

CORPORATE SOCIAL RESPONSIBILITY REPORT



CUSTOMERS

Haitong International strives to keep up with the ever-quickenning pace of change in the marketplace. The Company is dedicated to the development of innovative financial products and services in response to the specific needs of global and local customers. Also, it has established a long-term and trusted relationship with more than 190,000 customers, and always endeavours to provide comprehensive financial products and services to global and local corporate, institutional as well as individual clients.

Shortly after the launch of Shanghai-Hong Kong Stock Connect on 17 November 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 systems. To cope with the promotion and investor education of the program, we tailored-made training on A-share trading policies, regulations and industry outlook for all front, middle and back office employees. Moreover, we organized investment seminars for retail and institutional clients and heightened communications and sharing of research reports with the parent company, Haitong Securities. A range of comprehensive services has also been put in place to support customers on A-share investments.

Haitong International has a long-term commitment to the role of a good corporate citizen. As a Hong Kong-based listed financial institution, Haitong International not only focuses on its business development but also endeavours to undertake corporate social responsibilities in various aspects to serve the interests of the community.

Through the establishment of the "Haitong International Charitable Foundation", the Group is able to contribute more and to build a better community by leveraging resources in a more focused, tactful and sustainable manner. As a token of appreciation for its commitment to caring for the well-being of the community, the Group has been recognized as a "Caring Company" by The Hong Kong Council of Social Service since 2004, and received the "10 Years Plus Caring Company" logo for the first time in 2015. In early 2016, the "Haitong International Charitable Foundation" was also presented the "Caring Organization" logo.

Over the years, Haitong International has made continuous efforts in four key aspects, namely customers, employees, shareholders and investors as well as the community, in order to fully play its part as a good corporate citizen.

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香港社會服務聯會頒發

Through various channels, the business team of Haitong International is providing customers with the latest products and services, instant investment information and research reports. To fulfill customers' appetite for information, the Group has launched a Facebook Fan-page named "Investment Strategy – Haitong International" and a Weixin public platform providing instant market information and investment strategy to customers on each trading day, aiming to help customers to refine their investment strategy.

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 has 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. The Company encourages staff to maintain work-life balance and has made continuous efforts to improve staff welfare. The "Haitong International Staff Club" regularly organizes recreational activities for its staff and their family members, which include singing contest, basketball match and snooker competition. A number of hobby classes have also been organized to relieve stress of staff and to encourage interactions amongst departmental colleagues. In early 2015, the Company launched the "Employee Assistance Program" for its staff, with the aim of promoting both the physical and mental well-being of staff by engaging external professionals to provide them with information and guidance on work/life issues as well as family counselling services. Besides, Haitong International continued 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 also encourages its staff to pursue further studies for enhancement of their professional knowledge. In 2015, the Group hosted over 60 internal training sessions covering topics such as the global

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investment market, A-share market, new financial products and regulations, and offered training subsidies to ensure staff's compliance with the continuous professional training requirements for licensed persons as stipulated by the Securities and Futures Commission, and the continuous professional development requirements for insurance and MPF intermediaries and for registration with the Chinese Gold and Silver Exchange Society.

In 2015, Haitong International continued to support employees in obtaining finance-related professional qualifications by providing study leaves and examination leaves to let them prepare well for the professional examinations. Moreover, internal training on compliance was arranged for staff to enrich their industry knowledge and enhance their awareness on the latest developments of the internal compliance policy.

SHAREHOLDERS AND INVESTORS

During the year, Haitong International placed lots of effort to enhance relationships with investors. The Company organized 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 organized by large scale financial institutions. Haitong International maintained close connections with over 450 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 help investors to have thorough understanding of the Group's operations, financial position and business development. Besides, there are always follow-



"Haitong International Staff Club" regularly organizes recreational activities for its staff and their family members



Haitong International hosted over 60 internal training sessions in the year



up and analysis on investors' feedbacks such that investors reports are subsequently produced for management's reference.

