ▪ Compliance with regulatory and industry standards and guidelines 	<ul style="list-style-type: none"> ▪ Consultations and briefings organised by key regulatory bodies ▪ Advice and information received from professionals 	Aiming to comply with policies and regulations governed by the authorities at all times.

MATERIAL TOPICS

Based on the feedback gathered from our stakeholders, we have assessed the material ESG topics that could have significant impacts and influence on our business and stakeholders. The Group has a review, assessment, and feedback process in place for identification of material ESG topics. Through this process, the previously identified topics continue to be deemed material to our core businesses and will be focused on for the disclosure in FY2021. The topics are shown below.



ANTI-CORRUPTION

Why is it Material

To protect our stakeholders' interest and prevent reputational damage to the Group, we do not tolerate corruption in any form and strive to conduct our business with utmost integrity and transparency.

Management Approach

Our employees observe a strict code of conduct relating to conflict of interest and fraud. We stay well informed with the developments of relevant regulations and Companies Act through updates received from the Company Secretary on a half-yearly basis. Our Code of Conduct Policy is reviewed and updated regularly to safeguard the interests of our stakeholders. Other anti-corruption efforts include periodic updates to the Board on strategic developments and performance measurements by the senior management, allowing the Board to monitor and assess potential risks which may arise. Please refer to the "Corporate Governance Report" section in the FY2021 annual report for more information.

We have a Whistle-blowing Policy which allows our employees to voice their concerns or complaints in relation to any perceived irregularities, improprieties, non-compliances or wrongdoings by management or fellow staff during the course of their work. These whistle-blowing reports will be sent to the Company Secretary and submitted to the Audit Committee. Independent investigations for appropriate remedial and follow-up actions will be conducted.

All employees, including the management team and the Board, are required to make declarations on any existing and potential interest in companies within the Group and the nature of the interest. Declarations are made during employees' on-boarding process and on an ad-hoc basis. Employees are made aware of these policies during the orientation process and through regular communications within the Group. Any updates and developments on relevant regulations will be disseminated via email to the relevant personnel when appropriate.

The Company currently does not have any whistleblowing policy for other stakeholders such as customers and suppliers and will look into establishing such policy during the financial year ending 31 March 2022.

Performance

We are pleased to announce that there were no reported incidents of corruption and no whistle-blowing reports received in FY2021.

Target

We aim to regularly review and update our policies and procedures to ensure that it complies with the requirements set in place by regulatory authorities. Through our strong corporate

governance and preventive measures put in place, we aim to maintain zero incidents of corruption.

ENERGY

Why is it Material

Environmental sustainability is a global key issue and the Group is fully aware of our responsibility to conserve the environment and reduce negative environmental impact at our workplace to address issues such as water scarcity and global warming.

The generation of energy from coal powered power plants releases harmful gases in the atmosphere which causes pollution to the environment. These toxic gases not only have negative effects on the environment but also pose a health risk to humans and animals. The availability of fresh water is a growing challenge as the world's population increases and developing economies continue to grow. With rain patterns changing due to climate change, the stability of water supplies is likely to become a more pressing concern every year.

