

# Sincere

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We build genuine relationships with far-reaching visions. Striving to contribute to the sustainability of corporations, we commit to create a better society.



# Corporate Social Responsibility Report

In 2014, apart from its burgeoning business performance, Haitong International achieved ground-breaking development for its corporate social responsibility (CSR) practices. As a Hong Kong-listed financial corporation which grew from strength to strength during the past few years, the Haitong International Charitable Foundation was formally established in the year. Haitong International has a long-term commitment to the role of a good corporate citizen to serve the community. Through the set-up of the new foundation, we are hoping to contribute more and to build a better community by leveraging resources in a more focused, tactful and sustainable manner.

For 11 consecutive years, Haitong International has been recognized as the “Caring Company” by The Hong Kong Council of Social Service since 2004 as a token of appreciation for its commitment to caring for the well-being of the community, the employees and the environment. Moreover, Haitong International was presented the “10 Year Plus Caring Company” logo for the first time.

Four key aspects, namely customers, employees, shareholders and investors as well as the community, are important to Haitong International to maintain a good CSR practice, and achieving the goal of uplifting corporate sustainability.



Senior Management of Haitong International was interviewed by media to introduce and promote Shanghai – HK Stock Connect to the mass public.

## Customers

Haitong International strives to keep up with the ever-quicken pace of change in the marketplace. Haitong International is dedicated to the development of innovative financial products in response to the specific needs of global and local customers. Haitong International has a long-term and trusted relationship with more than 170,000 customers, and always endeavours to provide comprehensive financial products and services to global and local corporate, institutional as well as individual clients.

Since the announcement of the Shanghai-Hong Kong Stock Connect programme in April 2014, Haitong International instantly upgraded the software and hardware systems to get in line with the new mechanism. These upgrades included enhancement of the trading and settlement system; tailored-made training on A-share trading policies, regulations and industry outlook to all front, middle and back office employees; organisation of seminars for retail and institutional clients; and heightened communications and sharing of analyst reports with the parent company, Haitong Securities. A range of comprehensive services have been in place to support customers on A-share investments.

To help customers to make informed and sound investment decisions, the business team of Haitong International is providing instant investment information and research reports to customers. The Group is also using different promotional channels to inform customers of new product launches and keep them updated of related service changes in a timely manner, allowing customers to have a clear understanding of the latest financial products and services of Haitong International.

Customers' opinions and feedbacks are instrumental to our corporate development. To fully gauge our customer experiences, Haitong International is conducting quarterly customer satisfaction and opinion survey, with an objective to enhance service quality.

Haitong International strictly adheres to the procedures of risk management and internal control. Therefore a series of training sessions have been provided to front, middle and back office staff to ensure that product details, service terms and internal procedures are up to legal and regulatory standards, and that customers are fully aware of the features and risk exposure of an investment before they make their decision.

## Employees

Haitong International always cares about the mental and physical well-being of its employees and encourages them to maintain work-life balance, with continuous efforts made to improve staff welfare. "Haitong International Staff Club" regularly organises recreational activities for its staff and their family members, including dinner, basketball competition, singing contest, and badminton competition. A number of hobby classes have also been organised to relieve stress and to encourage interactions amongst departmental colleagues.

Haitong International continues to help its staff through the dedicated "Staff Care Fund". The fund offers immediate support to staff suffering from serious financial or livelihood problems to help them weather adversity.

Haitong International encourages its staff to pursue further studies for enhancement of their professional knowledge. To comply with the continuous professional training requirements for licensed persons as stipulated by the Securities and Futures Commission, and the continuous professional development requirements for MPF intermediaries and for registration with the Chinese Gold and Silver Exchange Society, the Group hosted over 40 internal trainings in the year, covering such topics as the global investment market, A-share market, new financial products and regulations.



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Haitong International Staff Club organised a badminton competition for staff.

## Corporate Social Responsibility Report (Continued)



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Haitong International hosted over 40 internal trainings in the year.

Haitong International also supports employees in obtaining finance-related professional qualifications by providing study leaves and examination leaves, allowing them to prepare well for the professional examinations. During the year, Haitong International has launched a new leadership development program for middle and senior colleagues who possess good potential. The program also aims to help the Group to foster management skills and to enhance interactions amongst departments, thereby contributing to an uplift of business performance. Haitong International was accredited as a “Manpower Developer” by the Employee Retraining Board under the “ERB Manpower Developer Award Scheme” to recognise its excellent devotion in manpower training and development.

### Shareholders and Investors

During the period, Haitong International has placed lots of efforts to enhance its relations with investors. It organised press conferences as well as analyst meetings for the interim and final results announcement, whilst at the same time actively took part in the investor conferences organised by large-scale financial institutions. Haitong International maintained close connections with over 300 institutional investors and analysts around the globe through non-deal roadshows and one-on-one meetings held in various domestic and overseas regions. These

communicative channels helped investors to have thorough understanding on the Group’s operations, financial position and business development. There are always follow-up and analysis on investors’ feedbacks such that investors reports are subsequently produced for management’s reference.



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The senior management attended financial results announcement press conference.

