



远东宏信
FAR EAST HORIZON



2013

Far East Horizon
Corporate Social Responsibility Report

ABOUT THIS REPORT

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

Reporting scope

- Scope of the organization: This report takes Far East Horizon Limited as the principal component, including most subsidiaries of Far East Horizon.
- Time Range: From January 1, 2013 to December 31, 2013
- Release Cycle: This report is an annual report.

Reference basis

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

Data specification

The financial data in this report are quoted from the "2013 Far East Horizon Limited Annual Report". Other data and cases come from source recordings of the Corporation's actual operation. Unless otherwise stated, the type of currency and amount of money involved in this report are measured in RMB.

Report release

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

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Creation of Value

Assets reached **86.5** billion yuan in 2013, showing an increase of **42.8%** from the previous year; Shareholders' net profit reached **1.91** billion yuan, showing an increase of **26.0%** from the previous year; Operational revenue was **7.91** billion yuan, with a total tax of **1.4** billion yuan.

Our business covers **31** provinces and cities in China;
We serve approximately **10,000** real economy customers;
Until now, the cumulative amount of money allocated towards industrial customers has been over **200** billion yuan.

Customer Service

Respect for Employees

The total number of employees is **3,250**, with a training time of **32.6** hours per person;
We have organized and supported employees' activities more than **300** times;
We are providing financial aid to employees who are in trouble, and are visiting their families to show our condolences.

The Far East Horizon
Charity raised **2,306,400** yuan;
The Far East Horizon
Charity donated **3,464,500** yuan;
More than **1,600** persons were aided.

Contributions to Society



SPEECH FROM THE PRESIDENT

In China's economy, following the trend of industrial restructuring and development, Far East Horizon is committed to providing a comprehensive industrial operations service, which is tailored towards customers. With a business philosophy of "combining finance and industry", and constant innovation of products and services, the Corporation has achieved sustainable growth and value enhancement. With a stable rise in business results, Far East Horizon has made its social responsibility mission of "Integrating global resources and promoting China's industries" come true.

We believe that the essence of corporate social responsibility lies in building harmonious relationships with stakeholders. As a leading figure in the financial leasing industry, Far East Horizon is charged with heavy responsibilities, which are to support the real economy and infrastructure construction, and to support the development of small and medium-sized enterprises. The Corporation needs to take on corporate social responsibility; it should be integrated into every aspect of work as an important and integral component of corporate operation, thus achieving sharing of value and a mutually beneficial situation.

In the past 13 years, Far East Horizon has not only seized opportunities, but has also strived for progress and innovation, thus achieving leapfrog development. We embed in industry and adjust strategies actively for transformation, attaching equal importance to both finance and industry in order to actively promote strategic upgrades. We support corporate development by continuously promoting innovation in financial business. In the meanwhile, we also have widened the scope of non-financial business, and have formed influence in industry through a combination of these two types of businesses. So far, the Corporation has created 8 divisions, including healthcare, packaging, transportation, infrastructure construction, machinery, education, textile, and electronic information. Furthermore, the Corporation has continued exploring in new areas such as city public facilities, energy saving, and environmental protection, creating a groundbreaking management structure whose divisions are grouped by various industries.

We persist in carrying out extensive and further cooperation with our customers. Using a honest, transparent and innovative business model, we intensify the essence of service, and build communication exchange platforms to provide comprehensive and professional solutions, so that we can achieve mutual growth with our customers. Meanwhile, we build development platforms for employees to grow together with the Corporation as well. To accomplish comprehensive growth for employees, we try our best to create a homely comfortable environment, caring about the balance between employee work and life, attaching importance to employee welfare, and earnestly guaranteeing employee rights.

With regards to the environment, we have actively explored businesses in energy saving and environmental protection, developing a green economy, and updating equipment and skills for sewage and solid waste treatment. Furthermore, we have promoted application and development of clean energy, in pursuit of sustainable development of the environment for human survival. Regarding society, we are devoted to promoting development of social public services, such as medical treatment, construction, education and transportation. In the area of commonwealth, we donated money and set up the Beijing Horizon Charity, to actively contribute to society with other stakeholders. By warmly passing on positive energy, we are making efforts to create harmony and a mutually beneficial result between corporations and society.

Looking forward, as the era of China's rapid economic growth has ended; we are in the face of opportunities and challenges brought by a new round of industrial restructuring. We will accelerate the adjustment, and will adhere to development strategies, focusing on industry and comprehensive operations. With determination, we lay out a more complete development system for industrial division. Moreover, we are actively responding to and conscientiously implementing national industrial and environmental protection policies. We will advocate green operation and promote innovative green financial products. During our decision-making process for industrial investment, we will give full consideration to factors such as the environment, society, and corporate governance. Our goals are to promote green development in industry and to help build a beautiful China.

Using innovative practices, we will further develop our service industry to better fulfill our corporate mission of "integrating global resources and promoting China's industries". Meanwhile, we will actively respond to industrial HSE risks created by strategic adjustment and complicated staff management. The Corporation will further integrate corporate social responsibility into its management and operations. We should also enhance the sense of our mission and risks, in order to ensure a sustained, healthy and stable development of the Corporation's business, and to create more value for all stakeholders.

Vice Chairman of the Board and Chief Executive Officer



Far East Horizon focuses on China's basic industries. With a combined model of finance and industry, it services the most dynamic corporations, providing customers with customized comprehensive services, such as financial services, industrial investment and operation, operational leasing, commission trade, management consulting, and engineering services. Since our establishment, we continue to improve our corporate governance mechanisms and compliance management, optimizing communication with investors, in order to ensure the stable and sustainable development of the corporation.

About Far East Horizon



CORPORATE INTRODUCTION

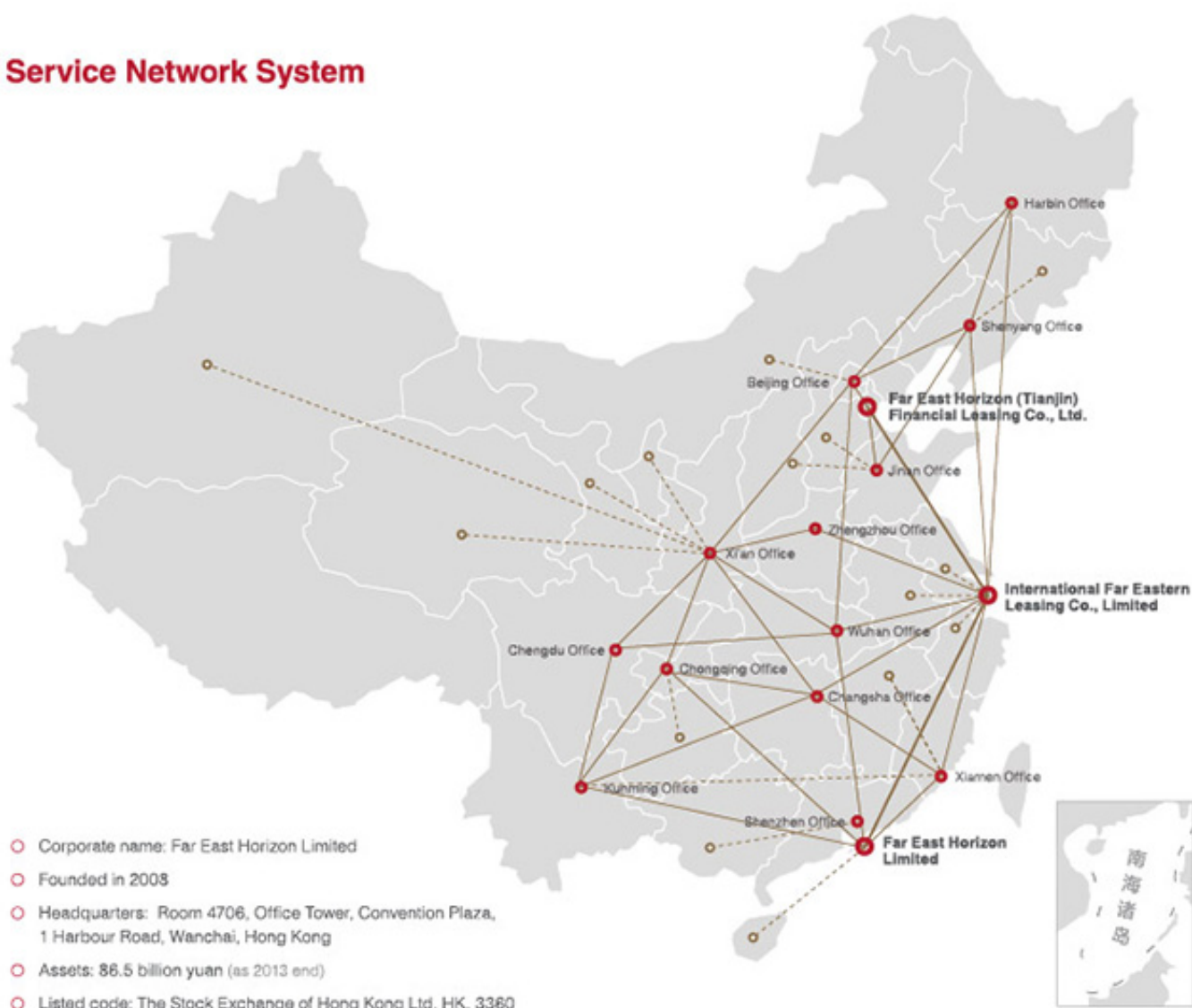
In 1991, International Far Eastern Leasing Co., Ltd. (or "Far Eastern Leasing" for short) was established in Shenyang. In 2001, the corporation formally moved south to Shanghai. In 2008, Far East Horizon Limited was founded, and in 2009 the Corporation attracted strategic investors, KKR, GIC SI and CICC. On March 30, 2011, Far East Horizon was listed on the main board of the Stock Exchange of Hong Kong Limited (stock code: HK 3360). The current headquarters of Far East Horizon are in Hong Kong. The Corporation has created a number of professional platforms in financial leasing, operational leasing, trading, investment, brokerage and engineering. With its operational service centers in Shanghai and Tianjin and other offices in major cities, Far East Horizon has formed a nationwide customer service network.

Far East Horizon, as one of the most efficient and most profitable financial leasing companies, with the largest net assets, has a mission of "Integrating global resources, promoting China's industries". The Corporation holds the business philosophy of "combining finance and industry", and is committed

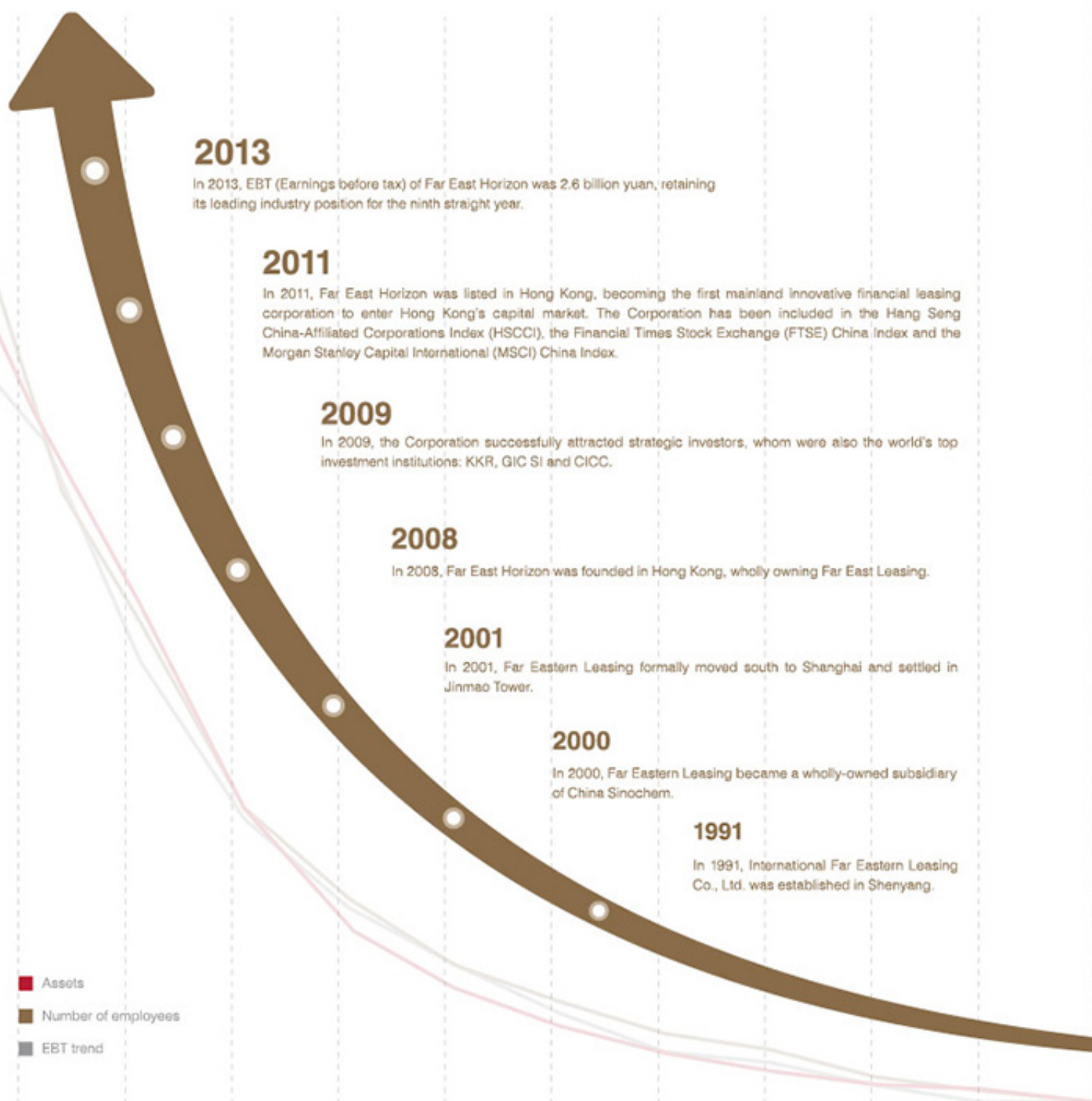
to providing customers with customized, one-stop financial solutions through innovative products and service. In the beginning, the Corporation was a single financial service institution. Over the past 20 years, it has gradually become a comprehensive industrial operational services institution committed to promoting the national economy and sustainable social development.

Far East Horizon has launched many integrated industrial operations and services including financial services, industrial investment and operation, operational leasing, commission trade, management consulting, and engineering services in multiple basic sectors such as healthcare, packaging, transportation, infrastructure construction, machinery, education, textile and electronic information. It has creatively integrated financial capital with industrial capital, and has developed distinctive operational advantages which are characterized by the harmonious development of a capability for resource organization and an ability to add value to resources.

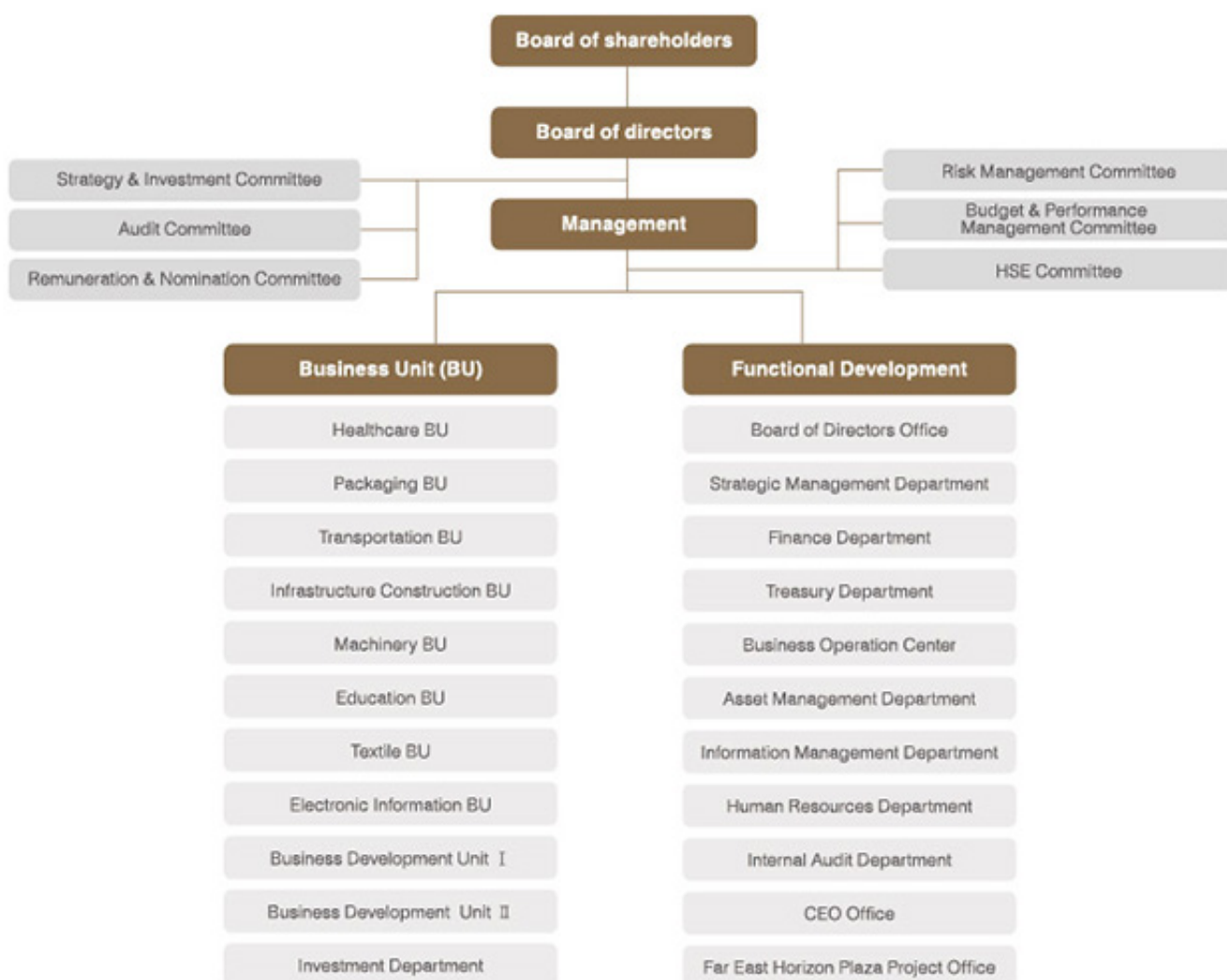
Service Network System



Development History



ORGANIZATIONAL STRUCTURE



Company Members

International Far Eastern Leasing Co., Ltd.
 Far East Horizon (Tianjin) Financial Leasing Co., Ltd.
 Shanghai Donghong Co., Ltd.
 Horizon Healthcare Investment Holding (Shanghai) Co., Ltd.
 Shanghai Domin Medical Engineering Co., Ltd.
 Horizon Healthcare Management (Shanghai) Co., Ltd.
 Huizhou Huakang Orthopedic Hospital

Shanghai Horizon Equipment & Engineering Co., Ltd.
 Shanghai HongJin Equipment & Engineering Co., Ltd.
 Far East Horizon Shipping Holdings Co., Ltd.
 Far East Horizon Shipping Consulting Limited
 Shanghai Dopont Industrial Co. Ltd.
 Grand Light Development Limited

CORPORATE GOVERNANCE

Governance mechanism improvements

Far East Horizon strictly adheres to and implements regulatory requirements for all parties, constantly improving the management system of its modern corporate boards and its decision-making mechanism. The Corporation strengthens risk management and carries out work according to its business, in order to maintain the long-term interests of all shareholders and to ensure stable, compliant, and sustainable development of the entire company.

