



远东宏信
FAR EAST HORIZON



2014

Far East Horizon
Corporate Social Responsibility Report

ABOUT THIS REPORT

This is the second corporate social responsibility report released by Far East Horizon Limited (referred to as "Far East Horizon" or "the Corporation"). It states the philosophy and practice of social responsibility of Far East Horizon and its subsidiaries. The report also shows the developments made by the Corporation with respect to the economy, environment and society.

Reporting scope

- Scope of the organization: This report takes Far East Horizon Limited as the principal component, including most subsidiaries of Far East Horizon.
- Time Range: From January 1, 2014 to December 31, 2014
- Release Cycle: This report is an annual report.

Reference basis

This report uses the "Sustainability Reporting Guidelines (G4)" by the Global Reporting Initiative (GRI), and the "Environmental, Social and Governance Reporting Guide" by the Hong Kong Exchanges and Clearing Limited (HKEx), as a reference basis. At the end of the report, relevant indexes are provided.

Data specification

The financial data in this report are quoted from the "2014 Far East Horizon Limited Annual Report". Other data and cases come from source recordings of the company's actual operation. Unless otherwise stated, the type of currency and amount of money involved in this report are measured in RMB.

Report release

This report is released to the public in Chinese and English, and it has both printed and online versions. The online version can be downloaded the Far East Horizon's website (<http://www.fehorizon.com>).

You are welcome to give us your comments and suggestions by calling 8621-5049 0099 ext. 5627, or by sending an email to csr@fehhorizon.com.

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Creation of Value

Assets reached **110.726** billion yuan in 2014, showing an increase of **27.99%** from the previous year; Total profit reached **3.211** billion yuan, showing an increase of **23.47%** from the previous year; Operational revenue was **10.061** billion yuan, with a total tax of **1.4** billion yuan.

Our business covers **31** provinces and cities in China;
We serve approximately **10,800** real economy customers;
To date, the cumulative amount of money allocated towards industrial customers has been over **200** billion yuan.

Customer Service

Respect for Employees

The total number of employees is **5,016**, with a training time of **33.20** hours per person;
We have organized and supported employees' activities more than **300** times;
We are providing financial aid to employees who are in trouble, and are visiting their families to show our condolences.
The total amount spent on this is 1.216 million yuan.

Beijing Horizon Charity Foundation has donated more than **3.13** million yuan;
The total time of volunteer activities reached **870** hours.
More than **3,000** persons were aided.

Contributions to Society



SPEECH FROM THE PRESIDENT

The global economic environment was complex in the year of 2014, while the Chinese economy showed a new normal slowdown. With the external environment of an increasingly challenging market, Far East, the leading innovative financial service institution in China, continuously takes fulfilling good corporate citizenship as its responsibility as always. The Corporation not only manages business carefully, but also devotes itself to serving society, in order to actively promote sustainable development measures in every aspect.

During the process of industrial service, Far East takes basic industries as its customers, supporting industrial restructuring and upgrade by constantly serving basic industries such as healthcare, packaging, transportation, infrastructure construction, machinery, education, textiles, electronic information, and public utilities. The Corporation further expands product and service categories, continuously improving and enriching the means of serving industrial customers as well as promoting service level and quality, in order to bring better experience which fits the needs of our customers.

On the basis of the previous more sophisticated financial services, engineering services commission trade, and management consulting, the Corporation has accelerated the pace of industrial investment and operation. In 2014, Far East invested stock equity in three main medical institutions and one kindergarten, which provided professional healthcare and education for the public. The Corporation was deeply involved in the development of China's healthcare industry and educational and cultural industry.

In addition to directly helping China's economic development through industrial service, Far East also contributes to society through various ways. Beijing Horizon Charity Foundation is a special public foundation sponsored and managed by the Corporation, making contributions in providing financial aid in education and helping the poor, etc. In the past three years, the total amount of our donation and sponsorship for education and poverty alleviation projects was more than 10 million yuan.

The Corporation attaches equal importance to work experience and development of employees. In 2014, the Corporation created a number of innovative human resource management measures to ensure that employees get diverse and convenient training opportunities, and enjoy a fair and open career development path, further establishing a harmonious and healthy work environment.

In the future, Far East Horizon will continuously face a more challenging development environment. In order to achieve enduring growth, we need to focus on sustainable development and create value for all stakeholders. To achieve this goal, Far East shares its philosophy and practice of corporate social responsibility in this report, hoping to gain encouragement and support from all walks of life, to enable us continue to improve and grow. With the spirit of "creating value sharing and achieving harmonious development", Far East is stepping forward to create a better future.

Vice President and CEO of Far East Horizon's Board of Directors

Kong Fanxing

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公司 概况

General Introduction
of the Corporation



BRIEF

INTRODUCTION

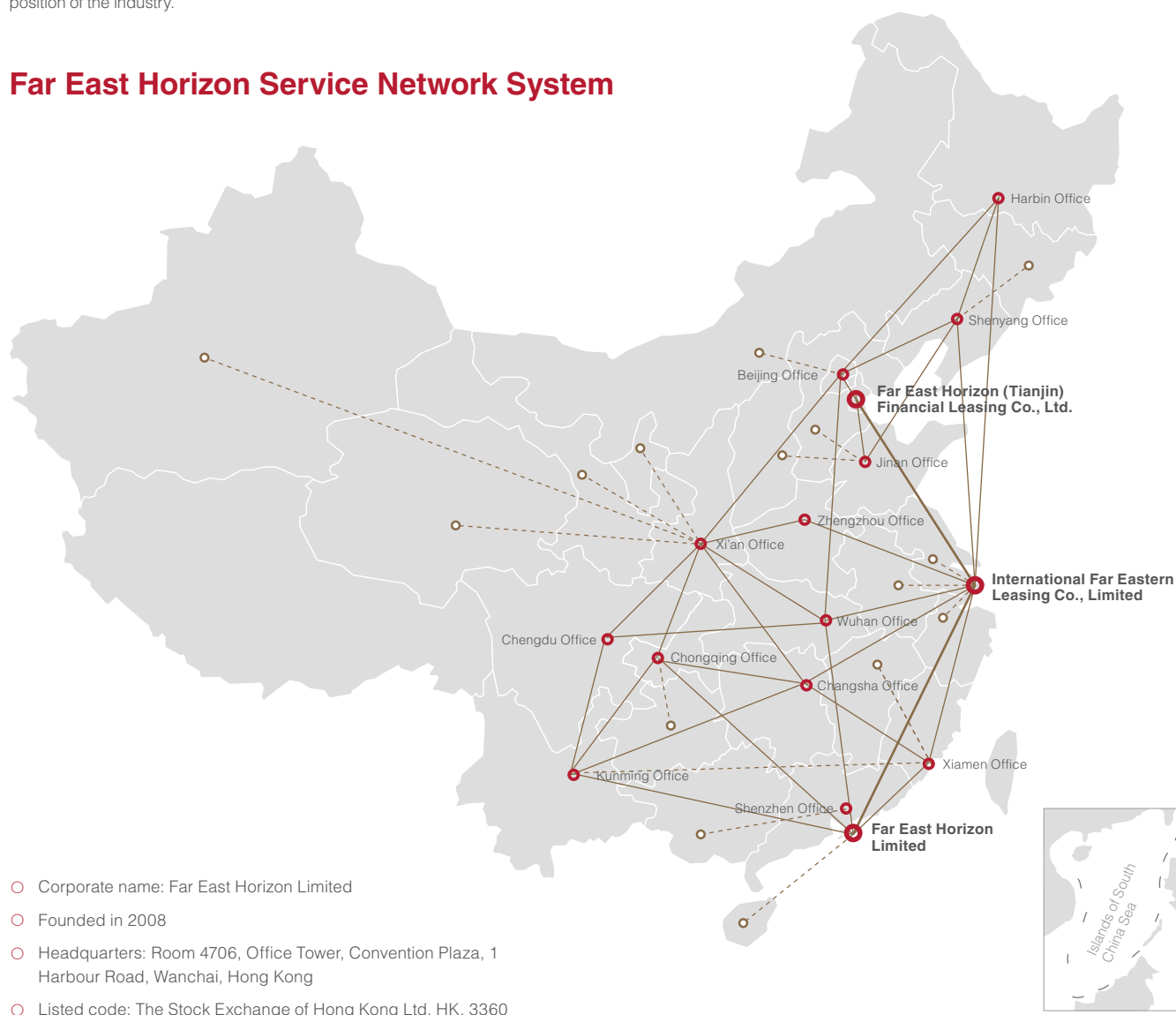
Far East Horizon Limited is China's leading innovative financial services organization. With a business philosophy of "combining finance and industry", Far East Horizon is devoted to providing its customers with customized industrial integrated operation services through continual innovation of products and services, making efforts to achieve the corporate mission of "integrating global resources and promoting China's industries".

Far East Horizon develops industry integrated operation services such as financial services, industrial investment and operation, engineering services, trade brokering, and management consulting for multiple fields including health, packaging, transportation, construction, machinery, education, textiles, electronic information and public utilities. By matching up the organizational operation of financial resources with the discovery and cultivation of industrial resources, Far East Horizon creates an operational advantage with the characteristics of joint development of finance and industry. The financial leasing service provided by the Group is in the leading position of the industry.

The headquarters of the company is located in Hong Kong, the business operations centre is in Shanghai and a North Region centre has been established in Tianjin. Offices are located in many central cities such as Beijing, Shenyang, Jinan, Zhengzhou, Wuhan, Chengdu, Chongqing, Changsha, Shenzhen, Xi'an, Ha'erbin, Xiamen and Kunming, forming a customer service network that extends through the whole country. In addition, Far Eastern Horizon has been actively expanding international resources, establishing multi-specialized operation platforms for financial services, industrial investment and operation, engineering services, trade brokering, and management consulting both domestically and internationally.

In March 2011, Far Eastern Horizon Limited was listed on the main board of the Hong Kong Stock Exchange with the stock code 3360.HK.

Far East Horizon Service Network System



CORPORATE GOVERNANCE

Organizational Structure

Since its establishment, Far East Horizon experienced economic changes at different times. However, we continue to build sound corporate governance structure and actively develop business, making efforts to establish a leading brand in China and pursuing better value. The Corporation is creating a bright and harmonious future with "four wins" for investors, customers, employees and society.

Company Members

International Far Eastern Leasing Co., Ltd.

Far East Horizon (Tianjin) Financial Leasing Co., Ltd.

Shanghai Horizon Equipment & Engineering Co., Ltd.

Shanghai HongJin Equipment & Engineering Co., Ltd.

Far East Horizon Shipping Consulting Limited

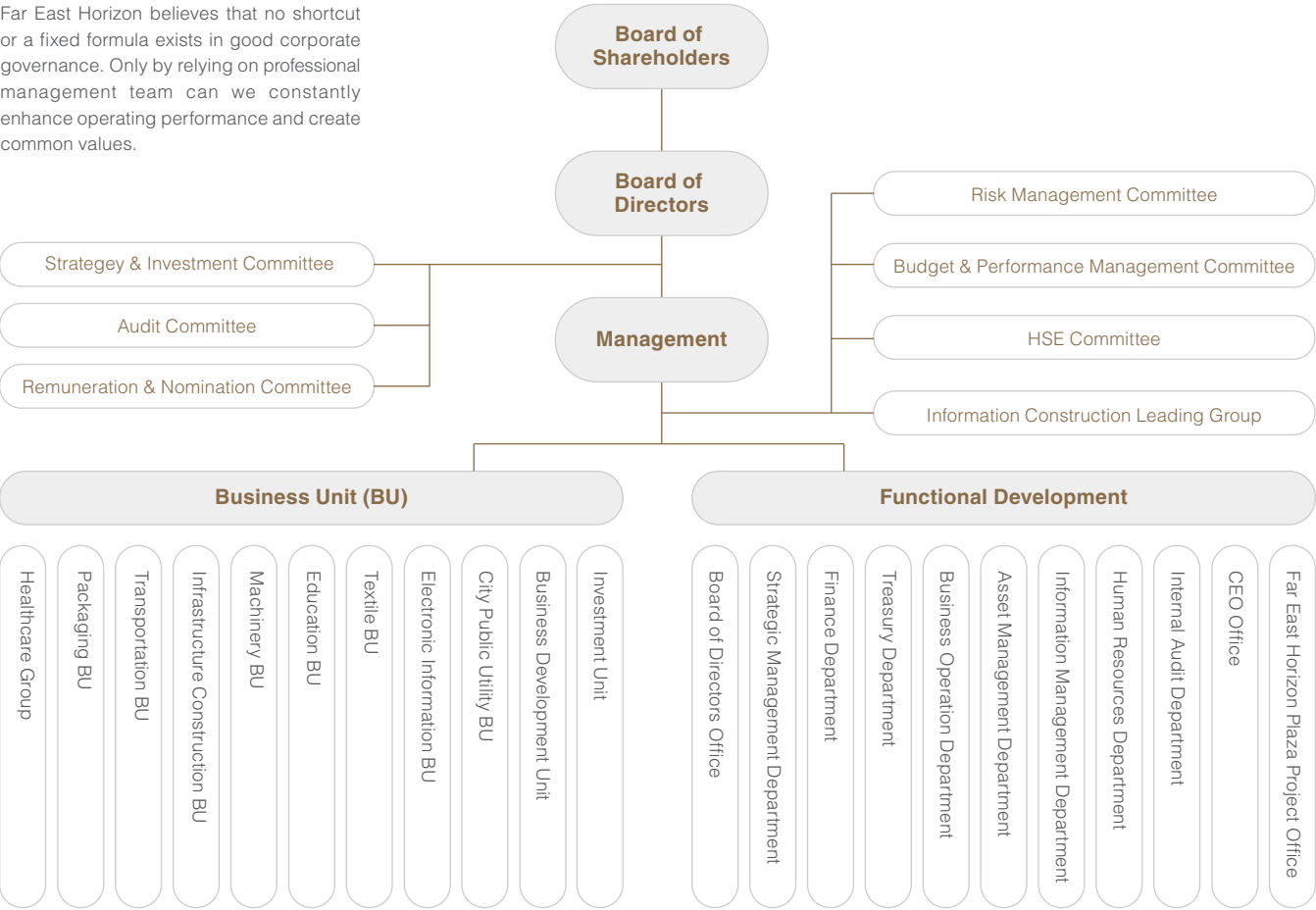
Horizon Healthcare Investment Holding (Shanghai) Co., Ltd.

Shanghai Domin Medical Engineering Co., Ltd.

Horizon Healthcare Management (Shanghai) Co., Ltd.

Shanghai Horizon Education& Investment Holdings Co., Ltd.

Far East Horizon believes that no shortcut or a fixed formula exists in good corporate governance. Only by relying on professional management team can we constantly enhance operating performance and create common values.