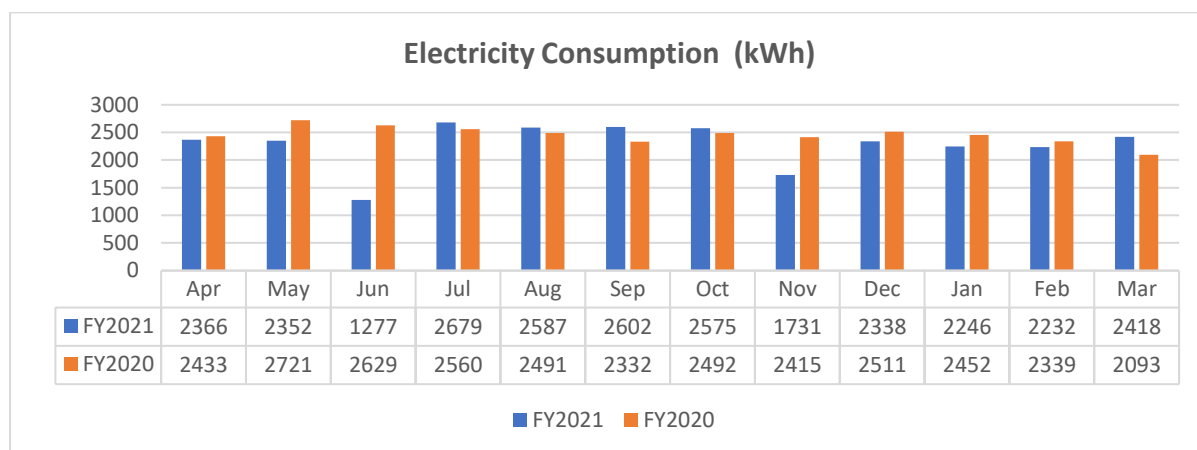
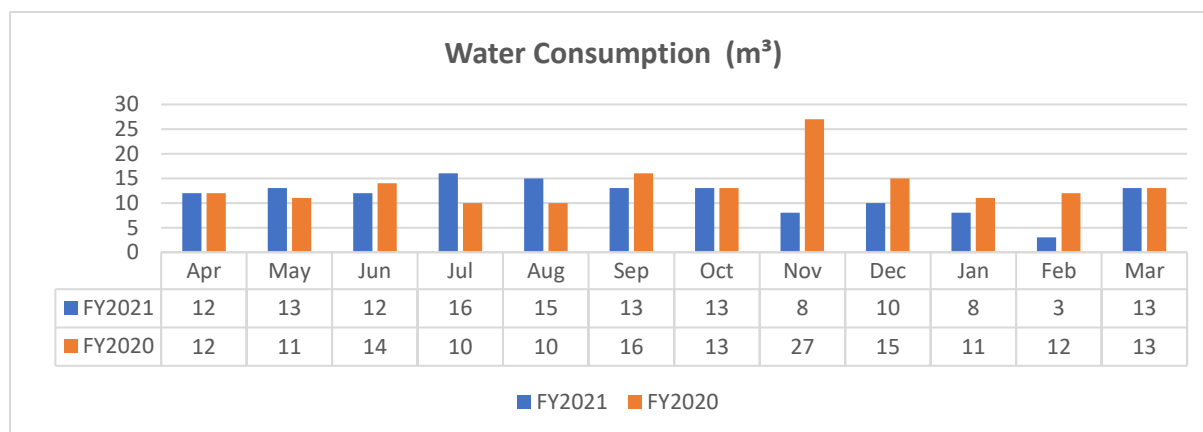
Management Approach

We adopt the usage of energy-efficient fittings and products with Green labels in our business to minimise any energy wastage. We encourage our employees to switch off lights and electrical appliances in the office when not in use. Regular maintenance of the electrical appliances is conducted to optimise energy efficiency.

We encourage our employees to cultivate water-saving habits by raising awareness on the importance of water conservation. Our offices use water efficient fittings that come with half-flush mechanism and self-release water taps.

Performance

Due to work-from-home arrangements during the COVID-19 situation as well as through our energy conservation efforts such as using products with Green labels and frequent reminders for our employees to save electricity and water usage, we managed to decrease both electricity and water consumption in FY2021. Total electricity consumption decreased from 29,468kWh in FY2020 to 27,403kWh in FY2021. Total water consumption decreased from 164m³ in FY2020 to 136m³ in FY2021. Please refer to the figures below for details.

Electricity ConsumptionWater Consumption**Target**

We strive to look for different initiatives and practices to reduce our consumption of electricity and water. We also target a 2% reduction in the usage of electricity and water for FY2022.

NON-DISCRIMINATION

Why is it Material

The Group recognises that a diverse workforce is an asset in today's ever-changing global marketplace, and we aim to retain them by providing a work environment with fair labour practices and equal opportunities. Our workforce comprises people from a wide array of cultures and backgrounds, which helps to provide different perspectives and opinions. This benefits us as we will be able to understand and serve readers or customers from different backgrounds and age groups.

Management Approach

The Group has a comprehensive Human Resource Policy to guide the selection and assessment of employees based on merit and competency, preventing any form of discrimination against different age, sex, marital status, sexual orientation, disability, race, nationality, ethnic, or religion. The policy also guides us in providing equal opportunities to our employees for career advancement and growth based on their performance and achievements.

We provide equal opportunities to our employees and perform annual employee assessment on their performance to recognise and reward employees for their hard work, dedication and commitment.

