

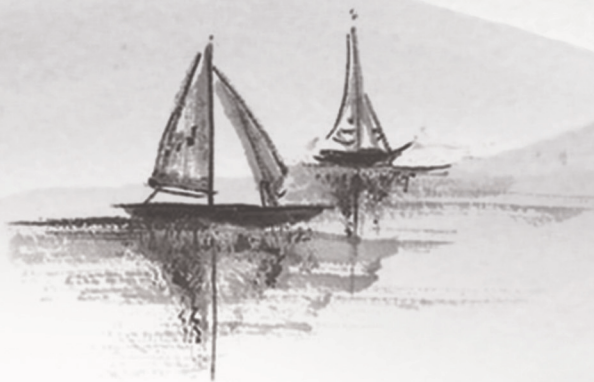


2018

Social Responsibility Report

Environmental / Social / Governance

 **中国银河证券股份有限公司** | **CGS**
CHINA GALAXY SECURITIES CO.,LTD.



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About the Report

This report describes the activities and performance of China Galaxy Securities Co., Ltd. (the “Company” or “Galaxy Securities”) and all its subsidiaries in respect to social responsibility matters in 2018. The disclosure of this report is as follows:

● Reporting Period

Social Responsibility Reports are issued annually by the Company. The reporting period is from 1 January 2018 to 31 December 2018, with appropriate retrospective and prospective aspects.

● Reporting Scope

This report takes China Galaxy Securities Co., Ltd. as the main body, and the scope of its disclosure is consistent with the 2018 Annual Report of China Galaxy Securities Co., Ltd. (the “Annual Report”), covering various professional institutions of the Company.

● Reporting Language

The Company provides this report in Chinese and English-language versions. In all cases of inconsistency or conflict between versions, the Chinese version shall be regarded as definitive.

● Reporting Guidelines

This report has been prepared in accordance with the “Environmental, Social and Governance Reporting Guide” issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), and with reference to: Sustainability Reporting Standard issued by Global Reporting Initiative (GRI); the Notice on Strengthening the Listed Companies’ Assumption of Social Responsibility and Publishing the Guidelines on Disclosing Environmental Information of Companies Listed on the Shanghai Stock Exchange; the Guidelines on Disclosing Environmental Information of Companies Listed on the Shanghai Stock Exchange; and Appendix 2 “Guidelines on the Preparation of Corporate Social Responsibility Report” contained in Memorandum No. 1 for the Reporting Work by Listed Companies for 2009 issued by the Shanghai Stock Exchange (the “SSE”).

● Notes on Reporting Information

The financial information in this report is extracted from the Company’s audited annual report. Other information is sourced from the Company’s internal systems or manual processing. Unless otherwise indicated, the currency in the Report is RMB.

● Reporting Assurance

This report has been taken as an independent assurance engagement by Deloitte Touche Tohmatsu Certified Public Accountants LLP.

● Confirmation and Approval of the Report

The contents and data disclosed in this report have been considered and approved by the board of directors of the Company.

● Release of the Report

Printed and pdf versions of this report are available. The pdf file is published at the HKEXnews website of the Stock Exchange (<http://www.hkexnews.hk>), the website of the SSE (<http://www.sse.com.cn>), and the website of the Company (<http://www.chinastock.com.cn>).

About Us

Company Profile

Galaxy Securities is a leading integrated financial services provider in the PRC securities industry. It and its subsidiaries provide comprehensive securities services including brokerage, sales and trading, investment banking and investment management. On 26 January 2007, with the approval of the China Securities Regulatory Commission (the “CSRC”), the Company was established by China Galaxy Financial Holdings Company Limited (中国银河金融控股有限责任公司) as the principal promoter, together with four domestic institutional investors. The Company is headquartered in Beijing and has a register capital of RMB 10.137 billion. As of 31 December 2018, the Company had a total of 9,681 employees.

The H shares of the Company were first listed on the Stock Exchange on 22 May 2013, under the stock short name of “CGS” and stock code of “06881”. Up to 13 June 2013, when the over-allotment option was exercised in full, a total of 1,606,604,500 H shares were issued. On 5 May 2015, the Company issued two billion H shares through placing. In January 2017, the Company issued 600 million A shares through initial public offering, which were listed on the SSE on 23 January 2017 under the stock short name “CGS” and stock code “601881”.

Scope of business

The Company’s scope of business comprises securities brokerage, securities investment consulting, financial consulting relating to securities trading and securities investment, securities underwriting and sponsorship, proprietary securities trading, margin financing and securities lending, distribution of securities investment funds, provision of intermediary services to Galaxy Futures Broker Company, distribution of financial products, securities investment fund custodian business, insurance agency business, sale of precious metal products, and other businesses approved by the CSRC.

Tenet of business

The business tenet of the Company is to expand the securities business in accordance with national laws and regulations, policies and international practices, and strive to “provide first class services to become the best investment bank” with respect to a corporate culture of “innovation, compliance, service, collaboration”, a business philosophy of “customer first, staff-oriented”, and a corporate mission of “creating value, increasing wealth”. The ultimate aim is to maximize shareholders’ long-term interests and the value of the Company, and promote and support development of the national economy and stock market.

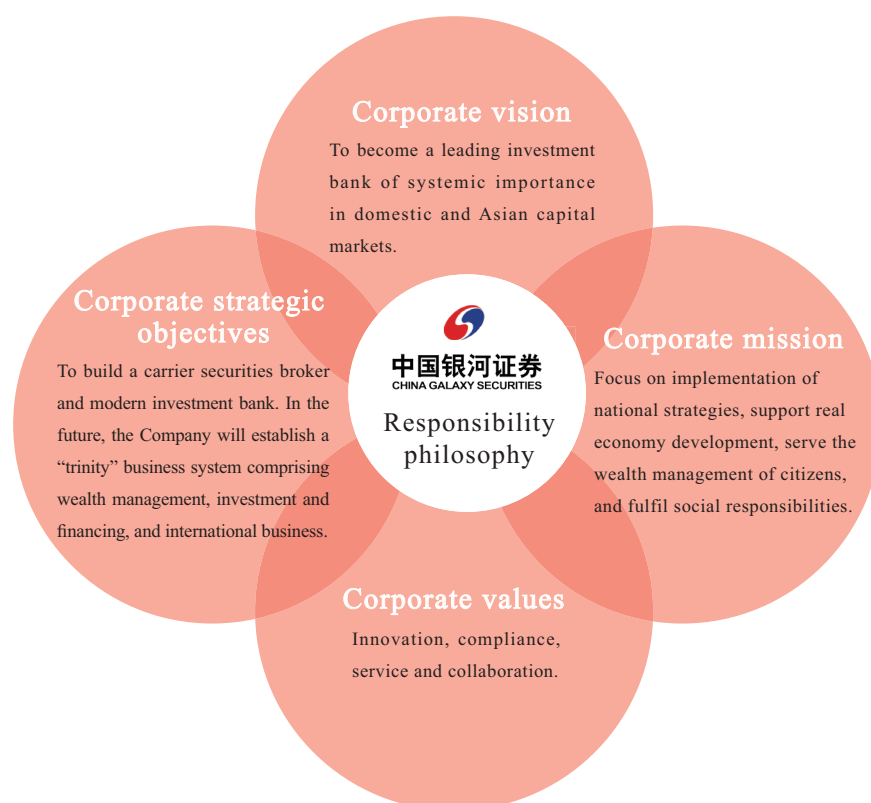
Currently, the Company owns Galaxy Capital Management Company Limited (银河创新资本管理有限公司), China Galaxy International Financial Holdings Company Limited (中国银河国际金融控股有限公司) (“Galaxy International”), Galaxy Futures Company Limited (银河期货有限公司) (“Galaxy Futures”), Galaxy Jinhui Securities Assets Management Co., Ltd. (银河金汇证券资产管理有限公司) and Galaxy Yuanhui Investment Co., Ltd. (银河源汇投资有限公司).

As of 31 December 2018, the Company had a total of 36 branch offices and 476 branches in mainland China.

Upon listing on the Shanghai Stock Exchange and the Stock Exchange, the Company was successively selected to be a constituent stock of the CSI 300 index, the CSI 100 index, the SSE 180R Growth Index, the SSE 180 Relative Value Index, the SSE 180 Financial Index, the SSE Central SOEs Index, the FTSE All-World Index, the FTSE All-Emerging Index, the FTSE China (HK Listed) Index, the Hang Seng China H-Financials Index, as well as the Hang Seng Composite Industry Index-Financials and the Hang Seng Composite MidCap Index among the Hang Seng Index Series.

Responsibility Philosophy and Strategy

Galaxy Securities integrates social responsibility at the corporate strategic level, and fulfills its social responsibilities through consideration of its three business systems. These systems jointly meet the diverse financial needs of the public and the real economy and realize the sustainable development of the Company and the industry. At the same time, in accordance with requirements for increased financial support of poverty alleviation as described in the “Guiding Opinions of the CPC Central Committee and the State Council on Three-year Operation of Combating Poverty”, we accept the capital market’s role in providing investment and financing services for enterprises in disadvantaged areas to create a solid foundation for and contribute to the implementation of the rural revitalization strategy.



Three major business systems of the Company

1. Develop a “customer-centric” wealth management business system. The Company will integrate the businesses of finance , asset management and bonus account management, and establish customer classification and suitability and wealth management systems featuring “customer classification, investment consultancy grading, technical support, service stratification”.

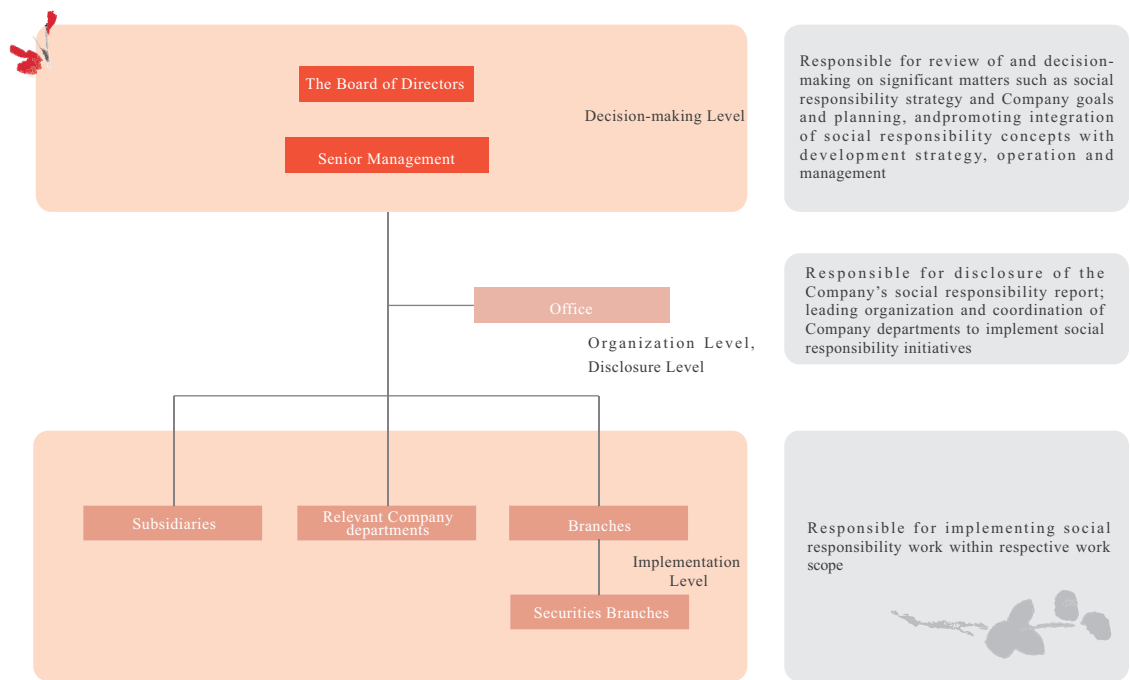
2. Develop an “enterprise-oriented investment and financing business system. The Company will build a service-oriented investment bank with investment and financing synergy, and will establish an investment and financing collaborative service chain, a regional comprehensive service chain, and a supply-side structural reform service chain for small, medium and micro businesses. An integrated mechanism for investment and financing will be established to more flexibly support the service chain of major national scientific and technological and industrial innovation and development.

3. International business system. The Company will “make progress while maintaining stability” while exploring and developing an international business system dominated by securities companies. Based on the “account system”, it will improve the initiative and synergy of securities companies’ international business while incorporating overseas business into a unified compliance risk control system and implementing penetrating management.

Responsibility System

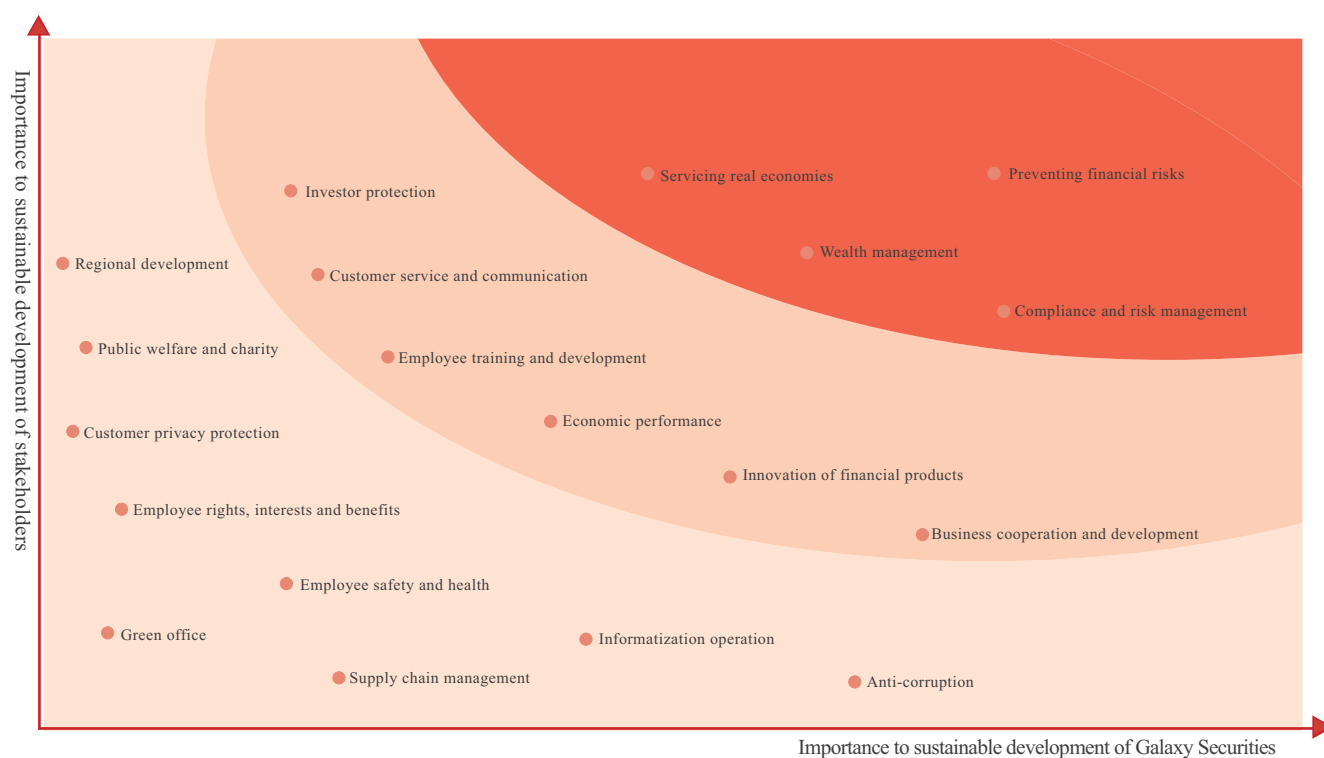
In 2018, Galaxy Securities strictly followed the top-down management model of social responsibility, including the board of directors, senior management, Company departments, branches and subsidiaries, according to its established social responsibility index system.

