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2020

Corporate Social
Responsibility Report



2020 Corporate Social
Responsibility Report

Notes to Preparation of the Report

Welcome to read the 2020 Corporate Social Responsibility Report of China Everbright Bank Company Limited. China Everbright Bank identifies key topics and opportunities concerning its stakeholders through the analysis of importance. It fully discloses the CSR performance information on these topics during the reporting period. In the Report, “China Everbright Bank Company Limited” is hereinafter referred to as “China Everbright Bank”, “CEB”, “the Bank” or “we”, and both “China Everbright Group” and “CEG” refer to China Everbright Group Limited.

Report Framework

The Bank actively performs its social responsibilities as a financial national team, while continuously strengthening ESG management and devoting itself to creating comprehensive values as a listed company. The Report is structured to focus on 4 aspects of economy, society, environment and governance and disclose relevant information.

Chapter One—“Creating Economic Value” describes the Bank’s actions to support the state’s regional strategies, industrial development, inclusive finance, rural revitalization and the achievements of these actions.

Chapter Two—“Creating Social Value” describes the Bank’s moves to interact actively with CEG’s subsidiaries, customers, consumers, employees, suppliers and communities for the purpose of carrying out CEG’s E-SBU strategy, protecting consumers’ rights and interests and the accomplishments of these moves.

Chapter Three—“Creating Environmental Value” describes the Bank’s measures to support green industries, tackle climate change and practice green operations and the results of these measures.

Chapter Four—“Creating Value through Effective Governance” describes the Bank’s operations in respect of corporate governance, risk management, compliance and internal control and the effects of these operations.

Information on the Bank’s development strategy and goals is contained in the section “Construction of a Future with Sustainable Development”; the two key topics—poverty alleviation and the fight against COVID-19 are presented separately with detailed disclosure of information.

Coverage

Organizations: The Report covers the Head Office of China Everbright Bank and the institutions in its jurisdiction.

Reporting Period: January 1, 2020 to December 31, 2020 (Some contents may not fall into the aforesaid reporting period).

Reporting Cycle: Annual report.

Issue: The Report is the 11th CSR report published by the Bank consecutively.

Basis

- China Banking and Insurance Regulatory Commission (the former China Banking Regulatory Commission)
Opinions on Strengthening Social Responsibility of Banking Financial Institutions (2007)
- China Banking Association
Guidelines on Corporate Social Responsibility of Banking Financial Institutions (2009)
- China Securities Regulatory Commission
Code of Corporate Governance for Listed Companies (2018)
- Shanghai Stock Exchange (“SSE”)
Standards for the Contents and Formats of Information Disclosure by Listed Companies No. 2 – Contents and Formats of Annual Reports (2017)
Notice on Strengthening the Social Responsibility Work of Listed Companies and Issuance of the Guidelines on Environmental Information Disclosure of Companies Listed on Shanghai Stock Exchange (2008)
- Hong Kong Exchanges and Clearing Limited
Environmental, Social and Governance Reporting Guide (2020)
- *Global Reporting Initiative (“GRI”) Sustainable Development Reporting Standards (2016)*

Sources of Information

There are no significant changes in the method of obtaining and calculating data in the Report compared with previous ones. The financial data herein is quoted from the audited Annual Results Announcement (H share). All monetary amounts stated in the Report are denominated in RMB, unless otherwise specified.

Reporting Principles

In line with the principle of importance, the Report identifies and addresses important ESG topics concerning the Bank’s sustainable development based on online surveys and information analysis of stakeholders. Please refer to P102-P103 of the Report for the process and result of the analysis of importance.

On the quantitative principle, the Report discloses key quantitative ESG performance indicators of the Bank. Please refer to P129-P133 of the Report for details.

Following the principle of consistency, the indicators used herein maintained maximum consistency in different reporting periods, with explanatory notes given to those that have changed to reflect trends in the performance.

In accordance with the principle of balance, the content of the Report reflects objective facts and discloses both positive and negative indicators.

Languages

The Report is prepared in simplified Chinese, with English and traditional Chinese versions. The simplified Chinese version shall prevail in case of any discrepancy.

Warranties by the Board of Directors

The Report was approved by the Board of Directors of the Bank on March 26, 2021. The Board of Directors of the Bank and all of its members warrant that the Report does not contain any false representations, misleading statements or material omissions.

Third-party Assurance

To ensure the authenticity and reliability of the Report, Ernst & Young Hua Ming LLP has performed limited assurance of selected key data disclosed in the Report, and issue an independent assurance engagement report in accordance with the *International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

How to Access the Report

The printed version of the Report is available at the General Office of CEB Head Office. The electronic version of the Report is available on the Bank’s website at www.cebbank.com and also on the websites of the Shanghai Stock Exchange at www.sse.com.cn, the Hong Kong Exchanges and Clearing Limited at www.hkex.com.hk and cninfo at www.cninfo.com.cn.

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Construction of a Future with Sustainable Development

2020 was an unusual year in the history of mankind and also an extraordinary year after the founding of the People's Republic of China. While the COVID-19 pandemic is still spreading in the world, economic globalization is confronted with setbacks, climate change remains under mounting pressure, and poverty alleviation around the globe is being severely challenged. China, in face of a complicated international situation, also has to deal with heavy domestic tasks of advancing reform and development and maintaining stability, as well as the outbreak of COVID-19. There is a greater need to advance sustainable development in the midst of such challenges and crisis.

As a corporate citizen, the Bank has felt the urgency to promote sustainable development. In the process of business development and implementing internationalization strategy, the Bank focuses on enhancing the adaptability of sustainable development and makes intensified efforts to play a leading role in order to set an example in the sustainable development field. As a commercial bank, CEB engages in the sustainable development with financial instruments, covering various sectors and exerting certain effect on people's livelihood. As a listed company, impressed by the capital market's attention on sustainable development, CEB strives to enhance ESG management to continuously improve the resilience of business operation. As a financial national team, it is our mission to shoulder the responsibility of promoting sustainable development.

Only in hard times can courage and perseverance be manifested. Only after polishing can a piece of jade be finer. CEB will press ahead against all difficulties and spare no effort to advance innovation to make contributions to sustainable development.

Message from the Chairman



The year of 2020 was an extraordinary year. In the face of the severe and complicated business environment, especially the adverse effect of COVID-19 pandemic, we maintained strategic focus, made correct judgments, well planned and prepared, and forged ahead in a steady manner with our efforts paying off.

Time stops for no one. We seize every minute.

Guided by the strategic vision of “building a first-class wealth management bank”, we have accomplished the phased development goals. Scale indicators increased significantly, with total assets and deposit balance standing at RMB5,368,110 million and RMB3,480,667 million as at the end of December 2020. Profitability was further improved, resulting in operating income of RMB142,705 million and net profit of RMB37,905 million. Asset quality witnessed a steady and sound growth, and the capacity for fending off risks was continuously strengthened, with the provision coverage ratio reaching 182.71%. While hard competitive power was enhanced, the value soft power was strengthened, leading to top ratings by regulators and a “stable” outlook by external rating company. CEB was ranked 25th in the Brand Finance Banking 500, up 3 spots over the previous year.

Efficiency comes from diligence. We made new progress.

With an emphasis on “credit increase, cost cut and convenient services”, we went all out to serve high quality development of Chinese economy, realizing double increase in manufacturing loans and medium and long-term loans to manufacturing enterprises. We kept our mission firmly in mind to support private enterprises by persisting in the principle of “4 equal treatments” on credit policy, service efficiency, incentive & constraint, and product innovation. The growth of private enterprise loans outperformed all the loans of the Bank. We helped enterprises overcome difficulties, placed intensive focus on inclusive finance, and realized the goals of “Two Increases and Two Controls”, meeting the requirements of regulators. The interest rate of newly issued loans reduced by 90 bps year on year.

As a core enterprise of China Everbright Group, CEB performed its responsibility to implement CEG’s Wealth E-SBU strategy, continued to make pioneering efforts and served as the propeller to boost the formation of a new development pattern. In 2020, the total amount of collaborative business within CEG registered RMB1.66 trillion, up nearly 40% year on year.

We took comprehensive approaches and made unremitting efforts to promote the construction of digital banking. In 2020, we established the digital banking development system featuring “one smart brain, two technological platforms, three service capabilities and N digital hit products” with over 85% of businesses going online. We expanded the “two technological platforms”, continuously improving the technological system; and rolled out a series of hit digital products, including Cloud Fee Payment, Cloud Payment, Sunshine Digital Loan, Everbright Dual-Chain, Wonderful E-shopping, Overseas Finance Cloud, Inclusive Finance Cloud and E-Supply Chain.

The reform of human resource management witnessed effective improvement. We broadened the horizon for selection and appointment of talents, refined the mechanism to discover, train and select management personnel. A variety of measures including democratic recommendation, open recruitment and market-based introduction were adopted. We made intensified efforts to select and train talents with equal importance attached to integrity and ability with emphasis on integrity, wide recognition by the masses and excellent performance in work as the selection criteria.

Standing united with one mind, we combated the virus in solidarity.

The COVID-19 marked the toughest battle in 2020 for pandemic containment and business development. After the outbreak of COVID-19, we put the life safety and health of employees in the first place and implemented the work of pandemic prevention and control stringently, pragmatically and in details. With dedication to the work, all employees of the Bank performed their duties earnestly and ensured steady progress in the fight against COVID-19. While strictly fighting against the virus, we promoted business development in a coordinated way and contributed to ensuring stability on six fronts and maintaining security in six areas. For industries hit by the pandemic, we provided special loans, opened fast tracks, improved approval efficiency and increased credit support for them, which demonstrated the responsibilities of a financial national team.

Marching forward for the journey ahead, we aim at great strides.

2021 marks the start of China’s 14th Five-Year Plan. With the accelerating progress in expanding domestic demand, an array of reform measures including tapping the potential of domestic demand, boosting the consumption of residents and improving the level of consumption will be gradually put in place. The growth of social wealth will have a promising prospect, which highly aligns with CEB’s strategic vision of “building a first-class wealth management bank”. We will carry forward the spirit of the ox in serving the people, driving innovative development and working tirelessly, step up to a new level, demonstrate new vitality and finally realize new strides.

Chairman **Li Xiaopeng**

March 26, 2021



About Us

China Everbright Bank (hereinafter referred to as “CEB” or “the Bank”), which was established in August 1992 and headquartered in Beijing, is a national joint-stock commercial bank approved by the State Council of China and the People’s Bank of China (PBOC). The Bank was listed on the Shanghai Stock Exchange (SSE) in August 2010 (stock code 601818) and Hong Kong Exchanges and Clearing Limited (HKEX) in December 2013 (stock code 6818).

As at the end of the reporting period, the Bank had established 1,296 branches and outlets nationwide, covering all provincial administrative regions and extending its business reach to 149 economic center cities across the country. Closely following up the Belt and Road Initiative and expanding its international presence at a stable pace, the Bank put CEB Hong Kong Branch, CEB International Investment Corporation Limited, CEB Seoul Branch, CEB (Europe) S.A., CEB Luxembourg Branch and CEB Sydney Branch into operation successively. CEB Tokyo Representative Office was officially set up, and the application for establishing CEB Macao Branch was approved by the CBIRC. In 2021, the Bank was ranked 25th in the Brand Finance Banking 500, up 3 spots over the previous year, with its brand value breaking the record of USD10 billion for the first time.

Since its establishment, CEB has been making continuous efforts in reforms and innovation with a pioneering spirit, focusing on the strategic vision of building a “first-class wealth management bank”, and promoting the transformation towards “agility, technology and ecosphere”. Through comprehensive, featured, light-asset, and digitalized development, CEB accelerated the innovation in product, channel and service model and sharpened strong competitive edges in the market in terms of wealth management and Fintech. So far, the Bank has basically formed a development pattern with well-balanced business operation, gradually improved risk management and increasingly enhanced innovation, thus establishing the social image of a first-class wealth management bank in a progressive manner.



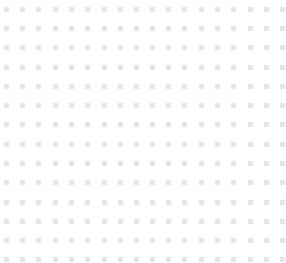
Introduction:
Construction of a
Future with Sustainable
Development

Message from the Chairman

→ About Us

Some data in 2020

Contributing to the UN
Sustainable Development
Goals



Some data in 2020



Contributing to the UN Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) of the United Nations depict the blueprint to achieve a more beautiful and sustainable future for all. The Goals identify the global challenges facing the mankind, including poverty, inequality, climate change, environmental degradation, peace and justice. These Goals are interconnected and aim to leave no one behind, and we must achieve each goal by 2030.



- CEB focus on the following goals through business activities including credit and investment:

 - Goal 1: No Poverty
 - Goal 3: Good Health and Well-Being
 - Goal 7: Affordable and Clean Energy
 - Goal 8: Decent Work and Economic Growth
 - Goal 9: Industry, Innovation, and Infrastructure
 - Goal 11: Sustainable Cities and Communities
 - Goal 12: Responsible Consumption and Production
 - Goal 13: Climate Action
- CEB focus on the following goals through activities including corporate management, and community support:

 - Goal 1: No Poverty
 - Goal 3: Good Health and Well-Being
 - Goal 5: Gender Equality
 - Goal 13: Climate Action
 - Goal 16: Peace, Justice and Strong Institutions
 - Goal 17: Partnerships for the Goals

Creating Economic Value and Fulfilling Responsibilities as A Financial National Team

China Everbright Bank (hereinafter referred to as “CEB” or “the Bank”) always upholds and implements the decisions and plans made by the CPC Central Committee and the State Council as well as the regulatory requirements to focus on the task of “ensuring stability on six fronts and maintaining security in six areas”. Following the principle of “credit increase, cost cut, and convenient services” and based on the real economy, the Bank is committed to maintaining security to promote stability and pursue progress, so as to provide maximum financial support for the development of the real economy, thus laying a solid foundation for accomplishing the goal of building a moderately prosperous society in all respects.

Contributing to the UN Sustainable Development Goals



China must carry out COVID-19 control and promote economic and social development to fulfill the targets and tasks for completing the building of a moderately prosperous society in all respects; while carrying out regular COVID-19 control, continue to follow the general principle of pursuing progress while ensuring stability, apply the new development philosophy, pursue supply-side structural reform as our main task, and draw momentum from reform and opening up to promote high-quality development; make progress in the three critical battles; step up efforts to ensure stability on six fronts and maintain security in six areas; and steadfastly pursue the strategy of expanding domestic demand, ensure economic development and social stability, accomplish the targets and tasks for winning the battle against poverty, and bring to completion the building of a moderately prosperous society in all respects.

-- 2020 Report on the Work of the Government

CSR Story

Focusing on the stability on six fronts and security in six areas to ensure food and energy security

CEB took an active part in ensuring stability on six fronts and maintaining security in six areas. To ensure food and energy security, the Bank provided Tongwei Group Co., Ltd. (hereinafter referred to as “Tongwei Group”), a leading enterprise that is dedicated to promoting rural industrialization in China, with a variety of customized financing services, in an effort to boost its development in the two core areas of agriculture and new energy.



1



2



3

- 1. Polysilicon-associated new energy project
- 2. Solar cells project
- 3. Feed production line

> Credit support

The Bank provided credit to Tongwei Group and three of its subsidiaries with a total of RMB1.16 billion. Specifically, it rendered the new energy sector of Tongwei Group with the working capital worth RMB660 million at low interest rates, and issued bank acceptance bills totaling RMB110 million to the rural sector of Tongwei Group, thus helping it stabilize its upstream procurement channels.

> Financing guarantee

The Bank issued financing guarantees for Tongwei Agriculture Financing Guarantee Co., Ltd., a subsidiary of Tongwei Group, with the balance nearly RMB100 million to fully support the upstream and downstream enterprises along the breeding industry chain, including rural residents, distributors, breeding companies (cooperatives) and agriculture-related enterprises, making its contributions to rural residents and improving people's livelihood.

> Tongwei Small and Micro Loan

At the recommendation of Tongwei Co., Ltd. and with the guarantee under Tongwei Agriculture Financing Guarantee Co., Ltd, the Bank issued assistance loans to the distributors and rural residents for the special purpose of purchasing feeds from Tongwei Group. It turned out to be an effective solution to provide the vast number of agricultural customers with easy access to affordable financing. In addition, the loan application process was optimized and funds were disbursed faster, so as to match the loan term with the breeding cycle, which gave a strong boost to the development of local agriculture. Since its launch 9 years ago, the project extended more than 900 loans in total. And the Bank issued inclusive loans worth over RMB900 million to more than 400 customers across 28 provinces, municipalities and autonomous regions of the country, and none of these loans went non-performing. There came win-win results for all the three parties—the Bank, enterprises and customers, which fully demonstrated CEB's determination to develop innovative finance and perform social responsibility to serve and help rural industry and residents through inclusive finance.

Promoting regional coordination to enter a new stage of high-quality development

To promote regional coordinated development, it is necessary to attach importance to ensuring and improving people's livelihood, and enable all the people to share more fully and fairly in the benefits of reform and development. During the 13th Five-Year Plan period, the Chinese people led a better life with significantly improved livelihood. The equalization of basic public services was enhanced steadily, the infrastructure connectivity became more balanced, a multi-level social security system took shape faster, and the education, culture, and public service system were constantly refined.

China Everbright Group ("CEG") attaches great importance to the national strategies for regional development, issuing the *Notice on the Establishment of the Leading Group of China Everbright Group Limited for Serving the Regional Strategies of the State*, establishing the leading group that was headed by the Chairman, setting

up three offices in charge of promoting coordinated development of the Beijing-Tianjin-Hebei region, the Yangtze River Delta, and the Guangdong-Hong Kong-Macao Greater Bay Area ("the Greater Bay Area"), and building up a joint meeting mechanism for the coordinated development of the aforementioned three regions. Under the unified arrangements of CEG, as CEG's financial service pioneer, CEB closely follows up with the national strategies, persists in serving the real economy, and gets actively involved in the coordinated construction and development of the Beijing-Tianjin-Hebei region, the Yangtze River Economic Belt, the Yangtze River Delta, and the Greater Bay Area, with an aim to promote coordinated development of these regions. It strives to create innovative platforms and new growth drivers, seize the "window of opportunity", and realizes its own high-quality growth while practicing the concept of innovative development.



Propelling the coordinated development of the Beijing-Tianjin-Hebei region

In 2020, the coordinated development of the Beijing-Tianjin-Hebei region has entered a new stage. To ride on the trend of financial transformation, the Bank united and worked hard to further improve the quality and efficiency of financial services delivered to the Beijing-Tianjin-Hebei region, to actively support its coordinated development. According to the *Notice on Further Improving the Working Mechanism for the Coordinated Development of the*

Beijing-Tianjin-Hebei Region and the Xiongan New Area of China Everbright Group, the Bank gathered strengths to promote the coordinated development of the Beijing-Tianjin-Hebei region and the construction of the Xiongan New Area, further declared the leading units and persons-in-charge of four E-SBU regional coordination centers including Beijing, Tianjin, Hebei, and Xiongan to push forward key projects.

As at the end of December 2020

RMB **13.8** billion

of credit support were provided to related industries in Beijing-Tianjin-Hebei region, including:

• RMB **11.5** billion

in support of the transportation integration

• RMB **800** million

in support of the environmental protection

• RMB **400** million

in support of the industry transfer and upgrading

• RMB **1.1** billion

in support of the city function optimization

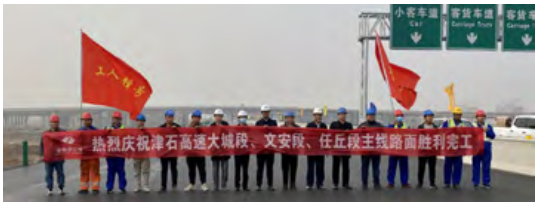
Supporting transportation integration

► Expediting the construction of transportation networks in the Beijing-Tianjin-Hebei region

To facilitate the orderly relieving Beijing of functions nonessential to its role as the capital, the Bank focused on the plans for the construction of the Xiongan New Area and the Beijing Municipal Administrative Center, as well as the overall layout for city clusters in the Beijing-Tianjin-Hebei region with an aim to support the construction of three-dimensional transportation networks featuring fast, convenient, efficient, safe, large-capacity, and low-cost operation. It participated in the construction of core traffic facilities such as arterial railways, Xiongan intercity railways, regional expressways and national and provincial highways, urban rail transits and road networks, and parking facilities. With an array of products including ETC cards and Cloud Fee Payment, the Bank delivered transportation toll collection, logistics market-oriented fund settlement and other new services in the region.

► CEB Shijiazhuang Branch funded the transportation integration of the Beijing-Tianjin-Hebei region

Through M&A loan, bond underwriting, and other forms of business, the Bank provided Hebei Transportation Investment Group Corporation, Handan Transportation Construction Co., Ltd., and Xingtai Road & Bridge Construction Corporation and other enterprises with credit support worth RMB31,463 million to support the transportation infrastructure construction in the Beijing-Tianjin-Hebei region.