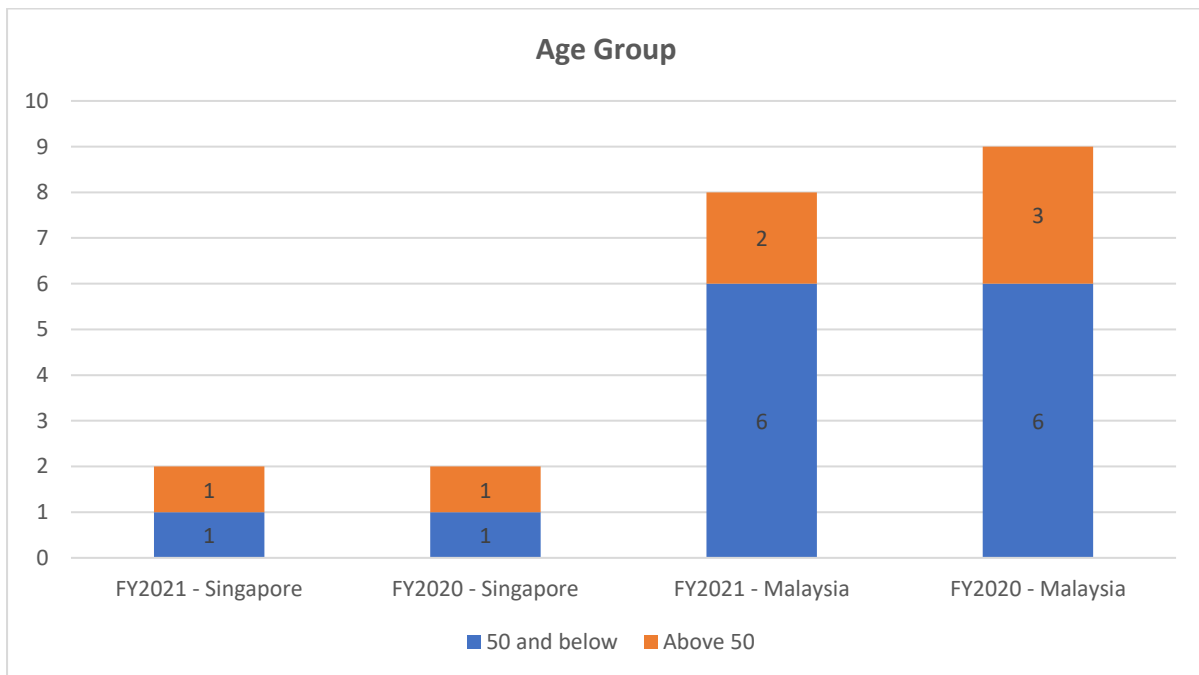
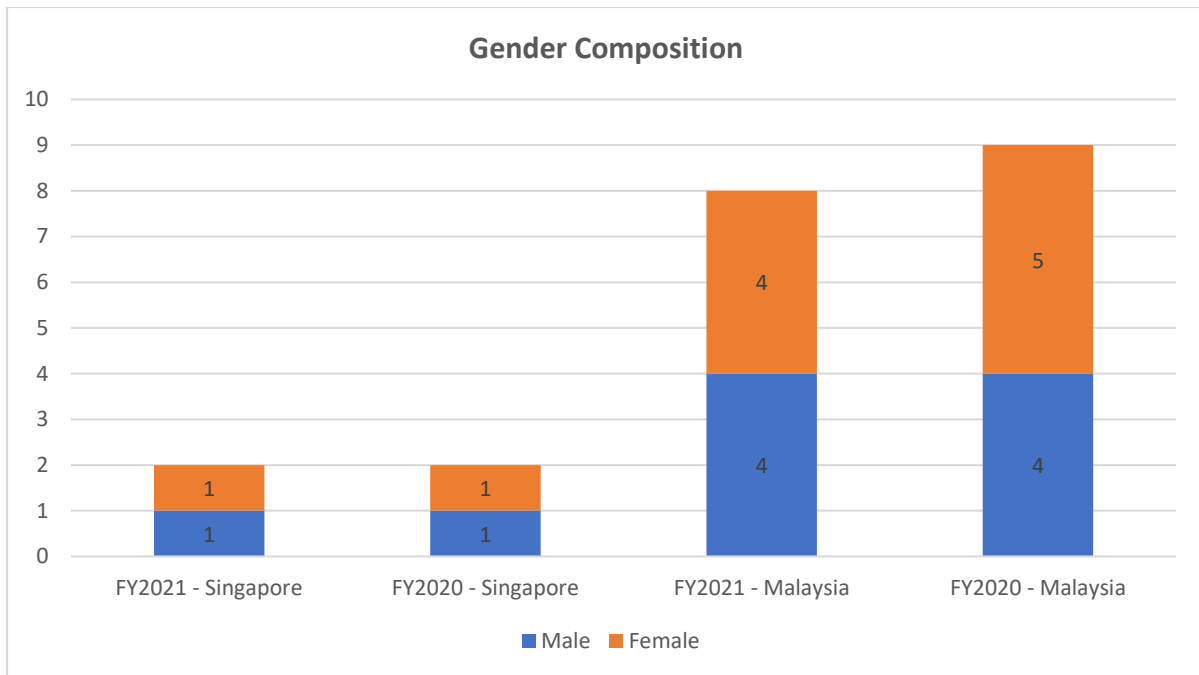
Our employees work in a collaborative work environment in which everybody is committed to achieve our corporate goals while showing care and support for one another. We encourage two-way communication and any feedback can be raised by the employees to the Human Resource Department for further actions and discussions.