The Board of Directors consists of 11 directors, including 2 executive directors, 5 non-executive directors and 4 independent non-executive directors. They are all elected at the general shareholders' meeting for a term of 3 years. Their responsibilities include making major strategic business decisions and supervising management levels in order to seriously implement those strategies.

Far East Horizon corporate governance review

Positions such as Chairman of the Board of Directors and CEO are held by different people, in order to maintain independence and balanced opinions when making judgments.

We review the structure, number of people and composition (including skills, knowledge and experience) annually to ensure diversity of the Board of Directors.

Board members must have a specialty in accounting or finance, or be those who are legally qualified, or be members who have a financial investment background and relevant working experience with the Corporation.

4 out of 11 Board members are independent non-executive directors, and the Corporation ensures their independence.

The Corporation has publicly disclosed governance guidelines and committee constitutions.

All decisions in the general shareholders' meeting will be voted on, and the results shall be announced on the website of the Corporation and SEHK.

In 2013, all Board Directors updated and developed their knowledge and skills by reading new regulations, seminar materials, and other materials and circular letters provided by the Corporation.

In 2013, the Corporation held 4 regular board meetings and 1 non-executive director meeting. The Audit Committee held 4 meetings, and met with the external auditors 4 times. The Remuneration & Nomination Committee held 3 meetings.

Note: For more information about corporate governance disclosure, please refer to the "2013 Far East Horizon Annual Report".

Investor Relations

With a responsible attitude towards shareholders and investors, the Corporation attaches great importance to communications and exchanges with investors. In the meantime, the Corporation also focuses on a stable and sound management in order to achieve capital appreciation and stable returns for shareholders.

1. Firstly, based on HKEx listing rules, the Corporation announces financial reports, circular letters, and announcements on the websites of the HKEx and Far East Horizon, informing shareholders and public investors with complete and accurate data by sending letters.
2. Secondly, the Corporation maintains dialogues with investors to help them understand its business and strategies better. It needs to maintain frequent communication with analysts, fund managers, institutional shareholders and the media, strictly abiding by disclosure standards, and never discloses inside information to selected groups.
3. Thirdly, to gain recognition and to improve its image in the capital market, the Corporation regularly holds industry performance roadshows and attends investor summits.

COMPLIANCE OPERATIONS

Compliance Management

During recent years, as the financial industry has rapidly developed, compliance regulations have become stricter. As a listed company in Hong Kong, the Corporation is concerned about the Hong Kong capital market and the varied requirements of the regulatory environment. The Corporation follows the development of the "Listing Rules", "Securities and Futures Ordinance", and the "Companies Ordinance" released by the Stock Exchange of Hong Kong Limited. The Corporation has setup a complete capital market compliance management system, making it clear that the Board of Directors is the top decision-making body, and the management level is responsible for maintaining compliance with policies and procedures.

The Corporation has promulgated regulations such as "Compliance Management Procedures for Capital Market", "Related Party Transaction Management Procedures", "Information Disclosure Management Procedures", and "Disclosure Guidelines for Notifiable Transactions". All these measures have constantly and effectively promoted various compliance work, including corporate governance, information disclosure, and related party transactions. The Corporation has set up a capital market compliance working group as well. Through exchanging major information about business management and the latest supervision requirements, Far East Horizon has accomplished effective management for compliance matters, and has gradually formed a compliance culture for all staff, thus achieving effective recognition and management of compliance risk for the capital market.

Within the Corporation, Far East Horizon has attached great importance to setting up and advocating a compliance culture, taking a "zero tolerance" attitude to various regulatory code violations and inappropriate behavior.

To identify those responsible and to punish violators, the Corporation created "Responsibility Identification and Punishment Management" regulations. It has established an "Internal Control Manual" to prevent all types of risks, by promoting internal control. By doing so, Far East aims to promote self-examination and self-correction functions, and to improve the internal control mechanism in all departments.

Far East Horizon has established an audit scanning system, setting up an audit division in charge of inspecting, analyzing, and accessing the corporate operational business in following areas such as business operation, management responsibility, and information technology effectiveness inspection and supervision. The Corporation focuses on major and weak fields, and establishes complaint and reporting channels, striving to cover all important operational sections and to establish and complete the internal corporate control and compliance management system, thus promoting constant correction and perfection of the operational management system. Meanwhile, for employees at different positions and with various working characteristics, Far East Horizon has actively carried out teach-ins and educational activities with compliance themes, using violation cases to educate people. Thus, a good compliance culture and ideas among all employees has been created.

In 2013, during an operations audit, due diligence audit, information technology efficiency audit, and discipline inspection and dispatch patrol missions, the Corporation found 348 problems, proposed 237 suggestions to management, and found 10 violations of regulations or codes. 10 responsible persons were punished internally, and were effectively educated and communicated with.

Internal System Focuses

- **Goal:** improving operational efficiency and effects
- **Guideline:** risk management
- **Foundation:** process management
- **Breakthrough point:** internal financial control
- **Focal point :** key control activities
- **Measures:** "one chart, four tables" i.e. the flow chart, the risk matrix table, control matrix table, incompatible duties table, and authorization approval table.



Internal Training "the Power of Rules"

2011-2013 Compliance Management Results

Results	2011	2012	2013
Internal control training (times)	0	2	3
Internal control training (persons)	0	60	100
Audit and Discipline supervision report (copies)	39	74	79
Audit reminder (copies)	6	5	11
Audit findings (pieces)	255	311	348
Management suggestions (pieces)	96	101	237

Comprehensive Risk Management

As an operator in the finance and industry, Far East Horizon is committed to improving its comprehensive risk management system which is based on corporate operations management and a perspective for all businesses. To achieve that goal and to enhance its risk management ability, the Corporation has established a series of risk management policies which are consistent with corporate business strategies and with improving procedures and systems. The Corporation has also promoted development of a risk management information system. In 2013, the Corporation recognized 3 major risk cases and organized 13 risk management training sessions which were attended by 357 employees.

Risk management mechanism for financial leasing

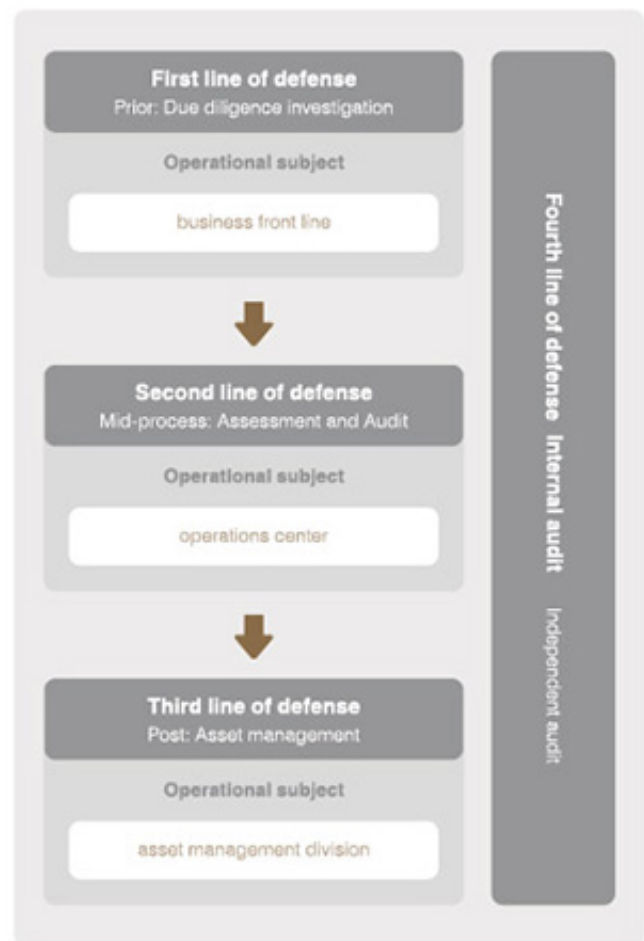
The financial leasing business is a new type in the financial sector and associated with high operational risk. After years of practice, based on the management philosophy of "matrix management and procedural operations", the Corporation has gradually formed a series of management methods: recognizing, assessing, preventing and controlling risks of all segments in the financial leasing business. These methods include professional aspects such as capital, credit, finance, execution and assets.

- Breaking the project evaluation-oriented model and achieving a customer-oriented risk management in the credit business.
- Attempting total risk management and achieving risk management with targets of the customer base and industries in the credit business.
- Integrating a diverse risk management system and achieving the comprehensive risk management of industrial operations perspectives.

Corporate Risk Management Structure



Comprehensive Risk Management System



An Integrity Business

Far East Horizon insists on promoting an "industry and finance" operational strategy. Facing financial and industrial risks, and under complicated circumstances, the Corporation needs to promote business integrity and compliance operations of all employees, in order to ensure sound and safe development. With the principle of "strictly enforcing discipline, defending corruption risk, punishing those who violating regulations and discipline, and ensuring development safety", the Corporation step-by-step promotes disciplinary inspections and supervision work, creating a clean and honest administration to actual operation and management. This is in order to ensure integrity, systematic capacity, and anti-corruption compatibility.

Far East Horizon Business Work Integrity Overview

Establishing a leading group whose members include group leader, Kong Fanxing, CEO of the Corporation, financial department, human resource department, strategy management department, CEO office, and internal audit department.

Leaders in the Corporation sign and announce an "Integrity Commitment" every year, receiving surveillance of all employees.

Audit division has set up a report mailbox, and arranged special operators for 400 report and complaint calls.

Each employee and external customers have ways to report to the Corporation regarding violation of discipline or regulations, through a new employee training platform, the corporate website, or according to reporting telephone numbers printed on employees' name cards.

In 2013, the Corporation held 17 instances of integrity business trainings, 767 employees attended the trainings.

In 2013, the Corporation received 10 cases of complaints from employees and customers. All the case were investigated and handled immediately.

In 2013, the Corporation found 10 cases related to regulatory violations and discipline, made an internal responsibility determination, and punished 10 people involved.



Integrity Business Training

[Case] Controlling Sensitive Sectors in an "Integrity Business"

As the first private office building construction project on record, Far East Horizon Plaza received huge investment and great attention from the Corporation.

On April 9th, 2013, the Far East Horizon Plaza Project Office was established. Since then, the Corporation has asked the Disciplinary Inspection & Supervision Office to appoint someone to serve as an independent inspector for the Preparatory Office, in charge of supervising and inspecting the whole project construction process. The independent inspector urged all staff in the Preparatory Office to sign a self-discipline integrity commitment, and regularly sent business integrity education materials through email and other channels. Furthermore, anti-corruption training was carried out in engineering. An information hotline to report violations was written in bidding documents, in order to accept supervision. When signing construction contracts or equipment and materials procurement contracts, both sides were also required to sign a "Construction Project Integrity Agreement". According to the agreement, employees shall not accept any form of rebate or any valuables, and shall not attend recreational activities which may affect their ability to perform official duties impartially. The Corporation made every effort to achieve the aim of an "Exquisite project and Sunshine Project"



△ Side view of the Far East Horizon Plaza
◁ Bird's eye of the Far East Horizon Plaza

Philosophy
of
Responsibility

Creating and Sharing Value for Mutual, Harmonious Development

In Far East Horizon, the Philosophy of Responsibility of "Creating and Sharing Value for Mutual, Harmonious Development" always exists in corporate management. We constantly enrich the essence of corporate social responsibility. Through sharing and transfer of value, we try to achieve positive interaction between corporate economic value and social value, thus promoting sustainable development of the corporation and society.

Philosophy
of Responsibility



CORPORATE RESPONSIBILITY

Far East Horizon is devoted to becoming an economic organization which is sustainable, effective, and which can increase value creation. We believe that the essence of corporate social responsibility lies in achieving the sharing and mutual creation of value with all stakeholders, including investors, customers, partners, employees, government and society. By sharing and supplying value, we can realize a healthy, stable, sustainable and harmonious development of industrial economy and society.

Mission and Vision

Integrating global resources and promoting China's industries

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

Far East Horizon's Industrial Mission

- Healthcare:**
Serving China's medical industry, caring for national health
- Packaging:**
Promoting modern printing industry, passing on Chinese civilization
- Transportation:**
Promoting China's transportation industry, sharing industrial growth
- Infrastructure Construction:**
Assisting in infrastructure construction, safeguarding the development of the people's livelihood
- Machinery:**
Equipping national industry, revitalizing China's manufacturing
- Education:**
Promoting Chinese culture, reviving national education
- Textile:**
Joining Far East textile, working together to create a beautiful world
- Electronic Information:**
Promoting information future, building intelligent China
- Business Development Unit I:**
Focusing on public utilities, developing better cities together
- Business Development Unit II:**
Integrating quality resources, promoting a green economy

Core Values

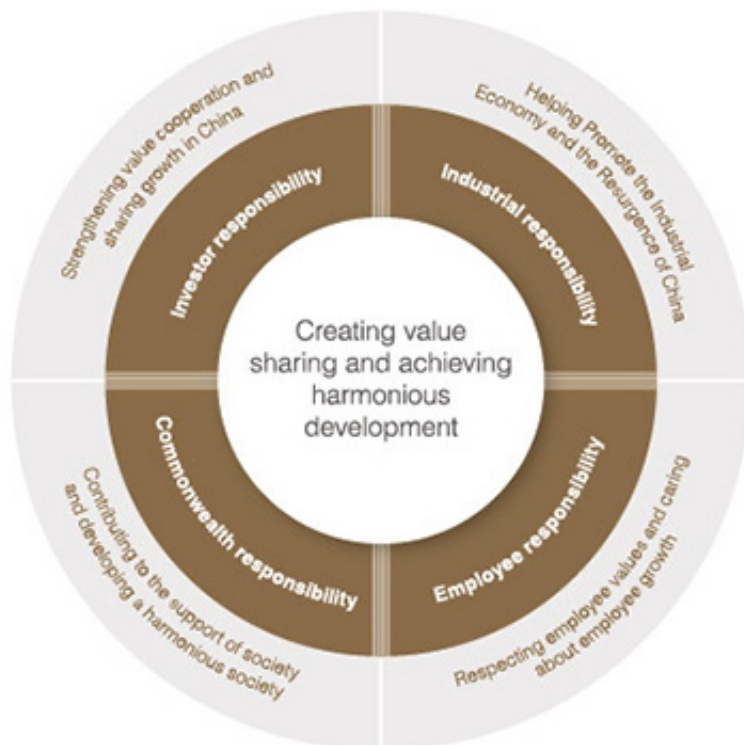
Being a reliable and cooperative person who learns well.

Doing things in a careful and innovative manner in the pursuit of excellence.

Far East Spirit

- Determination to pursue truth
- Ideas of renunciation and innovation
- Unswerving will
- Courage to be "the world's first"
- Principles of pragmatism and preciseness
- Courage to face hardship
- Responsibility of concern for the world and people

Responsibility philosophy



RECOGNITION AND COMMUNICATION OF KEY STAKEHOLDERS

According to our corporate operational focus, we have made a systematic analysis of our business model and management processes based on dimensions of influence, dependence, representation, policy and strategic purpose. Far East Horizon has recognized groups and regions which have a great influence on the Corporation, and identified key stakeholders as customers, employees, investors, governments, partners, and communities.

