



**ARION ENTERTAINMENT SINGAPORE LIMITED**  
**SINGAPORE**

# **SUSTAINABILITY REPORT 2020**

(Incorporated in the Republic of Singapore)

(Company Registration Number: 199407135Z)

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## ABOUT THIS REPORT

It is our pleasure to present the third Sustainability Report of Arion Entertainment Singapore Limited (the “**Company**” or “**Arion**” or “**AES**”, together with its subsidiaries, the “**Group**” or “**we**” or “**us**” or “**our**”). In this Sustainability Report, we examine the next phase of our sustainability journey by reviewing our sustainability strategies and initiatives. The report is prepared on a ‘comply or explain’ basis in accordance with Rule 711B and Practice Note 7F of Listing Manual Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and is in accordance with the Global Reporting Initiative (“GRI”) Standards (2016) – Core Option.

This Report covers data and information for the financial year from 1 April 2019 to 31 March 2020 (“FY2020”) comprising of the Company’s subsidiary, Inovatif Media Asia Sdn Bhd (“Inovatif”) as it is the sole operating entity of the Group in FY2020. The report addresses the factors deemed material to the Company based on Environment, Social and Governance (“ESG”) aspects.

We have chosen GRI as the Sustainability Reporting framework for its robust regime and we have identified material ESG factors using the principles of stakeholder inclusiveness, sustainability context, materiality, and completeness to put together this Sustainability Report. We have applied the GRI principles of accuracy, balance, clarity, comparability, reliability and timeliness. The GRI Content Index, which summarised disclosures made in this report, has also been included.

We have not sought external assurance for the Sustainability Report for FY2020.

### ***Report Contact and Feedback***

We welcome your feedback and for any queries or suggestions in relation to this Sustainability Report, you could reach us at: <http://www.egl.com.sg/contact-us.html>



# BOARD STATEMENT

## Sustainability Strategy

The Group is committed to building on the efforts in sustainability and progress made in the past years. We recognise the importance of sustainable growth and are dedicated to working towards it. As we strive towards a sustainable future, we hope to obtain valuable input and perspective from stakeholders to help shape our sustainability agenda and strategy.

Subsequent to the COVID-19 pandemic in early 2020, it has disrupted our normal course of work. However, the wellbeing of our employees remains our top priority and we have implemented a series of safety management measures and provided our employees with the necessary support to telecommute while providing quality content to our readers during this COVID-19 outbreak.

On behalf of the Board and Management of the Company, we wish to thank all who have been with us throughout our sustainability journey. We look forward to your continued partnership and support.

## Sustainability Governance

The Board has considered sustainability issues as part of its strategic formulation and determined material ESG factors. The Board continues to maintain an effective role in setting goals, reviewing and advising on overall strategies and directions. The Board oversees the management and monitoring of ESG factors highlighted in the Sustainability Report to ensure that the objectives are in line with the Group's commitments to sustainable development.

## Sustainability Factors

We are committed in maintaining good corporate governance, transparency and accountability, and do so using a set of internal policies, structure and processes, which include risk management, data protection and anti-corruption policies. With good corporate governance practices in place, we ensure that the material ESG factors are tracked and monitored closely. In this Sustainability Report, we look to the next phase of our sustainability journey by reviewing the strategies and initiatives and discussing the progress we have made relating to each factor highlighted.



# CORPORATE PROFILE

## Our mission

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

## Our Objectives




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*To diversify revenue and earnings stream through various platforms such as subscription fees from magazines and periodicals as well as advertising income.*




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*To continuously review the performance of the publishing operations as part of the Group's efforts to rationalise the publishing operations and to improve profitability.*

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## About us

Arion Entertainment Singapore Limited was incorporated in 1994 as Panpac Media Group Limited and listed on the Singapore Stock Exchange's SESDAQ in 1997. Formerly known as Elektromotive Group Limited, we are an investment holding company with business activities in Malaysia which is involved in the sale and publishing of magazines and periodicals as well as events management.