Supporting the coordinated development of industries

In Tianjin

The Bank issued RMB1.5 billion of M&A loans to Longde (Tianjin) Steel Co., Ltd. with an aim to support its steel asset restructuring drive which centered on industry transformation & upgrading as well as overcapacity cut, helping promote the healthy development of private enterprises and medium and long-term manufacturing industries. Besides, the Bank actively extended credit to the high-quality enterprises that settled in the Tianjin Binhai Zhongguancun Sci-Tech Park. Leveraging on the investment advantages of Beijing Zhongguancun Sci-Tech Financing Guaranty Co., Ltd., it offered financing support to the start-ups and small and medium-sized technology companies in the park. It conducted chain financing business by centering on some large-scale biomedical companies, integrated circuit makers, and high-end equipment manufacturers based in the park.

In Hebei

The Bank provided project loans to Cangzhou Subsidiary of Beijing Tongjida Pharmaceutical Co., Ltd., Cangzhou Sihuan Jingchen Pharmaceutical Co., Ltd., and other pharmaceutical companies in a bid to propel the local pharmaceutical industry towards clustering development. It also extended loans to TSDR New Energy Materials Co., Ltd. in support of its 300,000-ton new energy materials project, which was national encouraged new energy materials industry and listed as one of the key construction projects by Hebei provincial government.

Supporting environmental protection

In Beijing

The Bank actively participated in the ecological environment construction of the municipal government by involving in the rural sewage treatment project of Mentougou District through the public-private partnership (PPP) mode. The project built, demolished, reconstructed, and renovated a total of 121 waste water treatment plants (stations) covering eight villages and towns of the district, all of which presented a total treatment scale of 14,660 cubic meters per day.

In Tianjin

The Bank supported the preparation, construction and operation of the Xiqing Integrated Domestic Waste Treatment Plant through the public-private partnership (PPP) mode, which was a livelihood project at both the municipal and district levels. It also became the integrated domestic waste treatment project which was constructed at the fastest speed, equipped with the best facilities, and met the highest environmental protection standards across the city.

In Hebei

The Bank took part in the central heating project of Feixiang District, Handan City through the public-private partnership (PPP) mode to help the local government ease its financial pressure, expand investment and financing channels, and upgrade infrastructure facilities and public services. Designed to save energy and reduce urban pollution, the project greatly improved the living environment of local residents, and brought remarkable economic and social benefits.

Supporting the integration of public services

► Supporting the development of Beijing Municipal Administrative Center

CEB Beijing Branch supported the construction of “3X100 Key Projects”. Beijing International Resort Co., Ltd. is the project owner of the Universal Beijing Resort. The Universal Studios Beijing Theme Park and its supporting facilities, NUO Hotel Beijing, and Universal Hotel undertaken by the company are all included into Beijing’s “3X100 Key Projects” (referring to launch and advance 100 infrastructure projects, 100 livelihood improvement projects as well as 100 projects for sci-tech innovation and high-end industries). Keenly aware of its customer’s needs, CEB Beijing Branch managed to complete the first overseas bank advance payment under telegraphic transfer for Beijing International Resort Co., Ltd.

► CEB Shijiazhuang Branch supported the construction of Xiongan New Area

With respect to credit business, the Branch attached great importance to the needs of enterprises for funds, trusts, and financial leasing in the process of industrial transfer, and actively undertook the work of enterprises transferred from Beijing.

In terms of non-credit business, the Branch successively won the bids of the local industrial investment guidance fund, industrial development fund, and infrastructure construction fund appreciation business, thus supporting the local industrial development and infrastructure construction vigorously.



As to the provision of convenient services, the Branch spared no effort to promote online services such as Cloud Fee Payment. It signed cooperation agreements for agency fee collection with local water supply companies to provide residents with easy access to bill payment services.



1

Creating Economic Value and Fulfilling Responsibilities as A Financial National Team

→ Promoting regional coordination to enter a new stage of high-quality development

Serving the real economy and promoting the development of strategic emerging industries

Practicing inclusive finance and supporting the development of small and micro-sized enterprises

Supporting rural revitalization to assist agriculture, benefit rural residents, and making rural areas prosperous

Developing distinctive business and serving people's livelihood

Supporting the implementation of the "Belt and Road Initiative" (BRI) to steadily promote internationalization

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Creating Social Value and Making Progress with Stakeholders

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Creating Environmental Value and Building a Community with Shared Life between Mankind and Nature

4

Creating Value through Effective Governance and Cementing the Long-term Stable Development

Promoting the development of the Yangtze River Economic Belt

The Yangtze River Economic Belt stretches across the eastern, central and western regions of China, linking 11 provinces and municipalities including Shanghai and Jiangsu. It accounts for more than 40% of the population and over 40% of the GDP in China in about 20% of the total land area. This region is characterized by the great ecological significance, strong comprehensive strengths, and huge development potential. Since the Outline of the Yangtze River Economic Belt Development Plan was released in 2016, the region has seen its top-level design becoming increasingly clear. It would take the path of “giving priority to ecology and green development”, and insist on “promoting well-coordinated environmental conservation and avoiding excessive exploitation”. With the successive implementation of various rectification measures, the economies of relevant provinces and cities have been transformed remarkably, and new driving forces have come to prominence, including the scientific and technological innovation and the cluster of emerging industries.

Chengdu-Chongqing city cluster

► CEB Chengdu Branch actively supported the construction of rail transit infrastructure

Chengdu Rail Transit Group Co., Ltd. is a large state-owned enterprise (SOE) engaged in the investment and financing, construction, operation management, property development, and industrial operation of rail transit in Chengdu. CEB Chengdu Branch successively participated in the company’s syndicated loan projects for Chengdu Metro Line 1, Line 3 and Line 5, approving RMB3.2 billion of fixed asset loans in total. Leveraging on its advantages in bond underwriting and multi-channel investment in bond market, the Branch also rendered the company with a full package of comprehensive high-quality services through multiple channels.

The city clusters alongside the middle reaches of the Yangtze River

► CEB Nanchang Branch signed strategic agreements with many local government institutions in Jiangxi Province

CEB Nanchang Branch actively supported the economic development of Jiangxi Province. In 2020, the Branch inked strategic agreements with a host of government institutions, including the Jiangxi Provincial Department of Culture and Tourism, Department of Agriculture and Rural Affairs of Jiangxi Province, the People’s Government of Pingxiang City, Ruijin People’s Government, and Nanchang Integrated Bonded Area. According to these agreements, it conducted a wide range of financial businesses, increased credit supply, and adopted other measures to attain a raft of goals, such as further cementing government-bank cooperation; supporting the development of local key industries and strategic emerging industries, the construction of new urbanization and a comprehensive transportation system; serving medium, small, and micro-sized enterprises; helping win the critical battle against poverty; and accelerating the implementation of rural revitalization strategy. By doing so, the Branch gave a strong boost to the sound development of local economy and society.

The city cluster in the Yangtze River Delta

► CEB Shanghai Branch supported the development of Waigaoqiao Bonded Area

As a strategic partner of Shanghai Waigaoqiao Free Trade Zone Group Co., Ltd. (referred to as ‘Waigaoqiao Group’), CEB Shanghai Branch got deeply involved in the development of Waigaoqiao Group and enterprises based in the bonded area. By proposing the innovative concept of “bonded area-oriented financial service package”, it furnished the enterprises based in the bonded area with a full package of financial products including import and export financing, foreign exchange receipt and payment, employee-oriented wealth management, personal “quick loan secured with housing mortgage”, and batch payroll service. At the same time, it actively assisted the

Waigaoqiao Bonded Area in implementing the policies on attracting and stabilizing investment.

As at the end of December 2020, the Branch served 33,000 enterprises in the area.

► CEB Hefei Branch supported the Yangtze River Economic Belt in pushing forward its comprehensive three-dimensional transportation project

CEB Hefei Branch actively supported the development of the Yangtze River Economic Belt. In 2020, the Branch provided the comprehensive three-dimensional transportation project of the region (Shangqiu-Hefei-Hangzhou High-speed Railway, Zhengzhou-Fuyang High-speed Railway, Hefei-Anqing High-speed Railway, Lujiang-Tongling Railway, etc.) with the capital financing, which posted a balance of RMB3.83 billion. The establishment of a comprehensive three-dimensional transportation system was aimed to unleash the maximum development potential of the Yangtze River Economic Belt.



Supporting the integrated development of the Yangtze River Delta

As one of China's most economically active, open, and innovative regions, the Yangtze River Delta boasts strategic significance in the modernization and overall opening-up. The Bank actively promotes the integrated development of the Yangtze River Delta. Specifically, it strives to help the region enhance its innovation and competitiveness and increase its economic concentration, regional connectivity and policy coordination.

Promoting credit card business towards integrated development in the Yangtze River Delta

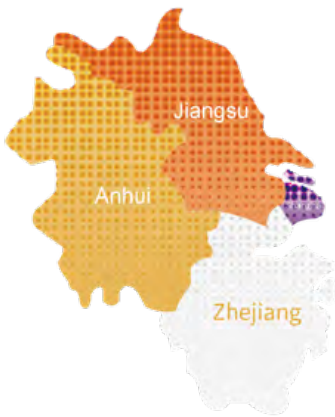
In November 2020, the Bank officially launched the campaign entitled "Charming Yangtze River Delta Tourism Festival", and issued the "Charming Yangtze River Delta Themed Card" meanwhile. By gathering resources available in seven places including Shanghai, the Bank went all out to create five consumption scenarios: "Touring in the Yangtze River Delta", "Residing in the Yangtze River Delta", "Dining in the Yangtze River Delta", "Shopping in the Yangtze River Delta", and "Vibrant Yangtze River Delta". Together with numerous leading companies in online traveling and consumption such as CYTS and popular offline business districts, it provided cardholders with a series of exclusive services with the unique characteristics of the Yangtze River Delta. These sincere activities attested to the Bank's endeavors to serve the real economy with financial services and boost the consumption upgrading.



In Shanghai

CEB Shanghai Branch joined the Alliance for Building the Yangtze River Delta Capital Market Service Base

The Yangtze River Delta Capital Market Service Base was co-established by the Financial Work Bureau of Shanghai Pudong New Area and the Shanghai Stock Exchange, mainly responsible for serving the national strategy for the integrated development of the Yangtze River Delta and the reform of the Sci-tech Innovation Board (or "the STAR Market") registration system. In July 2020, CEB Shanghai Branch signed up to be a member of the Alliance for Building the Yangtze River Delta Capital Market Service Base. After that, the Branch would actively reach the high-quality high-tech enterprises based in the Yangtze River Delta that are affiliated with the alliance, in the hope of facilitating the implementation of the two national strategies: the integrated development of the Yangtze River Delta and the reform of the STAR Market registration system.



In Jiangsu

CEB Nanjing Branch supported the new infrastructure, new urbanization initiatives and major projects in Jiangsu Province

CEB Nanjing Branch actively responded to the call of national development strategies, intensifying the comprehensive financial support for the new infrastructure, new urbanization initiatives and major projects. Specifically, its financial support mainly went to the construction of many local projects, including Nanjing Metro Line 10, Confucius Temple-Qinhuai Scenic Area, Nanjing North Railway Station, ancient buildings block renovation on Tongji Street, Jiangsu Horticulture Expo Garden, Changzhou China-Israel Industrial Technology Innovation Center, Lianyungang Shenghong Refining-chemical integration project, and Jiangsu provincial shantytown renovation project. The Branch gave a strong boost to the province's new infrastructure and new urbanization projects, thus propelling the local economy towards healthy development.

In Zhejiang

CEB Ningbo Branch supported the rail transit construction in Ningbo

CEB Ningbo Branch participated in the syndicated loans for the Ningbo Rail Transit Line 1 project (phase 1), Line 2 project (phases 1 and 2), and Line 4 project. As at the end of December 2020, the cumulative contract amount reached RMB1.9 billion. These funds robustly underpinned Ningbo's rail transit construction, thus reducing carbon emissions, easing urban traffic pressure, and saving land resources.

In Anhui

CEB Hefei Branch supported the development of local shipping companies

CEB Hefei Branch actively participated in major projects that were aimed to increase infrastructure interconnection and improve traffic capacity of cities in the Yangtze River Delta by supporting the construction and development of railway, highway, waterway, and airports. Through preferential interest rates, green channels for business processing, and other policies, the Branch provided credit support to Anhui Provincial Port & Shipping Group Co., Ltd. and other shipping companies, effectively helping them with their daily operations and working capital turnover and injecting impetus to the transformation of the shipping industry in the province.



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Actively participating in the development of the Guangdong-Hong Kong-Macao Greater Bay Area

In Guangdong

► CEB Guangzhou Branch helped small and micro-sized enterprises solve their financing problems

CEB Guangzhou Branch sought to cooperate with the Foshan Financing Guarantee Fund, which was established to effectively solve the difficulties and high cost of financing for medium, small and micro-sized enterprises. The Branch quickly rolled out a series of supporting policies such as special credit supply and preferential interest rates, and wrapped up the formulation and approval of the fund plan.



In Hong Kong

As the only Chinese joint-stock commercial bank, CEB Hong Kong Branch participated in the 5-year HKD35 billion (RMB32 billion) syndicated loan project initiated by the Airport Authority Hong Kong (AAHK) to support the construction of Hong Kong International Airport



In Macao

► CEB applied for the establishment of Macao Branch

In November 2020, CEB's application for the establishment of Macao Branch was approved by China Banking and Insurance Regulatory Commission (CBIRC), which represents its great stride to extend business presence in the Guangdong-Hong Kong-Macao Greater Bay Area and implement the national strategies.



CEB was named the
Consumers' Trustworthy Brand
in the Guangdong-Hong Kong-
Macao Greater Bay Area
in the selection of
"2019-2020 the Consumers'
Trustworthy Brands in the
Guangdong-Hong Kong-Macao
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Promoting regional coordinated development

Supporting the modernization drive of the eastern region

► Supporting the construction of transportation infrastructure in Jiangsu Province

In May 2020, CEB signed a strategic cooperation agreement with Jiangsu Communications Holding Co., Ltd. to support the major projects of the company in highway, railway, airport, port and other transportation facilities.

► CEB Qingdao Branch facilitated the development of the local port and shipping industry

Shandong Port Group Co., Ltd. was officially incorporated after integrating four major ports. Seizing this opportunity and relying on the advantages of the port city, CEB Qingdao Branch provided Shandong Port Group with the “Bank-Enterprise Connect” financial service, and meanwhile explored its financial needs in terms of project financing, syndicated loan, bond underwriting, investment plan for infrastructure creditor’s right, and industrial fund. On this basis, the Branch provided it with the customized and exclusive financial services in such fields as supply chain finance and trade financing.

Supporting the rise of the central region

► CEB Zhengzhou Branch supported the modern industry development in Henan province



Supporting the great western development

► CEB Urumqi Branch explored the implementation of RMB cross-border settlement business in the pilot area

Xinjiang is home to five inland ports that border eight foreign countries as well as the Silk Road connecting Asia and Europe. Exploiting its uniquely superior location in the region, CEB Urumqi Branch got actively involved in the development of the core area of the Silk Road Economic Belt. It promoted the implementation of the innovative cross-border RMB policies in the pilot area such as China-Kazakhstan Cooperation Zone in Horgos and the Key Pilot Zone for Development and Opening-up in Tacheng, Xinjiang, a move that further improved the efficiency of RMB cross-border and offshore clearing and created a new type of mutually beneficial partnerships based on the convenient cross-border use of RMB.

Supporting the revitalization of the northeastern region

► CEB Heilongjiang Branch supported the industrial development in the province

• Supporting the high-end equipment manufacturing

As a leading company in the manufacturing industry, China First Heavy Industries Co., Ltd. leads China’s nuclear island equipment industry and is well-known as a world-class nuclear island equipment supplier and service provider. CEB Heilongjiang Branch actively implemented the work arrangements made by the CEB Head Office to support the high-end equipment manufacturing industry. It extended loans worth RMB800 million through the fast-track approval to lift the enterprise out of difficulties effectively. On this basis, the Branch reached a strategic partnership with the enterprise and granted the credit line to its group parent company, consolidating the cooperation foundation for mutual parties.

• Supporting the development of high-tech industries

CEB Heilongjiang Branch signed an RMB1 billion-worth framework agreement with Harbin Wanxin Graphite Valley Technology Co., Ltd., a regional leader in the graphene industry. Giving full play to CEG’s full financial licenses and CEB’s superior financial services, the Branch customized for the company a full package of financial services which consists of credit granting, supply chain finance, wealth management, customized services, and pre-listing tutoring, which formed a win-win situation for the Bank and the enterprise.

• Supporting the construction of transportation infrastructure facilities

CEB Heilongjiang Branch participated in the syndicated loan project of Heilongjiang Provincial Transportation Investment Group Co., Ltd. to help it match the repayment structure with the solvency, increase liquidity, and reduce the current repayment pressure. As a result, it managed to optimize its debt structure and get rid of current fund shortage. By doing so, the Branch boosted the integrated solvency of Department of Transportation of Heilongjiang Province, and promoted the highway construction of the province towards sustainable development.

• Supporting the development of cultural and tourism

Teaming up with CYTS-Linkage (Beijing) Public Relations Consulting Co., Ltd., CEB Heilongjiang Branch established a partnership with Qiqihar Municipal Government. Considering the regional characteristics of Heilongjiang Province, the two parties successfully co-issued the ice and snow tourism-oriented fixed asset project, which was a response to the national call for “having 300 million people take part in winter sports”, with an aim to forge Heilongjiang’s competitive edges in ice and snow tourism project.



► CEB Changchun Branch supported the transformation and development of FAW

Based on the implementation of their strategic cooperation agreement, CEB Changchun Branch and China FAW Group Corporation (FAW) expanded the range of innovative services and pushed forward their partnership, with the aim that a customized, integrated, professional, and digital financial service plan around FAW would come into place.

Supporting the development of Free Trade Zones (FTZs)

To promote the bank-wide development of free trade business, the Bank conducted top-level design in terms of structure construction, policy improvement, platform establishment and business promotion, thus formed a framework of vertical management and laid a solid foundation for the development of free trade business across the Bank. Branches were encouraged to develop free trade business by fully leveraging on the favorable policies for FTZs.



Structure construction



Policy improvement



Platform establishment



Business promotion

With the establishment of FTZs in Beijing, Hunan, and Anhui, 28 tier-1 branches of the Bank participated in the construction and development of FTZs and set up a total of 17 branches and outlets in FTZs.

To better leverage on the favorable policies for FTZs to promote coordinated business development and tap customer resources across the Bank to the maximum, the Bank issued the *Administrative Measures of China Everbright Bank for Joint Development of Free Trade Business (Trial Version of 2020)* and the *Administrative Measures of China Everbright Bank for Accounting Units in Pilot Free Trade Zones* to guarantee steady operations of the free trade business at the Bank.

To promote the sound and orderly development of free trade business, CEB successfully rolled out the Head Office-to-branch management system of the Free Trade Accounting Unit, laying a solid foundation for the formation, replication, and promotion of the free trade accounting system as well as the construction of FTZs.

CEB promoted the innovation and coordinated development of free trade business to drive the growth of customer base, assets and revenues. As at the end of December 2020, the Bank expanded its cooperation with a number of key customers through many business products including free trade (FT) account-based fund pool, factoring and supply chain financing. Leveraging on the facilitation policies for FTZs, the Bank provided customers with a host of convenient services including foreign debt registration and capital settlement.

► CEB Nanning Branch facilitated the development of Guangxi Free Trade Zone

Firmly seizing the tremendous opportunities presented by the establishment of China (Guangxi) Pilot Free Trade Zone and the construction of a financial open gateway for ASEAN, CEB Nanning Branch continued to innovate financial products, carry out cross-border coordinated business operations, and support the project of channeling funds into Guangxi Province, so as to help build a new Guangxi with financial strengths. As at the end of December 2020, the Branch issued the domestic guarantee for overseas loans worth about RMB1.7 billion accumulatively, provided many local enterprises with low-cost cross-border financing services, registering a cross-border RMB settlement of RMB256 million throughout the year.

► CEB Haikou Branch supported the construction of Hainan Free Trade Port

Closely keeping pace with the construction of Hainan Free Trade Port (Hainan FTP), CEB Haikou Branch actively implemented financial policies for the FTP, helped private enterprises and manufacturing enterprises attract and make good use of foreign investment, and actively integrated itself into the new development pattern with domestic circulation as the mainstay and domestic and international circulations reinforcing each other. Through a series of policies including the facilitation for receipts and payment under the capital account, domestic direct investment registration, and simplified FDI foreign exchange registration procedures, the Branch put into place the new policy for “one-stop foreign debt registration” with the registration amount reaching USD45 billion, thus substantially supporting the development of real industry enterprises.