The Corporation attaches a great importance to setting up a normal communication mechanism with stakeholders in order to form a closer partnership, listening to and responding to their requests which will be taken as an important reference for information disclosures.

Expectations and responses of stakeholders

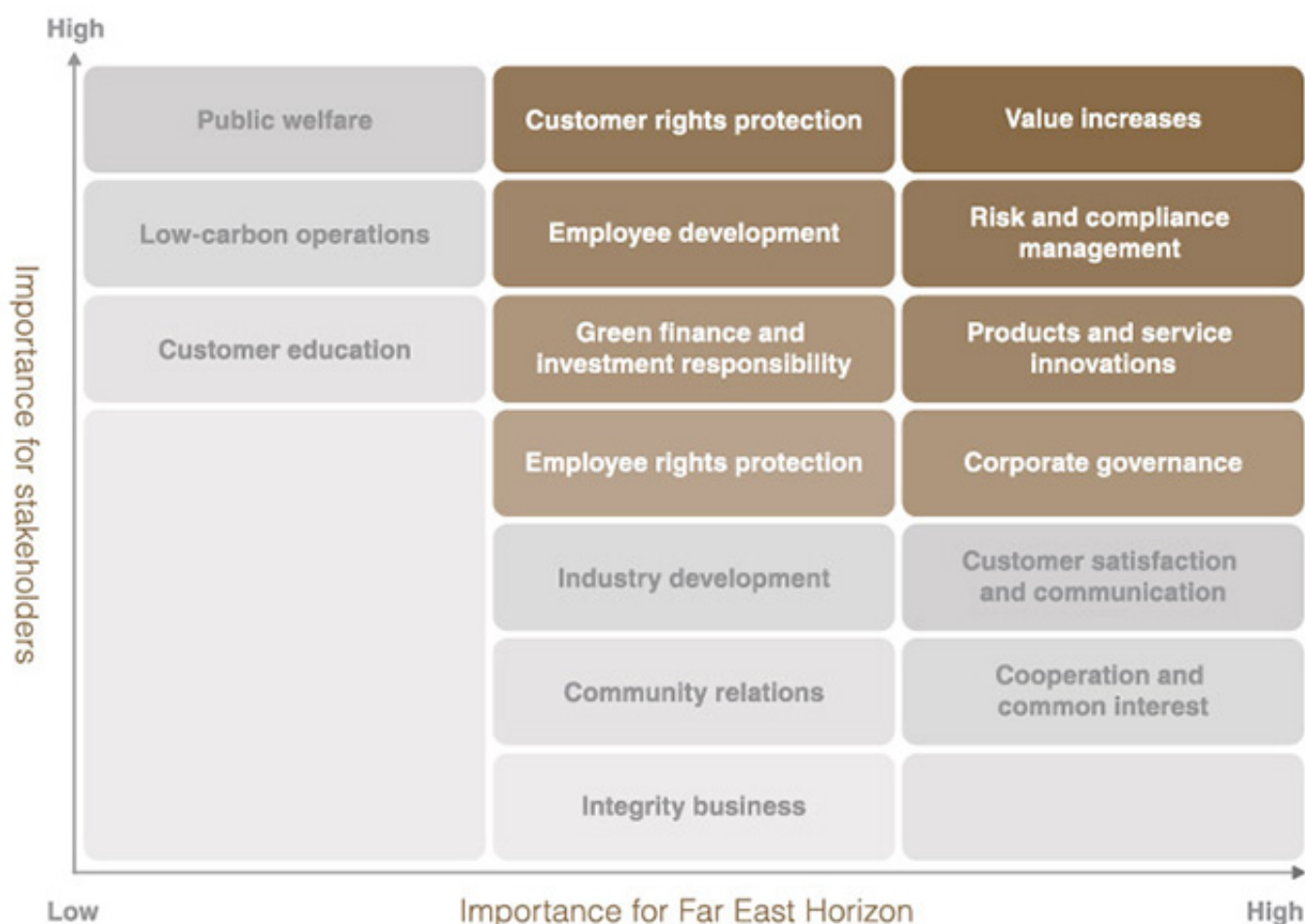
Stakeholders	Stakeholders' Description	Concerned Issues	Communication and Responses
Investors	Domestic and foreign investors who invest equities and bonds in the corporation	The corporate governance system, business strategies and performance, stable returns and investment returns	Shareholder meetings, financial reports, operational reports and roadshows
Customers	Cluster customers from important industries, such as medical treatment and construction	Service quality, service value, and customer information confidentiality	Conducting customer satisfaction surveys and after-sales service and surveys about customer requests or complaints
Employees	Employees of Far East Horizon and its subsidiaries, and others who have worked for the Corporation for years	Employee rights and benefits, compensation system, training and development, the work environment, physical and mental health, care for families	Conducting Union activities, culture and sports activities, Workers' Congress, training and interviews for employees, issuing Employee Handbooks and corporate internal publications, holding checkups and consultations
Communities	Communities in operational areas of Far East Horizon	Community environment, employment and community development, social welfare	Developing community activities, employee volunteer activities and community welfare subsidization
Governments	Governments in operational areas of Far East Horizon	Abiding by laws and regulations, preventing tax fraud, and improving social welfare	Interaction of visits, government investigations, tax returns and other information
Supervisory institutions	Stock exchanges, industry regulators and self-regulatory organizations	Compliance operations, Regulatory transparency, risk precautions and sound operations	Regulatory policy implementation, special reports, proactive and timely disclosures, construction of an internal control system and risk management
Partners	Banks at home and abroad, investment institutions such as securities companies, industrial construction corporations and governments	Business ethics and credit, fair competition, compliance operations, mutually beneficial strategy alliances	Holding bidding conferences for the public, strategic negotiations, exchange visits

RECOGNITION AND ANALYSIS OF SUBSTANTIAL ISSUES

We recognize the risk and opportunity of corporate sustainable development, based on analysis of our development strategies and operation. We refer to the "Responsibility Standards for Organizations and Society (ISO26000)", "Sustainability Reporting Guidelines(GRI4)" and other standards; and take into account crucial factors such as business continuity, the impact on corporate reputation, Far East Horizon strategies, community impact, the ability to attract and keep talented individuals, and regulatory impact.

By analyzing policies and regulations, media communications, investor meetings, internal interviews, customer feedback, industry reports, employee mailboxes and community relations surveys, we realize important issues that key stakeholders are concerned about. Between the two dimensions of "importance for Far East Horizon" and "importance for stakeholders", we determined and screened substantial issues in 2013 so that we could respond to these issues in the annual social responsibility report.

Far East Horizon Social Responsibility Issues Analysis Chart



Economic
Responsibility

Helping Promote the Industrial Economy and the Resurgence of China

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



Economic
Responsibility

BUSINESS RESULTS

For the past 13 years, by aiming at the comprehensive operational service of basic industries, Far East Horizon has associated its own development with the growth of the Chinese economy, and has conformed to national macroeconomic control policies, striving to support the real economy. With more money flowing to real industry, the Corporation has gained sustained increases in business and value.

During recent years, Far East Horizon has been growing steadily, achieving more than a 30% annual compound growth rate. The Corporation's asset quality is stable and continually performs better than others in the same industry. By the end of 2013, we had about 1,000 industrial customers from the real economy, among which are mostly small and medium enterprises. Our total assets are 86.5 billion yuan and net assets are over 14 billion yuan. The Corporation has achieved annual net profits of 1.91 billion yuan for its shareholders and still maintains rapid growth.

Far East Horizon 2013 Industry Status

- Corporate net assets are 14.165 billion yuan, which is at the forefront of China's financial leasing industry
- The Corporation's net profit has maintained its leading position in the industry for years.
- With regards to efficiency indicators, such as Return on Total Assets and Return on Net Worth, the Corporation maintains a leading consolidated position.
- The Corporation was the first Mainland innovative financial leasing corporation to enter Hong Kong's capital market.

Promoting rapid and standardized industry development

As the industry leader, Far East Horizon actively attends various exchange activities organized by governments and industry associations to promote industry standards and development. The Corporation has provided informational notes and policy recommendations for the Ministry of Commerce, the State Administration of Taxation, the Ministry of Finance Policy Department, the Shanghai Municipal Government, the Shanghai Municipal Tax Bureau, and other departments, thus contributing to industrial standards and measures formulation for "Financial Leasing Corporation Supervision and Management Measures". In 2013, as the key research enterprise, Far East Horizon participated in a research project called "Setting up Leasing Assets Trading platforms in Free Trade Areas" in the Shanghai Property Exchange.

Organization of Far East Horizon attendance

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

Pioneer and Leader in the Financial Leasing Industry

Although the Corporation has been through a number of economic and industrial system risks since its establishment, it has maintained steady operations and has witnessed the growth and development of China's financial leasing industry. In this process, Far East Horizon has attached great importance in establishing a business system and independent training of talents, thus creating a solid foundation for rapid development of the industry. Furthermore, the Corporation has created industry classifications in the financial leasing industry, and has adopted the development model of division bureaus. On the basis of this, Far East Horizon has gained constant successes in business.

[Case] Actively Involvement in Promoting Standards Development for the Commercial Factoring Industry

In March, 2013, Far East Horizon was invited to attend the "Commercial Factoring Industry Standard Development Seminar" which was led by the Market Order Division of the Commerce Department, and which was held by the Shanghai Commerce Committee. The seminar aimed to implement the "Notice about Pilots on commercial factoring related work released by the Commerce Department", and to study and standardize commercial factoring corporate operations, in order to prevent commercial factoring risks, and to promote the sound development of the commercial factoring industry.

More than 120 persons attended the seminar from the Market Order Division of Commerce Department, the Commercial Factoring Special Committee of China's Service Trade Association, the Municipal Bureau of Public Security, the Municipal No.2 Intermediate People's Court, the Commerce Departments from various districts and counties, commercial factoring corporations, and financial institutions in Shanghai and Tianjin, some of whom were related industry experts.

Far East delivered a keynote speech "Commercial Factoring Risk Prevention", and discussed issues of recognition and prevention of various commercial factoring risks in industrial standards and corporate operations with guests, receiving a positive response.

Far East Horizon Honors

- In 2011, Far East International Leasing Ltd. was awarded as a "Chinese Outstanding Pioneering Financial Leasing Institution in 30 Years", issued by the China Financial Leasing Annual Convention.
- From 2011 to 2013, Far East Horizon International Leasing Ltd. was continuously honored as the "Financial Leasing Company of the year" by the China Leasing Industry Committee.
- From 2011 to 2013, Far East International Leasing Ltd. was continuously selected as one of the "Top 100 taxpayers in Shanghai".
- In 2013, Far East International Leasing Ltd. was awarded the "Most popular Financial Leasing Corporation", issued by the China Financial Leasing Summit.
- In 2014, Far East International Leasing Ltd. was awarded "Most Influential Corporation in China's Leasing Industry", issued by the Shanghai Leasing Industry Association.

FINANCIAL BUSINESS

Financial Resource Cooperation

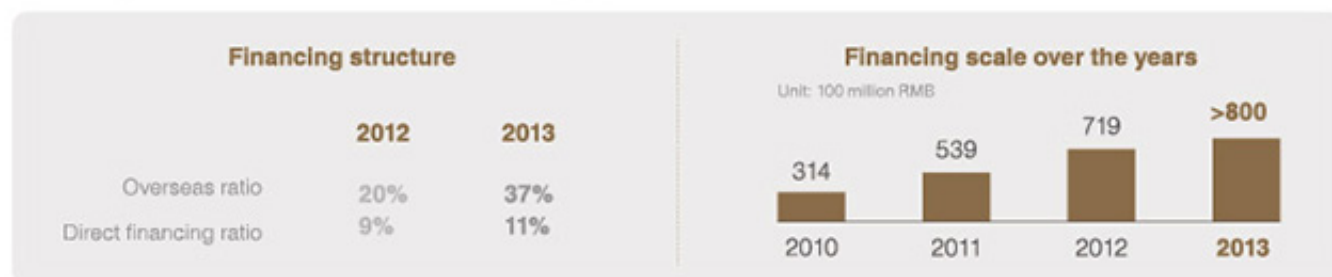
Under the strategic guidance of "resource globalization", Far East Horizon is devoted to establishing strategic partnerships with a number of financial institutions, including policy banks, state-owned banks, joint-stock banks, commercial banks, foreign banks, trust companies, securities companies, finance companies, and investment banks. Using a prudent financial management style, the Corporation vigorously puts innovative financial products into practice. Through product innovation, Far East Horizon constantly creates shared values for all parties.

The Corporation constantly reinforces traditional bank financing channels, expanding overseas and using direct financing in order to guarantee the supply of resources. Over the years, cumulative financing has been over 200 billion yuan, forming an advanced financing capability with a global perspective, and creating combined debt and equity financing measures, indirect diverse financing channels, and multi-currency financing methods.

By the end of 2013

- Having total financing of 50 billion yuan from syndications
- Issuing over 10 billion in bonds, setting up an overseas MTN program
- Obtaining an overseas BBB⁺ investment grade rating
- Obtaining domestic AAA rating

Global Layout of Finance and Resource Security System

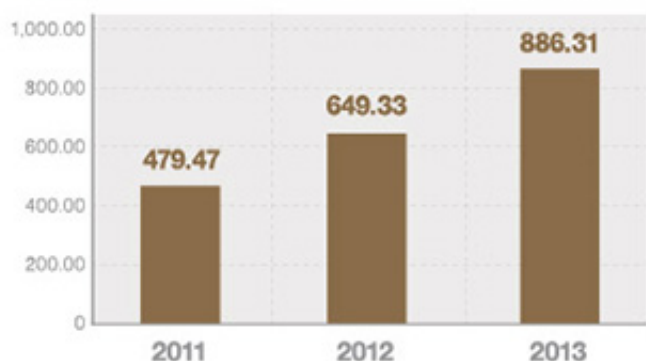


Financial Services

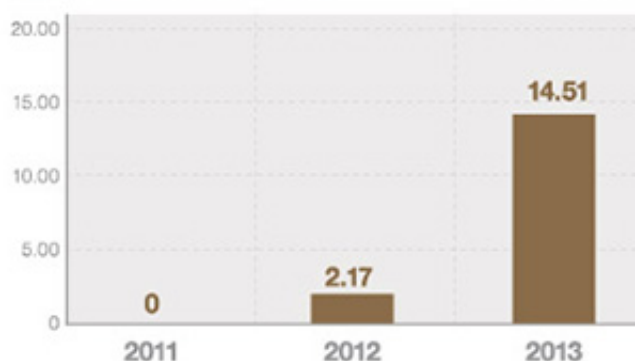
Far East Horizon provides comprehensive financial solutions which take financial leasing as a core business for customers, including financial products such as direct leasing and lease-backs, to help customers solve financial and funding problems in the development process. In 2012, the business scope of Far East International Leasing Co. Ltd. was approved by

the Ministry of Commerce to add "Commercial Factoring and Related Consulting" services which meet customers' needs for operational circulating funds in the short-term. The approval created an effective complement to current financial leasing products for finance and usage of funds, creating greater value for all parties.

Receivable financial leasing funds (hundred million)



Receivable factoring funds (hundred million)



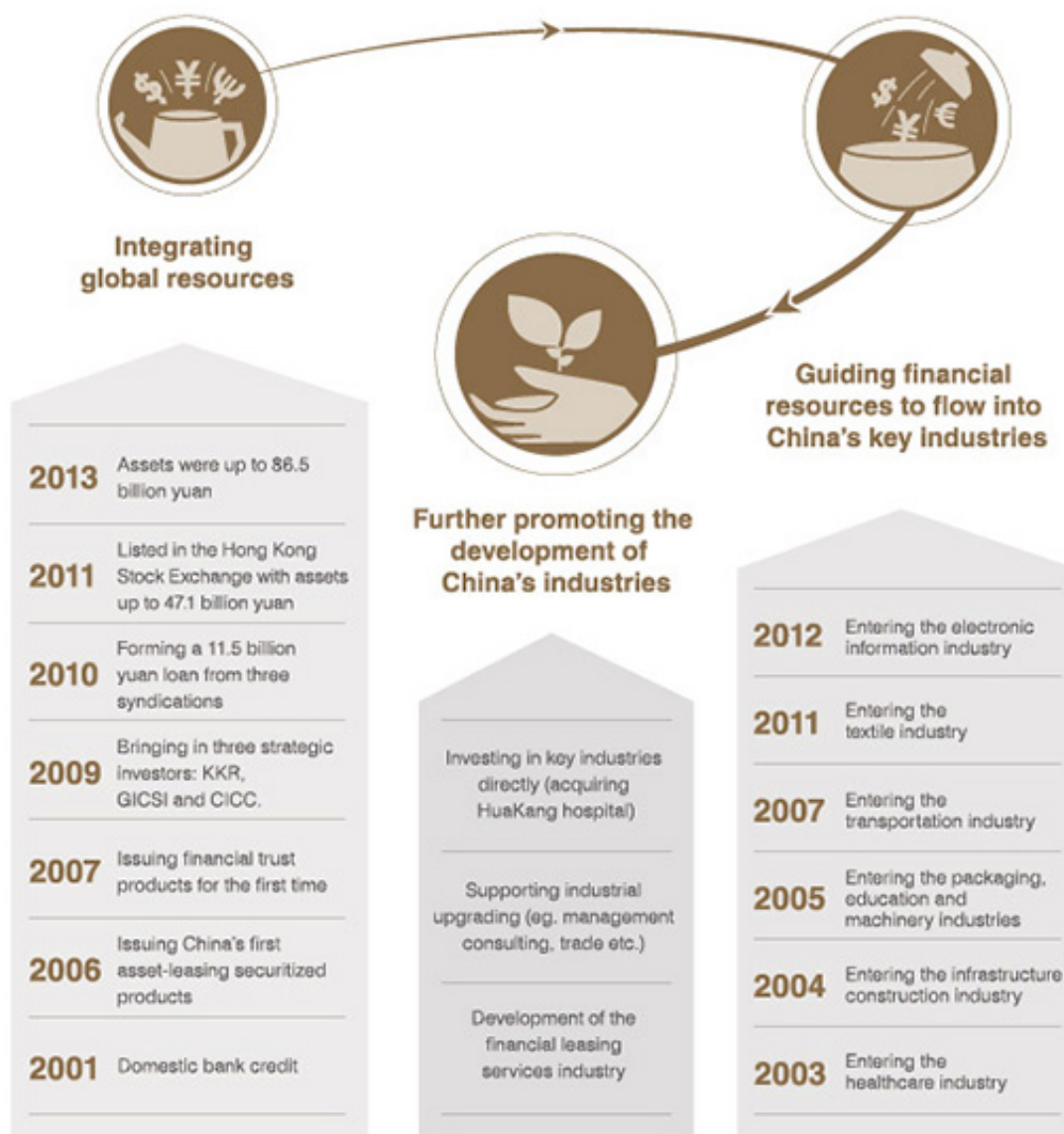
Note: Commercial factoring services began in 2012.