In 2014, Haitong International was added to the Hang Seng Composite SmallCap Index. A total of 15 research reports on Haitong International were released by 6 financial institutions throughout the year, amongst them 3 were initial coverage reports. The Group also hosted annual shareholders’ meeting to enhance the communications between shareholders and the management. All announcements and press releases issued by the Group are often uploaded to the corporate website timely so that investors and shareholders can refer to the information anytime.

Apart from maintaining close communications and exchanges with shareholders, investors and industry analysts, Haitong International also places high importance to educating investors about the Hong Kong financial market. Great efforts have been spent to



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Haitong International maintains close communications and exchanges with analysts and investors through regular meetings.

assist retail investors to gain a thorough understanding of investment market trends and different types of financial products. Upholding the “multi-market, multi-channel and multi-level” approach for active investor education, the Group has been teaming up with investment experts within and outside the Group to organize regular investment seminars, workshops and discussion forums to enrich the financial product awareness and investment knowledge of local investors.



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Haitong International organised investment seminars to educate retail investors on financial knowledge.

## The Community

### Charity and Community Services

The Group always concerns about the minorities in the community. The Group has selected to work in partnership with several non-profit-making organisations that share similar beliefs on serving the community. The collaborative support has different formats, such as donating cash to The Helping Hand’s Cookie Campaign for 10 consecutive years since 2006 and to The Hong Kong Society for the Blind; mobilising our staff to participate in the Community Chest Skip Lunch Day, Dress Casual Day and Green Day; participating in the Oxfam Rice Event; and teaming up to join the “2014 Community Chest Corporate Challenge” and “Bloomberg Square Mile Relay”.



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Members of Haitong International formed a team to join the “Bloomberg Square Mile Relay”.

## Corporate Social Responsibility Report (Continued)



“Haitong International Caring Ambassadors” organised an art-jamming painting workshop volunteer event.

The Group encourages its staff to contribute to the society through volunteerism. In 2014, overwhelming support was received to participate in various community and fund-raising activities organised by the corporate volunteering team “Haitong International Caring Ambassadors”. For the first time, the volunteering team initiated a company-wide scheme to call on all staff to contribute innovative ideas and proposals on volunteering activities that might boost participation. The awarded proposal outlined an art-jamming painting workshop, and was being executed successfully in the end with the Society for the Welfare of the Autistic Persons.

### Environmental Protection

In 2014, the Group hosted and supported a series of environmental protection initiatives, including the collection and recycling of clothes, small household appliances and desktop computers. The collected goods had been donated to The Salvation Army, Caritas Hong Kong and St James’ Settlement. These activities reminded colleagues to treasure resources in support of environmental protection, and effectively re-allocate resources to the needy. Starting from 2013, the Group has begun to choose the eco-friendly papers for printing of the Group’s annual report.

The Group was awarded the “Class of Excellence” Wastewi\$e Label of the “Hong Kong Awards for Environmental Excellence” from the Environmental Campaign Committee and the Environmental Protection Department. The label is a further proof of the Group’s commitment to waste reduction and environmental protection.

### Support Cultural and Arts Activities

Haitong International’s corporate responsibility is formed on the belief that the beneficiary should not be confined to one single group but a wider community. Apart from cash and in-kind donations to help the needy, Haitong International endeavours to support cultural and arts activities. The objective is to create a better cultural environment by encouraging youth creativity while at the same time offer help to those in need.



Haitong International sponsored the 40th Anniversary Gala Concert of HK Phil.

In 2014, Haitong International sponsored two major local events on this front, namely the 40th Anniversary Gala Concert of Hong Kong Philharmonic Orchestra (“HK Phil”) and the charity auction event in celebration of South China Morning Post’s (“SCMP”) 110th anniversary.

The HK Phil is the city’s orchestral powerhouse with the longest standing in Hong Kong. Committed to the development of music and arts locally, HK Phil works closely with schools to provide various music educational programmes, and actively foster the development of local artists. The SCMP’s auction event sold a series of renowned paintings, photography work and sculptures from Hong Kong, Mainland and international artists, with a majority of them from local young artists. All raised funds had been donated to St. James’ Settlement, the Society for Community Organization and the Tung Wah Group of Hospitals.



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Haitong International sponsored the SCMP Charity Art Auction.

## Contribute to Industry Development

Each and every member of the Board and the senior management has in-depth knowledge of the financial industry. By participating actively as guest speakers in the seminars and forums organised by various professional bodies, trade associations, financial institutions and media, they are contributing to the development of industry norms and financial products.

Haitong International has become a member of “The Better Hong Kong Foundation” since 2014 to relay positive messages and promote the various advanced aspects of the local economy and community to the outside world. The aim is to foster a deeper understanding of Hong Kong and the Mainland China in the global community to build closer cooperation relation. Dr. Lin Yong, Deputy Chairman and the Chief Executive Officer of Haitong International, attended its activities to exchange insights and ideas with local regulators, financial institutions and industry leaders, and provide valuable suggestions, thereby contributing to the uplift of the industry standards and overall international image of Hong Kong.



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Haitong International has become a member of “The Better Hong Kong Foundation”, and the senior management proactively supported its activities.