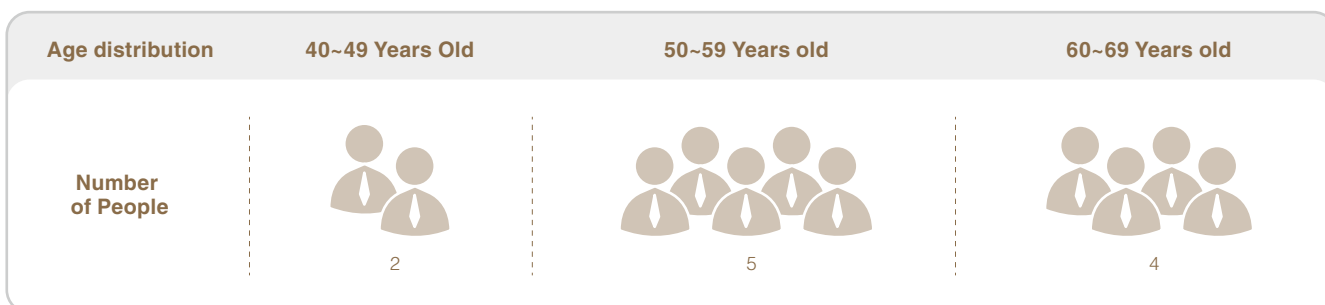


Governance Mechanism Improvements

Good corporate governance is an important cornerstone for long-term operation. In addition to strictly adhering to and implements regulatory requirements for all parties, Far East Horizon keeps thinking about how to establish better systems and processes in order to achieve excellence. To achieve long-term benefits, the corporation makes efforts in maintaining the long-term interests of all shareholders, strengthening the functions of the Board of Directors, and improving its decision-making mechanism, internal control, and audit system, etc. Thanks to the endeavors of all employees, Far East Horizon has kept good governance records. For years, the Corporation has never been punished by the regulatory authorities or by stock exchanges.

The directors are the key to implementing important policies. The Board of Directors of Far East consists of 11 directors, including 4 independent non-executive directors, the proportion of which is more than 36%. They are all elected at the general shareholders' meeting for a term of 3 years. Their responsibilities include making major strategic business decisions and supervising management levels in order to seriously implement those strategies. In 2014, the Company held 4 Board meetings. The Audit Committee held 4 meetings. The Remuneration & Nomination Committee held 5 meetings.

Average age of all the directors in Far East Horizon is 54.36, and the age distribution is as follows:



Investor Relations

Far East Horizon upholds the concept of professional management, paying attention to the views of shareholders and investors. On one hand, the corporation adheres to retaining core values, on the other hand, it also continues to make progress, combining discipline oriented culture and entrepreneurial spirit, to constantly create value and to share operating results with all shareholders.

As for external communication channels, Far East sets up investor relations webpages both in English and Chinese, which provides investors with methods for real-time query, downloading corporation earnings, annual reports and other main financial information, etc. In addition, in 2014, Far East held nearly 800 one-to-one or one-to-many investor meetings throughout the year, enhancing the number of daily communications with the capital markets.

In 2014, Far East Horizon held 2 annual or semi-annual results presentations at home and abroad, touring major investment places such as Hong Kong, Singapore, Europe and the United States. The Corporation attended 7 global investor summits, and effectively enhanced the confidence of shareholders and investors.

Far East Horizon Carried out The First Post-marketing Investor Reverse Roadshow

To further enhance communication with capital market on the original basis, on November 11, 2014, Far East carried out the first post-marketing investor reverse roadshow, which was attended by shareholders from 14 corporations. The investor team visited the Shenzhen Office and Huizhou Huangkang Orthopaedics Hospital, having a formal discussion with assistants of the president at the time.



RISK MANAGEMENT

The goal of risk management is to protect asset security, improve the quality of customer service and enhance shareholder value. After economic crisis at home and abroad, how to realize good risk management under the increasingly straight requirements of domestic and foreign financial supervision and customer rights protection becomes one of the most important issues of Far East. According to overall business strategies and business environment, the Board of Directors of the Corporation approves overall risk management policies and major decisions, bearing the ultimate responsibility for overall risk management.

Far East Horizon has set up an independent "risk management committee" which is responsible for developing and supervising the establishment and implementation of corporate risk management system, and in charge of

improving and supervising all business to comply with different specifications. The risk management committee holds meetings regularly and irregularly to promote the Corporation to set up risk management system in different levels. Meanwhile, the Corporation deliberates on the appropriateness of risk mitigation countermeasures in conjunction with business development and environmental changes. The countermeasures proposed by every risk unit aim at individual risk project. Far East properly manages credit risk, market risk, operational risk and asset liability risk, and report execution of risk management to the Board of Directors, revealing the results in the annual financial report.

In 2014, the Corporation recognized 4 major risk cases and organized 31 risk management training sessions which were attended by 1099 employees.

Note: The statistics only refer to the financial sector.

Credit Risk Management of Investment Business

Verification and evaluation made in credit direction for investment business are from dimensions such as "industrial supply and demand, market competition, business model, corporate business, asset valuation before investment, management after investment and withdraw channel", through at least 3 control procedures, i.e. project audit, pre-audit and investment audit. The key to project audit lies in making initial judgment about the investment target, including its industrial status, competitive environment and the feasibility of business model. Pre-audit focuses on analyzing and judging the results of due diligence, while investment audit concentrates on comprehensive assessment of investment decisions.



3 Control Procedures:

Project audit > Pre-audit > Investment audit

Corporate Fund Risk and Coping Methods

Risk Content	Strategies
Cash Flow	<ul style="list-style-type: none"> Fund Operation Center under Treasury Department formulates quarterly and monthly repayment plans combined with funds performance, executed by Settlement Accounts Department under Treasury Department. To determine mobility pressure capability through pressure tests.
Interest Rate Risk	<ul style="list-style-type: none"> Treasury Department is in charge of establishing analysis framework of interest rate risk, conducting regular analysis, providing management suggestions and organizing import external management tools. Each Business Unit, Finance Department and Treasury Department should initiatively plan and adjust interest rate structure of assets and liability based on the corporation's overall judgment on the market.
Exchange Fluctuations	<ul style="list-style-type: none"> Treasury Department is responsible for tracking information of external market, analyzing and judging exchange rate trends, and reporting to the Corporation. Treasury Department formulates comprehensive management strategies of exchange rate risk and transaction timing of derived products based on corporate business strategies and market judgment.

COMPLIANCE OPERATIONS

Compliance Management

Far East follows the development of the "Listing Rules", "Securities and Futures Ordinance", and the "Companies Ordinance" released by the Stock Exchange of Hong Kong Limited. In addition, the Corporation strives for excellence, constantly thinking about how to build better systems and procedures. Far East has also dedicated to other aspects such as protecting shareholders' rights, enhancing the function of the Board of Directors, improving corporate governance, quality and transparency of information disclosure, and advancing internal control and audit system.

To match corporate strategic upgrade, Far East Horizon has established three dimensional scanning and audit system with the principle of "risk-oriented and comprehensive coverage", promoting effective self-immune system to form. Audit Department implements accredited system, directly accrediting audit personnel at each business unit. The corporation strengthens on-site audit supervision and inspection, striving for total coverage of key operating sections. Far East is making efforts to promote establishment and improvement of internal control and operation management systems, helping corporate business management to continuously improve and correct, in order to ensure corporate development.

At the same time, the Corporation carries out different forms of compliance advocacy and educational activities for employees of different positions and performance characteristics. Far East refines the violation issues in the corporation as case study, educating employees with things happen around

them, thus forming a good compliance culture and ideas among all employees.

In 2014, during various audit, inspection and other patrol activities, the Corporation had 234 audit findings, proposed 184 suggestions to management. For violation of laws, Far East punished the persons who violated laws, disciplines, and regulations in strict accordance with "responsibility identification and punishment management regulations". Certain offenses are serious enough to warrant immediate discharge. Employees who break the law or commit crimes shall be transferred to a judicial authority.



Overall guidance and training of corporate anti-fraud investigation and risk control

2012-2014 Compliance Management Results¹

Results	2012	2013	2014
Internal control training (times)	2	3	1
Internal control training (persons)	60	100	18
Audit and Discipline supervision report (copies)	74	79	123
Audit reminder (copies)	5	11	33
Audit findings (pieces)	311	348	234
Management suggestions (pieces)	101	237	184

Note¹: The statistics only refer to the financial sector.

An Honest Business

The Corporation insists on promoting business strategy of “combining finance and industry”. Facing the risks and increasingly complex environment in the areas of finance and industry, in order to ensure healthy and safe development, Far East urges employees at all levels on honest business and compliance management. With the principle of “strictly enforcing discipline, defending corruption risk, punishing those who violate regulations and

discipline, and ensuring development safety”, the Corporation promotes internal work of audit, disciplinary inspections and supervision in a step-by-step manner, and brings construction of honest business to actual operations and management. This is in order to ensure integrity, systematic capacity, and compatibility with honest business.

Far East Horizon Honest Business Work Overview

- Issuing “Far East Horizon Limited Anti-fraud work regulations”, clearly defining relevant regulations and procedures of anti-fraud work.
- Leaders in the Corporation sign and announce the “Integrity Commitment” every year, receiving surveillance of all employees.
- Audit division has set up a report mailbox, and arranged special operators for 400 report and complaint calls.
- Each employee and external customers have ways to report to the Corporation regarding violation of discipline or regulations, through a new employee training platform, the corporate website, or according to reporting telephone numbers printed on employees’ name cards.
- In 2014, the Corporation held 42 times of honest business training, 1663 employees attended the training.
- In 2014, the Corporation received 8 cases of complaints from employees and customers. All the case were investigated and handled immediately.
- In 2014, the Corporation punished the persons who violated laws, disciplines, and regulations in strict accordance with “Responsibility Identification and punishment management regulations”. Certain offenses are serious enough to warrant immediate discharge. Employees who breaks the laws or commit crime shall be transferred to judicial authority.



Case Study in Anti-Fraud Training



Honest Business Promotion



2012-2014 Honest Business Work Results¹

Work Results	2012	2013	2014
Honest Business Training (times)	8	17	42
Honest Business Training (persons)	356	767	1663
Reports received from Employees (times)	0	13	4
Handling illegal cases (items)	0	0	4
Handling discipline- violating cases (items)	7	5	13
Punished for violating laws and disciplines (persons)	32	5	24

Note¹: The statistics only refer to the financial sector.



We believe that the essence of corporate social responsibility lies in achieving the sharing and mutual creation of value with all stakeholders, including investors, customers, partners, employees, government and society. By sharing and supplying value, we can realize a healthy, stable, sustainable and harmonious development of industrial economy and society.

Philosophy
of Responsibility



CORPORATE RESPONSIBILITY

Far East Horizon takes corporate social responsibility as a part of business strategies, always aims at corporate social responsibility, focusing on interdependence with society, and actively walks with the world's pace. We know that in order to maximize the effectiveness of corporate value and meet the expectation of the public and our customers, we have to seize the opportunity and do review ourselves. Meanwhile, Far East needs to develop corporate social responsibility strategies and corporate culture which suit its own characteristics and are implemented wholeheartedly.

Mission and Vision

Integrating global resources and promoting China's industries

- We gather global resources, are dedicated to meeting the needs of our Clients, and strive to meet their demand.
- Driven by constant innovation, we continue to support our clients using all means.
- We promote the development of key industries, in order to boost a national renaissance.

Corporate Goal

Devoted to becoming an economic organization which continues to create values sustainably and effectively.

- To create values for all parties, including shareholders, employees,
- A platform to enhance values.
- A magnet to attract resources.

Far East Horizon is devoted to becoming an economic organization which is sustainable, effective, and which can increase value creation. We believe that besides concentrating on the operation of financial sector, we need to spread the philosophy of corporate social responsibility to subsidiaries, penetrating into each industrial sector. Only through integration of corporate social responsibility with practical experience for years, and with reference of advanced experience of international organization and all sectors can Far East implement corporate social responsibility policies step by step, and become the best corporate citizen in the eyes of the public.

We divide our social responsibility into four parts, including industry, investors, employees and public. They support and influence each other, in order to achieve sustainable and long-term performance.

Responsibility Philosophy



RECOGNITION AND COMMUNICATION OF KEY STAKEHOLDERS

The opportunities for Far East to contacts the public has increased with diversified financial service and the comprehensive development of our industry operation. The Corporation is committed to creating maximum profit for stakeholders, and maintains good diverse communication channels, recognizing problems and proposing countermeasures in order to bear more responsibility and challenges, and to lay foundation for the development of the country and society.

According to its own business and operation characteristics and learning the experience and best practice from industry in the same sector at home and abroad, the Corporation identifies key stakeholders as investors, customers, employees, government, supervision institutions, partners, communities and the public. Far East also actively communicate with stakeholders through multiple channels and methods such as websites, media, conferences, reports and events to realize the issues concerned by stakeholders.

Expectations and Responses of Stakeholders

Key Stakeholders	Importance	Concerned Issues	Communication and Responses	HKEx ESG Reporting Guidelines Reference
Investors	We have to create value for our investors.	<ul style="list-style-type: none"> • The corporate governance system • Business strategies • Business performance • Stable returns • Investment returns 	<ul style="list-style-type: none"> • Shareholder meetings • Financial reports • Performance reports • Roadshows and reverse roadshows 	A. Work environment quality B. Environmental protection C. Operation routines D. Community participation
Customers	Our products are the necessities for our customers.	<ul style="list-style-type: none"> • Service quality • Service price • Customer information confidentiality 	<ul style="list-style-type: none"> • Customer research • After-sales service about customer requests or complaints • Customer satisfaction surveys • Customer activities 	A. Work environment quality B. Environmental protection C. Operation routines
Employees	Employees are the most important cornerstone for corporation development.	<ul style="list-style-type: none"> • Employee rights and benefits • Compensation system • Training and development • The work environment • Physical and mental health • Care for families 	<ul style="list-style-type: none"> • Employee activities • Daily operation of the Union • Employee training • Employee service platform • Employee care program • Cultural construction 	A. Work environment quality
Governments and Supervisory institutions	Government plays a supervision part in our business operation.	<ul style="list-style-type: none"> • Compliance operations • Regulatory transparency • preventing tax fraud • Resources conservation 	<ul style="list-style-type: none"> • Institutional visits • Document correspondence • Policy implementation • Information disclosure 	A. Work environment quality B. Environmental protection C. Operation routines D. Community participation
Partners	The partners need to share the same values with us on corporate social responsibility.	<ul style="list-style-type: none"> • Business ethics and credit • Fair competition • Compliance operations • Mutually beneficial strategy alliances 	<ul style="list-style-type: none"> • Holding bidding conferences for the public • Strategic negotiations • Exchange visits 	A. Work environment quality B. Environmental protection C. Operation routines
Communities and the public	Our business operation may affect community development.	<ul style="list-style-type: none"> • Community development • Social welfare • Environmental protection 	<ul style="list-style-type: none"> • Community activities • Employee volunteer activities • Public activities • Social undertakings 	B. Environmental protection D. Community participation

RECOGNITION AND ANALYSIS OF SUBSTANTIAL ISSUES

Through regular analysis and comprehensive consideration for corporate strategies and operational directions, the Corporation realizes the focuses and expectation of stakeholders and internal and external factors such as domestic and international standards and policies that we should follow. According to the procedures of recognition, evaluation and selection, we define key social responsibility issues as our focus in report disclosure. We will also regularly inspection of conduct social responsibility issues in order to meet social expectations for the Corporation.

Detailed key issues and corresponding GRI aspects and index are shown in the following table. Relevant index disclosure is in annex GRI 4 in this report.