Galaxy Securities' Social Responsibility Management Model



Responsibility Communication

To systematically identify the key points of corporate social responsibility management, and in accordance with its corporate development strategy and national strategy with reference to the key points of social responsibility management of financial enterprises at home and abroad, and financial industry development trends, Galaxy Securities has made judgments on the significance of all issues of social responsibility. These are based on a working understanding of the communications and demands of various executive departments with stakeholders from a perspective of sustainable development of the Company and its stakeholders. The Company has accordingly drawn a matrix of significance of social responsibilities for 2018 as a basis for content selection for this report and for the Company's subsequent social responsibility related activities.



Communication with stakeholders is an important link in Galaxy Securities' social responsibility management. The Company uses a range of channels to communicate with stakeholders, understand their concerns, and respond effectively.

	Expectations	Communication methods	Responses
Customer	Provide innovative, diversified financial products	Official website, public account number and other media channels	Provide convenient, fast financial services
	Provide complete, true and accurate product service information	Customer hotline	Improve the complaint handling process, understand customer comments and suggestions
	Protect customer privacy	Customer demand research	Timely release of products and marketing announcements
	Enhance customer experience	Customer feedback	Provide a wide range of products
	Provide convenient business outlets	Communication at business outlets	Establish convenient business outlets
Employee	Equal, diversified employment treatment	Employee representative meetings	Improve staff recruitment, promotion and other internal management systems
	Offer legal remuneration and benefits	Internal meetings	Provide good salaries and benefits
	Provide a good working environment and training opportunities	Internal network, email, forums	Respect the rights and interests of employees, treat each employee equally
	Provide room for growth	Galaxy network school, Galaxy college	Provide a wide range of job skills training
	Provide a variety of staff work and security for living	Internal corporate publications	Organize extensive employee activities
Shareholder	Regulate corporate governance	Shareholders' general meetings	Improve internal compliance system
	Improve shareholder returns	Regular reports and company announcements	Formulate and implement development strategy
	Enhance the Company's value	Road shows and other channels for information release	Establish regular information disclosure system
	Maintain sustainable development	Investor research and other activities	Enhance business diversification standards and consolidate industry leading position
Society	Support social development	On-site investigation and visits	Implement public welfare activities
	Environmental protection	Charitable activities	Implementation of poverty alleviation projects
	Carry out charitable activities	Investigate feedback of beneficiary groups	Carry out employee volunteer activities
	Improve general financial knowledge	Investor education activities	Implement investor education activities

	Expectations	Communication methods	Responses
Government	Conform to national laws and regulations, industry standards and other norms	Laws and regulations, policy guidelines, normative documents	Observe laws and regulations
	Maintain financial market stability	On-site investigation, off-site supervision	Support national strategies and development of local undertakings with financial instruments
	Support implementation of national strategy	Visit governments at operational locations	Compliance operations, to resolve social and financial risks
	Drive local and broad industrial development	Government meeting	Provide employment positions, pay taxes by law
	Provide employment opportunities	Official website, media publication of recruitment announcements	Regular or irregular recruitment
Regulator	Healthy business operations	Reports at regular communication meetings	Improve corporate operational efficiency
	Public and transparent disclosure of information	Regular reports and company announcements	Timely and accurate disclosure of information
	Improve internal control and risk management systems	Regulatory notification and rating	Establish a comprehensive internal control system to raise standard of corporate governance
Partner	Promote healthy development of the industry	Cooperation, communication and research between peer companies	Participate in promoting industry standards and norms
	Compliance with business ethics	Industry associations	Establish and improve internal management mechanism
	Mutually beneficial, win-win and common development	Official website, public account number and other media communication	Establish a stable communication and cooperation mechanism

Customer-first and Enhanced Financial Services

The provision of high-quality financial services to investment and financing clients in the capital market is fundamental to Galaxy Securities. Galaxy Securities adheres to new development concepts to correctly handle material development relations in accordance with national financial requirements for providing services to resident investors and enterprises. Galaxy Securities has further enhanced its financial services through improvements in service quality, refining product categories, expanding service channels, extending service areas, responding to customer feedback, protecting investor rights and interests, and other aspects.



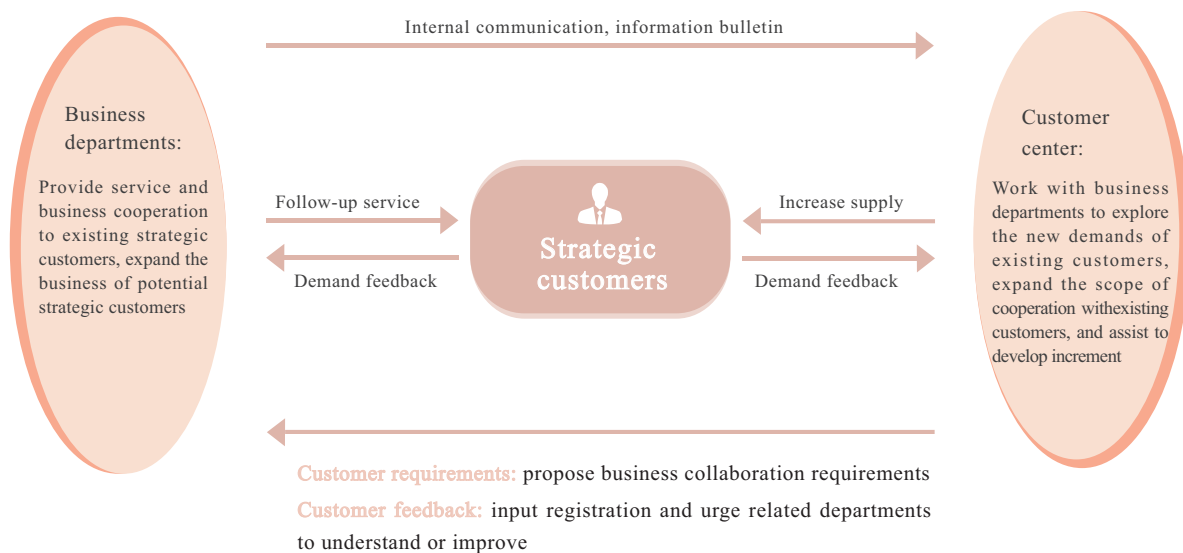
Improving Service Quality

On the basis of its original service structure, Galaxy Securities established a customer center headquarters and put a customer center and institutional customer integrated services platform into operation in 2018. These developments were intended to improve customer service ability, positively respond to the demands of strategic partners, practice the customer-centric philosophy, and organize Company resources to provide customers with comprehensive, one-stop integrated financial services.

The customer center platform has developed the “customer account book” at Group level and realized the major functions of "centralized coordination", "hierarchical management", "dynamic tracking", "resource sharing" and "collaborative service" for customers. It has implemented a unified collection of system account customers and off-site manual customers of companies, lines, departments and branches of the Group. By incorporating and identifying customers and information integration through three-element identification, the platform established new and unique customer numbers for more than 11 million customers in brokerage business, investment banking business and others, realizing One-ID within the Group and building a panoramic customer information model.



By rationalizing their identification criteria, the Company has preliminarily selected a list of 359 strategic customers and classified them into three categories: national, headquarters strategic, and strategic.



Case: The first Galaxy Development Forum and Strategic Customer Summit

The first Galaxy Development Forum and Strategic Customer Summit aimed to enhance the recognition and stickiness of strategic customers to the Company's platform. The meeting promoted communication and exchange between Company departments and strategic customers and effectively facilitated the implementation of relevant business requirements. The forum also hosted the signing of a strategic cooperation framework agreement between the Agricultural Development Bank of China and China Galaxy Securities. In future, based on the principles of strategic, efficient and professional cooperation, the two parties will share resources, complement each other's advantages and seek common development in mutual and joint service to corporate customers, collaborative research into innovative business and products, and development and expansion.





Case: Galaxy Futures provides an Internet+ service model

Galaxy Futures focuses on technological developments and business innovations that improve the customer experience, simplify business processes and subvert traditional business models. To these ends, it has introduced a handheld business department platform in the form of the Galaxy Futures API app. Customers can use the app for actions such as resetting passwords, replacing expired certificates, changes of mobile phone numbers, addresses, postal codes, and settlement banks, system switching, suitability assessment and agreement execution.

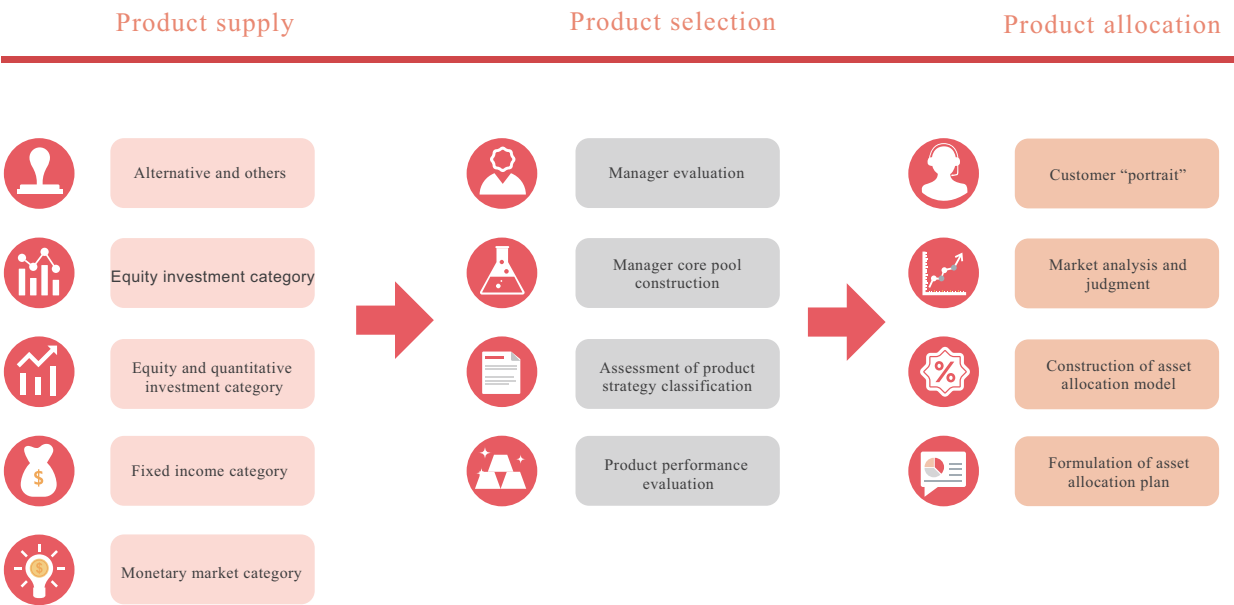


Case: Galaxy Securities investment bank provides professional services for customers of scientific and technological innovation-oriented enterprises

In recent years, Galaxy Securities has closely tracked adjustments in and contributed its own advice for adjustments to legal systems, policies and rules relevant to the capital market. The Company has accumulated a group of technological innovation enterprise customers who master core technology, and provides them with a comprehensive package of services that includes investment banking, research and consulting, investment management, asset management, securities brokerage and other financial innovation businesses. Certain scientific and technological innovation-oriented enterprises have also become strategic partners with Galaxy to pursue close cooperation and common development. Galaxy Securities will continue to track the progress of relevant policies and rules of the science and technology innovation board, and will prepare a variety of schemes for existing and potential customers.

Refining Product Categories

Pursuant to the concept of a “comprehensive, optimized and configured” product supply, Galaxy Securities has built a comprehensive product supply system to integrate and share product resources and meet the allocation needs of customers for various types of assets. Galaxy Securities uses a scientific selection process to devise additional quality products and services, and offers targeted asset allocation schemes developed through its understanding of customer attributes, investment goals and risk preferences.



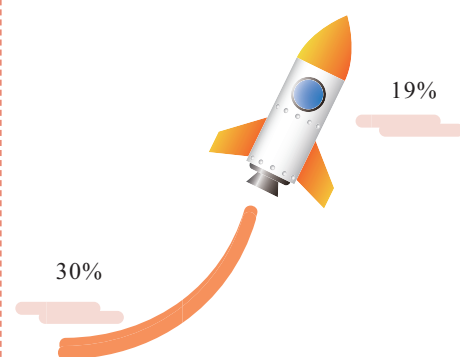
Expanding Service Channels

The continuing accumulation of social wealth and increased public demand for financial asset allocation have made the expansion of capital market and securities industry investment channels an urgent matter in terms of preserving the value and increment of public wealth.

Galaxy Securities caters to these needs by providing customers with various trading tools. Customers can complete transactions online, via mobile terminals (including mobile phones, tablet PCs, etc), by telephone, at counters and outlet trading terminals, and by other means. The Company has established 16 online trading mirror websites in 12 cities across China, capable of supporting use by millions of customers simultaneously. The Company has also improved its services to high-end customers by implementing fast transaction and quantitative trading systems.

Galaxy Securities is committed to continuously improving the customer experience through its application of the internet operating service concept. Through innovations in products, channels, services and marketing, it will continue to diversify products suitable for internet marketing and provide comprehensive financial services which meet individual needs.

Account opening loss rate



Improved online account opening system significantly reduced the account opening loss rate

In 2018, Galaxy Securities opened **716,239** online self-service accounts, accounting for **99.05%** of the Company's total number of accounts, representing an increase of **6.17%** over the previous year.

Extension of Service Coverage

Serving 10.3768 million clients with 529 securities brokerage branches
Have the most securities brokerage branches in the PRC

With the establishment of 23 new securities branches across China in 2018, Galaxy Securities operates a total of 529 securities outlets, contains 36 branches and 493 outlets, covering 31 provinces, autonomous regions and municipalities (excluding Taiwan). It is thus providing more convenient and accurate financial services in more regions, better communications with stakeholders and serves a more extensive customer base. At the end of 2018, Galaxy Securities was the securities firm with the most securities outlets in the PRC, and had served 10.3768 million domestic brokerage business clients. Overseas outlets (in Hong Kong) and 41 futures business outlets provide customers with extended services.

Case: Current Galaxy Securities Online APP



APP introduction

“China Galaxy Securities” APP4.0 is a new generation intelligent stock trading and wealth management platform which offers functions such as Galaxy’s selected information, investment advisors, smart trading, asset panorama, wealth calendar, smart customer services, and more. Developed on the basis of speed and safety, the platform applies a scene-oriented business design concept to provide users with one-stop professional integrated financial services.

“China Galaxy Securities” had approximately 14 million registered users and three million monthly active users in 2018.