INDUSTRY AND FINANCE COMBINATION

Industry and Finance Combination Business Model

Through years of exploration and practice, and under the development trends of China's transformation and upgrades, market-oriented reforms, and constantly adjusting industrial trends, Far East Horizon has made use of the natural superposition and combination between industry and finance. By using financial resources to create industry expansion and by using industrial penetration to promote development of its financial business, the Corporation has gradually created a financial and industrial conglomerate which has industry influence and powerful control, with the capacity to absorb resources from all parties.

Far East Horizon will continue to focus on the eight basic industries in the domestic economy: healthcare, packaging, education, infrastructure construction, transportation, machinery, textiles, and electronic information, and set up professional operations management and security systems which match industry characteristics. By doing so, the Corporation will have a better understanding of industries and customers than other common capital providers.



Cultivating and Establishing Industrial Operations Capacity

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

among industries, growing together with partners. We are making efforts to enhance the comprehensive strength of all parties, trying to become a participant and active promoter for the development of key industries such as medical treatment, education and construction.

[Case] Comprehensive Service Model of the Far East Horizon Healthcare Industry



Far East Healthcare focuses on medical institutions, providing diverse financial services such as direct leasing, leasebacks, factoring and short-term financing for these types of institutions. Meanwhile, the Far East Horizon subsidiary, Shanghai Domin Engineering Co., Ltd. provides services such as surgical room design, construction and post-sale services for customers. In addition, the Horizon Hospital Management Corporation provides various management consulting services such as hospital assessment and evaluation counseling, patients' safety-cum-medical quality promotion, performance optimization, service quality management, certification counseling and intelligent logistics.

Horizon Healthcare Investment Holding (Shanghai) Co., Ltd. optimizes resource allocation of the medical industry through planning and construction, investment acquisitions, restructuring and reorganization, and industrial investment. In the healthcare industry, Far East Horizon has formed an integrated business model, which includes finance, management consulting, medical engineering and hospital operations, providing integrated operation services for the medical industry and continuously improving the medical industry.

Promoting Industry Exchanges

In the process of industrial services, with the mission of "resources globalization and operations localization", Far East Horizon plays a guiding role in industrial investment, optimizing the investment structure and supporting the upgrade of traditional industries. The Corporation strengthens financial support for emerging industries and modern services, generating a better understanding of customer needs and integrating global resources. Far East Horizon actively promotes industry interaction and exchanges in various industries, to constantly help customers improve their competitiveness.

Furthermore, the Corporation focuses on training professional and managerial talent, in order to enhance the development and competitiveness of the entire industry, and to promote an optimal industry structure. By doing this, a sound development of the national economy can be expected soon.

Helping Promote the Industrial Economy and the Resurgence of China

2007

In 2007, the Mingliu Club and the Top Alliance were founded.

With the aim of actively facilitating industrial exchanges which would lead to "mutual trust and benefit", in industrial sectors such as healthcare and machinery, the two organizations have established a manufacturer alliance with major domestic and foreign manufacturers to promote China's transformation from a major manufacturer to a major innovator.

2008

Since 2008 we have organized a Far East Shipping high-level Ship Financing Forum.

Top experts and scholars from domestic and foreign shipping and financial sectors were invited to give lectures. Many experts and economic scholars shared macroeconomic trends, the latest industry news, and policies with excellent managers from the infrastructure industry. These summits provided an interaction and exchange platform for complementing the advantages and resource sharing capabilities between partners, thus helping to develop high-end talent in China's shipping and shipbuilding industries.

2009

In 2009, the Far East Healthcare Managers Institute was founded.

The institute is a high-end exchange platform for China's hospital managers. The institute introduces advanced hospital management ideas and philosophies, helping to improve the management of hospitals and enhancing the competitiveness of talent within the industry. This further promotes the development of China's hospitals and medical industry.

2009

In 2009, the Far East Printing Elite Program was launched.

We hold a regular training course that is specially designed for managers of printing enterprises. Training covers the finances, the management, and the technology of the printing industry, and aims to improve the management of printing enterprises. Furthermore we have established a talent exchange platform for enterprises and printing colleges in order to provide enterprises with professional talent.

2010

In 2010, the Far East Educational Alliance was founded.

We have held a number of meetings and forums to actively establish a bridge between alliance members which allows them to take advantage of each other's strengths in order to facilitate the sharing of resources between alliance members and the government, thus providing ideas for continuing to improve education in China.

[Case] Far East Construction Summit Forum

Since 2008, the Far East Horizon Construction Division has held 8 consecutive summit forums within the industry. A number of industry experts have been invited to present and guide the forum. So far, nearly 1,000 quality customers have been invited to communicate with experts. With its unique characteristics of perspective, authority, scholarship, and effectiveness, the Far East Construction Forum assesses vital points for the development of an infrastructure construction industry. By establishing a high quality and a high level platform for infrastructure construction corporations to promote industrial exchanges and cooperation, the forum has received great attention within the industry. The forum has gradually become an influential event at home and abroad, sketching the blueprint for industry iteration during this macroeconomic era of grand strategy.



[Case] Hospital Management and Development Summit Forum on both sides of the Taiwan Straits

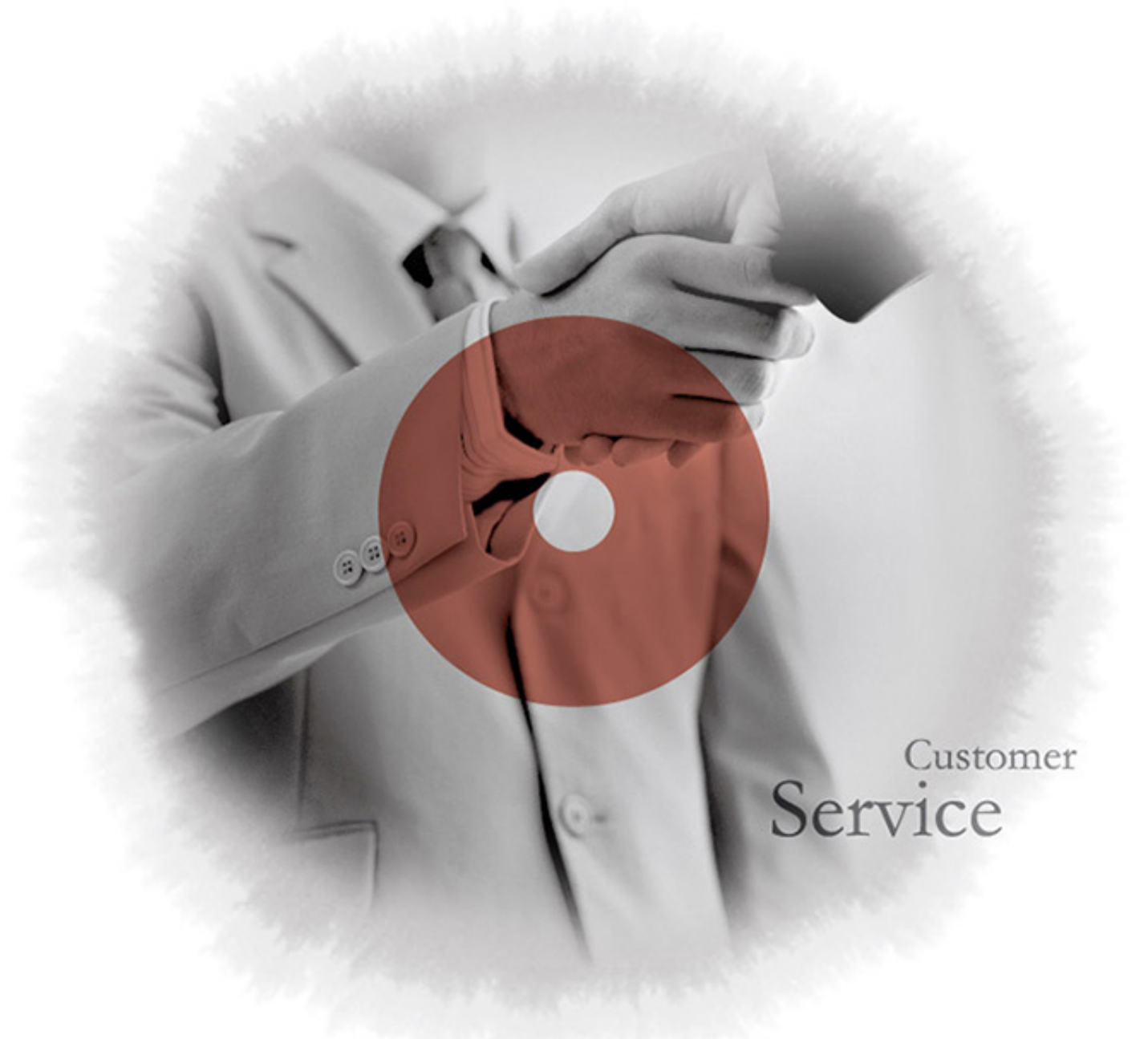


In the process of promoting healthcare upgrades, Far East Health actively responds to national medical reform policies by integrating industry resources, in order to promote exchanges and activities within the industry. As the standing Corporate Director Unit of the Chinese Hospital Association, Far East Healthcare has cooperated with the Shanghai Health and Family Planning Committee and the Liaoning Health and Family Planning Committee, hosting two Hospital Management and Development Summit Forums on both sides of the Taiwan Straits. The forum was for managers of domestic healthcare institutions to spread advanced medical management ideas and to promote the cross-strait exchange of experience.



Pursuit Satisfactory Services and Achieve a Mutually Beneficial Situation

Meeting customer needs and creating more value for customers is the foundation of Far East Horizon in its sustained development. We continue to make innovative breakthroughs while providing a high-quality, diversified, one-stop service, so that customers receive a professional, convenient, and comfortable experience.



Customer
Service

INNOVATIVE SERVICE

Focus on customer needs and create value for customers

It is Far East Horizon's belief that only by focusing on the needs and changes in the market and customers, can it continue to achieve innovative breakthroughs and provide the right services for its customers and the market. Over the years, the Corporation has accumulated a large amount of data on industrial customers. We design products and services, improve customer support and recognition, and ultimately established a diversified business structure. We have become a leader in financial innovation and a world-class service provider of comprehensive operations.

The Corporation provides differentiated services and tailored solutions, greatly improving customer loyalty. For example, as a result of long-term exploration, the Corporation seeks solutions to requirements such as a lack of lease object value for quality customers, a large amount of receivables, and payments of bulk transactions. The Corporation has introduced differentiated and personalized management products to meet financial demands from customers. This has been widely recognized and welcomed by customers during the last two years.

By the end of 2013, Far East Horizon has serviced about 1,000 industrial real economy customers, and its business covers 31 provinces and cities. Currently, the Corporation is devoted to optimizing the overall asset layout. We actively guide financial resources into weak cyclical industry like healthcare, education, construction, electronic information, and cautiously promote strong cyclical industries such as machinery, packaging, transportation and textiles, while actively exploring public transportation, water supply and other new industries.

The Corporation continues to promote its factoring business to meet customers' financing needs, and further advances the service capabilities for industrial customers by establishing service platforms. We will seize the opportunities within the structural readjustment of industry in order to find customers who really represent the development trend, while striving to provide integrated services. We include all these things in our growth momentum, thus achieving leapfrog development during Far East Horizon's second strategic interval.

Far East Horizon Customer Service Value

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

[Case] Infrastructure Construction BU Designed "Account Receivable liquidity" factoring product to meet customer demand

One of Infrastructure Construction BU's top grade corporate customers needed funds to ease its liquidity pressure. The home-construction customer had undertaken a social housing construction project that needed to be underwritten.

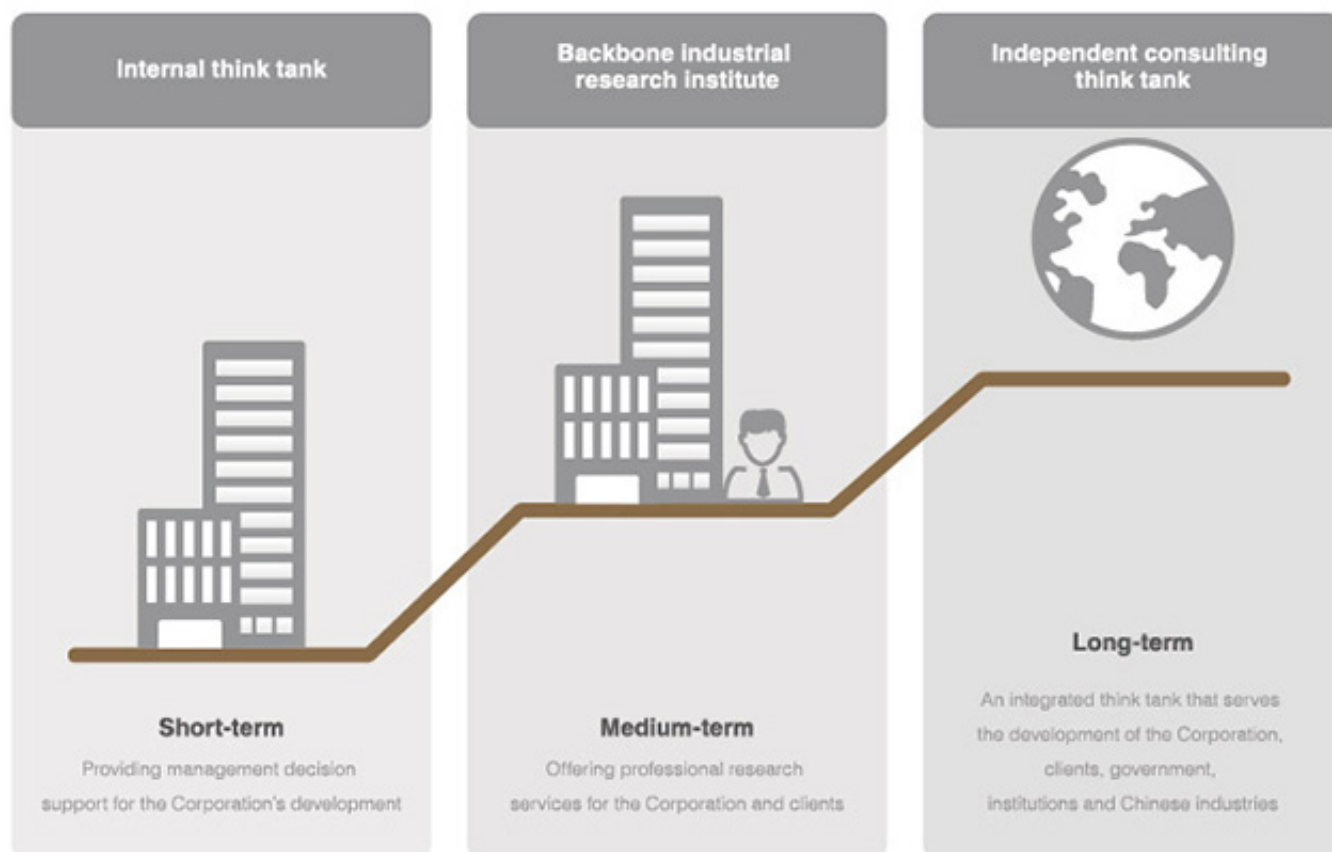
Infrastructure Construction BU designed an "accounts receivable liquidity" factoring product for the Corporation. This factoring product invigorated the customer's account receivable by selling receivables to Far East Horizon.

Far East Horizon Research Institute

Far East Horizon Research Institute is committed to offering excellent decision-making support and research services to Far East Horizon and its extensive client base, while exploring development patterns and theoretical systems for innovative financial services to connect finance and industry. It is dedicated to becoming a research institute that enjoys significant influence among clients, industries and capital markets.

The Institute aims to become a platform that promotes Far East Horizon's corporate culture, business philosophy, and brand value, as well as a medium for displaying Far East Horizon's soft strength by using knowledge innovation, by fully integrating all research resources and strength, and by conducting rigorous, pragmatic, and professional research that covers macroeconomic, financial, and public policies, meso-industrial development, and micro-enterprise operations management.