Key Issues	Boundaries Related to the Report		GRI Aspects	Gri Index
Corporate Value Increases	Internal: Corporation, Investors, Employees	External: partners	Governance Economy	G4-34 EC1-EC2
Corporate Governance	Internal: Corporation, Investors	External: partners, government, supervision institutions	Governance Economy	G4-34 EC1-EC2
Compliance and Risk Management	Internal: Corporation, Investors	External: partners, government, supervision institutions	Economy Society	EC2 SO7-SO8
Industrial Development	Internal: Corporation, Shareholders	External: partners	Governance	EC8
Green Finance	Internal: Corporation, Employees	External: communities and the public, government, supervision institutions	Environment	EN16-EN25
Green Construction	Internal: Corporation, Employees	External: communities and the public, government, supervision institutions	Environment	EN1-EN10
Green Office	Internal: Corporation, Employees	External: government and supervision institutions	Environment	EN30
Employee Rights and Welfare	Internal: Corporation, Employees	External: government and supervision institutions	Labor Human Rights	LA1-LA5; LA13-LA15; HR4
Employee Development	Internal: Corporation, Employees		Labor	LA10-LA12
Employee Health and Safety	Internal: Corporation, Employees	External: government and supervision institutions	Labor	LA6-LA9
Employee Care	Internal: Corporation, Employees		Labor	LA3
Credit Business	Internal: Corporation, Shareholders, Employees	External: partners, government and supervision institutions, communities and the public	Society	SO2-SO4
Community Relations	Internal: Corporation, Employees	External: communities and the public	Society	S10
Commonwealth	Internal: Corporation, Employees	External: communities and the public	Society	EC8
Products and Service Innovations	Internal: Corporation	External: customers, communities and the public	Product Responsibility	PR3-PR4
Product Quality and Safety	Internal: Corporation	External: customers, government and supervision institutions	Product Responsibility	PR1-PR2
Customer Satisfaction and Communication	Internal: Corporation	External: customers	Product Responsibility	PR5
Customer Rights Protection	Internal: Corporation	External: customers	Product Responsibility	PR8-PR9



Economic Responsibility



As a leading corporation in the financial leasing industry, Far East Horizon follows the macro development trends of the country, using financial resources to promote industrial expansion, and accelerates the development of financial business with industry penetration. For years, the Corporation has maintained good profitability, and has made full use of its resources integration advantage, actively setting up communication and exchange platforms to achieve mutual growth with industrial customers.

BUSINESS RESULTS

Market competition in finance is fierce, and the global economy changes rapidly, so Far East faces great challenges in business. Nevertheless, the Corporation still achieves constant and stable operation. In 2014, income after taxes was up to 10.061 billion yuan, with a growth rate of 27.86% in 2013. Annual profit was 3.211 billion yuan, with a growth rate of approximately 23.47% in 2013.

2012-2014 Economic Work Results Statistics

Work Results	2012	2013	2014
Total revenue of primary business (RMB 100 million)	64.86	78.68	100.61
Revenue growth(%)	41.21	21.31	27.86
Total profit (RMB 100 million)	20.76	26.01	32.11
Profit growth (%)	44.15	25.28	23.47
Total tax (RMB 100 million)	10	14	14
Total assets (RMB 100 million)	605.70	865.13	1107.26
Total assets growth rate (%)	28.92	42.83	27.99
Total subsidies from government (RMB 100 million) ¹	0.63	0.78	3.261
Annual profits of common stockholders (RMB 100 million)	15.19	19.13	22.96

Note¹: The subsidies are mainly special support funding for business changed into VAT and VAT refund.

2014 Far East Horizon Credit Rating

On December 19 2014, Standard & Poor officially raised the Corporation's international independent rating. After the adjustment, international independent rating of Far East Horizon was raised from BB+ to investment rating BBB-. After this rating upgrade, Far East has become the only leasing company which has gained international independent rating in investment rating, superior to other Chinese banking leasing companies and independent rating of most domestic financial institutions.

On one hand, the corporations which gained investment rating raise funds from the capital markets with a lower cost. On the other hand, those corporations have an access to the broader capital markets. It is the first time that Far East has gained international investment credit rating. This will further promote the brand to the world and broaden overseas capital market, stepping forward to attract more overseas investors and achieve the corporate mission of "integrating global resources".

Far East Horizon Honors

- From 2012 to 2014, Far East International Leasing Ltd. was continuously selected as one of the "Top 100 taxpayers in Shanghai", ranking No. 22 in 2014 Shanghai third industry taxation, and overall ranking was No.29
- In 2014, Far East International Leasing Co. Ltd. was named as "Special Economic Contribution Corporation" in Pudong New Area
- In 2014, Far East International Leasing Co. Ltd. won "Top 10 corporation of China Financial Leasing Industry"

Promoting Rapid and Standardized Industry Development

To promote the development of domestic financial industry, Far East Horizon actively attends various exchange activities organized by governments and industry associations to promote industry standards and development, making efforts to improve the whole domestic financial environment.

Organizations With Far East Horizon Participation

- Member of the China Association of Enterprises with the Foreign Investment Leasing Industry Committee
- Deputy Director of the China Service and Trade Association, Commercial Factoring Special Committee
- Vice President of the Shanghai Leasing Industry Association
- Deputy Director of the Commercial Factoring Committee in the Shanghai Pudong New Area

FINANCIAL BUSINESS

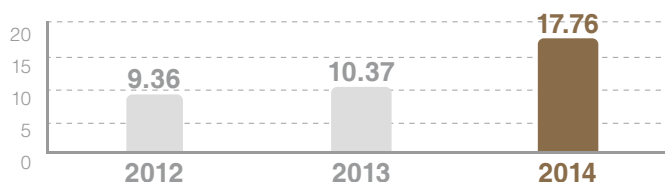
Financial Resource Cooperation

Under the strategic guidance of "resource globalization and operations localization", Far East is dedicated to innovating financial products and organizing global financial resources on both domestic and foreign platforms to serve China's market. Far East Horizon attached great importance to the cooperation with financial market. Adhering to long-term strategic cooperation and steady financial management style, the Corporation establishes strategic alliance partnerships with a number of partners in financial market, and cultivates a professional financial service team.

Far East is devoted to establishing long-term strategic partnerships with a number of financial institutions, including policy banks, state-owned banks, joint-stock banks, commercial banks, foreign banks, trust companies, securities companies, finance companies, and investment banks, carrying out extensive cooperation in many areas. The Corporation achieved cooperation prospect of "optimizing financing channels and effective management of capital funds" through constant product innovation to create value for various financial partners.

In 2014, Far East constantly adhered to the goal of establishing "multi-channel, multi-currency and multi-product" resources initiation system. Over the years, cumulative financing of Far East has been over 250 billion yuan. The Corporation actively expands domestic and foreign bank financing channels, and has gained bank credit of more than 100 billion yuan, effectively securing resource supply. By the end of 2014, the ratio of direct debt financing of Far East accounted for nearly 18%, and the financing cost had been effectively reduced.

Direct Financing (%)

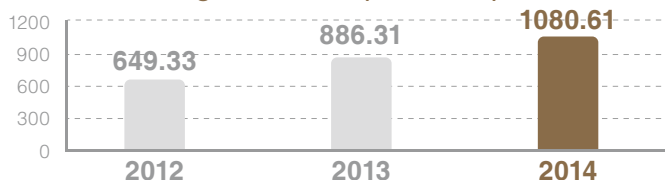


Financial Service

At present, the main financial business of Far East is facing a series of challenges, including changes in capital market, increased asset risk, etc. Under such circumstances, the key target of financial business is to control risk, improve revenue and maintain growth. This requires Far East to focus on extension and innovation of financial products.

Faced with rapidly changing economy and external environment, we will not be stuck in a rut. The Corporation has successively implemented a number of innovative financial products, and has become the pioneer of financial innovation in the industry. Our products includes bilateral financing, syndicated loans, club loans, ship financing, settlement limits, trade financing, overdraft facility, factoring, external debt, offshore RMB products, interest and exchange rate tools, bond products, ABS, etc.

Financial Leasing Receivables (100 Million)



Far East Horizon Financing Results

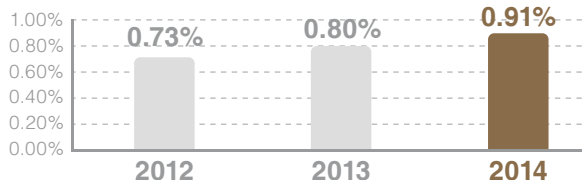
In 2014, Far East successfully expanded planned MTN quota from \$1.5 billion dollars to \$3 billion in direct financing market, further expanding access to funding channel. In domestic market, Far East successfully issued the third ABS and became the only financial leasing corporation which issued 3 consecutive asset securitization products. Meanwhile, the Corporation released multiple bonds in overseas market all year round, and the currency has covered US dollars, Singapore dollars and Australian dollars, etc., further enlarging the investor areas. The Corporation also made a breakthrough in bonds issuing time, issuing advanced perpetual financial securities and HKD bonds with an issuing time of 8 years. This reflected the diverse and sustained launch capability of Far East Horizon.

Far East Horizon First Issued Perpetual Bonds

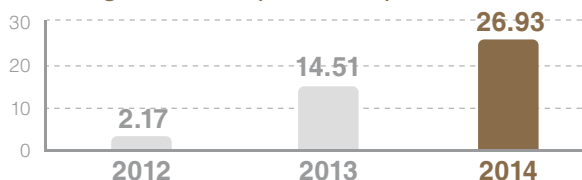
On June 23 2014, Far East perpetual bonds were successfully launched and eventually raised \$200 million, which marked the Corporation setting a precedent in international debt capital market among enterprises in China. Far East became the first leasing corporation which issued perpetual bonds in the international market. This provided effective assistance for diverse financing and established a good image in capital market.

Since 2012, by approval of the Ministry of Commerce, Far East International Leasing Co. Ltd. has been authorized to provide "commercial factoring and related advisory service", fully meeting customers' short-term circulating funds demand in operation. This service forms effective complementary with the corporation's current financial leasing products in financing time and funds usage, creating greater common value for all parties.

Non-performing Assets Ratio



Factoring Receivable (100 Million)

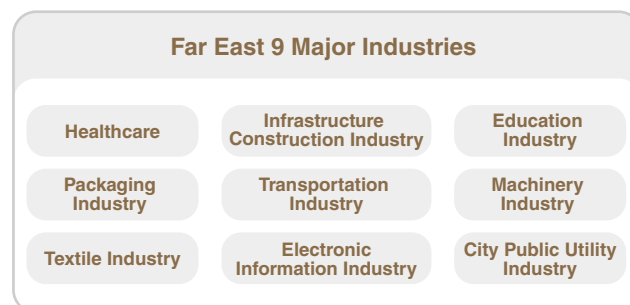


INDUSTRY AND FINANCE COMBINATION

Industry and Finance Combination Business Model



Through years of exploration, Far East has formed business style of conducting financial service with industrial perspective. After moving to the south, through more than 10 years' development, Far East Horizon will continue to focus on the 9 basic industries in the domestic economy: healthcare, packaging, education, infrastructure construction, transportation, machinery, textiles, electronic information, and public utilities, setting up professional operation management and security systems which match industry characteristics. By doing so, the Corporation will have a better understanding of industries and customers than other common capital providers. Furthermore, the Corporation will have better control and management of risks.



On the basis of deep understanding of industrial operation patterns and familiarity of customers' characteristics, Far East can focus on customer needs, providing customized professional financial service and products, and also providing comprehensive services such as industrial investment and operation, operating leases, commission trade, management consulting, and engineering services. By the end of 2014, cumulative investment of the Corporation in 9 major industries and over 10,000 medium and small enterprises has been nearly 230 billion yuan. The corporation's business has covered all provinces except Tibet, which effectively supports the development of real economy and industrial upgrades.

Cultivating and Establishing Industrial Operations Capacity

Based on industry investment platforms, the Corporation established good cooperation with business partners including domestic and overseas suppliers, distributors, governments, and industry associations. Far East actively sets up platforms and makes full use of a resources integration advantage, so as to improve interactions and exchanges among industries, in order to grow together

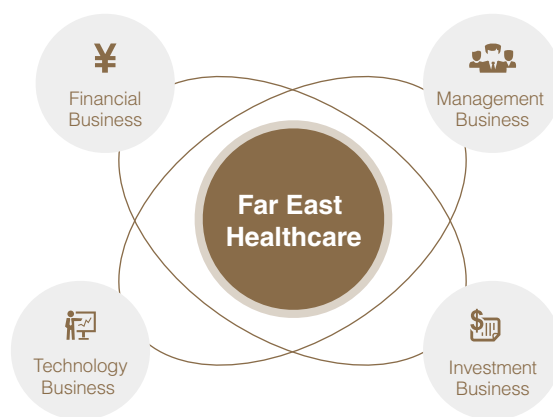
with partners. We are making efforts to enhance the comprehensive strength of all parties, trying to become a participant and active promoter for the development of key industries in China such as healthcare, education and construction.

Comprehensive Service Model of the Far East Healthcare Industry

Far East Healthcare is the core strategic sector of the Corporation, devoted to long-term development of China's medical and health industry, relying on its multiple business platforms to provide comprehensive industrial services in finance, investment, engineering, trade and management consulting for domestic healthcare institutions, healthcare manufacturing corporations, healthcare distribution corporations and public health agencies. Meanwhile, Far East Healthcare, which is the excellent leading power in the industry. As an integrated service provider, it provides professional healthcare service for the public relying on its multiple medical institutions.

The major business of Far East Healthcare includes 4 parts. Firstly, taking financial leasing as its core, it carries out specific financial service by its department. Secondly, taking Horizon Medical Investment as a platform, it carries out industrial investment service on healthcare institutions. Thirdly, in engineering trade business, taking DeMing Engineering as a platform, it provides engineering business and equipment trade for healthcare customers as its core services. Fourthly, taking Horizon Medical Management as a platform, it carries out professional management consulting service which covers aspects such as hospital project operation, management consulting, special subject training, visits and learning.

Major Business of Far East Healthcare



INDUSTRY RESPONSIBILITY

Concerns about People’s Livelihood Issues

During the process of industrial service, Far East Horizon regards basic industries which have vital bearing on people’s livelihood as target clients. Through unremitting efforts, we generate a better understanding of customer needs and integrating global resources. Far East actively promotes industry interaction and exchanges in various industries, to constantly help customers improve their competitiveness and enhance development and competitiveness for the entire industry. By doing this, sound development of the national economy and people’s livelihood can be expected soon.

Areas	Objectives and Work	2014 Results
Healthcare	<ul style="list-style-type: none"> Providing comprehensive industrial services for domestic healthcare institutions, healthcare manufacturing corporations, healthcare distribution corporations and public health agencies. Providing professional healthcare service for the public relying on its multiple medical institutions. 	<ul style="list-style-type: none"> Serving more than 550 healthcare institutions and more than 50 healthcare corporations. Holding shares of three hospitals: Huizhou Huanggang Orthopaedic Hospital, Siping Cancer Institute & Hospital of Far East Horizon Healthcare Group, CISHAN HAIDA.
Education	<ul style="list-style-type: none"> Providing advanced teaching facilities and equipment, improving school teaching conditions, and developing education. 	<ul style="list-style-type: none"> Serving nearly 150 universities, 290 vocational colleges, and 190 high schools.
Public Transportation	<ul style="list-style-type: none"> Providing funds to bus corporations, helping bus companies to update operating vehicles and improve vehicle emission standards. 	<ul style="list-style-type: none"> Updating new energy buses which worth 220 million yuan for more than 10 cities.
Sewage Treating	<ul style="list-style-type: none"> Helping corporations to improve sewage treating systems, improving sewage treating ability and standards. 	<ul style="list-style-type: none"> Providing 630 million yuan for water supply and sewage treatment corporations in more than 20 cities.

Healthcare Service

In 2014, Huizhou Huanggang Orthopaedic Hospital added 300 hospital beds, serving 73,750 outpatients. 45,726 people experienced body check up, and 4,418 patients were hospitalized. The hospital has provided high quality healthcare service for the citizens in Huizhou.