## GROUP STRUCTURE (AS AT 31 MARCH 2020)



+ Group's dormant subsidiary was struck off in May 2020

\* Group's dormant subsidiaries were struck off in July 2020

### About Inovatif Media Asia Sdn. Bhd. (Inovatif)

A wholly owned subsidiary of AES, Inovatif Media Asia Sdn Bhd was incorporated in 2002 to take over the operations of all the magazines under Panpac Media Malaysia Group.

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

Smart  
Investors

Business and Investment Magazine

Calibre

A business/lifestyle magazine for Public Mutual Group

Feng

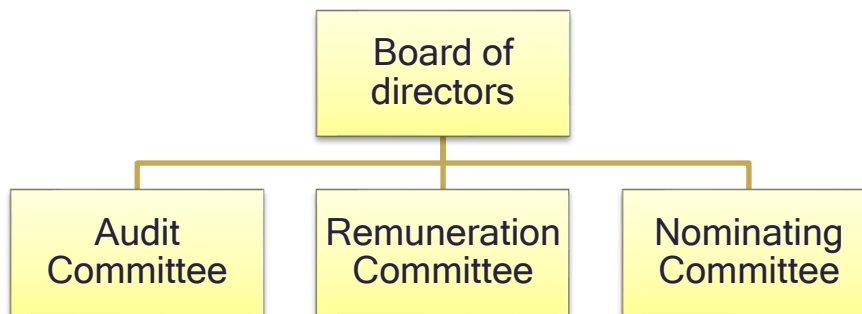
A Chinese language business/lifestyle magazine for Public Mutual Group

\* We have stopped the publication of "Golf" with effect from FY2020.

Beside publishing proprietary titles, Inovatif also provides contract publishing services. Currently, 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 partners in printing reading materials with financial contents for their members.

## BOARD OF DIRECTORS

Our Group is led by an effective Board which sets goals, reviews and advises on overall strategies and directions, oversees the effectiveness of the management and assumes responsibilities for overall corporate governance of our Group to ensure the Group's strategies are in the best interests of the Company and its stakeholders. Details of our Board members and respective committees for FY2020 are as follows:



### Board of Directors

- Ng Kai Man, *Executive Director*
- Chou Kong Seng, *Independent Non-Executive Director*
- Kesavan Nair, *Independent Non-Executive Director*
- Lee Keng Mun, *Independent Non-Executive Director*

### Audit Committee

- Chou Kong Seng, *Chairman*
- Kesavan Nair, *Member*
- Lee Keng Mun, *Member*

### Remuneration Committee

- Lee Keng Mun, *Chairman*
- Kesavan Nair, *Member*
- Chou Kong Seng, *Member*

### Nominating Committee

- Kesavan Nair, *Chairman*
- Chou Kong Seng, *Member*
- Lee Keng Mun, *Member*



# CORPORATE INFORMATION

## Training and updates for the Board

In FY2020, there was no new appointment of directors.

The Directors regularly receive 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, proving our effort to commit to sustainability. With the certification, it ensures that the parties we worked with values sustainability by efficiently utilising their resources and reducing waste. Although our printer was not operating during the lockdown due to the COVID-19 pandemic, there are other printers who were also ISO 14001:2015 certified available in the market, hence, our business operations were not disrupted. Since the relaxation of the Movement Control Order (MCO), we have switched back to our initial printer.

## Memberships of Associations and Permits

Company	Type of Membership/Permits/Certifications
Inovatif Media Asia Sdn. Bhd Publications: Feng, Calibre and Smart Investor	Printing and publishing deeds





# STAKEHOLDER ENGAGEMENT

Effective engagement helps translate stakeholders' needs into organisational goals which the Group values.

Below are some of the ways of our stakeholder engagements.