Optimization and upgrading

Panoramic account: wealth calendar + asset panorama + regular bills, providing real-time diversified asset analysis indicators

My investment advisors: Multidimensional customer portrait, professional service personality, investment experts, 24/7 interpretation of market information

Galaxy Exclusivity

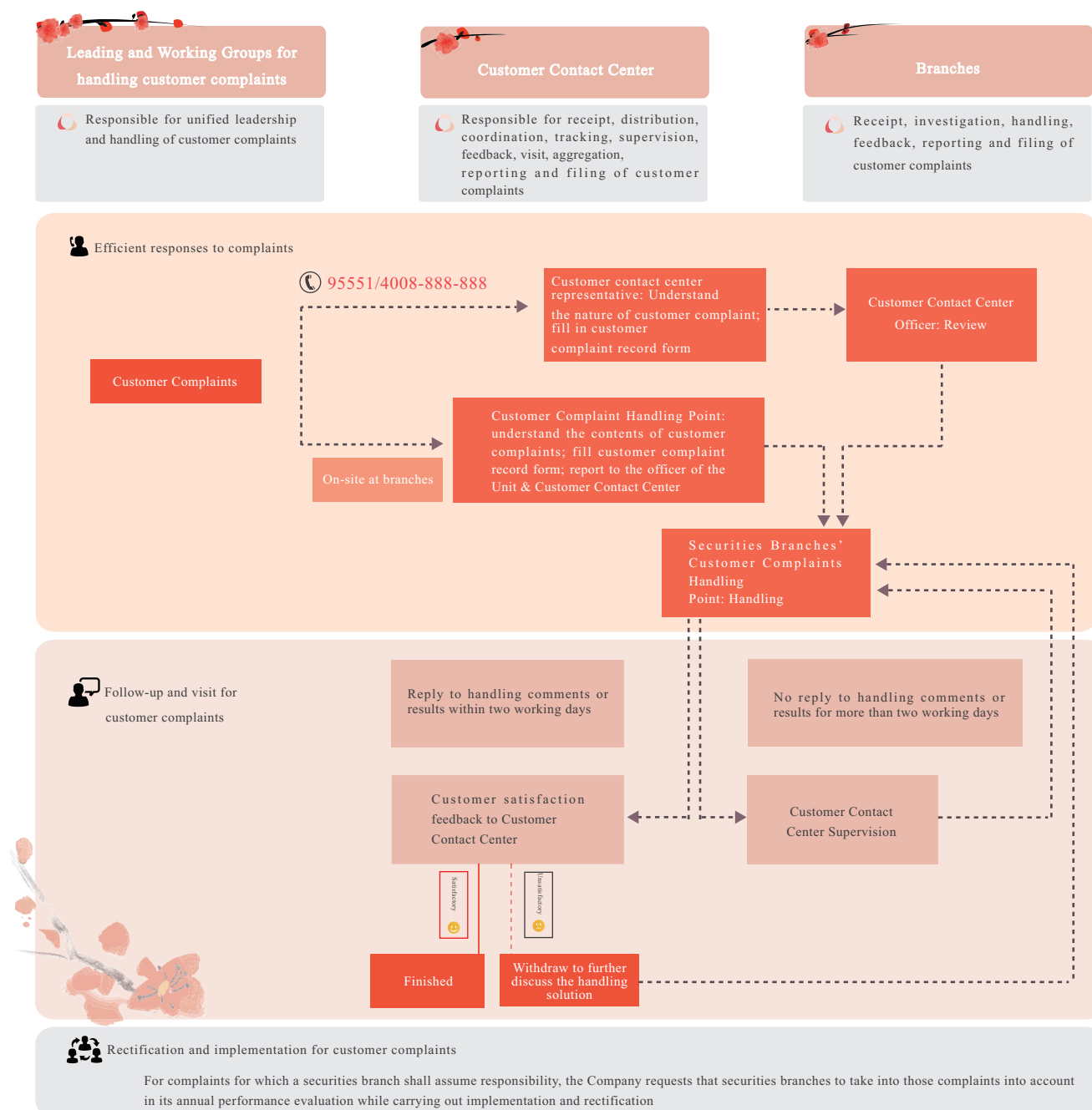
Galaxy Train to cities along the Belt and Road Initiative



Responding to Customer Feedback

Galaxy Securities regards feedback as crucial to customer communication. The brokerage business's customer base is the Company's largest and comprises mostly of individual investors. To ensure smooth communication, the Company established leading and working groups to receive, coordinate and manage complaints from these clients. Related departments divided related areas of responsibility: the Customer Contact Center is responsible for receipt, distribution, coordination, tracking, supervision, feedback, visits, aggregation, reporting and filing of customer complaints; while each securities branch holds responsibility for the receipt, investigation, handling, feedback, reporting and filing of customer complaints. Most customer complaints to the Company are made by telephone.

Galaxy Securities' Division of Responsibility for Client Complaints



Galaxy Securities' Customer Satisfaction in 2017-2018

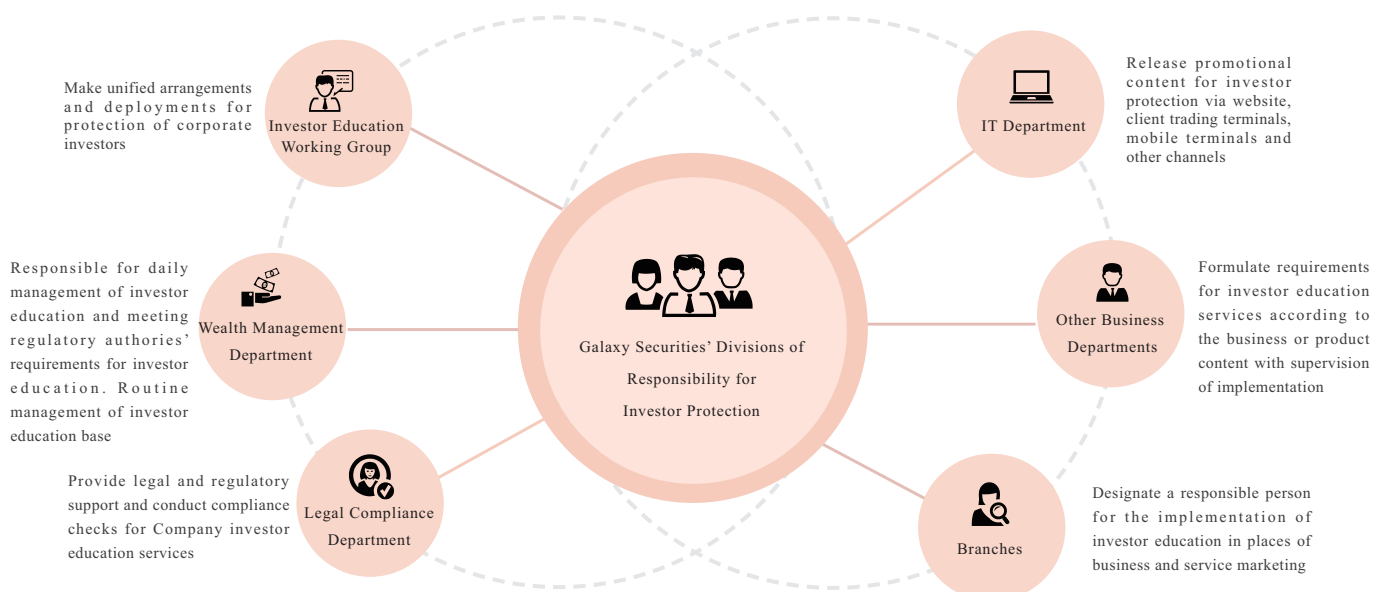
Indicators	Unit	2017	2018
Return visit satisfaction	(%)	General existing clients	81.47
		Clients for margin financing and securities lending	96.05
			99.64
Evaluation of customer satisfaction by telephone	(%)	Satisfactory	90.66
		Normal	2.20
		Unsatisfactory	7.14

Protecting Investor¹ Rights and Interests

To Galaxy Securities, respecting and protecting the rights and interests of investors are vital to the healthy development of the market. To this end, we protect investors through improved appropriateness management, increased efforts to crack down on illegal fund-raising, prevention of illegal securities activities, strengthening the education of small and medium-sized investors, and by other effective means.

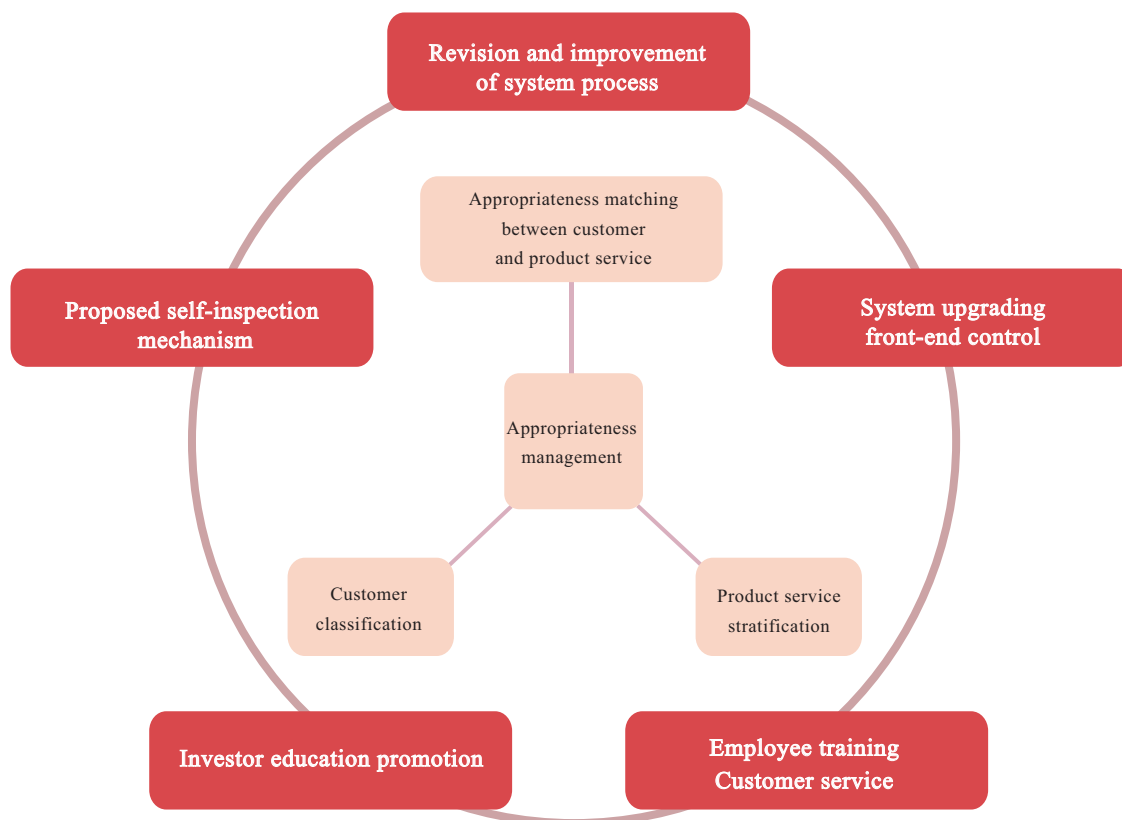
Investor protection is also integral to all aspects and levels of the Company's operation and management, in line with its "customer first" philosophy. Galaxy Securities has fully implemented investor protections in the areas of the four rights of the investor, comprising information sharing, participation, compensation and supervision.

Galaxy Securities places an equal emphasis on protection of customer privacy and information. It has accordingly formulated the "Administrative Measures for Users and Permission Rights of Securities Trading Business System" to implement standardized management of its securities trading business system. Users, permission rights and roles are at its core: users are given permission rights or roles according to their job responsibilities, business needs and risk control requirements, and the principle of exclusive permission rights is implemented to strictly regulate the behavior of operators.

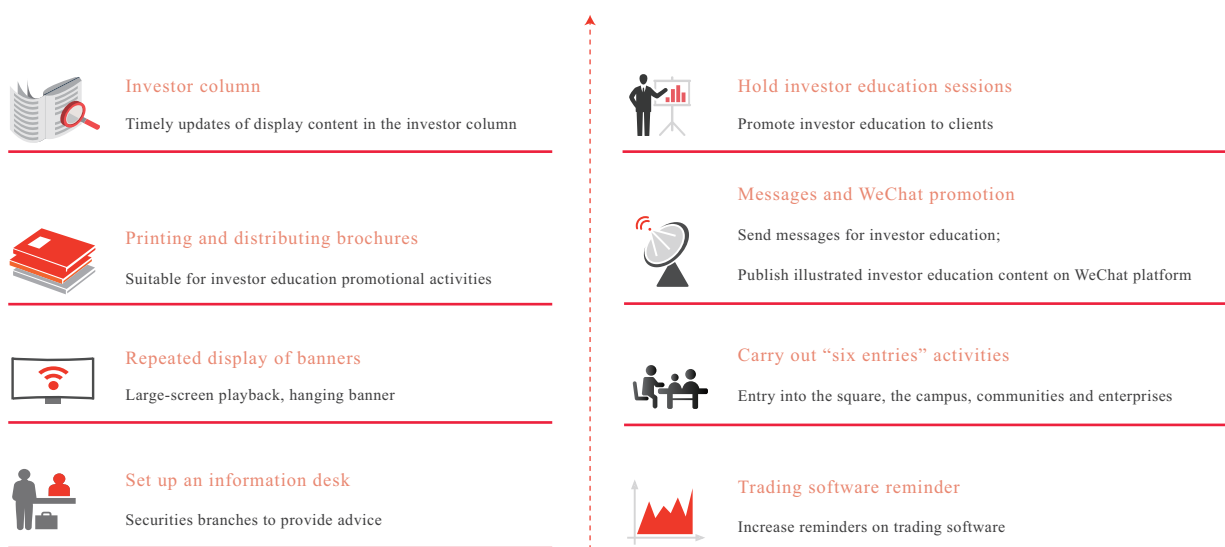


¹ "Investor" in this subsection represents generalized investors in capital markets, being clients or potential clients of Galaxy Securities.