Cangnan People’s Hospital Passed JCI Certification

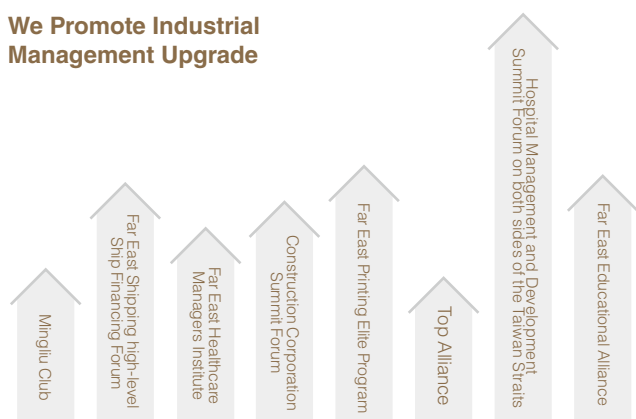
Cangnan People’s Hospital, a comprehensive level-3 second-class hospital, was founded in 1987, with 709 hospital beds, and the annual income is about 425 million yuan. In March 2013, the experts team of Horizon Medical Management stationed in the hospital, tutoring JCI certification. After almost 20 months’ preparation, in November 2014, Cangnan People’s hospital received formal notification from the United States Joint Commission on Accreditation of Healthcare Organizations (JCI) that the hospital had passed 5 principles of JCI and confirmed it had received JCI certification. Cangnan People’s Hospital became the first comprehensive hospital in Zhejiang Province and the second in China which passed the fifth edition of JCI certification. This was also the first project which was tutored by Horizon Medical Management and passed JCI certification.



Promoting Industry Exchanges

While putting funds into industries and helping the corporation to achieve hardware upgrade, we actively promotes industry interaction and exchanges in various industries, to constantly help customers improve their competitiveness. In order to help our customer to improve competitiveness and enhance development and competitiveness for the entire industry. By doing this, the sound development of the national economy and people's livelihood can be expected soon. Furthermore, the Corporation focuses on training professional and managerial talent, in order to enhance the development and competitiveness of the entire industry, and to promote an optimal industry structure. By doing this, the sound development of the national economy can be expected soon.

We Promote Industrial Management Upgrade



The Eighth Far East Horizon Construction Summit Forum Was Held In Shanghai

In May 2014, with the theme of "Reform, Transformation and Opportunity", "The Eighth Far East Horizon Construction Summit Forum" attracted more than 180 people from various regions to attend. The participants were leaders from infrastructure corporations of roads, railways, metallurgy, water conservancy, power, municipal, housing construction, and investment, and others were from related construction associations. The participants conducted discussion and studies on issues such as how to realize innovation and development, transformation, and combination of finance and industry for infrastructure under the macro-economic background.



Far East Horizon Construction Summit Forum

Far East Horizon First Public Transport Financial Summit Forum

In October 2014, the Public Utility Business Unit (BU) of Far East Horizon held "Far East Horizon First public transport financial Summit Forum" in Shanghai. The forum attracted related personnel of 45 bus corporations from 17 provinces to attend. With a business philosophy of "combining finance and industry", the public utility BU hereby hosted this forum, establishing positive interaction platforms for corporations to exchange ideas about common problems in industrial development. Hosting the forum was also an effective measure to intensify the corporation's influence of in the industry and explore individualized industry with comprehensive and integrated financial services.



2014 The Second Hospital Management and Development Summit Forum

In June 2014, under the guidance of Liaoning Health and Family Planning Committee, hosted by Far East Healthcare and Liaoning Provincial Hospital Association, and assisted by Fourth Affiliated Hospital of China Medical University and Shanghai Horizon Hospital Management Co. Ltd., "2014 Hospital Management and Development Summit Forum" was held in Shenyang. More than 300 participants, who were health administrative officials, hospital chiefs and hospital management experts in mainland China, and prestigious medical experts and scholars from Taiwan attended the forum. The forum attached great importance to how to establish safe and intelligent healthcare service system, and the participants further discussed about healthcare quality, patient safety, healthcare informatization and hospital development.





Guided by the aim of creating value for customers, Far East Horizon believes that only focusing on the needs and changes in the market and customers, can it constantly make innovative breakthroughs and provide the right services for the market and its customers.

Customer
Service



CUSTOMER RELATIONSHIP MANAGEMENT

Client Relationship Management System

Good relationship with clients, who is the important partner of Far East Horizon, motivates the progress of the Corporation. The Corporation created a client relationship management system to realize three functions including daily client maintenance, custom satisfaction surveys and client service activities, thus to catch the client's needs and strive to achieve steady progress.

Keep Upgrading Functions of Customer Service

Daily Client Maintenance

- Send the publications of Far East
- WeChat public numbers of the corporation and its industries: Horizon official wechat; Horizon (Packaging_Club); Horizon Assembly (YD-jiaotong); Medical Vision World (gh_f5e6cb1cf9be); Horizon Hongwenguan (FEH-EDU)

Custom Satisfaction Surveys

- Regularly pay clients return visits using the phone
- Pay cross-visits to clients making deals with the corporation on a regular basis
- Questionnaires on market activity participation

Client Service Activities

- Create industry clubs
- Offer individually tailored courses
- Hold the industry summit forum
- Go on academic visits to model enterprises

Listen to Customers

Far East Horizon is proactive to meet the needs of clients and hopes to reassure and increase the satisfaction of clients. With the aim of meeting the needs of clients first, we establish an internal management guarantee system, lay down strict service procedures, improve client experiences, ensure the quality standards of financial products and industry service, and offer quality and reliable services for clients. Since we emphasize the sounds of clients, we created a 400 client service hotline, besides the ways of letters and emails, to allow clients to easily communicate their consultations, complaint and suggestions. Moreover, someone is put in charge of the hotline and provides definite information and complete audio description to help solve the problems of clients.

Pilot Customer Service System of Machinery Business Unit

Machinery Business Unit firstly established the customer service system in 2014 and has paid clients return visits from July to December, which ended successful communications with 1,457 clients and 90% recovery of master databases. With the client data combed and return visits paid, 38% new order information has been collected. Meanwhile, we strive to clarify and neaten our services to further meet the three goals of customer services by strengthening the construction of customer interactive platform, promoting the tabbed management for clients and helping improve the service content for clients.

Customer Service Goals

- Quality service: we promise to be responsible and responsive, and provide efficient and convenient one-stop services for our clients at any time.
- Credibility first: we honor our promises and treat every client in a honest and cooperative manner.
- Probity & self-discipline: we conform to work ethics, refuse giving or asking for bribes, and refuse any activities which disobey the law or rules.

Patient Satisfaction Survey Process

In the Huakang Hospital, patients are invited to fill out the satisfaction surveys when leaving hospital. Within seven days after patients' leave, a telephone interview is conducted by the responsibility doctor, and at one week post discharge, the satisfaction survey is conducted by the special telephone follow-up group.

At the same time, the clinic doctors invite patients and their family members to play roles in the process of inspecting how medical workers serve for patients in fidelity with hidden camera recording, which is conducted once every three months.

INNOVATIVE SERVICES

Focus on Customer Needs and Create Value for Customers

Since Far East Horizon knows well about the abundant uncertainties and unpredictable changes of business, we are dedicated to helping our clients face the challenges of finance and business by offering individually tailored service plan for every client, which significantly improves the customer loyal. Over the years, the Corporation has accumulated a large amount of data on industrial customers and therefore summarized the common needs of clients. Moreover, we design products and services, improve customer support and recognition and ultimately establish a diversified business structure. We have

become a leader in financial innovation and a world-class service provider of comprehensive operations.

In various fields, Far East Horizon and its subsidiaries are always ready for the new challenges and dedicated to the innovative research and development so as to provide diversified products, considerate service, complete business flow and create maximum value for clients and shareholders. In the future, we will continue to be more rigorous and prudent in offering clients safer products.

Far East Horizon Customer Service Value

- We expand financing channels for customers through diversified financing means and provide necessary capital support for their long-term development using extensive local and foreign currency financing products and integrated service.
- We help customers effectively upgrade their equipment and infrastructure at an optimum cost through equipment trading, project construction and operation and maintenance.
- With in-depth industry experience and a rich resource of experts, we provide operations management and management consultation services for customers to help them improve their operation efficiency and competitiveness.
- Through our in-depth understanding of our customers' needs , our integration of industrial resources, and our constant innovation, we help customers upgrade their equipment and technology, and improve their operation efficiency to help grow their business
- We are actively engaged in platform construction and resource integration. We aim to promote industrial interaction and exchanges, to help our customers expand their business scope, and improve their management and comprehensive capabilities.

Far East Horizon Packaging Unit Designs the Financing Scheme as the Customer Request

The client Horizon Packaging is a domestic company producing plastic membrane, with branches, production bases and cross-industries developing in many places across the country. It originally expanded development so that every branch got liquidity loans and project loans secured by the real property. However, perhaps due to the relatively fast turnover of capital or the heavy burden of principal payments, the enterprise, with its industry particularity, found the the scheme impractical to finance in other aspects, which resulted in funds limitation during periods of fast expansion. Particularly in the northeast region, commercial banks could not offer enough project loans and financial resources as other regions, making it difficult to support the region.

To solve the problem of the company, Horizon Packaging plans to take the major assets of Zhejiang and Jiangsu provinces as the joint guarantee conditions, greatly guaranteeing the credit extension of the northeast production base, and setting a more reliable repayment period based on its funds use and the investment recovery period in the future. The scheme perfectly helps the company coordinate the resources and allot the financial costs to every branch so as to minimize the financial cost to the company.

Far East Horizon Research Institute

Far East Horizon Research Institute is committed to doing forward professional researches, integrating and docking the research efforts, grafting and grasping macro level, focusing on research of middle and micro levels as well as offering systematic support for administrative decision and suggestion for the research. In addition, the institute routinely communicates and shares research results with customers and partners to grow together through our self-published media, Far East Horizon Magazine.



New Development of Medical Project

The Far East Healthcare subsidiary, Shanghai Domin Medical Engineering Co., Ltd, provides the medical equipment and medical engineering, which was recognized one of Shanghai's high-tech and clean engineering enterprises, received an "AAA" credit rating and the reputation of "good creditworthiness". Moreover, it specializes in contracting for electromechanical equipment installation, designing and constructing decoration projects, contracting for intelligent engineering and selling medical devices with a business certificate. It has passed the ISO14001 environmental management system certification, the GB/T28001 occupation health safety management system certification and the ISO9001 quality system certification.

China's Leading Provider of Medical Equipment and Engineering Service

In 2014, the company has six more patents including "scalable multi-purposes socket box of clean operation room", "air-tight access port with elevator in clean room", "outdoor direct antifreeze equipment in the cold months", "the central air conditioning air outlet device of the integrated lamp", and "busbar with low voltage power distribution terminal cabinet under the IT system in the operation room". The company has 17 patents for utility models and devotes itself to studying clean operation rooms in China.

New Development of Construction Projects

As the wholly owned subsidiary, Shanghai Horizon Equipment & Engineering Co., Ltd (abbreviated as "Horizon Equipment") is responsible for the comprehensive equipment managements including equipment operation management and engineering construction service. For its clients, the company dedicates itself to providing the most safe and most perfectly comprehensive services, helping with overall improvement of operating efficiencies and leading in a new direction of development.

Horizon Equipment Exploits the Leasing Market of Emergency Power Supply for Industries

Electrical equipment leasing is the new business of Horizon Equipment. On April 8th, 2014, Horizon Equipment successfully defeated a more experienced opponent and provided emergency power supply for a factory designing and manufacturing electronic products, which helps to further clear the developing direction of electrical business.



Horizon Equipment Introduces the Highest Hydraulic Aerial Cage

Horizon Equipment, which is the largest and most manifold on products nationwide, firstly introduces the highest free straight arm hydraulic aerial cage in the world, SX™-180 (platform height 54.9 m). With the adding of SX™-180, Horizon Equipment has owned more kinds of aerial work platform, significantly enhanced the competitiveness and expanded the use of aerial work platform in the industries of construction, property maintenance, oil and natural gas.



CUSTOMER

RIGHTS PROTECTION

Client Information Protection

Far East Horizon tries its best to protect the information of clients aiming to uphold the good reputation of excellent enterprise management and establish the long-term business relationship on mutual trust. The Corporation constantly improves its information management system, stipulates and strictly carries out the Confidential Information Management Regulations. With integrated management from the Departments of operations center, Human Resources, Audit, and the General Managers Office, the responsibility and

the punishment for divulgement, and the knowledge scope and clearance of confidential information by the staff is clarified. Moreover, we make sure that staff sign the Post Confidential Undertaking, and that department managers sign the Secret-keeping Responsibility Undertaking. This strengthens staff awareness of keeping information confidential to ensure the safety of client information.



Customer Marketing Management System CMM

In 2014, the Corporation constructed the online "Customer Marketing Management System" to comprehensively improve the service and raise the information management level for customers supported by information means. According to the business rules of the Corporation, CMM divides all clients into different layers and categories, restricts those customer managers and managers of every department who can only see the client information within their own jurisdiction and helps managers to strictly manage the registration, query and change of client information.

Honest Service

Every employee of Far East Horizon is responsible for safeguarding the reputation of the company in accordance with the highest ethical principles. Therefore, every employee is expected to be eligible, upright and professionally capable. Anyone whose behavior is considered improperly in violation of the rules of personal management will be punished. Moreover, employees are required to be upright, diligent, respectful and moral as well as to improve their professional abilities and properly and cautiously use their uniquely professional judgment ability when dedicating themselves to the pursuit of profits for clients and the company.





Employee Development



The core competence of Far East Horizon arises from the nurturing of capable and credible employees and excellent teams. We have systematic and targeted training courses to help employees make progress in profession.

We also strive to create a cheerful working environment where employees are encouraged to balance their work and personal life and employees with great passion participating in the Corporation can fully express their talents.

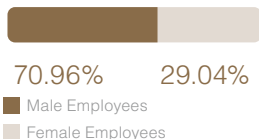
EMPLOYEE RIGHTS

Protecting Employee Rights

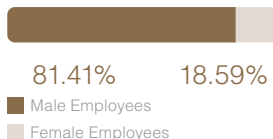
Far East Horizon respects employment laws and regulations and actively establishes the working environment where human rights are emphasized and employees are protected from discrimination and harassment and therefore employees can trust and respect each other. The Corporation pays the five social insurances and one housing fund for employees on time and in full. We adopt multivariate policies and ensure that employees are not discriminated against because of their gender, age, background, ethnicity, race or religion. All employees are under the same career growth mechanism and their salary and benefits are consistent across different offices in the country. Male and female employees in the same post enjoy the same salaries and starting salaries are significantly higher than the local minimum wage.

To further sustain the harmonious and stable labor relations between of our employees and the company, we have signed contracts with the labor union including a "Collective Contract of International Far Eastern Leasing (Draft)" and a "Wage Collective Negotiation Agreement of International Far Eastern Leasing (Draft)". Meanwhile, to protect female employees' rights and interests, we have also signed a "Special Contract of Protecting Female Employees' Special Rights and Interests (Draft)" and the Union has also set a Female Employee Committee.

Gender Ratio in 2014



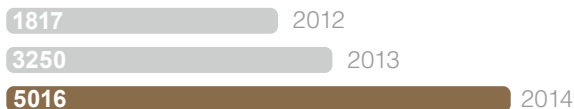
Gender Ratio at the Management Level in 2014



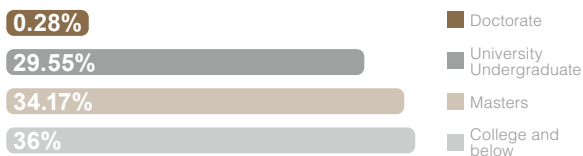
Note: The data only refers to the financial sector.