Stakeholder	Concerns	How we engage	Expectations and Actions
<b>Supplier</b>	Communication Quality Eco-friendly	Supplier Assessment Feedback	Complying with internal purchasing procedures and ensuring consistent communication with suppliers to ensure efficiency, quality and retention of environmentally friendly suppliers.
<b>Customers</b>	Outreach Value Confidentiality of personal data	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.
<b>Employees</b>	Opportunities Fairness	Communication sessions Yearly staff evaluations Whistle-blowing policy	Providing constant communication to our employees and ensuring fair and non-discriminatory practices at our workplace.
<b>Shareholders</b>	Company Growth Transparency	Annual Meetings with shareholders Websites SGX Announcements	Conveying timely, full and credible information to shareholders through announcements and creating long term value and economic growth.
<b>Readers</b>	Good Content Accessibility	Feedback from readers Roadshows Information analysis and surveys	Obtaining reader's feedback and translate their demographics and concerns to better content for further outreach.
<b>Government and Regulators</b>	Compliance with regulatory and industry standards and guidelines	Consultations and briefing organised by key regulatory bodies Advice and information received from professionals	Aiming to comply with policies and regulations governed by the authorities.



## MATERIALITY

Our sustainability approach is to determine if the factors assessed have a potential impact on the economy, environment and society and its influence on the stakeholders.

In FY2020, we have assessed the ESG factors previously identified in FY2019 through continuous internal and external stakeholder engagement and conclude that they continue to be relevant to our business and stakeholders. The following are the ESG factors that we have identified:



Anti-  
Corruption



Energy



Non-  
Discrimination



Local  
Communities



Customer  
Privacy

The material factors selected for disclosure will be reviewed annually after taking into consideration our business goals and feedback gathered from our stakeholders.

## ANTI-CORRUPTION

The Group does not tolerate corruption in any form and strives to conduct our business with utmost integrity and transparency. This has been made clear to all our employees and they are required to strictly abide by professional ethics and eliminate any corruption and bribery. We stay well informed with the recent developments of relevant regulations and Companies Act through updates received from Company Secretary on a half-yearly basis. 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.

A whistleblowing policy is put into place to provide a safe channel for employees to report and discourage practices and activities that are in violation of company work ethics and rules. Employees are encouraged to report any unlawful, unethical or fraudulent activities or practices with whistle-blower's identity held in strictest confidence and these whistle-blowing reports will be submitted to the Audit Committee. Independent investigations for appropriate remedial and follow-up actions will then be conducted. Furthermore, employees must declare conflict of interests on an ad-hoc basis, if applicable. All employees including the management team and the Board are required to make declarations on any existing and potential interest in companies and the nature of the interest.

There were no reported incidents of corruption during FY2020. There were also no whistleblowing reports received in FY2020.

### **Target for subsequent reporting:**

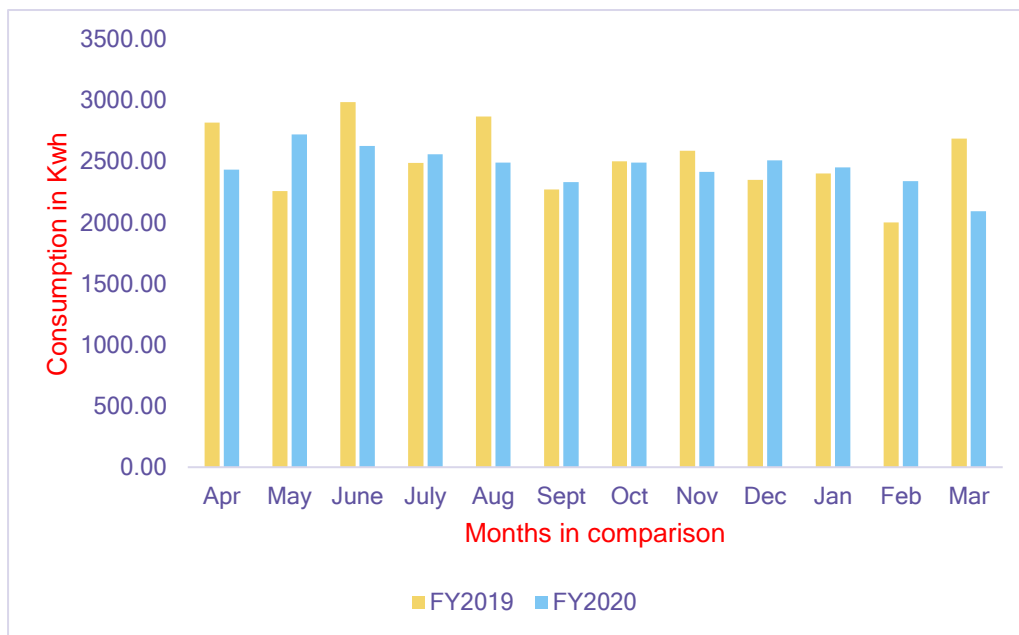
With strong corporate governance and preventive measures in place against corruption, our goal is to maintain zero incidences of corruption for years to come. We will regularly review our policies and procedures to ensure that they are in line with the requirements set in place by regulatory authorities and will update them if necessary.



