

DMGT AND CORPORATE RESPONSIBILITY



THE ARMED FORCES MEMORIAL WAS OPENED NEAR LICHFIELD FOLLOWING A CAMPAIGN BY THE DAILY MAIL TO COMMEMORATE THE DEATHS OF MORE THAN 15,600 SOLDIERS.

KEY DEVELOPMENTS: 1_ AWARD-WINNING MENTORSHIP CHARITY 'ADVANCE' SUPPORTED BY DMGT 2_ THE QUEEN OPENS ARMED FORCES MEMORIAL FOLLOWING DAILY MAIL CAMPAIGN 3_ NEWSPRINT PRODUCTION WASTE FALLS AGAIN 4_ EUROMONEY RAISED MONEY FOR A CHILDREN'S EYE CLINIC 5_ DMGT DONATED £866,000 TO CHARITY IN 2007 6_ CARBON INITIATIVE UNDERTAKEN

DMGT's activities are global and diverse. Each business provides important channels of communication and media focus to different sections of society throughout the world.

The Group owes much of its success to the entrepreneurial ability of the management teams leading its six divisions. These businesses have thrived by allowing local management to take local decisions in a local context, while benefiting from the global outlook and financial resources of the wider Group.

The success of many of DMGT's businesses is inextricably linked to understanding and engaging with the communities they serve, and this allows them to identify needs and to campaign effectively on the issues relevant to their customer base. This approach has delivered benefits to a broad range of stakeholders.

THE AIM OF THIS REPORT

The following report provides more detail of divisional activities focused around key impact areas:

- the environment
- our readers, viewers and listeners
- the community
- our employees.

Reported here is a summary of our disclosure in this area. DMGT produced a separate Corporate Responsibility Report in 2005. It has a dedicated section on the Group website, www.dmgmt.co.uk, with further information available that is updated regularly.

We welcome your feedback. Please send any comments to: investor.relations@dmgmt.co.uk.

The DMGT Board's Risk Committee is the forum at which corporate responsibility (CR) risks are discussed. The Board has adopted policies on equal opportunities, whistle blowing, health and safety and the environment. Overall responsibility for CR at Board level lies with the Finance Director.

DMGT AND THE ENVIRONMENT

The direct environmental impacts from most of our mostly office-based divisions are relatively low and arise mainly in our printing division.

Our offices around the world practise paper recycling, and more than half of office paper waste at DMGT headquarters is recycled. There are also schemes in place for the recycling of plastic cups, toner cartridges, mobile phones and IT equipment.

Our main focus is on how we manage the impact of our Harmsworth Printing arm in the UK and two presses in Hungary, where the key environmental impacts are waste generation (particularly waste newsprint), energy use, ink use, and paper purchasing.

All printing centres have environmental management policies. The use of energy, newsprint, ink and plates and waste disposal have cost implications and are, therefore, managed for reasons of good business sense, as well as to reduce their environmental impact.



TARGETS FOR WASTE PAPER ARE SET FOR EACH PRODUCT PRINTED.

Efficiency

The Group achieved a marginal improvement in CO₂ efficiency, as explained on page 16 of the Business Review. Newsprint production waste, as a percentage of total output, fell again.

Good improvements were made in water efficiency during the year with Harmsworth Printing making further strides to cut water use in its printing operations, following a previous study.

Waste

Waste newsprint and ink use is measured and reported to divisional board meetings on a monthly basis. Seventy per cent of the presses on which we print the Group's titles are computer-to-plate processes, which result in less waste being produced in the printing process. Digital photography is used in ever increasing amounts.

Targets for waste paper are set for each product printed. This percentage varies according to certain criteria, such as the numbers of copies required and edition changes. Actual waste volumes are compared against budgeted levels, with the results provided for monthly review at the appropriate board level. Newsprint production waste as a percentage of total newspaper output has fallen again this year.

One hundred per cent of production paper waste is recycled.

Sourcing

DMGT is aware of the responsibility it has along the supply chain, in particular for one of its largest purchases: newsprint. The Group has a central Newsprint Committee, allowing co-ordinated review of the environmental credentials of paper suppliers and the sourcing of their products.

Where virgin fibres are used in the paper manufacture, DMGT requires that the forests are certified either by the Forest Stewardship Council or the Pan European Forestry Commission, both of which run schemes that provide credible guarantees that the product comes from well managed forests.

