



GF Securities



2020 Corporate Social Responsibility Report

CORPORATE SOCIAL
RESPONSIBILITY REPORT **2020**

**Gathering the Love
From the Bottom of Heart**

Definitions

Term	Definition
Reporting Period, This year	Year 2020 (January 1, 2020 to December 31, 2020)
The Company, Company, parent company, GF Securities	GF Securities Co., Ltd.
The Group, Group	the Company and its subsidiaries
GF Foundation	GF Securities Social Charity Foundation in Guangdong Province (廣東省廣發証券社會公益基金會)
GF Fund	GF Fund Management Co., Ltd. (廣發基金管理有限公司)
GFHK	GF Holdings (Hong Kong) Corporation Limited (廣發控股(香港)有限公司)
GF Futures	GF Futures Co., Ltd. (廣發期貨有限公司)
GF Xinde	GF Xinde Investment Management Co., Ltd. (廣發信德投資管理有限公司)
GF Qianhe	GF Qianhe Investment Co., Ltd. (廣發乾和投資有限公司)
GF Asset Management	GF Securities Asset Management (Guangdong) Co., Ltd. (廣發証券資產管理(廣東)有限公司)
GFFL	GF Financial Leasing (Guangdong) Co., Ltd. (廣發融資租賃(廣東)有限公司)
GF Hexin	GF Hexin Industry Investment Management Co., Ltd. (廣發合信產業投資管理有限公司)
E Fund	E Fund Management Co., Ltd. (易方達基金管理有限公司)
A Share(s)	domestic shares of the Company with a nominal value of RMB1.00 each, which are listed on a domestic stock exchange and traded in Renminbi
H Share(s)	foreign shares of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
SSE	the Shanghai Stock Exchange
SZSE	the Shenzhen Stock Exchange
CSRC	the China Securities Regulatory Commission
SFC	the Securities and Futures Commission of Hong Kong
Guangdong Bureau of the CSRC	Guangdong Bureau of the China Securities Regulatory Commission
WIND	A financial terminal developed by Wind Information Co., Ltd, which provides the customers with financial data and analytic tools

Notes on Reporting



Overview of the Report

This report gives a true view of the performance of GF Securities Co., Ltd. ("GF Securities", "the Company", "Company", or "we") in fulfilling its social responsibility to promote sustainable development in 2020.



Reporting Period

Unless otherwise specified, this report covers the period between January 1, 2020 and December 31, 2020.



Reporting Cycle

This report is prepared on an annual basis. The Company has published social responsibility reports for 11 consecutive years since 2011.



Entities Covered by This Report

Unless otherwise specified, this report covers the parent company, 20 branches and 282 securities brokerage branches of GF Securities Co., Ltd.; seven wholly-owned subsidiaries (including GF Asset Management, GF Futures, GF Xinde, GF Qianhe, GFFL, GFHK and GF Hexin), one controlled subsidiary (GF Fund) and one associated company (E Fund).



Basis of Data

Financial information herein is extracted from the Company's 2020 annual audited financial statements prepared in accordance with the PRC Generally Accepted Accounting Principles/the International Financial Reporting Standards, as audited by Ernst & Young Hua Ming LLP (Special General Partnership) and Ernst & Young respectively , details of which are set out in the 2020 Annual Report of GF Securities Co., Ltd. Other information is mainly for the year of 2020, most of which is derived from the Company's internal statistics. Unless otherwise specified, all monetary figures stated in this report are in Renminbi (RMB).



Basis of Preparation

Principal basis: The Environmental, Social and Governance Reporting Guide of the Hong Kong Stock Exchange, the Guidelines on Standardized Operation of Listed Companies on the Main Board of the SZSE.

References: The Sustainability Reporting Guidelines (GRI-standards) and the Supplementary Guidelines on Financial Services issued by Global Reporting Initiative, and the Guidelines on Preparation of CSR Reports of Chinese Enterprises (CASS-CSR4.0) issued by the Chinese Academy of Social Sciences.



Compliance with the Environmental, Social and Governance Reporting Guide

This report has been prepared in compliance with the requirements of Environmental, Social and Governance Reporting Guide of the Hong Kong Stock Exchange and complied with the "comply or explain" provisions. The report has followed the reporting principles of Materiality, Quantitative, Balance and Consistency.



Report Assurance

This report is currently released on a self-publishing basis, and third-party verification will be done in due course.



Availability

Electronic version of this report is available on the websites of CNINFO (www.cninfo.com.cn), the Hong Kong Stock Exchange HKEXnews (www.hkexnews.hk) and the Company (www.gf.com.cn).

Contents



4	Chairman's Statement
6	Company Profile
8	Major Awards & Recognitions in 2020
8	CSR Awards
8	Product & Service Awards
10	Research Awards
10	Other Awards
11	Major Awards and Recognitions of Subsidiaries

	01	Responsible Management: Improvement of ESG Governance Structure and Practice of Corporate Social Responsibility
	16	Corporate Culture Outline of GF Securities
	17	Social Responsibility Management System of GF Securities
	18	Introduction of GF Securities Social Charity Foundation in Guangdong Province
	20	Communication with Stakeholders

	04	Green Development: Persisting in Green Operation, Marching towards the Goal of Sustainable Development
	44	Promoting Green Finance
	46	Performing Green Operation
	49	Addressing Climate Change

	05	People-Oriented: Staff-oriented Initiatives for the Dream of Serving the Country with Financial Services
	52	Safeguarding Employees' Rights and Interests
	55	Focusing on Health Safety
	57	Training Employee Skills
	60	Enriching Employees' Life
	61	Developing Corporate Culture

	02	Value Growth: Adhering to Compliant Operations and Maintaining Shareholders' Rights and Interests
	24	Value Growth
	25	Equity of Shareholders
	26	Information Disclosure and Investor Relations Management
	27	Risk and Audit Work Management
	30	Compliance Management and Integrity Construction
	31	Intellectual Property Protection and Brand Building
	31	Responsible Procurement

	03	Service with Heart: Customer-Centric, Focusing on Core Capacity Building
	34	Professional Platform Empowerment to Enhance Comprehensive Customer Satisfaction
	36	Strengthen IT Security to Protect investors' Interests
	37	Improvement of Suitability Management
	38	Overall Implementation of Investor Education

	06	Giving back to the Society: Promote Social Progress and Be a Qualified Corporate Citizen
	64	Social and Economic Contributions
	65	Serve the Real Economy
	66	Devotion to Charity Work
	68	Fight against COVID-19 Epidemic
	71	Adherence to Targeted Poverty Alleviation

	07	Prospects: Reviewing 2020 and Looking into 2021
	76	Summary and Improvement of Fulfilling Social Responsibilities in 2020
	77	Social Responsibility Goals for 2021
	78	Appendix I Hong Kong Stock Exchange, SZSE Required Content Index
	78	Content Index to the "Environmental, Social and Governance Reporting Guide" of the Hong Kong Stock Exchange
	81	Content Index to "Memorandum of Information Disclosure for the Main Board of SZSE No.1 - Matters relating to the Disclosure of Regular Reports"

Chairman's Statement

Year 2020 was an extraordinary in the history of new China, challenged by severe and complex international situation, tough tasks of reform and development, and the heavy blow brought by Coronavirus Disease 2019 (COVID-19). Under the strong leadership of the Central Committee of the Communist Party of China (CCCCP) with Comrade Xi Jinping at its core, reform and opening up continued to deepen accompanied by steady promotion of high-quality development. China was the only major economy in the world to achieve positive growth, with its GDP hitting a new high of RMB100 trillion, historic achievements made in building a moderately prosperous society, and a sweeping victory in the battle against poverty. Year 2020 marks the 30th anniversary of the establishment of the capital market. Under the guidance of a series of important instructions of General Secretary Xi Jinping, with respect to the capital market, the capital market has achieved remarkable results in serving the real economy, with reforms continuing to deepen and a new pattern of high-level and two-way opening rapidly forming.

In 2020, we actively assisted in the development of real economy and green industries, insisted on green operations, and contributed our expertise to the realisation of "carbon neutrality". Adhering to the development philosophy of "innovation, coordination, green, openness and sharing" and emphasizing the role of the capital market in optimizing resource allocation, we helped 67 enterprises raise a total amount of direct financing over RMB70 billion and applied for and issued eight tranches of green bonds and asset securitization products for our clients making full use of such financial instruments as green bond and environmental protection industry index, effectively channeling the flow of social funds into green industries.

In 2020, we made use of our financial expertise in China's poverty alleviation initiative, highlighting our values as a corporate citizen. The Company realized social contribution value of RMB24.978 billion for the year, representing social contribution of RMB4.15 per share. The Company recorded national taxes in an aggregate of RMB4.936 billion for the year. We earnestly implemented the CCCPC's plan of well-targeted poverty alleviation by implementing supporting measures as poverty alleviation through Party building, poverty alleviation through financial means, poverty alleviation through industrial development, poverty alleviation through education and poverty alleviation through charitable and social-welfare activities. In the "One Company, One County" support initiative in Hainan Province, all the poverty-stricken counties supported by the Company have been lifted out of poverty. The Company promoted in-depth targeted poverty alleviation in Tianjinggang

Village, Lechang City, Guangdong Province, receiving high commendation from regulatory authorities for its fulfillment of social responsibilities, and earning it a rating of excellent case in "increasing people's confidence and enriching their knowledge" at the poverty alleviation case report meeting in China. The Company continued to push forward the "Model Villages for UN Sustainable Development Goals" project, took the lead to join the "Public Welfare Alliance for Poverty Alleviation in the Capital Market" in active response to the initiative of the CSRC, and leveraged its professional advantages in financial poverty alleviation to promote the effective connection between enterprises in poverty-stricken areas and the capital market.

In 2020, facing COVID-19, we actively deployed pandemic prevention and control measures, adhered to the leadership of the Party and served the overall national situation. A total of RMB27.1 million was donated by the Group for the fight against the pandemic. "Only in hard times can courage and perseverance be manifested. Only after polishing can a piece of jade be finer." During the outbreak of the pandemic, we balanced pandemic prevention and control and business development with a view of the health and safety of all employees. Based on our excellent expertise and flexible and efficient service capability, we delivered financial "living water" to enterprises severely affected by the pandemic, fully demonstrating the spirit, strength and commitment of GF Securities.

In 2021, the 100th anniversary of the founding of the Communist Party of China, China will start a new journey of building a modern socialist country in an all-round way. Heading toward its 30th year of operation, GF Securities will continue to adhere to Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, fully seize the dual historic opportunities of the opening up and reform of capital market and the development of Guangdong-Hong Kong-Macao Greater Bay Area, stay true to our original intention of "creating values to realize the dream of serving the country with financial services", strengthen our mission, responsibility and role in serving national strategies, insist on serving the real economy, practise green finance, promote staff development, and provide positive support for China's anti-pandemic campaign. We will devote ourselves to rural revitalization and fulfill our social responsibility as a financial institution with practical actions. We will endeavour to present better results for the 100th birthday of the Communist Party of China and the 30th birthday of the Company, and make new and greater contributions to the building of a modern socialist country in an all-round way and the realisation of the second centenary goals!



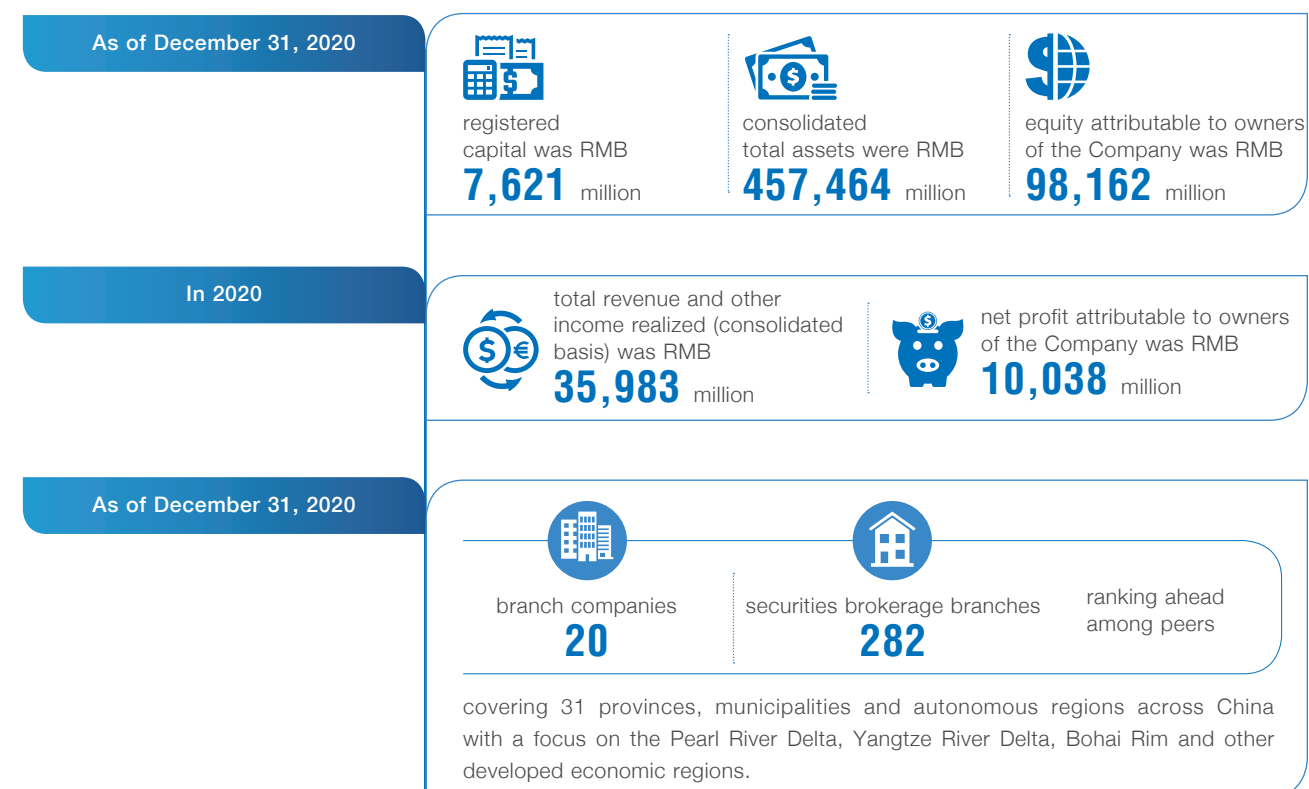
Sun Shuming
Chairman of GF Securities Co., Ltd.

Company Profile

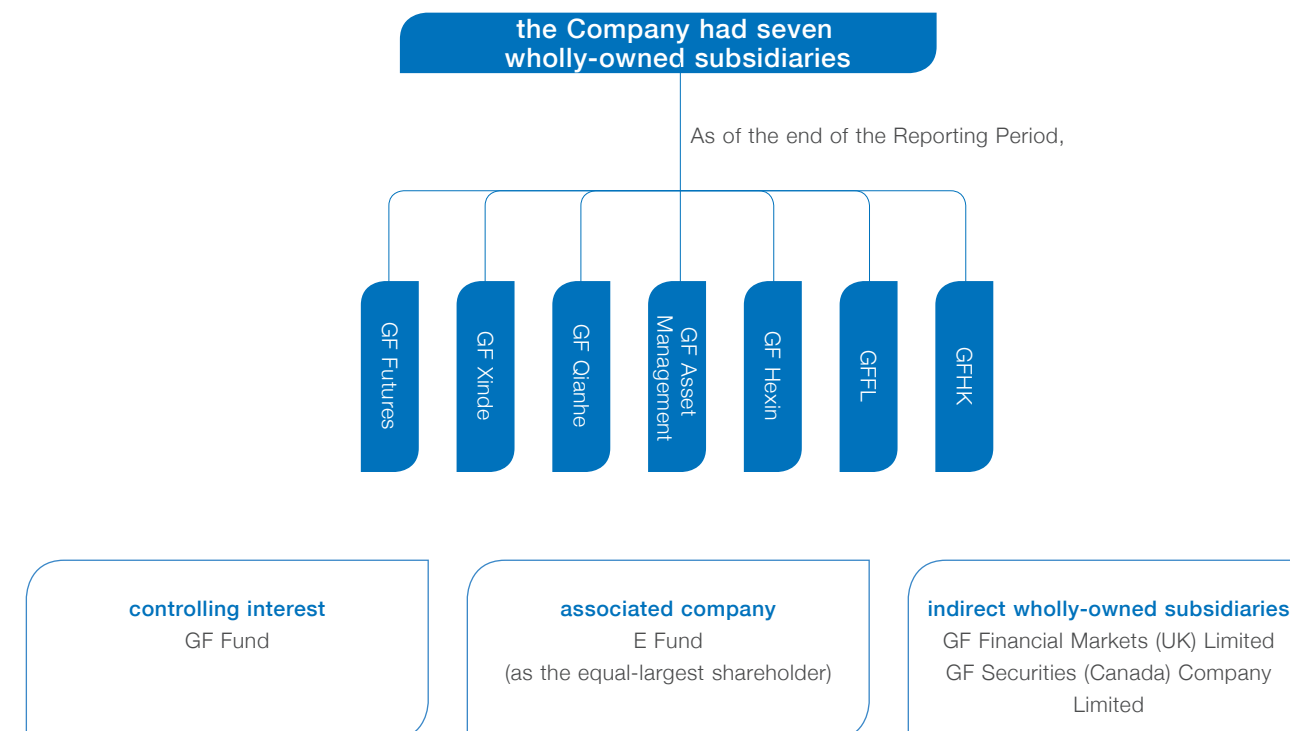
The history of the Company



The Scale of the Company



Group Structure



Major Awards & Recognitions in 2020

CSR Awards



- People.cn, China Poverty Alleviation
Excellent Ambition & Intelligence Assistance Case of "The Third China Poverty Alleviation Excellent Case Reporting"
- Guangdong Poverty Alleviation and Development Leadership Group
Guangdong Red Cotton Cup Poverty Alleviation
- Guangdong Provincial Public Security Department
Advanced Security Institute of Key Security Units of Guangdong Province
- China Charity Festival
Charity Group Collective Award of the Year, Public Welfare Innovation Award in China Charity Festival
- Securities Times
Junding Award for Cultural Construction Securities Brokers
Junding Award for Video with Professional Value
- Shanghai Securities News
Second Place of Most Socially Responsible Broker
- National Business Daily
Most Socially Responsible Broker
- 21st Century Business Herald
2020 Excellent Corporate Citizen
- CBN
Targeted Poverty Alleviation Contribution Award for China Corporate Social Responsibility List
- International Financial News
Poverty Alleviation Enterprise Award in China CSR Pioneer Forum 2020
- China Investment Network
2020 Award for Excellence in Social Responsibility
- Xinkuaibao
Industry Poverty Alleviation Innovation Award
Best Public Welfare Fund of the Year
- Hexun
Poverty Alleviation Pioneer Award of the Year for Financial Institutions in China's Financial Annual Champion Awards
- China Jinding Award
2020 Most Socially Responsible Broker
- Social Responsibility Conference
CSR Public Welfare Influence Enterprise

Product & Service Awards

- Shanghai Municipal Government, Shanghai Economic and Information Technology Commission, Shanghai Science and Technology Association
Digital Application Innovation Excellence Award
- PBOC Guangzhou Branch
Guangdong Province Anti-money Laundering Micro-video Creation Competition (Third Prize)
- Bureau of Science and Technology of Guangzhou Municipality
Guangzhou Science and Technology Achievements
- New Fortune
Fourth Place in the "New Fortune Best Investment Team Award"
Second Place in "Outstanding Organization Award"
Best Broker Award in Smart Financial Practice
Top 5 IPO Investment Bank
First Place in "Outstanding Organization Award"
- Sina Finance
Five Years of Outstanding Development APP
Top 10 APP of the Year
- Central Bond Registration and Settlement Co., Ltd.
2019 Top 100 Strong Settlement - Excellent Self-Employed Business
2019 Excellent Market-making and Settlement Institutions
2019 Outstanding Securities Company as Short-Term Issuer
Outstanding Issuer of 2019
- Shanghai Clearing House
2019 Outstanding Innovation Business Promotion Agency (Financial Securities)
2019 Outstanding Settlement Business Participants (Securities Institutions) for 2019
- National Interbank Lending Centre
2019 Best Technology Award in the Interbank Local Currency Market
- Securities Times
2020 Junding Award for All-round Investment Bank in China
2020 Junding Award for Investment Bank on China Sci-Tech Innovation Board
2020 Junding Award for Service Team on China NEEQ
2020 Junding Award for China NEEQ Project
2020 Junding Award for China Institutional Securities Brokers
2020 Junding Award for All-round Securities Brokers in China
2020 Junding Award for China Securities Brokers Team
- Securities Times, China Securities Traders
2020 Junding Award for App Operation Team in Securities Industry of China (Yitaojin)
2020 Junding Award for Top 10 Brand APP in Securities Industry of China (Yitaojin)
Junding Award for Hong Kong and US Stock Brokerage App