## ENERGY

Environment conservation forms an integral part of our sustainability plan. We are fully aware of our responsibility to conserve the environment and reduce negative environmental impact at our workplace. Thus, we monitor our energy consumption closely to minimise any energy wastages. The Company continues to utilise energy-efficient fittings and products with Green labels. Additionally, the Group recognises that reducing carbon emissions in our daily operations has a positive effect on climate change. All employees stringently comply with the Group's policy of saving energy to ensure power is turned off when electrical appliances are not in use and to conserve water usage. The following depicts the Group's electricity and water consumption for FY2020 and FY2019:

### Electricity Consumption:

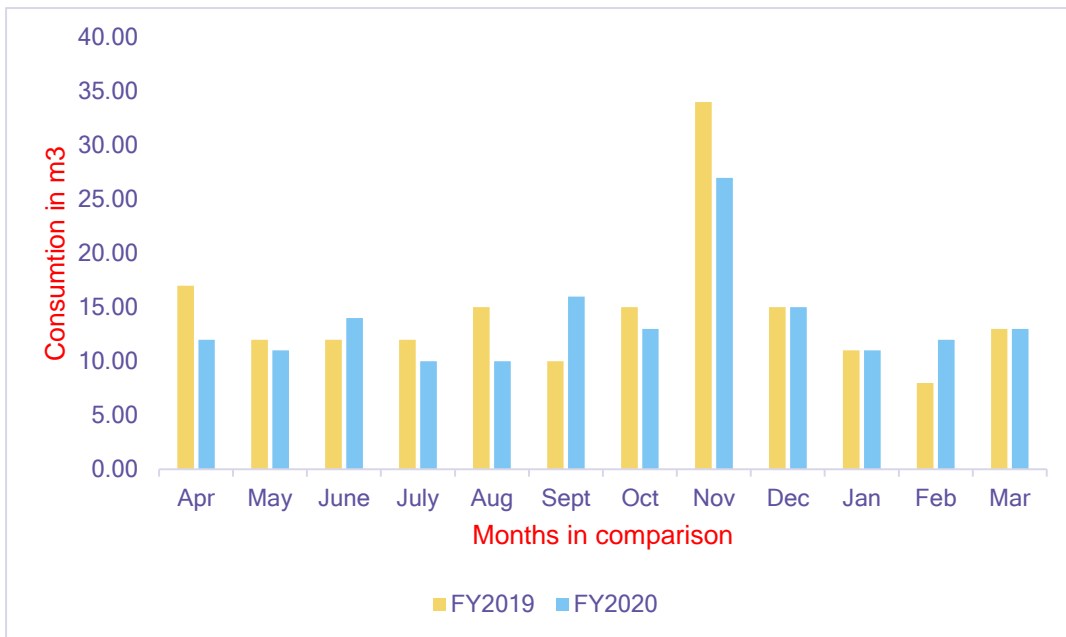


We recorded a notable drop of (756 kwh) in electricity consumption in FY2020 (total 29,468kwh) compared to FY2019 (total 30,224 kwh).