► CEB Suzhou Branch helped customers in Suzhou Free Trade Zone conduct outbound investment registration

To implement the innovative reforms of the Suzhou Free Trade Zone and comprehensively optimize outbound investment services for enterprises, CEB Suzhou Branch handled outbound direct investment (ODI) registration for the enterprises based in the Suzhou Free Trade Zone, thus efficiently promoting the implementation of innovative foreign exchange services in the area. Besides, the Branch helped enterprises carry out ODI business in new scenarios where the state further expanded import and export and promoted the capital account facilitation.

Serving the real economy and promoting the development of strategic emerging industries

CEB resolutely implements the economic policies, decisions and plans of the Party and the state, by returning to its original mission, serving China’s economic and social development, and fulfilling the responsibilities as a state-owned enterprise. The Bank made solid efforts in ensuring stability on six fronts and security in six areas, and continuously strengthened its support to the real economy. Through a host of measures including increasing specific resources, optimizing credit directions, and reducing corporate costs, the Bank broadened corporate financing channels, improved the direct access to financial services, and made interest concessions to the real economy. Guided by the principle of “credit increase, cost cut, and convenient services”, the Bank brought real benefits to numerous enterprise entities, and boosted the high-quality development of new strategic emerging industries represented by new-generation IT industry, biomedical industry, high-end equipment and new materials industry as well as the development of other high-tech industries and advanced manufacturing industries.

New-generation information technology (IT) industry

► Underwrote and issued ultra-short-term financing bonds to support ZTE’s 5G optimization and upgrading

ZTE Corporation is a world-leading integrated communication and information solution provider. To act on the national strategic plan of “strengthening new infrastructure facilities including artificial intelligence (AI) and 5G”, the Bank made full use of its toolkit of diversified investment banking products, accurately met the corporation’s financing needs, underwrote and issued RMB2 billion of ultra-short-term financing bonds, among which RMB1 billion were mainly used to support its 5G and 4G optimization and upgrading.

► CEB Chongqing Branch supported the growth of strategic emerging industries in the Chengdu-Chongqing region

CEB Chongqing Branch vigorously promoted the development of high-tech projects including the 6th-generation AMOLED (flexible) display panel project of BOE Technology Group, with an aim to build the Chengdu-Chongqing region into a new growth pole of the national strategic emerging industries.



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The biomedical industry



► CEB Nanning Branch supported the development of local pharmaceutical company

The largest pharmaceutical exporter in Guangxi Province is a large-scale, integrated pharmaceutical company specializing in the research, development, production, and sales of chemical drugs. Aiming at such customers in the high-quality emerging industries, CEB Nanning Branch implemented customized policies, gave full play to its advantages in settlement and credit products, and provided the company with a complete set of highly targeted financial services. During the pandemic, the Branch acted promptly and granted RMB40 million of credit support to the company, injecting financial impetus into its daily operations.

High-end equipment and new materials industries

► CEB Tianjin Branch fueled the development of Chinese aerospace industry

As at the end of December 2020, CEB Tianjin Branch provided financial services for the introduction of 44 airplanes and 3 airplane engines to China with the financing amount totaling RMB9 billion.



► CEB Jinan Branch supported the development of perfluorinated ion-exchange membrane new materials industry



The perfluorinated ion-exchange membrane research and development project of Shandong Dongyue Fluor-Silicon Materials Co., Ltd. was one of the key high-tech fields in China and included in the "863 Program" and the National Science and Technology Support Program during the 11th Five-Year Plan period.

High-tech industries

► CEB Wuxi Branch launched the movable property pledged financing under the IoT technology-enabled supervision

CEB Wuxi Branch introduced the advanced Internet of Things (IoT) technology to provide a high polymer material company with the movable property pledged financing under the IoT technology-enabled supervision. With the deepened integration of the IoT technology and finance, the Branch integrated logistics, business flow, and capital flow and changed movable properties into immovable ones, thus solving the problem of information asymmetry in the financial industry, reducing the financial risks that existed in the traditional movable property pledged financing business, and providing scientific and technological guarantee for the financing of small and medium-sized enterprises.

► CEB Xi'an Branch provided financing services for high-tech industries

Considering the operating characteristics of technological enterprises, CEB Xi'an Branch formulated the *Rules of CEB Xi'an Branch for the Implementation of Intellectual Property Pledged Loans*, opened up a fast track for credit approval, and organized special personnel to review and approve scientific and technological loans for medium, small, and micro-sized enterprises, with a view to issuing loans in a timely and efficient manner, and meeting the financial needs raised by technological innovation activities to the maximum. In addition, the Branch also actively cooperated with Xi'an Science and Technology Bureau to provide high-tech enterprises with financing services through the "recommendation letter plus guarantee" mode.

The advanced manufacturing industry

► CEB Jinan Branch supported the development of steel industry

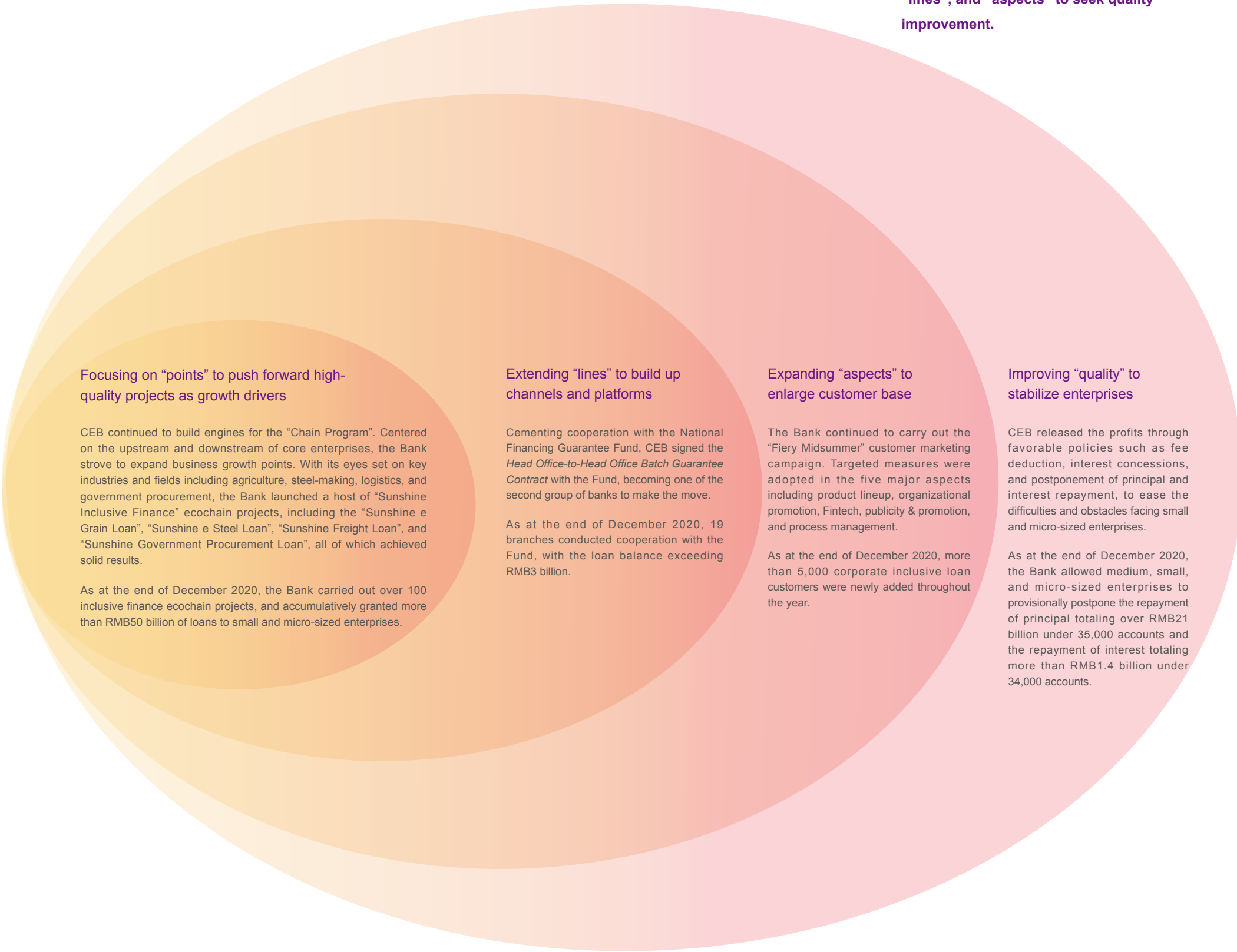
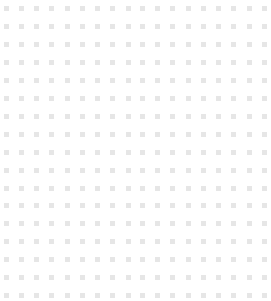
In November 2020, CEB Jinan Branch assisted Shandong Steel Group Co., Ltd. in issuing the senior unsecured offshore bonds worth USD500 million, which provided the steelmaker with the globalized group-wide financial services, further strengthening its financial support for manufacturing enterprises.

► CEB Kunming Branch provided the supply chain financial services for a local phosphate company

Yunnan Phosphate Haikou Co., Ltd. is a core enterprise along the supply chain of the fine phosphorus chemical industry, with most of its upstream suppliers providing fine fertilizers and other raw materials. Leveraging on the supply chain cloud platform, CEB Kunming Branch put the entire process of loans to the company and its suppliers online, shortened business procedures, improved the efficiency significantly, and solved problems of the traditional supply chain, including information opacity, poor credit transmission of core enterprises, and financing difficulty for medium, small and micro-sized enterprises.

Practicing inclusive finance and supporting the development of small and micro-sized enterprises

CEB firmly upholds and implements the decisions and plans made by the CPC Central Committee and the State Council as well as the regulatory requirements to focus on the task of “ensuring stability on six fronts and maintaining security in six areas”. Following the principle of “credit increase, cost cut, and convenient services”, the Bank develops inclusive finance from “a small spark” into “great fires”, so as to provide financial support for small and micro-sized enterprises. As at the end of December 2020, the balance of CEB’s inclusive loans to small and micro-sized enterprises hit RMB201,251 million, an increase of RMB45,855 million or 29.51% from the year end. Such a growth rate outperformed the average of other loans. The number of customers with inclusive loans reached 376,100, an increase of 3,575 from the year beginning. The weighted average interest rate for new loans stood at 4.96%, down 90 bps year on year. The NPL ratio stayed as low as 0.71%.



A glance at CEB’s inclusive finance: making concerted efforts on the “points”, “lines”, and “aspects” to seek quality improvement.

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Strengthening the organizational management of inclusive finance

As early as 2017, CEB established the Inclusive Finance Management Committee as part of its management, with the President serving as the Chairman. The Committee is mainly responsible for conducting researches and making decisions on major issues of the Bank's inclusive finance, and promoting the management and development of the bank-wide inclusive finance with coordinated efforts. In 2018, CEB Head Office canceled the "Small and Micro Finance Department" and transferred all the functions into the newly built "Inclusive Finance Department". The major duties of the Inclusive Finance Department include the formulation of inclusive finance strategy, overall planning, product R&D, comprehensive coordination, system development, data application, data statistics, and business promotion across the Bank. Meanwhile, 39 domestic tier-1 branches of the Bank established their own inclusive finance departments to develop inclusive finance business vigorously.

• Activating management efficiency and effectiveness

Through conducting research on the improvement of management efficiency and effectiveness, such as the implementation of inclusive finance policies, development planning, assessment and supervision, system development, and product design, the Bank intensified efforts to solve the financing difficulties facing the small and micro-sized enterprises.

• Management of "Inclusive Finance of Branches"

To strengthen classified guidance, the Bank introduced the red and yellow card-based performance evaluation system and the Head interview mechanism, linked the completion of the annual evaluation indicators for inclusive finance with the evaluation, promotion, and appointment of Heads in charge of outlets and branches, and helped business entities to get rid of their fear for loans, thus stimulating business vitality on all fronts.

• Promoting the "Credit Program"

The Bank expanded the Credit Factory model to 30 branches, and established a monitoring mechanism on credit approval process fit for small and micro-sized enterprises. Supervision and evaluation measures were adopted to effectively increase the efficiency of business approval, thus helping small and micro-sized enterprises solve the financing difficulties featuring "short term, small amount, high frequency and arrangement at short notice".

• Pushing forward in-depth channel development

The Bank connected different financing platforms together, strengthened cooperation with channels including the National Financing Guarantee Fund, the National Agricultural Credit Guarantee Alliance, China Financing Guarantee Association, and worked actively to establish new types of partnerships.

Promoting inclusive finance business go online

CEB continued to promote the inclusive finance technology capacity. According to the requirement of creating a FinTech architecture that consisted of "an open front center for customer acquisition + a unified middle center for business operation + an intelligent middle center for data management", the Bank kept improving the functions and modules of the system. As a result, the inclusive finance business made great strides towards online, automated, and intelligent operations.



► Sunshine Inclusive Finance Intelligent Operation System (IFIOS)

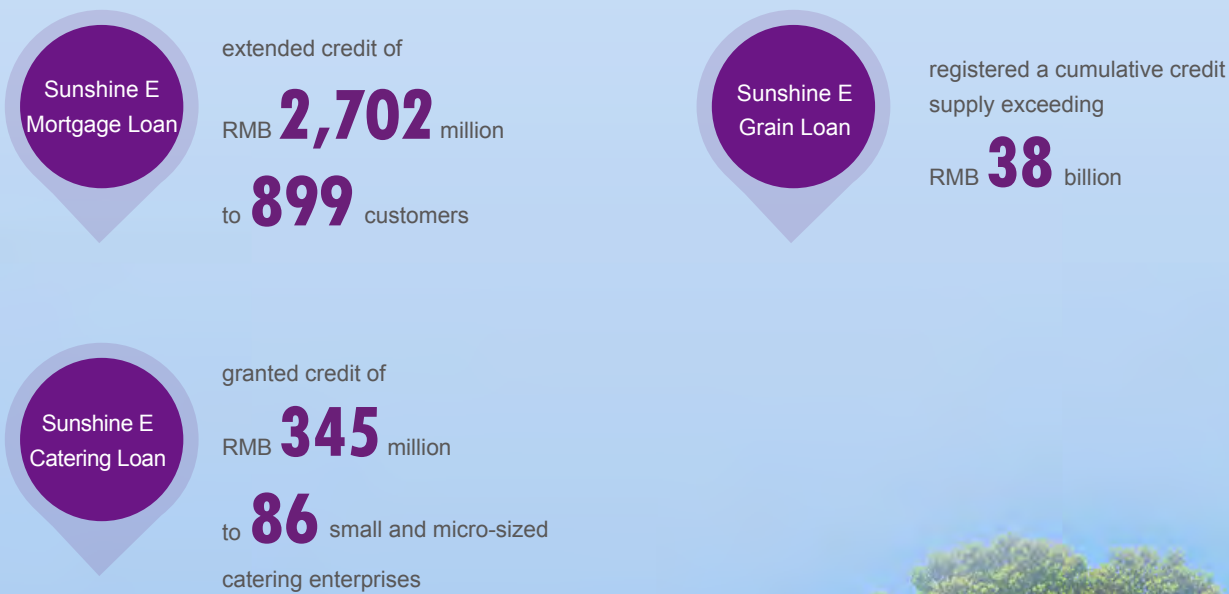
In August 2020, the Sunshine Inclusive Finance Intelligent Operation System (IFIOS) was put into operation successfully. It marked a significant milestone for the Bank's inclusive finance business to possess an independent analytical big data system. The IFIOS is assigned with a host of functions including basic data support, full-process intelligent risk control, and business & operation monitoring. It has realized the unified mobilization of multiple data channels, the interface integration for multiple user channels, and the single-point interaction with the intelligent risk control engine, thus laying a solid foundation for the rapid launch of new products, customer acquisition through multiple channels, and intelligent review & approval in the future.

Creating inclusive finance products with unique characteristics

CEB actively expanded the lineup of inclusive financial products by upgrading the inclusive finance “Micro Plan”, optimizing and upgrading the “Sunshine E Micro Loan”, and “Sunshine E Mortgage Loan”, accelerating the promotion of the “Sunshine E Tax Loan” that supported the direct banking-taxation link, and developing the automated review & approval model for the “Tobacconist Loan”. The Bank continued to promote the “Chain Program” of inclusive finance, connected the data of core enterprises, and developed small and micro-sized enterprises in the upstream and downstream of the industrial chain, thus building up a multi-level “finance + channel + scenario” service platform more accessible to the production and people’s daily life.

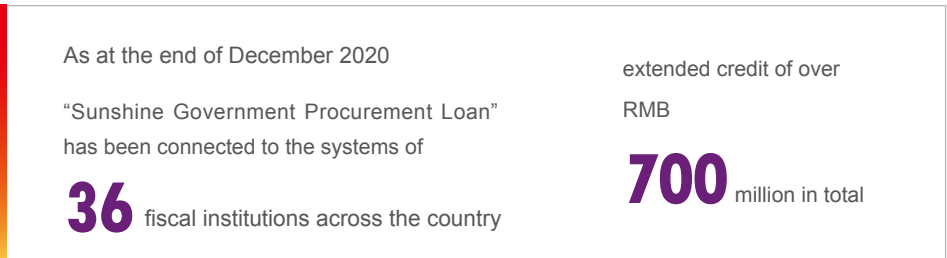
Introduction to the featured inclusive finance products

As at the end of December 2020



“Sunshine Government Procurement Loan”

“Sunshine Government Procurement Loan” made full use of the big data on government procurement, and adopted a coordination model featuring platform-based direct data link to provide government procurement suppliers with financing services upon the fulfillment of contract. Through e-channels in “Sunshine Inclusive Finance Cloud”, government procurement suppliers can receive one-stop, online, credit financing services that feature “online contract signing, instant payment and repayment, and automatic repayment”.



“Sunshine E Grain Loan”

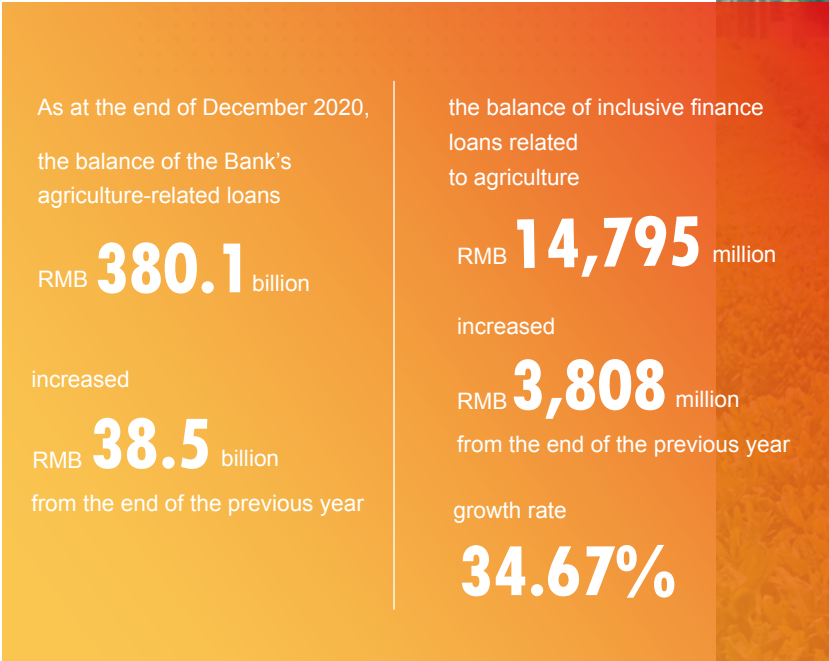
CEB “Sunshine E Grain loan” is another featured inclusive finance product of the Bank. In 2020, thanks to technological innovation and process reinvention, the Bank brought online the entire procedure of loans to small and micro-sized enterprises that consisted of “application receipt, contract signing, review and approval, and credit granting”. Based on the “Sunshine E Grain Loan”, in order to meet the financing needs raised by the member companies of the National Grain Trade Center under the grain trade scenarios, the Bank innovatively launched the “Sunshine Golden Warehouse Loan”, a financing product to provide member companies with grain warehouse-pledged financing services. With the product, the financing scenarios were extended from the fulfillment of policy grain bidding contract to the in-warehouse supervision of trade grain transactions, a move that enriched grain categories applicable for financing products. What’s more, the maximum financing term was extended from the previous 75 days to the present 6 months, providing small and micro-sized enterprises with longer repayment cycles and significantly easing their financial pressure.

► CEB Shanghai Branch issued the “Sunshine E Steel Loan”

Based on the real orders between small and micro-sized enterprises and Baowu Steel Group, the “Sunshine E Steel Loan” is an online inclusive finance that CEB Shanghai Branch provided for Shanghai Ouyeel Financial Information Service Co., Ltd. (Ouyeel), a holding subsidiary of Baowu Steel Group, through systematic connection, with the full-amount guarantee provided by Ouyeel Guarantee Co., Ltd. as the main risk control measure. As at the end of December 2020, the business posted a total drawdown amount of RMB44,370,800 accumulatively, with the balance standing at RMB13,168,500.