- China Securities Journal
2020 Top 5 Golden Bull Research Institute Award
2020 Most Valuable Chief Analyst Award of "Golden Bull Award"
Golden Bull Asset Management Team
- Shanghai Securities News
Fourth Place in the "Most Influential Securities Institution Award"
- Shanghai Gold Exchange
2019 Outstanding Member
- Shanghai Stock Exchange
2019 Outstanding Options Market-maker
2019 Top 10 Options Brokers
- Insurance Asset Management Association of China
Most Popular Securities Company among Insurance Assets
Most Popular Securities Company among Insurance Assets - Fiduciary Business
Most Popular Securities Company among Insurance Assets - Trading Services
- Association for Talent Development (ATD)
2019-2020 ATD Practice Excellence Award
- National Business Daily
2020 Most Comprehensive Wealth Management Broker
2020 Top 5 on the Overall Brand Value List of Chinese Brokers
- International Financial News
2020 Technology Pioneer Financial Institution
2020 Pioneer Securities Broker
2020 Best Securities App
- China Fund
2020 China's Best Securities Asset Management Agency
- Zero2IPO Group, Investment Community
Top 10 Equity Investment Institutions in China Securities Companies in 2020
- China Investment Network
Special Contribution Award for the 30th Anniversary of China's Capital Market
2020 Outstanding Securities Company
2020 Outstanding Socially Responsible Enterprise
2020 Outstanding Product Development Capability Award (GF Asset Management)
- China Finance Summit
2020 Outstanding Brand Image Award

- Hong Kong Ta Kung Wen Wei Media Group Limited
Golden Bauhinia Award for Outstanding Listed Company in the 30th Anniversary of Capital Market
- Finance
Thirty Years of Success • Outstanding Securities Company in China
Outstanding APP Award for China Securities Company
- Financial Report of the 21st Century, SFC
2020 Securities Wealth Management Company
2020 Excellent FinTech Company
- CaiLianPress
2020 Outstanding Fintech Case in China
- Guangzhou Financial Industry Association
First Place in The 7th Financial Planning Competition of Guangzhou Financial Industry
- Financial Computerizing Magazine
Outstanding Contribution to Financial Technology Innovation Award - Management Innovation Contribution Award
- Cloud Application Branch of China Computer Users Association
Yun Ying Award - Highest Project Achievement Award
Excellent Project Award
Outstanding Project Award
- Financial Computerizing Magazine
Outstanding Contribution to Financial Technology Innovation Award - Development Innovation Contribution Award
- The 9th China (Guangzhou) International Finance Expo
Best Financial Service Award
- Wallstreetcn
Outstanding Securities Institution of the Year
- Information Times
Most Competitive Broker of the Year





Research Awards

- Securities Association of China
"Outstanding Project" Awards for the Research on Wealth Management Buy-Side Intermediary Capability of Domestic Security Traders and the Research on Application of Behavioral Financial Analysis of Individual and Institutional Investors in Investor Education
- Guangdong Securities and Futures Industry Association
"First Prize in Outstanding Project of Guangdong Securities and Futures Industry Association" for the Research on Wealth Management Buy-side Intermediary Capacity Building of Security Traders and the Research on the Construction of Fund Portrait based on Big Data Mining and its Application in Intelligent Investment Advisory
- Guangdong Securities and Futures Industry Association
"Second Prize in Outstanding Project of Guangdong Securities and Futures Association" for the Research on Improving Investment Banking Quality and Effectiveness of Securities Companies in the Context of Registration System Reform - Analysis of Investment Banking Financial Data
- Guangdong Securities and Futures Industry Association
"Third Prize in Outstanding Project of Guangdong Securities and Futures Association" for the Research on Internal Control Management of Financial Products Sold by Security Traders – Case Study of Structured Products and the Research on the Important and Difficult Issues Facing the NEEQ Market in Serving the Real Economy
- Financial Technology Research and Development Center for Securities and Futures Industry (Shenzhen)
Outstanding Research Unit of Financial Technology Research and Development Center of Securities and Futures Industry (Shenzhen) in 2019
- Financial Technology Research and Development Center for Securities and Futures Industry (Shenzhen)
"2019 Annual Research Topic of Financial Technology Research and Development Center for Securities and Futures Industry (Shenzhen)" for the Research and Practice of the Future Development of Mobile Dynamics of Securities Trading Platform in Yitaojin International
- Securities Association of China, PBC School of Finance of Tsinghua University
"Top 10 Article" for the Research on the Application of Building Digital Workspace for IT Operations
- Securities Association of China, PBC School of Finance of Tsinghua University
"Excellent Article in the Development and Transformation Category" for the Research on Business-IT Integration in the Digital Transformation of Securities Companies



Other Awards

- From 2015 to 2020, the Company has been highly ranked among the securities firms in China on the "Hurun's Top Brands List" for six consecutive years.**
- 2020 Team Awards of GF Securities granted in "the 18th New Fortune Best Analyst Selection"**

Awards	Ranking
Team Awards	
New Fortune Best Local Research Team	No.1
New Fortune The Most Influential Research Institution	No.2
- 2020 Best Industry Research Team Awards of GF Securities granted in "the 18th New Fortune Best Analyst Selection"**

Awards	Ranking
Team Research Awards	
Technology	No.1
Finance	No.2
Consumption	No.2
Manufacturing	No.3
Energy and Materials	No.4
- 2020 Industry Awards of GF Securities granted by New Fortune Best Analyst Selection**

Awards	Ranking
Team Research Awards	
Macro Economy	No.1
Real Estate	No.1
Electronics	No.1
Communication and Culture	No.1
Environmental Protection	No.1
Machinery	No.1
Energy Extraction	No.1
Food and Drink	No.1
Strategy	No.2
Non-bank Finance	No.2
Agriculture, Forestry, Animal Husbandry and Fisheries	No.2
Non-metallic Building Materials	No.2
Fixed income	No.3
Light Industry and Textile Clothing	No.3
Automobiles & Components	No.3
Metals and Metal New Materials	No.3
Hong Kong Stocks and Overseas Markets	No.3
Whole Sale and Retail and Social Service	No.4
Appliances	No.4
Financial Engineering	No.5
Pharmaceuticals	No.5



Major Awards and Recognitions of Subsidiaries

Awards of GF Fund in 2020

- China Securities Journal
Golden Bull Fund Management
Oversea Investment Gold Fund Company
- Shanghai Securities News
Gold Fund ESG Fund Management Company Award
Gold Fund Passive Investment Fund Management Company Award
- Securities Times
Top 10 Star Fund Companies

Awards of GF Futures in 2020

- Zhengzhou Commodity Exchange
2019 Outstanding Member
- Shanghai International Energy Exchange
Outstanding Member
- China Financial Futures Exchange
2019 Platinum Award for Outstanding Member
2019 Product Development Award for Outstanding Member (Treasury Bond Futures Category)
2019 Technical Management Award for Outstanding Member
2019 Outstanding Investor Education Award for Outstanding Member
- Dalian Commodity Exchange
2019 Outstanding Member
2019 Outstanding Industry Service Award
2019 Outstanding Agricultural Product Service Award
2019 Outstanding Black Product Service Award
- Shanghai Futures Exchange
2019 Second Prize of "Insurance + Futures" Targeted Poverty Alleviation Pilot Project
- Securities Times
2020 China Outstanding Futures Company Junding Award
2020 China Outstanding IT Service Futures Company Junding Award
- The 9th China Finance Summit
2020 Exemplary Social Responsibility Award
- FOW and Global Investors Asia Capital Market
Best Non-Bank Futures Broker in Asia
- International Financial News
2020 International Pioneer Financial Institution
- 2020 China Futures Industry Research and Development Innovation Forum
China Gold Futures Institute - GF Futures Development Research Center
- Singapore Exchange
Best China Futures Broker of the Year (Iron Ore)
China Futures Broker of the Year (Flexible Offshore RMB)
- Dalian Commodity Exchange
Top 10 Futures Investment Research Teams of 2020
Outstanding Futures Investment Research Team of 2020

Awards of GFHK in 2020

- **SZSE**
Second Prize of Financial Technology for the "Research and Practice of Mobile Dynamics of Yitaojin International Project"
- **Securities Times**
Hong Kong and US Stock Brokerage App Junding Award
- **2020 Fengqi Wutong Hong Kong Stock Financial Summit**
Most Influential Wealth Management Platform, Best APP Experience Award
- **ETnet News Agency**
Outstanding Securities Online Trading Platform Award

Awards of GF Xinde in 2020

- **China Securities Journal**
Golden Brokers Equity Investment Winner of the Year
- **Zero2IPO Group**
Top 50 Chinese Private Equity Institutions in 2020
Top 10 Equity Investment Institutions in China Securities Companies in 2020
- **CV Awards**
Top 20 Most Popular Private Equity Institutions by LPs in China in 2020
Top 30 Best Private Equity Institutions in Guangdong, Hong Kong and Macau Bay Area in 2020
- **Golden Investment Award**
2020 Top 50 Influential PE Investment Institutions in China

Awards of GF Asset Management in 2020

- **Securities Times, China Securities Traders**
2020 China Asset Management Brokerage Junding Award
2020 Absolute Return Product Junding Award
2020 China Fixed Income Investment Team Junding Award
- **China Securities Journal**
2020 Gold Award of Asset Management Team
- **China Securities Golden Bull Award**
Two-Year Golden Securities Collective Asset Management Scheme - 2019 Golden Wealth Management Product Selection - GF Golden Majordomo Hongli Bonds
Two-Year Golden Securities Collective Asset Management Scheme - 2019 Golden Bull Wealth Management Product Selection - GF Securities Yingjia No. 4
- **Javelin Financial Research Institute, Investment Times**
2020 Golden Jubilee Award/2020 Outstanding Product Development Capability Award
- **Southern Metropolis Daily**
2020 Best Equity Investment Team
- **Jin Sinan Financial Institute**
2020 Best Securities Asset Management Company
2020 Best Securities Asset Management Company for Equity Investment
- **China Business**
Golden Amber Award for 2020 Outstanding Securities Asset Management
- **National Business Daily**
China Golden Tripod Awards for 2020 Best Equity Product
- **China Fund**
Yinghua Award - China's Best Securities Asset Management Agency

Awards of GFFL in 2020

- **The 9th China Charity Festival**
2019 Exemplary Poverty Alleviation Award
- **China Financial Leasing Forum-West Lake**
Leasing Enterprise Innovation Award

Awards of GF Qianhe in 2020

- **Zero2IPO Group**
Top 10 Equity Investment Institutions in China Securities Companies in 2020
Top 100 Chinese Private Equity Investment Institutions in 2020
- **CV Awards**
Top 50 Best Chinese-funded Private Equity investment Institutions in China in 2019
Top 100 Best Private Equity investment Institutions in China
Top 10 Best Exits in China's Healthcare and Health Services Industry
Top 10 Best Exits in China's Culture and Entertainment Media Industry





01

Responsible Management: Improvement of ESG Governance Structure and Practice of Corporate Social Responsibility

GF Securities adheres to the mission of “Creating Value to Realize the Dream of Serving the Country with Financial Services” and core values including inquisitiveness, integrity, client focus and teamwork, striving to strengthen its mission, responsibility and implementation of national strategies. We insist on serving the real economy, promote green finance, facilitate staff development, carry out targeted poverty alleviation and actively support the fight against epidemic, fulfilling its corporate social responsibility with practical actions.

- Corporate Culture Outline of GF Securities
- Social Responsibility Management System of GF Securities
- Introduction of GF Securities Social Charity Foundation in Guangdong Province
- Communication with Stakeholders



Corporate Culture Outline of GF Securities

Our missions	Creating Value to Realize the Dream of Serving the Country with Financial Services.
Our Vision	Become a Modern Investment Bank with International Competitiveness, Brand Influence and Systematic Importance.
Our Core Values:	Inquisitiveness, Integrity, Client Focus, and Teamwork.
Our Management Philosophy	Stable Growth, Continual Innovation, Performance-driven Culture and Business Synergies.

Social Responsibility Management System of GF Securities

In 2020, GF Securities continuously improved its social responsibility management structure and ensured the continuous and effective implementation of social responsibility work by integrating the concept of social responsibility into its development strategy and daily operations. The Board of Directors of the Company participated in the consideration and decision-making of major issues relating to environmental, social and governance (hereinafter referred to as “ESG”) of the Company, supervised and assumed overall responsibility for the ESG work of the Company, and the relevant functional departments, branches and subsidiaries were responsible for the concrete implementation of ESG matters while strictly complying with the *Environmental, Social and Governance Reporting Guide* of the Hong Kong Stock Exchange and the *Guidelines for the Standardized Operation of Listed Companies* of the SZSE .

During the Reporting Period, in order to implement the ESG regulation and requirements of listed companies, improve the ESG management system and social responsibility mechanism of the Company, enhance the core competitiveness, and to promote the Company’s sustainable development together with environment and society, the Company established the Environmental, Social and Governance (ESG) Committee and Working Taskforce in GF Securities. The ESG Committee is responsible for guiding and supervising the work of the ESG Working Taskforce and formulating the ESG report and disclosure document of the Company. Members of the Committee are composed of leaders of the Company, who are responsible for guiding and supervising the ESG work of all departments and subsidiaries of the Company according to their respective scopes of responsibility. The ESG Working Taskforce is responsible for the specific promotion and implementation of the relevant work under the guidance and supervision of the ESG Committee. The working taskforce takes charge of the organization and preparation of disclosure materials for ESG reports, and organizes internal and external stakeholder communications and conducts risk and opportunity assessments in accordance with laws and regulations, regulatory rules and requirements, as well as carries out the interpretation and training in respect of ESG regulations. In 2021, GF Securities will continue to deepen the management of ESG affairs, keep strengthening the control of the Company’s social responsibility affairs through assessment, measurement, monitoring, response and reporting, and enhance the Company’s ESG governance capability.

Introduction of GF Securities Social Charity Foundation in Guangdong Province

Chairman of GF Foundation: Zhang Shaohua
Directors of GF Foundation: Lin Chuanhui, Zhao Guiping, Xiao Xuesheng, Cheng Huaiyuan
Secretary-General of GF Foundation: Cheng Huaiyuan
Supervisor: Song Hongtao

Overview of GF Foundation

GF Foundation was established on January 21st, 2011. It is the first foundation in China that takes securities dealers as its main sponsors and has been assessed as the highest level - 5A class foundation by social organizations. It was co-sponsored and established by GF Securities, GF Fund, GF Futures and GF Xinde, and was formally approved by Department of Civil Affairs of Guangdong Province. The original fund of the foundation was RMB43 million. Mission of GF Foundation: Carrying forward the loving gesture of GF Securities; showing concern to livelihood; playing an active role in public welfare, poverty relief, education and environmental protection; promoting the construction of a harmonious society; and contributing to sustainable development.

GF Foundation focuses on education and teaching aid, poverty alleviation, and has successively launched a number of social welfare projects, including the "UN Sustainable Development Goals Model Village", "GF Securities University Graduates' Micro-Entrepreneurship Action", "GF Securities Rural Children's Reading Program", and "Youth Poverty Alleviation Caring Plan", "GF Securities Pearl Course", with cumulative public welfare expenditures amounted to approximately RMB100 million.

Mission of GF Foundation

Carrying forward the loving gesture of GF Securities; showing concern to livelihood; playing an active role in public welfare, poverty relief, education and environmental protection; promoting the construction of a harmonious society; and contributing to sustainable development.

Upholding a public welfare concept of "Gathering the love from the bottom of heart", we make every tiny effort in livelihood from poverty alleviation, disaster relief to education and environmental protection, to convey warmth to more people.

Mr. Zhang Shaohua
Chairman of the supervisory committee of
GF Securities Co., Ltd.



Operations of GF Foundation

GF Foundation has the legal person capacity with its property and income completely independent from other entities or individuals. Each year the Company donates to and operates through GF Foundation, to carry out activities such as charity, poverty alleviation and donation. With a sound and standardized organization and system, GF Foundation operates in strict accordance with the *Regulations on Management of the Foundation* and Other Rules. Each year, an accounting firm is engaged to conduct audit on the GF Foundation's operations. Meanwhile, an annual review is made by the Department of Civil Affairs of Guangdong Province. In 2020, GF Foundation donated RMB30.4261 million.

Donations Received by GF Foundation	Unit	Amount
Total donations received for the year	RMB10,000	3,278.87
Including the amount of personal donations received from employees	RMB10,000	19.69
Total amounts donated during the year	RMB10,000	3,042.61







In 2020, GF Foundation donated RMB

30.4261 million

Communication with Stakeholders

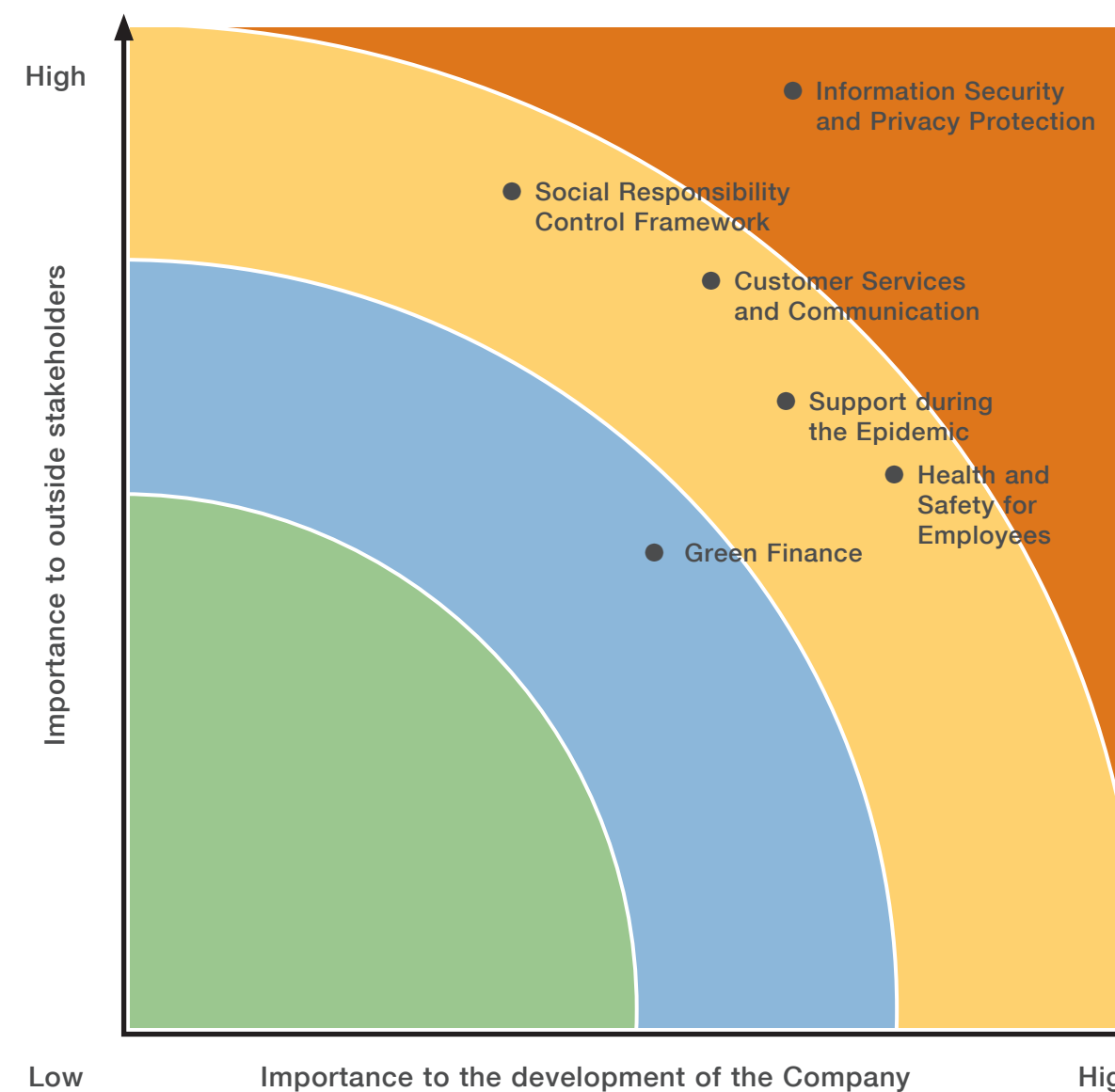
GF Securities has identified its stakeholders according to the actual situation of the Company and industry characteristics, including government and regulators, investors, employees, customers, suppliers and partners, environment and communities, and actively responded to the demands of stakeholders.