“Know Your Customer” and Fully Implement Investor Appropriateness Management



Promotion of investor education by various channels



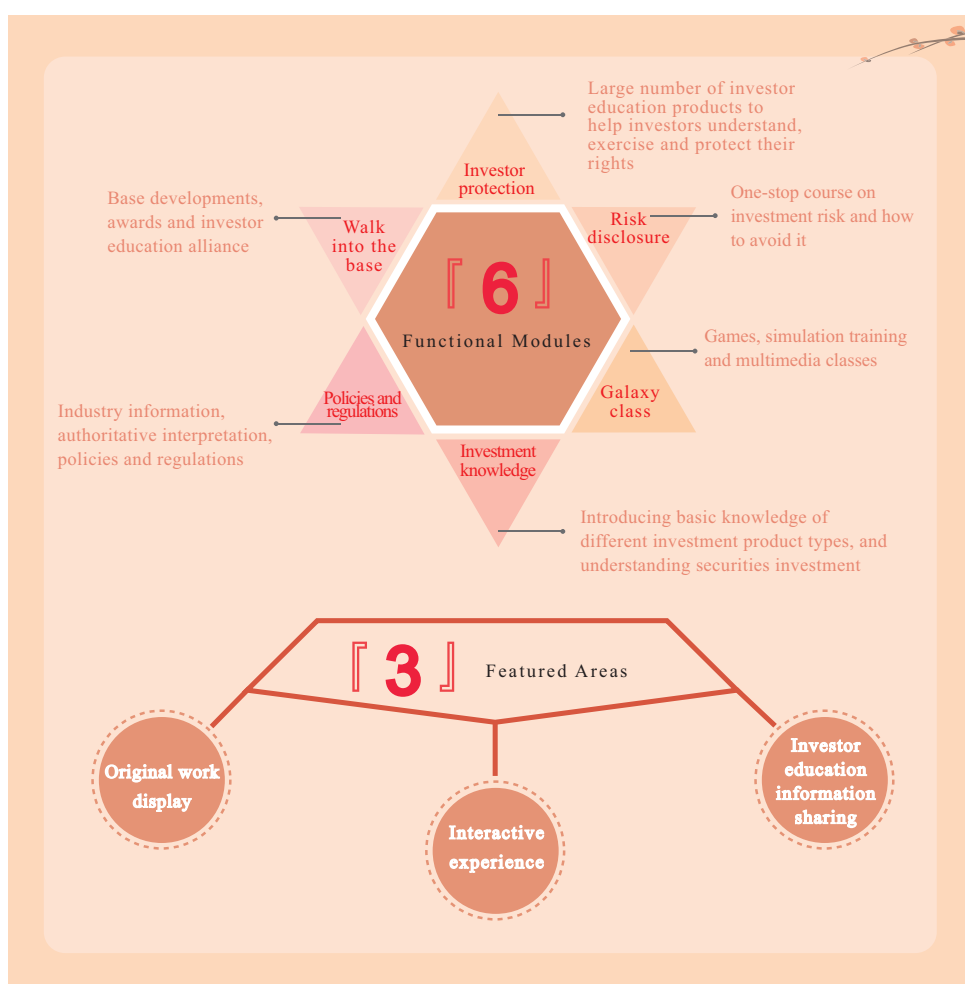


Case: China Galaxy Securities' National Internet Investor Education

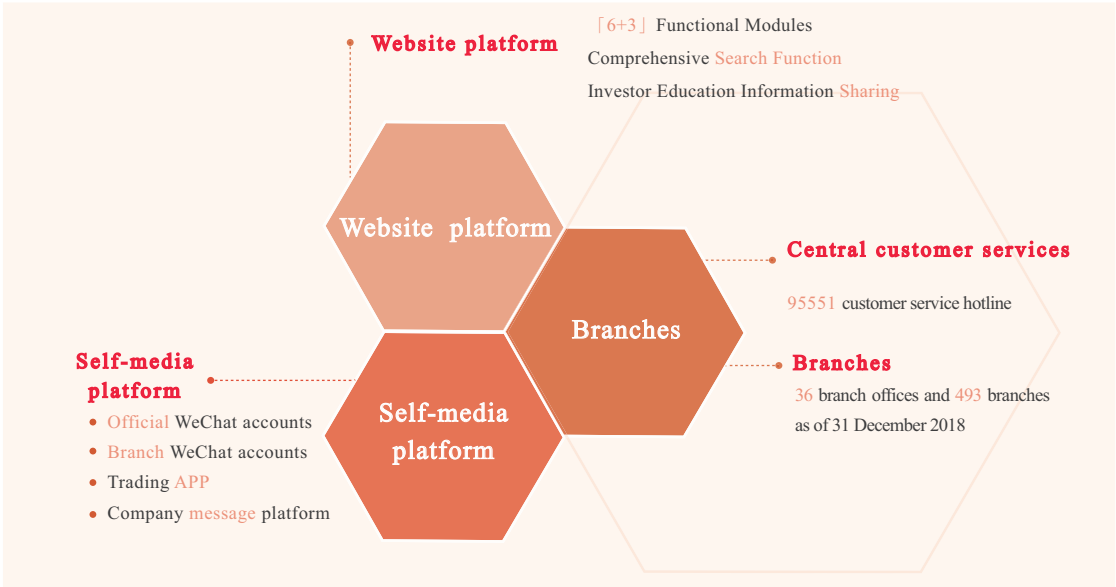
On 16 January 2018, the CSRC held a license awarding ceremony for national investor education. Chen Gongyan, Chairman of the Company, attended the event and received an investor education nameplate and certificate. In 2018, the Company officially released the Implementation Rules for the Management of the Investor Education Base of China Galaxy Securities Co., Ltd. It completed a logo design for investor education and upgraded its website platform for the 2.0 era.

The new investor education website comprises of modules for investor protection, risk disclosure, Galaxy class, investment knowledge base, policies and regulations, and “Walk into the base”. By applying internet+, it provides a large number of investor education products, one-stop risk warning, free video courses and interactive simulation games which help investors to identify risks and invest rationally.

National Securities and Futures Investor Education Base – “6+3” Functions



National Securities and Futures Investor Education Base – Dissemination



22 | Customer-first and Enhanced Financial Services

In 2018, Galaxy Securities organized annual educational activities centered on “clarifying investment risks and protecting the legitimate rights and interests” of investors. It also cooperated with regulatory authorities, stock exchanges and industry organizations on a range of special investment activities.



Special activities

The Company prevented illegal fund-raising activities throughout the year with the focus on the new trends and characteristics of the illegal fund-raising activities in recent years and the areas with frequent occurrence of fraud cases, including investment agency industry, private equity investment industry and internet P2P lending industry. The Company educated the investors with typical cases and strengthened targeted education in key fields and key areas and for key groups of people.

March: The Company launched a “3.15 Publicity Month of Protection of Investor Interests” at its internet investor education base. The activity aimed at improving investors’ ability to identify illegal securities activities, popularizing securities financial knowledge, introducing diversified dispute settlement mechanisms, raising awareness of investor rights, and protecting investor rights and interests through promotional channels including websites, WeChat, and apps and promotions at the business site.

April: The Company organized promotional and education activities for “understanding rules and identifying risks for a rational investment in 2018”. The activities advocated rational investment and enhanced investor awareness of relevant laws and regulations.

December: The Company organized “diversified mechanisms on settling securities and futures disputes” and “recognizing the essence and keeping away from illegal securities investment and consultation” promotions to boost investor abilities to prevent illegal securities activities.



On the campus

May: The Company joined Zhong Zheng Bao Jia and CSDC in a “rational investment starts with me – financial knowledge on the campus” campaign that reached more than 100 students from the financial college of the University of International Business and Economics with a series of special lectures.

September: The Company launched “Galaxy back-to-school season” special activities to impart financial knowledge in school. The program included an online “Galaxy King of quiz” as well as offline promotions to bring investor education into the national educational system.

November: The Company participated in a joint exhibition to provide national investment and financial literacy education seminars to young persons. More than 300 teachers, students and parent representatives from 25 schools (including Shanghai Dongchang Middle School) attended, as well as 19 members of the Company’s investor education team. CCTV, First Financial and other media also participated in the event.

Shareholders Show

June: The Company continued to feature its “Shareholders Show” contest on its investor education website and official WeChat platform. Designed to promote knowledge of investor rights, interests and protections, the contest has attracted a large audience of investors and employees alike. The Company also introduced a “Shareholders Show Daily Question” poster series to further improve investors’ basic knowledge of securities while expanding the scope of promotional activity.



In 2018, the Company cooperated with the SSE to promote listed companies' online collective reception day activities, host three "I am a shareholder" events for securities firms, and co-organize two "getting to know listed companies" events. The Company also conducted three investor surveys and participated in the recording of The Story of Colored Jackets. In cooperation with the Shenzhen Stock Exchange, the Company conducted two "Voice of Investor" investigations and questionnaire surveys, and organized two more "getting to know listed companies" events. With the Securities Association of China, the Company's investor education team co-organized an "elimination of illegal publication" and "health run" activity with a theme of "recognizing the essence

and keeping away from illegal securities investment and consultation". According to the sample survey of investor investigation and matters for investigation formulated by China Securities Investor Protection Fund Corporation, Galaxy Securities completed the investors' confidence survey and the market hot spot investigation and special or comprehensive investigations, and arranged update of statistical sampling for the business department providing support to securities regulators in understanding investors' psychological expectations and securities market research.



Galaxy Securities' Investor Education Profiles in 2017-2018

Indicators	Unit	2017	2018
Number of investor education activities	(time)	4,739	3,418
Person-time of coverage in investor education	(million person-time)	160.09	13.843

Shareholder Satisfaction and Maintaining Market Stability

From a core of functional positioning of securities companies, Galaxy Securities focuses on improving its professional capacity to guarantee safe transactions. The Company maintains tight control over systematic risks and has strengthened its legal compliance operation. It strives to be a stabilizing factor in economic development by acting responsibly in the market and toward shareholders.



Strengthening Communication with Shareholders

In 2018, Galaxy Securities continued to refine and improve the management and processes of investor relations, and improve mechanisms of communication and liaison with domestic and overseas shareholders, potential investors, investment bank analysts, fund managers and other groups. The aim of this ongoing effort is to maintain and deepen the Company's relationships with investors and analysts, promote corporate culture and strategies, introduce the business of the Company, conduct investor relations management through multiple channels, and boost investor confidence in the Company's development. Through its communications with investors, the Company responds to their concerns, highlights its operations, and brings notable concerns and business development suggestions to the relevant departments, all of which contributes to business development and improvements in management effectiveness.

In 2018 the Company convened two general meetings and deliberated and passed 14 resolutions. It responded to investor concerns during specially arranged communication sessions at the general meetings.

In 2018, Galaxy Securities also conducted 2017 annual results presentations and 2018 half-year results presentations which enhanced two-way communications with investors and analysts. It has established good communicative relations with analysts from Nomura, Credit Suisse, BofAML, BOC International, HSBC and other international investment banks, as well as domestic securities analysts such as CICC, Guotai Junan, CITIC Securities, China Merchants Securities, Changjiang Securities, Pacific Securities and Essence Securities. It completed inspections conducted by AH investors and analysts and one-to-one interviews, received more than 120 investors, and conducted more than 180 communications and receptions with analysts and investors via email and telephone. Galaxy Securities responded promptly to investors' questions on the Company e-interaction platform, participated in online collective reception day activities for investors, and carefully considered investors' opinions and suggestions.

Guaranteeing Safe Transactions

Galaxy Securities assigns great importance to the roles of management and technology in guaranteeing the safety and stability of the trading market. It has adopted a range of measures to guarantee the security of system operations and provides safe on-site and online trading channels, environments and services.

Currently, the Company maintains a safe and effective "three centers in two regions" technical structure. It has further established a two-level redundant network structure covering the three centers in two regions and all branches. It also established a concentrated trading center and data center on the basis of ensuring the safety of trading channels and environments. The Company increased inputs and implemented firewalls, anti-virus, safety certification, penetration testing and other information safety infrastructure, and conducted risk assessment of the entire information system. It has also strengthened protections against computer viruses and online attacks. The Company has scored over 92 points in successive evaluations of the classified protection of information security in recent years.

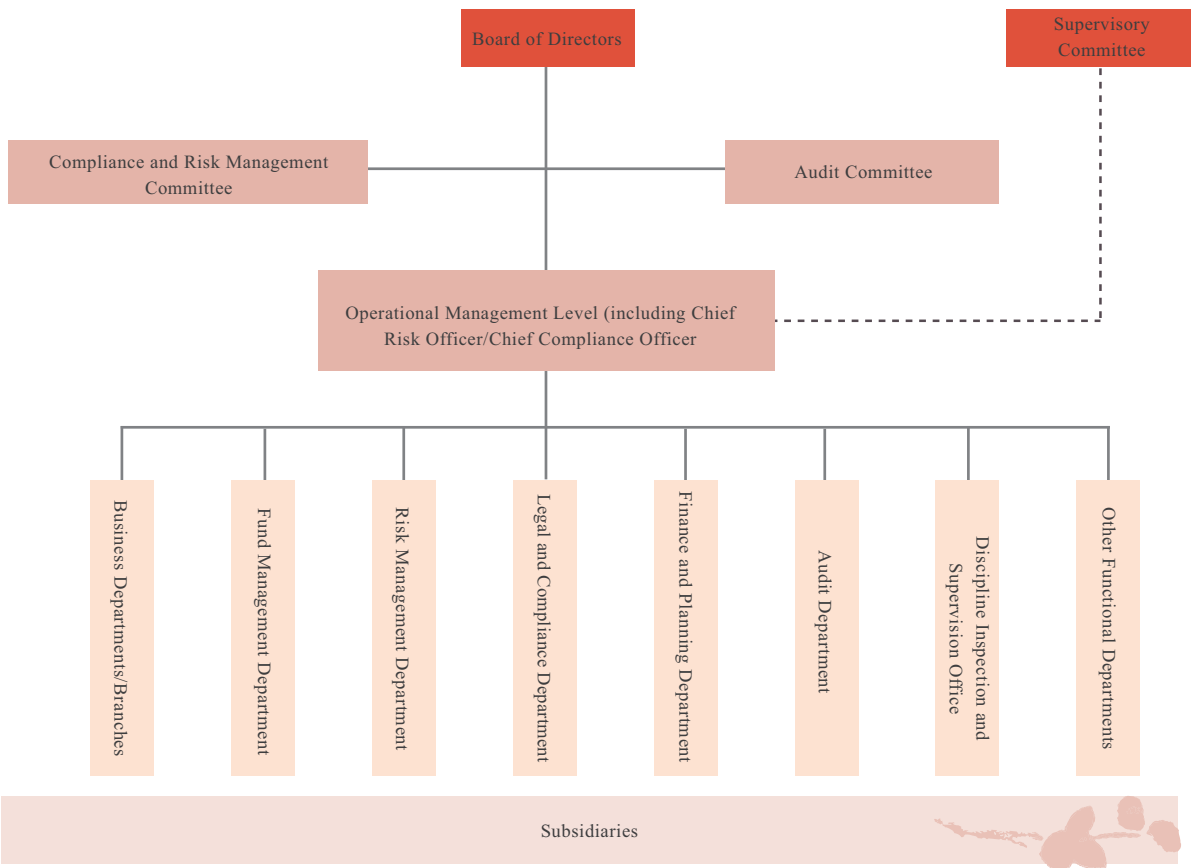
The Company has encountered no significant technical incidents or safety problems in more than 10 years since its establishment.

Overall Risk Management

Galaxy Securities strongly believes that risk management creates value, and has systematically promoted overall risk management through identifying, monitoring, appraising, analyzing and dealing with various risks. The risks inherent to the Company’s operations include those involving the market, credit, operation, liquidity, compliance, money laundering and reputation. The Company has taken measures to actively and effectively respond to these, achieving overall monitoring, control and tolerance of risks and maximizing the risk return.

The Company has established a high-level risk management institute within its organization, with the board of directors, board of supervisors and operational management comprising the main bodies. It has also established grassroots risk management institutes based on “three lines of defense” and brought subsidiaries’ risk management into a unified, vertically managed system.

Galaxy Securities’ Organizational Risk Management Structure



The Company has outlined requirements for the development of a risk management culture in the “Outlines for All-round Risk Management” centered on the concept of “Risk management is everyone’s responsibility and risk management creates value”. Risk management cultural development is implemented through systems and processes, systematic control, encouragement and appraisal, significant responsibility investigation, training and publicity, and by other means.

The Company has established a highly refined four-level risk management system which covers all its lines of business and well as those of its subsidiaries, and penetrates through the whole process of business evaluation access, monitoring reports, risk response and performance appraisal.