DMGT sources its paper from European mills, most of which hold the environmental management standard ISO14001. Ninety-eight per cent of virgin fibre products are sourced from managed forests.

DMGT'S CARBON FOOTPRINT

During the past year DMGT has employed an external firm of consultants to carry out a Carbon Footprint Analysis across the whole Group. They focused on every facility within the Group, gathering data for the base year of 2005/6 and then for the 2006/7 financial year. In 2005/6 the Group's Carbon Footprint was 116,000 tonnes, which increased to 119,000 tonnes in 2006/7. The results of the exercise to calculate the Group's Carbon Footprint are being analysed with a view to developing a strategy for its reduction.

OUR READERS, VIEWERS AND LISTENERS

Editorial standards

There are a number of standard-setting bodies that have established codes to which DMGT's divisions adhere.

The main code for the Group's UK newspapers is established and monitored by the Press Complaints Commission. The newspapers also adhere to the Code of Practice of Newspaper and Magazine Publishing. Teletext works to the standards set by Ofcom and its Editorial Code of Practice which covers current broadcasting legislation, while DMG Radio complies with the Australian Communications and Media Authority Codes of Conduct and the Commercial Radio Codes of Practice and Broadcasting Services Act.

Responding to reader, viewer and listener needs

Remaining in touch with the diverse groups who make up our communities and reflecting and championing their interests is critical to DMGT's success.

Reader, viewer and listener satisfaction is monitored in a number of ways, including timely responses to complaints, regular in-house programming and sales research, readership surveys and other processes to receive feedback actively from customers.



NEWSPRINT PRODUCTION
WASTE FELL AGAIN
THIS YEAR.

100%

100% OF PRODUCTION PAPER
WASTE IS RECYCLED



THE PAPER USED FOR LANDMARK'S REPORTS WILL NOW BE OFFSET WITH TREE PLANTINGS AS PART OF A NEW PARTNERSHIP WITH THE WOODLAND TRUST.

£866,000

DMGT DONATED £866,000 TO CHARITY IN 2007.



A GROUP-WIDE INTRANET, DMGT CONNECT, IS ABOUT TO BE LAUNCHED TO KEEP EMPLOYEES UP TO DATE WITH KEY DEVELOPMENTS.

Within the established editorial framework, editors and journalists have the freedom to operate as appropriate. Compliance with editorial standards is strictly monitored within the divisions in various ways, which include compliance committees, editorial responsibility, compliance audits and training.

DMGT AND THE COMMUNITY

Community involvement is integral to our business as well as to the personal motivation of our employees. We donate money, time and in-kind donations such as radio airtime and Teletext pages, and staff actively give time to areas including fundraising and trusteeships. This year, Euromoney undertook a project to build a children's eye clinic in Orissa, the poorest state in India, in order to tackle avoidable blindness in the region.

In 2007, the Group donated £866,000 to charity.

The use of media channels and activities for fundraising is driven through participation in the communities we serve and the concerns and contributions of our readers, viewers and listeners.

Charitable donations are allocated by a Charities Committee at DMGT, as well as being made on a smaller scale by divisional and local managements. The Committee prefers to make donations to media and local charities where there is an employee representative who will sponsor and report back on the impact the allocation has had.

DMGT AND OUR EMPLOYEES

DMGT Group is an equal opportunities employer. In addition to a Group policy, many divisions have their own policies and practices across a range of employee issues. Training is taken seriously across the Group.

Internal communication

A variety of approaches to staff communications exist within the Group, including:

- the Group extranet
- regular communication events
- face-to-face communications with management
- programmes related to specific key events (such as major changes in operations or equipment).

Furthermore, a new Group intranet, DMGT Connect will be launched in December.

Health and safety

A health and safety policy applies across DMGT and sets out to ensure the health, safety and welfare of its employees and all others who could be affected by the activities of the Group.

There are many examples of good practice across the Group, in terms of health and safety management systems, the use of independent consultants and initiatives focused on business-specific health and safety risk areas.

Health and safety is particularly critical in all printing press facilities, which have appropriate policies and management and monitoring programmes.

The Group has had no fines or prosecutions for health and safety failures over the last year.

While the Chief Executive has overall responsibility at Board level for health and safety matters throughout the Group, day-to-day responsibility is devolved to the managing directors of each division.