Stakeholder	Expectations and Demands	Way of Communication
 Government	<ul style="list-style-type: none"> Serving the national economic development strategy and promoting the development of China's securities industry 	<ul style="list-style-type: none"> Policy documents Work meetings Information distribution Interview
 Regulatory Bodies	<ul style="list-style-type: none"> Operating in compliance with the law Keeping the bottom line of risk Maintaining the stability and security of the financial system 	<ul style="list-style-type: none"> Regulatory policy Survey and research visits Submission of materials Work request and report
 Investors	<ul style="list-style-type: none"> Strict risk control Satisfactory return on earnings Smooth information communication 	<ul style="list-style-type: none"> Shareholder meeting Investor roadshows Visit Questionnaire research
 Customers	<ul style="list-style-type: none"> Detailed information on financial products High quality and safe financial services Financial education for inclusion 	<ul style="list-style-type: none"> Service hotline On-site research
 Employees	<ul style="list-style-type: none"> Reasonable remuneration and benefits Good career development Satisfactory working environment Protection of Employees' legitimate rights and interests 	<ul style="list-style-type: none"> Workers' congress Seminar Questionnaire Visits
 Suppliers and partners	<ul style="list-style-type: none"> Long-term sound cooperation Timely Feedback and quality of materials Fair and good cooperation opportunities 	<ul style="list-style-type: none"> Phone, Email Bidding Contract, Agreement Negotiation
 Environment	<ul style="list-style-type: none"> Development of responsible investment, green finance Promotion of green office 	<ul style="list-style-type: none"> Investment in environmental protection industry Promotion of green credit and green leasing Green and low-carbon operations
 Community	<ul style="list-style-type: none"> Engaging in community development Commitment to social harmony Promotion of financial literacy 	<ul style="list-style-type: none"> Visits Charitable activities Financial literacy promotion activities

Identification and Analysis of Material Issues

In 2020, the Company conducted an assessment of material social responsibility issues by distributing stakeholder questionnaires. After the identification, evaluation and sorting of issues, 6 material issues including social responsibility governance structure, green finance, customer service and communication, employee health and safety, information security and privacy protection, and epidemic support were determined as priority areas for the Company's social responsibility management efforts and were highlighted in this report. Based on the results of the stakeholder questionnaire survey, GF Securities identified the important social responsibility issues concerned by stakeholders as follows.

Material Issues Matrix





02

Value Growth: Adhering to Compliant Operations and Maintaining Shareholders' Rights and Interests

GF Securities has always regarded compliant operations and risk management as important works, continuously improved the quality of information disclosure, optimized supply chain management, protected intellectual property rights, and committed to constantly enhancing our corporate governance through a rigorous and systematic management mechanism with the application of financial technology, in a bid to achieve long-term and stable value growth. As an A+H listed company, the Company attached particular attention to the protection of the interests of small and medium-sized investors, timely and fair information disclosure, continuous improvement of investor relations management, effectively fulfilling its responsibilities to shareholders, investors and other stakeholders.

- Value Growth
- Equity of Shareholders
- Information Disclosure and Investor Relations Management
- Risk and Audit Work Management
- Compliance Management and Integrity Construction
- Intellectual Property Protection and Brand Building
- Responsible Procurement



Value Growth

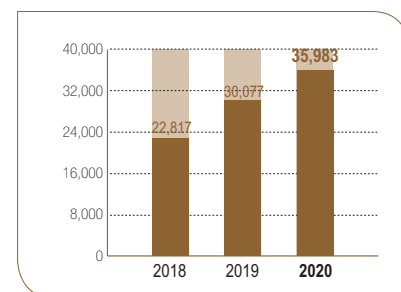


The Company has always adhered to operation principles of steady development and constant innovation. Against the complex industry environment with fierce competition, the Company endeavored to make progress and strived for excellence, and withstood various major challenges in the industry and gradually becoming one of the most influential securities companies in China. The total assets, net assets, net capital, operating revenue, net profit and other main operating indicators of the Company have top rankings in the industry for consecutive years. The details of the operating performance indicators are as follows:

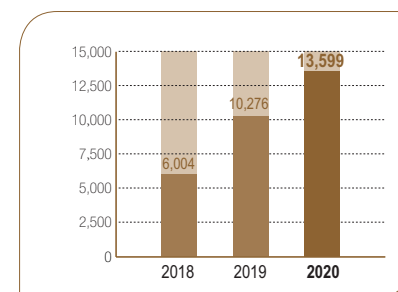
The total assets, net assets, net capital, operating revenue, net profit and other main operating indicators of the Company rank among the top in the industry for consecutive years. From 2018 to 2020, the Company ranked the fourth, fifth and seventh in terms of total assets in the industry, respectively; ranked the fifth, fifth and sixth in terms of net assets in the industry, respectively; ranked the sixth, sixth and eighth in terms of net capital in the industry, respectively; ranked the fifth, fifth and sixth in terms of operating revenue in the industry, respectively; ranked the sixth, fifth and sixth in terms of net profit in the industry, respectively (among them, the indicative data of net capital represents the data for the parent company; the 2018 and 2019 indicators are based on audited statistical data in the consolidated statements; the 2020 indicators are based on unaudited statistical data for the parent company; Source: WIND Info, Securities Association of China, 2021).

Main Performance Indicators of the Company in the Past Three Years (from Consolidated Financial Statements)

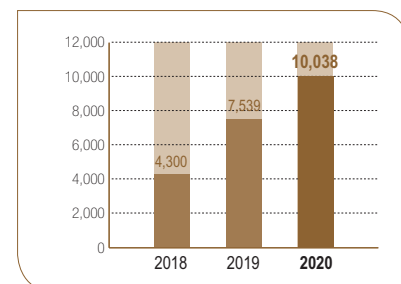
Total revenue and other income (RMB in millions)



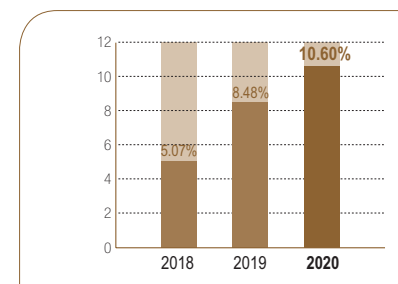
Profit before income tax (RMB in millions)



Net profit attributable to owners of the Company (RMB in millions)



Return on weighted average net assets



Equity of Shareholders

Dividend Distribution Policy

GF Securities treasures and makes good use of every share of capital, treats every shareholder equally, continuously improves the corporate governance structure of the Company, promotes a continuous growth of the Company's corporate values, and enables shareholders to obtain satisfactory returns. The Company has established a dividend distribution system with well-regulated procedures, reasonable decision-making process and clear rules. The Company clearly stipulated in its Articles of Association the procedures and decision-making process for dividend distribution and clearly stated the cash dividend ratio: "In the event of no significant investment plans or significant cash expenditure, etc., profits accumulatively distributed in cash for each of three consecutive years should be no less than 30% of the average annual distributable profits realized in the three years". The Board of Directors of the Company and the management firmly implemented the dividend distribution policy of the Company. Dividend distribution-related decision-making procedures and resolutions are all subject to the supervision by the Supervisory Committee of the Company.

Dividend Distribution Arrangement

Over the years, the Company has continued to distribute dividends to shareholders in accordance with internal and external laws and regulations. On June 9, 2020, the Company held the 2019 annual general meeting to consider and approve the 2019 Profit Distribution Plan of GF Securities. According to the 2019 Profit Distribution Plan of the Company, based on the number of shares held as at the record date, a cash dividend of RMB3.50 (tax inclusive) for every 10 shares was distributed to all shareholders by the Company during the Reporting Period. Based on the Company's existing share capital of 7,621,087,664 shares, the total cash dividend would be RMB2,667,380,682.40.

Protecting the Rights of Small and Medium Investors

In strict accordance with the requirements of the *Guidelines on Articles of Association of Listed Companies*, the Company convened general meetings and provided an online voting platform to facilitate shareholders' participation in the meeting. In 2020, the Company held two general meetings, both of which combined on-site voting and online voting. The online voting platform was provided to public shareholders through the SZSE trading system and the Internet. Voting results of the small and medium shareholders (holding less than 5% of the stocks) were disclosed in the announcement on the resolutions of the general meeting to effectively protect the voting rights of small and medium shareholders.



2019 Profit Distribution Plan of the Company



a cash dividend of RMB

3.50 (tax inclusive) for every 10 shares was distributed to all shareholders

Based on the Company's existing share capital of 7,621,087,664 shares, the total cash dividend would be RMB

2,667,380,682.40



Information Disclosure and Investor Relations Management

Good Information Disclosure Practice

As a responsible listed company, the Company earnestly protects the rights of small and medium shareholders to fully ensure their rights to know and the fairness in its information disclosure. The Company successively made a number of rules and regulations including GF Securities Management System for Information Disclosure, GF Securities Management Measures for Knowers of Inside Information and GF Securities Management Procedures for the Registration of Knowers of Inside Information, etc. The Company appointed the Secretary to the Board and Representative in Securities Matters to take charge of information disclosure, and the Board of Directors' office to assist in information disclosure and investor relations management.

During the Reporting Period, the Company convened 2 general meetings, 15 board meetings, 6 supervisory board meetings, 2 annual review work session meetings of independent non-executive directors, 1 meeting of the Strategy Committee, 5 meetings of the Nomination Committee, 2 meetings of the Remuneration and Appraisal Committee, 9 meetings of the Audit Committee and 2 meetings of the Risk Management Committee, for a total of 44 meetings. During the Reporting Period, a total of 179 A-share information and 93 numbered announcements were published in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and simultaneously disclosed on CNINFO (www.cninfo.com.cn) by the Company. 203 H-share information and 77 non-overseas regulatory announcements (in traditional Chinese and English) were disclosed on the HKExnews website of the Hong Kong Stock Exchange (www.hkexnews.hk). There was no administrative punishment by the CSRC due to non-compliant information disclosure or criticisms notified by the SZSE, and no criticism from the SFC or the Hong Kong Stock Exchange was received. The Company's information disclosure has strictly met the requirements of both the domestic and Hong Kong regimes.

Investor Relations Management

The Company values investor relations management and information disclosure, emphasizes on the truthfulness, accuracy, completeness and timely and fair disclosure of information, actively protects the interest of small and medium investors, listens and replies to proposals and consultative opinions of small and medium investors in the ordinary course of work. The Company maintains smooth integrative communication with institutional investors and individual investors by means of telephone, email, website of the Company or the SZSE, regular or irregular referral conference or roadshow, interviews and research. In 2020, the Company organized 2 results presentations by telephone and online and answered 149 questions raised by investors via the EasyIR platform of the SZSE. The details are as follows:

Number of reception	27
Number of institutional participants received	Over 150
Number of individual participants received	No onsite visit by individual investors
Number of other participants received	None
Whether undisclosed significant information was disclosed, revealed or leaked	No

Note 1: Data source: Company statistics.

Risk and Audit Work Management

Risk Management System

In 2020, the Company continued to consolidate the effectiveness of comprehensive risk inspection and rectification and acceptance, implemented various new regulatory requirements such as risk control indicators, actively responded to adverse impacts brought by the epidemic and regulatory penalties, optimized and enhanced daily risk management of various businesses, strengthened inspection efforts, and further improved the level of risk management systematization. The overall risk profile of the Company remained good, with no new major risk events in 2020.

During the Reporting Period, the Company promoted the construction of a comprehensive risk management system in accordance with internal and external risk management requirements, continued to connect with risk data of subsidiaries, developed and improved various risk application functions such as risk supervision indicators, same customer management, real-time risk monitoring, comprehensive stress testing and internal customer rating, as well as the risk management system requirements of subsidiaries, to further enhance the Group's unified, comprehensive and systematic risk management capabilities.

The Company's risk management organizational structure consists of four levels: the Board of Directors and the Risk Management Committee under the Board, senior management and related professional committees (Risk Control Committee, Investment Banking Kernel Management Committee and Asset Allocation Committee), various control and support departments, and various business departments. Each business department, the control and support departments such as the Compliance and Legal Affairs Department and the Risk Management Department, and the Audit Department constitute the three lines of defense for the Company's risk management, jointly performing the functions of identification and prevention in advance, monitoring and control during the process, and supervision and evaluation afterwards, and collaborating with each other to monitor and manage the various risks faced by the Company in a layered, multifaceted and continuous manner.



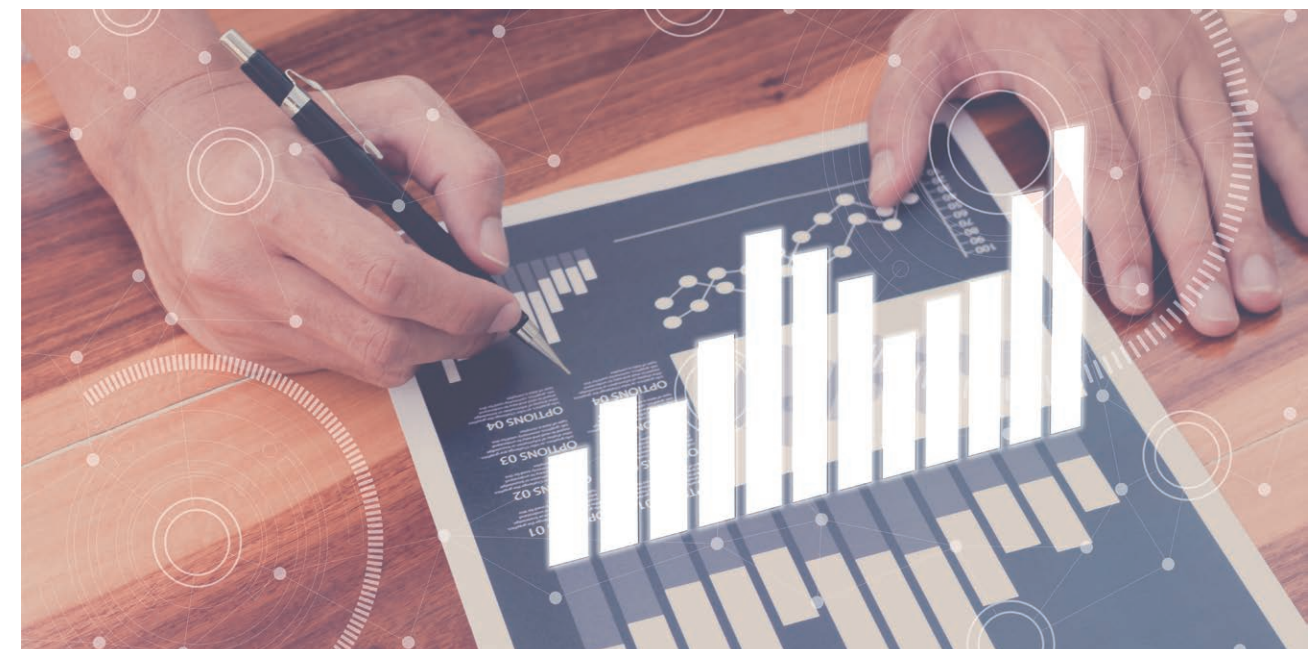
Categories and Content of Risk Management

Risk Management Categories	Risk Management Content
Comprehensive risk management	<ul style="list-style-type: none"> Compile interpretation reports, organize trainings, record video courses according to the new risk control indicators, in order to complete system upgrades, and achieve a smooth switch of system; Coordinate to complete the comprehensive risk investigation, rectification and verification, and accept the on-site acceptance by the Guangdong Securities Regulatory Bureau; Complete the systematic construction of supervisory reports to improve the efficiency of report preparation; Further strengthen the degree of refinement of risk management of subsidiaries in terms of systems, limits, assessments, data matching and special inspections; Organize analysis of the impact of the epidemic on various types of business of the Company, and provide remarks on high-risk businesses and make risk mitigation recommendations; Organize the analysis of the impact of the New Real Estate Policy and other policies on the overall business of the Group and put forward business development recommendations; Organize and carry out the Company's liquidity stress test analysis; Continuously carry out risk culture construction and enrich the knowledge column for all staff.
Market risk management	<ul style="list-style-type: none"> Conduct two rounds of special inspections on bond investment and trading business in accordance with regulatory requirements and penalty cases, and continuously improve business processes and risk control measures; Vigorously cooperate with the OTC business line to develop over-the-counter options, equity swaps and cross-border business, and actively provide risk control support; Conduct special risk assessments for new businesses and new strategies such as bill business, REITS, interest rate options, selected layer investment, and Alpha strategy in the investment department; Continue to promote the construction of the DCAR sub-projects of the "Joint Preliminary Risk Control System" and "Real-time Risk System" to realize the front-end joint control of the Company's stock index futures anti-counterfeiting and total control quota; Continuously carry out forward-looking research.
Credit risk management	<ul style="list-style-type: none"> Improve the credit management mechanism of the same customer, realize the unified monitoring and display of the same customer's investment, financing, bond underwriting and other information through the system, and effectively enhance the Group's ability to monitor the same customer's business risk profile and control the concentration risk; Sort out and optimize the monitoring mechanism of the Group's large stock counterparties, adjust internal ratings in a timely manner based on external public opinion and information, conduct risk warnings and investigations, and formulate response plans; Complete the optimization of internal evaluation models for industries such as urban investment, real estate, transportation, etc., and apply internal evaluation to the Group's asset management non-standard financing business review and stock credit bond position analysis, as well as bond project establishment, duration management and ABS risk assessment; Realize the calculation of risk indicators for stock option brokerage business, bond pledge business and other businesses through risk management system, and realize independent monitoring; Streamline the risk management and response mechanism of bond pledge repurchase business for large credit customers, and meet the financing needs of institutional customers under a risk-controllable mechanism.
Operational risk management	<ul style="list-style-type: none"> Assist in drafting the Guidelines on Operational Risk Management for the industry; Assist in conducting industry surveys and generating analysis reports; Provide risk management support for new businesses such as custom system program trading and algorithmic trading; Realize normalization and embed in daily business operations such as IT project establishment, new business, business plan review, etc. Carry out operational risk assessment and improve the assessment model; Promote the construction of operational risk monitoring indicators based on direct access by the system and directly pointing to specific risk points; Initially realize the risk monitoring over agency and custodian business by connecting manager data, product data and public opinion data.
Compliance risk management	<ul style="list-style-type: none"> Continuously build a digital compliance and risk management system (DCAR) to strengthen the Company's compliance and risk management and provide protection for the construction of the financial system and of investors' rights and interests.

Internal Auditing Work Mechanism

In 2020, the Company carried out audit inspections flexibly and effectively in conjunction with the requirements of COVID-19 epidemic prevention and control, ensuring a full audit coverage which focused on important areas such as customer service, customer appropriateness management, anti-money laundering management and integrity practice, and promoted the establishment and improvement of a long-term mechanism for internal control. In accordance with the relevant requirements of the new Securities Act on investor protection, on the basis of ensuring the coverage of branch audits, the Company continued to focus on investor protection and services, customer appropriateness management and other works, and promoted further improvement of the internal control mechanism of retail business; at the same time, on the basis of effective risk identification, the Company carried out risk-oriented specific audits on fund sales and anti-money laundering management, and promoted further strengthening of control measures on product sales, customer appropriateness management and anti-money laundering management, and continued to improve the internal control mechanism to protect the legitimate rights and interests of investors.

Control	Key Initiatives
Establishment of a Sound Departure Review System for Persons in Charge of Product Sales Operations	The Company has formulated the Provisions on Review of Departure of Persons in Charge of Product Sales Business of GF Securities based on the Measures for Supervision and Administration of Publicly Raised Securities Investment Fund Sales Institutions, which clearly stipulate the objects, organizational forms, review contents, procedures and reports of the departure review to strengthen the supervision and inspection on the conduct of personnel in key positions in fund sales.
Development of Audit System for Significant Connected Transactions of Important Subsidiaries	The Implementation Guidelines for Auditing Significant Connected Transactions of Asset Management Subsidiaries of GF Securities was formulated to clarify the specific requirements on audit content, process and method, etc., to strengthen the supervision and inspection on significant connected transactions of asset management subsidiaries and prevent the risk of significant connected transactions.
Continuous Update and Improvement of the Audit System	The Company has formulated and revised the audit system guidelines, including the Guidelines for Supervision and Audit of Securities Investment Fund Sales Business of GF Securities, Guidelines for Audit Investigation of GF Securities, Guidelines for Interview Process of Audit Department of GF Securities, Guidelines for Feedback on Audit Opinions of Audit Department of GF Securities Participating in the Formulation of Company's Rules and Regulations, etc.