Far East Horizon Research Institute Development Path



The Far East Horizon Research Institute centralizes the management of significant research work and the research database of the Corporation. It also establishes and continuously optimizes its research model, research system and research method to improve its research level and to promote

the spread of advanced management ideas and the application of research results. The institute routinely shares research results with customers and partners through various channels like our media magazine "Far East".

CREDIBLE SERVICE

Quality Services

Far East Horizon is dedicated to meeting the needs of clients first. We establish an internal management guarantee system, lay down strict service procedures, improve client experiences, ensure the quality standards of financial products and industry service, and offer quality and reliable services for clients. To allow clients to easily communicate their consultations, complaints and suggestions, we created a 400 client service hotline and publish this information on corporate publicity magazines and

on staff name cards so that clients can help to improve our service quality at any time.

By offering innovative and high-quality service standards and by applying strict rules, Far East Horizon has gained recognition and won loyalty from clients. The number of clients and the scope of cooperation has increasingly expanding.

Client Services Goals

Quality service:

we promise to be responsible and responsive, and provide efficient and convenient one-stop services for our clients at any time.

Probity & self-discipline:

we conform to work ethics, refuse giving or asking for bribes, and refuse any activities which disobey the law or rules.

Credibility first:

we honor our promises and treat every client in a honest and cooperative manner.

Communication Promotion

The Corporation created a client relationship management system to realize three functions of daily client maintenance, custom satisfaction surveys, and client service activities. We launched exchange & learning platforms for clients by providing course training, high-level dialogue, and study tours. We also communicate to the public new industry developments and company management concepts through the start of Far East Magazine, which lets us be heard by our clients on a regular basis and creates a bridge to communicate with our clients.



Client Relationship Management System

Daily Client Maintenance: to provide clients with information including industry updates, government policies at different levels, and market activities by sending the publications of Far East and using a Wechat platform to effectively shorten the distance between the Corporation and the client.

Customer Satisfaction Survey: to gain an understanding of client updates, add client information, collect feedback and investigate internal demands by paying clients return visits using the phone, questionnaires on market activity participation, and cross-visits to clients who make deals with us on a regular basis.

Client Service Activity: to actively establish an industry communication platform, create industry clubs, and help clients' career and spiritual self-growth through the Industry Elite Classic Course and charity events, in order to improve client loyalty and communicate Far East's voice and shape its unique appeal.

[Case] Client Service Activity of the System Construction Department of Far East Horizon

By incorporating client service resources, the Department has taken the lead in the Corporation to establish a client relationship management system and to conduct colorful client service activities. The client satisfaction survey covers more than 80% of the clients had made deals with us and 30% of clients who keep in contact with us.



Far East Horizon Industry Elite Classic Course creates a regular-study and interactive club platform to achieve industry win-win and growth.



Headed by the Department, the Charity Activity "Advance Life's Journey through Assistance and Schooling". It warms poor families, imparts knowledge to poor students and gives hope to stay-at-home children.

Client Information Protection

Far East Horizon constantly improves its information management system, stipulates and strictly carries out the Confidential Information Management Regulations. With integrated management from the Departments of operations center, Human Resources, Audit, and the General Managers Office, the responsibility and punishment for the divulgement, and the knowledge scope and clearance of confidential information by the staff is clarified.

We make sure that staff sign the Post Confidentiality Undertaking, and that department managers sign the Secret-keeping Responsibility Undertaking. This strengthens staff awareness of keeping information confidential to ensure the safety of client information. The confidentiality information we keep includes client lists, operations, contacts, key people, the internal decision-making system, important events and their countermeasures, and confidential letters with clients and partners; all of whose divulgement can damage both the Corporation and our clients.

QUALITY ENGINEERING

Medical Projects

The Far East Healthcare BU introduces advanced technologies and ideas, selects and manages its suppliers, purchases quality equipment, studies and introduces new materials, devices, and conducts its projects in a professional, systemic, and IT-based manner, in order to ensure its leading edge in the industry.

The Corporation executes ISO9001 Quality Management Standards and Procedures, follows the Six Sigma Management Idea, and manages its projects at 3 levels so as to ensure comprehensive, real-time, and systemic supervision and examination. The Corporation introduced the RPCIM project delivery method, takes quality management seriously, and makes sure clients receive quality products and services.

[Case] China's Leading Operation Room Air Purification Solution

Shanghai Domin Medical Engineering Equipment Co., Ltd, a subsidiary of Far East Horizon, is committed to becoming the most influential trend-setter in the industry by providing purification focused holistic solutions and all-around one-stop services. With a set of strict internal management guidelines and security system, the Corporation was named one of Shanghai's high-tech enterprises, passed the ISO9001 quality system certification, and received an "AAA" credit rating. The number of surgery room air purification projects completed is 21.



Construction Projects

Far East Horizon provides comprehensive product lines, has timely responses, builds capable teams, and guarantees service quality. The Corporation aims at providing its clients with safe, quality, efficient, and effective services by producing quality, one-stop, professional and time-efficient leasing equipment.

During construction, the Corporation strictly follows requirements from tenderers as well as technical specifications and standards. During project construction, ISO9000 Quality Management Standard and Procedures are followed.

Construction is professional, systemic, and IT-based. The Corporation insists on technical and management innovations, and advocates new ideas, new knowledge, new methods and new skills. Possible problems are analyzed and predicted. Suggestions are made to customers and designers. Projects are dynamically managed through the network, so that key deadlines are properly handled.

[Case] Horizon Equipment Provides Service for the New World Garden Project

Shanghai Hong Kong New World Garden Project uses an automatic compensation system to ensure the safe operation of subway terminal adjacent stations, as well as the displacement and deformation of excavation. The system is configured using an automatic digital electronic control program to automatically adjust the axial forces and stresses under various construction conditions. The highly regarded system also has a data monitoring system, which provides 24 hour monitoring of axial forces.





Respect Employee Values and Growth

Employees are the key to success for a company. Far East Horizon cares about the voices of its employees. The Corporation provides a diversified, tolerant, open, equal, and active working environment, and opportunities for career development. In such an environment, employees respect and trust each other. They work together and share successes.



Employee
Development

EMPLOYEE RIGHTS

Protecting Employee Rights

Far East Horizon respects employment laws and regulations. The Corporation encourages equal opportunities. Working hours are reasonably arranged. Employees enjoy their right to holidays and vacations. All employees are covered with the five basic insurance requirements and housing funds.

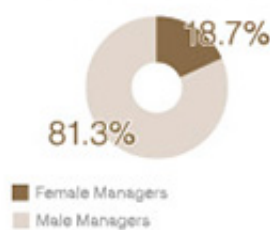
The Corporation adopts diversification policies. Employees are not discriminated against because of their gender, age, background, ethnicity, race or religion. All employees are under the same career growth mechanism. The salary and benefit system is consistent across different offices in the country. Male and female employees in the same post enjoy the same salaries. Starting salaries are significantly higher than the local minimum wage.

To further safeguard the legitimate rights and interests of our employees and company, and to build a harmonious and stable labor relationship, we have signed contracts with the labor union including a "Collective Contract of International Far Eastern Leasing" and a "Special Contract of International Far Eastern Leasing for the Protection of Female Employees' Special Interests (Draft)". Meanwhile, to protect female employee rights and interests, we have also signed a "Special Contract for the Protection of Female Employees' Special Rights and Interests". The Union has a Female Employee Committee. Part-time Union Committee members are heads of the Female Employee Committee. A special health examination is provided to female employees annually. Health care classes are also provided for female employees.

Gender Ratio in 2013



Gender Ratio at the Management Level in 2013



By the end of 2013, the number of employees totaled 3,250. 100% of employees have labor contracts with the Corporation. No violations occurred with regard to discontinuation of any labor contracts. All employees are protected under collective consultation.

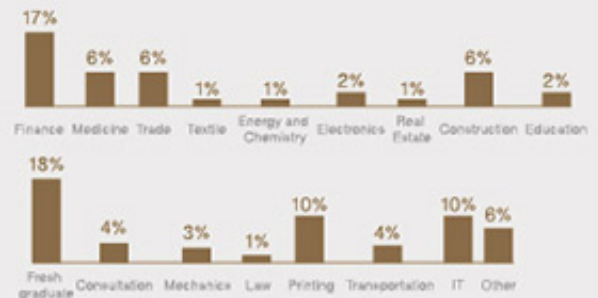
Total employees in 2011-2013



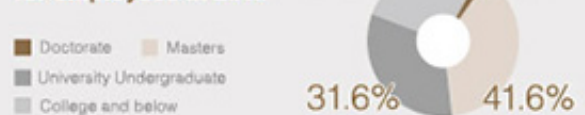
Talent structure

In recent years, as the industrialization strategy continues to deepen, the Corporation draws talent from industries. Its talent pool is enriched by financial professionals to complex talented individuals with both financial and industrial knowledge. The Corporation provides unified HR management policies and career development support to employees from across the country. As a result, talent development is fair.

Employee background



Education background for employees in 2013



Democratic Participation of Employees

Far East Horizon actively promotes democratic decision-making, democratic supervision, improving the democratic management system, and encourages employees to participate in company management, to activate their sense of ownership. According to the "Workers Congress System", the labor union holds a Workers' Congress at least once a year to consider rules and regulations, and employee-related matters. We also guarantee the lawful rights and interests of our employees by establishing complaint and reporting channels such as a staff suggestion box, a report mailbox, and a rationalization proposal platform.

The Corporation has carried out various activities to improve its management, such as establishing a real-time platform for OA rationalization proposals. We have also formed a working group to enhance cooperation and coordination among departments and to ensure that rationalization suggestions are solved in time. The Corporation regards problem-solving performance as an important measure for the department performance appraisal system.

Practical Effect of the Rationalization Proposals System

Problem Property	Quantity	Resolved	Resolution rates
Single point problem	1281	1037	80.95%
Systemic problem	521	303	58.16%
Total	1802	1340	74.4%

Note: The above statistics are cumulative up to December 31, 2013

EMPLOYEE DEVELOPMENT

Career Development

Far East Horizon provides each employee great opportunities to develop themselves, and creates conditions for their self-improvement through a new talent cultivation mechanism which meet the Corporation's business development needs. Starting from the needs of corporate development, we encourage employees to give full play to their strengths and interests, thus helping to maximize their personal value.

We seek to provide a favorable environment for the growth of both technical talent and managerial talent, by fully implementing a "dual (position promotion and title promotion) career development system. The position promotion channel is composed of two parts: a professional development channel and an administrative promotion channel. The Corporation facilitates effective communication on career development between employees and their supervisor, and develops a detailed career development plan for employees.

Career Development Channels with Far East Horizon's Characteristics



Talent development concept of Far East Horizon: Span the stage and region of talent development

- Growth in life lies in continuous learning and breaking through regional barriers of knowledge absorption, to span the stage of accumulating experience.
- Only those who are constantly spanning the stage and area of talent development are in line with the development of Far East.

Employee Training

Building a complete and comprehensive development system is an important way to enhance the competitive capabilities of the Corporation. Far East Horizon provides a powerful development support system for employees to help them to increase their abilities and realize their highest occupational value. Aiming to provide a life-time learning environment, the Far East College, Far East E-learning platform and training information management system were created as a learning organization capable of self-review, self-motivation and self-improvement.

The training system focuses on the development of leaders' management ability, cultivation of employees' general knowledge and skills, and new employee orientation training. Integrating the whole training capacity of the Corporation, we have developed a preferred talented personnel training system managed by the Corporation, and implemented by each division, to steadily promote the Corporation's value-added intellectual resources.



**The Sword Casting Action:
A classical item for new employee training**

“Sword Searching” of the Sword Casting Action

- Lasts for three months, visit a dozen cities and more than a hundred colleges;
- Campus events, online delivery, LGD evaluation, behavioral interview and psychological assessment.
- Not only a job hunting competition, but also occupational assistance and a life experience.
- Not only a talent selection process, but also a meeting of minds and the establishment of an ideal.

“Sword Casting” of the Sword Casting Action

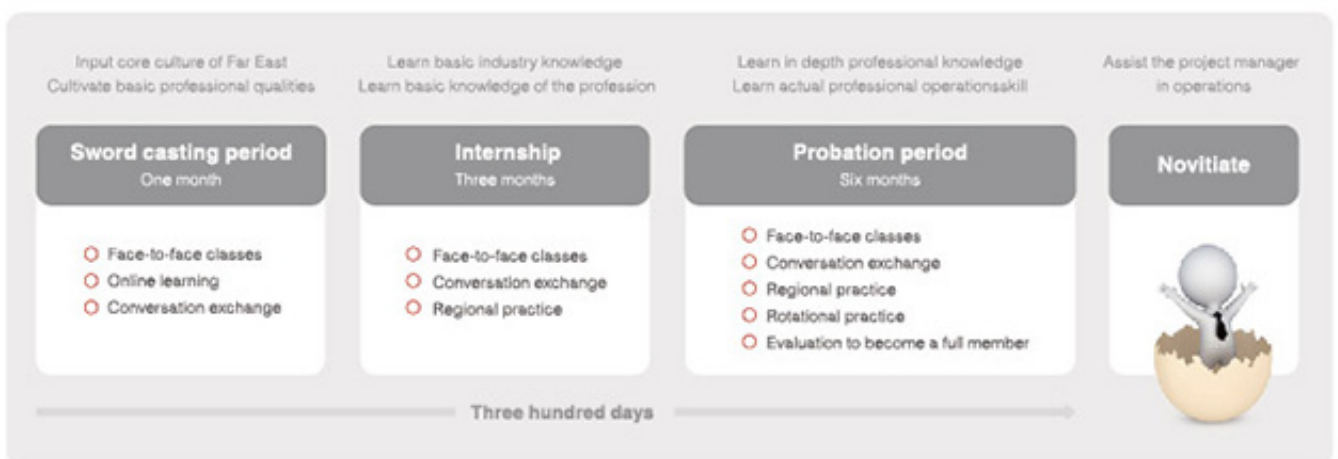
- Learn corporate culture, financial leasing, development strategy, and rules and regulations,
- Developing team spirit, expanding training, tutoring instructions and actual maneuvers;
- While also continually enhancing Corporate Value, we strive to provide a stage for self-challenge, self-improvement and self-transcendence for each person with lofty ideals and vision.



The Sword Casting Action

The growth path from newcomer to project manager

- Standard growth stage
- Standard cultivation content
- Standard cultivation methods
- Unified examination and evaluation



EMPLOYEE CARE

“Far East Horizon ‘Health Station’”: the EAP Program

Far East Horizon is committed to creating a pleasant working environment. We cares about the physical and mental health of its employees and helps them balance their work and personal life. It aims to improve their happiness index.

To achieve this in a comprehensive manner, Far East Horizon has, in cooperation with professional health institutions, introduced the concept of an international Employee Assistance Program (EAP) and established the

“H-EAP”, a comprehensive Employee Health and Care system with its own characteristics. Through the tailor-made “One Heart Health Fund”, regular medical examinations, physiological and psychological courses on parenting and health for female employees, the program builds a multi-layered and interactive employee care and health platform, capable of identifying and tracking employees’ health risks, relieving their stresses in work and life, and meeting their physical and psychological health needs.



Hot weather care activities



Eye-care education



Beauty and healthcare course



Women's health courses



Tai Chi courses



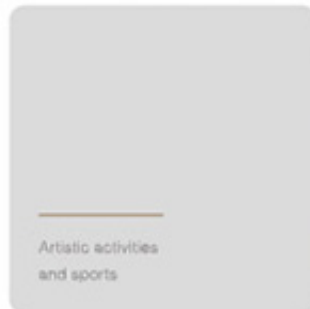
Parenting and childcare courses

Balance between Work and Personal Life

We advise our employees to balance work and life, and we ensure in our work mechanism that they can enjoy reasonable time for rest and vacation. Besides statutory annual leave, we offer our employees an additional health leave of at least five days per year. On festivals and holidays, we often organize various activities for our employees, and upon occasions such as birthdays, housewarmings, weddings, births, we will give employees the Corporation's sincere blessings.

We encourage our employees to actively take part in sports activities. The labor union founded seven sports associations respectively for basketball, swimming, badminton, table tennis, football, photography, and run-reading. Membership at these associations has exceeded 600 people and covers all departments of the Corporation. The Corporation's labor union supports employees in organizing seasonal “annual fitness” activities, over 20 internal and external sports association activities, and more than 300 daily fitness activities every year.

Artistic activities and sports



Artistic activities and sports



Employee Assistance

With the principle and purpose of "supporting those in need and caring for each other", Far East Horizon has created the "Love Fund", a Support and Care platform for financially struggling employees. The Love Fund currently has two projects, namely, the "Milk Bottle" project and the "Support Beloved Ones" project. These projects provide special care for all family members of employees and recently graduated new employees. The Support

Beloved Ones project provides emergency financial aid, additional help apart from the Corporation's stated policies, for employees whose spouses and children are suffering from sudden major calamities. The Milk Bottle project provides an interest-free loan for just-graduated new employees when they are short of funds. In 2013, the Love Fund covered over 50 people with funding up to 500 thousand yuan.