## ENERGY (CONT'D)

### Water Consumption:



Water consumption in FY2020 is approximately the same as compared to consumption in FY2019. We recorded a total of (164 m<sup>3</sup>) in water consumption in FY2020 compared to FY2019 (total 174m<sup>3</sup>).

#### Target for subsequent reporting:

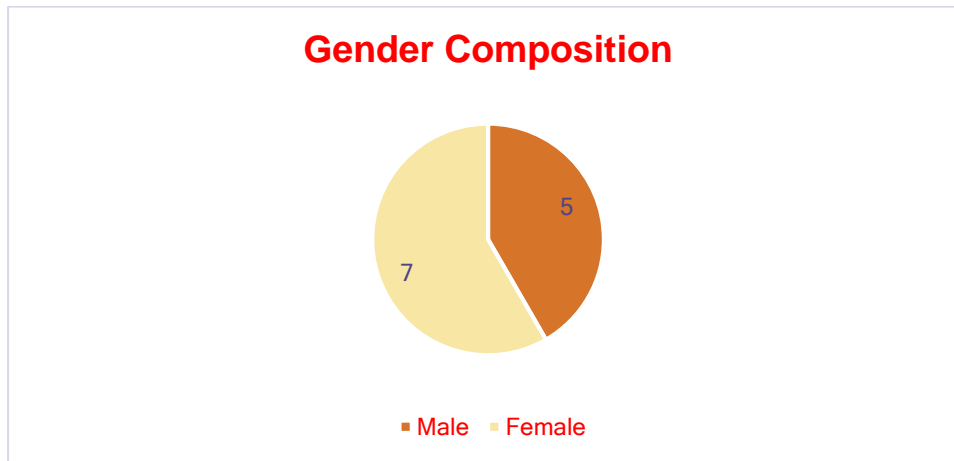
Going forward, we will continue to play a part for our environment to conserve energy by maintaining if not reducing our consumption of electricity and water.



## NON-DISCRIMINATION

We are committed to endorse an inclusive culture that focuses on treating all employees fairly, adopting a strong stance against any form of discrimination and providing equal opportunities. A diverse workforce is an asset in today's ever-changing global marketplace and is evident in our workforce comprising people from a wide array of cultures, viewpoints and backgrounds. Amidst the economic challenges brought about by Covid-19, the Group has not terminated any of our employees or implemented any pay cuts and continued to pay all employees on time during this period.

### Employee Profile:



As at 31 March 2020, we have 12 (As at 31 March 2019: 11) employees. Of these, 7 of them were female and 5 of them were male. 9 of our staff are in Malaysia while the remaining are in Singapore.



## NON-DISCRIMINATION (CONT'D)

We value each employee equally and has achieved success by promoting a collaborative work environment in which everybody is committed to achieve our corporate goals based on open and honest communications while showing care and support for each other. Annual staff assessment is put in place to allow supervisors and managers an effective mechanism to recognise and reward employees for their hard work, dedication and commitment. The staff assessment also serves as an avenue for reflection and reviewing of career goals.

Our Group recognise the importance of a congenial relationship between workers and management in order to achieve organisational goals, therefore two-way communication is encouraged among our employees. Any feedback can be raised by the employees to the Human Resource Department for further actions and discussions.

There were no reported incidents of discrimination in FY2020.

**Target for subsequent reporting:**

Our Group will continue to maintain a culture of non-discrimination in the workplace and to provide equal opportunities to all employees. We will also strive to maintain our record of zero incidents of discrimination.





## LOCAL COMMUNITIES

In FY2020, Inovatif publishes 3 in-house publications, namely “Smart Investor”, “Calibre” and “Feng”. Our extensive coverage ranges from professional topics such as business and investment to more family-oriented topics such as health and wellness and cultures. Utilising our market advantages, Inovatif has been promoting awareness about the local communities to our readers by incorporating local culture and society relevance into our publications.