Compliance Management and Integrity Construction



Organized and conducted a total of

1,809

sessions of anti-money laundering education and training

Carried out integrity building activities for a total of

904 sessions

In 2020, in response to the call of the China Securities Regulatory Commission to build an industry culture of “compliance, integrity, professionalism and soundness” and to lay a solid foundation for the long-term development of the Company, the Company formulated the Code of Conduct for Employees of GF Securities in conjunction with external laws and regulations such as the Anti-Unfair Competition Law of the People’s Republic of China and the Regulations on the Integrity of Securities and Futures Operating Institutions and Their Employees. The Company carried out a system-wide industry culture development and special work for rectification of discipline in conjunction with the special work plan, further standardizing the conduct of employees and creating a refreshing and righteous, healthy and positive working atmosphere.

During the Reporting Period, in accordance with the Rules for the Implementation of Integrity Practices of Securities Operating Institutions and Their Employees issued by the China Securities Association, the Company revised the Management Measures for Integrity Practices of GF Securities into the Management System for Integrity Practices of GF Securities Co., Ltd., further raising the management level of the system, refining the requirements for integrity practices in investment banking, financing, brokerage, securities investment advisory and other businesses, and clarifying the accountability mechanism when violating the requirements for integrity practices. The Company revised the Regulations on the Classification of Risk Levels and Classification Management of Money Laundering of Customers of GF Securities and the Regulations on Anti-Money Laundering of Overseas Institutions of GF Securities. The revision refined the basis for the classification of clients' money laundering risk level and subsequent management requirements, and also standardized the anti-money laundering management requirements for overseas institutions. In December 2020, the Company launched the integrity practices training involving all employees, and requested all of its directors to read and learn the Implementation Rules on Integrity Practices of Securities Operators and their Employees issued by the Securities Association of China, covering the topic that employees are not allowed to accept or solicit the property or benefits from others to obtain any illegitimate benefits. Meanwhile, the Company has formulated internal and external complaints and reporting procedures to supervise and prevent acts of seeking or transmission of improper benefits.

During the Reporting Period, the Company organized internal staff to participate in anti-money laundering training to help investors and the public raise awareness of anti-money laundering, and carried out identity verification of specific customers in accordance with regulatory requirements. The Company organized regular or irregular inspections on the integrity of the Company and its staff. In the agreements signed with external parties, the Company has also required the addition of anti-business corruption clauses in principle to prevent and combat the use of the Company's platform for improper benefits. During the Reporting Period, the Company organized and conducted a total of 1,809 sessions of anti-money laundering education and training, with a total of 46,484 participants. The Company carried out integrity building activities for a total of 904 sessions, with a total of 890,000 participants in training, achieving full coverage of all business lines of the Company. The training targeted on all headquarters departments, part of branches and part of subsidiaries, and the training contents were classified into the following categories by training targets:

Special Study for All Staff

Interpretation on the revised content of the new Securities Act, anti-money laundering special training, integrity training, “Constitutional Week” activity, “New Era of Rule of Law” rule of law animation and micro video collection and exhibition activity

Training for Compliance Officers

Interpretation on the new Securities Act, case studies on compliance management, impact of the Civil Code on financial services, introduction to contract management and systems, anti-money laundering training (including customer due diligence and high-risk control, blacklist monitoring)

Audit Training

Anti-fraud training, and practice workshop of “internal monitoring, integrity system construction and fraud audit”

Intellectual Property Protection and Brand Building

The Company has strictly abided by the Trademark Law of the People's Republic of China, the Patent Law of the People's Republic of China, the Copyright Law of the People's Republic of China, the Regulations for the Protection of Computer Software and other relevant laws and regulations, and strictly regulated the management of intellectual property rights. During the Reporting Period, the Company revised the Management Measures of Brand Affairs of GF Securities and Management Regulations on the Use of Trademarks and Trade Names of GF Securities to streamline the brand management structure and the management process of trademarks and trade names.

In 2020, the Company obtained 1 granted patent for invention, 10 new publicized invention patents, and obtained 6 new software copyrights. As of December 31, 2020, the Company had in aggregate applied for 39 invention patents, 3 utility model patents and 19 software copyrights.

In 2020, the Company enhanced and consolidated its professional brand image through active communication and positive guidance, and re-revised the Management Measures of Brand Affairs of GF Securities and Management Regulations on the Use of Trademarks and Trade Names of GF Securities to consolidate the management of major brand structure and rationalize the management process of brand trademark and name internally. During the Reporting Period, the Company released a series of anti-epidemic reports to shape brand favorability with public welfare communication; carried out cross-border marketing and sports marketing to enhance brand vitality; strengthened reputation risk management and media relationship maintenance, optimized brand management and further strengthened brand protection; strengthened advertising management and provided good service support.

Responsible Procurement

The Company adhered to the procurement management tenet of “openness, fairness, impartiality, competition, merit selection, honesty and credit”, and through implementing policies such as “merit selection principle”, “risk control first, efficiency in mind”, “centralized procurement”, “principle of checks and balances” and “reasonable arrangement of procurement plan and accurate forecast of market changes”, selected suppliers and procurement methods in a reasonable manner, and formulated bidding and pricing mechanisms scientifically, as well as standardized the authorization and approval process to strictly manage the procurement.

The Company fully implemented a new procurement model in 2020. Procurement management-related system documents were fully implemented in this year, and the following results were achieved:

"Win-Win" of Checks and Balances and Benefits

The overall procurement of risk control was carried out in an orderly manner in accordance with the system, and the “checks and balances” of centralized procurement, scale and economic benefits were achieved in its implementation, and procurement risks were avoided

Comprehensive Standardization of Procurement

The Company conducted multiple studies inside and outside the industry, compared and analyzed the new procurement methods in multiple aspects, and summarized the implementation process suitable for the Company's business

Realisation of Overall Project Management

The Company promoted the electronic bidding and procurement platform, completed the initial construction of the platform and entered the testing phase, and managed the whole process of the project from demand submission to bid finalization on the system in a unified manner



03

Serving with Heart:

Customer-Centric, Focusing on Core Capacity Building

The Company combined financial technology innovation and humanistic care, adhered to the service concept of “Your Attentive, Professional and Dedicated Business Partner”, continuously enhanced the construction of digital platform and staff capability training, promoted the wide application of financial technology, and strived to improve customers’ various service experiences and overall satisfaction. Through comprehensive risk management and customer suitability management, the Company has strengthened investor communication, provided professional financial services to customers, protected investors’ interests and prevented financial risks.

- Professional Platform Empowerment to Enhance Comprehensive Customer Satisfaction
- Strengthen IT Security to Protect Investor’s Interests
- Improvement of Suitability Management
- Overall Implementation of Investor Education



Professional Platform Empowerment to Enhance Comprehensive Customer Satisfaction

In 2020, the Company established a new mechanism integrating technology and business operations, actively leveraged financial technology to empower business expansion, customer service and internal management, and continuously enhance its financial technology strength.

Development of Digital Innovation Service Platforms

In 2020, the Company actively built the Company's internal and external data asset platforms and big data ecosystem, and created an enterprise-level data service platform, providing a solid foundation for business development. The Company established the GF-SMART intelligent platform based on artificial intelligence technology, developing technology applications such as intelligent warning, intelligent recommendation, intelligent outbound call and knowledge mapping; and created the first AI virtual anchor "Xiaotian" in the industry using the image of a real employee; based on blockchain technology, it established a financial technology innovation lab, built a trusted ABS cloud which uses blockchain to deposit underlying asset data for monitoring the operation of the underlying assets of the CMBS commercial property special plan, and served as the leading unit of the industry blockchain subject group "blockchain OTC market application research" led by the Shenzhen Stock Exchange; and developed the HD interactive Video service platform based on 5G technology.

In terms of wealth management, the Company has built a full-process accompanying wealth management platform, Yitaojin APP, which provides 24/7 quality services to nearly 30 million users and ranks among the top in the industry in terms of user activity rate. In terms of trading and institutional business, the Company has continued to improve the speedy trading system of brokerage business and vigorously developed the "GF Touyitong" investment trading terminal and the "GF Smart" integrated service APP to provide integrated and comprehensive services to institutional clients. During the COVID-19 epidemic, the Company provided contactless services for individual and institutional clients without need to travel through various digital platforms such as Yitaojin APP, remote technology counter and investment research platform. In terms of investment trading, GFQG quantitative platform, which was fully developed independently, helped GF Securities to obtain the highest AA rating for all three options varieties in Shanghai and Shenzhen exchanges; the forward market making of standard bonds in interbank market leaped to the first place among brokerages, and became the first batch of quotation providers for China Development Bond and Agricultural Development Bond. The Company has built a new generation of investment banking business management platform to promote the change of business development model; continued to build DCAR to strengthen the Company's compliance and risk management and provide protection for the construction of financial system and protection of investors' rights and interests; continued to deepen the construction of information system quality control system to meet the challenges of market fluctuations and rapid iterations of business functions and ensure stable, safe and smooth operation of the system.

Improvement of the Overall Customer Satisfaction

The Company insisted on being customer-centric, understanding customer needs, focusing on customer expectations, and striving to maximize customer benefits; adhered to putting "customer first" in mind and in action, and strived to provide better services than competitors. The Company understands that customers as capital market participants are the cornerstone of market, whose trust is the basis for our survival and development. The Company takes care of every customer, and provide professional solution to meet their needs.

In 2020, the Company attaches great importance to customer appeals and complaints, and strengthens the standardized complaint handling process using a top-down organizational system and comprehensive basic rules on complaint handling. We have maintained industry leadership in customer relationship management, with customer service satisfaction of brokerage business exceeding 97% for five years in a row.

In 2020, our 95575 service hotline serviced customers 564,017 times, including handling 189 customer complaints. All complaints were followed up through acceptance, investigation and handling, feedback and return visit. The satisfaction rate in return visit reached 98.67%, up 2.23 percentage points from 2019; there were 339,120 participants (person-time) in the customer satisfaction survey and 60.12% respondents provided feedbacks, which accounted for 2.81% of total customers of our brokerage business. The customer satisfaction rate for our customer service reached 99.26%, up 0.09 percentage point from 2019.

(1) Customer Complaints

Year	Number of complaints	Satisfaction rate in return visits
2018	32	92.99%
2019	54	96.44%
2020	189	98.67%

(2) Brokerage Business Customer Satisfaction Survey

Year	Number of participants (person-time)	Percentage in total customers	Satisfaction rate
2018	196,958	1.99%	98.58%
2019	267,369	2.56%	99.17%
2020	339,120	2.81%	99.26%

Case

GF Securities has launched a 24/7 online consulting service for customers, which is provided by professional advisors and intelligent customer service systems across China. In 2020, the GF Securities service system completed a total of 3.73 million customer service orders, serving more than 1.3 million users, of which 2.58 million service calls were made by intelligent customer service, with an answer rate of 98%, and 1.14 million manual service orders were made, with a service satisfaction rate up to 99%.

Strengthen IT Security to Protect investors' Interests

In 2020, the Company strictly complied with the Cyber Security Law of the People's Republic of China and other associated national laws, regulations, policies and systems to prohibit illegal collection and illegal use of customer information. To protect customer information, the Company continued to improve its internal rules and regulations and established an information technology protection and data management system. Relying on the five-in-one guarantee system of "business continuity guarantee, security assurance, quality assurance, data platform and cloud-based platform", the Company has put the assurance system online through platform-based means, enabling guarantee system to be digitized through platform. The Company revised and published the Information Technology Management Rules of GF Securities, the Administrative Measures on Information System Emergency Response of GF Securities, the Detailed Implementing Rules for the Administration of GF Securities Commercial Cryptography Security and the GF Securities IPv6 Management Guidelines to further regulate the management requirements of information security, emergency, network IPv6, etc.

During the Reporting Period, the Company successfully rose to the technical challenge of extended trading halt on Shanghai and Shenzhen stock exchanges for the Lunar New Year holiday during COVID-19, ensuring the continuity of the core transaction system and smooth and stable operation of the system during the COVID-19 hard-hit period when employees were working at home in 2020 through high-quality technical assurance, and fulfilled the special tasks for safeguarding the "two sessions", "the Fifth Plenary Session of the 19th Central Committee of the Communist Party of China (CPC)" and "the China International Import Expo (CIIE)", and achieved the goal of "zero-regulation concern about information security incidents".

Information Security Assurance

In 2020, adhering to the bottom-line principle of information security, the Company built a monitoring platform to strengthen internal data security control, deployed threat identification probes at core network nodes to reinforce external security monitoring, resulting in a reduction of risk of data divulgence through internal and external security measures; comprehensively integrated and upgraded the Group's existing isolation wall system, optimized and adjusted the infrastructure structure at the headquarters and off-site offices, further standardized the reporting mechanism of sensitive information of parents and subsidiaries, effectively preventing the improper flow of sensitive information within the Group; regulated daily behaviors of employees and continuously improved the level of isolation wall control; strictly observed the requirements of regulatory sampling and self-inspection; according to the requirements for privacy protection and information security made by associated ministries and industries, compiled a Guide on the Development of Personal Financial Information Security applicable to the Company's internal APPs. During the Reporting Period, the Company's internal APPs neither were publicly named nor taken down from the application market due to the failure to meet the inspection regulations.

Case

GFHK highlights the effectiveness and wholeness of network security policy and conducts substantial attack and defense tests to ensure that each security system deployed can function in the right place, effectively avoiding security vulnerabilities caused by problems such as inadequate capability to deal with large numbers of alarms resulted from massive system piling, blind spots in protection, exaggerated publicity by suppliers, and improper setting of security policies.

Protection of Investor Privacy

The Company implements an authorization for systems that retains customer identification information, and information addition, deletion or modification can be performed only through the Company's OA process according to requirements. Service personnel are required to check information such as customer identity elements or investment experience before providing customers with personal asset inquiry or financial management services, and to reject account inquiry requests from non-account owners, effectively protecting investor privacy.

Case

1. Following the principle of authority minimization, the Company incorporates the system account permission management into the working paper of daily inspection for branch compliance to implement periodic inspection, and takes immediate actions to correct and supervise the problems found. The Notice on Enhancing the Relationship in Safe Use of the Information of Retail Business Customers issued by the Company has further defined customer information security responsibilities and rights, standardized the management of customer account information, restricts the display of important personal information such as customer addresses and ID numbers in a systematic manner, authorized inquiry for customer account information based on customer relationships, and request for batch export of customer information must go through the process for approval.
2. In 2020, GF Fund launched the GF Fund APP testing project of personal information protection, combed and optimized the acquisition and scope of the APP involving user authorizations, and formulated the GF Fund Online Trading Privacy Policy Statement and Personal Information Use Regulations, providing detailed agreement on the scope of customer authorizations and customer privacy protection methods used by the APP and website.

Improvement of Suitability Management

In order to continue to perform well in investor suitability management, the Company timely revises and improves various business systems and working procedures in accordance with the Administrative Measures on Suitability of Securities and Futures Investors, Guidelines for the Implementation of Suitability Management of Investors in Securities Operators (Trial) and the latest regulatory requirements, and formulated or amended the Administrative Measures for the Trading and Retail Business on the STAR Market of GF Securities, Administrative Rules on Bond Market Investor Suitability of GF Securities, Rules on Suitability of Retail of Public Fund of GF Securities and Administrative Rules on Share Option Investor Suitability of GF Securities, and required every business lines to strictly implement. In 2020, the Company urged its branches to raise service awareness of front-line staff, take a positive attitude toward services in their daily work, improve their service quality, engage in proper customer suitability management, properly remind customers of the risks when necessary, and improve follow-up and tracking services.

The Company divides ordinary investors into six categories according to their risk tolerance level from low to high: special protected customers, conservative customers, cautious customers, stable customers, proactive customers and aggressive customers. In providing financial products and services to its customers, the Company will require its customers to satisfy some criteria in asset scale, income level, risk identification capabilities and risks tolerance and minimum investment and subscription amount based on the risk and complexity of the product or service and the cognitive level of investors in respect of various business lines. For financial products sold or financial services rendered to customers, the Company will assess whether the investment types and investment terms of the financial products or financial services match the investment objectives of its customers, and whether the level of risk of the financial products or financial services match its customers' risk tolerance to provide customers with better and appropriate services based on their risk preferences.

Overall Implementation of Investor Education

The Company actively implements relevant requirements of the Guidance to Accelerated Construction of Securities and Futures Investor Education Bases published by CSRC by advancing investor education online and offline to help investors establish a rational investment awareness. In 2020, the Company issued the Measures for the Administration of GF Securities Investor Education and revised the Administrative Provisions for the Education of Retail Business Investors of GF Securities, further optimizing the organizational structure of its investor education work.

Wealth Management Education

In 2020, the Group carried out nearly 20 thematic activities on the topic of investor education, including “3.15 Financial Consumer Rights Day”, “5.15 National Investor Protection Publicity Day”, “Prevention of Illegal Fund Raising Promotion”, “Joint Financial Promotion Month of Guangdong Province”, “‘Entrepreneurship and Innovation for Development’ ChiNext reform investor education campaign”, “‘Joining Hands to Build a NEEQ’ investor education campaign”, “2020 World Investors’ Week”, “Finance Security Publicity Month of 2020”, “Science and Technology Innovation Board Knowledge Quiz”, “New Securities Law”, “Legal Publicity of Code”, “2020 Constitution Promotion Week”, etc. Among which, the investor education column set up by GF Fund introduced investment methods, concepts and market reviews and other information for investors and conveyed relevant legal knowledge and investment techniques to them by developing seven sub-columns, i.e., basic securities regulations, anti-money laundering, popularizing-law education, GF Fund investor education, safe finance, prevention of illegal securities and futures activities, and investor disputes mediation, fostering the awareness of correct investment. In 2020, this column published more than 500 pieces of information.

Case



GF Securities implemented large-scale investor education regarding the reform of the “NEEQ” and “ChiNext”, wrote 150 knowledge interpretation articles via official WeChat account, reaching over 650,000 persons accumulatively; held online “NEEQ quiz” and “ChiNext knowledge competition”, attracting more than 100,000 new registered users and a total of 1.03 million answers. It held a “ChiNext Investor Education Micro Video” competition at which the finalist works were played and well received by investors.

GF Securities offers “Wealth for Youth” gamified financial quotient education and experience courses for clients and their children. Through the educational and entertaining game format, it helps children aged 6-12 to understand the use and function of money, and plants the seeds of cherishing wealth, serving society and rational investment in children’s mind. The activities, combining profession with family affection and interaction, have been warmly received by clients and their children. Over 78 activities were held accumulatively and participated by more than 780 families.



Case



In response to customers’ parent-child financial management needs, GF Securities has developed parent-child accounts focusing on three scenarios: change jar, education fund and wish box, and carried out financial management activities regarding children education funds and financial quotient education for customers. More than 30,000 people opened parent-child accounts throughout the year.



GF Securities carried out investor education through live streaming via its official website and official WeChat account to disseminate wealth management knowledge to its investors in a more vivid and interactive form, and has made more than 120 live broadcasts and received more than 10 million views in a year.



GF Securities performed new media investor education by means of short video, focused on development of “GF Lecture Hall” finance and economics popularization video program. As of the end of 2020, it uploaded 72 videos, earning a total of 1.58 million view counts and 160,000 person-time interactions; its Douyin App and WeChat video accounts were followed by about 100,000 people, ranking first in the industry; and established investor education content IP in various public media outlets, conveying healthy investment concepts and financial management methods.



GF Securities has developed a training camp program for financial management novices and introduced fund investment skills and passes correct investment concepts to financial management beginners through the innovative mode of “community teaching”. About 15,000 people have registered to take training camp classes.



GF Fund has set up a GF Fund Wealth Academy, which provides investors with easy-to-understand and practical wealth management knowledge and practical strategies, professional and timely market analysis and interpretation of the latest and hot issues using graphics, audio and video and live streaming, to help investors establish a healthy wealth management concept and avoid investment pitfalls. The Academy added 306 new courses with over 3 million visits in 2020. Popular science and graphic columns such as “Investment Tips” have been studied by nearly 250,000 people; the pan-financial management audio program “GF Investment Evolution” has been studied more than 300,000 times; more than 60 live streaming programs on investment analysis such as “Heart Bridge Journey Lecture”, “Wen Jing Wu Lue”, and “Gathering of GF Fund Elites” were watched by more than 500,000 people throughout the year.