By the end of 2014, there are 5,016 regular employees including 2,232 employees working for financial sector and 2,784 for industry sector in the Corporation and its branches. In 2014, there were no instances of discrimination, child labor, forced labor or violations of employees' interests, and the rate of signed labor contracts is up to 100%.

Total Employees in 2012-2014(Persons)



Education Background for Employees in 2014



Participation of Employees

The Corporation has always emphasized various ways to listen to employees' suggestions and encouraged employees to be involved in the management of business, which is realized by actively promoting democratic decision-making, democratic supervision and improving the democratic management system. According to the "Workers Congress System", the labor union holds a Workers' Congress at least once a year to guarantee the lawful rights to suggestions, to participation and of supervision, which fully reflects the employees' involvement in the democratic management.



The scene of the congress of workers and staff.

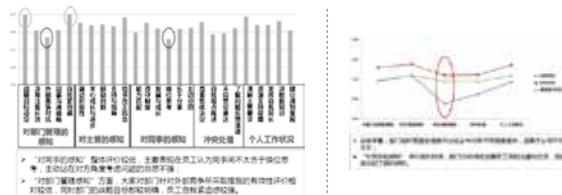
In 2014, we have passed several regulations concerning the vital interests of employees, such as "Measures for the Management of Labor Contract (Draft)", "Measures for the Management of Attendance and Leaving (Draft)" and "Flexible Employee Benefit Implement Scheme".

Moreover, the labor union holds the principles "combine prevention with elimination while focusing on prevention" to duly handle the labor disputes between employees and the company so that the labor relationship is coordinated. The Corporation promotes various management improvement activities and continues to improve the work of rationalization proposals and the construction of a real-time platform for OA rational proposals. Therefore, the electronic management platform is formed for the collection, categorization and analysis, solving and feedback evaluation of problems; a long-term mechanism is established for closed-loop operation. Meanwhile, the Corporation also sets diverse channels for rational proposals, such as hotlines, report mailboxes and secretary mailboxes.

Organization Climate Research

In 2014, Far East Horizon did organization climate research mainly by seeing how employees recognize their departments, directors and colleagues so as to help confirm the status quo of each department. The research helps to explore deep-seated organizational problems and then find solutions and suggestions to improve the work. All employees take part in the research mainly by filling out an online questionnaire and the response rate is up to about 95%.

Every department forms its special analysis report by combining evaluations of multiple dimensions, such as evaluation in previous years, the company average evaluation, evaluation of each dimension and its sub-direction, etc., which can be dedicated to later improvement and suggestions through the analysis.



EMPLOYEE DEVELOPMENT

Career Development

Our Outlook on Talent Development

Keep learning for growth, Breakthrough in knowledge and experience

FEH calls for talents with innovative knowledge and experience

Human resources are the key to the long-term development of enterprises. It is the nurture of capable and committed employees, the accumulation of human capital and the promotion of competitiveness that devote to the most solid foundation for the long-term development of enterprises.

For employees, we implement the position promotion channel composed of two parts: a professional development channel and an administrative promotion channel to foster the technical specialists and management personnel. Meanwhile, we design and set a post development system as the supplement for the career development system so as to make the promotion system more scientific and fair.

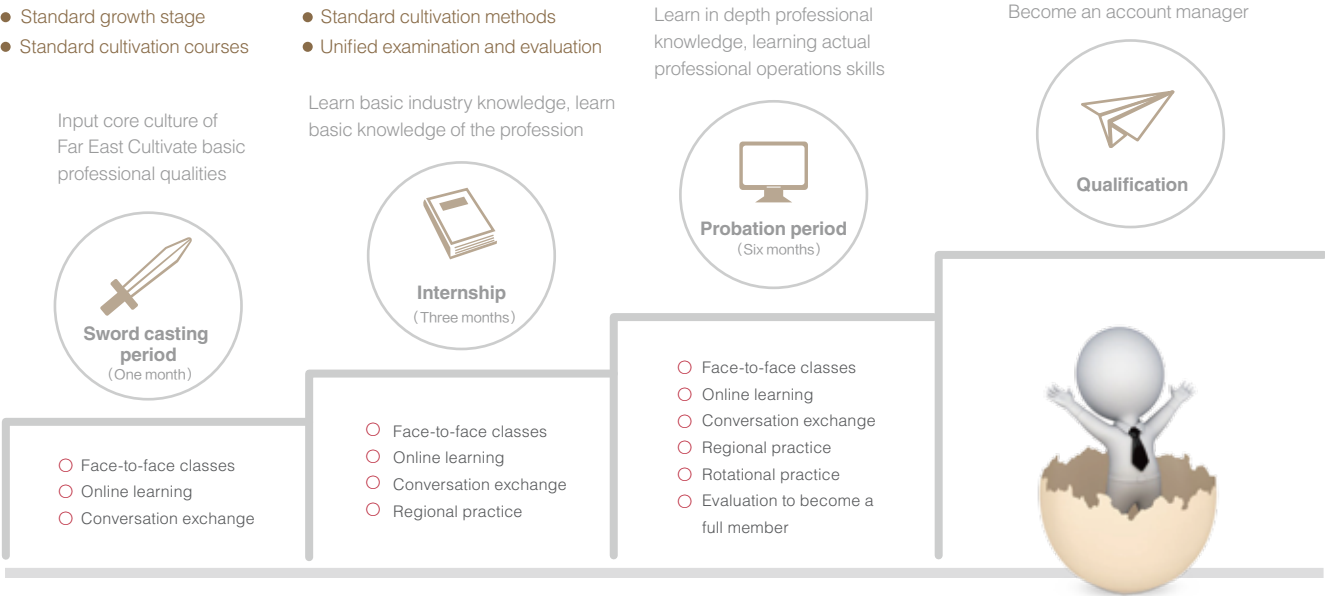
For the career development of employees, the Corporation actively manages the one-to-one communication between the directors and employees and draw ups the detailed plans, whose implements would be followed and examined tightly.

Employee Training

In accordance with the development needs of every department, the Corporation draws up an overall plan of human resource recruitment to recruit all sectors of professional talents through diverse recruitment pipelines. Besides, the Corporation establishes the talent development and training system based on the advantage.

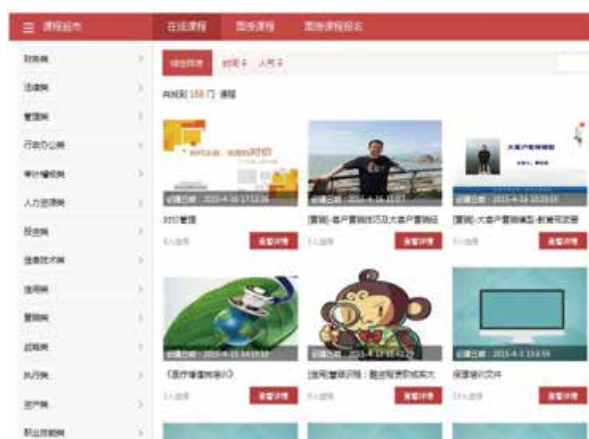
With establishments of the Far East College, Far East Horizon tries to create the environment where everyone strives to study. Besides the physical learning environment, a digital learning platform with diverse courses is provided for employees to help them improve their professional capabilities and competitiveness as well as climb the career peek and be ready for challenges in their careers.

The Growth Path From Newcomer to Account Manager



New Version of the Learning Management System of far East College

In 2014, with the advent of the digital age, Far East Horizon has developed a new version of the learning management system and formed a powerful learning resource database to meet the needs of current business development. Through a unified "course supermarket" entrance and the "information" designs, the learning resource database now offers 280 online boutique courses within 14 categories and 120 learning resources, which cover different directions including finance, law, management, administration, audit, human resource, investment, marketing, credit, strategy, execution, asset, vocational skills and so on.



Course supermarket supports optional courses.

The function of learning path map is one of the significant features of the new version. The learning path map is targeted at the customer manager and based on the multi-dimension evaluation mechanism concerning the typical task design and its process. By integrating important learning resources from every department of the Corporation, it provides employees with clear introduction of tasks and training lists, such as online courses, online training, examination, reading, summarizing and other learning methods. Tutors tightly focus on the practice of employees and guide them at all times, which realizes the full integration of learning and post practice and effectively reduces the training time.



Learning path map targeted at the customer manager

Meanwhile, every industry bases on its own characteristic and carries out all kinds of professional skills with great practicality.

Huakang Hospital Launches the Quality Service Training Program for Employees

In order to improve the service quality of employees, Huizhou Huakang Orthopaedic Hospital, in November, 2014, launched the quality service training program for employees. The hospital invited expert teams to systematically train employees in terms of service etiquette, service image and service specification and communication skill. After the training, not only do employees have new mental outlooks, but also service quality of the hospital and patient satisfaction has been effectively improved.



EMPLOYEE CARE

“Far East Horizon ‘Health Station’” the EPA Program

Far East Horizon is committed to creating a pleasant working environment, cares about the physical and mental health of its employees and helps them to balance their work and personal life with the aim to improve their happiness index. In 2014, the labor union further improves the implementation of “H-EAP”. A score of seminars concerning psychological courses on parenting and childcare for female employees have been held. Meanwhile, through the tailor-made “One Heart Health Fund” and regular medical examinations, the program builds a multi-layered and interactive employee care and health platform.



Flower arrangement lecture

Employee Assistance

In terms of employee assistance, the labor union spends more money on the love funds of the “Milk Bottle” project and the “Supported Beloved Ones” project, which have benefited more than 300 employees with 1,200,000 yuan spent and extended its care to employee s’ families and the fresh graduates who newly join in the company. As for the finance and investment, the labor union constantly implements the investment trust plan and thus increases the value of its own capital.

Employee Assistance Fund in 2012 - 2014

	Funding Model	2012	2013	2014
Milk Bottle Project (1,000 yuan)	Interest-free loan	88	22.4	96.8
Support Beloved Ones Project (1,000 yuan)	Assistance fund	8.2	24.8	24.8
Total	—	96.2	47.2	121.6

Balance Between Work and Personal Life

The Corporation encourages its employees to actively take part in sports activities in their spare time. At present, the labor union has seven sports associations respectively for basketball, swimming, badminton, run-reading, table tennis, football and photography with almost 700 members covering all departments of the Corporation. In 2014, the labor union has held over 300 daily sports activities and 20 big matches, such as, a friendly badminton match of “Gathering Cup” with Sinochem Group (Shanghai) and the Fifth Table Tennis League of Far East Horizon, which are invested nearly 600,000 yuan.



Friendly badminton match of “Gathering Cup” with Sinochem Group (Shanghai)



“The Family Cup” badminton elicited match



Green run activity



Employee healthcare exchange after physical examination

Female Employee Care

Every year, the labor union provides female employees with special physical examination, a parenting forum, different kinds of psychological training and over 10 health care courses.

CONSTRUCTION OF CORPORATE CULTURE

Far East Horizon dedicates its corporate culture to being implemented in operation and management. The Corporation has the belief that being a reliable and cooperative person who learns well and doing things in a careful and innovative manner in the pursuit of excellence. In the process of constantly upgrading the enterprise value, the Corporation tries its best to offer employees opportunities to challenge themselves and promotes the spirit of cooperation and making progress.

The Far East Horizon newspaper publicizes the Corporation's core philosophies and reports its major events and employee thoughts and opinions. We also designate a correspondent in each department to publish the latest news about the Corporation and departments to ensure that all staff is informed about what is happening around them.



Employee Ideological Education

During the year of 2014, the Communist Party Branch of Far East Horizon organized lectures and seminars on the Corporation strategies to unify its staff and strengthen their confidence in entrepreneurship. Moreover, we launched educational events on specific themes, such as "responsibility and undertaking of the Party" and the branch forum activity "enhance the Party spirit and strengthen culture perception".



The Annual Award Event for Outstanding Employees

On April 23rd, Far East Horizon held 2013 annual award event for outstanding with leaders and 500 employees of different departments attending. Each award was announced one by one and 44 employees and teams won the awards, which greatly encouraged employees to work harder.



2014 The Third Anniversary Celebration

On July 29th, 2014, Far East Horizon held the third anniversary celebration. 301 employees who participated in the celebration spent a solemn and touching ceremony day, received awards from the leaders and posed for pictures with them. Employees from different departments and their subordinate legal person platform's main managers and new employee representatives accounting for 700 also attended the ceremony.



"Who Is the Person with Far East Horizon Spirit?" Photo and Article Contest

The Corporation aims to promote the core values of the Corporation that is "Being a reliable and cooperative person who learns well. Doing things in a careful and innovation manner in the pursuit of excellence", and help employees better understand and rightly grasp the content and meaning of the core values. Hence, the Corporation starts the photo and article contest named "who is the person with Far East spirit?" Employees were encouraged to find the pictures reflecting Far East spirit and stories behind these pictures. Therefore, sharing the inspirational stories just happening around the employees would help to impart the positive energy of Far East Horizon.





Environment

Health and Safety



We regard environment, health and safety as integral parts of the Corporation's sustainable development. While continuing to invest in the people's livelihood, environment and health, we insist in the principle of responsible investment and tightly integrate the industrial investment and risk control. We actively promote the Far East Horizon risk prevention philosophy and improve the powers of industrial environment, health and safety to the rise of industrial value.

RESPONSIBLE INVESTMENT

Responsible Investment Philosophy

With the rapid development of industrialization, Far East Horizon management system has added diverse industrial forms including construction, clean energy and education sanitation. Hence, the Corporation definitely regards HSE as one of the important references in the process of management of

investment decision. The Corporation carries out risk assessment of every project and gradually calls for management integration of every industry according to HSE when actively making environmental responsibility investment

HSE Management Requirement by Far East Horizon:

- Comply with HSE laws, regulations and other requirements in applicable countries and regions.
- Consider HSE as a priority during any operational and investment decision making process.
- Protect the environment, prevent pollution, save energy, and create a safe and healthy working environment for employees;
- Continue to provide HSE training, raise HSE awareness and capabilities for all employees.
- Continue to honor the Corporation's promises and improve HSE performance.
- Work with stakeholders in promoting industrial business as well as health, stability, sustainability and the harmony of society.

Financial Leasing: the Practical Application of the First Energy Performance Contracting and Factoring Project

In May, 2014, the business development department of Far East Horizon held a signing ceremony in Beijing for the factoring usufruct project of the energy management contract project with the energy conservation and environmental protection company in Hebei province. This is the first factoring energy management contract project launched by the business development department and also demonstrates a real future usufruct business of factoring financing case within the energy-saving industry, which is viewed as a landmark in the industry.

For the successful application of factoring product in energy management contract project, the business development department repeatedly and carefully researched the underlying contract of the project before kick-off phase, which is supported by the headquarters operations center. In addition, after assessing the customer credit risk and energy industry risk, the business development department innovatively introduces the third party accrediting body with the state certification to collectively carry out assessments of technical risks and energy saving of the project. This way, the assessments could effectively reduce the amount of debt deviation probably caused by the uncertain usufruct of the project.

Industrial Operation Direction: M&A HSE Management

- In the project appraisal stage, HSE due diligence and preliminary risk assessment are systematically carried out.
- After the project delivery, HSE risk assessment and management benchmarking analysis are immediately carried out.
- HSE management integration plan lasting for 18-24 months is made and resource input is guaranteed.
- Major persons in charge and HSE managers receive training and certification and finally are cultivated with liability and risk culture.
- Annual HSE goals and targets are made; contractors and works are also considered into the performance appraisal system.
- The operation HSE management system is regularly detected through inspection, audit, management benchmarking and planning question.