Performance

In FY2021, we continue to advocate gender equality and age diversity of our employees in Singapore and Malaysia as demonstrated in the figures below.

Gender Composition	Singapore		Malaysia	
	FY2021	FY2020	FY2021	FY2020
Male	1	1	4	4
Female	1	1	4	5

Age Group	Singapore		Malaysia	
	FY2021	FY2020	FY2021	FY2020
50 and below	1	1	6	6
Above 50	1	1	2	3



We are also pleased to report that there were zero reported incidents of discrimination for FY2021.

Target

We will continue to ensure that all employees are treated fairly and have equal opportunities in all aspects of work to maintain our culture of non-discrimination in the workplace. We will also strive to maintain our record of zero reported incidents of discrimination in FY2022.

LOCAL COMMUNITIES

Why is it Material

We recognise that supporting and engaging the local communities help to build goodwill and enhance the Group's reputation. We believe in being a business that looks beyond profitability.

Management Approach

The Group maintains our aim to deliver and produce contents with positive social impact. As a publishing company, Inovatif promotes awareness about local communities to our readers through the editorial content in the various publications. The contents published range from business, investing, health and wellness, cultures, arts to family relationship as we always strive to incorporate local culture and society relevance into the contents of our magazines. These publications provide valuable knowledge and insights on specific topics to our readers in the local community.

We continuously monitor feedback from our readers to understand their needs and satisfaction towards our magazines. We also work with financial planners, experts and related associates to provide financial literacy and promote financial education and investment knowledge to our readers.



Performance

Due to the impact of COVID-19, Smart Investor magazine readership has been affected as many bookstores and newsstands have either closed down or converted its magazine shelves to groceries (mainly in newsstands) to maintain relevant as essential stores during the various MCOs instituted by the Malaysian Government. The impact of the MCOs and the closures of magazine sections have reduced magazine sales by about 50% in FY2021. For FY2022, we expect the copy sales of magazine to remain low in view of the prevailing and evolving COVID-19 situation. The readership for Feng and Calibre remained unchanged as these magazines were published for the investors of the Public Mutual Fund on a complimentary basis and the number of copies printed were fixed.

Please refer to the table below for information on the estimated readership in FY2021.

Locations in Malaysia	Smart Investor	Calibre	Feng
East Malaysia (Sabah & Sarawak)	4,000	8,000	3,000
East Coast (Terengganu, Kelantan, Pahang)	-	4,000	1,000
Northern Region (Perak, Kedah, Perlis, Penang)	3,000	13,600	5,000
Southern Region (Johor, Melaka, Negeri Sembilan)	3,000	10,400	3,600
Central Region (Kuala Lumpur / Selangor)	15,000	44,000	7,000
Others	-	-	400
Total Readers	25,000	80,000	20,000

**Readership numbers are estimations made based on total circulation.*

We have also been supporting and helping out in events that promote business and financial literacy throughout the years. In FY2021, we continue to be the media partner for events such as Malaysian Industrial Relation Awards, Financial Planning Symposium, Investor Relation Award, FSMOne Recommended Unit Trust Awards, Federation of Investment Managers Malaysia Annual Convention as well as other related business events and seminars.

We also seek to create long-term benefits for our communities through recruitment from our local talent network and engaging local suppliers. When organising and planning events for our clients, we maintain our outreach to local communities through constant lookouts for local talents and resources in delivering services to our clients.

Target

We will continue to produce and deliver contents which are relevant, beneficial and impactful to the society, and to increase our readership across Malaysia, by gradually shifting towards digital and online publishing.

CUSTOMER PRIVACY

Why is it Material

As technology advances, there is a growing concern on personal data collection and how the personal data collected is being used. We recognise that the trust from our customers that their personal data is being collected, handled and protected in a responsible manner is key to the continued success of the Group's operations.

Management Approach

We are committed to complying with personal data protection regulations to safeguard and maintain personal data. All our employees are expected to be compliant to the Personal Data Protection Act ("PDPA") of Malaysia.

The Group strictly prohibits the use of personal information for unintended purposes and we have proper data destruction procedures in place for information that is not or no longer required. All information is kept in secure infrastructure and password protected with restricted access by authorised personnel of the Group. We also recognise the need for us to enhance system security to prevent the loss of customers' data as well as to implement measures for addressing data breach incidents that might occur.