In 2015, Haitong International was added to the Hang Seng Composite LargeCap & MidCap Index. A total of 22 research reports on Haitong International were released by 5 financial institutions throughout the year, amongst them 3 were initial coverage reports. The Group also hosted annual shareholders' meeting to enhance communications between shareholders and the management. All announcements and press releases issued by the Group are uploaded to the corporate website timely so that investors and shareholders can refer to the information anytime. Furthermore, Haitong International also maintains a Facebook Fan-page as well as a public forum in Twitter and Weixin to keep investors and analysts posted on the latest company announcements.

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 assist retail investors in gaining a thorough understanding of the latest 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.

The Senior Management attended financial results announcement press conference



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



Haitong International organized investment seminars to educate retail investors on market trends and financial products



CORPORATE SOCIAL RESPONSIBILITY REPORT (CONTINUED)

COMMUNITY

This year, Haitong International continued to work in partnership with several non-profit-making organizations through "Haitong International Charitable Foundation". The collaboration support had different formats, such as donating cash to "The Helping Hand's Cookie Campaign" for the tenth consecutive year and participating in activities such as "The 2015 Community Chest Corporate Challenge", "YO Dancical 2015" organized by Youth Outreach, "Music@Youth 2015" co-organized by Rotary Club of Hong Kong North, "The Foreign Correspondents' Club Hong Kong Charity Ball", Lingnan University's "Walking with Lingnians Fundraising Walkathon", "iFAST Metro RACE 2015", etc. In November 2015, the Group also teamed up to join the "Bloomberg Square Mile Relay 2015".

The Group encourages its staff to contribute to the society through fundraising and volunteering. In 2015, the Group joined fundraising activities such as Community Chest's "Skip Lunch Day", "Dress Causal Day" and "Love Tooth Day" as well as the "Oxfam Rice Event". Moreover, the community service activities organised by the corporate volunteering team "Haitong International Caring Ambassadors" received overwhelming support from colleagues. During the year, the volunteering team joined a workshop organized by Christian Action to make cookies with children from new immigrant families. For the first time, Haitong International was among the major donors of the "Operation Santa Claus" event. Also, the Group sent a team of caring ambassadors to participate in an elderly home visit activity, which was jointly organized with the Foursquare Gospel Lung Hang Church Elderly Centre.



Members of Haitong International formed a team to join the "Bloomberg Square Mile Relay 2015"



"Haitong International Caring Ambassadors" participated in a home visit activity jointly organized with the Foursquare Gospel Lung Hang Church Elderly Centre.



減廢證書

WastewiSe
— Certificate —



Haitong International has become a member of "The Better Hong Kong Foundation" since 2014, striving to update the international community on the latest developments of Hong Kong's economy and community

ENVIRONMENTAL PROTECTION

In 2015, the Group hosted a used book recycling activity, with all collected books donated to Christian Action. The activity reminded colleagues to treasure resources for environmental protection while effectively reallocating resources to the needy. Furthermore, starting from 2013, the Group has begun to choose the eco-friendly papers for printing of the Group's annual report. In recognition of its eco-friendly efforts, the Group was awarded the "Class of Excellence" WastewiSe label of the "Hong Kong Awards for Environmental Excellence" from the Environmental Campaign Committee and the Environmental Protection Department. This label is a further proof of the Group's commitment to waste reduction and environmental protection.

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 organized by various professional bodies, trade associations, financial institutions and the media, they are contributing to the development of industry norms and financial products.

Since 2014, Haitong International has become a member of "The Better Hong Kong Foundation" to relay positive messages about the latest developments of Hong Kong's 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 for closer cooperation relations. Dr. Lin Yong, Deputy Chairman and Managing Director of Haitong International, and other management personnel have attended various activities held by the foundation to exchange insights and ideas on local economic and financial issues with local regulators, financial institutions and industry leaders and to provide valuable opinions and suggestions, thereby contributing to the uplift of industry standards and overall international image of Hong Kong.