Supporting rural revitalization to assist agriculture, benefit rural residents, and making rural areas prosperous

2020 was the year when China completed the building of a moderately prosperous society in all respects, and the year crucial for the implementation of the rural revitalization strategy. CEB increased credit support in rural revitalization and maintained the continuous growth in the balance of agriculture-related loans.



► Chairman Li Xiaopeng visited Guzhang County, Xiangxi Tujia and Miao Autonomous Prefecture of Hunan Province to conduct field investigate on poverty alleviation projects



- Promoting regional coordination to enter a new stage of high-quality development
- Serving the real economy and promoting the development of strategic emerging industries
- Practicing inclusive finance and supporting the development of small and micro-sized enterprises
- Supporting rural revitalization to assist agriculture, benefit rural residents, and making rural areas prosperous
- Developing distinctive business and serving people's livelihood
- Supporting the implementation of the "Belt and Road Initiative" (BRI) to steadily promote internationalization

Assisting agriculture

CEB Zhengzhou Branch

CEB Zhengzhou Branch devised an online supply chain financial project named “Best Grain Credit” that was aimed to help rural residents sell grains, grain-consuming enterprises raise funds, and grain storage enterprises store up. As at the end of December 2020, the Branch approved the credit for grain procurement worth RMB30 million with the credit balance standing at RMB20 million, which benefited more than 600 farmer households.

CEB Guiyang Branch

CEB Guiyang Branch supported Guizhou Guangxiu Ecological Food Co., Ltd., by granting it industrial poverty alleviation loans of RMB23 million. It pressed ahead with the “10,000-ton Chinese Chestnut Refining Processing Project in Wangmo County”, which helped more than 10,000 chestnut farmers solve the difficulties of product sales and storage in over 200,000 mu of chestnut gardens, and engaged over 20,000 persons from 6,000 farmer households in the chestnut industry.

CEB Jinan Branch

CEB Jinan Branch granted Shouguang Hualu Landscaping Co., Ltd. loans totaling RMB176 million, which were specifically used for the “Shouguang Hualu Intelligent Agricultural Greenhouse Demonstration Park” project. According to the plan, the project would cover 4,389 mu of agricultural land to build 380 vegetable greenhouses in winter and 60 arch sheds, which would yield an annual production capacity of approximately 25 million kilograms combined.



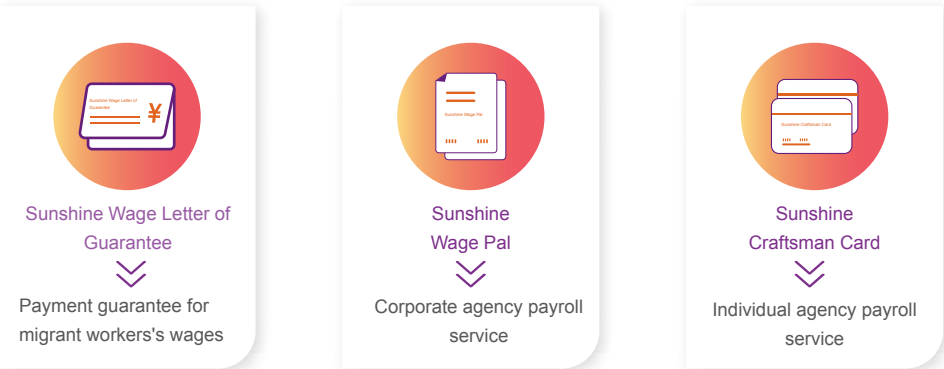
At the third China Grain Trade Conference in 2020, the Bank set up an exhibition area themed on “CEB Inclusive Finance Assisting Agriculture, Benefiting Rural Residents, and Prospering Rural Areas” to comprehensively promote its inclusive finance products and services. Many influential media outlets covered this event. For example, the article titled “Technology Empowers CEB to Protect Food Security” on the financial channel of Xinhua News Agency received 567,000 views in 24 hours. And the article titled “Technology Empowers CEB to Customize Financial Products for Grain Transactions” published on the *Rural Financial Times* was selected by xuexi.cn and received widespread attention.

Benefiting rural residents

Migrant workers are city builders. It is a social responsibility for both enterprises and financial institutions to protect their legitimate rights and interests, especially ensuring that they no longer worry about wage arrears. Wage arrears for migrant workers has long been one of the hot issues that concern social security and people's livelihood. The *Regulations on Ensuring Wage Payment to Migrant Workers* issued by the State Council formally came into force on May 1, 2020, which once again specified that wage deposit of migrant workers could be replaced by bank guarantees.

CEB took the initiative to implement the national regulations. During the National People's Congress and the Chinese People's Political Consultative Conference (the NPC and CPPCC) of 2020, the Bank integrated public and private resources, strengthened coordinated actions of different business lines, and innovated

product portfolios, in addition to the original “CEB hit products for people's livelihood: Payment Guarantee for Migrant Workers' Wages”. It launched the “Sunshine Wages” migrant worker wage-related comprehensive financial services, which consisted of three sub-brands - “Sunshine Wage Letter of Guarantee”, “Sunshine Wage Pal”, and “Sunshine Craftsman Card”, corresponding to the Bank's migrant worker wage payment guarantee, contracted agency payroll service (corporate), and agency payroll service (personal) respectively. Closely centered on all aspects of wage payment for migrant workers, the Bank provided precise services on a product-specific basis, helped enterprises ease the pressure of working capital, and stabilized the “fund pool” so as to ensure migrant workers' wage security and protect their money.



As at the end of December 2020, the “Sunshine Wage Letter of Guarantee” provided over 1,000 construction enterprises nationwide with the payment guarantees for migrant workers' wages worth more than RMB3.3 billion, representing an increase of more than RMB2.5 billion from the year beginning. There was a year-on-year increase of 2.7 times, and the monthly average amount of guarantee was seven

times that of 2018 and 2019 combined. “Sunshine Wage Pal” conducted cooperation with over 100 enterprises with respect to agency payroll service. It provided personal agency payroll services for nearly 30,000 individual customers, with the transaction amount exceeding RMB2 billion, an increase of more than RMB1.5 billion from the year beginning.

► CEB made migrant workers no longer worry about wage arrears

CEB Taiyuan Branch issued one-year payment guarantees for migrant workers' wages for a company based in Jincheng City with an amount of more than RMB12 million, benefiting more than 1,000 migrant workers.

CEB Nanjing Branch got connected with the system of the local service management center for construction workers, a move that brought online the entire process from application for the letter of guarantee (L/G) to the receipt of the electronic L/G.

CEB Suzhou Branch got connected with the system of the local real-name information management platform for construction workers, and became the cooperative bank recommended by the local housing construction bureau for wage payment to migrant workers. It paid wages of more than RMB60 million to nearly 4,000 local migrant workers on an agency basis.

CEB Xiamen Branch issued its first payment guarantee for migrant workers' wages with the applicant and warrantee seperated under full credit, providing adequate rights and interests protection for migrant workers working tirelessly during the pandemic.

► CEB Chengdu Branch furthered the development of the “Sunshine Salary” financial service brand

CEB Chengdu Branch provided the enterprises that applied for this type of L/G with dedicated management personnel and green fast track throughout the whole process. Meanwhile, L/Gs could be issued online through the contractual “Sunshine E Settlement” service for customers. As at the end of December 2020, the Branch accumulatively issued payment guarantees for migrant workers' wages worth nearly RMB19.31 million. Meanwhile, it actively used service brands including “Payroll Manager”, “Cloud Card Issuing” and “Electronic Class-II Card” to meet various financial needs of migrant workers and their employers effectively, and once again upgrade the customer service experience of migrant workers. As at the end of December 2020, the Branch provided four enterprises with agency payroll services for migrant workers. Specifically, it paid wages totaling RMB23.91 million to 1,552 migrant workers on a agency payment basis.



Prospering rural areas

► CEB Nanchang Branch, Jiangxi Ruijin Everbright Rural Bank, and Ruijin Municipal Government signed a strategic cooperation agreement

In April 2020, CEB Nanchang Branch, Jiangxi Ruijin Everbright Rural Bank, and Ruijin Municipal Government inked a strategic cooperation agreement to further the government-bank cooperation, promote poverty alleviation through consumption, help Ruijin city win the critical battle against poverty, and accelerate the implementation of the rural revitalization strategy.

► Jiangsu Huai'an Everbright Rural Bank supported the development of the teaching equipment industry with local characteristics

Deeply rooted in local society, Jiangsu Huai'an Everbright Rural Bank proceeded from the actual conditions of the teaching equipment enterprises and innovatively launched a new credit product named “Teaching Connect (Shijiaotong)”, which fueled the rapid development of local enterprises, and achieved win-win results for schools, banks, and enterprises.

As at the end of December 2020, “Shijiaotong” attracted 51 credit customers with the balance of order loans amounting to RMB110 million.

► Shaoshan Everbright Rural Bank promoted financial knowledge in rural areas

Shaoshan Everbright Rural Bank continued to enhance its financial services. On one hand, it helped local rural residents access financing easily. On the other, it popularized financial knowledge in rural areas.

In 2020, the Bank organized more than 200 rural publicity campaigns (including village and farmer household visits), and more than 30 massive publicity campaigns, which delivered financial services of over 15,000 person-times throughout the year.



Developing distinctive business and serving people's livelihood

CEB actively explored innovation of financial service models, made all-around efforts to push forward the projects concerning people's livelihood and the sense of happiness, and went all out to build a "finance + life + service" ecosystem that could provide every single customer with great convenience, meet the needs of people for a better life, bring more benefits to the people, and help solve more problems concerning people's livelihood.

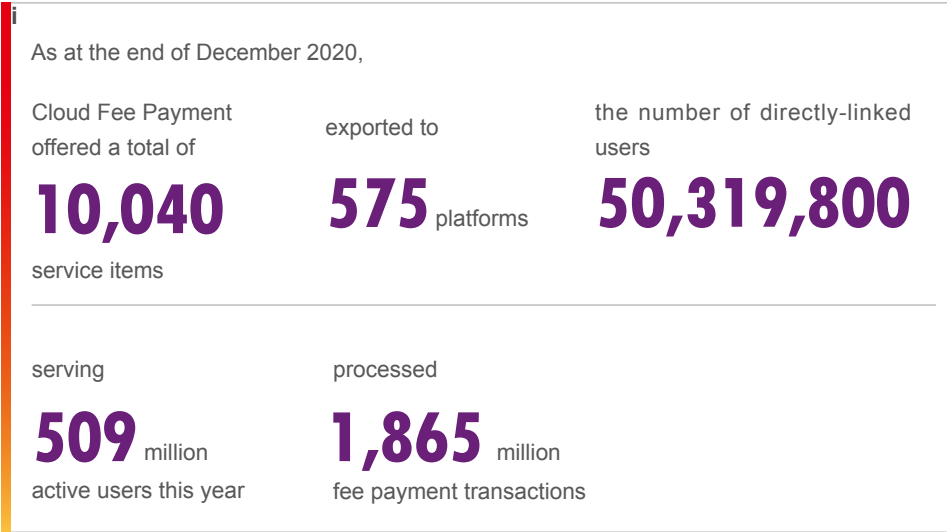


Promoting the in-depth development of Cloud Fee Payment

CEB's Cloud Fee Payment is committed to developing inclusive finance and offering convenient services. With a decade of accumulation and three years' rapid development, it has become China's largest open-end fee payment platform, playing an increasingly prominent role in many aspects including developing inclusive finance, serving people's livelihood, facilitating the reform to streamline administration, delegate power, and improve services, and making explorations in Internet finance. The brand, therefore, has been widely recognized by all sectors of society and the vast number of users.

Guided by the development strategy of "developing Cloud Fee Payment in-depth, introducing new business format, empowering retail, and creating new values", Cloud Fee Payment expanded its application under the 3 major categories of scenarios—life, enterprise, and government affairs in a comprehensive way, further created an connected environment with new technologies, scenarios and business format, and accelerate the construction of 5 new ecosystems, namely traveling and transportation, payment at stores and supermarkets, medical bill and medicare payment, education and training, and community projects. Leveraging on the open Internet-based business model, it made continuous efforts to build its own channels, optimize product functions, promote innovative marketing methods, and enhance brand building, and expand the scale of directly-linked active users. As more people prefer receiving services online without body contact, Cloud Fee Payment combined the new financial trends characterized by the "aggregated payments, order-based services, digitalized processes, and open-end functions" to move faster in business upgrading and model transformation, thus gaining significant competitive edges in the delivery of inclusive finance services and contributing to the pandemic prevention and control and the resumption of work and production.

In 2020,the total payments of Cloud Fee Payment reached 403,763 million. The platform brought its high-quality and convenient fee payment services to tens of millions of families, especially those in remote areas and impoverished counties.



Honors and awards of Cloud Fee Payment

- CEB released the *2020 White Paper for Convenient Fee Payment Industry of China* for the sixth consecutive year at the 2020 Financial Street Forum, which was widely reported by many influential media including CCTV News, CCTV Live Broadcasting Room, and Xinhuanet.
- The “Cloud Fee Payment” platform won “the Most Influential Life Service Platform of the Year” at the Gold Medal Award Ceremony of Chinese Financial Institutions – Gold Dragon Award 2020, hosted by *Financial Times*.
- The “Cloud Fee Payment” platform won one of the “Excellent Cases of Digital Upgrading” on the 2020 Analysys Star List of Award Winners.

► Building a traveling and transportation ecosphere

CEB Beijing Branch signed with TJD Parking a strategic cooperation agreement on intelligent transportation

Beijing TJD Parking Information Technology Co., Ltd. (“TJD Parking”) is a leading Internet-based smart parking service platform, dedicated to building large-scale commercial and public parking lots in core cities. In August 2020, CEB Beijing Branch and TJD Parking signed a strategic cooperation agreement to carry out in-depth collaboration in many fields including smart parking, traveling and transportation scenarios, and digital finance. According to the agreement, the two sides would work together to build smart cities, further develop smart services with Fintech, and create a new market for smart parking as an emerging business format.

CEB Xi'an Branch helped build contactless smart gas stations

CEB Xi'an branch launched a contactless smart gas station project at Yulin District, realizing “zero contact throughout the entire process, online issuance of invoices and drivers not getting off to refuel the cars”. The project set a good example on how to closely integrate Internet technologies including mobile communications, GPS positioning, and ETC identification with financial services offered by banks, in a bid to provide the vast number of car owners with the convenient, safe and “contactless” refueling services.

Improving life quality

New urbanization

In May 2020, the Report on the Work of the Government proposed that priority would be given to new infrastructure and new urbanization initiatives as well as major projects in the fields of transportation and water conservancy. To act on the national strategy, CEB has made plans ahead of schedule and continued to increase comprehensive financial support for the new urbanization since 2020.

Strengthening policy guidance

The *2020 Credit and Investment Policy of China Everbright Bank* clarified CEB’s support for the new urbanization from the policymaking level. Besides, the Bank released the *Marketing Guidelines for Urbanization Construction Industries* and the *Marketing Guidelines for New Urbanization Industries*, both of which emphasized the urgent needs for new urbanization and the huge market potential presented by the drive.

On August 14, 2020, the National Development and Reform Commission (NDRC), along with 6 Chinese banks including CEB, issued the *Notice on Providing Credit Support to County Urbanization in Weak Links (F.G.G.H. [2020] No.1278)*, which clearly required to increase credit support for urbanization and attract more social investment. CEB was the only joint-stock commercial bank among the 6 banks included in the aforementioned notice.

Streamlining business process

The non-housing-related credit projects with terms of up to 10 years (inclusive) under the new urbanization drive would be exempted from the proposal review procedure. Support would be preferentially given to the credit projects with terms of up to 5 years.

Increasing resource allocation

Credit resources would be preferentially channeled to support the new urbanization projects.

Opening up fast track for related projects

While pressing ahead with the new urbanization projects, all branches could report key issues through the corporate, large-amount ETC channel, and the CEB Head Office would help coordinate in a timely manner.

Enriching the list of strategic customers

Key customers in the construction of new urbanization were included into the list of strategic customers, and the preferential policies for fast approval would be devised for them separately.



1

Creating Economic Value and Fulfilling Responsibilities as A Financial National Team

Promoting regional coordination to enter a new stage of high-quality development

Serving the real economy and promoting the development of strategic emerging industries

Practicing inclusive finance and supporting the development of small and micro-sized enterprises

Supporting rural revitalization to assist agriculture, benefit rural residents, and making rural areas prosperous

→ Developing distinctive business and serving people's livelihood

Supporting the implementation of the “Belt and Road Initiative” (BRI) to steadily promote internationalization

2

Creating Social Value and Making Progress with Stakeholders

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Creating Environmental Value and Building a Community with Shared Life between Mankind and Nature

4

Creating Value through Effective Governance and Cementing the Long-term Stable Development

As at the end of December 2020,
the Bank's balance of urbanization
loans totaled

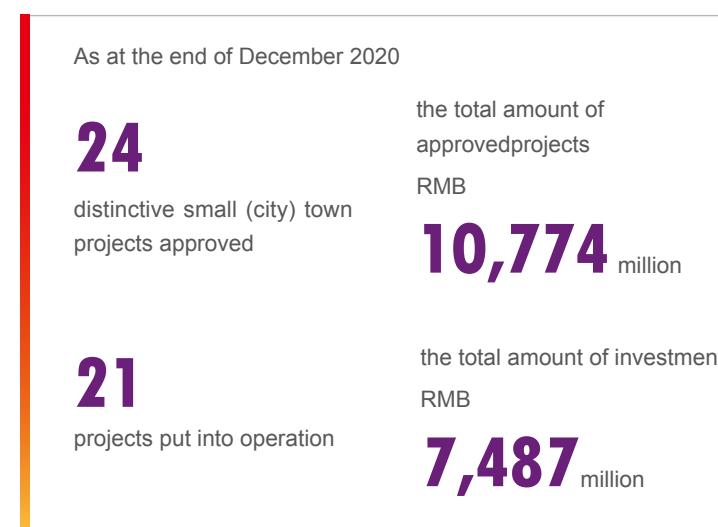
RMB
135.5 billion

Achievements of CEB in supporting the new urbanization

• Supporting the overall construction of the new urbanization

As at the end of December 2020, the Bank's balance of urbanization loans totaled RMB135.5 billion.

• Supporting the construction of featured small towns (cities)



For example, CEB participated in building a number of distinctive small (cities) towns including Changzhou Xixiashu Tool Manufacturing Town and Wuxi Internet of Things Town, with an aim to upgrade regional industries and development patterns.

► CEB Nanjing Branch supported the reconstruction of old urban areas

CEB Nanjing Branch provided loans for the Tongji Street renovation project in Lishui District, Nanjing. The reconstruction area of the project was about 200,000 square meters, which consisted of ancient building blocks renovation, public facilities enhancement, water wharves and water environment improvement, the greening and landscaping projects, and other auxiliary projects.



Medical care

► CEB Suzhou Branch endeavored to build an Internet hospital

The "Everbright Internet hospital" co-built by CEB Suzhou Branch and Suzhou Science & Technology Town Hospital was completed and passed the formal acceptance check of the Suzhou Municipal Health and Family Planning Statistics Information Center and the Jiangsu Provincial Health Statistics Information Center. Granted with the "Practice License for Medical Institutions" by the Suzhou Municipal Health Commission.

Education

► The "Sunshine Golden Education Solution" product lineup

In 2020, the online education industry thrived due to the impact of the COVID-19 pandemic. Online education and the safety of pre-paid training fees from students have aroused the widespread concerns in society. The Bank reacted quickly to launch the "Sunshine Golden Education Solution" product lineup. As a key product targeting education industry, currently it mainly applies to two types of business scenarios: cloud supervision on funds from after-school training agencies and the construction of smart campus, covering all areas of the education ecosystem. Mainly serving the education administration authorities, educational institutions, and students, the product integrates many hit products of the Bank including Cloud Fee Payment, cash management, and offline bill collection, realizes the centralized management of educational information, the unified monitoring of fund accounts, and the convenient online payment made by students through multiple channels including PC terminal, applet, Wechat official account, or app.

► CEB Xi'ning Branch assisted Qinghai Provincial Personnel Examination Center in registration and payment

With the "Cloud Fee Payment" platform, CEB Xi'ning Branch fully supported the Qinghai Provincial Personnel Examination Center in the registration fee payment of the public institution recruitment examination and the civil servant examination in the province. The number of persons signing up for the examination registration totaled 147,500. The Branch saved the applicants' trouble of running many errands or lining up for a long time to pay registration fees. This move deepened the reform concept that "things would require presence in person get done without the need for a second trip", and injected impetus to the transformation of the fiscal non-tax business in the region towards digitalized and Internet-based development.

Pension

► Carrying out the occupational annuity custody business to serve society and improve people's livelihood

As at the end of December 2020, the Bank won successively 32 bids for occupational annuity funds, with the scale of occupational annuity funds under custody exceeding RMB100 billion and accounting for nearly 10% of the total market, which justified CEB's mission of "Wealth Management & Livelihood Service" with concrete efforts.