Education on How to Prevent Wealth Management Risks

In 2020, under the unified arrangement of Securities Association of China, Asset Management Association of China, Guangdong Bureau of the CSRC and other regulatory departments and industry self-regulatory organizations, the Company has continuously adjusted its working concepts and methods in response to new features and new forms of illegal securities activities, and actively adopted proactive monitoring and effective measures to deal with illegal securities activity information while timely initiate various approaches such as issuing risk warnings to crack down the illegal activities effectively. In addition, the Company coordinated with headquarters departments and branches to carry out a series of promotional activities to combat illegal securities activities, such as prevention of illegal securities and futures activities promotional month; under the premise of meeting the pandemic control requirements, the Company actively broadened promotion channels and developed innovative ways and means to step up its efforts for promotion of combating illegal securities activities to investors through various channels, such as banners, investor education columns, cell phone text messages, investor seminars, and social media software with a view to help them fully understand the characteristics of illegal securities activities; made efforts to attract the public to participate in the interaction and guide the majority of investors to adopt a correct investment principle and stay away from illegal securities activities.

Case



"Rational Investment: Staying Away from Illegal Securities and Futures Traps" Campaign

GF Securities held a seminar on "Rational Investment: Staying Away from Illegal Securities and Futures Traps" for community residents. The seminar was based on the courseware provided by Shanghai Stock Exchange. Experienced lecturers used previous cases to heighten the vigilance of middle-aged and elderly people in the community who were less aware of scams and identify financial swindling and fraud and keep away from traps such as illegal stock recommendation. By virtue of professional and patient explanations, the lecturers helped the middle-aged and elderly residents to keep their money in their pockets and brought warmth and care to them. GF Securities launched 9 in-community activities, with 285 residents in attendance.

Case



GF Securities organized a promotion month campaign to prevent illegal securities and futures around the theme of "precaution for illegal fundraising activities under the disguise of private equity". Through online and offline promotion, the campaign covered more than 620,000 people with more than 587,000 short messages sent, more than 30 online and offline thematic activities held, more than 16,000 posters, leaflets, brochures, and other promotional materials distributed, 13 types of original investor education products, such as investors education cases, promotion and knowledge education posted on WeChat account, 14 contents posted on the official WeChat account and public WeChat account of the investor education base, 11 promotional contents posted on the official Weibo account, and over 33,000 readings on the WeChat and Weibo accounts.

Case



A Wallet Taken Care of and the Happiness of a Family Secured" Illegal Fund-Raising Prevention Promotion Month Activity

GF Securities organized a promotion month activity themed at "A Wallet Taken Care of and the Happiness of a Family Secured" to prevent illegal fund-raising. During the activity, the Company issued the thematic promotional page of this activity on its official website, and posted 4 promotional articles related to the prevention of illegal fund-raising on the official Weibo with nearly 10,000 readings; the offline promotion activity covered more than 100,000 people with 63,448 short messages sent.

Case

Special rectification actions were arranged and carried out by GF Securities to sort out and investigate the clues of "Stock Manipulators", "Illegal Stock Recommendation", "Over-the-counter Capital Allocation", "Illegal Chat Group" and "Illegal APP", which were reported by clients, so as to verify and identify any illegal securities activities. During the activity, 23 investor education products were posted on the website and WeChat platforms with over 49,000 readings, nearly 600,000 short messages were sent, and 1,543 pieces of promotional products were hung, posted, and exhibited.

Case



Xi'an Branch Company Civil Code Study Publicity Activity

Our Xi'an branch company launched a series of events such as a thematic activity themed in "Learning Securities Laws, Making Rational Investment" and "3·15 Investor Education" to keep the investors away from the illegal securities and illegal fundraising and improve their ability of risk identification.



04

Green Development: Persisting in Green Operation, Marching towards the Goal of Sustainable Development

Lucid waters and lush mountains are invaluable assets. The Company actively responded to the call of the nation, practiced the concept of green development, thoroughly implemented the Guidance on Building a Green Financial System issued by the Central Government, gave full play to the capital market in resource allocation, used financial instruments, such as green bonds and environmental protection industry index for the construction of the green industry, guided and encouraged more social capital investment in the green industry, and supported vigorous development of the green industry. At the same time, the Company continued to promote green operations, strove to reduce the environmental impact of business activities, took the initiative to deal with climate change, and contributed to the construction of ecological civilization and the realisation of the goal of carbon neutrality.

- Promoting Green Finance
- Performing Green Operation
- Addressing Climate Change



Promoting Green Finance



Supporting the Issuance of Green Bonds

In 2020, the Company has vigorously supported the green transformation and development of the real economy. During the Reporting Period, the Company has underwritten 8 sessions of green bonds with the issuance reaching RMB9.9 billion, which effectively directed social capital into the environmental governance and green industries, such as energy-saving, emission reduction, and low carbon environmental protection, so as to contribute to the construction of ecological civilization and supporting the development of the green industry.

During the Reporting Period, the environmental protection enterprise bonds invested by the Company covering multiple fields such as new energy development, waste and wastewater treatment, environmental governance, clean energy, energy saving and emission reduction, high-efficiency energy storage, and smart energy. The Company has completed the sales of 10 environmental protection enterprises bonds (the bond issuer's main business or the purpose of the fundraising is related to environmental protection), with a total amount of RMB12.9 billion, among which the issuance scale of environmental protection corporate bonds is RMB3 billion and the issuance scale of environmental protection enterprise bonds is RMB9.9 billion.

Promoting Green Leases

During the Reporting Period, GFFL actively supported the development of green and environmental protection enterprises and invested a total of four projects through sale-leaseback, with the total amount of investment being RMB30,672,900.

Case

GF Securities has successfully applied for issuing multiple sessions of green bonds and asset securitized products for clients, with a total approved scale of RMB43.9 billion, and the issued scale of RMB26 billion, which has generated considerable social benefits.



Improving the Environmental Protection Industry Index

During the Reporting Period, GF Fund has improved the index preparation plans of the China Securities Environmental Protection Industry Index, which is the index of its subsidiary GF China Securities environmental protection industry exchange-traded fund (hereinafter referred to as the "GFCS Environmental Protection ETF") and the sponsored connection fund. By the end of 2020, the scale of "GFCS Environmental Protection ETF" had reached RMB2.221 billion, making it the largest environmental industry-themed index fund in the market.

Responding to the Government and Policy Orientation

During the Reporting Period, the Company actively responded to the notices for opinions of the relevant regulations and policy documents from the government or regulatory authorities, including the National Development and Reform Commission, the People's Bank of China, the China Securities Regulatory Commission, the SZSE and the SSE. In addition, a number of feedbacks were provided including opinions and recommendations regarding the catalogue of green bond projects.



By the end of 2020, the scale of "GFCS Environmental Protection ETF" had reached RMB **2.221** billion, making it the largest environmental industry-themed index fund in the market



Performing Green Operation

The Company has strictly followed the Environmental Protection Law of the People's Republic of China, Energy Conservation Law of the People's Republic of China, and other laws and regulations, consistently implemented the green management philosophy in the whole process of the operation and management, made continuous efforts to achieve sustainable development goals, so as to achieve the organic combination of social, environmental and economic benefits. The Company has long been actively practicing the philosophy of green management and has taken various measures to reduce adverse impacts of the Company's operation on the environment and natural resources.



Water-saving Measures

- Modified drip irrigation and mist irrigation at the first layer of landscape
- Modified condensate water recovery
- Adjusted water tap outlet pressure at all pantrys and restrooms



Energy Saving Measures

- Optimized the elevator riding algorithm
- Enabled automation of lighting control
- Recycled air purifiers in public areas and idle office areas (257 units)
- Performed in-depth night-time inspection on □Five Switches□, with the total number of (1,000 lights) switched off and (150 units) of air purifier turned off every day
- Reduced the use of buses, limited fuel consumption, controlled exhaust gas emission, advised employees to take the Company transit buses, and encouraged healthy and low-carbon travels such as walking, cycling and carpooling



Waste Reduction Measures

- Outsourced printing services
- Recycled and reused papers for office meetings
- Recycled waste batteries from all floors as per national standards
- Cancelled the supply of non-essentials at the fitness center by distinguishing the purposes of client products



Key Performance Indicators on Environment of the Group in 2020

During the Reporting Period, the Company achieved remarkable results in water saving and waste reduction and cycling. As compared with last year, the total non-hazardous and hazardous waste produced decreased by 4.74% and 2.52%, respectively, and the total water consumption decreased by 7.02%. Direct energy consumption, including gasoline and diesel, decreased by 18.62%, and the recycling volume of waste toner cartridges increased by 5.34%.

In March 2019, the Group relocated the headquarter to the GF Securities Building. In the full year of 2020, the Group conducted its office work in the GF Securities Building. The energy consumption from the Group's self-use floors in the GF Securities Building and the daily office use are included in the scope of this report. During the Reporting Period, the power demand rose as the GF Securities Building's internal IT equipment increased. Due to the above-mentioned reasons, the Group's total comprehensive energy consumption in 2020 increased by 27.79% compared with 2019, and its total greenhouse gas emissions increased by 52.99% compared with the previous year. There is still room for improvement in the management of key performance indicators on the environment.



Resource Consumption and Other Key Performance Indicators of the Group in 2020 ⁽¹⁾

Resource Consumption			
1. Energy consumption	2020	2019	Year-on-year Changes (%)
Total energy consumption ⁽¹⁾⁽²⁾ (Mwh)	50,745.93	39,710.70	27.79%
Direct energy consumption (Mwh)	10,945.16	13,449.10	-18.62%
Indirect energy consumption (Mwh)	39,800.76	26,261.60	51.55%
Total energy consumption per employee (Mwh/employee)	4.12	3.38	21.99%
2. Water consumption ⁽³⁾			
Total water consumption (m³)	148,444.85	159,646.59	-7.02%
Water consumption per employee (m³/employee)	12.06	13.60	-11.31%
Emissions			
1. Greenhouse Gas (GHG) emissions			
Total GHG emissions ⁽⁴⁾ (scope 1 and 2) ⁽⁵⁾ (tonnes)	28,414.96	18,573.12	52.99%
Direct GHG emissions (scope 1) (tonnes)	2,682.47	3,291.51	-18.50%
Indirect GHG emissions (scope 2) (tonnes)	25,732.49	15,281.61	68.39%
Total GHG emissions (scope 1 and 2) per employee (tonnes/employee)	2.31	1.58	46.13%
2. Non-hazardous wastes ⁽⁶⁾			
Total production of non-hazardous wastes (tonnes)	93.60	98.26	-4.74%
Production of electronics wastes (tonnes)	41.88	50.45	-16.99%
Production of paper wastes (tonnes)	51.73	47.81	8.19%
Paper wastes recycled ⁽⁷⁾ (tonnes)	4.68	5.77	-18.85%
Production of non-hazardous wastes per employee (kg/employee)	7.61	8.37	-9.13%
3. Hazardous wastes			
Total production of hazardous wastes (tonnes)	2.09	2.14	-2.52%
Toner and ink cartridges wastes (tonnes)	1.62	1.58	2.35%
Fluorescent tube wastes (tonnes)	0.47	0.56	-16.26%
Toner and ink cartridges wastes recycled (tonnes)	0.58	0.55	5.34%
Production of hazardous wastes per employee (kg/employee)	0.17	0.18	-5.83%

(1) The direct energy consumed by the Group mainly includes gasoline and diesel; indirect energy is mainly purchased electricity. The scope of energy consumption statistics covers the self-use floors of the parent company and its subsidiaries in the GF Securities Building, as well as the offices premises of each branch and other subsidiaries within the scope of consolidated statements;

(2) Total energy consumption represents the direct and indirect energy consumption, which is calculated based on the conversion factors as stipulated in the General Principles for Calculation of the Comprehensive Energy Consumption(《综合能耗计算通则》) (GB/T 2589-2008) issued by the national standard of the People's Republic of China;

(3) Due to its business nature, water resources of GF Securities are all derived from municipal water supply, and the water consumption mainly represents the domestic water used by the staff of GF Securities during office hours;

(4) Due to its business nature, the significant air emissions of GF Securities are the GHG emissions, arising mainly from the use of electricity and fuels derived from fossil fuels. The GHG inventory includes carbon dioxide, methane, and nitrous oxide, arising mainly from the use of electricity and fuels. GHG emissions data is presented as CO₂ equivalent and calculated based on the "Emission Factors of China's Regional Power Grid Baseline of 2017 Reduction Project" (《2017年度减排项目中国区域电网基准线排放因子》) issued by the Ministry of Ecology and Environment of the People's Republic of China and the Revised 2006 IPCC Guidelines for National GHG Inventories in 2019 from the IPCC;

(5) GHG scope 1 represents GHG emissions generated directly from the operations of the Group; GHG scope 2 represents the "indirect energy" GHG emissions arising from the power consumed (purchased or acquired) internally by the Group;

(6) Non-hazardous waste and hazardous waste are both disposed of or recycled by a qualified third party or supplier;

(7) The Group's recycling management of paper wastes was handed over to qualified third parties or suppliers for disposal or recycling in 2020.

GF Securities 2021 Annual Energy Conservation and Emissions Cutting Targets

On the basis of 2020, the Group plans to save 14,000 m³ of water and 670,000 kWh of power (including power supply discount and power factor reward parts).

Addressing the Climate Change

Plans and Measures on Carbon Reduction in 2020

Carbon-cutting Measures in the Office

- Promote a paperless conference system
- Implement video interview, AI interview technology, and adopt a comprehensive online written test

Carbon-cutting in the Workplace

- Adjust the air conditioning temperature in the data rooms, UPS rooms and floor cabling rooms in accordance with the seasonal ambient temperature
- Adjust the operating hours of the air conditioners to 7*17 hours with the open duration from 6:00 and 23:00
- Add the refrigerant-cooled air conditioner to the air conditioning system of the data center room, which can be switched to and from the water-cooled air conditioner
- Adjust the lighting levels in the dining room, office area, restrooms, etc., according to WELL standards

Case

On March 28, 2020, GF Securities Building participated in the "Earth Hour" public welfare and environmental protection activity and turned off the lighting for one hour at night to advocate green and low-carbon life.



GF Securities Building Participated in the "Earth Hour" Public Welfare and Environmental Protection Activity



05

People-Oriented: Staff-oriented Initiatives for the Dream of Serving the Country with Financial Services

We adhere to the staff-oriented principle and proactively support staff growth through a variety of measures, paths and conditions. Under a talent development plan with well-defined direction, tasks and objectives, we maintain a core talent growth plan which is designed to facilitate rapid growth of core talents through systematic training and supports. Training and introduction are combined to consolidate the talent reserves under a well-established and long-effect talent cultivation system, thus promoting employee growth to underpin business development and realize the dream of serving the country with financial services.

- Safeguarding Employees' Rights and Interests
- Focusing on Health Safety
- Training Employee Skills
- Enriching Employees' Life
- Developing Corporate Culture



Safeguarding Employee's Rights and Interests



Sound Protection of Employees' Rights and Interests

In strict compliance with the laws and regulations including the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Employment Promotion Act, and the Regulations on Prohibiting Use of Child Labor, the Company opposes discrimination against gender, religion, age and race and has established a sound human resources management system and recruitment process to create a diversified, fair and faithful working atmosphere for employees.

The Company has formulated regulation systems, including the Administrative Measures on Recruitment of GF Securities, the Administrative Measures on Labor Contracts of GF Securities, the Administrative Measures on Employee Benefits Leave of GF Securities, the Administrative Measures on Welfares of Full-time Employees of GF Securities, the Administrative Measures on Welfares for Labor Union Member of GF Securities, the Administrative Measures on Attendance Management of GF Securities, the Administrative Measures on Management Positions of GF Securities, the Administrative Measures on Specialty Positions of GF Securities, and the Implementation Measures on Employee Performance Management of GF Securities to effectively protect employees' vital interests in labor protection, working conditions, salary payment, social insurance, paid leaves, promotion, rights and interests of female employees. During the special times of COVID-19 pandemic control and prevention in 2020, we have formulated relevant measures to protect the rights and interests of employees and strengthen humanistic care.

In strict compliance with the provisions of the local social security authority and the housing provident fund management authority, the Company makes full contributions to pension insurance, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance and housing provident fund for its employees in a timely manner; additional housing subsidies are provided to eligible employees. Supplementary medical insurances (including medical insurance, life insurance, and accident insurance) are maintained for employees and their children, and medical expenses are paid on a monthly basis to subsidize the medical expenses borne by its employees and improve employees' illness and accident protection. The Company has established a full-service enterprise annuity system since 2011 so that employees can get better pension protection on the basis of obtaining basic social pension after retirement. There was no employment of child or forced labour in the Company during the Reporting Period.

Labor Contract and Social Security Coverage of the Company Employee



* Statistical scale: the Group

High Quality Team of Professionals

The Company recruits talents based on its development needs and the principles of open recruitment, fair competition, and merit selection. Based on the differences between different recruits and job requirements, the Company has comprehensively adopted internal referral, external recruitment, overseas recruitment, on-campus recruitment, headhunting, and other recruitment methods and channels. In 2020, the Company recruited 1,820 new external employees, including 1,396 new employees with social background and 424 fresh graduates, with a 100% coverage of labor contract signing and social security. During the Reporting Period, calculated based on the number of employees in the parent company excluding marketing personnel, the employee turnover rate was 7.87%, among which female employees accounted for 32.59% of the total number of employee turnover, and male employees accounted for 67.41% of the total number of employee turnover. See the following chart for the diversity of employment during the Reporting Period.

Number of Employees, Professional Composition and Education Level in 2020

Number of employees of the parent company (person)	10,379
Number of employees of principal subsidiaries (person)	1,928
Total number of employees (person)	12,307
Total number of employees on the payroll for the Reporting Period (person)	12,307

By Professional Structure		
Category of Professional Structure	Number of Employees of Each Professional Structure (Person)	Percentage
Primary Business	10,203	82.90%
Risk Management	99	0.80%
Legal and Compliance	120	0.98%
Information Technology	691	5.61%
Others	1,194	9.70%
Total	12,307	100.00%

By Education		
Category of Educational Level	Number (person)	Percentage
Doctorate	150	1.22%
Master Degree	3,269	26.56%
Undergraduate	7,942	64.53%
Junior College or below	946	7.69%
Total	12,307	100.00%

By Age		
Category of Age Group	Number (person)	Percentage
Aged 30 or below	4,037	32.80%
Aged 31 - 40	5,525	44.89%
Aged 41 - 50	2,119	17.22%
Aged 51 or above	626	5.09%
Total	12,307	100.00%

Note 1: Staff number includes 358 internal early retired employees.

Note 2: Some total figures may be slightly deviated in the last digit from the sum of direct aggregation of all amounts. Such discrepancy is due to the rounding up calculation of decimal places.

To provide employees with fair opportunities for promotion, the Company has optimized the structure of the management team and performed a comprehensive identification of talents. Also, based on the annual performance assessment from the last year, the Company has carried out a staff rank adjustment to further open up promotion channels for young officers. A dual-channel of career development path has been established by the Company to allow employees to seek promotion in the management or technical career path. In 2020, the Company formulated the Reserve Talent Management Measures of GF Securities, which strengthened the building of cadre management and talent development system, optimized the structure of the talent team, established the "321" officer leadership model, and defined the specific talent standards for the Company's strategic transformation and development.

Total Number of Management Personnel and Gender Ratio in 2020

Item(s)	Unit	Number
Total number of employees	persons	10,379
Total number of female employees	persons	4,788
Total number of female management personnel	persons	114
Female management personnel as percentage of the total number of management personnel	%	20.47
Total number of male employees	persons	5,591
Total number of male management personnel	persons	443
Male management personnel as percentage of the total number of management personnel	%	79.53

* Based on the statistics of the parent company

Employee Injuries and Work-related Deaths of the Company in 2020

Item(s)	Unit	Number
Lost days due to work injury	day	192
Cumulative number of work-related accidents and work-related fatalities in three consecutive years (the statistical time frame is 2018, 2019 and 2020)	cases, persons	23 cases, 23 work-related injuries (no fatalities)
Number of work-related deaths	persons	0
Percentage of work-related deaths	%	0

* Based on the statistics of the parent company

The Company’s Turnover of Employees and as a Percentage of Each Age Group in 2020

Item(s)	Unit	Number
Number of employee turnover	persons	448
Turnover of employees	%	7.87
Among which:		
Number of female employees turnover	persons	146
Percentage of female employees turnover	%	32.59
Number of male employees turnover	persons	302
Percentage of male employees turnover	%	67.41
Turnover rate of employees aged 30 or below	%	3.57
Turnover rate of employees aged 31-40	%	3.87
Turnover rate of employees aged 41-50	%	0.42
Turnover rate of employees aged 51 or above	%	0.02

* Based on the statistics of the parent company, excluding marketing staff

Case

During the COVID-19, GF Securities carried out cooperation between universities and talent recruitment utilizing the VR innovative technology and actively provide internship. Open day was held for students and teachers, who would visit enterprises to gain access to the Company’s strengths and culture. The employer brand of the Company has been continuously recognized by the industry.