GREEN OPERATION

Green Office

The official consumption and travels of the company affect the environment a lot. In 2012, video conferencing systems in Shanghai headquarters and 13 agencies across the country had favorable effects. 4015 video conferences in 2014 greatly help to reduce the greenhouse gas emissions produced by

travel. Furthermore, we have constructed a travel platform cooperated with airline companies and hotels to leanly and systematically manage travels in a bid to reduce more consumption.

All-in-one Office Machine Project

In previous time, three or four equipments of diverse functions could meet the employees' needs to print, copy and scan and they needed to ensure the equipments' locations and their network names with related setting. In 2014, the Corporation introduces the all-in-one office machine to make employees work conveniently in different locations, which realized the nationwide unified roaming print. The all-in-one office machine could serve to fulfill the needs of all kinds of everyday official documents' printing and copying. More importantly, introducing the all-in-one office machine helps to save the official consumption. With the machine diminished and standby power consumption saved, employees need to swipe the certification card before printing documents. Employees can cancel the lined-up files submitted in a bid to prevent the paper waste due to the typo. Meanwhile, the times of using the machine of every employee would be calculated so that every department can account its cost and thus the culture of saving can be promoted.

Environmental Teach-in Month

In December, 2014, the Corporation launched a series of activities on the theme of "environmental teach-in month" so that all employees were encouraged to improve the work environment together. Within one month, the Corporation strengthened to guide employees to obey regulations concerning work environment by publicizing the regulations of working environment and examining employees' understanding of the regulation. Meanwhile, every department and agency as a unit attended the competition of beautiful layouts in offices and therefore comprehensive improvements of office areas could reach the level of the 5S environmental construction.



Office environment appraisal and scoring commentary site

Green Construction Planning

Far East Horizon Square located in the former Shanghai World Expo site is the first self-owned office building and seen as the important office building of the Corporation in Shanghai in the future that would be started to construct in 2015.

To achieve the goal of "building in harmony with nature", the Corporation manages to save resources and reduce pollution to its maximum in the process of construction and operation. Meanwhile, the building is also designed for making comfortable spaces for employees. Therefore, the Corporation in the planning and design stage requires getting "China Green Building" Two Star and the gold award of Leadership in Energy and Environment Design (LEED).



HEALTH AND SAFETY

In 2014, the industrial health and safety risks we face increased rapidly and it was a new challenge for us in operations. Hence, the Corporation has firstly led all-level subjects of liability to establish the mechanism of comprehensive investigation and management of hidden risks; through PDCA closed-loop management, the Corporation has settled historical debts, improved the work safety norms and achieved the goal of ensuring the occupational health and safety for the whole year.

Infrastructure for Occupational Health Management

In a bid to meet the occupational health management requirements concerning construction and healthcare industries, the Corporation supervises and assists the units involved in occupational dangers like Hongjin Equipment, Horizon Equipment and Huakang Hospital. Specifically speaking, the Corporation helps these units with some basic works, such as identifying what are occupational dangers, drawing up occupational health surveillance guidelines, informing to have entry physical examination of occupational disease and its dangers as well as monitoring occupational dangers on the spot.

2014 Overview on Health and Safety Management

- HSE hidden risk reporting mechanism is established and operated whose check information and rectification is reported to public every month;
- HSE is checked and supervised for 76 times over the year which results in 253 hidden risk rectifications and completion rate is up to 88%;
- 56 safe work practices are revised and 35 HSE regulations regards self-built projects are issued;
- Pilot product safety is improved and habitually illegal behaviors are settled by security watch and communication.

Comprehensive Safety Training

To cultivate employees' HSE awareness and good behaviors, continuous training, following and strengthening employees' awareness and behavior are effective ways. In 2014, the Corporation actively develops the HSE training matrix construction and identifies HSE training requirements targeted at employees in different positions. Moreover, the Corporation strictly guarantees the three-level training and education for newcomers and meets the statutory requirements of job qualification forensic & training for three categories of employees. There were 2,300 employees attending the annual organizational training.

Corporate Safety Training of Industry Platform

After the Spring Festival in 2014, Hongjin Equipment organizes trainings targeted at newcomers. The trainings are about safe production and operational skills for one week, ensuring that employees have safety awareness and operational capacity met the job requirements before they formally take up their jobs.



Safety Management in Work Environment

- Every year, comprehensive administrative staff organizes employees to participate in a fire drill in every work environment so that employees can fully learn the fire prevention requirements of high-rise buildings and have the ability to escape the fire.
- For the management standards of key aspects like security and storage, unified inspection and maintenance are carried out around every quarter of a year and national holidays and hydropower safety and entrance guard are focused on.

Emergency Management

In 2014, the Corporation has revised and improved 21 emergency plans and on-site disposals at all levels and organized all kinds of emergency training drills with 470 employees attending to solve the new HSE risk events. Moreover, based on the various defects of drills, the Corporation has established an emergency organization and emergency supplies equipment configuration so that the awareness and capabilities of all-level emergency commanders and response personnel.

Review on Emergency Management

- The company's headquarters sets the leading team of crisis public relations and emergency command center as well as carries out trainings of crisis public relations and special emergency plans (tabletop exercise) of occupational disease incidents.
- As the key unit of fire safety, Huakang Hospital launched "four capacities" training and promoting drills regards fire safety; all medical staff carried out fire drills and evacuation drill of transferring seriously sick people in the hospital.
- Based on the features of the construction project, Horizon Equipment, Hongjin Equipment and Domin project continues to strengthen the operability of on-site emergency project; they also actively organizes and launches special plans (tabletop exercise) and first aid courses for the staff and takes more fire safety inspections in fire-prone areas including the dormitory.



Social
Commonweal



Far East Horizon actively participates in social welfare undertakings. Aiming at “promoting community health, stability, harmony and sustainability”, the Corporation has continued to dedicate human resources to public welfare programs in education, poverty alleviation and disaster relief sympathetically and selflessly.

BEI JING

HORIZON CHARITY FOUNDATION

Brief Introduction

Since 2006, Far East Horizon has been involved in charity activities and now is able to independently operate its charity foundation launched in 2014 after long practices and accumulations. Since the establishment of the charity foundation, the foundation aims at "promoting social health, stability, harmony and sustainability." To achieve the goal, the foundation has launched a series of welfare activities in scholarships, grants, and poverty alleviation in a bid to help poor people to receive education, improve their living environments and standards and strengthen their abilities to make a living.

The foundation has launched plenty of charity activities, such as "Horizon Scholarship", "Horizon Grant", "Poverty Alleviation Program at Chengguan County, Yongcheng City, Henan Province", "Hearing Aid Project in Kashi, Xinjiang Province" and "Care for Left-behind Children Project in Chongming", whose operations and managements are open and transparent. From 2012, there are nearly 10,000,000 yuan spent and 10,000 people benefited.

Aim of the Foundation

Promote social health, stability, harmony and sustainability

The Philosophy of the Foundation

The foundation pursues the long-term, stable and healthy philosophy for the public. When offering recipients long-term subsidies and quality services as well as passing cares and positive energies all the time, the foundation also guides them to take the love baton from the foundation, always be with grateful hearts and work for charities after they have got the help.

The Operation of the Foundation

During the first year of establishment, the foundation has finished the works of recruiting employees, building work teams, combing the work mechanism and clearing the organizational structure. Meanwhile, the foundation insists on doing charities honestly and in accordance with the law. In terms of internal managements, the foundation strengthens the internal management and gradually develops 5 systems respectively concerning personnel management, project management, volunteer management and so on.

Official Website and Wechat of the Foundation

New online official website (<http://www.horizoncf.org>) includes "News Center", "Project Introduction", "Donation List" and "Information Disclosure". In addition, the wechat of the foundation also goes online, that is Horizon Commonwealth. The official website and wechat provides a platform regards charity information, charity activity and charity culture for the employees of the Corporation and all sectors of the community.



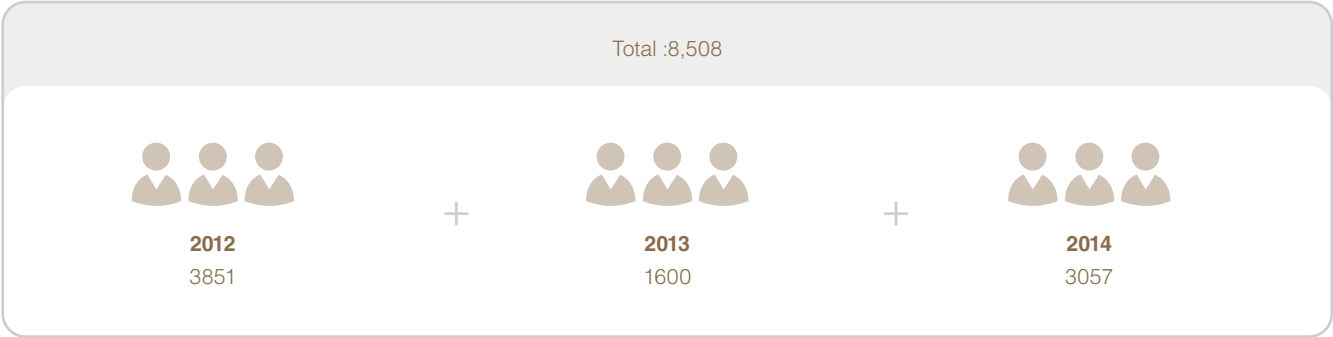
The WeChat platform of foundation

The foundation gathers love from the Corporation and all sectors of the community. In 24 cities across the country, the foundation has carried out scholarship and grant projects and poverty alleviation projects for spreading the bright and warm charities. This year, the foundation invests 3,130,000 yuan and benefits more than 3,000 people; there are about 100 volunteers participating the charity activities whose total time is up to 870 hours.

Programs launched by Far East Horizon Charity Foundation in 2014

Category	Program	Funded capital (Yuan)
Education	Horizon Scholarship	1,803,218
	Horizon Grants	120,000
	Lujiazui Street Sun Grants	1,000
	Qianlicao Grants	30,138
Poverty Alleviation	Poverty Alleviation Program at Chengguan County, Yongcheng Cith, Henan Province	159,991
	Poverty Alleviation Program at Yushu County, Qinghai Province	315,490
	Care for Left-behind Children Project in Chongming County	202,565
	Reconstruction After the Earthquake Project in Yaan City	20,000
	Hearing Aid Project in Kashi County, Xinjiang Province	400,000
	Love Ward Project	78,665
Total		3,131,067

Number of People Benefiting From Programs Between 2012 to 2014



PUBLIC ACTIVITIES

Since the foundation was established, it has always created charity funds for the field of education, poverty alleviation and disaster relief. Together with many of China's leading universities, it has also launched scholarship and student grant projects to help college students achieve all-round development. In 2014, the foundation was honored with "love foundation assisting vulnerable children in Kashi" and "outstanding social organization assisting students and the disable."

Education Programs

Horizon Grant and Scholarship

We firmly believe that it is the present young students that are the future successors of our country and the major power to realize the Chinese Dream and the prosperous nation. Hence, the foundation focuses on "charities concerning grant, education and poverty" to fully care for students' growth and success. Cooperated with 21 famous universities in more than 10 cities like Shanghai Jiao Tong University, University of International Business



and Economy, Zhejiang University, Fudan University and Wuhan University, the foundation has donated about 2,000,000 yuan and benefited more than 300 students. This dedicates to helping Chinese elites realize their dreams and promote social harmony and stability.

When offering students scholarships, the foundation invites social successful people as volunteers and also holds one-to-one symposiums where they answer various questions asked by students, such as "life values" and "career planning" and care about the all-round development of aided students.

Qianlicao Student Education Project in Longchuan County



The foundation cooperates with Qianlicao organization to carry out summer aid education and book donations in Yunnan and Gansu provinces, which aim to make poor children in the mountain areas feel the warmth and love from the foundation.

In August, 2014, together with love volunteers from the clients of our Far East Traffic System Division, the foundation travelled so far to contribute to charities concerned with education in Luhe primary school located in Huining County, Gansu Province. Volunteers carried large amount of love materials from Shanghai and also organized activities like fun games and watching movies in open-air cinema, which make children happy and touched.

Poverty Alleviation Program

Poverty Alleviation Program at Chengguan County, Yongcheng Cith, Henan Province

In recent years, the economic development of Yongcheng results in the increasing gap between the rich and the poor and many poor families are in reduced circumstances. Therefore, the foundation launched the poverty alleviation program to help local old people and households enjoying five guarantees with a certain amount of rice, flour, milk and so on. It also subsidizes poor students and helps them improve their living conditions. In 2014, total capital funded is up to 200,000 yuan and people benefited to more than 300.

Before launching the project, the foundation volunteers reached out to the family from house to house to know well about the needs of families. Moreover, leaders of the foundation also communicated directly with the people in difficulty during the seminars and encouraged them to be confident and brave.



Hearing Aid in Kashi County, Xinjiang Province



In response to the call of the Shanghai municipal government to aid Kashi, Xinjiang, the foundation has cooperated with the Shanghai Municipal Committee of the Communist Youth League to launch "hearing aid for the poor and disabled children project" since 2013. The foundation helps local hearing-impaired children to install hearing aids and receive hearing rehabilitation training, which are invested with 800,000 yuan. In 2014, the foundation has contributed 400,000 yuan to charities and benefited 55 children.

Love Ward Project

Love Ward project aims to offer financial assists to poor and low-income patients. Before the start of the project, the foundation has carried out "charity clinic" and provided free health examination for 100 old people in poor families, which is greatly recognized and appraised by these old people. As "love ward" project started, the foundation has expanded its project and work to the hospital aspect, which dedicates to caring for vulnerable people around us with more extensive services.



Care for Left-behind Children in Chongming County

There is a huge amount of left-behind children in Chongming, Shanghai because of their parents who are migrant workers or other reasons. They always lack parents' guides in thoughts and values as well as parental attention and care, which impact their growth a lot. Since 2013, the foundation has paid attention to these left-behind children and conducted on-the-spot investigations and research many times. Furthermore, the foundation launched the project of care for left-behind children in Chongming County in 2014. To provide better study environment for left-behind children, the foundation contributes to establish "love book house" that is equipped with computers, projectors, bookshelves and so on.



Start of "care for left-behind children in Chongming County"

Besides materials, the foundation focuses more on the communications and interactions with these children in a bid to help them pick up their confidence and grow up happily. With volunteers from Far East employees and community caring people, the foundation has organized many interesting activities to help children gain knowledge and growth in these activities, such as love aerobics, games, making pottery clay and cultivating green plants.