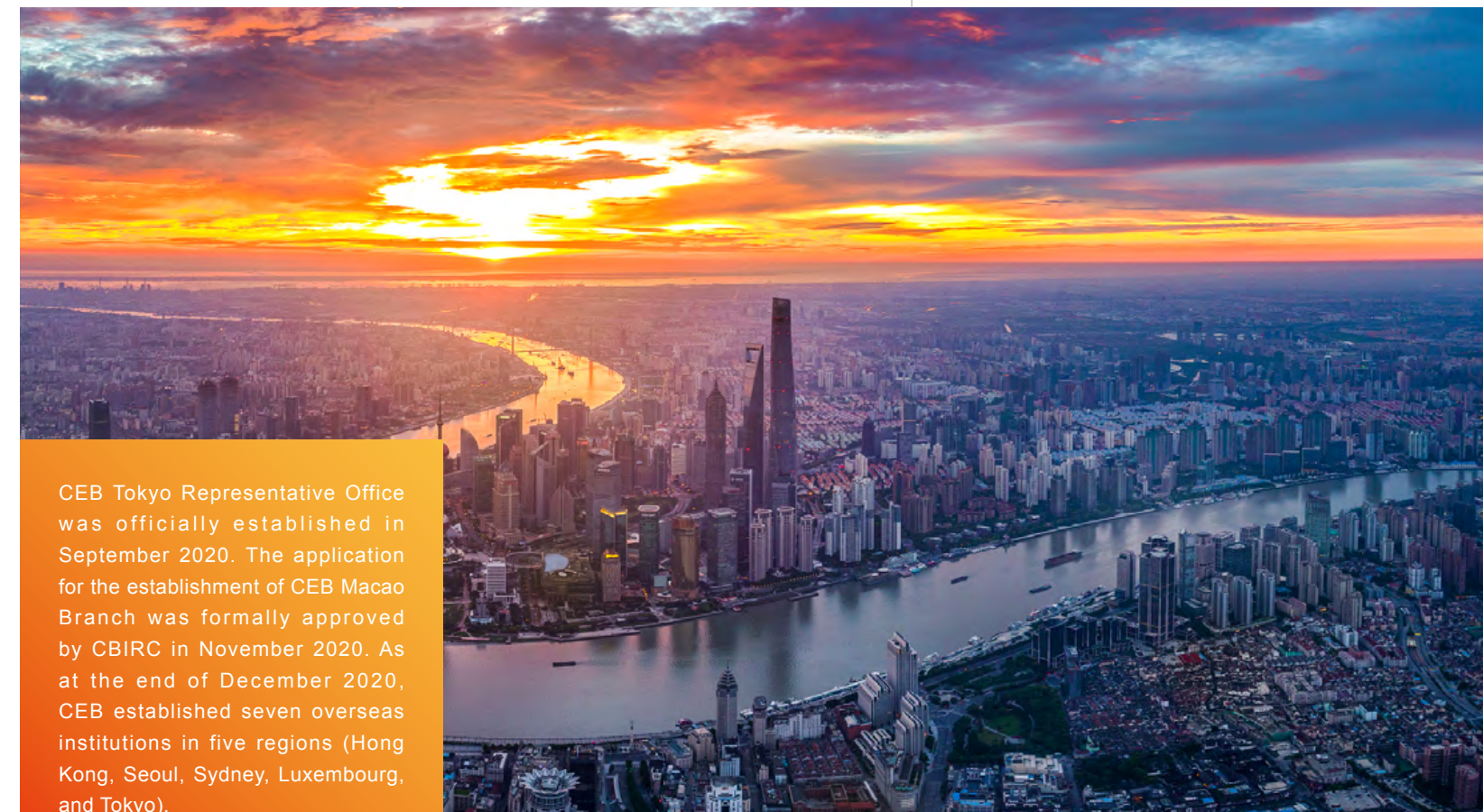
Public transportation

► CEB Yinchuan Branch rolled out a distinctive product based on the revenue from bus fares

CEB Yinchuan Branch listed the hospitals, urban transportation projects, PPP projects, and other livelihood projects as key recipients of its credit support. The Branch supported Yinchuan Public Transportation Co., Ltd. in issuing the "CEB-Yinchuan Tonglian-Yinchuan Public Transport Bus Fares Revenue & Silk Road Asset-backed Plan". According to the plan, Yinchuan Public Transportation Co., Ltd. took its bus fares revenue for a certain period of time as the underlying asset to issue the ABS products worth RMB910 million.

Supporting the implementation of the “Belt and Road Initiative” (BRI) to steadily promote internationalization

With the continuous implementation of the BRI and under the guidance of “going global” strategy for finance, CEB has set its strategic goal to “build a world-class financial holding group with global competitiveness”. CEB, as CEG’s pioneer in its internationalization strategy, keeps closely up with CEG’s strategic deployment for internationalization, and is committed to establishing a positive image for the Chinese banking industry in the global presence of overseas institutions and business development, serving the countries and companies along the “Belt and Road”, and actively getting integrated into the new development pattern of the national “dual-circulation”. To proactively implement the national strategy of financial institutions going global themselves and helping Chinese enterprises go global, it provides strong financing support for them to participate in global value chain competition.



CEB Tokyo Representative Office was officially established in September 2020. The application for the establishment of CEB Macao Branch was formally approved by CBIRC in November 2020. As at the end of December 2020, CEB established seven overseas institutions in five regions (Hong Kong, Seoul, Sydney, Luxembourg, and Tokyo).

Developing global correspondent banking networks

CEB established the RMA relations with 1,271 overseas correspondent banks from 108 countries and regions around the world, which included 46 countries along the “Belt and Road”. In 2020, the Bank authorized country credit limits worth USD73.06 billion for 44 countries and regions, among which 16 countries along the “Belt and Road” were distributed the credit limits totaling USD4.45 billion. It authorized the credit limits and credit facility totaling USD46,375 million for 186 overseas correspondent banks (including factors) from 34 countries and regions, among which 9 countries along the “Belt and Road” were distributed the credit facility totaling USD1,530 million.

- In November 2020, the Bank attended the “2020 China-U.A.E. Innovation Investment Conference”, an event co-organized by ADGM and Central Bank of the UAE in the capitals of the two countries, focusing on the BRI financial investment in the UAE and other Middle East countries.



Investing in special bond

- **CEB Urumqi Branch invested in the BRI special corporate bond**

As an important strategic stronghold that connects the eastern and western parts of China, Xinjiang is tasked to build the core area of the Silk Road Economic Belt. In November 2020, CEB Urumqi Branch successfully invested RMB150 million in the BRI corporate bond issued by the Urumqi Economic and Technological Development Zone Construction Investment (Group) Co., Ltd, thus actively implementing the BRI national initiative and serving the real economy, and making flexible use of financial products to support economic and social development in the whole region.

Supporting cross-border financing

In 2020, CEB guided all the overseas institutions to provide the real industry enterprises affected by the pandemic with a variety of financial services including cross-border financing, back-to-back letters of credit, overseas bond underwriting, and overseas IPO. As at the end of December 2020, the cross-border financing conducted by overseas institutions of the Bank furnished over 100 domestic real industry enterprises with low-cost funds worth RMB17.6 billion.

Creating Social Value and Making Progress with Stakeholders

As a financial national team, CEB keeps in mind the core message conveyed in President Xi Jinping's speech that entrepreneurs should actively shoulder their social responsibilities, focus on financial business development while intensifying efforts to create values for society, in an effort to become an outstanding corporate citizen and sincerely give back to society in the current financial ecology.

Contributing to the UN Sustainable Development Goals



Enterprises shoulder not only economic and legal responsibilities, but also social and moral responsibilities. Any enterprise that exists in society is a social enterprise. Society is the stage for entrepreneurs to display their talents. Only entrepreneurs who sincerely give back to society and fulfill their social responsibilities can truly be recognized by society and meet the requirements of the times.

-- Speech of Xi Jinping at the Symposium of Entrepreneurs in July 2020



CSR Story

Sincere services with sunshine culture in mind

Adhering to the philosophy of being “people-oriented, customer-centric and innovation-driven”, CEB Beijing Branch actively provides financial services for customers and creates substantial benefits while making tireless efforts to provide customers with more comprehensive and higher-end service experience, deepening the interconnection with customers. With sunshine culture in mind, the Branch pursues innovations and serves customers sincerely, contributing to building CEB into a first-class wealth management bank.

> Fintech empowers the upgrading of “Everbright Supermarket”



CEB actively explored and innovated banking outlet mode, and established two “Everbright Supermarkets” based in Beijing and Shanghai respectively. As the example of smart outlet, the Supermarket covered 3 segments namely “mega wealth, mega livelihood and one Everbright”, realized 3 functions namely “display, consultation and transaction”, and presented 4 characteristics namely “segmentation, integration, scenario-orientation and digitalization”. Through the application of 5G and new technologies empowered by Fin-tech, the Supermarket integrated functions of display, consultation and transaction, and provided customers with full-process services concerning people’s livelihood and wealth management, so as to improve customer service experience and promote the smart outlet mode.

- Display > Building the “Supermarket Windows” with full sense of technology through online and offline services, immersive experience and virtual reality.
- Consultation > Establishing a “Think Tank” featuring expert collaboration and instant communication through online and offline services, collaborative support and professional answering.
- Transaction > Creating efficient “shopping experience” featuring safe, reliable and self-service operations through online and offline services, biometric identification and artificial intelligence.

In the future, Everbright Supermarket will implement the philosophy of staying “true”, “outstanding” and “pioneering”. “True” means staying true to the original mission of wealth management and serving the real economy with coordinated efforts. “Outstanding” means pursuing high-quality development, including offering high-end products, providing high-level services and promoting efficient coordination. “Pioneering” means emancipating the mind and being an open-minded trend-setter.



Please scan the QR-code to know more about the Everbright Supermarket

> Creating high-end customer service experience with wholehearted efforts

CEB Beijing Branch carried out a series of high-end customer service experience events



> Performing corporate social responsibility

- In March 2020, the Bank carried out the “General Manager as Lobby Manager” campaign to celebrate the “3.15 World Consumer Rights Day”. The General Managers of CEB Beijing branch, all members of the management team and the General Managers of sub-branches received and served customers in the lobbies of 69 outlets, promoted pandemic prevention and financial knowledge, notified business risks, fulfilled responsibilities of customer services and spread positive financial energy.



- With the slogan “sunshine services light up Beijing”, the Bank carried out the “Lei Feng Posts” campaign. The “Lei Feng Posts” were set up at 69 sub-branches, staffed with Party members with outstanding proficiency and excellent service attitude. The campaign channeled high-quality service resources into providing the public with sunshine financial services.



- In August 2020, the Bank carried out a series of events themed as “supporting the army with sunshine services”, paying tribute to the officers and soldiers of the People’s Liberation Army.

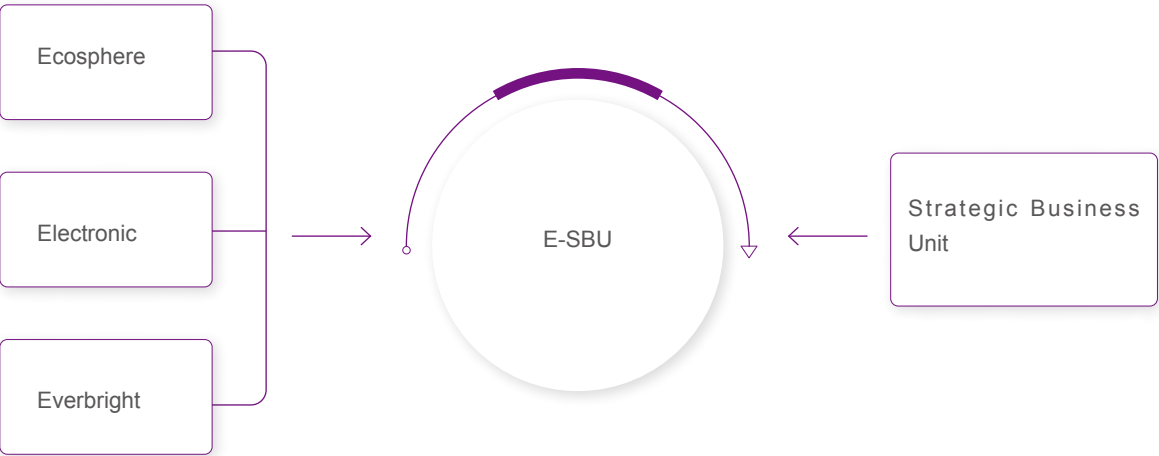
Promoting the construction of wealth E-SBU and building strategic coordinated ecosphere

CEG fully implemented the E-SBU strategy in 2019 to give full play to its strengths in comprehensive finance, industry-finance cooperation and Mainland-Hong Kong collaboration. Internal coordination within CEG has been strengthened to facilitate the collaborative upgrading of CEG and promote its strategic transformation towards “agility, technology, and ecosphere”.

Everbright E-SBU focus on “Mega wealth” and “Mega livelihood”. “Mega wealth” covers three units including wealth, investment and investment banking, while “Mega livelihood” covers three units including environmental protection, tourism and healthcare.



Concept of E-SBU strategy



Wealth E-SBU is the crucial foundation for CEG’s “mega wealth” strategy. It serves as a basic platform in the construction of E-SBU, redirecting customers and providing product sale channels for the six E-SBU, with focus on customers and liabilities.

As the major force for implementing the Wealth E-SBU of CEG, the Bank strengthened coordinated management and performance incentives, deepened the Head Office-to-Head Office coordination mechanism and tap deep into the potential of regional synergies. Fintech was employed to extend the boundaries of the wealth E-SBU as an open platform, with efforts made to increase the value contributions of CEG’s strategic customers. The Bank actively implemented the concept of “mega wealth” and “mega livelihood” , and effectively increased coordinated values. With full efforts to build the wealth E-SBU ecosphere, the Bank has formed a new coordination pattern featuring “large-scale, regional characteristics, and notable innovations”.

1

Creating Economic Value and Fulfilling Responsibilities as A Financial National Team

2

Creating Social Value and Making Progress with Stakeholders

→ Promoting the construction of wealth E-SBU and building strategic coordinated ecosphere

Digital banking promoted innovation and protected consumer rights and interests

Reforms and innovations stimulate talent cultivation

Standardizing procurement and promoting supplier ESG management

Social welfare events promote harmonious relations with communities

3

Creating Environmental Value and Building a Community with Shared Life between Mankind and Nature

4

Creating Value through Effective Governance and Cementing the Long-term Stable Development

“1+4” requirements

Leveraging on the strengths of China Everbright Group, the Bank has established an open E-SBU ecosphere with Fintech and Internet thinking as pillars. It provides integrated financial service solutions for customers, so as to meet their comprehensive, diverse and complex demands for financial services. Wealth E-SBU consists of three sub-units (namely corporate banking, personal banking and cloud banking) according to diverse customer dimensions, with “1+4” as the core of the collaboration.



Achievements in the construction of Wealth E-SBU



Total values of coordinated businesses with other CEG entities* RMB **1.66** trillion

Customer migration	Cross-selling	Coordinated products	Comprehensive services
<ul style="list-style-type: none">97,400 third party depository accounts were newly added from Everbright Securities Co. Ltd.Digital banking introduced 4,806,300 new retail customers through open services.	<ul style="list-style-type: none">Over RMB 67.5 billion of financial products were sold by proxy for CEG enterprise entities	<ul style="list-style-type: none">The credit cards co-branded with CYTS were launched and the number of customers exceeded 1.8 million in three yearsDirect contributions to the consumption amounted to RMB172.087 billion	<ul style="list-style-type: none">RMB4 billion of comprehensive income were yielded for serving CEG's strategic partners

*Total values of collaborative businesses with other CEG enterprise entities refers to the total values of collaborative businesses with collaborative customers (including other CEG subsidiaries and customers jointly developed with CEG subsidiaries) in collaborative businesses regarding payroll service, cross-selling, agent asset management and asset custody

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Integrated financial services

► Serving Craftsmen of the Nation and facilitating the development of manufacturing enterprises

To carry forward the spirit of craftsmanship featuring the “precision of the least bit builds a great nation” and provide comprehensive services to large manufacturing enterprises and their employees, the Bank launched the “Craftsman Exclusive” service package based on a combination of CEG’s premier resources. The service basket includes the Private Banking Diamond Debit Card, Craftsman Exclusive Credit Card and a service package covering transportation, tourism and healthcare, thus providing a package of financial and non-financial products to Craftsmen of the Nation and relevant enterprises. The Bank provides high-quality financial products and value-added services to manufacturing enterprises by serving Craftsmen of the Nation as the soul of the enterprises, and the vast ordinary employees. The “Craftsman Exclusive” service has been provided to an extended scope of leading experts in the culture and art, medicine, science and other sectors. In addition, a variety of events themed as culture inheritance have been launched to carry forward the culture and spirit of craftsmanship.



The launch of “Craftsman Exclusive Service”



“Tribute to Craftsmen of the Nation”

► The issuance of USD bonds

In close collaboration with CEB Xi’an Branch, CEB International acted as a joint bookrunner and helped Xi’an Qujiang Culture Holdings Co., Ltd. price its first “cultural USD bond (series 2)” in Hong Kong. The proceeds will be allocated to repay matured debts, project construction and replenish working capital.

Comprehensive Environmental Protection

► Waste-to-energy incinerator project of CEB Heilongjiang Branch

CEB Heilongjiang Branch supported Everbright Environment’s waste-to-energy incineration project in Heilongjiang Province. This clean energy project, as a joint investment of Everbright Environment and Harbin Electric Corporation, was included in the “List of 100 Major Projects of Heilongjiang Province” in 2020.

Integrated Tourism

► “Year of Charming Yunnan Tourism”

In the Bank’s “Year of Charming Yunnan Tourism” campaign in 2020, CEB Kunming Branch teamed up with China CYTS Tours Holding and other travel agencies to jointly provide online services, such as discounts for various traveling plans. As at the end of December 2020, over 23,000 credit card holders enjoyed the discounts during the campaign.

Inclusive Healthcare

► Issuing the Qi Huang Credit Card in Pursuit of CEG Inclusive Healthcare Development Strategy

Following CEG’s “Inclusive Healthcare” strategy, the Bank intensified its efforts in the traditional Chinese medicine (TCM) field and developed a TCM-themed credit product, namely “Sunshine TCM · Qi Huang” Credit Card. The Bank also set up special panels to provide cardholders with exclusive services including “healthy food and diet, health and wellness tourism, and expert diagnosis and treatment.”



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Digital banking promoted innovation and protected consumer rights and interests

CEB continued to innovate in the Fintech and strengthen Fintech support in 2020, continuously exploring new ways to apply frontier technologies to the financial sector, in a bid to pursue in-depth integration of finance and technology, enhance core competitiveness and service level, optimize customer experience and protect consumer rights and interests. Meanwhile, in response to the economic fallout affected by the COVID-19 pandemic at home and abroad, CEB leveraged on its Fintech strengths to serve the real economy and march forward towards the goal of building a first-class wealth management bank.



Protecting consumers rights and interests with wholehearted efforts

The Bank made solid progress in the consumer rights and interests protection in 2020 by further strengthening top-level design, deepening system construction and intensifying technology empowerment. Focused on the “Sunshine Consumer Protection” and “Sunshine Service” brand construction, the Bank continuously improved service experience,

popularized financial knowledge and enhanced employees’ sense of pride and consciousness. Thus, the Bank effectively performed its duties of consumer rights and interests protection, and managed to provide financial consumers with a stronger sense of happiness, safety and gain.

Strengthening top-level design

The Board of Directors, the Board of Supervisors and the Senior Management attached great importance to consumer rights and interests protection. They actively performed their duties of consumer rights and interests protection, convened regular meetings to hear and review reports on consumer rights and interests protection, provide guidance on the work and pursue in-depth integration of consumer rights and interests protection into corporate governance, corporate culture and business development strategies of the Bank.

Optimizing organizational structure

In 2020, CEB Head Office established the “Channel Management Department/ Consumer Rights & Interests Protection Department”, a tier-one department responsible for organizing, coordinating, supervising and guiding the Bank-wide work on consumer rights and interests protection, and promoting branches to set up relevant departments. All the 39 domestic tier-one branches established consumer rights and interests protection departments, so that the work can be carried out more independently, professionally and reliably.

Improving systems and mechanisms

The Bank reviewed and revised its consumer rights and interests protection policies in line with the latest regulatory rules, including the *Implementation Measures of the People’s Bank of China for the Protection of Financial Consumers’ Rights and Interests* and the *Administrative Measures for Handling Consumer Complaints in the Banking and Insurance Industries*. In addition, the Bank

formulated a number of new policies including the *Administrative Measures of China Everbright Bank for Financial Marketing and Publicity Activities* and the *Administrative Measures of China Everbright Bank for the Quick Compensation for Small-claim Complaints and Disputes (Trial)*. The systems and mechanisms on consumer rights and interests protection have been further improved.