Open day

Focusing on Health Safety

The Company has provided employees with working conditions and environment in line with the national labor health standards, set up a medical clinic and provided employees with a free physical examination once a year as well as provide labor protection supplies, pay labor protection washing fee and summer cooling subsidies, to effectively protect the safety and health of employees at work.

In 2020, in the face of the COVID-19 epidemic, the Company put the safety and health of its employees in the first place. The Company issued the GF Securities Emergency Plan on Preventing and Controlling COVID-19 Epidemic and the GF Securities Administration Guidance on Prevention Materials and Costs for Coping with COVID-19 Epidemic, comprehensively investigated the health status of all employees, set up ledgers as per “one record for one employee”, and properly and separately performed work in guidance, isolation and tracking. According to the changes of epidemic prevention and control, the Company has issued 52 company-level documents, and has made timely and targeted arrangements for work attendance format, backup of key positions, emergency response and other work. The persons were strictly inspected for entering and leaving the office and business site where disinfection was carried out by strengthening information technology guarantee to ensure the normal operation of the Company and the safe operation of the information system.

During the Reporting Period, the labor union of the Company set up a special fund for COVID-19 epidemic prevention and control, which was used for epidemic prevention and control and consolation expenses. During the epidemic, the labor union of the Company allocated funds to the Hubei Division of the labor union to subsidize and purchase anti-epidemic materials for support. The staff confirmed with COVID-19, suspected infection and hospitalized under medical observation, as well as the specific employee groups such as the staff whose immediate family members were confirmed with COVID-19 or the staff whose immediate family members were medical personnel fighting the epidemic, will be comforted with relief fund. During the epidemic, the Company took multiple measures to purchase and reserve necessary materials for prevention and control, including purchasing 75,000 masks, 300 liters of disinfectant and 200 body temperature detectors, and distributing them to all units in a timely manner.

The Company adheres to the diversified employment policies, actively fulfills its social responsibility, and provides employment opportunities for the disabled. The Company ensures that the site of the business department is clean, the office building is equipped with elevators, the ground is smooth and non-skid, and the warning signs are set at the glass doors, staircases and passageways with bright colors to meet the basic requirements of the safety, accessibility, availability and convenience of the facilities for the disabled.

Case



Training on protection guidelines for enterprise return to work

Guangzhou Branch held two online health talks in April, with the themes of "protection guidelines for returning to work during the epidemic" and "prevention and daily management of chronic non-communicable diseases" respectively, to help staff foster a healthy lifestyle and improve their understanding of physical health and epidemic prevention and control.

In 2020, the Company carried out a total of 195 safety training sessions through the combination of online and offline methods, with 9,192 participants. The training featured various forms and diverse content, mainly including fire safety knowledge publicity and education, fire equipment operation, theft and fraud prevention training, and organizing firefighting practical operation experience and evacuation drill. Through the organization of safety training, the safety awareness of employees was further enhanced to effectively improve the practical operation skills of employees and enhance their ability of emergency response.

Case

GF Securities organized fire safety knowledge publicity and education, fire equipment operation and firefighting practical operation experience and evacuation drill.



Fire safety training

Training Employee Skills



Talent development strategy has always been an essential part of the Company's development strategy. The Company regards employees as the most precious asset and attaches great importance to talent training and it is committed to realizing the effective unity of business development and employee career development through systematic and targeted training and development system.

As per the ISO9001 quality management training guide, the Company has set up the whole-process quality management standard, made a total of 14 rules and regulations on four categories, including staff training management, training project management, branches and subsidiaries guidance on the training and learning platform management, built the operation and quality management standards of the new staff training, overseas training, external training, higher education, online learning and other training programs, set up a total of four significant management systems, including the internal training management, project operating management, learning platform management, training fees management and established the whole-process quality management standards, including identifying customer needs, designing training programs, delivering and implementing training programs, and tracking and evaluating training effects at the same time.

In 2020, the Company has sorted out and formulated a number of rules and regulations on online course resource management, online learning activity design, and quality management of live training projects to improve the overall quality of online learning and formulate the quality management standards for back-up management personnel, newly hired management personnel and other key personnel training and development projects on basis of the original operation and management standards of various training programs to further improve the learning effect of on-site training projects. During the Reporting Period, the Company had 288 internally certified lecturers and held 4,193 trainings with 465,539 cumulative training hours for the year completed by employees who were subject to training hour assessments and RMB16.21 million of staff training investment. A total of 90,833 people took part in the trainings, representing a full participation from the management to the staff.

465,539

cumulative training hours for the year completed by employees who were subject to training hour assessments

staff training investment

RMB 16.21 million

Offer Key Professional Curriculum System That Is Closely Related to the Company's Strategic Development

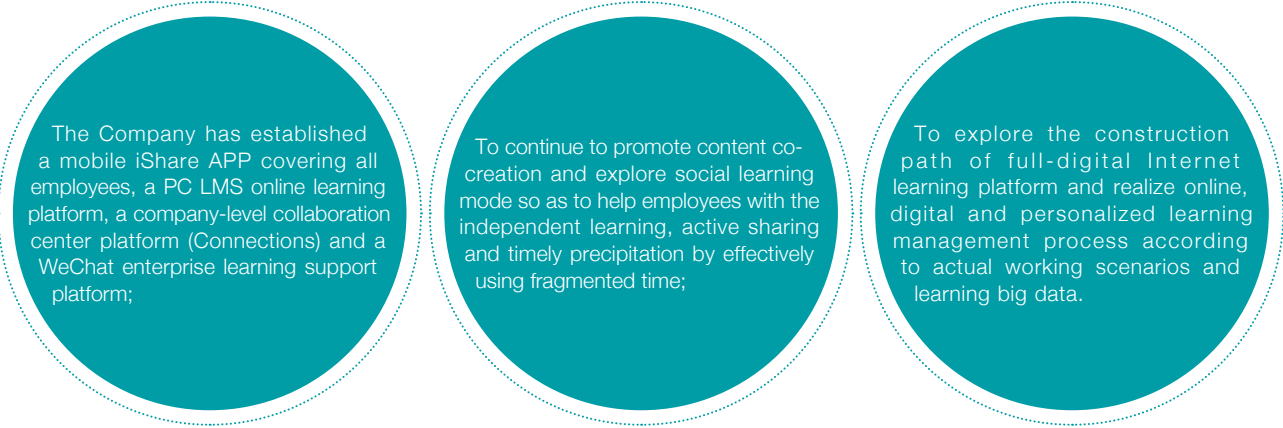
Centered on the "internationalization", "transformation of wealth management" and regional leading practice in the United States, Canada and other regions, the Company held overseas special training and implemented hybrid international business training connecting mainland/Hong Kong to strive to open the view of managerial and backbone employees, improve the consensus of business transformation and accelerate the pace of business transformation;

For compliance and risk control manager/specialists, investment advisor, marketing personnel, investment banking staff, institutional business personnel, asset custodians, securities finance personnel, and other professional positions, the Company acquired the knowledge and experience from the internal business experts to gradually build up the layered training course system the professional positions require, and encouraged employees to actively learn business knowledge and improve business skills through the qualification authentication mechanism.

Build a Leadership Development Curriculum System That Fully Covers the Career Development Cycle of Employees

- To establish a leadership training system with five levels including “new employees, core talents, reserve talents, newly hired managers and managers”, each with its own focus;
- Based on the Company’s leadership model and research results in leadership development field, to identify and define the key areas of leadership development for employees at all levels and provide corresponding training and development programs and various learning resources according to the needs.

Set up a Comprehensive Training Platform with Online Multi-Platform Coordinated Operation



In 2020, the number of newly developed courses of the Company increased by 23% year on year, and the number of online learning hours of employees increased by 39% year on year.

In 2020, the Company continues to provide rich and colorful online training courses for all employees through the mobile iShare APP while the number of newly developed courses of the Company increased by 23% year on year, and the number of online learning hours of employees increased by 39% year on year. The Company organized various training activities to help employees strengthen their awareness of compliance risk control and improve their working skills and comprehensive quality. Trainings on risk prevention and control of insider trading, integrity, interpretation of laws and regulations, business compliance and other topics were held for investment management personnel, trading personnel, sales personnel and other key business personnel. Trainings on corporate culture, company introduction and compliance risk control were held for newly recruited employees. A number of business training and development training were held for investment and sales personnel.

In 2020, the Company won the “China Talent Development 2019-2020 Digital Practice Award” by the Training magazine and the 2019-2020 “Global Talent Development Excellence in Practice Awards” by the American Association for Talent Development (ATD) for its leading online learning practices.

Employee Training Performance of the Company in 2020

Indicator	Unit	2020
Staff training		
Number of training for the year	time(s)	4,193
Of which: number of on-site training sessions	time(s)	4,075
Of which: number of online trainings sessions	time(s)	60
Of which: number of external training sessions	time(s)	58
Number of training participants for the year	person-time	90,833
Percentage of female staff under training (number of female staff under training/ total number of female staff)	%	100%
Percentage of male staff under training (number of male staff under training/total number of male staff)	%	100%
Percentage of operation managerial staff under training (number of operation managerial staff under training/ total number of operation managerial staff)	%	100%
Percentage of other managerial staff under training (number of other managerial staff under training/total number of other managerial staff)	%	100%
Percentage of non-managerial staff under training (number of non-managerial staff under training/ total number of non-managerial staff)	%	100%
Training hours for the year	hours	465,539
Training hours of male staff for the year	hours	246,073
Average training hours of male staff	hours/person	95.6
Training hours of female staff for the year	hours	219,466
Average training hours of female staff	hours/person	105.8
Training hours per employee for the year	hour/person	100
Of which: operation managerial staff	hour/person	74
Other managerial staff	hour/person	92.9
Non-managerial staff	hour/person	101.1
Number of internally certified lecturers	persons	288
Amount of training expenditure	RMB10,000	1,621

- Notes:
1. The data in this table was sourced from the Company’s LMS (Learning Management System) training system;

2. “Training hours per employee for the year” in this table represented the data of the training hours completed by employees who were subject to the Company’s assessment requirements on training hours.

Case

In order to effectively curb the high incidence of telecom network fraud cases, the Company carried out the special training on network telecom fraud prevention jointly with the local police station, and made online learning courses for all staff in view of the current common network telecom fraud practices. GF Securities organized a system-wide learning course entitled “Prevention of telecom and network fraud discourse” to improve the security awareness of its staff and enhance the ability to identify telecom and network fraud with more than 5,600 people participated.



Lecture on telecom network fraud prevention

GF Securities carried out integrated skills competition of fund investment advisory in retail business system to accelerate the strategic transformation of the Company’s wealth management business, enhance the market competitiveness of the retail business, and cultivate new profit growth points. Since the launch of the competition in April 2020, the overall service capability of the employees has improved through participation in production competition, fund investment advisor simulated competition, knowledge quiz and writing contest.



Awarding Ceremony of Comprehensive Skills Competition for Fund Investment Advisory

Enriching Employees' Life

The Company advocates a work-life balance, a harmonious and healthy style of work and life, is committed to improve the sense of happiness and belonging of employees.

In 2020, the Company has supported cultural and sports clubs to plan and hold various cultural and sports activities for more than 500 times, including integrated Skills Competition for Fund Investment Advisory of GF Securities, Selection and Awarding of Service Star of GF Securities of the Year, All-round Fitness Activities, "Stay at Home for Epidemic Prevention" Vlog Competition, "New Start, Keep Moving" Employee Photography Competition, "Happy New Year" Online Charity Lucky Draw for the Spring Festival, Online Poetry Reading Competition and etc.

Offer Care and Assistance

In 2020, the Company has conducted in-depth investigation and research at the foundation-level institutions, grasped the situation of employees in time, and offered them care and warmth. On employees' birthday, wedding, birth-giving and other critical life moments, the Company conveys warm wishes. When an employee is sick or faces with challenges, the Company offers him/her solicitude and care in time. The Company actively offers care and assistance to employees in need, and has granted nearly RMB330,000 of allowances to 24 employees in difficulty.

Extend Festival Greetings

The Company insists on organizing festival celebrations and greetings on festival occasions. New Year welfare such as high-quality rice and tea and oil have been granted to all employees for five consecutive years. During the year, we have visited nearly 40 senior leaders of the Company, 75 officers working in other places, and nearly 50 veterans. The Company has organized branches of labor union or labor union groups to visit about 1,000 retired employees. The Company has organized the distribution of welfares such as rice and oil to all employees in the system. The Company has also organized to carry out activities on Woman's Day, Children's Day and Army Day.

Perform Well in Employee Care

The Company held lectures on TCM health, prevention and control of children's myopia, etc., to raise employees' health awareness. The Company convenes symposium with labor union, face to face talks with employees to better understand their needs. The Company also cares about the marriage and relationship of young employees through holding singles networking activities from time to time to expand the friend circle of young people. The Company sets up an information sharing platform, carries out a questionnaire survey based on the needs of employees, collects effective information, and effectively relieves the burden of employees.

Basic Information of Labor Union of the Company in 2020

Indicator	Unit	2020
Labor Union		
Members of Labor Union	persons	10,542
Number of Labor Union Branches	/	27
Number of Labor Union Groups	/	313
Labor Union Expenses for the Year	RMB10,000	3,985.32
Number of Activities held by Labor Union	time(s)	316
Club		
Number of Club	/	28
Operating Expenses for the Activities of the Year	RMB10,000	189.91
Number of Club Activities	time(s)	202
Number of Club Activity Participants	persons	2,205

Case

Employees of GF Securities participated in the Huangpu Marathon themed "Broad World, Go Together" sponsored by the Company.



Broad World, Go Together" Huangpu Marathon

"Run to the Future for Health" GF Securities all-round fitness activities are in full swing throughout the system.



"Run to the Future for Health" GF Securities all-round fitness activities

Developing Corporate Culture

In 2020, the Company continued to innovate its activities for corporate culture enhancing, presenting good image for all staff.

Regular Report on Corporate Culture

In 2020, the Company continued to use internal promotion channels such as "Company Dynamics" and "Culture Focus" to strengthen cultural promotion. The Company optimized the culture focus in company's portal and classified the coverage based on dimensions including the cultural philosophy of the corporate and the upholding value orientation. The related classification may present more pronounced effect and clearer value guidance to the core values of "Strive for better through knowledge, seek truth and contributions, put customer first, engage in win-win cooperation" and the operation management philosophy of "Stable operation, continuous innovation, performance orientation, coordination and efficiency".

In 2020, the Company produced the internal journal GF Bulletin (Issue 207) - 2020 GF Securities' Battle Against Epidemic, and included a total of 29 articles related to fighting the epidemic in the columns of "Company News" and "Cultural Focus".

Promotional Video Production of Corporate Culture

In 2020, the Company has produced and released nearly 20 cultural promotional videos, including Fight Against the Coronavirus and Fulfil the Social Responsibilities, Recording of Work Resumption, The Tenth Anniversary of the Listing of A Share, Commemorative Film for the Listing of A+H Share, A Collection of Award-winning Works from Vlog Competition, 5.15 Joint Action for the Investors and Shortcut, a short film publicizing the anti-money laundering and played them in the GF Securities Tower, generating a robust ambient of corporate culture enhancement.

Engage in Training of Corporate Culture

Through the production of cultural works, the Company publicizes advanced models, deeply excavates internal excellent practices, and promotes cohesion through culture. The Company has explored and produced more than 30 video programs and illustrated articles based on the models of young talents, and embedded corporate culture training in all kinds of training projects to carry out corporate culture promotion in various forms. The course "Practice of Corporate Culture Learning and Communication of GF Securities" produced by the Company successfully won the bid for the distance training course program of the Securities Industry Association, and participated in the selection of National Securities Fund Culture Construction Junding Award, displaying the style and image of the Company's cultural construction in the industry.



06

Giving Back to the Society:

Promote Social Progress and Be a Qualified Corporate Citizen

GF Securities actively shoulders the mission of “serving the country with finance” and realises its corporate social responsibility in practice. We combine our own characteristics and industry advantages to serve the real economy, actively dedicated to education, and fight against COVID-19. We help eradicate poverty, raise the overall happiness index, and give back to society with concrete actions. During the Reporting Period, the Group had public welfare expenditures totaled RMB35.6095 million.

- Social and Economic Contributions
- Serve the Real Economy
- Devotion to Charity Work
- Fight against COVID-19 Epidemic
- Adherence to Targeted Poverty Alleviation



Social and Economic Contributions

The Company contributed a total tax including income tax expense and tax and surcharges of RMB2.93 billion, RMB3.817 billion and RMB4.936 billion, respectively from 2018 to 2020. The Company achieved a social contribution per share of RMB4.15.

Social and Economic Contributions of the Company in the Past Three Years

Social and Economic Development Contributions	2020	2019	2018
Income Tax Expense (RMB ten thousand)	282,840.23	216,596.11	137,229.32
Tax and Surcharges (RMB ten thousand)	210,743.67	165,062.65	155,792.00
Cash Dividend Distributed/Planned to Be Distributed (RMB ten thousand)	342,948.94	419,159.82	–
Interest Expense (RMB ten thousand)	744,440.47	767,649.47	825,011.40
Securities and Futures Investor Protection Funds (RMB ten thousand)	10,313.54	8,650.82	7,996.54
Donations (RMB ten thousand)	3,560.95	1,250.64	3,776.49
Staff Costs (RMB ten thousand)	902,982.95	641,892.10	476,301.73
Total (RMB ten thousand)	2,497,830.76	2,220,261.61	1,606,107.47
Social Contribution Per Share (RMB)	4.15	3.35	2.67

Note 1: Cash dividend distributed/planned being data from the parent company, all the other data listed above are from the consolidated financial statements;

Note 2: The weighted average number of ordinary shares used in the calculation of the social contribution per share is 7,621,087,664 shares;

Note 3: Formula for calculating the social contribution per share: social contribution per share = earnings per share (RMB1.32) + added value per share (RMB2.83). Of which: added value per share = (tax revenue created for the state within the year + salaries to employees + borrowing interest paid to creditors + corporate donations + securities and futures investor protection funds - other social costs resulting from environmental pollution, etc.)/ number of shares. In addition, tax created for the state within the year includes income tax expense (including income tax of the current period and deferred income tax), tax and surcharges (VAT, business tax and other tax and surcharges) on the accrual basis. Staff costs include salary, bonus, welfare expenses, housing funds and other staff cost. For details, please refer to the Annual Report. Interests paid to creditors include interest expense on customers' deposits and interest expenses on interbank borrowing, bond repurchase and issuance of bonds and so on, third-party interests in consolidated structured entities. No significant environmental pollution events occurred in 2020. And "other social costs resulting from environmental pollution, etc." is zero.



Serve the Real Economy

In 2020, the Company continued to devote itself to serving the real economy and directing capital under the principle of "avoidance of virtual economies and flow into real economies", and helped enterprises to achieve substantial development by the capital market.

Support enterprises direct financing
The Company has supported 67 enterprises to directly raise over RMB70 billion;

Asset securitization and customer financing service
In 2020, the Company underwritten a total of 12 corporate ABS products, helping customers raise approximately RMB8.4 billion;

Support the NEEQ listed companies in financing
In 2020, the Company assisted three NEEQ listed companies complete targeted issuance and raise RMB630 million for enterprises. As of the end of 2020, the Company continuously supervised a total of 44 NEEQ listed companies.

Case

GF Qianhe adheres to the investment philosophy of "capital pooling, aspiration pooling and wisdom pooling", actively serves the real economy, guides social funds under the principle of "avoidance of virtual economies and flow into real economies", assists outstanding enterprises to achieve leapfrog development through equity investment business, and facilitates high-quality development of the real economy together with outstanding enterprises.

In 2020, GF Xinde focused on the deployment of biomedicine, smart manufacturing, corporate services and other industries. As a private equity investment institution, GF Xinde enables the capital directly to serve the real economy and enrich the direct investment and financing system of the capital market, thus effectively promoting the transformation of the real industry and realizing innovative growth.