Legally Compliant Operation

Pursuant to the requirements of the Administrative Measures on Compliance of Securities Firms and Securities Investment Fund Management Companies, the Guideline for the Implementation of the Compliance Management of Securities Companies with a core of five basic compliance management systems (namely the Articles of Association, the Compliance Management System, the Compliance Code, the Information Firewall Management Measures and the Anti-Money Laundering and Anti-Terrorism Financing Management System) as well as other specific rules on compliance management, Galaxy Securities established a compliance management system. Under its multiple layers are the Board of Directors, the Compliance and Risk Management Committee, the Board of Supervisors, senior management, compliance officer, the Legal Compliance Department, responsible persons and compliance management of units under it (referring to all departments, branches and subsidiaries) and all working staff.

The Company also established a compliance reporting, appraisal and accountability mechanism. For risks involving fraudulent transactions, money laundering and non-compliant operations found in routine compliance management, the Company initiates internal and external reporting procedures based on regulatory requirements and a reporting system for significant matters, and subsequently initiates investigative and treatment procedures for risks on illegal matters. It holds the specific responsible department and responsible person accountable in such cases. On this basis, the Company’s information wall system provides effective business, staff, information system and capital and account isolation across its various businesses. It prevents and controls the improper flow and use of sensitive information in businesses with conflicts of interest and prevents these conflicts to thwart inside trading and other illegal activities.

Anti-fraud transactions

The Company has strengthened its practical compliance operation and prevents fraudulent transactions through a system of staff information on compliance. As a part of this information system, the Company completed and initiated a management system for monitoring compliance, conflicts of interest, staff practice behavior and client trading activities, boosting its ability to identify, analyse, track and report doubtful transactions. The Company attaches high importance to maintaining a high standard of compliant practice among staff, and thus works constantly to improve staff understanding of active compliance, conscientious compliance and spontaneous prevention of non-compliance activities. Galaxy Securities was not subjected to any lawsuits involving fraudulent transactions in 2018.

Anti-money laundering transactions

The Company has strengthened its anti-money laundering measures and consistently improved its early prevention and late punishment. In terms of early prevention, the Company initiated a client identification scheme and risk assessment of client money laundering, and monitors possible money laundering transactions based on client characteristics and the nature of business. The transaction amount is not the sole criterion. Based on actual securities business conditions and appraisal results of money laundering risks, the Company established monitoring models to create a new version of the anti-money laundering system with comprehensive anti-money laundering monitoring which has been introduced into operations. Galaxy Securities was the subject of no lawsuits involving money laundering transaction in 2018.

Compliance procurement

On the basis of establishing and improving its procurement management system, Galaxy Securities imposes standardized processes and management of the selection, appraisal and cooperation with external suppliers. These set clear requirements for the lawful operation, reputation, product and service quality of suppliers. The Company's procurement management department maintains multilevel links with important suppliers, reviews the qualifications of shortlisted suppliers, and investigates suppliers according to the demands of programs. It refuses Company business with disqualified suppliers and regularly appraises suppliers with long-term partnerships in the supplier catalogue. It reassesses qualified suppliers every two years on average. In 2018, the Company revised the Method on Procurement and Management of the Headquarters of the Company and the Method on Procurement and Management of the Branches of the Company, and acquired 128 new suppliers through bidding and business negotiation.

Anti-corruption

Galaxy Securities expects its staff to maintain a high level of honesty and professional ethics, and is strongly committed against embezzlement, bribery and corruption. The Company has duly improved its measures to thwart embezzlement, bribery and corruption by means of early prevention, process monitoring, and post review and rectification. No lawsuits involving fraud and bribery were filed against the Company in 2018.

- (1) Formulate a list of tasks for the establishment of a clean and honest Party and anti-corruption work. Clarify the division of responsibilities and specific requirements of Party organizations and relevant departments at all levels, and ensure the implementation of “one position with two responsibilities”.
- (2) Strengthen the supervision of leading cadres at all levels, intensify pre-incident supervision, improve the supervision mechanism, and require new management personnel to be responsible for the integrity, self-discipline and implementation of the establishment of a clean and honest Party.
- (3) Strengthen training and publicity, successively organize specific business training, six rotational training classes and two Party branch secretary training classes; carry out in-depth warning education and strengthen the good results of educating people by example.
- (4) Strengthen the establishment of a discipline inspection and supervision team, build and improve the discipline inspection and supervision branch, and constantly improve the standard level of work.
- (5) Improve the system, build a long-term mechanism for the development of a working culture, and further improve the Company's internal controls.



Early Prevention

Process Monitoring

- (1) Conduct reviews and investigations, supervision and inspection at the grassroots level. Check the implementation of Company decision-making. Conduct special inspections on a total of 31 branches and 174 sales offices throughout the year, producing 31 special reports.
- (2) Keep watch on key issues and persist in improving working methods and discipline.
- (3) Strengthen online petitions and the use of reporting mailboxes. Unblock the supervision pipeline and strictly enforce accountability.
- (4) Continue strengthening the sharing of information and coordination of the linkage mechanism with relevant authorities. Expand monitoring of discipline observance and scope for the collection of clues and achieve routine and normal monitoring;
- (5) Keep abreast of the central government for internal inspection planning. Strengthen internal inspections and conduct special inspections on five branches and one subsidiary.



Post Review and Rectification

- (1) Comprehensively and strictly implement inspection and rectification tasks.
- (2) Improve relevant rules, systems and working procedures, and be persistent in solving problems, strengthen the inspection on discipline observance and timely handle and process the clues to various issues.
- (3) Punish those in violation of regulations in accordance with the “Disciplinary Punishment Regulations of the CPC” and the Company’s “Measures for Handling Violations of Discipline and Regulations of Employees”.

Putting Staff First and Improving the Talent System

Galaxy Securities has always put its people first. The Company cares deeply about the health and safety of staff and works to protect their legitimate interests and foster the conditions for individual growth.



Employment

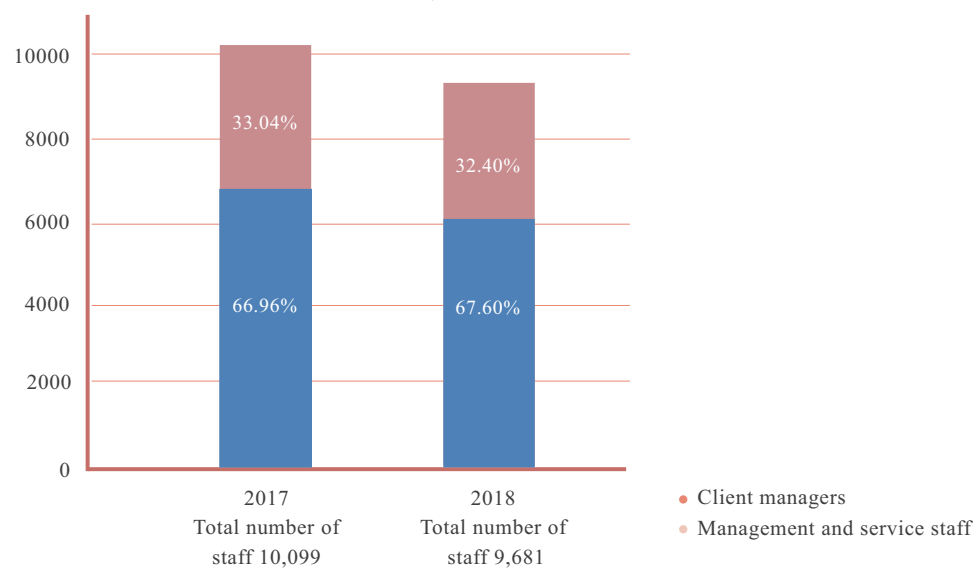
The Company uses the Administrative Measures on Staff Employment of the Company to set clear basic recruitment conditions and standardize recruitment procedures. Employment conforms to the principles of open recruitment, fair competition, overall appraisal and engagement of outstanding candidates. Employed staff sign an Employment Contract with the Company in compliance with the Law on Employment Contracts. The contract clearly outlines the respective responsibilities and obligations of the Company and staff members, including those pursuant to the eradication of child labor and forced labor.

The Company's high quality workforce enhances the core competitiveness of its key businesses and allows it to reserve personnel for business transformation. Internal allocation is conducted before external recruitment to encourage a reasonable flow of the staff within the Company and provide the staff with promotion and learning opportunities. The Company does not use universal criteria for staff recruitment, but prepares standards for each position based on their different requirements. It thus impartially recruits talent of different sexes, educational backgrounds, working experience and ages through a variety of channels (including internal, social and campus recruitment, and via intermediary talent organizations and internal recommendation).

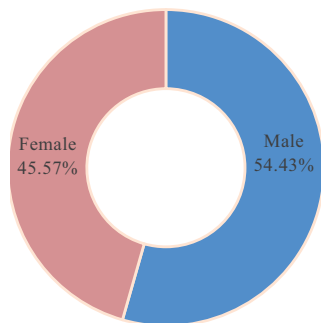
The Company emphasizes the organic integration of reform, speedy development and staff tolerance. While it maintains the relative stability of working positions and staff remuneration, the Company identifies outstanding talent through processes of two-way selection, open competition, job mobility and other methods. The Company has preliminarily established a market-based employment mechanism with "flexibility in manpower deployment".

In 2018, Galaxy Securities accepted two Army veterans and recruited 225 outstanding talents suitable for our business development through school recruitment and social recruitment. The Company also invited college students to work as interns to improve their practical abilities and employment competitiveness.

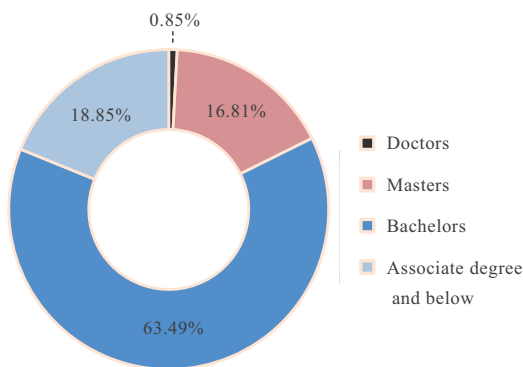
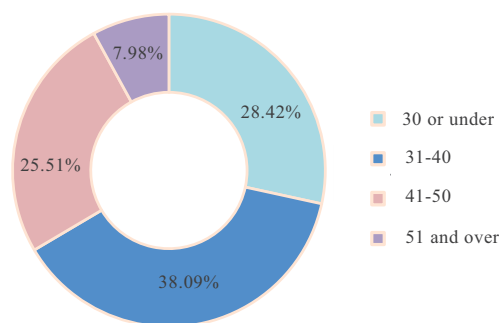
Number of staff of Galaxy Securities in 2017-2018



Proportion of staff of Galaxy Securities based on sex in 2018



Proportion of staff of Galaxy Securities based on age in 2018



Number and proportion of staff of Galaxy Securities based on educational background in 2018



Proportion of female managers of Galaxy Securities in 2018²

² 1) Managers refer to directors, supervisors and senior management;

2) As of the release time of the report, the division of managers is consistent with the annual report.

Employee Rights

Galaxy Securities grants all employees with rights in accordance with national laws and regulations. The Company's Administrative Measures for Attendance and Leaves makes clear provisions for employee working times and rest days, and ensures that employees enjoy reasonable remuneration and holidays (including paid annual, sick, private affairs, home, maternity, marital and funeral leave and work-related injury leave). The Company's Administrative Measures for Staff Benefits of the Company was created on the basis of guaranteeing the statutory welfare, five social insurances and one housing fund for the staff. The Company provides staff with supplementary medical insurance, annuity fund plans (at the staff member's discretion), physical examinations and other supplementary welfare.

In 2018, in accordance with the Administrative Measures for Positions and Ranks, the Company adjusted the positions, ranks and remuneration of staff for the fourth straight year, and reissued salaries at levels corresponding to the adjusted positions, ranks and remuneration from 1 January 2018.

Galaxy Securities has established employee representative meetings through which employees participate in company management, exercise their autonomy, safeguard their legitimate rights and promote improvements to the Company's democratic management system.

Galaxy Securities' overseas operational entity, Galaxy International, conducts its protection of the rights of local staff and labor in keeping with the overall labor policies of the parent company. This includes respecting equal employment, concern for staff safety and health, and the exclusion of forced labor and child labor. Except for certain positions with requirements for languages such as Mandarin, or when coordinating with the business development plans of Galaxy International's global marketing departments based on the demand of talent strategies, it generally employs local staff from the places of operation.

Promotion

To motivate staff and increase their enthusiasm, the Company established management systems for positions and ranks, performance appraisals and remuneration allocation to be applied at headquarters and branches.

The Company's "MD" rank system features four position sequences and directly refers to employee performance appraisals in cases where promotion is under consideration. The Company also prepared Administrative Measures for Backup Talents, Administrative Measures for Positions and Ranks and Measures for the Implementation of Salary Distribution and designed an incentive mechanism based on the characteristics of the business which capitalizes on the effects of positive incentive and creates an institutional system for talent growth.

The Company fulfilled the basic principle of providing training to young staff from all units by identifying 203 young talents (151 cadre talents and 52 overseas talents) from the headquarters and branches from among 1,537 management services employees between 30 and 45 years old via recommendation by themselves and their respective units. Training for all young key staff was completed during 2017-2018.

Caring for Employees

While implementing an incentive mechanism linked to performance, Galaxy Securities has also established a comprehensive welfare security system that includes statutory welfares and supplementary benefits under the Administrative Measures for Staff Benefits so as to improve the employees' satisfaction and sense of belonging.

The Company's labor union focuses on the development of the Company and the willingness and demands of employees are taken as our ultimate work objective. The union care about the hardship in employees' lives, communicates with them and manages to be their close ally. The union, in spite of sending general and personal holiday blessings to all employees, care about physical and mental health of impoverished employees, retired employees and other special groups in many ways. We pays extra attention to the physical and mental health of female employees. Under Administrative Measures for Sending Warmth, the union gives physical or mental assistance to employees who have experienced special difficulties. The Company has established the retired employee service center and regularly holds symposiums and various other activities for retired employees to improve their physical and mental condition. It also offers annual physical examinations, reimbursement of medical expenses and the distribution of various types of welfare to retired employees.

Another focus of the Company's labor union is the development of corporate culture. Based on the characteristics of the industry and our own practical conditions, we advocates the ideal of "happy work, healthy live" and has accordingly established 13 cultural and sports clubs and organized activities. These include mountain climbing and hiking in spring, walking in autumn, fishing, swimming and fitness, calligraphy and painting training, parties for young people, parent-child lectures, photography competitions and physical fitness activities.

The Company's labor union also plays special role in the protection of employee rights. Seven employee rights cases were accepted through channels such as the "Labor Union Mailbox", "Labor Union of Galaxy Securities" mailbox, and the union staff mailbox.



◀ With the theme of “Inheriting the spirit of artisans and striving to be a business model”, the third business skill competition was held in which 12 competitors were elected through various selections. Wang Haiguang, a Party member and vice chairman of the Chinese Financial Workers’ Union, presented at the finals and delivered speeches, stating that the labor union of China Galaxy Securities has been following the model of “labor union establishes the platform, giving employees the leading roles in demonstrating their skills”. The skills competition provides a platform for Galaxy’s employees to show their talents and make contributions to the financial industry.