Intensifying Fintech empowerment

To standardize the review procedures, improve the efficiency of review and ensure proper pre-control of risks for consumer rights and interests protection, the Bank developed a review management system to enable online review for the work of consumer rights and interests protection.

► Brand of Financial Consumer Rights and Interests Protection -- “Sunshine Consumer Protection”

Following the brand management principle of “One Everbright”, the Bank officially launched the “Sunshine Consumer Protection” brand logo in October 2020, highlighting the interconnections and extended relations between financial consumer rights and interests protection and the Bank’s existing businesses. Based on the full delivery of existing services, the Bank has made solemn commitments of “leading, accompanying and growing together” to the society, with an aim to protect the “eight basic rights and interests” of financial consumers.



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◀ Training Program of “Implementation Measures for Financial Consumer Rights and Interests Protection” at CEB Shenzhen Branch

▼ Personal Financial Information Protection Training at CEB Nanjing Branch

“I opened my banking account in CEB upon arriving in Haikou for its good reputation. CEB is a responsible bank, and I will recommend it to others.”

——Mr. Peng

▼ CEB Haikou Branch



▲ In December 2020, CEB Fuzhou Branch received a public letter of commendation from the Zhangzhou Central Sub-branch of the People's Bank of China.



Deepening complaint management

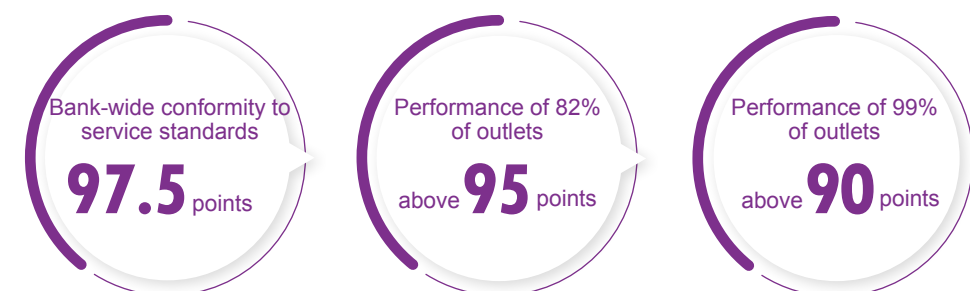
The Bank strengthened the monitoring and analysis of complaints, conducted regular monitoring on complaints across the Bank, continuously promoted the analysis of complaints and reported complaints in a timely manner. Customer experience was improved by eliminating root causes, optimizing products and streamlining service processes in key business fields. During the reporting period, 21,733 consumer complaints were received, including 13,171 complaints received by the Remote Banking Center and 8,562 complaints by branches or external institutions. Geographically, Guangdong Province, Shanghai and Beijing received relatively higher amount of complaints, which mainly concentrated on businesses including bank cards, debt collection and loans.

Enhancing customer satisfaction

Paying close attention to customer satisfaction and shifting from the mode of “experience-based management” to “data-based management”, the Bank comprehensively collected customer data on services, processes and products, and collected and viewed customer comments in real time. The Bank kept track of the questionnaires with low evaluation scores, checked the service processes to identify causes of low scores and gradually established a customer experience monitoring system.

CEB established mechanisms for supervising, checking and improving the customer service quality of outlets, conducted video-based inspection over outlets’ Sunshine Service, built up the mobile H5 advanced retrieval system for 2020 service standards, and provided online training on the Video-based Interpretation of 2020 Sunshine Service Handbook.

Video-based Inspection Results of Outlets’ Sunshine Service in 2020



Popularizing financial knowledge

The Bank maintained regular trainings on the popularization and publicity of financial knowledge, and carried out more targeted and featured publicity campaigns to enhance the public awareness of risk prevention and control, effectively protect the legitimate rights and interests of financial consumers, and contribute to fostering a harmonious atmosphere in the financial sector.

► Actively participating in the campaign of “Month of Financial Knowledge Popularization, Financial Knowledge into Local Communities” campaign

The Bank carried out a variety of promotion events as part of the campaign of “Month of Financial, Knowledge Popularization, Financial Knowledge into Local Communities, Let Us Be Rational Investors and Good Financial Netizens”, jointly launched by PBOC, CBIRC, CSRC and Cyberspace Administration of China.

As at the end of December 2020,
the publicity events reached

27,268,800 consumers,

with 185,700 copies

of promotion materials originally produced
by the Bank



CEB Taiyuan Branch launched the financial knowledge popularization and publicity campaign of “Village Party Secretaries’ Talks on Finance”

CEB Nanning Branch carried out the campaign of “Month of Financial Knowledge Popularization, Financial Knowledge into Local Communities” campaign

CEB Yantai Branch launched the “Financial Knowledge Mini-Class” at Xinqiao Primary School in Zhifu District, Yantai City



CEB Ningbo Branch established the “Young Talent Club” financial education brand



CEB Shenyang Branch carried out a series of online events on “Proper Wealth Management, Happy Investment”

► CEB Nanjing Branch popularized financial knowledge on campuses



“Considering the common use of smart phones among students and the simplicity of campus environment, financial education is conducive to students’ all-round development. We highly appreciate the voluntary financial services provided by CEB Nanjing Branch, which fill the gap in school education and benefit both teachers and students.”

——Mr. Liu, Head of Students’ Affairs Division, Nanjing No. 3 Senior School

Heart-warming community services

In 2020, upholding the philosophy of “service creates value” and carrying forward the spirit of Sunshine Service, the Bank extended the breadth and depth of Sunshine Service, by optimizing service processes and improving service standards. The Bank integrated considerate and heart-warming services into the whole financial service process to provide customers with high-quality financial services and first-class customer experience.



CEB Changchun Branch established the first banking outlet with a mini library in Jilin Province to serve the public

► CEB Nanjing Branch made continuous efforts to build up “Everbright Home, Sunshine Lounge”

CEB Nanjing Branch set up “Everbright Home, Sunshine Lounge” with uniform logo and service supplies at 61 outlets in Jiangsu Province to provide drinking water, meals, rest spaces and other public services for sanitation workers, deliverymen, on-duty traffic policemen and other outdoor workers.



Serving the elderly

In order to carry out the Implementation Plan to Effectively Solve the Difficulties of the Elderly in Using Intelligent Technology issued by the General Office of the State Council, the Bank strove to solve the digital divide facing the elderly and integrated the work into its consumer rights and interests protection system. Focusing on the business and service scenarios drawing heightened attention from the elderly, the Bank reserved and improved traditional businesses while strengthening technological innovation to provide more intelligent products and services for the elderly and accommodate their specific needs.



► “Enjoy Sunshine · Healthy Elderly Care Ecosphere” service for elder customers

The “Enjoy Sunshine · Healthy Elderly Care Ecosphere” service was brought online on the mobile banking, providing elder customers with services including elderly care community, golden classes, healthy elderly care, happy elderly care and wealthy elderly care. The big data technology is employed to create a unique portrait of each elder customer and recommend suitable products accordingly.

New implications of wealth management

Wealth management connects residents’ demands for preserving and increasing their wealth on one hand, and market entities’ investment and financing demands on the other. CEB functions as the bridge and channel in serving China’s new development pattern featuring “dual circulations”, with domestic and international circulations reinforcing each other. The Bank emphasizes wealth management, and continues to develop the abilities of value creation, product innovation, Fintech, coordination and cooperation, and risk control to create values for customers.

Three features of CEB “Wealth Management”



Wealth management covered a broader range of customers with greater diversity of products

The Bank worked with CEG’s subsidiary entities to create diverse collaboration models, including “commercial banking + investment banking”, “investment banking + private banking” and “private banking + asset management”. The Bank established dedicated teams to provide comprehensive services for key customers, and promoted coordinated operations across different business lines, segments, and subsidiaries, so as to provide customized comprehensive financial solutions to retail, corporate, institutional and governmental customers.



*Including holders of debit cards and credit cards

► Colorful Sunshine” NAV-based product line

The advertisement features a vibrant sunset landscape with mountains and a body of water. Text on the left includes the Bank logo, '光大理财 EVERBRIGHT WEALTH', and a quote: '细品时光 执著磨砺铸就风采 岁月，不止如此'. Below this is a short poem: '是痕迹不是伤痕 是勋章不是烙印 默默沉淀自我 时间会证明你的出色'. At the bottom left, it says '七彩阳光 光彩生活'. A QR code is located at the bottom right. To the right of the image, a text box explains the product line.

According to the investment strategy, evaluation methods, and holding period, the Bank has developed the “Colorful Sunshine” product line. The seven colors of sunshine, namely red, orange, golden, green, indigo, blue, and purple represent equity hybrid, fixed income, cash management, alternatives, private equity, structured investment and financing respectively. Featuring clarified asset categories, clear risk level, this unique product is easy for customers to understand and provides investors with a full range of capital appreciation services.



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New Fintech experience

In the Wealth Management 3.0 Era that involves all people, the Bank is dedicated to providing wealth management services with characteristics of the new era to customers, and promoting the standardization and facilitation of wealth management rapidly through Fintech empowerment. In line with the strategic requirements of “agility, technology, and ecosphere”, the Bank made sustained efforts to build a digital banking system. Based on the construction of technology foundation and the optimization of IT governance, the Bank enhanced business development empowerment, and fully supported innovative development of digital banking.

In 2020, the Bank provided customers with more advanced, convenient and comprehensive service experience through the innovation in channel expansion, digital banking, and the optimization of business procedures, ensuring the fluency and efficiency of financial services.

Innovation in channel expansion

Mobile banking

Concerted efforts in fighting against the COVID-19 pandemic to ensure people’s livelihood

The Bank rolled out a wide variety of online service panels, including the exclusives panel for the pandemic fight service, contactless service, “Comfort at Home”, and “Study from Home” service.



Exclusive panel of the pandemic fight service on CEB mobile banking

Visible love for the hearing-impaired people

The Bank is China’s first bank to introduce sign language video service, providing “fast track” of financial services for the hearing-impaired people. Via the sign language video service on CEB mobile banking, customers can access to 19 businesses online, including reporting the loss of credit card.

Rolling out a new version of wealth management to develop comprehensive, and intelligent services

In addition to the standard version and the “Simple Love” version for the elderly, Mobile Banking 8.0 launched a new version of wealth management, providing more comprehensive and intelligent services.

“Digital Human” visualized virtual human intelligent service

Exploring new models of financial services in the intelligent era, the Bank innovatively launched the “Digital Human”, a visualized virtual human intelligent service on mobile banking. The virtual character with life-like hand gestures and facial expressions provides customers with more user-friendly services.

Personal internet banking

Secure and convenient transfer of large-sums of money during the COVID-19 pandemic

The service hours of large transfers were extended, so that customers could transfer large sums of money in a secure and convenient manner.

Online switch to LPR as benchmark for personal floating-rate loans

To switch the benchmark for personal floating-rate loans to the loan prime rate (LPR), customers could sign an agreement via internet banking.

Developing the “silver economy”

The Bank brought online the pension security products of Ping An Annuity Insurance Company of China, gradually introducing and enriching its publicly offered financial products associated with elderly care.

Telephone banking

Fast track for medical workers

The Bank launched an online fast track immediately to provide medical workers with priority access to financial services of high quality.

Shortening customers’ IVR waiting time

Based on the route analysis of customers and their actual needs, an agent service inlet was added to ensure customers’ direct access to the manual service.

Mobile agents ensuring the availability of customer services

The mobile customer service solution of “VPN + desktop” was launched to ensure the availability of cloud-backed customer services.

Innovation in digital banking

Fintech innovation ecosphere

The Bank established the Everbright Digital Finance College and launched the CEB Fintech innovation ecosphere, which aims to build CEG’s innovation base for the “mega wealth”, and facilitate the creation and expansion of an innovation ecosphere.

Everbright Dual-chain (blockchain-powered supply chain finance)

With blockchain as the underlying technology and combined with characteristics of industrial chain, CEB transformed accounts receivable into liquidity facility based on the credit of the core enterprise to be divided upon demand and circulated among different levels, which helped solve the financing difficulties of small and micro-sized enterprises.

Digital Business Card

Based on the data of online social relations, the Bank established high-stickiness digital connections with users to promote digital transmission and social marketing.

Optimizing business procedures

Unified payment system

The Bank reconstructed the public functions related to payment and settlement in the existing business operations, shared the payment and settlement capabilities with internal and external partners, so as to support the large-scale and customized reuse of related functions in a rapid way, reduce partners’ cost of payment capacity building and boost the efficiency. Intra-bank payment resources were coordinated to enable unified identification and authorization of cooperative merchants, prevent policy risks and business risks, and enhance the security of consumer payments.

Sunshine Digital Loan 2.0

Based on the full authorization from customers and multi-dimensional data from PBOC, government and internet, the Bank has improved the customer identification capacity and optimized the loan application process to provide customers with new experience of convenient and quick online loans while enhancing its anti-fraud ability.

Improving the process of handling COVID-19-related work order

The Bank brought online the application for postponing the repayment of loans and supporting functions to serve 4 groups of people, including those who participated in COVID-19 prevention and control, those who hospitalized or isolated for contracting the virus, those who isolated for COVID-19 observation and those who temporarily lost their source of income during the pandemic.



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Reforms and innovations stimulate talent cultivation

Adhering to the philosophy of building an educated, skilled, and innovative workforce, the Bank carries forward the spirit of model workers and the spirit of craftsmanship, so as to foster the social atmosphere that values labor and continuously pursues excellence.



Protecting rights and interests of employees

Staff recruitment

The Bank recruits its staff under the principles of equality, impartiality and openness, imposing no discrimination policies over race, gender, religious belief or cultural background to protect rights and interests of employees. The staff recruitment procedures are sound and complete with diversified recruitment channels and open and transparent information.

In the recruitment of staff for overseas branches, except for senior management and a few key positions appointed by CEB Head Office, all the other employees of overseas branches are locally hired to ensure the required proportion of local employees.

The Bank kicked off the international talent pool program in May 2020. Now the Bank has fostered an international talent pool composed of 184 members, including senior management, professional staff and other competent personnel from all business lines and segments.

Employee rights and entitlements

The Bank earnestly protects the legitimate rights and interests of employees, strictly abides by the *Labor Law* and other laws and regulations and bans the use of child labor. Meanwhile, CEB strives to protect employees' rights and interests, ensuring that all its employees have signed the employment contracts and participated in the social security programs.

In terms of remuneration and benefits, the Bank ensures timely and accurate distribution of remuneration. Statutory employee benefits are calculated and paid in full in accordance with the national and local social security policies and regulations. Meanwhile, the Bank withholds employees' individual income taxes pursuant to law.

The Bank has put in place a system of attendance and leave management that emphasizes both humanity and equality. It encourages employees to schedule their work reasonably, avoids occupying too much off-duty time of employees and bans forced work. Employees are entitled to public holidays and paid leaves.

Democratic management of employees

The Bank gives full play to the functions of Employees' Congress to safeguard their legitimate rights and interests and strengthen democratic management. Democracy is exercised throughout the whole process of participation, decision making and supervision. Labor unions at all branches and centers are urged to safeguard employee rights and interests and foster a harmonious home culture.

► Strengthening the management of the Employees' Congress

Labor unions at all branches and centers are guided to hold the Employees' Congress. In 2020, CEB Head Office reviewed the Employees' Congress reports of 28 branches and centers, the contents of which covered branch operations, employee proposals and employee hierarchy plan.




CEB held the second meeting of the third Employees' Congress via "onsite + online" means

Promoting the career development of employees


In line with the changes in financial service models and the inevitable trend of digital development, the Bank adheres to the training philosophy of “sticking to strategies and focusing on performance to promote business development and employee growth” in response to current challenges in economic development. In 2020, while overcoming adverse effect from COVID-19, the Bank made new advances amid changes and strengthened efforts to build the training system, so that employees can learn during the regular pandemic prevention and control, activate growth momentum, apply knowledge to practice, provide customers with better service, and achieve greater progress.

The Building of staff training system




Guided by Party building, the Bank planned the training system for cadres

- The “Special Study on the Fourth Plenary Session of the 19th CPC Central Committee” was carried out
- The “CEB Head Office Division Heads Training Program”, the “CEB Head Office Off-campus New Hires Training” and the “CEB Head Office On-campus New Hires Rotation Practice in Branches” were carried out



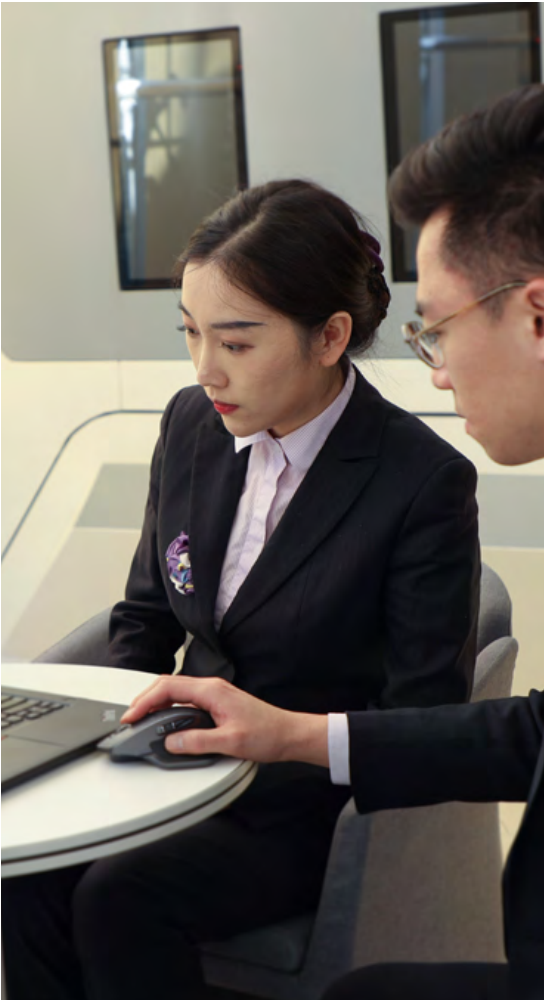
The Bank built up the Everbright Academy’s digitalized learning ecosphere

- The “Everbright Academy”, a digital learning platform, was utilized to conduct live-streaming training and organize online examinations to encourage employees to keep learning
- The Everbright Live-streaming Office was set up and the all-media studio was built up
- Live-streaming training fields were expanded and live-streaming class named “Sunshine Lectures” was developed



The Bank established a professional talent pool to cultivate talents

- The “Starshine Cup” course design contest was carried out, 6,700 knowledge points were extracted, and 3,000 courses were designed.



As at the end of December 2020,

the Bank had provided

7,049

training programs of various kinds

744,000

employees participated in the programs

training programs covered

100%

employees

each employee participated in

16 training programs on average

*Including online training

The Bank advocates a proactive, self-disciplined and reflective attitude toward learning among employees, so as to improve the overall efficiency of learning and encourage employees to apply what they have learned to their work.

Learning

Various training programs provide employees with a platform for knowledge empowerment, experience sharing and team growth, helping employees learn proactively and effectively.

Application

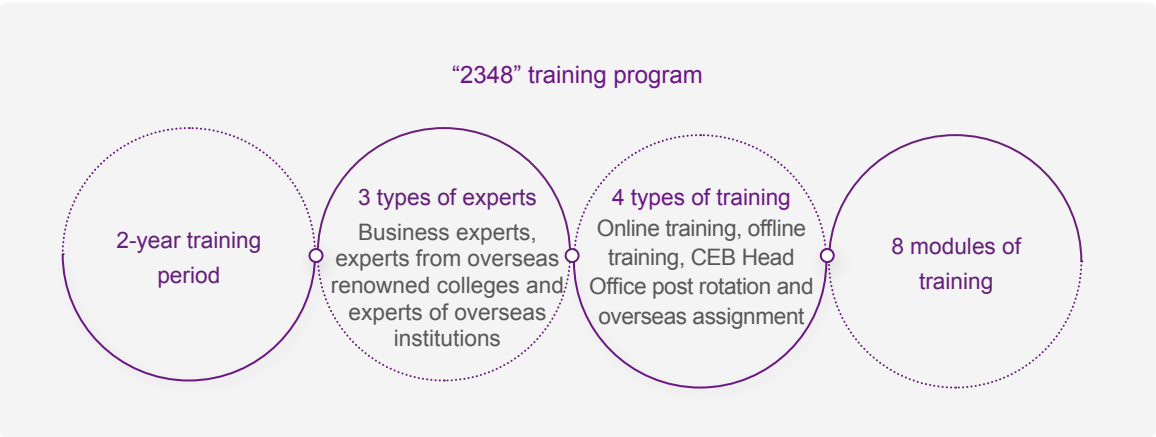
Employees are encouraged to learn from practice, apply what they have learned to work, and reinforce each other, so as to enhance employees’ capabilities to solve actual problems.

Action

Aiming at the improvement of personal skills and the fulfillment the Bank’s performance goals, employees are encouraged to take actions to promote effective learning and thorough understanding.