Devotion to Charity Work

Small-scale Start-up Support for University Students of GF Securities

GF Foundation worked with China Youth Daily to launch the charity activity of “Small-scale Start-up Support for University Students of GF Securities”. Through the competition at local area and the finals, lectures on small-scale start-up for university students, offline promotion of hundreds of universities, VC panel review, achievement release and other activities, the action aimed to search for good small-scale start-up project across the country, provide support and guidance to the university student entrepreneurs, spread the innovation business idea, and guide students to prepare for business startups.

Case



Lectures on small-scale start-up for university students

From 2015 to 2020, “Small-scale Start-up Support for University Students of GF Securities” project has carried out lectures on small-scale start-up for university students and road shows in more than 40 key universities, inviting nearly 200 new entrepreneurs and venture capital experts to interact and share their entrepreneurial ideas and experience face to face. Xinhua News Agency and 45 other media outlets have reported and reposted the events.

Rural Children’s Reading Program of GF Securities • STARS

The Company has launched a system-wide “GF Securities · Children’s Book-sharing STARS”, collecting more than 15,000 books and helping 27 poor schools in remote areas to build libraries. The Company has participated in social donation activities, and launched the caring initiative of “every yuan donated by the caring public can get a 1-to-1 matched donation from GF Securities”.

Case



Launching of the GF Securities • STARS

In 2020, the public library of “The GF Securities · STARS” was officially opened in primary and secondary schools in Tiantang Town, Xinxing County, Yunfu City. The launch event was jointly reported by nearly 10 newspapers and television media such as Nanfang Daily, Southern Metropolis Daily, more than 20 online media and more than 40 partners.

Case



“GF Fund • STARS” Mobile Bookcase Library is completed

The mobile bookcase library of “GF Fund · STARS” program donated by GF Found was built in Taiping Town, Xinxing county, Guangdong Province. The program is based on the philosophy of “reading together, sharing and recycling”. By setting up a mobile library and operating supporting facilities in the central primary school of the town, it helps the circulation of the selected books among rural primary schools and greatly improves the utilization rate of books. During the Reporting Period, the books were circulated in 17 rural schools in Taiping Town, covering 2,231 students.

GF Securities • One Fund Water Purification Program

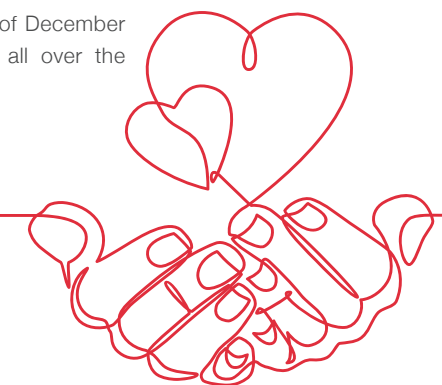
GF Securities donated RMB500,000 to launch the “GF Securities • One Fund Water Purification Program”, offered health classes with the theme of “water and sanitation”, supported the installation of 10 sets of water purification equipment in 10 rural schools in Lechang City, Shaoguan City, Guangdong Province, and equipped 5,943 children in rural school with water bottles.

“Chest Out” Thoracic Deformities Caring Program

GF Securities donated RMB200,000 to the hospital system to carry out the caring program of “Chest Out” for children with thoracic deformities, so as to reduce the financial burden of patients. Since March 2018, the Company has funded a total of 29 poor children patients under the age of 18 across the country.

“Breathing Freely” Severe Pneumonia Relief Program

GF Securities donated RMB100,000 to the Third Affiliated Hospital of Sun Yat-sen University to set up the “Breathing Freely” Relief Fund for Children with Serious Pneumonia to provide medical expenses subsidies for children suffered from severe pneumonia and reduce the medical burden of their families. By the end of December 2020, the Company has funded 5 poor children patients aged 0-14 all over the country.



Fight against COVID-19 Epidemic

In 2020, faced with the challenge and severe test of the COVID-19 epidemic, the Company worked together to overcome difficulties and actively ensure the safety and health of employees and customers and the smooth operation. The Company has continued to follow the development of the epidemic, donated RMB10 million to set up GF Securities Fund for the Prevention and Treatment of COVID-19 with China Foundation for Poverty Alleviation. Under the guidance of relevant departments of the National Health Commission, the donation has been used to purchase hospital epidemic prevention equipment and related urgently needed supplies for medical care and epidemic prevention, and support COVID-19 prevention and control. In order to fight against the epidemic, the Company and its subsidiaries have donated more than RMB16.8217 million in total, and the E Fund in which the Company has a stake has donated RMB10.34 million together with its employees.



Special issue for COVID-19 epidemic fighting of GF Communication

Set up Fund to Aid Epidemic Fighting

At the early stage of the outbreak, in view of the shortage of medical supplies in Wuhan and surrounding areas, the Company donated RMB10 million to establish GF Securities Fund for the Prevention and Treatment of COVID-19, which mainly aims to purchase urgently needed supplies for hospital protection and treatment and support epidemic prevention and control work. The Company donated RMB5.5 million to Huanggang Central Hospital and Tianmen First People's Hospital to set up the "GF Securities Anti-COVID-19 Hospital Support Fund", which aimed to purchase medical equipment and emergency supplies such as defibrillator, non-invasive ventilator, protective clothing, color ultrasound.

GF Asset Management has donated RMB1.5 million to Hubei Charity Federation through GF Foundation, which was directed to the People's Hospital of Wuhan University and the Union Hospital affiliated to Tongji Medical College of Huazhong University of Science and Technology for procurement of urgently needed supplies for hospital prevention and treatment.

Case



Items donated by GF Securities to fight against the epidemic

At the beginning of COVID-19 outbreak, the Company made emergency procurement of epidemic prevention materials around the world, and delivered medical supplies with RMB2.483 million worth purchased using donated funds to the frontline of epidemic. The Company donated Medical equipment and protective materials including negative pressure ambulances, defibrillators, protective clothing, medical gloves and masks to nearly 20 hospitals or units, including the Union Hospital Affiliated to the Tongji Medical College of Huazhong University of Science and Technology and Huanggang Central Hospital, to support the treatment.

Financial Support for Epidemic Fighting

Since the outbreak of epidemic, in the context of nationwide epidemic fighting, the Company has actively responded to the call of the Central Government to further strengthen financial support for epidemic prevention and control work, overcome challenges, acted as fast as possible, fully played the role of financing intermediary, and assisted enterprises to open the green channel of bond financing for epidemic prevention and control. With years of accumulated industry experience and deep understanding of the industries in which clients work, the Company gives full play to the functions of professional investment banks in "value discovery", "value mining" and "value creation". With excellent professional quality and flexible and efficient service ability, the Company works together with customers to fight the epidemic and overcome difficulties, and actively play the supporting role of finance in epidemic prevention and control.

During the COVID-19, GF Securities actively implemented the requirements on financial support for epidemic prevention and control and supporting the financing of private enterprises while actively responded to the call of the central government by investing in epidemic prevention and control bonds, private enterprise bonds and special poverty alleviation bonds with its own funds.

During the epidemic, the Company serves customers in key areas including transportation, electricity, aviation, construction and public resources. The bonds underwritten and issued include renewable bonds, green bonds, epidemic prevention and control bonds, etc. The funds raised are used in policy-oriented areas such as epidemic prevention and control. During the Reporting Period, the Company has sold a total of RMB1.84 billion of epidemic prevention and control bonds, making a significant contribution in ensuring the source of funds in epidemic prevention and control work.

Case



GF Securities issued seven tranches of epidemic prevention and control securities as the lead underwriter, helping issuers raise RMB8.5 billion and effectively ensuring that enterprises have sufficient sources of epidemic prevention funds amid the epidemic. The successful issuance of bonds related to epidemic prevention has provided financial "running water" to Wuhan and the enterprises seriously affected by the epidemic, and effectively ensured the R&D and production of anti-epidemic materials and drugs, the construction of Huoshenshan Hospital, and the expenditure on highway maintenance for epidemic prevention transportation.

Resource Coordination for Production Resumption by the Subsidiaries

Case

During the epidemic in 2020, GF Qianhe received prompt information about the impact of the epidemic on the operations of invested enterprises from the aspects of production, supply, marketing, among others, learned about the situation of the resumption of work and production of enterprises in time through multiple channels, and assessed the impact of the epidemic. GF Qianhe took a series of measures to support enterprises seriously affected by the epidemic, including promoting the enterprises' alignment with major financial institutions, striving for all kinds of support and protection policies, issuing a compilation of government support policies, guiding enterprises to implement employment laws and regulations during the epidemic, assisting enterprises to share resources, among others.

GF Xinde joined hands with the invested enterprises to actively respond to the COVID-19 epidemic situation, comprehensively investigate the impact of the epidemic, collect the loan demand of the invested enterprises for continuous operation, and coordinate with major banks to obtain loan financing for them, so as to relieve enterprises' liquidity pressure and help them tide over the epidemic. It recommended the list of enterprises participating in epidemic prevention to the major banks, declared the national key enterprises for epidemic prevention, and obtained the support of relevant preferential policies. It also organized the invested enterprises to participate in the online roadshow, assisted the enterprises to refinance, and carried out online training for conducting business under the epidemic prevention and control.

Realisation of the Containment of COVID-19 Epidemic

In 2020, in order to implement the important directive spirit of the Central Committee of CPC and the State Council on COVID-19 epidemic prevention and control, and effectively protect its employees' physical health and life safety, the Company established the Leadership Group and Working Group for Fighting against COVID-19 of GF Securities to direct the Company's epidemic prevention and control and formulate anti-epidemic policies and measures, to ensure the stable and orderly operations during the epidemic.

In order to ensure the health and safety of employees, the Company's headquarters and branches strengthened sanitary protection management, regularly disinfected and ventilated all offices, equipped with protective supplies such as face masks, disinfectant and temperature measuring equipment. Considering prevention of the spread of the epidemic and protection of the health of investors, the Company reduced on-site customer gathering and contact in the business branches, informed customers through various channels and explained to them in a patient and meticulous manner. Meanwhile, on the premise of smooth communication and the dual on-duty of key posts, the Company rationally arranged most employees to work from home at the place of work to protect employees and ensure normal operations.

In terms of IT support, the Company also actively strengthened the business operations of platforms such as Yitaojin APP and website, and provided online services to meet customer needs. In accordance with the management requirements of "minimizing on-site employee attendance and offering telecommuting for the rest of the staff" under the epidemic prevention and control, the Company quickly completed the emergency expansion of the capacity and secured entries of the telecommunication system, as well as the operating mode of related information systems, to ensure the smooth progress of customer services and internal operations.

Case



daily disinfection work of GF Securities

In order to strictly implement COVID-19 epidemic prevention and control measures and improve the ability of emergency response of epidemic prevention and control at the office site of the headquarters, GF Securities carried out emergency evacuation drill training during the epidemic. The Company actively coordinated resources at home and abroad, ensured the orderly supply of key epidemic prevention materials, including face masks and disinfectant, arranged multiple rounds of office cleaning and disinfection in a timely manner, and quickly completed the emergency expansion of the capacity and security entrance of the telecommuting system, to ensure the smooth progress of customer services and internal operations.



Adherence to Targeted Poverty Alleviation

The Company conscientiously implemented the work arrangements of regulatory departments and local governments, actively promoted the implementation of targeted poverty alleviation work, helped Wuzhishan City, Baisha County and Lingao County of Hainan Province to get rid of poverty under the initiative of "One Enterprise for One County" in Hainan Province, and carried out targeted poverty alleviation work in Tianjinggang Village, Lechang City, Guangdong Province, actively fulfilled social responsibilities, and contributed to successful poverty alleviation in an all-round way as scheduled. GF Securities has been widely recognized by all social sectors.

Achievements of Targeted Poverty Alleviation of the Company in 2020

Indicator	Unit	Extent/ Implementation State
I. Overall condition		
Including: 1. Capital	RMB10,000	187.28
2. Amount of money converted from materials	RMB10,000	0
3. Number of registered poor residents	persons	0
II. Itemized investment		
1. Poverty alleviation through industrial development	-	-
1.1 Type of poverty alleviation projects through industrial development	-	Poverty alleviation in terms of asset income
1.2 Number of the poverty alleviation projects through industrial development	/	1
1.3 Investment amount of these projects	RMB10,000	58.04
1.4 Number of registered poor residents	persons	166
2. Poverty alleviation in the education field	-	-
2.1 The investment in subsidies for poor students	RMB10,000	29.24
2.2 The number of subsidized poor students	persons	34
3. Poverty alleviation in the social sector	-	-
3.1 The investment in poverty alleviation in eastern and western China	RMB10,000	0
3.2 The investment in poverty alleviation in designated areas	RMB10,000	187.28
4. Other projects	-	-
4.1 The number of projects	/	1
4.2 The amount of investment	RMB10,000	100

Note: the total investment in targeted poverty alleviation in 2020 was RMB1.8728 million, all of which was used for poverty alleviation in designated areas mentioned in item 3.2.

In 2020, the company successfully declared the Natural Rubber “Insurance + Futures” Targeted Poverty Alleviation Pilot Project in Baisha County in 2020, supporting 1,000 tonnes of spot goods. The 1,000 mu of standardized planting production base in Baisha Radix Fici Simplicissimae Planting Demonstration Park generated a dividend of RMB544,000 in 2020. Passion fruit base has entered the fruit-bearing period, the sales fall short of demand, and the planting scale continues to expand; the photovoltaic poverty alleviation power station project in Fanyang Village, Wuzhishan City has increased the annual income of 42 poor households by about RMB3,000. The Company recommended the honey of Baisha County, pitaya of Lingao and Clinacanthus nutans of Wuzhishan City to participate in the online exhibition of the China Securities Regulatory Commission (CSRC); continued to carry out the “GF Motivation Class” education project, offered donations to nearly 200 people and facilitated the employment of 15 people. The Company also promoted the formulation of an overall plan for the effective integration of poverty alleviation and rural revitalization in Tianjinggang Village to help it grasp the prevention and control of the epidemic situation, assisted Tianjinggang Village in donating 12 tonnes of fresh vegetables to support Jingzhou, Hubei Province, and promoted the resumption of work, production and schooling in Tianjinggang Village, combined consumption poverty alleviation with caring for epidemic-stricken areas to deal with the unmarketable agricultural products of poor households affected by the epidemic; carried out “purchase instead of donation” activities and achieved a total of RMB720,000 in poverty alleviation through consumption for poor villages, giving a strong impetus to increase the income of village collectives and poor households.

During the Reporting Period, the Company got a full mark in the Special Scheme on Evaluating the Fulfillment of Social Responsibilities Such as Poverty Alleviation by the Securities Association of China in 2019, and was the first batch to join the “Capital Market Poverty Alleviation Public Welfare Alliance”. The Securities Association of China sent a letter of thanks to GF Securities for the “Report on the Fulfillment of Social Responsibilities by Securities Firms” compiled by the Company, and the poverty alleviation case sharing course was incorporated into the distant training system of the Securities Association of China. The Company’s case of three-dimensional assistance to Baisha County was recommended and published on Xinhuanet by the Securities Association of China. The Company’s work “Adhering to the Origin of the Financial Profession and Implementing Three-dimensional Supporting Measures -- The Case of Poverty Alleviation in Baisha County by GF Securities, Hainan Province” won the Excellence Award for Essay Solicitation Activities of the China Institute of Finance and Capital Markets. The news about the Company’s assistance to Tianjinggang Village in donating vegetables to Jingzhou, Hubei reported by People’s Daily and other mainstream media registered more than 15,000 views, and the poverty alleviation manuscripts released by the Company have been recommended and published on “Xuexi.cn” platform for many times. In 2020, the Company was awarded a total of 10 awards such as the “Excellent Case of the Third China’s Outstanding Poverty Alleviation Case Report Meeting” by people.com.

Case

The “UN Sustainable Development Goals Model Village” project of GF Securities was funded by the GF Foundation of 1 million US dollars. The Company cooperated with the Ministry of Agriculture and Villages and the Food and Agriculture Organization of the United Nations (FAO) to select four poor villages each from Longshan County of Hunan Province, Laifeng County of Hubei Province, Meigu County of Sichuan Province, and Baisha County of Hainan Province from 2019 to 2021, starting from the development of the agricultural industry to provide all-round assistance to these 16 pilot villages through the model of “Internet plus agriculture and finance.” The project comprehensively gave full play to the professional advantages of the China Agricultural Science and Education Foundation, the Food and Agriculture Organization of the United Nations and the financial poverty alleviation advantages of GF Securities. It implemented relevant work by proceeding from the situation of China’s deep poverty-stricken areas, and promoted the transformation and upgrading of traditional agriculture to ecological agriculture, to achieve the dual values of income increase and rural environmental protection in poverty alleviation. The Company would exert professional advantages of financial poverty alleviation and promote the effective docking between enterprises and capital markets in poor areas in accordance with differentiated financial needs in different industries and enterprises in poor areas. The project was predicted to benefit more than a thousand of farmers directly.



“UN Sustainable Development Goals Model Village” project

Case

The Company conscientiously implemented the work arrangements of regulatory departments and local governments, and actively promoted the implementation of targeted poverty alleviation work. A total of more than RMB1.8 million was invested in poverty alleviation to help Wuzhishan City, Baisha County, Lingao County, Hainan Province and Tianjinggang Village, Lechang City, Guangdong Province to carry out targeted poverty alleviation work, among which, the “One Enterprise and One County” initiative in Hainan Province has successfully helped three poor counties to get rid of poverty. The company successfully declared the Natural Rubber “Insurance + Futures” Targeted Poverty Alleviation Pilot Project in Baisha County in 2020, supporting 1,000 tonnes of spot goods. The 1,000 mu of standardized planting production base in Baisha Radix Fici Simplicissimae Planting Demonstration Park generated a dividend of RMB544,000 in 2020. The photovoltaic poverty alleviation power station project in Fanyang Village, Wuzhishan City has increased the annual income of 42 poor households by about RMB3,000.



“One Enterprise and One County” consumption poverty alleviation in Hainan Province

Case



“purchase instead of donation” helps Tianjinggang Village out of poverty

GF Securities promoted the formulation of an overall plan for the effective integration of poverty alleviation and rural revitalization in Tianjinggang Village, helped Tianjinggang Village do a good job in epidemic prevention and control, and assisted Tianjinggang Village in donating 12 tonnes of fresh vegetables to support Jingzhou, Hubei Province. The Company promoted the resumption of work, production and schooling in Tianjinggang Village, and combined consumption

poverty alleviation with caring for the epidemic-stricken areas, so as to deal with the unmarketable agricultural products of poor households affected by the epidemic. The Company carried out “purchase instead of donation” activity, and raised a total of RMB720,000 for consumption poverty alleviation in poor villages.



promoting industry poverty alleviation in Laifeng County, Enshi Prefecture, Hubei Province

GFFL actively participated in financial poverty alleviation, supported the development of “agriculture, rural areas and farmers”, and promoted the progress of rural revitalization. The local transportation in Laifeng County, Enshi Prefecture, Hubei Province is inconvenient, and a variety of factors lead to the low overall economic level, underdeveloped financial market, and difficulties in enterprise financing. GFFL aligned with two enterprises in November 2019 for financial leasing business, and successfully signed a loan totaling RMB600,000 in January 2020, providing enterprises with automatic production equipment, promoting local economic development and helping local residents to shake off poverty and accumulate wealth.

The “GF Motivation Class” education project has been carried out continuously, and has to date offered donations to nearly 200 people and facilitated the employment of 15 people.



“GF Motivation Class” supporting education and poverty alleviation



07

Prospects: Reviewing 2020 and Looking into 2021

- Summary and Improvement of Fulfilling Social Responsibilities in 2020
- Social Responsibility Goals for 2021



Summary and Improvement of Fulfilling Social Responsibilities in 2020

The Company reviews and summarizes social responsibility every year, identifies and finds key areas to be further improved, adopts improvement measures aimed at it and practices enterprises' social responsibilities.

Summary I:

In recent years, the CSRC, SZSE and Hong Kong Stock Exchange have continuously strengthened the information disclosure requirements for the environment, society and governance (ESG) of listed companies, and kept raising the expectations for the ESG-related work of listed companies. Global investors have paid more attention to ESG year by year. The performance of corporate social responsibility and environmental performance has gradually become one of the bases for investors to judge the investment value of a company, and ESG has become an important part of the competence of a company. GF Securities attaches great importance to environmental protection and ecological development, practices green operation philosophy, and actively contributes to the sustainable development of the society. However, against the background of the ever-changing ESG concept, there is still room for further coordination and improvement in the company's ESG affairs management.