▲ The Company organised and teamed up to participate in the Fourth Staff Games of CIC System. Through different forms of communication such as live broadcast and the “CIC Ecology Circle” app, the event produced good publicity for the Company. Athletes representing the Company won the championship of table tennis team and the third place in total score.



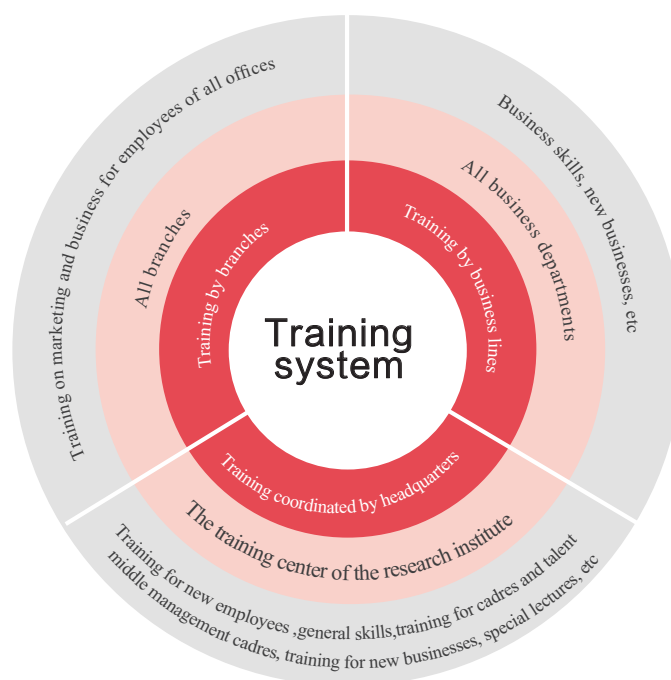
▲ The singing contest "Singing Red May, the Song for Laborers" enhanced the attractiveness and cohesiveness of the Company. The employees of Galaxy enjoy their work and are close to each other like family members.

Training

Galaxy Securities continuously introduces new training innovations and emphasizes the practical, productive application of new knowledge. This provides intellectual support to the implementation of Company strategy and the expansion of its business, as well as helping employees to broaden their horizons and develop their careers.

In 2018 the Company amended the Administrative Measures for Staff Training, the Temporary Administrative Measures for Part-time Trainers and the Administrative Measures for Attending External Trainings based on real working conditions. Under the framework of training policies, Galaxy Securities prepares annual training plans and conducts diverse training activities and programs to improve the quality and ability of all employees. The Company prepares graded training courses for senior management, department managers, securities branch managers and new employees, and conducts classified training for research, investment banking, investment consultancy, financial, compliance control, IT and other employees from different positions.

The Company's current training system is composed of three dimensions, namely hierarchy, grading and classification. Training functions are performed by a dedicated training center.



Summary of training of Galaxy Securities in 2017-2018

Indicators	Unit	2017	2018
Training coordinated at headquarters level	(Phase)	3	28
	(Person-time)	151	831
Training at the business department level	(Phase)	219	224
	(Person-time)	1,447	2,975
Training at branch level	(Phase)	499	700
	(Person-time)	4,791	4,292
Total	(Phase)	721	952
	(Person-time)	6,389	8,098
Total expenditure on staff training	(RMB10,000)	398.48	908.91

In August 2018, Galaxy Securities launched a new one-stop training and learning solution – “Galaxy University”.

The platform uses advanced technology for more agile learning, combining online training and examination with the knowledge base and shared communication. It is available for information push and learning through a variety of channels including PC, enterprise WeChat, WeChat, browsers and apps. As of the end of 2018, “Galaxy University” had issued a total of 284 courses with total duration of 446 hours, and organised 11 online examinations with 24,023 participants.



Training team

Galaxy Securities’ training team is composed of both internal and external trainers. In accordance with the Temporary Administrative Measures for Part-time Trainers, Galaxy Securities has also built a pool of part-time trainers, and members of senior management, middle department leaders and business cadres have all acted as internal trainers in certain courses. Galaxy Securities maintains contact with more than 10 external training suppliers and has engaged in cooperation when required. External trainers have become important supplements to the professional training team.

Curriculum system

Drawing on advanced international experience, Galaxy Securities independently developed a wealth management curriculum linked to relevant international qualification examinations. In 2018, the Company organized four training courses for wealth managers, with a total of 258 participants. In future, the Company will develop similar course systems for other business lines, continuously update the knowledge system for business personnel, and incubate a business talent team that meets market needs.

External cooperation

Galaxy Securities maintains close business relationships with the Securities Association of China and the Asset Management Association of China and has participated in the design of courses, course sharing, lectures, forums, industry and company appraisals. It also cooperates with universities by participating in summits and symposiums of financial talents.

Case: Successful Advanced Class Office Training on Software Applications

In June 2018, the Company commenced its first advanced skills office training at headquarters. The course covered data management, chart production and a general introduction of functions for Excel, Powerpoint optimization design and layout, and the effective layout of Word documents. Total duration of the training was 24 days over an eight-week period. The training was well received by the staff, with a registration of more than 150 people from Galaxy Financial Holdings, the headquarters and Beijing Branch.



In August, the advanced class on office software application skills achieved further success. A review of feedback revealed that participants were very satisfied with their new skills with Excel, Powerpoint and Word, and had increased their work efficiency. A number of participants also expressed their desire for the Company to continue offering advanced office courses.

Case: Inaugural Wealth Manager Training

On 14 July 2018 the Company began its first wealth manager training course at the Huzhou, Zhejiang branch. The course included modules for Fortune Management Overview, Establishment and Management of Customer Relationships, Financial Instruments, Investment Portfolio Management and Compliance and Risk Control of Wealth Management with a duration of 42 hours plus three hours of exams. The course was attended by 55 outstanding investment consultants from B1, B2, and E1 branches and personnel designated by Huzhou Taihu Green Finance Town.



Case: Postdoctoral Workstation

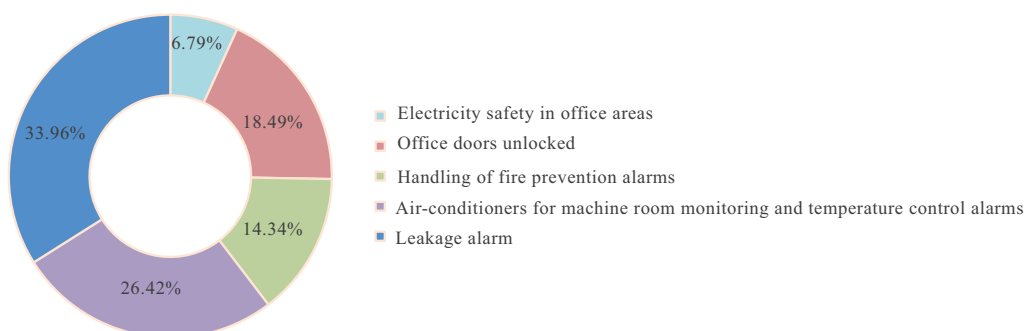
The postdoctoral scientific research workstation studies significant theoretical issues of economic operation and development in China, significant theoretical and practical issues of the reform and development of the capital market, and realistic, forward-looking strategic issues of development and innovation for securities companies. Its high quality work contributes to the development of Galaxy Securities into a first-class domestic securities company.

In 2018, the station carried out work in accordance with the Company's business plans and departmental work plans, completed research and assessments, and directly participated in specific practical work for business departments. It produced a total of 37 research reports, published three articles in newspapers, and participated in research projects assigned by the Company. In 2018, one postdoctor left the station, while seven postdoctoral researchers joined.

Working Environment

The Company works to guarantee the safety of its places of operation and the physical safety of employees. In 2018, in accordance with the Regulation on Inside Security and Safeguarding for Enterprises and Public Institutions issued by the State Council, the Regulation on Monitoring and Inspecting Inside Security and Safeguarding for Enterprises and Public Institutions by Public Security Agencies, the Fire Prevention Law and the Counterterrorism Law of China and the Company's Guidelines on Safety and Safeguarding Work, Galaxy Securities expanded regulation of safety precaution procedures, revised the responsibilities of relevant personnel, formulated plans for security and defence and fire prevention, upgraded facilities for security and defence and fire prevention on some floors of headquarters, implemented the duty system, and reinforced safety patrol shifts. A plainclothes security position was set up at the east gate of the Company headquarters to rapidly detect potential safety hazards.

Potential Safety Hazards Identified and Rectified at Galaxy Securities Headquarters in 2018



The Company recorded no disaster incidents caused by work negligence, no injuries or deaths, and no property losses in 2018. The Company did not observe any safety and stability incidents during key sensitive periods such as two sessions and the summit forum on the Belt and Road Initiative.

Significant Security Incidents and Work-related Injuries at Galaxy Securities in 2017-2018

Indicators	Unit	2017	2018
Significant security incidents within the Company system	(incident)	0	0
Work-related injuries within the Company system ³	(time)	2	0
Employees with work-related	(person)	2	0

Galaxy Securities cares deeply about the well-being of employees and guarantees a healthy working environment. At the Company's headquarters, it has established employee health service centers and appointed special medical staff to provide physical examinations, vaccinations against influenza, routine clinical reception and other medical services, treatment proposals to sick employees, and regular education on the prevention of infectious diseases. As well as supplying barrelled drinking water, the Company has installed water purification equipment at drinking water boilers on each floor of the building. Greenery in office areas has also been increased. In 2018, over 94% of headquarters employees received physical examinations⁴.

³ Work-related injuries refer to being unable to work for more than three days due to work-related accidents and are obtained by applying for work-related injury insurance for Company employees.

⁴ The proportion is of the headquarters of the Company. The number of employees of the headquarters of the Company that received body check was 1,216 (including the Company's leaders, employees who work in headquarters and headquarters employees who were sent outside headquarters).

The actual number of the employees in the headquarters of the Company at the end of the year was 1,296, pursuant to which, some employees left the Company after body check.

Business Development and Serving the Real Econom

As a large state-owned financial institution, Galaxy Securities actively responded to the state's requirements and call for financial institutions to fulfil their social responsibilities in 2018. With service to real economies as its goal, the Company worked to identify corresponding financial needs and improve its relevant abilities.



Strategic Development and Planning

Based on research on securities industry development trends, evaluation of implementation results from the previous five-year strategic plan and analyses of various aspects of the Company, in 2018 Galaxy Securities began to formulate a strategic development plan for 2018-2022.

The plan calls for the Company to establish a new business model featuring “two-wheel drive coordinated development”, a management system of “centralized coordination, line supervision and hierarchical management”, and an overall arrangement for strategic implementation on the “two steps” basis of three years of transformation and three years of consolidation. The new business model and management system meet the diverse financial needs of the public and the real economy, and adapt to investors’ needs for financial innovation. The plan will direct the general development of the Company’s business and will be a key factor in reshaping the industry’s competitive landscape.



The new strategic development plan fully considers external opportunities and challenges, internal strengths and weaknesses, and major security industry development trends, providing clear guidance for the Company's future transformation and development.

Supporting Private Enterprises

In the spirit of the 19th Party Congress, the Central Economic Work Conference and the Financial Work Conference, the Company give full finance support and service functions to the real economy, actively support the development of private listed companies, and solve the difficulties and high price of financing of private enterprises. Galaxy Securities intends to take the lead, and together with central enterprises, local state-owned enterprises, financial investment institutions and large private enterprise groups, has jointly initiated a Galaxy Development Fund (mother fund) with a total planned scale of RMB60 billion.

The fund investment is mainly for private listed companies that meet the requirements of the parent plan of the securities industry, investment targets that meet the development strategy of Galaxy Securities, specific industries with capital operation conditions such as mergers and acquisitions of listed companies, regional investments that have established strategic partnerships with Galaxy Securities, and listed companies in the regional equity market with subsequent capital operating conditions. The Galaxy Development Fund will help the development of national strategic emerging industries, help prospective enterprises (especially private listed companies and their major shareholders) solve the liquidity dilemma, promote mergers and acquisitions and industrial upgrading of listed companies, and ensure sustainable development of the economy.

At the same time, in accordance with the unified deployment of the CSRC and the Securities Association of China, Galaxy Securities and Galaxy Jinhui signed a “Galaxy No. 1 FOF Collective Asset Management Plan for the Development of Private Enterprises in the Securities Industry” agreement with an amount of RMB2 billion, the capital contribution of which was completed in 2018.

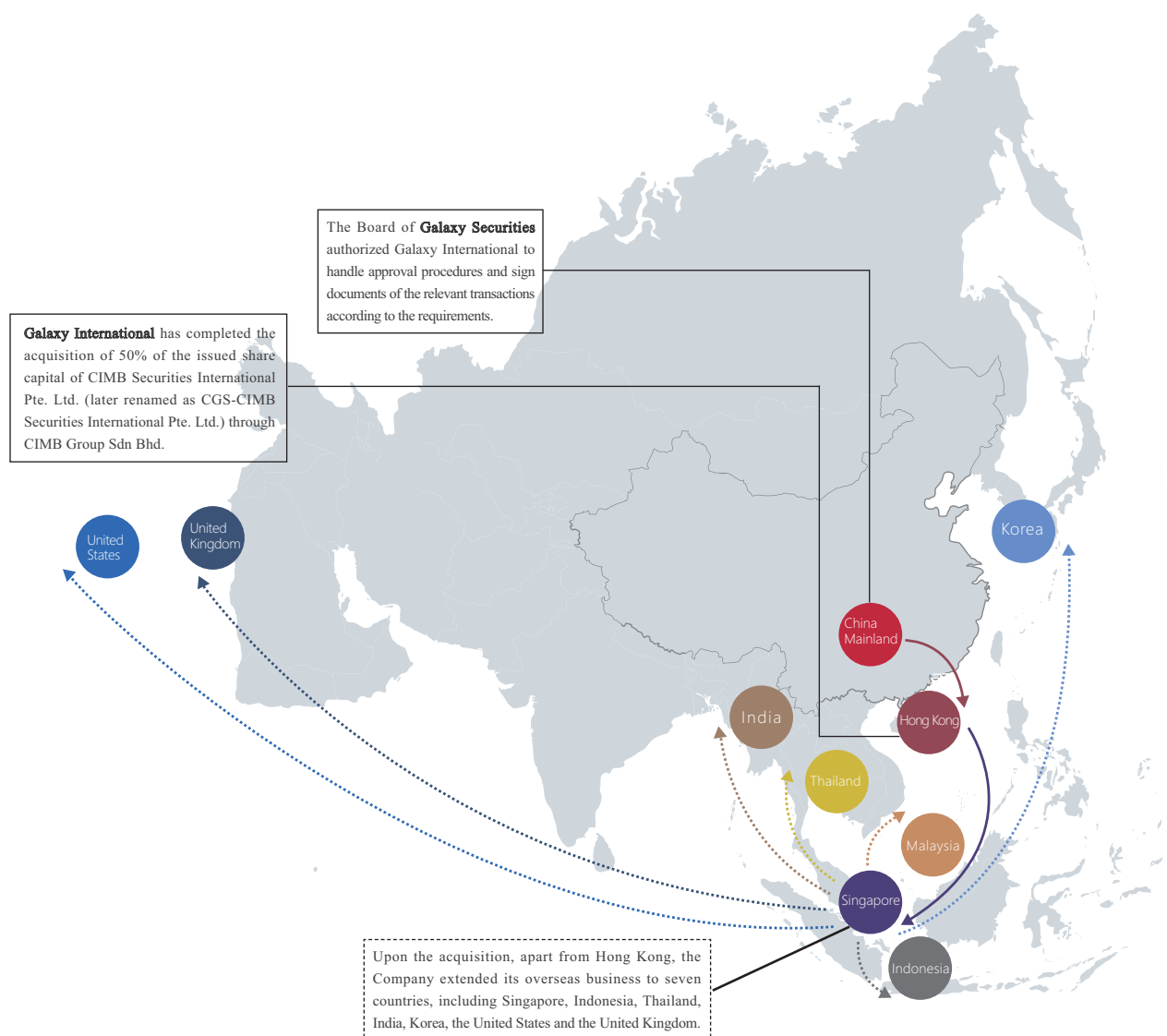
Planning of the International Business

Wealth management, investment and financing and international business constitute the Company's three business systems. The international business provides cross-border wealth management and investment and financing services to domestic and overseas customers, and integrates “going out” and “bringing in” opportunities to improve the Company’s overall level of business and provide one-stop customer services.