► **Cultivating international talents for the development of internationalization**

Under the general principle of “selection, reservation, cultivation and appointment”, the Bank launched the “2348” training program to foster internationalization talent with financial knowledge, and build a team of internationalization talents with Everbright characteristics to support CEB’s internationalization development.



► **CEB Held the “Starshine Cup” course design contest and buildt the Everbright “knowledge cloud”**

The Bank launched the “Starshine Cup” course design contest. Through micro-system knowledge review, course design and evaluation, the Bank formed a professional knowledge system covering all business sectors, established a knowledge base with professional courses, selected 792 courses to be incorporated into the Bank’s training, and finally built up the “Knowledge Cloud”. Meanwhile, employees were fully motivated to learn and participate in the contest, sparking the enthusiasm for course learning, course design and course evaluation across the Bank and fostering the atmosphere of a learning organization.

Focusing on the spiritual growth

► **“Sunshine Craftsmen” awards to honor the spirit of craftsmanship**

In April 2020, the Bank carried out the “Sunshine Craftsmen” campaign to award highly skilled employees in various business lines. 21 employees from 14 departments were honored and awarded as “Sunshine Craftsmen”.

Caring for the health and safety of employees

Providing personalized healthcare services

In addition to the basic medical insurance for employees, the Bank established a supplementary medical insurance system to improve the comprehensive service level of healthcare. The fast track to medical care was upgraded to increase the number of times for employees to enjoy the service, expand the scope of service recipients and enrich the contents of medical care.

Ensuring the supplies for COVID-19 prevention and control

The Bank provided all the employees with face masks and other anti-pandemic supplies. Despite the nationwide shortage of anti-pandemic supplies, the Bank managed to purchase and collect supplies in coordination with various parties. Nearly 300,000 face masks were distributed to employees at home and abroad, together with wash-free disinfectant gels, disinfectant wipes and 84 disinfectants.

Caring for the mental health of employees

The Bank launched the “Ease of Mind” initiative to care for the mental health of employees. The initiative provided four major services to employees, namely psychological information, psychological monitoring, psychological care and psychological management, helping improve their mental health and psychological capital, well balance work and life, and increase the efficiency of team work.

- Psychological assistance hotline

Since February 2020, the Bank has opened the psychological assistance hotline for 50,000 employees and their families, and provided services for employees during the COVID-19 pandemic. 74 persons were served during the worst times of the pandemic within three months.

- “Sunshine Lectures” live-streaming platform

The Bank provided a series of themed lectures, including “Stress Management and Mental Health at Harsh Times” and “How to Protect Health from COVID-19”, to help employees actively respond to the pandemic via the “Sunshine Lectures” live-streaming platform.

- Setting up the “Mental Station” for psychological care

The Bank set up the “Mental Station” for employees and enriched the layout of the psychological counseling room. With face-to-face, heart-to-heart talks and sand table devices, psychological counselors help relive employees from stress and further boost their vitality for work.



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Caring for employees in need

The Bank continued to improve the sunshine care fund system and actively carried out caring activities to send warmth to employees in need. During the pandemic, in order to steadily promote the resumption of work and production and the labor protection of employees, the Bank's Labor Union set up RMB20 million specific fund for COVID-19 prevention and control, enabling employees under the Labor Union at all levels and their families to purchase protection supplies.

► Data of caring activities

The number of aided employees	the amount of caring fund delivered RMB
352	1,354,000
<hr/>	
The number of visits to employees assigned to rural areas for poverty alleviation	the amount of caring fund delivered RMB
83 person times	84,700

Promoting work-life balance

Since the COVID-19 has been gradually brought under control, various branches carried out a variety of cultural and recreational events that were highly applauded among employees.



Participation in the basketball match of the 2020 National Fitness & Sports Festival in Xicheng District, Beijing

Participation in the 7th Canton Tower Run Up



Small Home for Employees

► Sunshine Lectures

Through the “Sunshine Lectures” live-streaming platform, the Bank invited reputed experts to give online lectures, including dance, yoga, fitness, Tai Chi, and health-nurturing practices, with a total of 121 live-streaming sessions. The Bank launched “Let’s Walk”, “Let’s Read” and “Let’s Watch and Listen” online campaigns during the pandemic, in a bid to enrich the leisure time of employees and develop a sense of recognition of “One Everbright, One Home”.



Let’s Read

A total of **25,361**
employees subscribed for the
iReader App



Let’s Walk

A total of **26,048**
employees subscribed for the
“Corporate Codoon” mini app



Let’s Watch and Listen

A total of **43,666**
employees subscribed for
the mini app, representing
a subscription rate of

95.5%

Caring for female employees

► “Enjoy Reading” campaign for female employees

The Bank carried out the “Enjoy Reading” campaign from May to September 2020, as part of the reading campaign for female employees organized by Labor Union. The Bank selected top ten readers for excellence in note taking.

► “Caring Room for Female Employees” at CEB Taiyuan Branch

CEB Taiyuan Branch set up a caring room for female employees with complete facilities and cozy settings, which aims to develop the culture of warm home and enhance female employees’ sense of happiness and belonging.



Standardizing procurement and promoting supplier ESG management

CEB has strengthened supplier management and implemented the Measures for Procurement Management of China Everbright Bank (Version 2019) to ensure that its procurement activity conforms to the guiding principles of legitimacy and compliance, centralized management, hierarchical authorization, quality improvement and efficiency enhancement, energy conservation and environmental protection. Meanwhile, some bidding documents involving staff outsourcing services required prospective bidders to quote and participate in the evaluation of CSR indicators or factors such as the proportion of employees’ salaries, thereby practicing socially responsible procurement.

CEB has clarified the centralized procurement catalogue and limits, standardized centralized procurement procedures, approval process, committee reviewing rules, application conditions for various procurement methods, and strengthened the management of branches. In 2020, CEB Head Office launched a series of centralized procurement projects, integrating 3 electronic benefit services of the Retail and Wealth Management Department and 5 value-added services of the Credit Card Center. Besides, an intelligent centralized procurement platform system has been established to enable online order placement, order management and logistics information update by employees and project personnel.

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Social welfare events promote harmonious relations with communities

CEB attaches great importance to social needs and performs its social responsibilities by carrying out various forms of social welfare events with respect to COVID-19 response, charity, poverty alleviation, caring for the elderly, caring for students, urban development, and economic growth. As at the end of December 2020, the Bank made RMB45.32 million of charitable donations.



CEB signed a strategic partnership agreement with China Charity Federation to establish a new cooperation model featuring “Charity + Fintech”



Caring for the elderly

CEB is committed to carrying forward the traditional virtue of respecting the elderly, fulfilling the social responsibility of loving and assisting the elderly, and caring for the whole society with the spirit of “extending the respect of the aged in one’s family to that of other families” while providing professional financial services for all.

- 1.CEB Beijing Branch organized a handicraft event at Nalanyuan Retirement Home - stitching wormwood sachets
- 2. CEB Taiyuan Branch held the 2nd “Respect for the Elderly and Filial Piety & Inauguration Ceremony of the Youth Dreams Foundation” event
- 3.CEB Ningbo Branch organized a team building event to care for the elderly at the nursing home in Shenyang Town, Ninghai County
- 4.CEB Nanning Branch’s “Young Talent” volunteer service team celebrated the birthday for the elderly
- 5.CEB Guangzhou Branch’s “Elderly Lounge” made customers feel the ease of home

Supporting the army and caring for the military families

- 6.CEB Lhasa Branch visited Chinese People’s Liberation Army
- 7.Visit to Red Army veteran
- 8.CEB Wuxi Branch visited veterans of Chinese People’s Volunteer Army

Caring for School Children

- 9.CEB Wuxi Branch launched the “Caring for Students in need” campaign
- 10.CEB Chongqing Branch launched the “June 1st” event to aid students
- 11.CEB Qingdao Branch and Qingdao Hudao Primary School jointly launched a pairing event themed as “Caring for the Children of Migrant Workers, Giving Lessons in Golden Autumn”
- 12、13.CEB Dalian Branch launched the “Sunshine Lunch” donation campaign to cover lunch expenses for primary school students from impoverished families in rural areas
- 14、15、16.CEB Changsha Branch made donations to Jiaxiwan Primary School, Youxi Township, Xinhua County to promote poverty alleviation
- 17.CEB Taiyuan Branch made donations to Nanguan Primary School, a Hope Primary School in Yanggao County
- 18.CEB Jinan Branch launched a “Hope Cabin” child care program targeting impoverished households in rural areas

Urban construction and development

- 19.CEB Hefei Branch organized the “Flood Control Force” consisting of Party members and issued specific loans for flood control and disaster relief to fully support the fight against floods
- 20、21.CEB Nanjing Branch participated in the volunteer service campaign of “Jointly Building a Civilized City as a Shared Beautiful Home” organized by the Party Work Committee of Jiangning Development Area.

Creating Environmental Value and Building a Community with Shared Life between Mankind and Nature

CEB upheld the concept of green operation, endeavored to establish a complete set of green finance mechanisms by extending cooperation, supporting green production, advocating green life style, and promoting green consumption. CEB implemented green operation measures to continuously arouse the awareness of environmental protection among employees, and carried out eco-friendly public welfare activities to cultivate eco-friendly public welfare ecosphere. Actively responding to the national strategies of “peaking carbon emissions” and “achieving carbon neutrality”, the Bank made contributions to the modernization construction of harmonious relations between mankind and nature.

Contributing to the UN Sustainable Development Goals



China will underpin green development with intensified legal and policy guarantees, develop green finance, support green technology innovation, push forward with clean production, develop environmental protection industries, and promote the transformation of key industries and fields towards eco-friendly operations. China will advocate the clean, low-carbon, safe and efficient use of energy, develop green buildings, and carry out green life activities. China will reduce carbon intensity, support areas with favorable conditions to peak carbon dioxide emissions ahead of the schedule, and formulate an action plan for peaking carbon dioxide emissions by 2030.

-- Proposals of the CPC Central Committee on Formulating the 14th Five-Year Plan for National Economic and Social Development and the Long-range Goals through the Year 2035



CSR Story

Practicing the concept that lucid waters and lush mountains are invaluable assets and promoting green finance to support green development

It is an inevitable choice to promote green finance, so as to realize the dual-goal of environmental protection and economic development and boost the high-quality development of Chinese economy. Upholding the philosophy of green development, CEB strove to facilitate the development of green and low-carbon industries. It channeled financial resources to the fields in favor of green development through granting green credit, developing ESG products, and investing in green bonds, actively fulfilling its responsibilities as a financial national team.

> Investing in the financial bonds themed with the theory of “Two Mountains” to promote environmental protection

CEB invested RMB400 million in the financial bonds themed with the theory of “Two Mountains” to promote environmental protection that were issued by the Agricultural Development Bank of China (ADBC) so as to support the key areas of ecological civilization construction, including ecological protection and restoration, water conservation and utilization, water environment governance in major river basins as well as environmental governance and pollution control in urban and rural areas.

> Investing in specific green bonds for the all-around protection of the Yangtze River

CEB invested RMB100 million in the 2020 Green Bonds issued by Zhijiang State-owned Assets Management Center to support a lithium-ion battery separator project and another project in which nickel and cobalt waste were recycled to synthesize ternary precursors for lithium batteries. The two projects facilitated the development of new energy industry in Zhijiang city and promote industrial restructuring and upgrading in the Zhijiang area, thus contributing to protecting the ecological environment of the Yangtze River and the surrounding areas.

> Issuing green asset-backed notes

CEB underwrote RMB1,551 million green asset-backed notes for Huadian Power International Corporation Limited, among which the proportion of the Bank accounted for RMB775.5 million. This bond was the first green ABS product for COVID-19 response in the inter-bank market of China. Through mobilizing the income from the additional allowances and subsidies of electricity prices for renewable energies, the project met the enterprises' funding needs to conduct production and operations.



ank 光大理财
EVERBRIGHT WEALTH

探寻 如期而至的力量

聚焦契合时代发展的环保、新能源、高端制造等行业的投资机会，精选在环境保护 (Environmental)、社会责任 (Social) 和公司治理 (Governance) 方面评分高的优质企业。

阳光红ESG行业精选 (EW0051)

业绩基准(年化)	投资期限	起购/递增金额	光大理财风险评级
中证800指数收益率*70%+ 中债综合财富指数收益率*20%+ 恒生指数收益率*10%	首次开放日后 每个交易工作日开放	个人投资者100元/1元 机构投资者10万元/1元	四星级

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> Launching the first ESG-themed product

In September 2020, Everbright Wealth Management Co., Ltd. (Everbright Wealth Management) launched CEB's first ESG-themed wealth management product called “Sunshine Red ESG Industry Selection”. Following the principle of “sustainable and responsible investment”, the product focused on the industries in line with the development trends of the times, including environmental protection, new energy, high-end manufacturing. From the three perspectives - corporate social responsibility, awareness of environmental protection and corporate governance, the product explores high-quality enterprises with long-term investment values, so as to concentrate financial capital on ESG enterprises, and generate benefits for customers while promoting the development of eco-friendly enterprises.

Addressing climate change and contributing to the “carbon neutrality”

Climate change is one of the biggest challenges facing mankind in the 21st century. The *Global Risks Report 2020* published by the World Economic Forum pointed out that climate warming would continue in the future and might increase global risks, trigger systematic risks, and have a profound impact on global development.

To address climate change, CEB took actions from the three aspects of green finance, green operations, and green public welfare projects to attach great importance to environmental, social and credit risks caused by climate change, and promote green development.



Developing green finance to protect lucid water and lush mountains

CEB actively responded to the national strategy for developing green finance, continuously improved its green finance mechanisms, enhanced its ability to deal with environmental and social risks, so as to promote the green development of Chinese economy and society.

Establishing sound green finance mechanisms

• Guiding principles

The Bank upheld the development philosophy of “innovation, coordination, greenness, openness, and sharing” to create E-SBU coordinated business model and improve green finance mechanisms.

• Policy basis

The Bank earnestly implemented the guidelines concerning green credit issued by regulatory authorities such as CBIRC, formulated the Green Credit Policy of China Everbright Bank and the Green Credit Policy Guidelines of China Everbright Bank, continued to enhance its support for green economy, low-carbon economy and circular economy, and promote innovations in products, business models and services in the field of green credit.

• Environmental and social risk management

The Bank continuously tightened the requirements for due diligence and review over green credit. In the review process, it paid attention to the authority and completeness of relevant approval (verification/registration) documents and the legality of related procedures on one hand. On the other hand, it attached great importance to the overall compliance of projects. For example, projects are required to comply with national industrial policies and development trends. And the overall requirements of environmental impact assessment (EIA) for projects and plans should be compatible.

• Promoting the “one-vote veto system for green credit projects”

The Bank earnestly implemented the “one-vote veto system for green credit projects”. It stepped up efforts to control and phase out the financing support granted to the customers under observation, especially those with high environmental risks (involving heavy metal discharge and hazardous chemical pollution), with a view to promote the green adjustments of credit structure of industries and customers. The Bank enhanced its communication and contact with environmental protection departments, regulatory authorities, media and project stakeholders. It also improved the environmental and social risk management mechanisms of forewarning, prevention and control between CEB Head Office and branches, and took proactive and beforehand moves to identify environmental risk factors of customers (projects), and adopt targeted risk control or mitigation measures accordingly.

• Green finance-related training

CEB carried out special training on green credit across the Bank, the contents of which covered the interpretation of green credit statistical system, the identification of green credit symbols and the sharing of typical cases.

Forging green finance product lineup

Upholding the philosophy of green development, CEB continued to improve the lineup of green finance products and promote the development of green economy.

As at the end of December 2020, the balance of the Bank's green loan reached

RMB **103,723** million*



* PBOC standard

Green credit

► CEB Yantai Branch supported the construction of Weifang-Yantai High-speed Railway

The Weifang-Yantai High-speed Railway is an important project that links Yantai to the national railway networks. It is of great significance to help the Yantai-Weifang region break through traffic bottlenecks and get integrated into the development of Shandong Province and even the East China economic circle. Through the green credit channel, CEB Yantai Branch issued a bank guarantee worth RMB230 million to the Jinan-Qingdao high-speed railway, which was specially used to expand the existing buildings of Dajijia Station as part of the railway, so as to support the eco-friendly upgrading of infrastructure facilities and promote the development of green transportation.

Green bonds

► CEB Hong Kong Branch assisted CDB in issuing the first bond to address climate change

CEB Hong Kong Branch, as the cross-border coordinator, helped China Development Bank (CDB) successfully issue a RMB10 billion green financial bond named “Bond Connect” with three-year issuance rate of 2.4984%. The bond was the first interest rate bond themed as “addressing climate change”. The raised funds would be used for green projects including low-carbon transportation projects, in a bid to finance the fight against air, water and soil pollution.

Green asset-backed notes

► CEB Shenzhen Branch helped with the issuance of the “dual greenness” asset-backed notes

CEB Shenzhen Branch helped implement the “the First Tranche of Green Asset-backed Notes of China Resources Financial Leasing Co., Ltd. for 2020”, with the total subscription amount hitting RMB560 million. The underlying assets and the fields in which the raised funds would invest both met the requirements for green bonds. Therefore, it became the first “dual greenness” asset-backed note at the “Pilot Demonstration Area”.

Green medium-term notes

► CEB Guiyang Branch invested in green medium-term notes

CEB Guiyang Branch made RMB100 million investment in the First Tranche of Green Medium-term Notes of Guizhou Water Conservancy Investment Group Co., Ltd. for 2020 through its wealth management business to mainly support water resources conservation and recycling projects as well as hydroelectric generation and other clean energy projects.

Green leasing

► Everbright Financial Leasing Co., Ltd. supported the wind power generation industry

In 2020, Everbright Financial Leasing Co., Ltd. continued to increase support for the wind power generation industry. Throughout the year, it launched newly-added leasing projects of wind power generation equipment worth RMB1,321 million. The projects connected to the grid generated a total of electricity amounting to 545,774,600 kWh, which was equivalent to saving 191,000 tons of standard coals and reducing emissions of 475,900 tons of carbon dioxide, 14,400 tons of sulfur dioxide, 7,100 tons of nitrogen oxide and 129,900 tons of carbon dust.

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Addressing climate change and contributing to the “carbon neutrality”

→ Developing green finance to protect lucid water and lush mountains

Advocating green operation to promote eco-friendly and low-carbon development

Carrying out green public welfare activities to raise public awareness of environmental protection

4

Creating Governance Values and Cementing the Long-term Stable Development

Supporting the development of green industry



► CEB Nanjing Branch supported the Taihu Lake governance project

CEB Nanjing Branch supported the auxiliary project of the “Wujin Taihu Lake Water Environment Comprehensive Governance Campaign” and the ecological restoration project of Yangzhou to return polders to Gaoyou Lake. The Branch cemented its collaboration with China Everbright International Limited (renamed as “Everbright Environment” in October 2020) in a wide range of fields including ecological restoration, waste recycling and sewage and solid waste treatment. Besides, it actively participated in a host of major projects including the all-around protection project of the Yangtze River, making tireless efforts to promote green development and facilitate the construction of ecological civilization in Jiangsu Province.

► CEB Hefei Branch funded the construction of a photovoltaic power generation project

Since shouldering the responsibility of providing assistance for Shiligou Village, Taihe County in Fuyang City in 2015, CEB Hefei Branch has invested RMB700,000 accumulatively in building a photovoltaic power generation project with the Taihe County Government, which generated electricity of 370 kilowatts. Thanks to the project, the 70 impoverished households at Shiligou Village increased their annual income by about RMB3,000 on average. And the village witnessed its collective income growing by about RMB110,000 each year.

Advocating green operation to promote eco-friendly and low-carbon development

CEB actively implemented policies in combating extravagance and waste, improving the efficiency of resource and energy utilization, and reducing waste emissions and discharges, contributing to the national goal of “carbon neutrality” through practical actions.

Practicing thrift and opposing waste

In 2020, President Xi Jinping made important instructions on putting an end to food waste. He pointed out, “it is necessary to enhance legislation and supervision, take effective measures, and establish a long-term mechanism to stop food waste. It is important to further enhance promotion and raise public awareness, effectively cultivate thrifty habits, and foster a social environment where waste is shameful and thriftiness is applaudable across the society.” Against this backdrop, CEB unswervingly implemented the policy of practicing thrift, formulated the Implementation Measures of China Everbright Bank for Practicing Thrift and Opposing Waste, and carried out the awareness enhancement campaigns and supervisory inspections across the Bank to press ahead with the work.

► CEB Head Office carried out a series of activities themed as “Everbright Taking Actions to practice thrift and oppose waste”

1

Initiative of advocating “Practicing Thrift and Opposing Waste”
Popularizing the concept that “waste is shameful and thriftiness is applaudable”, through encouraging civilized dining, and promoting the “Clearing Your Plate” campaign to widely advocate thrift.

2

Campaign of “Supervisor of the ‘Clearing Your Plate’ ”
An inspection group was organized to spot, feedback and report food waste.