Furthermore, the Group aims to produce content which have positive impact on the society. We strive to include educational, inspirational and motivational contents in our publications, enabling us to reach a large audience. In line with the launch of Malaysia's National Strategy for Financial Literacy to improve the financial literacy of Malaysians in July 2019, we have ensured that our products continue to promote financial education and investment knowledge to the readers. Collaboration with local authorities had helped boost our reputation in the industry. During the year, we continue to be the media partner that promotes the local finance and investment industry such as Malaysian Industrial Relation Awards, Financial Planning Symposium, FSMOne Recommended Unit Trust Awards as well as other related business events and seminars. As part of our quality assurance efforts, we also target to minimise unnecessary errors in our publications and ensure that the written contents is fit for communicating the correct message to the target group by proof-reading the contents before we publish them.

We also seek to create long-term economic benefits for our communities through recruitment of local talents for our publishing team and engaging local suppliers, supporting a reliable local supply network to drive economic growth. For our events, we maintain our outreach to local community through constant lookouts for local talents in delivering impeccable services to our clients. With stricter COVID-19 restrictions, several of our media events, such as Financial Planning Symposiums were cancelled, however, we were still providing media support to promote the events via online mode.



## LOCAL COMMUNITIES (CON'T)

With the publication of the following magazines, our outreach remains relatively constant and the statistics published previously could be used as a reference. Please refer to the table below for the breakdown of readership of each magazine by states:

Locations in Malaysia	Smart Investor	Calibre	Feng
East Malaysia (Sabah & Sarawak)	8,070	8,000	3,000
East Coast (Terengganu, Kelantan, Pahang)	-	4,000	1,000
Northern Region (Perak, Kedah, Perlis, Penang)	6,456	13,600	5,000
Southern Region (Johor, Melaka, N.Sembilan)	6,456	10,400	3,600
Central Region (Kuala Lumpur / Selangor)	32,818	44,000	7,000
Others	-	-	400
<b>Total Readers as at 31 March 2020*</b>	<b>53,800</b>	<b>80,000</b>	<b>20,000</b>

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

As part of our response to the COVID-19 pandemic, in order to retain and grow readership, we had provided free copies of e-magazines to our readers as well as potential readers whom we engaged on our Smart Investors' website and social media platforms from April 2020 to August 2020.

**Target for subsequent reporting:**

Our Group would continue our emphasis to contribute to the people closest to us, our stakeholders and their relevant communities. With the editorial contents we published and the events in which we were involved, we aim to continue to produce and deliver contents which are beneficial and impactful to the society, and to increase our readership across Malaysia. Furthermore, as part of our efforts in integrating digital technology into our business and reducing environmental impacts caused by paper printing, we aspire to gradually shift towards digital and online publishing.

## CUSTOMER PRIVACY

Safeguarding our stakeholders' and shareholders' data is of paramount importance to our Group and we are committed to maintain utmost privacy and security of their personal data. The Company only collects required information from relevant subscribers, readers and customers and uses the information solely for business purpose. We conduct our business in compliance with the Personal Data Protection Act of Malaysia. We ensure that the personal data collected by the Company are kept confidential and protected from unauthorised access, disclosure, alteration or destruction. We have implemented data protection policy which guides employees on how to keep own and clients' personal data secured and have installed endpoint protection software to protect employees' workstations from malware.

In FY2020, there were no complaints concerning breaches of customer privacy and loss of customer personal data. There were also zero complaints received from external parties and regulatory bodies as well as no identified data leaks or thefts.

**Target for subsequent reporting:**

Moving forward, our Group targets to handle customer personal data responsibly in a secured operating environment and will continue to 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
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	102-5 Ownership and legal form	Pg 6,7
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	102-8 Information on employees and other workers	Pg 14
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	<b>Reporting Practice</b>	
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	102-47 List of material topics	Pg 10
	102-48 Restatements of information	N.A
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## GRI CONTENT INDEX (CONT'D)

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