Hand in hand—— volunteer action in care for left-behind children in Chongming County project

KEY PERFORMANCE

INDICATORS OF SOCIAL RESPONSIBILITY

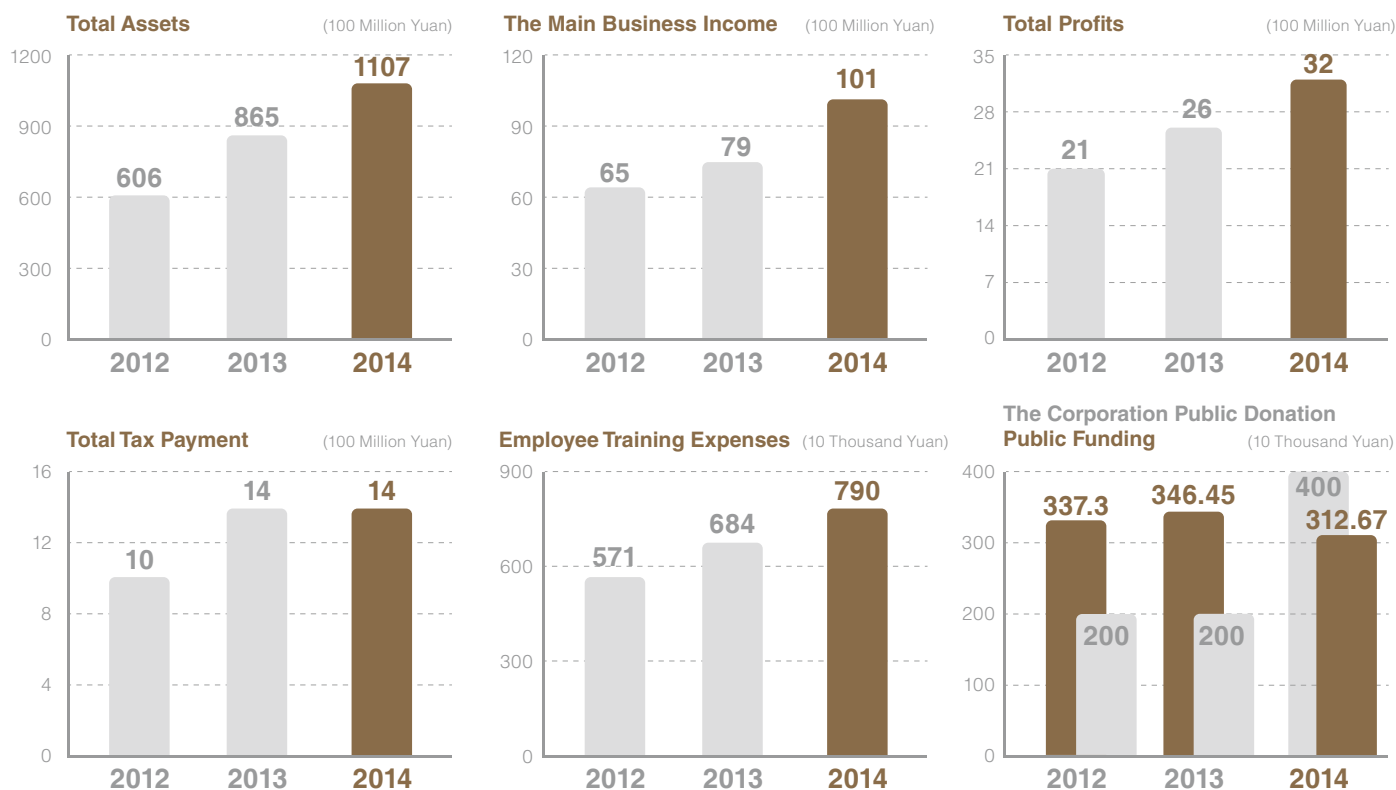
Economic Performance Indicators

Indicator	Unit	2012	2013	2014
Main business revenue	100 million Yuan	64.86	78.68	100.61
Total profits ¹	100 million Yuan	20.76	26.01	32.11
Total taxes paid	100 million Yuan	10.00	14.00	14.00
Total assets	100 million Yuan	605.70	865.13	1107.26
Government subsidies	100 million Yuan	0.63	0.78	3.26
Employee salaries and benefits	10 thousand Yuan	78,453.20	133,154.80	161,152.00
Employee training expenses	10 thousand Yuan	571	684	790
Donations by Far East Horizon	10 thousand Yuan	200	200	400
Donations by Horizon Foundation	10 thousand Yuan	337.30	346.45	313.10

Note¹: The calculating caliber of total profit of 2014 has adjustment compared with that of 2013

○ In 2014, Far East Horizon was among the Top 100 tax contributors in Shanghai for the 3rd consecutive year.

○ In 2014, Far East Horizon ranked as the **22nd** tax contributor in Shanghai's tertiary industry.



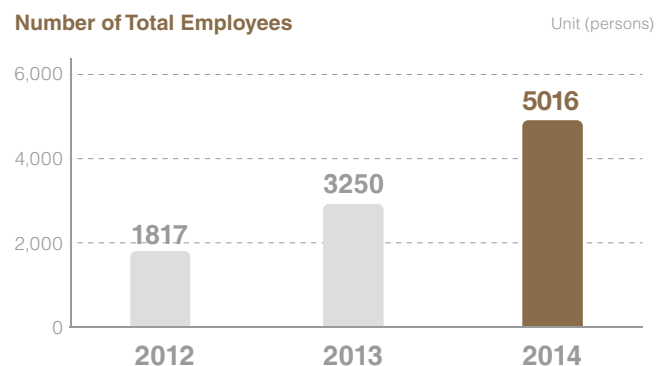
Labor Practice and Fair Work

Employees Hired

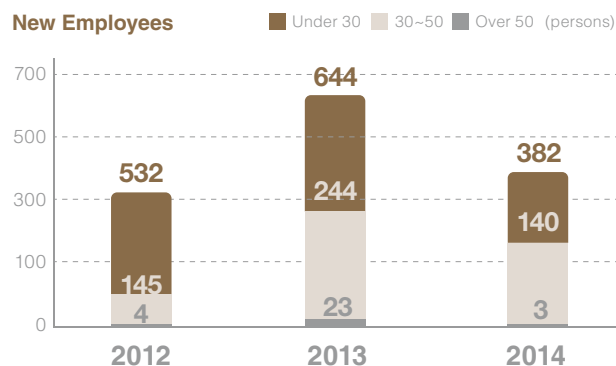
Indicator	Unit	2012	2013	2014
Total number of employees	Persons	1,817	3,250	5,016
Total number of financial sector employees	Persons	1,156	1,809	2,232
Total number of new employees ¹	Persons	681	911	525
Total number of former employees ²	Persons	207	328	280
Number of employees at the management level (male/female)	%	79.50/20.50	81.32/18.68	81.41/18.59
Grouped by age				
- Over 50	Persons	11	54	86
- 30-50	Persons	659	1,195	1,826
- Under 30	Persons	1,147	2,001	3,104
Grouped by educational background				
- Doctorates	Persons	9	11	14
- Masters	Persons	990	999	1,714
- University Undergraduate	Persons	652	759	1,482
- College and below	Persons	166	1,481	1,806
Grouped by location ³				
- Shanghai	Persons	1,142	1,278	1,428
- Shenzhen	Persons	78	77	138
- Beijing	Persons	70	78	106
- Hong Kong	Persons	4	3	11

Note^{1, 2, 3}: The data only refers to the financial sector.

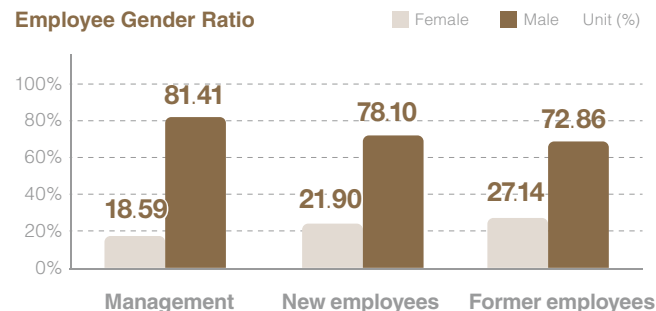
Number of Total Employees



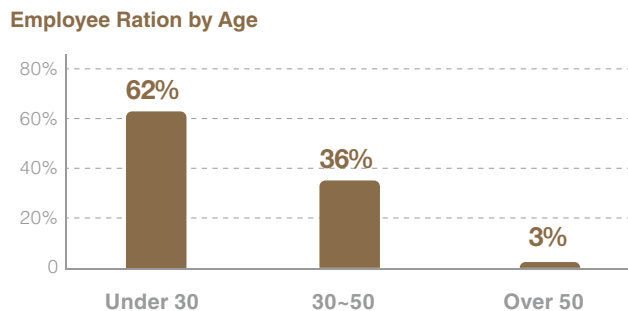
New Employees



Employee Gender Ratio



Employee Ratio by Age



Employee Rights

Indicator ¹	Unit	2012	2013	2014
Labor contract coverage	%	100	100	100
Social insurance coverage	%	100	100	100
Percentage of employees protected by collective negotiation agreements	%	100	100	100
Percentage of employees participated in collective negotiation agreements	%	100	100	100
Number of labor discrimination incidents	piece	0	0	0

Note1 : the data only refers to the financial sector.

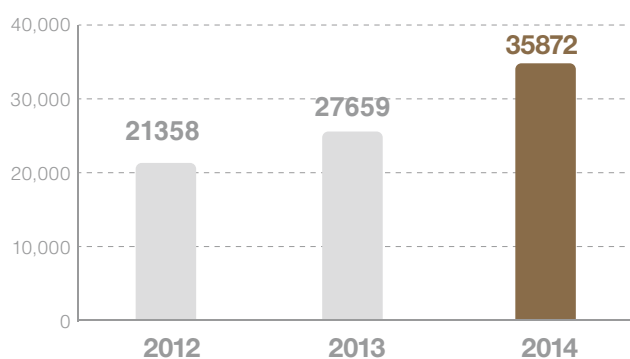
Training and Career Development

Indicator ¹	Unit	2012	2013	2014
Person-times of employee training	Person-times	21,358	27,659	35,872
Employee training coverage	%	95	97	98
Regular performance and career development evaluation coverage	%	100	100	100
Average training hours per employee per year	Hours	27.20	32.60	33.20
Average training hours per year (male/female)	Hours	26/29	31/34	32/36

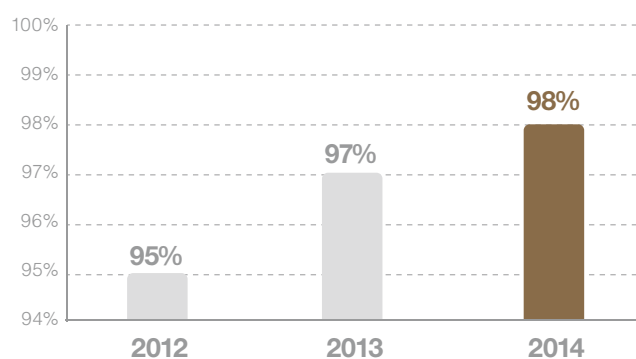
Note 1: The data only refers to the financial sector

Employee Training

(person-time)

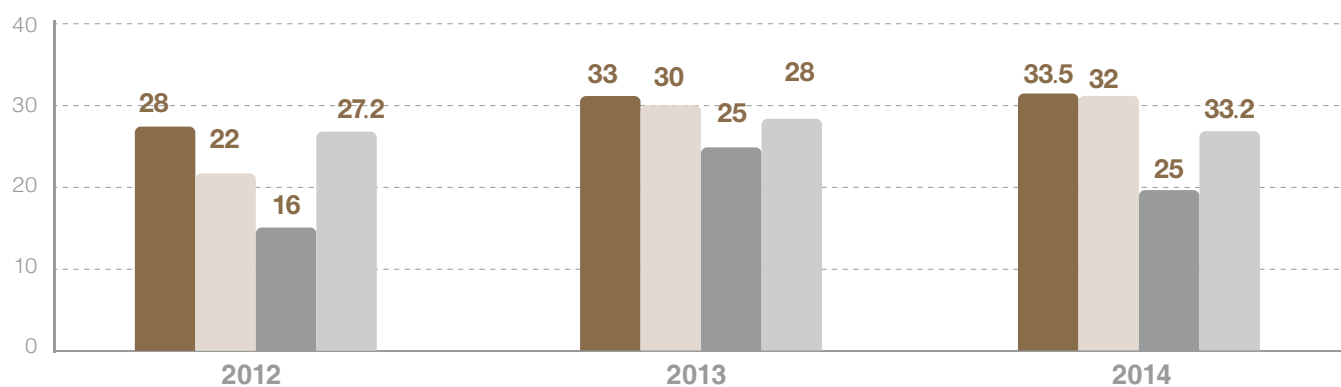


Coverage of Employee Training



Training Time For Employees at All Levels Per Year

General employees Junior managers Senior managers All employees (hours)

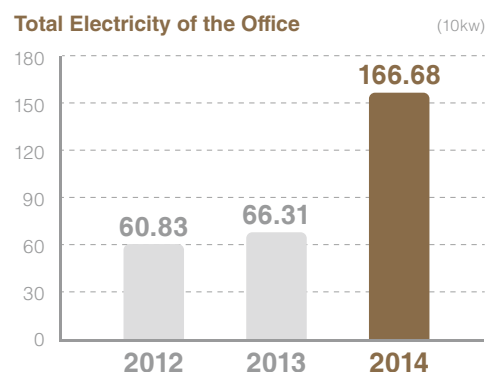


Environment, Health, Safety Performance Indicators

Indicator	Unit	2012	2013	2014
Total office electricity used ¹	10 thousand kwh	60.83	66.31	166.68
Travel expense	10 thousand yuan	12,893.00	14,398.00	17,491.00
Airline travel lileage ²	10 thousand kwh	6,145,341	5,120,471	36,938,355
Total amount of office paper used	Kilo	—	—	26810.75
Number of teleconference	Number	—	—	357
Number of video conference	Number	—	—	4015

Note¹: The statistic in 2014 involves the national total electricity consumption.

Note²: Since January 1st, 2014, the Corporation intensively manages employees' business travels and unifies the convergent management regards all travel reservations



Safety Indicators

Indicator	Unit	2012	2013	2014
Number of safety investigations	Number	12	57	76
Number of emergency drills	Number	3	8	25
Number of employees participating in the emergence drills	Persons	256	763	470
Person-numbers of safety training	Person-numbers	885	1,721	2,300
Number of safety training sessions	Number	31	53	115
Safety management regulations stipulated and modified	Article	67	23	37

On-job Health

Indicator ¹	Unit	2012	2013	2014
Coverage for employee physical exams	%	100	100	100
Occurrences of employee occupational diseases	%	0	0	0

Note¹: The data only involves related industry workers

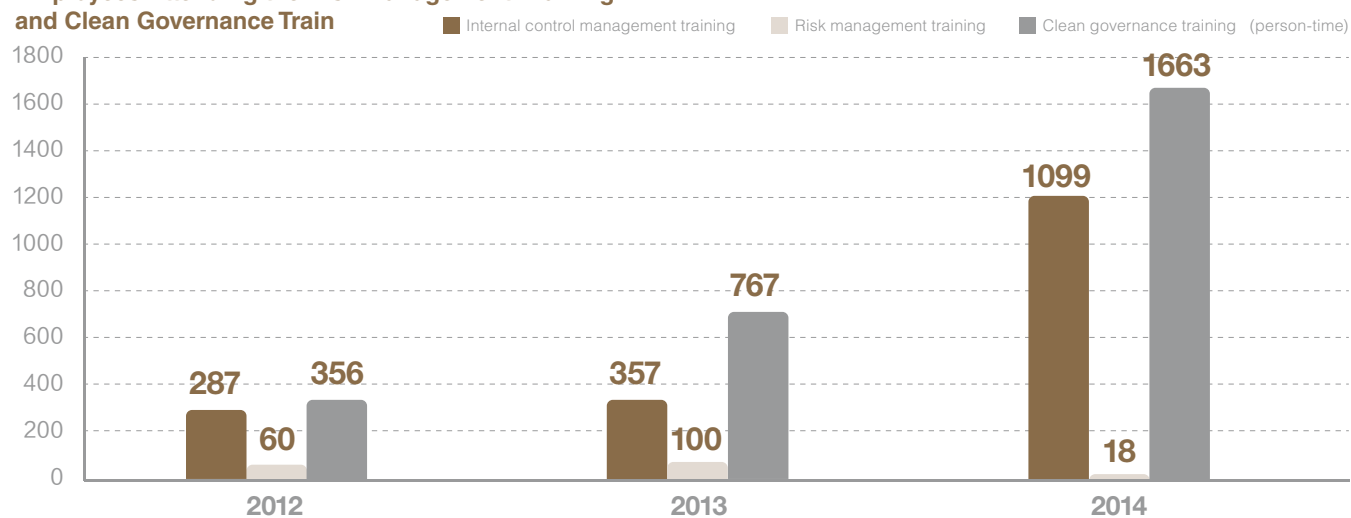
Risk and Compliance Management

Risk Management

Indicator ¹	Unit	2012	2013	2014
Major risk factor identified	Number	7	3	4
Number of risk management training sessions	Number/person-times	11/287	13/357	31/1099
Number and person-times of internal control training sessions	Number/person-times	2/60	3/100	1/18
Number and person-times of business integrity training sessions	Number/person-times	8/356	17/767	42/1663
Number of reports from employees	Number	0	0	4

Note ¹: The data only refers to the financial sector.