Financial Assistance Fund from 2011 to 2013

	Funding Model	Y2011	Y2012	Y2013
Milk Bottle Project (1,000 Yuan)	Interest-free loan	560	880	224
Support Beloved Ones project (1,000 Yuan)	Assistance fund	50	82	248
Total	—	610	962	472

[Case] Value Life and Care for Family of Deceased Employee

During the 2014 Spring Festival, a junior staff of our company was killed in a car accident on his way home. Upon hearing this unfortunate tragedy, the leaders of our company and the head of the Business Department rushed to the site of the accident and expressed our condolences and grief to the bereaved family members. Additionally, the Business Department was joined by the Human Resources Department, CEO office and the labor union

in an endeavor to setup a special working group, with the purpose of helping the bereaved family deal with liability issues and insurance claims. The working group also dedicated a memorial web page and a safety tip forum to the deceased employee, reminding our employees to stay safe and value life in mourning his death.

▷ The Love Fund



CONSTRUCTION OF CORPORATE CULTURE

Far East Horizon introduces and promotes its corporate culture of unity, pioneering, and the pursuit for excellence through various staff activities.

The Far East Horizon newspaper publicizes the Corporation's core philosophies and strategies, and reports on major events and employee thoughts and opinions. The "We Are a Family" football competitions and other activities facilitate communications between staff from

different operations. The Corporation also designates a correspondent in each department to publish the latest news about the Corporation and departments to ensure that all staff is informed about what is happening around them.



Expert Lecture on the 18th
To re-study the Party's history

[Case] Employee Ideological Education

The Communist Party Branch of Far East Horizon has organized lectures and seminars on the Corporation's strategies to unify its staff and strengthen their confidence in entrepreneurship. It has launched educational events on specific themes like studying the Communist Party's history, the spirits of the Third Plenary Session of the 18th Central Committee of the Chinese Communist Party, "An Elegiac to the Year 1644", "Four Improvements and Four Developments", "Anti-Four Practices and Introduce New Spirit", and other Party philosophies.

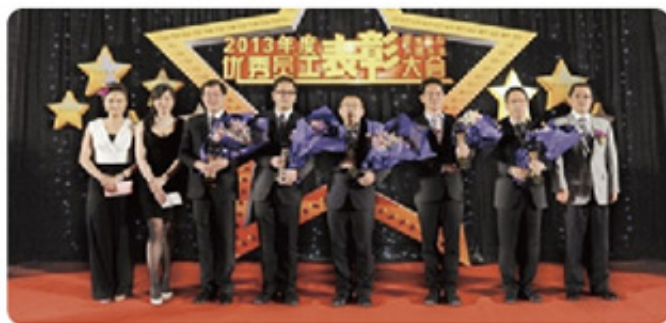


[Case] To Increase Cohesion

Every July is the time to "Let Your Life Bloom and Pursue Your Dreams – the Third Anniversary of Joining Far East Horizon", an event where the Corporation will host an awards ceremony for employees who have just completed their third year of working at the Corporation. Employees' parents are also invited to be part of this special occasion. The Corporation will collect anecdotes and shining moments about employees through interviews and makes these into a documentary to record and promote corporate culture and to increase the employees' sense of belonging.



Let Your Life Bloom and Pursue Your Dreams: the Third Anniversary of Joining Far East Horizon



2013 Award Ceremony for Outstanding Staff

[Case] Activities to Honor and Commend Outstanding Employees

To underline the Corporation's pursuit of excellence, and to create role models for enterprise and hard work, in order to motivate our employees and to improve the Corporation's morale at the Corporation level, we organize an Annual Award Event for Outstanding Employees, a "Star of the Month" contest, a "Lunch with the Corporation leadership for Excellent Employees", and Selection Campaigns for Great Employees to receive "External and Internal Honors". At the level of the Business Department and its subordinate platforms, we organize various activities to encourage virtuous competition between employees, and quarterly and annual selection activities for outstanding employees.

[Case] Reading Makes a Full Man: Care for Staff at Different Locations

To convey the idea of "helping employees feel that their cultural needs are noticed no matter where they are" into reality, Far East Horizon has drawn on collective wisdom and worked out a series of policies to convey the idea and its care for its staff to offices across China.

Against this background, the Corporation specifically launched a "Field Offices Library Project" which was immediately carried out, in response to the needs of employees at field offices. Books, expressing the warmth and care of Headquarters, were delivered quickly to all field offices and were widely acclaimed by the employees of the field offices. At the same time, the employees of the field offices enthusiastically donated books to libraries to make their contributions to the "Field Offices Library Project".



Employees at the Beijing Office whom just received new books



Boost the Green Economy, and Practice Safety and Environmental Protection

We regard environmental and security operations as an integral part of the Corporation's sustainable development. The Corporation constantly improves occupational health and safety management, while working to reduce the impact of operations on the environment. The Corporation also actively explores the practice of green finance, invests environment-friendly industries, turns environmental risks into opportunities, and promotes both its businesses and a green economy.



Healthy
Environment

GREEN FINANCE

Green Finance Policies

Far East Horizon, as a financial leasing company, cares about the impact of financial services on the environment and society. It takes into account a full range of risks and adheres to a principle which keeps business profits from contradicting social benefits.

Green Financing Services

During 2013, Far East Horizon had 52 running programs in the fields of urban public transportation and urban sewage treatment. The total contract amount is 2.127 billion Yuan. Currently, the Corporation has also entered a number of new areas such as urban heating in the northern part of the country and waste heat utilization.

Far East Horizon Responsibility Principles

Risk-related aspects	Responsibility Principle
1.Operations	Mental and physical health is a priority in the office environment
2.Business expansion	Environmental and social risks are considered in financial businesses
	With regards to industrial investment, it is important to check industries and companies closely
	With regards to industrial operations, it is important to adhere to environmental principles and to use environmental friendly facilities
3.Cooperation with partners	When cooperating with partners, the Corporation needs to exert a positive influence and contribute to society

[Case] Support the Upgrading of Urban Buses

In response to central and provincial government policies on new energy vehicles, Far East Horizon provided funding to bus operators by means of urban public transport projects to help update vehicles, improve vehicle emission standards, and promote energy conservation.

Currently, with Far East Horizon's financial support, more than 30 cities, including Nanjing, Fuzhou, Guangzhou, Zhongshan, Baoding, Yangzhou, Putian, Changde, and Nantong, have updated over a thousand vehicles to new energy methods such as LNG, LPG, CNG, and hybrids. Total investment has reached 680 million Yuan. More than ten bus companies became our partners, including Xiamen Jinlong, Suzhou Jinlong, Youth Coach, Beiqi Foton, Zhongtong Bus, Shenlong buses, Hengtong Bus, Dongfeng, Shanxi Auto, Yellow Bus, and Ankai.

In order to better serve urban public transportation, in 2013, Far East Horizon and the Asian Development Bank launched a new energy vehicle loan project worth approximately 650 million Yuan.



[Case] Participating in municipal sewage treatment

The urban sewage treatment project provides funds for city sewage treatment enterprises and drainage enterprises. The project helps enterprises improve their urban sewer system, enhance sewage treatment capacity, and raises standards, so that sewage treatment companies are specialized and standardized. Thus the urban living environment improves.

Currently, the Corporation provides 780 million yuan in funds to more than 20 cities such as Changsha, Suzhou, Changzhou, Yangzhou, Taixing, Baoding, Wuxi, Zhuzhou, and Pingdingshan, to help these cities complete water treatment upgrade projects. The projects help enterprises with standardized management and energy conservation. They promote the development of urban drainage utilities and contribute to city development.

[Case] A Waste Heat Utilization Project in Inner Mongolia

In May 2014, Far East Horizon and a company providing EPC program energy conservation services to a major coal chemical company signed a financing agreement.

The project retrieves heat generated during production and produces 20 tons of saturated steam heat; the steam will be re-used by energy companies. 40,000 tons of steam is produced annually, providing 20 million Yuan worth of direct economic benefits. The technology greatly reduces production costs.

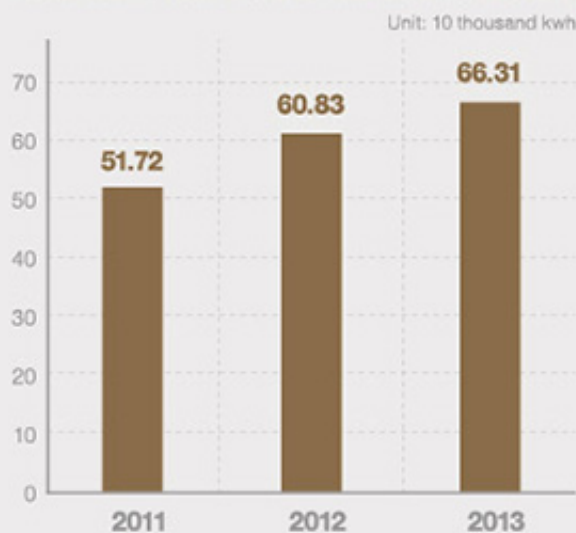
This project is a model project for leading enterprises in the local economy. The smooth operation of the project improves the comprehensive utilization rate of energy production enterprises and increases enterprise income. The project also creates an excellent example for local energy conservation and the construction of a circular economic park.

GREEN OPERATIONS

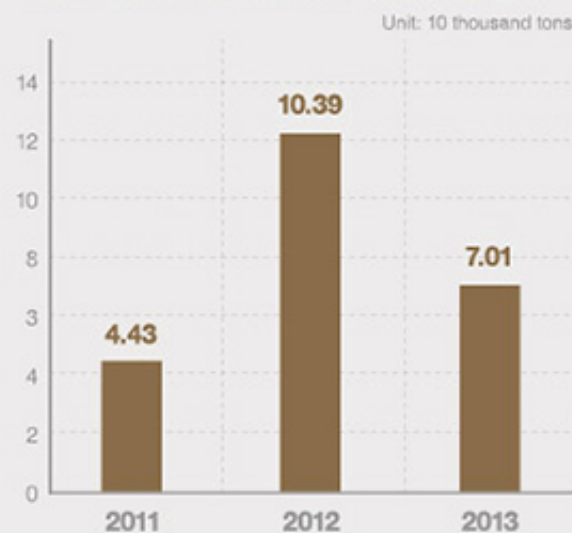
Green Office

As a financial services-oriented enterprise, business travel has a great impact on the environment. During recent years, the Corporation regularly recorded its water and electricity consumption, and conducted environmental education sessions with its employees. The Corporation encourages video teleconferences to diminish the environmental impact caused by business travel.

Total office electricity consumption in 2011 -2013



Total office water consumption in 2011 -2013



Green Procurement

The Corporation advocates having a green office and environmentally friendly facilities during operations. In order to standardize management, it mandates procedures such as a "Procurement Management System" and "Supplier Management System" for equipment, utilities, office, and equipment suppliers as well as cleaning, security, and maintenance service providers.

For industrial services, the Corporation selects renowned equipment suppliers to reduce the social and environmental risks of the supply chain. During the building of new offices, the Corporation pays special attention to environmental friendliness and architecture design safety and material procurement.

Green Industry

Currently, the Corporation is increasing direct investment in the real economy. During this process, the Corporation is paying particular attention to environmental and social factors. Special attention is given to the screening of high pollution and high hazardous industries and enterprises. The Corporation chooses to invest in healthcare, public utilities, traditional industrial equipment, upgrading sectors in the textile industry, and emerging environmental industries.

Since 2011, as the Corporation increased investment in the real economy, it also established its own environmental health and safety management system to monitor and manage environmental, health and safety risks during operations. This meets the growing needs of society and the Corporation benefits from social development.

In the future, we will continue to accumulate experience and embrace advanced international concepts. The Corporation analyzes the risks and values of industrial investment from multiple angles, including environmental and climate change, health and safety, business integrity, employees and communities. This way, we establish responsible investment principles which match our industrial investment strategies.

HEALTH AND SAFETY

As the Corporation promotes its industrialization strategies, project construction, operational leasing and other industrial operations are added to its business portfolios besides its original financial business. As a result, employee occupational health and safety is facing greater risks.

The Corporation fully recognizes the importance of safe operation. In 2011, we began to build and run the Environmental Health and Safety (HSE) Management System, and stipulated nearly 20 regulatory documents including the HSE Management Manual, so as to ensure HSE management be regular, standardized and systemic. Persons in charge of key departments have signed Letters of Responsibility for Health, Safety, Environmental Protection and Energy Conservation. HSE assessment indicators are taken into account in the annual performance contract for departments. The Corporation raises safety management awareness for persons in charge.

The Corporation develops self-examination safety standards. It performs a daily safety check and safety hazard rectification. Reporting hazardous events are encouraged. The goal is to prevent any type of accident from occurring. The Corporation currently runs safety training, emergency drills, safety knowledge competitions, and other sessions to create a safety-prioritized corporate culture.

HSE management requirement by Far East Horizon:

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

Safety and health management work in 2013

- **HSE hazard management** focuses on the "Three Violations" principle. 144 HSE problems and hazards were discovered, 131 (91%) were rectified.
- **Improve awareness and abilities of HSE staff.** In 2013, 53 HSE training and drills were organized. 1,721 person-times participated.
- **Safety emergency management was strengthened.** 12 emergency drills and safety knowledge competitions were organized. Over 280 persons participated. The Corporation annually conducts 2 major safety inspection activities at its Shanghai headquarters and offices around the country. The Corporation collaborated with property management companies in fire control and disaster relief drills.
- **Ensure the "4 Zeroes" principle.** In 2013, zero major injuries and deaths, zero HSE accidents with a total loss of value over 500,000 Yuan, zero environmental incidents above the IV level, and zero occupational diseases occurred.
- **Health Exams.** The Corporation provides to all employees free of charge a comprehensive health inspection every year, and provides family members its staff health inspection services at a discount rate. The Union provides Hepatitis B vaccines free of charge to all employees.
- **Handle climate and work environment challenges, and protect employee health.** During high temperature and hot days, the Corporation management helps employees. For heavy atmospheric haze days, the Corporation has established a 300,000 yuan foundation for anti-haze training and masks.



Safety training
Fire escape drill at the Deming project



Promote Social Harmony by contributing to the community

Far East Horizon actively participates in social welfare undertakings. Aiming at "promoting community health, stability, harmony and sustainability", the Corporation has launched public welfare programs in education, poverty alleviation, and disaster relief. The Corporation encourages its employees and partners to participate in social welfare activities, and express their volunteer spirit with dedication, friendship and mutual help.

A large, stylized graphic of an open book with its pages curled upwards to form a heart shape. The pages are white with faint, illegible text. A red, stylized heart shape is overlaid on the center of the book's pages. The entire graphic is set against a soft, circular, light gray background that fades into the white background of the page.

Social
Commonweal

FAR EAST HORIZON CHARITY FUND

Establishment of the Horizon Charity Foundation

In 2006, Far East Horizon launched the University Scholarship Plan from China Printing Industry Union, which makes donations to poor students via an NGO, the China Council of Lions Clubs. In 2011, the Far East Horizon Charity Fund was established. Three years since its establishment, the fund, which has an aim of "promoting social health, stability, harmony and sustainability", has launched 26 public welfare activities in scholarships, grants, and poverty alleviation. Total charity donation amounts to 11.8204 million Yuan and accumulated social welfare expenses have reached 5.1387 million Yuan.

In 2014, Far East Horizon launched a non-public charity foundation, the Beijing Horizon Charity Foundation. Its operational scope includes disaster relief, poverty alleviation, and scholarship. The Beijing Horizon Charity Foundation Council is the Foundation's management organ, and the secretariat is the operational organ. The Foundation also includes a supervision team, a project execution team, a regulatory team, and a capital team. This ensures open and transparent operation of the Foundation from both a systematic and a financial aspect.

Systemic Management of the Foundation

The foundation has stipulated its charters and regulations, including the Charity Foundation Staff Manual and Financial Reimbursement Management Regulations. These help to strengthen staff management and improve the organization. In order to better manage volunteers, the secretariat stipulated "Volunteer Management Methods", which defines the rights and obligations of volunteers.

Capital Management of the Foundation

As a financial corporation, Far East Horizon makes full advantage of its professional specialties. On a low-risk basis, capital of the foundation is invested for value appreciation. Investment returns can cover the basic daily management expenses of the foundation.

81 new donations in 2013,
with a total of **2.3064** million Yuan

2 million yuan from Far East

49,900 Yuan from private donors (**78** donations)

256,470 Yuan from clients and partners

Foundation Capital Management and Returns

Date	Investment project	Investment principal	After-tax returns	Note
June 2013	BOC Jizhitong	3 million Yuan	11,200 Yuan	35 days
July 2013	BOC Jizhitong	4.4 million Yuan	19,000 Yuan	35 days
July 2013	Foreign Trade Trust Huijin No. 2	3 million Yuan	105,000 Yuan	6 months
September 2013	BOC Jizhitong	3.2 million Yuan	39,500 Yuan	3 months
Total		13.60 million Yuan	174,700 Yuan	

Programs launched by Far East Horizon Charity Fund in 2013

Education

In 2013, Far East Horizon Charity Fund donated 2,260,400 Yuan.

- Far East Horizon Scholarship totaled 2,210,000 Yuan
- Far East Horizon Grants totaled 50,400 Yuan

Poverty Alleviation

In 2013, Far East Horizon Charity Fund donated 1,128,200 Yuan in poverty alleviation.

- 342,500 Yuan was donated to the poverty alleviation program in Yushu, Qinghai province
- 325,700 Yuan was donated to the poverty alleviation program in Henan
- 20 computers were donated to Daying Primary School, Yongcheng city, Henan province.
- 400,000 Yuan was donated to an eye-sight recovery program at Kashi, Xinjiang Province.
- 60,000 Yuan was donated to building primary schools at Huining County, Gansu province.

Management expenses

In 2013, management expenses at Far East Horizon Charity Fund were 323,000 Yuan.