The Company is building an international business system architecture with Southeast Asia at its core, covering the whole of the continent around the Belt and Road, the Greater Bay Area and the construction of Free Trade Zone, with Galaxy International, Galaxy Lianchang and Galaxy Hainanas serving as the basic platform.

Galaxy Securities and CIMB Securities established a strategic partnership to acquire 50% of CIMB Securities with the aim of creating the largest comprehensive financial service provider in Asia. This represents not only a concrete manifestation of the government's One Belt, One Road initiative and a response to Chinese brokers’ encouragement to outwardly expand by China Securities Regulatory Commission, but also an important measure to implement the Company's strategic plan and accelerating pace of internationalization. The guiding ideology of One Belt, One Road provides an opportunity for Galaxy to establish long-term stable development. The One Belt and One Road extends both north and south, which is a rare opportunity to achieve internationalization.

International business layout of Galaxy Securities



Promoting Green Finance

Sustainable development has become an inevitable choice for the transformation and upgrading of China's current national economy. Green finance is an innovative financial system that is indispensable to sustainable development, as it guides and encourages more social funds to flow to green industries such as environmental protection, energy conservation, clean energy, transportation and buildings. Promoting green development and focusing on improving the environment have become the consensus among all stakeholders.

Galaxy Securities has implemented the concept of “innovation, coordination, green, openness and sharing” to support the development of green industry projects, and has participated in the reform and practice of national green finance projects to foster green finance as a major direction for future development.

Case: Cooperation with local governments

In April 2018, Galaxy Securities announced the establishment of the China Galaxy Securities Research Institute's Yangtze River Delta Green Finance Research Center in Huzhou Taihu Green Finance Town. The facility uses the research resources and platform of Galaxy Securities Research Institute to provide intellectual support for the development of the economy and green finance in Huzhou. It also promotes the strategic cooperation between the Institute and Huzhou government and on the basis of conditions specific to Huzhou, utilizes the advantages of Galaxy Securities' integrated financial services to provide enterprises with financing solutions, guide social funds to invest in green industries, and promote the sustainable development of the finance system.



Case: The Green Finance Cooperation Committee of Asian Financial Cooperation Association

On November 2018, the unveiling ceremony of the Green Finance Cooperation Committee of Asian Financial Cooperation Association (hereinafter referred to as “GFCC-AFCA” for short) and 2018 Green Finance Cooperation International Forum was held in Haikou. As the director unit of the Green Finance Cooperation Committee, Galaxy Securities co-hosted this event with Asian Financial Cooperation Association. Chen Gongyan, the chairman of the Company, was elected as the Director of GFCC-AFCA. To construct a regional green finance system jointly, GFCC-AFCA will establish an investment fund for green finance, a cooperation platform for carbon finance trading and a regional green finance market, and promote the establishment of green bonds trading and third-party authentication platform.



On the 2018 International Forum on Green Finance Cooperation, representatives from Kazakhstan, Japan, England, the United States, and other countries, regions and international organizations took part in round table discussions on “the Belt and Road Initiative”, roles of governments, green finance practice, and ESG in asset management industry.

Social Prosperity and Practice Enterprise Missions

In 2018, Galaxy Securities concerns for the interests of all parties in society, continues in the form of poverty alleviation and public welfare work, responses to the call for national green development, endeavors in environmental protection, and consistently insists green management throughout the Company's business.



Comprehensive Targeted Poverty Alleviation

As poverty alleviation becomes a national goal, Galaxy Securities conscientiously implements ideas for poverty alleviation and carries out an extensive variety of poverty alleviation work with the hope of contributing to the fight against poverty.

In order to alleviate and cut poverty, the Company's leaders teamed up and repeatedly visited the poverty-stricken areas with the aim of understanding the latest needs of the poverty alleviation project first-hand, and formulated plans for poverty alleviation with the local governments and evaluate the results.

The Company continued to implement the agreements signed with Jingning County, Gansu Province, Linxi County, Inner Mongolia, Daozhen County, Guizhou Province, Hetian County, Xinjiang and Zuoquan County, Shanxi Province, and carried out measures for education, industrial development, ecological protection, financial development, medical care and infrastructure to alleviate poverty.

In 2018, the Company won the Poverty Alleviation Excellence Award (扶贫卓越贡献奖) in the securities and futures industry of China, the "Ecological Poverty Alleviation Award" (生态扶贫奖) and the "Best One Company for One County Paired Support Project Award" (最佳‘一司一县’结对帮扶项目奖) and the "Best Ecological Poverty Alleviation Project Award" (最佳生态扶贫项目奖). Its subsidiary Galaxy Futures won the "2018 Poverty Alleviation Contribution Award for China Securities and Futures Company" (2018 中国证券期货公司扶贫贡献奖).

Educational Assistance

The Company continued to provide supports to Galaxy primary schools in Hongsibao in Ningxia, Bingxi in Guizhou, Jingning in Gansu, Yongshan in Yunnan, Arxan in Inner Mongolia and Hetian in Xinjiang. Besides, the Company set up a "Galaxy Starlight Education Foundation" in Jingning County, Gansu Province and participated in kindergarten facility projects in Yongshan County, Yunnan Province.

Industrial Assistance

In Jingning County, Gansu Province, the Company assisted the construction of a 500 mu demonstrative park for new technology of apple and a base for apple seed breeding, with an area of 45,000 mu. The Company also assisted the construction of 1,311 barns, 3 places for nurturing cattle and a distribution hub for beef, which lifted more than 4,300 people out of poverty.

Poverty alleviation by consumption

The Company purchased local products such as apples from poverty-stricken areas, to a total amount of more than RMB550,000. To expand the agricultural product sales network in Jingning County and increase farmers' incomes, the Company helped to establish an online Jingning Poverty Alleviation Pavilion on JD.com.



Medical assistance

The "1351" health and poverty alleviation project, which emphasizes accurate screening and treatment, carried out in Linxi County in Inner Mongolia, and the medical equipment purchase project implemented in Jiange County in Sichuan Province achieved initial results.

Talent Assistance

The Company dispatched one deputy county chief with the position retained in Jingning County, Gansu Province and 1 first secretary and dispatched 1 cadre to Zuoquan County, Shanxi Province to provide management training. Two specific training was organized by the Company for the government, enterprises and cooperative administrators of Jingning County, Gansu Province with more than 300 people attended.

Financial assistance

The Company helped Jingning County in Gansu to obtain the "apple futures clearing house" of Zhengzhou Commodity Exchange, connecting the apple industry in the county to the capital market and initiating the "insurance plus futures plus banks" project. In this regard, it can improve the brand value and competitiveness of apple.



Ecological Protection

In Jingning County, Gansu Province, the Company assisted the construction of the "economic + ecological" public welfare forest of 20,000 mu across 5 rural towns, benefiting 4,602 poverty-stricken households (19,000 people). The project won the "Best Ecological Poverty Alleviation Project Award for China's Securities and Futures Industry in 2018" (2018年中国证券期货业最佳生态扶贫项目奖), and Galaxy Securities became the only unit to win the award.

Infrastructure assistance

The Company implemented a village improvement project in Jingning County, Gansu Province and allocated the fund for the repair of 31 venues in poverty-stricken areas. The Company also participated in a poverty alleviation project in Yu County in Hebei and a reconstruction project for public toilet in Yongshan County in Yunnan.



Participation in Community Activities

The branches and subsidiaries of Galaxy Securities cover the whole of China and Hong Kong SAR. Based on local conditions at places of operation, it has actively participated in socially beneficial activities by donating to non-profit organizations and contributing to volunteer work.

Case: Galaxy International continues to repay the international community

In 2018, Galaxy International prepared rules for supporting public welfare activities and making donations to charity organizations. Under these guidelines, Galaxy International donated a total of HK\$ 557,000 to Health Express, Smile Action, Love Legacy and Community chest of Hong Kong.

As well as donating funds, Galaxy International employees frequently participate in voluntary activities. In July 2018, eight volunteers – including the General Manager and employees from Galaxy International and Galaxy Securities Shenzhen Branch – participated in the “2018 China Charities Aid Foundation for Children Xingren International Smile Action” in Xingren, Guizhou. Its contributions for impoverished children in remote areas was widely praised by all parties involved.



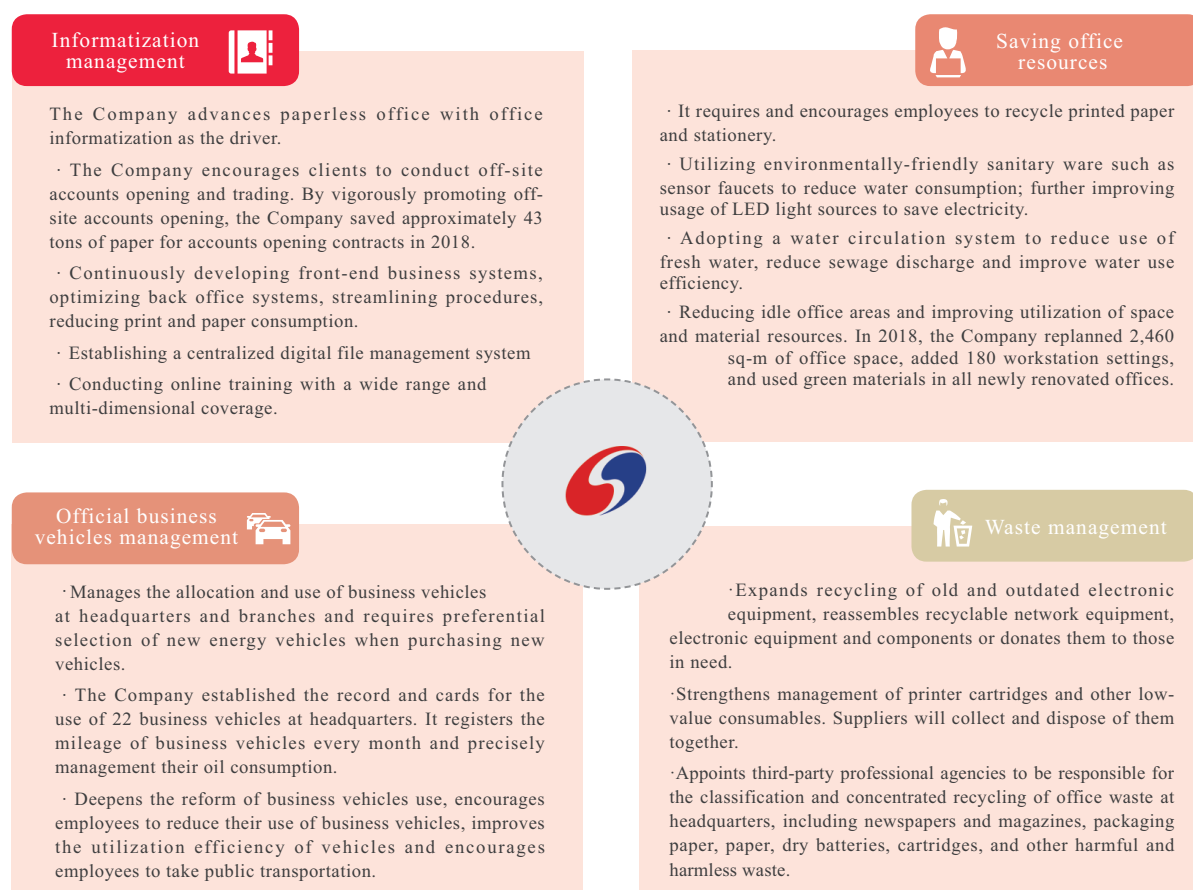
Galaxy International additionally arranged for employees to attend the annual meeting of Health Express.

A Green Operation

As a financial enterprise engaged in office activities with low energy consumption and light pollution, the Company makes virtually no direct material impact on the natural environment and natural resources. Its routine consumption of resources mainly includes office electricity, petrol for official business vehicles, tap water and paper. Major emissions consist of carbon emissions from energy consumption, domestic sewage, office and domestic garbage, and other harmless waste. In 2018, the Company was not involved in any major environment related lawsuits.

In 2018, the Company relied on the ESG management indicator system to continue to strengthen its environmental management and improve training, publicity and data collection. It publicizes the ESG management and standardizes the environmental data management of subordinate companies through training.

In terms of standardizing green operation, the Company conducted work at the following levels in 2018:



The Company observed no significant environmental problems and recorded no lawsuits, significant punishments or non-economic punishments for environmental problems in 2018. Data for major emissions and use of resources are as follows:

Galaxy Securities' Emissions in 2017-2018

Indicators	Unit	2017	2018
Direct Greenhouse Gases (Scope I)	(ton of CO2 equivalent)	1,680.37	1,033.27
Indirect Greenhouse Gases (Scope II)	(ton of CO2 equivalent)	21,598.26	21,247.67
Total Greenhouse Gases (Total=Scope I + Scope II)	(ton of CO2 equivalent)	23,278.63	22,280.94
Greenhouse Gas Emissions per Office Area	(ton of CO2 equivalent/m ²)	0.07	0.07
Per Capita Emissions of Greenhouse Gases	(ton of CO2 equivalent/person)	2.31	2.66
Discharge of Harmless Waste (domestic garbage applicable to the Company)	(ton)	402.84	1,407.12
Total Discharge of Domestic Sewage	(0'000 ton)	21.13	19.51

Galaxy Securities' Resource Consumption in 2017-2018

Indicators	Unit	2017	2018
Total Office Power Consumption	(MWH)	31,280.05	30,310.36
Per Capita Office Power Consumption	(MWH/person)	3.10	3.13
Power Consumption per Unit Office Area	(KWH/m ²)	90.85	87.15
Total Petrol Consumption	(0'000 litre)	72.89	44.00
Total Diesel Consumption	(litre)	6,653.98	4,232.57
Natural Gas Consumption	(0'000 m ³)	3.12	2.72
Comprehensive Energy Consumption	(ton of standard coal)	4,617.63	4,239.25
Per Capita Comprehensive Energy Consumption	(ton of standard coal/person)	0.46	0.44
Comprehensive Energy Consumption per Unit Office Area	(ton of standard coal/m ²)	0.01	0.01
Total Water Consumption	(0'000 ton)	23.91	22.95
Water Consumption per Unit Area	(ton/m ²)	0.69	0.65
Total Office Copy Paper Consumption	(ton)	164.18	174.96
Per Capita Office Copy Paper Consumption	(kg/person)	16.25	18.07

Appendix



Membership in Social Organizations

Organization	Position
Green Financial Committee under the China Society for Finance and Banking	Executive council member
National Debt Association of China	Executive council member
Securities Association of China	Executive council member
Securities Association of Beijing	Vice-chairman
China Securities Regulatory Commission	Member
China Institute of Internal Audit	Group member
China Computer Users Association	Vice-chairman
Listed Companies Association of Beijing	Member
Hong Kong Institute of Chartered Secretaries	Joint member
China State Finance Magazine	Council member
Shanghai Gold Exchange	Special member (securities companies)
Banking Accounting Society of China	Vice-chairman
Beijing Financial Street Chamber of Commerce	Council member
Capital Financial Service Chamber of Commerce	Council member
Asset Management Association of China	Member
Insurance Asset Management Association of China	Joint member
Asian Financial Cooperation Association	Council member
National Association of Financial Market Institutional Investors	Member
Financial Street Human Resources Association	Member
China Social Insurance Association Social Insurance Fund Investment Management Committee	Member
Green Finance Cooperation Committee under Asia Financial Cooperation Association	Director unit
Off-site Commodity Derivatives Association	Member

Social Recognition in 2018

02

On 1 February, "China Galaxy Securities" APP3.0 won two awards, the "Most Creative APP" (最具创意性 APP) and "Favourite APP of Users" (用户最喜爱 APP) from Sina.com.