Employees Attending the Risk Management Training and Clean Governance Train



Compliance Management

- 2012-2014, no violation of environmental regulations
- 2012-2014, no violation of safety regulations
- 2012-2014, no violation of product and service regulations
- 2012-2014, no violation of market promotion regulations
- 2012-2014, no violation of client privacy, no complaints regarding losing client documents

STANDARDS

INDEX

Note:

1. Index table selects the core program of Global Reporting Initiative (GRI) “Sustainability Reporting Guidelines” (G4).
2. GD indicates the general disclosure items in the index number of Shanghai Exchange of Hong Kong Ltd “Environment, Social and Governance Reporting Guidelines.”

GRI Sustainability Reporting Guidelines (GRI 4) Index		Correlation and Sections		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.
Strategy and Analysis				
G4-1	Provide a statement from the most senior decision-maker of the organization.	High	Speech from the President	
G4-2	Provide a description of key impacts, risks, and opportunities.	High	Speech from the President	Reporting Guidance 17
Organizational Profile				
G4-3	Report the name of the organization.	High	Corporation Introduction	
G4-4	Report the primary brands, products, and services.	High	Corporation Introduction	
G4-5	Report the location of the organization's headquarters.	High	Corporation Introduction	
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	High	Corporation Introduction	
G4-7	Report the nature of ownership and legal form.	High	Corporation Introduction	
G4-8	Report the markets served.	High	Corporation Introduction	
G4-9	Report the scale of the organization.	High	Corporation Introduction	
G4-10	a. Report the total number of employees by employment contract and gender. b. Report the total number of permanent employees by employment type and gender. c. Report the total workforce by employees and supervised workers and by gender. d. Report the total workforce by region and gender. e. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).	High	Employee Rights; Key Performance Form	KPI A1.1
G4-11	Report the percentage of total employees covered by collective bargaining agreements.	High	Key Performance Form	
G4-12	Describe the organization's supply chain.	Medium	Green Operation	GD C1
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	High	Corporation Introduction; Organizational Structure	Reporting Guidance 14
Commitments to External Initiatives				
G4-14	a. Report whether and how the precautionary approach or principle is addressed by the organization.	High	Corporate Governance; Compliance Operations	
G4-15	a. List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	High	Corporate Governance; Business Results	
G4-16	a. List memberships of associations (such as industry associations) and national or international advocacy organization.	High	Business Results	

GRI Sustainability Reporting Guidelines (GRI 4) Index		Correlation and Sections		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.
Identified Material Aspects and Boundaries				
G4-17	a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	High	About Far East Horizon	Reporting Guidance 15
G4-18	a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	High	About Far East Horizon; Recognition and Analysis of Substantial Issues	General Approach 9,10,11
G4-19	a. List all the material Aspects identified in the process for defining report content.	High	Recognition and Analysis of Substantial Issues	General Approach 9,10,11
G4-20	a. For each material Aspect, report the Aspect Boundary within the organization.	High	About Far East Horizon	General Approach 9,10,11
G4-21	a. For each material Aspect, report the Aspect Boundary outside the organization.	Medium	—	
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	Low	—	Reporting Guidance 18
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	Low	—	
Stakeholder Engagement				
G4-24	Provide a list of stakeholder groups engaged by the organization.	High	Recognition and Communication of Key Stakeholders	General Approach 12,13
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	High	Recognition and Communication of Key Stakeholders	General Approach 12,13
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	High	Recognition and Communication of Key Stakeholders	General Approach 12,13
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	High	Recognition and Communication of Key Stakeholders	General Approach 12,13
Report in General				
G4-28	Reporting period.	High	About Far East Horizon	Reporting Guidance 16
G4-29	Date of most recent previous report (if any).	Low	About Far East Horizon	Reporting Guidance 16
G4-30	Reporting cycle.	High	About Far East Horizon	Reporting Guidance 16
G4-31	Provide the contact point for questions regarding the report or its contents.	High	About Far East Horizon Back cover	
G4-32	a. Report the 'in accordance' option the organization has chosen. b. Report the GRI Content Index for the chosen option (see tables below) . c. Report the reference to the External Assurance Report, if the report has been externally assured. GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guidelines.	High	Reporting Index	Reporting Guidance 15
G4-33	a. Report the organization's policy and current practice with regard to seeking external assurance for the report. b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. c. Report the relationship between the organization and the assurance providers. d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.	High	—	

GRI Sustainability Reporting Guidelines (GRI 4) Index		Correlation and Sections		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.
Governance				
G4-34 ~ G4-55	Governance	High	Corporate Governance	
Ethics and Integrity				
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	High	Corporate Responsibility	
G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	High	Compliance Operations	
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistle blowing mechanisms or hotlines.	High	Compliance Operations	
Economic Performance				
G4-DMA		High	Business Results;	
G4-EC1	Direct economic value generated and distributed.	High	Key Performance Form	
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Low	—	
G4-EC3	Coverage of the organization's defined benefit plan obligations.	Medium	—	
G4-EC4	Financial assistance received from government.	High	Key Performance Form	
Market Presence				
G4-DMA		High	Employee Rights	
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	High	Employee Rights	
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation.	High	—	
Indirect Economic Impacts				
G4-DMA		High	Industry and Finance Combination	
G4-EC7	Development and impact of infrastructure investments and services supported.	High	Industry and Finance Combination	
G4-EC8	Significant indirect economic impacts, including the extent of impacts.	High	Industry and Finance Combination	
Procurement Practices				
G4-DMA		Medium	Green Operation	GD C1
G4-EC9	Proportion of spending on local suppliers at significant locations of operation.	Medium	—	KPI C1.1
Environmental				
Materials				
G4-DMA		Low	—	GD B2 / GD B3 KPI B3.2 / KPI B3.3
G4-EN1	Materials used by weight or volume.	Low	—	KPI B2.5 / KPI B3.1
G4-EN2	Percentage of materials used that are recycled input materials.	Low	—	KPI B3.2

GRI Sustainability Reporting Guidelines (GRI 4) Index		Correlation and Sections		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.
Energy				
G4-DMA		Medium	Green Operation	GD B2
G4-EN3	Energy consumption within the organization.	High	Green Operation Key Performance Form	KPI B2.1
G4-EN4	Energy consumption outside of the organization.	Medium	—	
G4-EN5	Energy intensity.	Medium	—	KPI B2.3
G4-EN6	Reduction of energy consumption.	High	—	
G4-EN7	Reductions in energy requirements of products and services.	Medium	—	
Water				
G4-DMA		Medium	Green Operation	GD B2
G4-EN8	Total water withdrawal by source.	Medium	Key Performance Form	KPI B2.2
G4-EN9	Water sources significantly affected by withdrawal of water.	Low	—	KPI B2.4
G4-EN10	Percentage and total volume of water recycled and reused.	Medium	—	KPI B2.4
Biodiversity				
G4-DMA		Low	—	
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Low	—	
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Low	—	
G4-EN13	Habitats protected or restored.	Low	—	
G4-EN14	Total number of IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Low	—	
Emissions				
G4-DMA		Low	—	GD B1 KPI B1.5 / KPI B1.6
G4-EN15	Direct greenhouse gas (ghg) emissions (scope 1).	Low	—	KPI B1.1
G4-EN16	Energy indirect greenhouse gas (ghg) emissions (scope 2).	Low	—	KPI B1.1
G4-EN17	Other indirect greenhouse gas (ghg) emissions (scope 3).	Low	—	KPI B1.1
G4-EN18	Greenhouse gas (ghg) emissions intensity.	Low	—	KPI B1.2
G4-EN19	Reduction of greenhouse gas (ghg) emissions.	Low	—	KPI B1.5
G4-EN20	Emissions of ozone-depleting substances (ODS).	Low	—	KPI B1.1
G4-EN21	NOx, SOx, and other significant air emissions.	Low	—	KPI B1.1

GRI Sustainability Reporting Guidelines (GRI 4) Index		Correlation and Sections		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.
Effluents and Waste				
G4-DMA		Low	—	GD B1 KPI B1.5 / KPI B1.6
G4-EN22	Total water discharge by quality and destination.	Low	—	KPI B1.1
G4-EN23	Total weight of waste by type and disposal method.	Low	—	KPI B1.3 / KPI B1.4
G4-EN24	Total number and volume of significant spills.	Low	—	
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex i, ii, iii, and viii, and percentage of transported waste shipped internationally.	Low	—	
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected.	Low	—	
Products and Services				
G4-DMA		High	Green Finance	
G4-EN27	Extent of impact mitigation of environmental impacts of products and services.	High	Green Finance	
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category.	Low	—	
Compliance				
G4-DMA		Medium	Compliance Operations	
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	High	Key Performance Form	
Transport				
G4-DMA		Low	—	
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce.	Low	—	
Overall				
G4-DMA		Medium	—	
G4-EN31	Total environmental protection expenditures and investments by type.	Medium	—	
Supplier Environmental Assessment				
G4-DMA		Medium	Green Operation	KPI C1.2
G4-EN32	Percentage of new suppliers that were screened using environmental criteria.	Medium	—	
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken.	Medium	Green Operation	
Environmental Grievance Mechanisms				
G4-DMA		Low	—	
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.	Low	—	
Social				

GRI Sustainability Reporting Guidelines (GRI 4) Index		Correlation and Sections		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.
Labor Practices and Decent Work				
Employment				
G4-DMA		High	Employee Rights	GD A1
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	High	Employee Rights; Key Performance Form	KPI A1.1 / KPI A1.2
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time, employees, by significant locations of operation.	High	Employee Rights	GD A1
G4-LA3	Return to work and retention rates after parental leave, by gender.	High	—	
Labor/Management Relations				
G4-DMA		Medium	—	
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	Medium	—	
Occupational Health and Safety				
G4-DMA		High	Health and Safety	
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Low	—	
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	High	Health and Safety; Key Performance Form	KPI A2.1 / KPI A2.2
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation.	Medium	Key Performance Form	
G4-LA8	Health and safety topics covered in formal agreements with trade unions.	High	Employee Care; Health and Safety	KPI A2.3
Training and Education				
G4-DMA		High	Employee Development	GD A3
G4-LA9	Average hours of training per year per employee by gender, and by employee category.	High	Key Performance Form	KPI A3.1 / KPI A3.2
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	High	Employee Development	
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	High	Key Performance Form	
Diversity and Equal Opportunity				
G4-DMA		High	Employee Rights	
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	High	Employee Rights; Key Performance Form	
Equal Remuneration for Women and Men				
G4-DMA		High	Employee Rights	
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	High	Employee Rights	

GRI Sustainability Reporting Guidelines (GRI 4) Index		Correlation and Sections		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.
Supplier Assessment for Labor Practices				
G4-DMA		Low	—	KPI C1.2
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria.	Low	—	
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	Low	—	
Labor Practices Grievance Mechanisms				
G4-DMA		High	Employee Rights	
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms.	High	Key Performance Form	
Human Rights				
Investment				
G4-DMA		Low	Employee Rights	
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	Low	—	
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Low	—	
Non-discrimination				
G4-DMA		High	Employee Rights	
G4-HR3	Total number of incidents of discrimination and corrective actions taken.	High	Key Performance Form	
Freedom of Association and Collective Bargaining				
G4-DMA		Low	Employee Rights	
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights.	Low	Employee Rights	
Child Labor				
G4-DMA		Low	Employee Rights	GD A 4
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Low	—	KPI A4.1 / KPI A4.2
Forced or Compulsory Labor				
G4-DMA		Low	Employee Rights	GD A 4
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of all forms of forced or compulsory labor.	Low	Employee Rights	KPI A4.1 / KPI A4.2
Security Practices				
G4-DMA		Low	—	
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.	Low	—	

GRI Sustainability Reporting Guidelines (GRI 4) Index		Correlation and Sections		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.
Indigenous Rights				
G4-DMA		Low	—	
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken.	Low	—	
Assessment				
G4-DMA		Low	—	
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.	Low	—	
Supplier Human Rights Assessment				
G4-DMA		Low	—	KPI C1.2
G4-HR10	Percentage of new suppliers that were screened using human rights criteria.	Low	—	
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken.	Low	—	
Human Rights Grievance Mechanism				
G4-DMA		Low	—	
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms.	Low	—	
Society				
Local Communities				
G4-DMA		High	Far East Horizon Charity ; Commonweal Activities	GD D1 KPI D1.1 / KPI D1.2
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Low	—	
G4-SO2	Operations with significant actual and potential negative impacts on local communities.	Medium	—	
Anti-corruption				
G4-DMA		High	Compliance Operations	GD C3 / KPI C3.2
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	High	Compliance Operations	
G4-SO4	Communication and training on anti-corruption policies and procedures.	High	Compliance Operations; Key Performance Form	KPI C3.2
G4-SO5	Confirmed incidents of corruption and actions taken.	High	Compliance Operations	KPI C3.1
Public Policy				
G4-DMA		Low	—	
G4-SO6	Total value of political contributions by country and recipient/beneficiary.	Low	—	
Anti-competitive Behavior				
G4-DMA		Low	—	
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Low	—	
Compliance				
G4-DMA		High	Compliance Operations	
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	High	Key Performance Form	

GRI Sustainability Reporting Guidelines (GRI 4) Index		Correlation and Sections		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.
Supplier Assessment for Impacts on Society				
G4-DMA		Low	—	KPI C1.2
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society.	Low	—	
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken.	Low	—	
Grievance Mechanisms for Impacts on Society				
G4-DMA		Low	—	
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms.	Low	—	
Product Responsibility				
Customer Health and Safety				
G4-DMA		Low	—	GD C2
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	Low	—	
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	Low	—	KPI C2.1
Product and Service Labeling				
G4-DMA		High	Financial Business; Industry and Finance Combination	GD C2 KPI C2.2 / KPI C2.3
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements.	High	Financial Business; Industry and Finance Combination	
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Medium	Key Performance Form	
G4-PR5	Results of surveys measuring customer satisfaction.	High	Innovative Service	
Marketing Communications				
G4-DMA		High	Compliance Operations	GD C2 KPI C2.2 / KPI C2.4
G4-PR6	Sale of banned or disputed products.	High	Key Performance Form	
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	High	Key Performance Form	
Customer Privacy				
G4-DMA		High	Innovative Service	KPI C2.5
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	High	Key Performance Form	
Compliance				
G4-DMA		High	Compliance Operations	
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	High	Key Performance Form	



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