Improvement measures and effects during the Reporting Period:

In 2020, GF Securities continuously improved its social responsibility management structure and ensured the continuous and effective implementation of social responsibility work by integrating social responsibility concepts into its development strategy and daily operations. During the Reporting Period, in order to implement the ESG regulatory rules and requirements of listed companies, improve their ESG management system and social responsibility mechanism, enhance their core competence, and promote the sustainable development of the company, the environment and the society, the Company set up the ESG Committee and Working Taskforce of GF Securities to continuously deepen its ESG management capability, and continuously strengthened the management and control of ESG affairs through assessment, measurement, monitoring, response and reporting, so as to enhance the Company's ESG governance capability.

Summary II:

GF Securities always adhered to and actively practiced a "customer-centric" service philosophy, committed to providing high-quality services for customers while the Company realized that we still have much room for improvement in providing financial technology innovation services to customers.

Improvement measures and effects during the Reporting Period:

In 2020, the Company actively built the Company's internal and external data asset platforms and big data ecosystem, and created an enterprise-level data service middle platform, providing a solid foundation for business development. The Company established the artificial intelligence open platform GF-SMART, developed the technology applications of intelligent warning, intelligent recommendation, intelligent calling and knowledge map, and created the first AI virtual anchor "Xiaotian" in the industry in the image of a real employee; Based on blockchain technology, the Company established a financial technology innovation lab, built a trusted ABS cloud, and used blockchain to deposit basic asset data for monitoring the operation of the basic assets of the CMBS commercial property special plan, and served as the lead unit of the industry blockchain subject group "blockchain OTC market

application research" led by the SZSE; the Company also developed a high-definition video interactive service platform based on 5G technology.

Summary III:

In terms of participating in public welfare and implementing targeted poverty alleviation, we have obtained phased achievements. While continuously improving effect of poverty alleviation, we realized that we can further implement industry advantages we possessed into the poverty alleviation and share the Company's wisdom and experience in poverty alleviation with the whole society.

Improvement measures and effects during the Reporting Period:

During the Reporting Period, the Company earnestly implemented the deployment by the regulatory authorities and local governments, and actively promoted the implementation of targeted poverty alleviation. In the "One Company, One County" program of Hainan Province, the Company helped Wuzhishan City, Baisha County and Lingao County in Hainan to get rid of poverty, and carried out targeted poverty alleviation in Tianjinggang Village, Lechang City, Guangdong Province to actively fulfill our social responsibilities. To ensure an all-rounded victory in the fight against poverty as scheduled, we have made our contribution and won wide recognition from all sectors of the society. The Company would leverage its professional advantages of financial poverty alleviation and promote the effective bridging between enterprises and capital markets in poor areas in accordance with differentiated financial needs in different industries and enterprises in poor areas.

During the Reporting Period, the Company obtained full marks in the special evaluation on the performance of social responsibilities such as poverty alleviation by Securities Association of China, and was among the first batch to join the "Public Welfare Alliance for Poverty Alleviation in the Capital Market". The Securities Association of China sent a letter of thanks to GF Securities for the "Report on the Fulfillment of Social Responsibilities by Securities Firms" compiled by the Company, and the poverty alleviation case sharing course was incorporated into the distant training system of the Securities Association of China.

Summary IV:

Restricted by some management procedures and limited by statistical means, there is still potential for further improvement for extraction, summary and disclosure of some environmental protection and energy consumption data compared with advanced peers.

Improvement measures and effects during the Reporting Period:

During the Reporting Period, the Company continuously conducted a Group-wide collection and compilation of statistics of company-wide environmental indicators and engaged independent third-party institutions to provide consultation to us, ensuring that the CSR Report was prepared and disclosed in strict compliance with applicable requirements such as the Environmental, Social and Governance Reporting Guide of the Hong Kong Stock Exchange and the Guidelines on Standardized Operation of Listed Companies of SZSE. Subsequently, the Company will enhance its training; extend the frequency and scope of statistics; improve the verifiability of the data; and employ third party to audit the report in due time so as to increase the fairness of the reported data.

Social Responsibility Goals for 2021

Goal 1: To actively transform, focus on core capacity building, continue to transform the "customer-centric" operation mode, and promote high-quality development of the Company

In 2021, the Company will embark on a new journey of GF Securities with a brand-new attitude. The Company will improve its ability to meet the needs of customers in the full value chain on the basis of continuous efforts in hierarchical management of customers, improvement of customer service system and enrichment of service contents. With the integrated customer service system, specialized product capability and platform-based digital operation mode, GF Securities has built up its core competitive strengths and facilitated realisation of high-quality development.

Goal 2: To insist on prudent operation and compliance management, strictly keep the lifeline for risk management and the bottom line for compliance, and give back to the shareholders with good performance

In 2021, the Company will continue to strengthen the intermediary role of "gatekeeper" in the capital market, implement the requirements of "compliance, integrity, professionalism and prudence" in the construction of industry culture, effectively improve the quality of practice, strictly keep the lifeline for risk management and the bottom line for compliance, and promote the sound development of various businesses of the Company.

The Company will further improve its compliance risk control system and strengthen its belief in standardized development, so as to lay a solid foundation for its long-term, stable and healthy development. On the basis of consolidating the advantages of traditional business, the Company will promote the transformation and upgrading of business model, maintain its position in the industry, enhance the steady growth of performance, and contribute value to shareholders. At the same time, the Company will pay more attention to information disclosure and communication and interaction with investors, and make full use of diverse online and offline channels to communicate with investors about the development and operating status of the Company in a timely manner.

Goal 3: To give full play to the professional advantages of finance, continuously consolidate the achievements of poverty alleviation and highlight the corporate citizen values

At present, China has won all-round victory in the fight against poverty, solved regional and overall poverty, and completed the arduous task of eliminating absolute poverty. However, there is still a long way to go to solve the problem of unbalanced and inadequate development, narrowing the gap between urban and rural areas and regions, and achieving all-round development and common prosperity for all the people.

In 2021, GF Securities will continue to make use of its professional advantages of finance, consolidate the achievements of poverty alleviation, and take it as its responsibility to promote the development of capital market and the progress of the financial industry. It will better

demonstrate the corporate citizen values of actively fulfilling social responsibilities and the sense of mission of "fulfilling the dream of serving the country with finance through value creation". In addition, the Company will resolutely implement the requirements of the Fifth Plenary Session of the 19th CPC Central Committee on consolidating achievements of poverty alleviation and comprehensively promoting the rural vitalization strategy, and work hard to make progress, so as to contribute to the new journey of building a modern socialist country in an all-round way.

Goal 4: Actively address climate change, improve the Company's environmental performance in an all-round way, and contribute to the construction of ecological civilization

GF Securities has always carried out green business philosophy in the whole process of operation and management, in order to achieve sustainable development goals, and actively address climate change, towards the construction of ecological civilization and the realisation of "carbon neutral" goals.

In 2021, the Company will continue to practice the concept of green operation, adopt a variety of means to reduce the negative effects of the Company's operations on the environment and natural resources. The Group plans to save 14,000 m³ water and 670,000 kwh of electricity (including power supply concessions, power factor reward), based on the year 2020, promote green financial product development and innovation, actively support the development of environmental protection industry and green transformation of traditional industries, provide comprehensive financial services for environmental protection, energy conservation and emission reduction for the country and enterprises, and contribute positively to the sustainable development of society.

Goal 5: Focus on the origin of the real economy of financial services, uphold the charity spirit of "Gathering the Love from the Bottom of Heart" to actively perform its responsibility as a social citizen

In 2021, the Company will focus on strengthening its mission, responsibility and role in national strategy, actively assume the main responsibility of the capital market, focus on the origin of the real economy of financial services, strongly support the green economy and high-quality innovative enterprise projects, promote real economic development, and contribute to scientific and technological innovation and industrial transformation and upgrading.

The Company has always attached great importance to the implementation of corporate citizens' social responsibility, and will continue to rely on GF Foundation platform, adhering to the charity spirit of "Gathering the Love from the Bottom of Heart", enthusiastically participating in public welfare undertakings, positively rewarding our society and the public to actively perform its responsibility as a social citizen. In the face of the long-term challenges of the epidemic, the Company will continue to actively integrate resources, participate in the epidemic prevention and control in all respects to provide epidemic prevention materials, financial services, etc., strictly adhere to the first line of epidemic prevention and control, and to build a great wall of solidarity to curb the spread of the epidemic with responsibility.

Appendix I Hong Kong Stock Exchange, SZSE Required Content Index

Content Index to the “Environmental, Social and Governance Reporting Guide” of the Hong Kong Stock Exchange

Level	Requirements of the Hong Kong Stock Exchange	Relevant Section/Paragraph
A1 Emissions	General Disclosure	IV. Green Development: Persisting in Green Operation, Marching towards the Goal of Sustainable Development (II) Performing Green Operation 1. Key Performance Indicators on Environment of the Group in 2020 P47, P48
	Information relating to air and greenhouse gas emissions, discharge into water and land, and generation of hazardous and non-hazardous waste on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer.	
	A1.1 The type of emissions and respective emissions data.	
	A1.2 Direct and energy indirect greenhouse gas emissions and, where appropriate, intensity.	
	A1.3 Total hazardous waste produced and, where appropriate, intensity.	
A2 Use of Resources	A1.4 Total non-hazardous waste produced and, where appropriate, intensity.	Planned to be disclosed in the future
	A1.5 Description of the emissions targets set and steps taken to achieve them.	
	A1.6 Description of how hazardous and non-hazardous wastes are handled and a description of the reduction targets set and the steps taken to achieve them.	
	General Disclosure	IV. Green Development: Persisting in Green Operation, Marching towards the Goal of Sustainable Development (II) Performing Green Operation 1. Key Performance Indicators on Environment of the Group in 2020 P47, P48 2. GF Securities 2021 Annual Energy Conservation and Emissions Cutting Targets P49
	Policies on the efficient use of resources.	
	A2.1 Direct and/or indirect energy consumption by type in total and intensity.	
	A2.2 Water consumption in total and intensity.	
	A2.3 Description of energy use efficiency targets set and steps taken to achieve them.	
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency targets set and steps taken to achieve them.	
	A2.5 Total packaging material used for finished products and, if applicable, with reference to per unit produced.	
A3 Environment and Natural Resources	General Disclosure	Due to its business nature, the Company's main products were commercial services and it therefore did not engage in the production of physical finished products and the use of packaging materials. Thus this requirement does not apply.
	Policies on minimizing the issuer's significant impact on the environment and natural resources.	
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	

Level	Requirements of the Hong Kong Stock Exchange	Relevant Section/Paragraph
A4 Climate Change	General Disclosure	IV. Green Development: Persisting in Green Operation, Marching towards the Goal of Sustainable Development (I) Promoting Green Finance P44, P45 (III) Addressing the Climate Change Plans and Measures on Carbon Reduction in 2020 P49
	Policies on identification and mitigation of significant climate-related issues that have impacted and those may have impact on, the issuers.	
	A4.1 Description of significant climate-related issues that have impacted, and those which may have impact on, the issuers, and the actions taken to manage them.	
B1 Employment	General Disclosure	V. People-Oriented: Staff-oriented Initiatives for the Dream of Serving the Country with Financial Services (I) Safeguarding Employees' Rights and Interests 1. Sound Protection of Employees' Rights and Interests P52 2. High Quality Team of Professionals P53-P55
	Information relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer.	
B2 Health and Safety	B1.1 Total workforce by gender, employment type, age group and geographical region.	V. People-Oriented: Staff-oriented Initiatives for the Dream of Serving the Country with Financial Services (I) Safeguarding Employees' Rights and Interests P52-P55 (II) Focusing on Health Safety P55-P56
	B1.2 Employee turnover rate by gender, age group and geographical region.	
	General Disclosure	
	Information relating to provision of a safe working environment and protection of employees from occupational hazards:	
B3 Development and Training	(a) policies; and	V. People-Oriented: Staff-oriented Initiatives for the Dream of Serving the Country with Financial Services (I) Safeguarding Employees' Rights and Interests P52-P55 (II) Focusing on Health Safety P55-P56
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer.	
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years, including the reporting year.	
	B2.2 Lost days due to work injury.	
B4 Labor Standards	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	V. People-Oriented: Staff-oriented Initiatives for the Dream of Serving the Country with Financial Services (I) Safeguarding Employee's Rights and Interests 1. Sound Protection of Employees' Rights and Interests P52
	General Disclosure	
	Policies of improving employees' knowledge and skills for discharging duties at work. Description of training activities.	
	B3.1 The percentage of employees trained by gender and employee category.	
B5 Supply Chain Management	B3.2 The average training hours completed per employee by gender and employee category.	II. Value Growth: Adhering to Compliant Operations and Maintaining Shareholders' Rights and Interests (VII) Responsible Procurement P31
	General Disclosure	
	Information relating to the preventing child and forced labor:	
	(a) policies; and	
B5 Supply Chain Management	(b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Planned to be disclosed in the future
	B4.1 Description of measures to review employment practices to avoid child and forced labor.	
	B4.2 Description of steps taken to eliminate such practices when discovered.	
	General Disclosure	
B5 Supply Chain Management	Policies on management of environment and social risks of the supply chain.	
	B5.1 Number of suppliers by geographic region.	
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
B5 Supply Chain Management	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	

Level	Requirements of the Hong Kong Stock Exchange	Relevant Section/Paragraph
B6 Product Responsibility	General Disclosure	
	Information relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress on:	III. Serving with Heart: Customer-Centric, Focusing on Core Capacity Building P32-P41
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer.	
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Due to its business nature, the Company's main products were commercial services and it therefore was not involved in any return of products by reason of safety and health issues.
	B6.2 Number of products and services related complaints received and how they are dealt with.	III. Serving with Heart: Customer-Centric, Focusing on Core Capacity Building (I) Professional Platform Empowerment to Enhance Comprehensive Customer Satisfaction P34, P35
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	II. Value Growth: Adhering to Compliant Operations and Maintaining Shareholders' Rights and Interests (VI) Intellectual Property Protection and Brand Building P31
	B6.4 Description of quality assurance process and recall procedures.	Due to its business nature, the Company's main products were commercial services. III. Serving with Heart: Customer-Centric, Focusing on Core Capacity Building (III) Improvement of Suitability Management P37 (IV) Overall Implementation of Investor Education P38-P41
	B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	II. Value Growth: Adhering to Compliant Operations and Maintaining Shareholders' Rights and Interests (IV) Risk and Audit Work Management P27-P29 III. Serving with Heart: Customer-Centric, Focusing on Core Capacity Building (II) Strengthen IT Security to Protect Investor's Interests P36, P37
	General Disclosure	
B7 Anti-corruption	Information relating to bribery, extortion, fraud and money laundering on:	II. Value Growth: Adhering to Compliant Operations and Maintaining Shareholders' Rights and Interests (V) Compliance Management and Integrity Construction P30
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer.	
	B7.1 Number and concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	There was no concluded litigations in respect of corruptions filed against the Company or by its employees during the Reporting Period.
B8 Community Investment	B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	II. Value Growth: Adhering to Compliant Operations and Maintaining Shareholders' Rights and Interests (V) Compliance Management and Integrity Construction P30
	B7.3 Description of anti-corruption training provided to directors and staff.	
	General Disclosure	
B8 Community Investment	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration of the communities' interests.	Communication with Stakeholders P20, P21 VI. Giving Back to the Society: Promote Social Progress and Be a Qualified Corporate Citizen (I) Social and Economic Contributions P64 (II) Serve the Real Economy P65 (III) Devotion to Charity Work P66, P67 (IV) Fight Against COVID-19 epidemic P68-P70 (V) Adherence to Targeted Poverty Alleviation P71-P73
	B8.1 Concentration on contribution scope.	
	B8.2 Resources contributed to the focus area.	

Content Index to “Memorandum of Information Disclosure for the Main Board of SZSE No.1 - Matters Relating to the Disclosure of Regular Reports”

Content	Relevant Section/Paragraph
1. General	
A brief description of the tenet and philosophy of the company in fulfilling social responsibilities. A description of the system building and organizational arrangement to ensure the fulfillment of its social responsibilities as well as the thoughts and plan of the company in fulfilling social responsibilities, etc. a description of main activities, work and results achieved in fulfilling social responsibilities, the awards and recognitions from relevant institutions or authorities won by the Company in respect of fulfilling social responsibilities, etc.	Major Awards & Recognitions in 2020 P8-P13 I. Responsible Management: Improvement of ESG Governance Structure and Practice of Corporate Social Responsibility (I) Corporate Culture Outline of GF Securities P16 (II) Social Responsibility Management System of GF Securities P17 (III) Introduction of GF Securities Social Charity Foundation in Guangdong Province P18-P19
2. Fulfillment of social responsibilities	
According to the specific provisions on social responsibility of the Guidelines on Standardized Operation of Listed Companies on the Main Board, to provide detailed information on protection of interests of shareholders and creditors, protection of interests of employees, protection of interests of suppliers, customers and consumers, environmental protection and sustainable development, public relation, social charity work and targeted poverty alleviation, etc., which shall include to the least extent the following:	
(1) Protection of interests of shareholders and creditors.	II. Value Growth: Adhering to Compliant Operations and Maintaining Shareholders' Rights and Interests (I) Value Growth P24 (II) Equity of Shareholders P25 (III) Information Disclosure and Investor Relations Management P26
(2) Protection of interests of employees.	V. People-Oriented: Staff-oriented Initiatives for the Dream of Serving the Country with Financial Services (I) Safeguarding Employees' Rights and Interests P52-P55 (II) Focusing on Health Safety P55-P56 (III) Training Employee Skills P57-P59 (IV) Enriching Employees' Life P60-P61 (V) Developing Corporate Culture P61
(3) Protection of interests of suppliers, clients, and consumers.	II. Value Growth: Adhering to Compliant Operations and Maintaining Shareholders' Rights and Interests (VII) Responsible Procurement P31 III. Serving with Heart: Customer-Centric, Focusing on Core Capacity Building (I) Professional Platform Empowerment to Enhance Comprehensive Customer Satisfaction P34, P35 (II) Strengthen IT Security to Protect Investor's Interests P36, P37 (III) Improvement of Suitability Management P37 (IV) Overall Implementation of Investor Education P38-P41
(4) Environmental protection and sustainable development.	IV. Green Development: Persisting in Green Operation, Marching towards the Goal of Sustainable Development (I) Promoting Green Finance P44, P45 (II) Performing Green Operation P46-P49 (III) Addressing Climate Change P49
(5) Public relation and social charity work.	VI. Giving Back to the Society: Promote Social Progress and Be a Qualified Corporate Citizen (I) Social and Economic Contributions P64 Social and Economic Contributions of the Company in the Past Three Years P64 (II) Serve the Real Economy P65 (III) Devotion to Charity Work P66-P67 (IV) Fight Against COVID-19 Epidemic P68-P70

Content	Relevant Section/Paragraph
(6) Targeted poverty alleviation.	VI. Giving back to the Society: Promote Social Progress and Be a Qualified Corporate Citizen (V) Adherence to Targeted Poverty Alleviation P71 Achievements of Targeted Poverty Alleviation of the Company in 2020 P71-P73
3. The problems and rectification plans of the Company in the implementation of social responsibility	
(1) Explaining the progress of the settlement in the light of the above-mentioned failure, including failing to meet the requirements and standards of national laws and regulations, the emergence of major environmental protection and safety accidents, the inclusion of the list of serious polluting enterprises in the environmental protection department, and the punishment by the environmental protection, labor and other departments.	N/A
2) Other major problems in the implementation of the Company's social responsibility and the impact on its operations and sustainable development, and put forward specific improvement plans and measures.	VII. Prospects: Reviewing 2020 and Looking into 2021 Summary and Improvement of Fulfilling Social Responsibilities in 2020 P76
4. Other Requirements	
Disclosure requirements for pharmaceutical and biological, food and beverage industry companies, heavy pollution industry companies, mining, construction and other companies prone to major production safety accidents.	N/A
When the public media reports and questions the issues arising from the performance of corporate social responsibility, the Company that discloses the corporate social responsibility report shall make a clear response in the report, and if there exists problems reported, it shall explain the rectification situation and measures.	N/A
The reporting period for the corporate social responsibility report should be consistent with the annual report reporting period, and post-period matters that have a significant impact on the performance of corporate social responsibility should also be stated. The Company shall state the overall objectives and specific plans for social responsibility work in the following year, the improvement of the main issues raised in the previous year in the current year, and the implementation of the previous year's work plan in the current year in the social responsibility report.	VII. Prospects: Reviewing 2020 and Looking into 2021 Summary and Improvement of Fulfilling Social Responsibilities in 2020 P76 Social Responsibility Goals for 2021 P77