On 2 February, the Company won the "Outstanding Official Accounts of Securities Company" award in the 2017 Lead the Chinese Advance on the "Second Smart Finance International Forum and the 6th Annual Ceremony of Lead the Chinese Advance for the Financial Field" organized by JRJ.com.

On 9 February, the Company won the "Top Ten Securities Company" (十佳期权经纪商) award, and the outstanding employees of the Wealth Management Headquarters won the "Top Ten Gold Options Investment Consultant" (全国十佳金牌期权投顾) and "Top Ten Silver Options Investment Consultant" (全国十佳银牌期权投顾) awards at the third annual ceremony of the listing of stock options held by the Shanghai Stock Exchange.

03

In March, the Company was awarded "Civilized Unit of the Capital" by the Capital Spiritual Civilization Construction Committee.

On 22 March, the Company was awarded "2017 Investor Survey Excellent Securities Company for Insured Fund Companies" (2017 年投保基金公司投资者调查优秀证券公司) by China Securities Investor Protection Fund, and 20 securities branches including Changsha Jiefang Middle Road Branch won the "2017 Investor Survey Excellent Securities Branch for Insured Fund Companies" (2017 年投保基金公司投资者调查优秀营业部).

07

On 11 July, the "New Generation Mobile Securities Trading System Based on Hybrid Cloud Architecture" of the Company won third prize in the "China Securities Futures Science and Technology Award" (中国证券期货科学技术奖), the highest (ministerial) science and technology award in the securities and futures industry, and the "Galaxy Smart Operation and Maintenance Platform Based on DEVOPS Theory and Machine Learning" and the "Business Development Platform for Component Architecture (COA)" won the Excellence Award.

On 27 July, the Company was awarded Class A "AA" rating by the China Securities Regulatory Commission.

09

On 19 September, the Company won the "Most Brand Influential Securities Company" (最具品牌影响力券商), the "Wealth Management Securities Company with Highest Strength" and the "Most Popular APP for Young Users" (最受年轻用户推崇 APP) awards at the "2018 Securities Companies Industry Summit Forum and 2018 Securities Companies Jinding Prize" sponsored by Daily Economic News.

On 21 September, the Company won the "2018 Securities Companies App Leader Award" (2018 券商 APP 领军人物奖), "APP Excellent Operation Team Award" (APP 优秀运营团队奖) and "Excellent APP Consolation Award" (优秀 APP 入围奖) at the "2018 Securities Industry Financial Technology Summit and Appraisal of Excellent Securities Companies APP" sponsored by China Brokers.

12

In December, the Company won the "Hong Kong Stock Exchange Outstanding Information Service Securities Company" (港股通杰出信息服务券商) and "Mainland-Hong Kong Stock Connect Promotion Pioneer Securities Company" (内地港股通推广先锋券商) awards at the "2018 Hong Kong Stock Exchange Market Information Forum and Awards Ceremony" held by the Hong Kong Stock Exchange.

On 18 December, the 2018 Eastmoney China Best Analyst List was released by Eastmoney.com and Eastmoney Choice Data. A number of the Company's analysts from the machinery industry, real estate industry, pharmaceutical bio-industry, national defense and military industry were in the list, occupying over 20% among the consolationtop 100 analysts.

On 21 December, the Company won the "2018 Outstanding Investor Education Contribution Award" (2018 年度投资者教育突出贡献奖) in the China Times, Shuipi Zatan (水皮杂谈), Sina Finance and Economics V Channel, Huaxia Organization Investment Forum and the 11th "Golden Cicada" Award Ceremony organised by Huaxia Investor Education.

On 28 December, the Company won the "Quality Service for Real Economy Award" at the "Second New Era Capital Forum" and "Jin Junma Awards Ceremony (2018)" sponsored by Securities Daily.



Independent Assurance Report

To the Board of Directors of China Galaxy Securities Co., Ltd (the "Board of Directors"):

We have been engaged by the Board of Directors of China Galaxy Securities Co., Ltd ("CGS") to perform a limited assurance engagement on its 2018 *Social Responsibility Report* ("the Report") for the period from 1 January 2018 to 31 December 2018.

Responsibilities of the Board of Directors

The Board of Directors is responsible for preparing the Report in accordance with *Environmental, Social and Governance Reporting Guide* ("ESG Reporting Guide") issued by Hong Kong Stock Exchange, and its presentation (including reporting guidelines, limitations, reporting data and relevant identification procedures).

The Board of Directors is also responsible for determining CGS's objectives in respect of ESG performance and reporting, including identifying stakeholders and relevant material issues, establishing and maintaining appropriate performance management system and internal control system for obtaining performance information in the Report, and maintaining sufficient records.

Our Responsibilities

In accordance with the agreed terms with CGS, we are responsible for performing a limited level of assurance engagement on selected data and performance claims ("the Subject Matter Information") in the Report, and expressing a conclusion on the Subject Matter Information. Our work is only for the Board of Directors, and for no other purposes. We do not assume responsibility or accept liability to any other person or third party for our work or the contents of this report.

Our Independence and Quality Control

We conducted our engagement in accordance with the independence and other ethical requirements in the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants. We maintains a comprehensive system of quality control applying *International Standard on Quality Control 1*.

Basis of Our Work

We conducted our work in accordance with *International Standard on Assurance Engagements 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Federation of Accountants. We planned and performed our engagement to obtain all the information and evidences which we considered necessary to form conclusions.

Procedures, Scopes and Limitations of Our Work

Our work performed includes interviewing personnel responsible for the Report, analyzing information, and other steps to collect evidences. Specifically our procedures include:

- Interviewing staff responsible for the selected data and performance claims, to understand the process for determining the key stakeholders and material issues, and applicable controls.
- Assessing the inclusion of the Subject Matter Information in the Report against requirements of the *ESG Reporting Guide*, and comparing the sampled original documents from Headquarter with the statements in the Report.
- Establishing the Subject Matter Information and assurance standard to perform this limited assurance engagement with CGS on the Report.
- Analyzing sampled data and performance claims, reviewing its consistency with our work results, and Assessing the effectiveness of the control on the Report preparation procedure.

The extent of evidence gathering procedures performed is less than that of a reasonable assurance engagement and therefore a lower level of assurance is provided. Our work performed is not for the purpose of expressing an opinion on the effectiveness of CGS's internal control.

We performed our limited assurance engagement at headquarter of CGS. We did not carry out such engagement at any other branches and subsidiaries of CGS, nor interview with external stakeholders. Moreover, historical data and information beyond the Subject Matter Information are not within the scope of our work.

Our Conclusions

Based on our work performed, nothing has come to our attention that would lead us to believe that there is any material misstatement related to the Subject Matter Information in the Report.

This is translation of the Chinese language version of the Independent Assurance Report. If there is any conflict between the Chinese and English version, the Chinese version will prevail.

Deloitte Touche Tohmatsu Certified Public Accountants LLP

27 March 2019



Galaxy Securities ESG Index Table

Subject Areas, Aspects, General Disclosures and KPIs		Location in the Report
A: Environmental		
Aspect A1: Emissions		
General Disclosure		Social Prosperity and Practice Enterprise Missions - A green operation
A1.1	The types of emissions and respective emissions data	Social Prosperity and Practice Enterprise Missions - A green operation - Galaxy Securities' Emissions in 2017-2018
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).)	Social Prosperity and Practice Enterprise Missions - A green operation - Galaxy Securities' Emissions in 2017-2018
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	-
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Social Prosperity and Practice Enterprise Missions - A green operation - Galaxy Securities' Emissions in 2017-2018
A1.5	Description of measures to mitigate emissions and results achieved.	Social Prosperity and Practice Enterprise Missions - A green operation
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Social Prosperity and Practice Enterprise Missions - A green operation
Aspect A2: Use of Resources		
General Disclosure		Social Prosperity and Practice Enterprise Missions - A green operation
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in 000s) and intensity (e.g. per unit of production volume, per facility).	Social Prosperity and Practice Enterprise Missions - A green operation - Galaxy Securities' Resource Consumption in 2017-2018
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Social Prosperity and Practice Enterprise Missions - A green operation - Galaxy Securities' Resource Consumption in 2017-2018
A2.3	Description of energy use efficiency initiatives and results achieved.	Social Prosperity and Practice Enterprise Missions - A green operation
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water that is fit for purpose, water efficiency initiatives and results achieved.	Social Prosperity and Practice Enterprise Missions - A green operation
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not Applicable
Aspect A3: Environment and Natural Resources		
General Disclosure		Social Prosperity and Practice Enterprise Missions - A green operation
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Social Prosperity and Practice Enterprise Missions - A green operation
B: Social		
Aspect B1: Employment		
General Disclosure		Putting Staff First and Improving the Talent System - Employment
B1.1	Total workforce by gender, employment type, age group and geographical region.	Putting Staff First and Improving the Talent System - Employment
B1.2	Employee turnover rate by gender, age group and geographical region.	-

Subject Areas, Aspects, General Disclosures and KPIs		Location in the Report
Aspect B2: Health and Safety		
General Disclosure		Putting Staff First and Improving the Talent System - Working environment
B2.1	Number and rate of work-related fatalities	Putting Staff First and Improving the Talent System - Working environment
B2.2	Lost days due to work injury.	Putting Staff First and Improving the Talent System - Working environment
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Putting Staff First and Improving the Talent System - Working environment
Aspect B3: Development and Training		
General Disclosure		Putting Staff First and Improving the Talent System - Training
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Putting Staff First and Improving the Talent System - Training
B3.2	The average training hours completed per employee by gender and employee category.	-
Aspect B4: Labour Standards		
General Disclosure		Putting Staff First and Improving the Talent System - Employee rights
B4.1	Description of measures to review employment practices to avoid child and forced labor.	Putting Staff First and Improving the Talent System - Employee rights
B4.2	Description of steps taken to eliminate such practices when discovered.	Putting Staff First and Improving the Talent System - Employee rights
Aspect B5: Supply Chain Management		
General Disclosure		Shareholder Satisfaction and Maintaining Market Stability - Legally compliant operation - Compliance procurement
B5.1	Number of suppliers by geographical region.	Shareholder Satisfaction and Maintaining Market Stability - Legally compliant operation - Compliance procurement
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Shareholder Satisfaction and Maintaining Market Stability - Legally compliant operation - Compliance procurement
Aspect B6: Product Responsibility		
General Disclosure		Customer-first and Enhanced Financial Services
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	-
B6.2	Number of products and service related complaints received and how they are dealt with.	Customer-first and Enhanced Financial Services - Responding to customer feedback
B6.3	Description of practices relating to observing and protecting intellectual property rights.	-
B6.4	Description of quality assurance process and recall procedures.	-
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Customer-first and Enhanced Financial Services - Protecting investor rights and interests
Aspect B7: Anticorruption		
General Disclosure		Shareholder Satisfaction and Maintaining Market Stability - Legally compliant operation
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Shareholder Satisfaction and Maintaining Market Stability - Legally compliant operation
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Shareholder Satisfaction and Maintaining Market Stability
Aspect B8: Community Investment		
General Disclosure		Social Prosperity and Practice Enterprise Missions
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Social Prosperity and Practice Enterprise Missions - Comprehensive targeted poverty alleviation
B8.2	Resources contributed (e.g. money or time) to the focus area.	Social Prosperity and Practice Enterprise Missions - Comprehensive targeted poverty alleviation

Feedback Sheet

Galaxy Securities has taken into consideration the interests and requirements of different stakeholders as much as possible in the compilation of the report, and strive to make it plain, clear and easy to read. Readers are welcome to proposing opinions and suggestions to this report and the corporate and social responsibilities reporting of the Company by filling in the Feedback Sheet. If you have any opinions and suggestions to the performing of corporate and social responsibilities by the Company, please give us feedback through the following channels:

Fax: (8610) 66568532

E-mail: esg@chinastock.com.cn

Mailing address: President's Office, China Galaxy Securities Co., Ltd., Tower C, Corporate Square, 35 Finance Street, Xicheng District, Beijing, PRC,

Postcode: 100033

1. Which of the following stakeholder types applies to you?

- ☐ Our shareholder and investor
- ☐ Our customer
- ☐ Our supplier and partner
- ☐ Our staff
- ☐ Governmental organization (non-regulatory)
- ☐ Regulatory authority
- ☐ Stock exchange
- ☐ Public
- ☐ Others

2. What is your overall impression of our Social Responsibility Report for 2018?

- ☐ Excellent
- ☐ Good
- ☐ Fair
- ☐ Poor

3. Please rate the content and quality of our Social Responsibility Report for 2018 in the following areas:

- Clarity: ☐ Excellent ☐ Good ☐ Fair ☐ Poor
- Credibility: ☐ Excellent ☐ Good ☐ Fair ☐ Poor
- Importance: ☐ Excellent ☐ Good ☐ Fair ☐ Poor
- Organization: ☐ Excellent ☐ Good ☐ Fair ☐ Poor
- Design and layout: ☐ Excellent ☐ Good ☐ Fair ☐ Poor

4. Please rate our fulfilment of social responsibilities at the economic level:

- ☐ Excellent
- ☐ Good
- ☐ Fair
- ☐ Poor

5. Please rate our fulfilment of social responsibilities at the environmental level:

- ☐ Excellent
- ☐ Good
- ☐ Fair
- ☐ Poor

6. Please rate our fulfilment of social responsibilities at the social level:

- ☐ Excellent
- ☐ Good
- ☐ Fair
- ☐ Poor

7. Your suggestions on our performance and reporting of social responsibilities:





4008-888-888 95551

[Http://www.chinastock.com.cn](http://www.chinastock.com.cn)

For more information, please refer to :