- Staff salaries were 248,500 Yuan.
- propaganda materials cost 74,500 Yuan

Number of people benefiting from programs between 2011-2013

2011	1,600
2012	3,851
2013	1,600
Total	7,061

COMMONWEAL ACTIVITIES

The Far East Horizon Charity Fund believes that "pooling small amounts of charity money will extend big love", and has created charity funds for the fields of education, poverty alleviation, and disaster relief. Together with many of China's leading universities, we have also created scholarship and student grant projects to help college students achieve all-round development.

Education Programs

Education program at Longchuan in collaboration with Remote Straw

Since 2011, the Far East Horizon Charity Fund has collaborated with Remote Straw, a non-government organization, in teaching and book donation activities in the Yunnan and Gansu provinces. The program aims to help left-behind students in solving study problems, psychological issues, and daily difficulties; it also helps to enrich local teaching resources. So far, the program has provided help to over 1,000 students.

Specific activities include daily assistance, study tutorship, character education, psychological consultation, and future planning assistance. Using innovative methods, the program creates textbooks and teaching plans to encourage students' reading interests. The program emphasizes both knowledge education and moral education. By visiting the families of poor students, volunteers provide one-on-one help in solving study problems, psychological issues, and daily difficulties. The program promotes the students' healthy development and contributes to the cause of rural education.



Remote Straw Program in 2012

Far East Horizon Education Grants and Scholarships

The Far East Education Grants program started in 2006. By integrating resources from leading printing enterprises, the Corporation provides educational grants to poor students. On one hand, this helps to ease the economic and mental pressures of students; on the other hand, by establishing a collaboration platform between schools and leading enterprises, we familiarize students with the job market and provides talent for our client enterprises.

The Far East Horizon Scholarship Program was started in 2011. The program selects the best students from a pool of straight-A students. After three years of effort, the scholarship has increased its coverage, accuracy and influence. It now covers undergraduate and postgraduate students in economic and management schools at comprehensive educational institutes and at specialized financial colleges. 410 students have been benefited from a total funding of 3.31 million Yuan.



Scholarship Award Ceremony of Fudan University



Student Grant Recipient of Wuhan University



Charity Cocktail Party by the Far East University Grants Union

Poverty Alleviation Program

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

The poverty alleviation program in Chengguan County, Yongcheng City, Henan province was began in 2013. The program provides daily necessities to disadvantaged groups in order to improve their living conditions. The program collaborates with the local Civil Affairs Bureau, to target people with the most need. The program then provides standardized food subsidies and personalized assistance to them.

Besides providing grain and oil to disadvantaged families, the program also holds face-to-face meetings with people in need; the Vice President and the Secretary General of the Foundation attend these meetings to understand their actual needs. Basic medical treatment is provided to people with illness and disabilities. In 2013, 325,700 Yuan was invested in the program and 220 people benefited.



Poverty Alleviation Program in Yushu, Qinghai Province

Poverty Alleviation Program in Yushu was started in 2011. Collaborating with the Xinhua Charity Fund, the Corporation provides free milk and eggs for more than 1,000 students in Qinghai every year so that the students can enjoy a balanced nutritional intake. During the past three years, a total of 399,309 Yuan was provided to benefit 2,961 students.

Volunteer service

In 2013, Far East Horizontal established a volunteer team. As the team expanded, our clients and partners also joined. This non-business group allowed us to contribute our love and care in social welfare. In 2014, the Beijing Horizon Charity Foundation was established, and Regulation on Volunteer Management was stipulated.

Program	Number of volunteers	Hours per person	Total hours
Environmental Contribution	14	8	112
Student Career Plan Coaching of Fudan University	15	2	30
Student Career Plan Coaching of Shanghai University of Finance and Economics	20	1	20
Children's Drama Education and Interest Cultivation	11	2	22
Volunteer training	25	2	50
Total	85	2.75	234

KEY PERFORMANCE INDICATORS OF 2013 SOCIAL RESPONSIBILITY

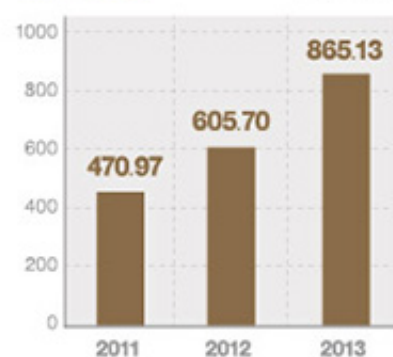
Economic performance indicators

Indicator	Unit	2011	2012	2013
Main business revenues	100 million Yuan	47.16	64.86	79.08
Total profits	100 million Yuan	11.09	15.17	19.16
Total taxes paid	100 million Yuan	5.20	9.80	14.00
Total assets	100 million Yuan	470.97	605.70	865.13
Government subsidies	10 thousand Yuan	502.73	6,293.70	7,763.60
Employee salaries and benefits	10 thousand Yuan	49,308.06	78,453.20	133,154.80
Employee training expenses	10 thousand Yuan	156.15	323.60	502.90
Donations by Far East Horizon	10 thousand Yuan	16.01	337.30	346.45

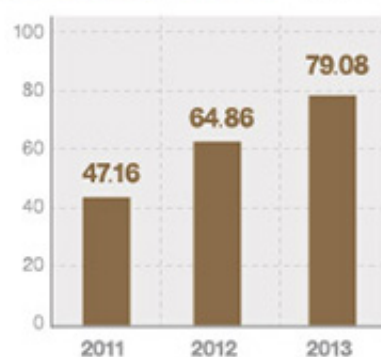
○ In 2013, Far East Horizon was among the Top 100 tax contributors in Shanghai for the 3rd consecutive year.

○ In 2013, Far East Horizon ranked as the 27th tax contributor in Shanghai's tertiary industry.

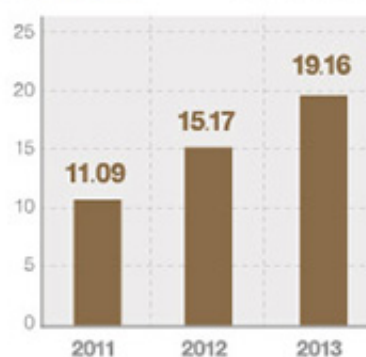
Total assets (100 million Yuan)



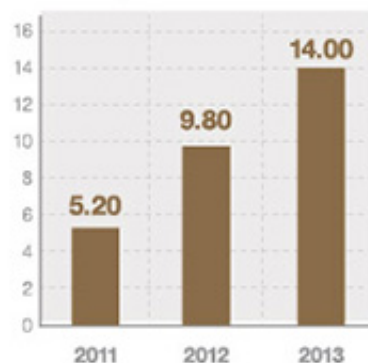
Main business revenues (100 million Yuan)



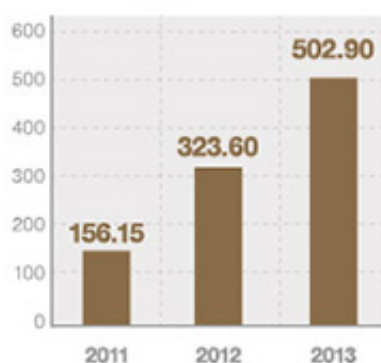
Total profits (100 million Yuan)



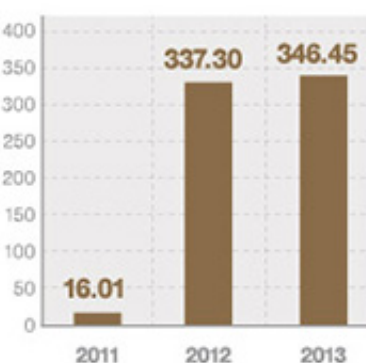
Total taxes paid (100 million Yuan)



Staff training expenses (10 thousand Yuan)



Donations (10 thousand Yuan)



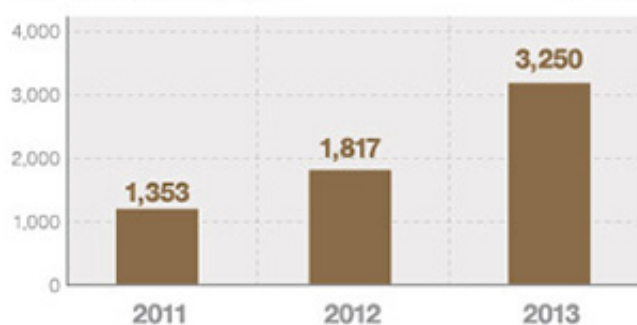
Labor practices and fair work

Employees hired

Indicator	Unit	2011	2012	2013
Total number of employees	Persons	1,353	1,817	3,250
Total number of new employees	Persons	497	671	1,761
Total number of former employees	Persons	156	207	328
Number of employees at the management level (male/female)	%	82.54/17.46	79.50/20.50	81.32/18.68
Grouped by age				
- Over 50	Persons	1	11	54
- 30-50	Persons	627	659	1,195
- Under 30	Persons	725	1,147	2,001
Grouped by educational background				
- Doctorate	Persons	5	9	11
- Masters	Persons	709	990	999
- University Undergraduate	Persons	560	652	759
- College and below	Persons	79	166	1,431
Grouped by location				
- Shanghai	Persons	922	1,142	1,278
- Shenzhen	Persons	66	78	77
- Beijing	Persons	69	70	78
- Hong Kong	Persons	3	4	3

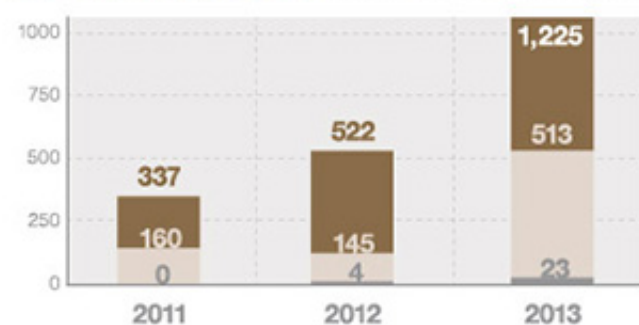
Number of total employees

(persons)



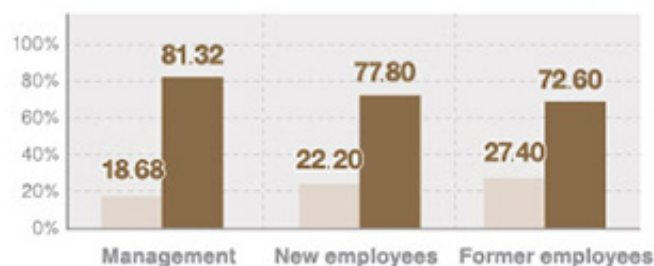
Number of new employees

■ Under 30 ■ 30-50 ■ Over 50 (persons)

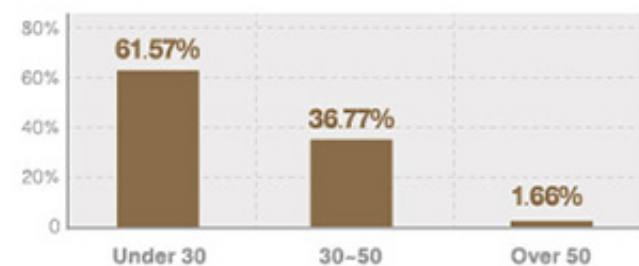


Employees gender ratio

■ Female ■ Male Unit (%)



Employee age ratio



Employee rights

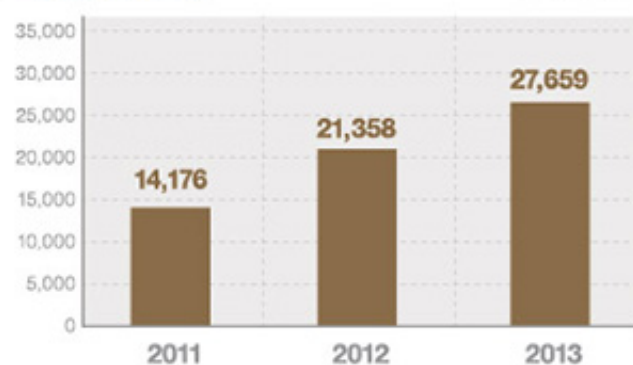
Indicator	Unit	2011	2012	2013
Labor contract coverage	%	100	100	100
Social Insurance coverage	%	100	100	100
Percentage of employees protected by collective negotiation agreements	%	100	100	100
Percentage of employees participating in collective negotiation agreements	%	100	100	100
Number of labor discrimination incidents	Numbers	0	0	0

Training and career development

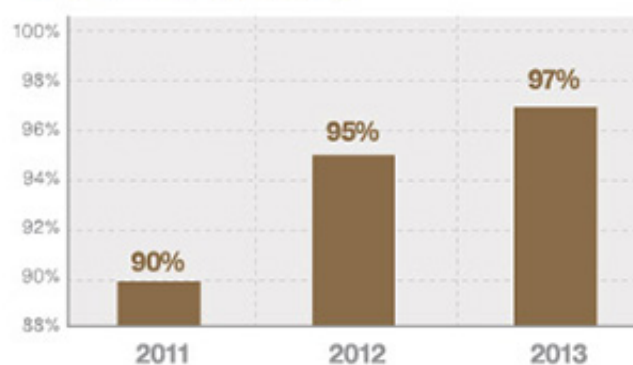
Indicator	Unit	2011	2012	2013
Person-times of employee training	Person-times	14,176	21,358	27,659
Employee training coverage	%	90	95	97
Regular performance and career development evaluation coverage	%	100	100	100
Average training hours per employee per year	hours	20.20	27.20	32.60
Average training hours per year (male/female)	hours	19/22	26/29	31/34

Employee training

(person-times)

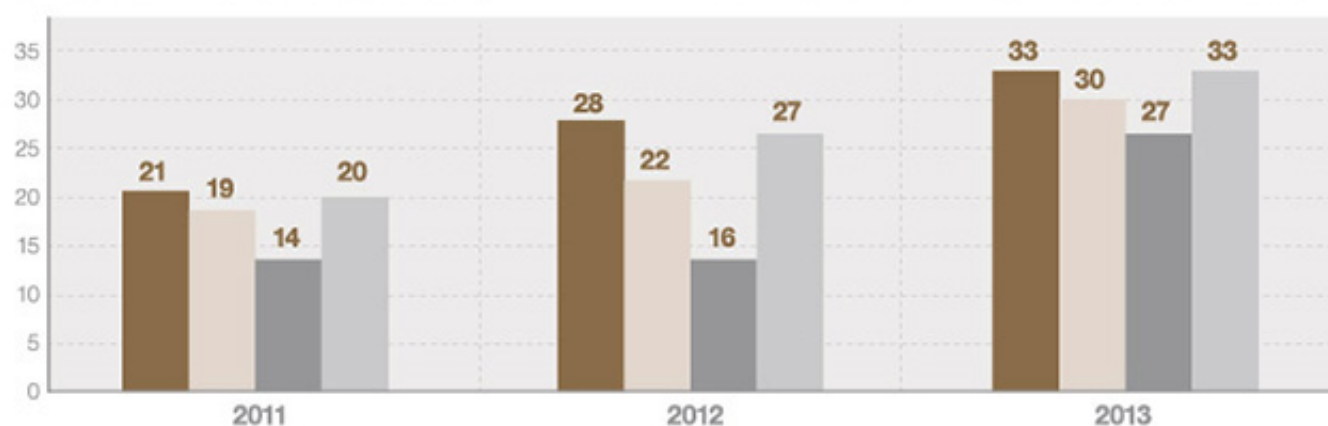


Coverage of employee training



Training time for employees at all levels per year (hours)

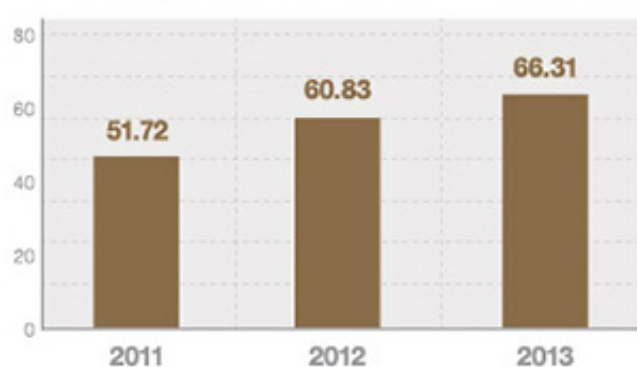
■ General employees ■ Junior managers ■ Senior managers ■ All employees



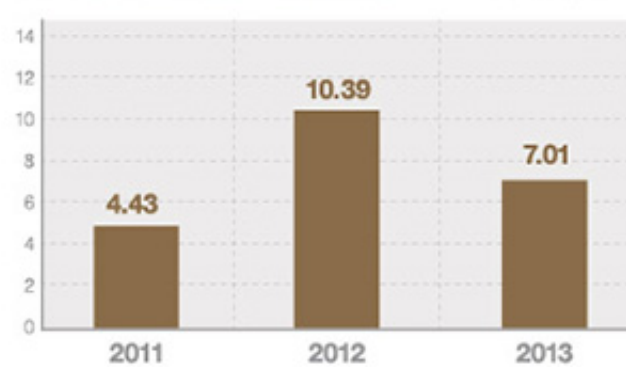
Environmental, health and safety performance indicators

Indicator	Unit	2011	2012	2013
Total office electricity used	10 thousand kwh	51.72	60.83	66.31
Total office water used	10 thousand tons	4.43	10.39	7.01
Travel expenses	10 thousand Yuan	9,506.00	12,893.00	14,398.00
Airlines travel mileage	10 thousand km	No statistics	615.00	512.00

Total amount of office electricity used (10 thousand kwh)



Total amount of office water used (10 thousand tons)



Safety indicators

Indicator	Unit	2011	2012	2013
Number of safety investigations	Number	—	12	57
Number of emergency drills	Number	—	3	8
Number of employees participating in the emergency drills	Persons	—	256	763
Person-numbers of safety training	Person-numbers	—	895	1,721
Number of safety training sessions	Numbers	—	31	53
Safety management regulations stipulated and modified	Articles	—	67	23

Note: HSE department was not established in 2011. In 2012, industrial operations increased, thus increasing HSE risks. As a result, the HSE department was established to manage environmental, health and safety issues.