We ensure that our employees are kept abreast of the developments in the PDPA and will review and update our data protection policies where required. We provide trainings to our employees on a periodic basis to raise their awareness and update them on any changes in the relevant regulations.

Performance

We are pleased to announce that in FY2021, there were no cases of substantiated complaints received regarding breaches of customer privacy and no complaints received from external parties and regulatory bodies. There were also no identified leaks, thefts, or losses of customer data.

Target

We will continue to handle customer personal data responsibly in a secured operating environment and target to maintain our record of zero incidents of customer privacy breaches.

GRI CONTENT INDEX

GRI Standard	Disclosure	Page Reference and Reasons for Omission, if applicable
GENERAL DISCLOSURE		
GRI 102: General Disclosures 2016	Organisational Profile	
	102-1 Name of the organisation	Cover Page
	102-2 Activities, brands, products, and services	Pg. 6
	102-3 Location of headquarters	Singapore
	102-4 Location of operations	Pg. 5 and 6
	102-5 Ownership and legal form	Pg. 5 and 6
	102-6 Markets served	Pg. 5 and 6
	102-7 Scale of the organisation	Pg. 15 and 16
	102-8 Information on employees and other workers	Pg. 15 and 16
	102-9 Supply chain	Pg. 8
	102-10 Significant changes to the organisation and its supply chain	N.A
	102-11 Precautionary principle or approach	Pg. 3 and 4
	102-12 External initiatives	Pg. 17 and 18
	102-13 Membership of associations	Pg. 8
	Strategy	
	102-14 Statement from senior decision maker	Pg. 4
	Ethics and Integrity	
	102-16 Values, principles, standards, and norms of behaviour	Pg. 5
	Governance	
	102-18 Governance structure	Pg. 7
	Stakeholder Engagement	
	102-40 List of stakeholder Groups	Pg. 9
	102-41 Collective bargaining agreements	N.A
	102-42 Identifying and selecting stakeholders	Pg. 9
	102-43 Approach to stakeholder engagement	Pg. 9
	102-44 Key topics and concerns raised	Pg. 9 and 10
	Reporting Practice	
	102-45 Entities included in the consolidated financial statements	Annual Report
	102-46 Defining report content and topic boundaries	Pg. 3
	102-47 List of material topics	Pg. 10
	102-48 Restatements of information	N.A
	102-49 Changes in reporting	N.A
	102-50 Reporting period	Pg. 3
102-51 Date of most recent report	29 October 2020	
102-52 Reporting cycle	Pg. 3	
102-53 Contact point for questions regarding the report	Pg. 3	
102-54 Claims of reporting in accordance with the GRI Standards	Pg. 3	
102-55 GRI content index	Pg. 20 and 21	
102-56 External assurance	Pg. 3	

GRI CONTENT INDEX (CONT'D)

GRI Standard	Disclosure	Page Reference and Reasons for Omission, if applicable
MATERIAL TOPICS		
Anti-corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Pg. 11 and 12
	103-2 The management approach and its components	Pg. 11 and 12
	103-3 Evaluation of the management approach	Pg. 11 and 12
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	Pg. 11 and 12
	205-2 Communication and training about anti-corruption policies and procedures	Pg. 11 and 12
	205-3 Confirmed incidents of corruption and actions taken	Pg. 11 and 12
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Pg. 13 and 14
	103-2 The management approach and its components	Pg. 13 and 14
	103-3 Evaluation of the management approach	Pg. 13 and 14
GRI 302: Energy	302-1 Energy consumption within the organization	Pg. 13 and 14
	302-2 Energy consumption outside of the organization	N.A
	302-3 Energy intensity	Pg. 13 and 14
	302-4 Reduction of energy consumption	Pg. 13 and 14
	302-5 Reductions in energy requirements of products and services	Pg. 13 and 14
Non- Discrimination		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Pg. 15 and 16
	103-2 The management approach and its components	Pg. 15 and 16
	103-3 Evaluation of the management approach	Pg. 15 and 16
GRI 406: Non-Discrimination	406-1 Incidents of discrimination and corrective actions taken	Pg. 15 and 16
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Pg. 17 and 18
	103-2 The management approach and its components	Pg. 17 and 18
	103-3 Evaluation of the management approach	Pg. 17 and 18
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	Pg. 17 and 18
Customer Privacy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Pg. 19
	103-2 The management approach and its components	Pg. 19
	103-3 Evaluation of the management approach	Pg. 19
GRI 418: Customer Privacy	413- Substantiated complaints concerning breaches of customer privacy and losses of customer data	Pg. 19