On-job health

Indicator	Unit	2011	2012	2013
Coverage for employee physical exams	%	100	100	100
Occurrences of employee occupational diseases	%	0	0	0

Note: Far East provides a comprehensive health examination; the Union provides all employees a hepatitis B vaccine free of charge.

Risk and compliance management

Risk management

Indicator	Unit	2011	2012	2013
Major risk factors identified	Number	—	7	3
Number of risk management training sessions	Number/person-times	9/270	11/287	13/357
Number and person-times of internal control training sessions	Number/person-times	0/0	2/60	3/100
Number and person-times of business integrity training sessions	Number/person-times	2/54	8/356	17/767
Number of reports from employees	Number	1	0	10

Note: The number of major risk factors identified equals to the number of risk prompting letters.

Person-times for risk management and business integrity training (person-times)



Compliance management

- 2011-2013, no violation of environmental regulations
- 2011-2013, no violation of safety regulations
- 2011-2013, no violation of product and service regulations
- 2011-2013, no violation of market promotion regulations
- 2011-2013, no violation of client privacy, no complaints regarding losing client documents

OUTLOOK

The world economy will continue to be complex and volatile in 2014. Domestically, stable growth and restructuring are expected. Facing both challenges and opportunities, Far East Horizon integrates financing into industries and provides comprehensive industrial services. Coverage of services such as financial leasing and factoring in certain industries will be increased. Non-capital services will be established and strengthened.

Far East Horizon will pragmatically promote its CSR management, perfect stakeholder communication mechanism, and management structure. CSR management will be performed regularly and be standardized. The Corporation aims to create value for its stakeholders, provide wealth to society and offer its employees career opportunities.

Responsibilities	work plans
<p>Establishment of a Social Responsibility System</p>	<ul style="list-style-type: none"> ○ Perfect CSR management system; stipulate annual performance targets for 2014 CSR ○ Strengthen social responsibility awareness internally; further integrate CSR work into business operations ○ Improve the mechanism for communication between the Corporation and its stakeholders ○ Improve the evaluation system for CSR reporting
<p>Investor Responsibility</p>	<ul style="list-style-type: none"> ○ Emphasize reliable operations, corporate governance, risk control, management optimization, and asset quality and safety ○ Strengthen awareness of responsible investment; share gains in value investment ○ Improve investor communication and information disclosure
<p>Industry Responsibility</p>	<ul style="list-style-type: none"> ○ Integrate financing into industries; Specialize in industries and operate comprehensively; promote financial innovation; penetrate service industries with financial resources ○ Research industries; understand industrial trends; interact with industrial partners; continue to establish and improve comprehensive service capacities; improve industrial development; become a multi-industry operational leader ○ Find and encourage new industries; pay attention to public causes, urban transportation and energy conservation; promote social sustainability
<p>Employee Responsibility</p>	<ul style="list-style-type: none"> ○ Improve both career promotion and title promotion mechanisms; enhance the employee training system, encourage employees in realizing their talents and tapping their potential ○ Improve employee welfare; perfect the employee rights protection mechanism; strengthen employee communications and democratic management ○ Enrich the corporate culture; care for employee well-being; provide a better working environment
<p>Public Responsibility</p>	<ul style="list-style-type: none"> ○ Work with stakeholders in giving back to society; promote social development by providing business solutions to social issues ○ Launch social welfare programs and establish volunteer teams according to the Corporation's CSR strategies

REPORTING INDEX

Note:

1. The index table uses the core program from the Sustainability Reporting Guidelines (G4) of the Global Reporting Initiative (GRI).
2. Under the index of the Environment, Society and Governance Reporting Guidelines of the Hong Kong Stock Exchange (HKEX), GD represents general disclosure items.

GRI Sustainability Reporting Guidelines (GRI 4) Index		Correlation and Section	Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section
Strategy and Analysis			
G4-1	Provide a statement from the most senior decision-maker of the organization.	High	Speech from the President
G4-2	Provide a description of key impacts, risks, and opportunities.	High	Speech from the President
Organizational Profile			
G4-3	Report the name of the organization.	High	Corporate Introduction
G4-4	Report the primary brands, products, and services.	High	Corporate Introduction
G4-5	Report the location of the organization's headquarters.	High	Corporate Introduction
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	High	Corporate Introduction
G4-7	Report the nature of ownership and legal form.	High	Corporate Introduction
G4-8	Report the markets served.	High	Corporate Introduction
G4-9	Report the scale of the organization.	High	Corporate Introduction
G4-10	a. Report the total number of employees by employment contract and gender. b. Report the total number of permanent employees by employment type and gender. c. Report the total workforce by employees and supervised workers and by gender. d. Report the total workforce by region and gender. e. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).	High	Employee Rights, Key Performance Form
G4-11	Report the percentage of total employees covered by collective bargaining agreements.	High	Key Performance Form
G4-12	Describe the organization's supply chain.	Medium	Green Operation
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	High	Corporate Introduction; Organizational Structure
Commitments to External Initiatives			
G4-14	a. Report whether and how the precautionary approach or principle is addressed by the organization.	High	Corporate Governance; Compliance Operations
G4-15	a. List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	High	Corporate Governance; Business Results
G4-16	a. List memberships of associations (such as industry associations) and national or international advocacy organization.	High	Business Results
Identified Material Aspects and Boundaries			
G4-17	a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	High	About Far East Horizon
G4-18	a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	High	About Far East Horizon; Recognition and Analysis of Substantial Issues
G4-19	a. List all the material Aspects identified in the process for defining report content.	High	Recognition and Analysis of Substantial Issues
G4-20	a. For each material Aspect, report the Aspect Boundary within the organization.	High	About Far East Horizon
G4-21	a. For each material Aspect, report the Aspect Boundary outside the organization.	Medium	---
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	Low	---
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	Low	---

GRI Sustainability Reporting Guidelines (GRI 4) Index			Correlation and Section	Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.
Stakeholder Engagement				
G4-24	Provide a list of stakeholder groups engaged by the organization.	High	Recognition and Communication of Key Stakeholders	General Approach 12.13
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	High	Recognition and Communication of Key Stakeholders	General Approach 12.13
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	High	Recognition and Communication of Key Stakeholders	General Approach 12.13
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	High	Recognition and Communication of Key Stakeholders	General Approach 12.13
Report in General				
G4-28	Reporting period.	High	About Far East Horizon	Reporting Guidance 16
G4-29	Date of most recent previous report (if any).	Low	About Far East Horizon	Reporting Guidance 16
G4-30	Reporting cycle.	High	About Far East Horizon	Reporting Guidance 16
G4-31	Provide the contact point for questions regarding the report or its contents.	High	About Far East Horizon, Back cover	
G4-32	a. Report the 'in accordance' option the organization has chosen. b. Report the GRI Content Index for the chosen option. c. Report the reference to the External Assurance Report, if the report has been externally assured. GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guidelines.	High	Reporting Index	Reporting Guidance 15
G4-33	a. Report the organization's policy and current practice with regard to seeking external assurance for the report. b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. c. Report the relationship between the organization and the assurance providers. d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.	High	---	
Governance				
G4-34 G4-55	Governance	High	Corporate Governance	
Ethics and Integrity				
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	High	Corporate Responsibility	
G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	High	Compliance Operations	
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistle blowing mechanisms or hotlines.	High	Compliance Operations	
Economic Performance				
G4-DMA		High	Business Results;	
G4-EC1	Direct economic value generated and distributed.	High	Key Performance Form	
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Low	---	
G4-EC3	Coverage of the organization's defined benefit plan obligations.	Medium	---	
G4-EC4	Financial assistance received from government.	High	Key Performance	
Market Presence				
G4-DMA		High	Employee Rights	
G4-EC5	Rates of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	High	Employee Rights	
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation.	High	---	
Indirect Economic Impacts				
G4-DMA		High	Industry and Finance Combination	
G4-EC7	Development and impact of infrastructure investments and services supported.	High	Industry and Finance Combination	
G4-EC8	Significant indirect economic impacts, including the extent of impacts.	High	Industry and Finance Combination	
Procurement Practices				
G4-DMA		Medium	Green Operation	GD C1
G4-EC9	Proportion of spending on local suppliers at significant locations of operation.	Medium	---	KPI C1.1
Environmental				
Materials				
G4-DMA		Low	---	GD B2-3/KPI B3.2-3.3
G4-EN1	Materials used by weight or volume.	Low	---	KPI B2.5/KPI B3.1
G4-EN2	Percentage of materials used that are recycled in put materials.	Low	---	KPI B3.2

GRI Sustainability Reporting Guidelines (GRI 4) Index		Correlation and Section		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.
Energy				
G4-DMA		Medium	Green Operation	GD B2
G4-EN3	Energy consumption within the organization.	High	Green Operation, Key Performance Form	KPI B2.1
G4-EN4	Energy consumption outside of the organization.	Medium	—	
G4-EN5	Energy intensity.	Medium	—	KPI B2.3
G4-EN6	Reduction of energy consumption.	High	—	
G4-EN7	Reductions in energy requirements of products and services.	Medium	—	
Water				
G4-DMA		Medium	Green Operation	GD B2
G4-EN8	Total water with drawal by source.	Medium	Key Performance Form	KPI B2.2
G4-EN9	Water sources significantly affected by with drawal of water.	Low	—	KPI B2.4
G4-EN10	Percentage and total volume of water recycled and reused.	Medium	—	KPI B2.4
Biodiversity				
G4-DMA		Low	—	
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Low	—	
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Low	—	
G4-EN13	Habitats protected or restored.	Low	—	
G4-EN14	Total number of IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Low	—	
Emissions				
G4-DMA		Low	—	GD B1/KPI B1.5-1.6
G4-EN15	Direct greenhouse gas (ghg) emissions (scope 1).	Low	—	KPI B1.1
G4-EN16	Energy indirect greenhouse gas (ghg) emissions (scope 2).	Low	—	KPI B1.1
G4-EN17	Other indirect greenhouse gas (ghg) emissions (scope 3).	Low	—	KPI B1.1
G4-EN18	Greenhouse gas (ghg) emissions intensity.	Low	—	KPI B1.2
G4-EN19	Reduction of greenhouse gas (ghg) emissions.	Low	—	KPI B1.5
G4-EN20	Emissions of ozone-depleting substances (ODS).	Low	—	KPI B1.1
G4-EN21	NO _x , SO _x , and other significant air emissions.	Low	—	KPI B1.1
Effluents and Waste				
G4-DMA		Low	—	GD B1/KPI B1.5-1.6
G4-EN22	Total water discharge by quality and destination.	Low	—	KPI B1.1
G4-EN23	Total weight of waste by type and disposal method.	Low	—	KPI B1.3-1.4
G4-EN24	Total number and volume of significant spills.	Low	—	
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Low	—	
G4-EN26	Identify, size, protected status, and biodiversity value of water bodies and related habitats significantly affected.	Low	—	
Products and Services				
G4-DMA		High	Green Finance	
G4-EN27	Extent of impact mitigation of environmental impacts of products and services.	High	Green Finance	
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category.	Low	—	
Compliance				
G4-DMA		Medium	Compliance Operations	
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	High	Key Performance Form	
Transport				
G4-DMA		Low	—	
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce.	Low	—	

GRI Sustainability Reporting Guidelines (GRI 4) Index			Correlation and Section		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.	
Overall					
G4-DMA		Medium	---		
G4-EN31	Total environmental protection expenditures and investments by type.	Medium	---		
Supplier Environmental Assessment					
G4-DMA		Medium	Green Operation	KPI C1.2	
G4-EN32	Percentage of new suppliers that were screened using environmental criteria.	Medium	---		
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken.	Medium	Green Operation		
Environmental Grievance Mechanisms					
G4-DMA		Low	---		
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	Low	---		
Social					
Labor Practices and Decent Work					
Employment					
G4-DMA		High	Employee Rights	GD A1	
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	High	Employee Rights; Key Performance Form	KPI A1.1-1.2	
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time, employees, by significant locations of operation.	High	Employee Rights	GD A1	
G4-LA3	Return to work and retention rates after parental leave, by gender.	High	---		
Labor/Management Relations					
G4-DMA		Medium	---		
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	Medium	---		
Occupational Health and Safety					
G4-DMA		High	Health and Safety	GD A2/KPI A2.3	
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Low	---		
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	High	Health and Safety; Key Performance Form	KPI A2.1-2.2	
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation.	Medium	Key Performance Form		
G4-LA8	Health and safety topics covered in formal agreements with trade unions.	High	Employee Care; Health and Safety	KPI A2.3	
Training and Education					
G4-DMA		High	Employee Development	GD A3	
G4-LA9	Average hours of training per year per employee by gender, and by employee category.	High	Key Performance Form	KPI A3.1-3.2	
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	High	Employee Development		
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	High	Key Performance Form		
Diversity and Equal Opportunity					
G4-DMA		High	Employee Rights		
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	High	Employee Rights; Key Performance Form		
Equal Remuneration for Women and Men					
G4-DMA		High	Employee Rights		
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	High	Employee Rights		
Supplier Assessment for Labor Practices					
G4-DMA		Low	---	KPI C1.2	
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria.	Low	---		
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	Low	---		
Labor Practices Grievance Mechanisms					
G4-DMA		High	Employee Rights		
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms.	High	Key Performance Form		

GRI Sustainability Reporting Guidelines (GRI 4) Index			Correlation and Section		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.	
Human Rights					
Investment					
G4-DMA		Low	Employee Rights		
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	Low	—		
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Low	—		
Non-discrimination					
G4-DMA		High	Employee Rights		
G4-HR3	Total number of incidents of discrimination and corrective actions taken.	High	Key Performance Form		
Freedom of Association and Collective Bargaining					
G4-DMA		Low	Employee Rights		
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights.	Low	Employee Rights		
Child Labor					
G4-DMA		Low	Employee Rights	GD A4	
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Low	—		KPI A1-4.2
Forced or Compulsory Labor					
G4-DMA		Low	Employee Rights	GD A4	
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Low	Employee Rights		KPI A1 KPI A2
Security Practices					
G4-DMA		Low	—		
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.	Low	—		
Indigenous Rights					
G4-DMA		Low	—		
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken.	Low	—		
Assessment					
G4-DMA		Low	—		
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.	Low	—		
Supplier Human Rights Assessment					
G4-DMA		Low	—		KPI C1.2
G4-HR10	Percentage of new suppliers that were screened using human rights criteria.	Low	—		
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken.	Low	—		
Human Rights Grievance Mechanism					
G4-DMA		Low	—		
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms.	Low	—		
Society					
Local Communities					
G4-DMA		High	Far East Horizon Charity, Commonwealth Activities	GD D1/KPI D1.1-1.2	
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Low	—		
G4-SO2	Operations with significant actual and potential negative impacts on local communities.	Medium	—		
Anti-corruption					
G4-DMA		High	Compliance Operations	GD C3/KPI C3.2	
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	High	Compliance Operations		
G4-SO4	Communication and training on anti-corruption policies and procedures.	High	Compliance Operations; Key Performance Form	KPI C3.2	
G4-SO5	Confirmed incidents of corruption and actions taken.	High	Compliance Operations	KPI C3.1	
Public Policy					
G4-DMA		Low	—		
G4-SO6	Total value of political contributions by country and recipient/beneficiary.	Low	—		

GRI Sustainability Reporting Guidelines (GRI 4) Index			Correlation and Section		Environmental, Social and Governance Reporting Guidelines Index
No.	Content	Correlation	Section	No.	
Anti-competitive Behavior					
G4-DMA		Low	—		
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Low	—		
Compliance					
G4-DMA		High	Compliance Operations		
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	High	Key Performance Form		
Supplier Assessment for Impacts on Society					
G4-DMA		Low	—	KPI C.2	
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society.	Low	—		
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken.	Low	—		
Grievance Mechanisms for Impacts on Society					
G4-DMA		Low	—		
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms.	Low	—		
Product Responsibility					
Customer Health and Safety					
G4-DMA		Low	—	GD C2	
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	Low	—		
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	Low	—	KPI C.2.1	
Product and Service Labeling					
G4-DMA		High	Financial Business; Industry and Finance Combination	GD C2/KPI C.2.2-2.3	
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements.	High	Financial Business; Industry and Finance Combination		
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Medium	Key Performance Form		
G4-PR5	Results of surveys measuring customer satisfaction.	High	Credible Service		
Marketing Communications					
G4-DMA		High	Compliance Operations	GD C2/KPI C.2.2/4	
G4-PR6	Sale of banned or disputed products.	High	Key Performance Form		
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	High	Key Performance Form		
Customer Privacy					
G4-DMA		High	Credible Service	KPI C.2.5	
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	High	Key Performance Form		
Compliance					
G4-DMA		High	Compliance Operations		
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	High	Key Performance Form		

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



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