3

Questionnaire survey of “Know What Employees Like to Eat”
Online questionnaires were designed to learn about staff’s dining frequency, food preference and service needs, so as to promote on-demand food serving and reduce food waste.

Improving the efficiency of resource utilization

To improve the efficiency of resource and energy utilization, the Bank replaced the high-energy-consuming facilities and equipment with the products adopting energy-saving technologies. It advocated using water-saving appliances in an effort to build itself into a water-saving institution. Non-secret waste paper and waste electrical/electronic devices were collected for centralized processing and recycling. Information technologies were employed to promote paperless office and reduce the consumption of disposable office supplies.



The Bank strengthened air-conditioning management, shortened its operation time, kept a tight control over indoor temperatures, and promptly replaced the outdated energy-intensive engines and other products.



The Bank strengthened video conference management, standardized the bank-wide conference procedures, cut down on the number of meetings, and advocated video conference vigorously.

► CEB Hong Kong Branch moved into a green building to support environmental protection

In August 2020, CEB Hong Kong Branch moved into the newly decorated office building. The entire process of decoration followed the low-carbon and eco-friendly principle. Referring to the American LEED-certified green standard, all the decoration materials were green, healthy and eco-friendly materials that met international standards. Varying styles of green walls were designed for different floors and areas to create a workplace featuring high greenery coverage ratio. The office building was also installed with the smart adaptive lighting control system, the paperless smart conference system, the facial recognition security system, and the central printing system. Therefore, the building set a new benchmark for the green decoration of office in Hong Kong. It was honored with the “Superior Environmental Protection Project Management Award” in the “Hong Kong Green Awards” selection hosted by the Green Council.



Reducing waste discharges

CEB steadily pushed forward with the work of waste sorting, adopting a host of measures to raise the awareness of environmental protection among all employees, including strengthening the publicity and training of waste sorting, updating new labels for different types of waste, and enhancing guidance and supervision. It also established a waste sorting and treatment

system in which different recycling and disposal methods were adopted for hazardous waste and non-hazardous waste. As at the end of December 2020, CEB Head Office scrapped around 600 pieces of office consumables (including print cartridges and toner cartridges), and destroyed 17.4 tons of paper through standard channels.

Carrying out green public welfare activities to raise public awareness of environmental protection

The Bank carried out various forms of green public welfare activities, practiced the concepts of green operation and environmental protection with concrete actions, and enhanced public awareness of environmental protection.



• CEB Nanning Branch launched a public welfare activity to collect garbage and clean the hometown



• CEB Jinan Branch, together with the working committee of Youth League Committee of Shandong Finance and the Youth League Committee of Shandong subsidiary of New China Life Insurance Co., Ltd., carried out a public welfare activity themed as “low-carbon operation, environmental protection and thrifty practice”



• CEB Hangzhou Branch participated in the activity of “My Bus, My City” Jiulong Lake Run



• CEB Guangzhou Branch supported the 7th Canton Tower Run Up activity in 2020

Creating Value through Effective Governance and Cementing the Long-term Stable Development

CEB stringently followed the requirements set out by the pertinent laws and regulations including the *Company Law of the People's Republic of China* and the *Securities Law of the People's Republic of China*. The Bank continued to modernize its corporate governance systems and capabilities, improve related systems and mechanisms, and consolidate the institutional foundation to ensure that different governance entities operate independently, be brought under effective checks and balances, and cooperate with each other for coordinated operation, so as to promote the steady improvement of corporate governance capability and guarantee the sound operation of the Bank.

Contributing to the UN Sustainable Development Goals



China will resolutely win the battle of fending off and defusing major financial risks, and identify and clarify duties of related parties. Financial institutions shall fulfill the primary responsibilities for preventing moral hazards resolutely. Besides, China shall put in place sound recovery and disposal mechanisms, loss sharing mechanisms and incentive and restraint mechanisms for financial institutions. Focusing on key points, China will continue handling risks of key financial institutions in accordance with the applicable laws and regulations.

– Requirements set out by the PBOC on its 2020 Work Conference

CSR Story

CEB's overseas sustainable development

In its internationalization presence, CEB attaches importance to sustainable development and is committed to carrying out localized operation. As the financial national team, all the overseas branches and institutions of the Bank earnestly fulfill the duties of state-owned enterprises, closely follow up with the changes in local policies for sustainable development, actively cooperate with CEB Head Office's planning of corporate social responsibility, and continuously build up their capability in coordinated and sustainable development, so as to build Everbright into a world-class brand image.

As at the end of December 2020, the Bank has set up 7 overseas institutions with assets totalling RMB249.7 billion, covering 5 countries and regions. The number of overseas employees was 430, and the percentage of localized employment was 91%.

> CEB Hong Kong Branch

In recent years, the Hong Kong Special Administrative Region (SAR) Government has actively promoted the establishment of green finance system, proposed the strategy of "building an international green finance center", and adopted a number of measures to fuel the development of green finance. Regulatory authorities promulgated the Strategic Framework for Green Finance, proposing an array of measures including establishing "green and sustainable banks" in stages and carrying out "responsible investment" around ESG. CEB Hong Kong Branch fulfilled the responsibilities as the financial national team and played an active role in ESG projects.

● Governance

Internally, CEB Hong Kong Branch improved the green operation management system and practiced the business philosophy of "energy conservation and low-carbon operation". Externally, the Branch actively promoted the exchanges and cooperation between the leading environmental protection companies under CEG and the Hong Kong SAR government. Centered on the plan for the development of the Guangdong-Hong Kong-Macao Greater Bay Area, it helped Hong Kong build itself into a world-leading green finance center, and establish a green ecosystem in the Greater Bay Area with joint efforts.

● Social services

Facing the recurrent pandemic situation in Hong Kong, the Branch worked hard to offer financial services and daily necessities. It promptly catered to financial needs, launched the fast track to speed up the approval procedure, and extended nearly RMB1.6 billion loans to the anti-pandemic companies, injecting the vitality of financial resources into the critical fight against the COVID-19 pandemic.

● Environmental protection

CEB Hong Kong Branch was the first joint-stock commercial bank to issue offshore green bonds in the region. It took the lead in issuing the world's first BRI green bank cooperation bond and participated in Hong Kong's first green hotel syndicated loan. In addition to issuing multiple green bonds on its own, the Branch also actively assisted various enterprises and financial institutions in issuing multi-currency international green bonds so as to create a green finance service brand.

> CEB Seoul Branch

In recent years, the South Korean government has actively promoted listed companies to disclose their information on corporate governance. The Financial Services Committee of the state established a special project team to propel the development of green finance and green projects through setting up management and supervision systems.



● Governance

In line with the E-SBU strategic arrangements by CEG and CEB Head Office, and the current trends and actual situations of ESG development, the Branch actively promoted ESG-related products and services across South Korea.

● Social services

After the outbreak of COVID-19 pandemic in South Korea, employees of the Branch promptly donated KRW6.2 million to the Red Cross Society in Daegu, showing their determination to weather the hard times with the Korean people together.

> CEB Luxembourg Branch, CEB (Europe) S.A.

The Ministry of Finance and the Ministry of Environment of the Luxembourg, in partnership with the United Nations Environment Programme (UNEP), drafted the *Sustainable Finance Roadmap for Luxembourg*, which laid foundation for the establishment of a comprehensive far-reaching sustainable finance strategy. Against this backdrop, CEB Luxembourg Branch paid close attention to the mandatory supervisory regulations concerning sustainable development by the local government, and actively rolled out countermeasures as response.



● Governance

CEB Luxembourg Branch incorporated ESG factors into risk management policies, required green loan granting institutions to formulate green loan policies and procedures, and brought such credit lines under proper supervision and management. The Branch included ESG factors into scenario analysis and stress testing so as to identify potential ESG risks and provide guidelines for risk strategies and business models.

● Social services

At the early stage of the pandemic, employees of Luxembourg Branch donated RMB16,000 voluntarily and purchased 200,000 pairs of medical gloves from local suppliers, both of which were sent to the pandemic-hit areas of Hubei, China. When the COVID-19 pandemic swept across the Europe, the Branch made donations to two hospitals in Luxembourg that took in COVID-19 patients for treatment. Each hospital received EUR50,000 of donation. Besides, it also purchased 5,000 N95 masks from China and donated them the Luxembourg Ministry of Foreign Affairs.

> CEB Sydney Branch

In the past 10 years, Australia has issued a series of widely applicable ESG policies and regulations with detailed and specific requirements. These policies and regulations cover many types of major capital market players, including asset managers, financial product issuers, enterprises and pension fund managers. CEB Sydney Branch paid close attention to the ESG policies and regulations issued by the local government, while continuously improving its own management.

● Governance

CEB Sydney Branch developed a management philosophy of "compliance-first and process-oriented", optimized the risk management system featuring all-round, whole-process and all staff participation, and worked harder to build the risk management coordination and integration mechanisms and the corporate governance systems. The Branch put its business/product design and development models under comprehensive management, conducted research on the core ESG factors involved in business development, and disclosed the results to the public.

● Social services

During the pandemic, the Branch took the initiative to mobilize employees to make donations. Together with CEB International, the Branch purchased a REV V362 intensive care negative pressure ambulance and donated it to the Wuhan Military Region Hospital.



> CEB International Investment Corporation Limited (CEB International)

Amid the pandemic, CEB International tried all means and went all out to support the domestic fight against the COVID-19, fully demonstrating the unity and cohesion of overseas branches and institutions.



● Social services

In February 2020, CEB International held an online auction to raise more than RMB300,000 from employees to purchase a negative pressure protection ambulance together with CEB Sydney Branch and nearly 800 pieces of medical protective suits together with CEB Luxembourg Branch. They were all donated to the front line of the pandemic prevention in Wuhan.

In February 2020, a series of live-streaming courses called "CEB International E Lectures" were delivered, covering many contents such as virus transmission and pandemic prevention, mental health counseling, economic outlooks amid the pandemic and industry analysis.

Following the social responsibility strategies, pursuing sustainable development

China's 13th Five-Year Plan set out the "new development concept" and the goal of "high-quality development". The 14th Five-Year Plan set out the targets in some new areas: new achievements in economic development, new progress in ecological civilization construction and new heights in people's well-being. The regulatory authorities of capital market have been paying increasing attention to the performance of social responsibilities by listed companies. An array of regulatory policies came out, requiring listed companies to strengthen social responsibility management and related information disclosure.

Actively implementing regulatory requirements, CEB formulated social responsibility development plans, made continuous efforts in social responsibility fulfillment, thus contributing to the strategic goal of building a "first-class wealth management bank".

Guidance of regulations

To implement a series of policies put forward by, among other regulatory authorities, CSRC, CBIRC, Stock Exchange of Hong Kong Ltd. and Hong Kong Monetary Authority for social responsibility and sustainable development and act on the specific requirement put forth by regulatory authorities for listed companies to perform social responsibilities and strengthen ESG governance, CEB formulated the *Three-Year Development Plan for Corporate Social Responsibility of China Everbright Bank (2020-2022)*, put in place sound working systems and management measures for social responsibility, and paid attention to a variety of stakeholders such as regulatory authorities, customers and employees, in an effort to integrate the fulfillment of social responsibilities into all links of business development, continuously raise CSR management standards, and forge ahead along the path to sustainable development.

Organizational improvement

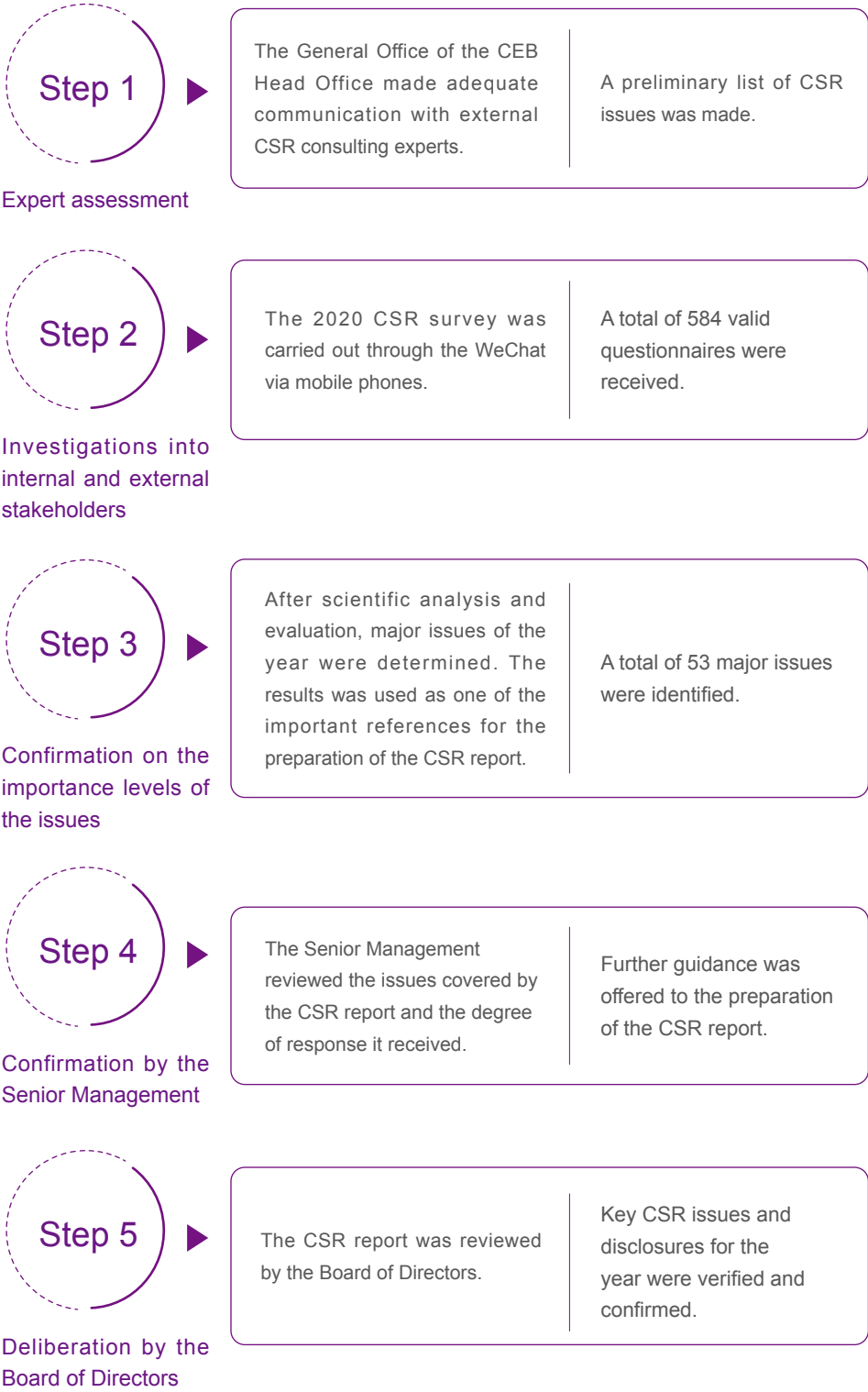
CEB established a bank-wide CSR working system. The Board of Directors is responsible for coordinating the overall CSR work. The Leading Group for Poverty alleviation and CSR Work of the Head Office is responsible for researching and deciding on significant issues regarding poverty alleviation and social responsibility. The General Office of the CEB Head Office takes charge of the CSR work across the Bank. There are more than 100 CSR contact persons in total at both levels of the Head Office and branches. The Bank continuously streamlined the Bank's CSR information statistics process, and pushed forward the efficient preparation and disclosure of the annual CSR report.

Policy formulation

CEB formulated the Management Measures of China Everbright Bank Co., Ltd. for Corporate Social Responsibility Work (2020 Version), specified tasks and functions for every department, drafted corresponding implementation rules, and broke down the work assigned to the lead departments and other relevant ones, so as to get the regular CSR work done in a planned and well-paced manner. The Bank formulated the Corporate Social Responsibility Performance Appraisal Policy of China Everbright Bank Co., Ltd. (2020 Version), which outlined CSR performance indicators, conducted the performance appraisals, and thus formed an incentive and restraint mechanism step by step.

Annual materiality analysis

CEB highly valued communication with various stakeholders, continued to increase the channel diversity and depth, optimized the frequency and quantity of communication, and responded to the expectations and requirements of internal and external stakeholders such as regulatory authorities, shareholders, customers and employees.



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Creating Value through Effective Governance and Cementing the Long-term Stable Development

→ Following the social responsibility strategies, pursuing sustainable

Improving corporate governance to lay a solid foundation for high-quality

Strengthening internal control and compliance to ensure long-term stable operation

Escorting financial services with comprehensive risk management

Annual materiality analysis

<p>Communication with stakeholders</p> <p>Social responsibility management</p> <p>Brand building</p> <p>Green finance</p> <p>Implementation of the "Belt and Road" initiative</p> <p>Support for the development of small and micro-sized enterprises</p> <p>Targeted poverty alleviation</p> <p>Financial education</p> <p>Customer complaint handling</p> <p>Diversified teams</p>	<p>Promoting coordinated development of regions</p> <p>Product innovation</p> <p>Practicing inclusive finance</p> <p>Data security and management</p> <p>Protection of customer rights and interests</p> <p>Customer services and satisfaction</p> <p>Safeguarding customer rights</p> <p>Corporate governance</p> <p>Internal control & compliance</p> <p>Supply chain management</p>	<p>Responding to national strategies</p> <p>Corporate integrity and anti-corruption</p> <p>Serving the real economy</p> <p>Company's strategic planning</p> <p>Comprehensive risk management</p> <p>Fintech application</p> <p>Protection of customer privacy</p> <p>Employees' remuneration and benefits</p> <p>Employees' health and safety</p> <p>Care for employees</p>
<p>Construction of new towns</p> <p>Support for rural revitalization</p>	<p>Party building</p> <p>Support for community development</p> <p>ESG risk management for supply chain</p> <p>Responsible procurement</p> <p>Information disclosure and quality</p>	<p>Fight against the pandemic</p> <p>Industry competitiveness</p> <p>Aid for employees in need</p> <p>Development of distinctive business</p> <p>Addressing climate change</p> <p>"30.60" carbon target</p>
<p>Promoting overseas development</p> <p>Layout of overseas institutions</p>	<p>Volunteer service</p> <p>Charitable donation</p> <p>Green public welfare</p>	<p>Training and development</p> <p>Green operation</p> <p>Recruitment policy</p> <p>Protection of employees' rights and interests</p> <p>Work-life balance</p>

Internal stakeholders' expectations on CEB's sustainable development

Management of stakeholders

Stakeholder	Concerns and expectations for CEB
Government	Responding to national strategies, serving the real economy, accelerating business transformation, helping regional coordinated development, ensuring stability on six fronts and security in six areas, and focusing on green finance and green operation
Regulatory authorities	Complying with laws and regulations, forestalling financial risks, ensuring safety of financial assets, maintaining sound internal control, and practicing good professional ethics
Shareholders	Ensuring operational compliance, strengthening comprehensive risk management, improving corporate governance structure, developing innovative Fintech, accelerating the transformation towards digital operation, intensifying information disclosure, and creating sustainable values
Creditors	Maintaining and increasing the value of assets, disclosing accurate information in a timely manner, and improving corporate governance
Customers	Providing customers with "online + offline" integrated financial services that feature information security, operational convenience and business efficiency, safeguarding customers' rights and interests, continuously strengthening technological innovation, data security, and privacy protection, and promoting financial knowledge
Employees	Providing complete protection, competitive remuneration and benefits, a healthy and safe working environment, optimizing staff training and career development, and creating a diversified and inclusive workplace
Partners	Performing contracts with integrity, making responsible procurement, managing ESG risks on the supply chain, and achieving mutual benefits and win-win results
The public	Fulfilling social responsibilities, supporting community development, jointly building beautiful communities, fighting the COVID-19 pandemic, and promoting eco-friendly public welfare

Actively communicating with stakeholders via new media and multiple channels, CEB released information concerning poverty alleviation, pandemic prevention and control, consumer rights and interests protection, wealth management, corporate governance, technology innovation, and brand image building in a prompt manner via the "Everbright Fortune" Wechat official account, thus expanding the breadth and depth of communications with customers, consumers, employees, suppliers, communities and other stakeholders. In 2020, the "Everbright Fortune" official account released a total of 216 original articles with over 1.49 million views, and 27 sessions of original themed plannings, with an aim to present the Bank's brand image, operation highlights and corporate social responsibility to the public, spread the voice of Everbright, carry forward the Everbright Culture, shape the brand image, thus win the wide recognition from stakeholders.



▲ With the report of the corporate social responsibility story of "Shimmer Lightens Poverty Alleviation", CEB won the award of "Outstanding News", the highest honor among financial institutions in the "2020 China Banking News" hosted by China Banking Association

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Creating Value through Effective Governance and Cementing the Long-term Stable Development

→ Following the social responsibility strategies, pursuing sustainable

Improving corporate governance to lay a solid foundation for high-quality

Strengthening internal control and compliance to ensure long-term stable operation

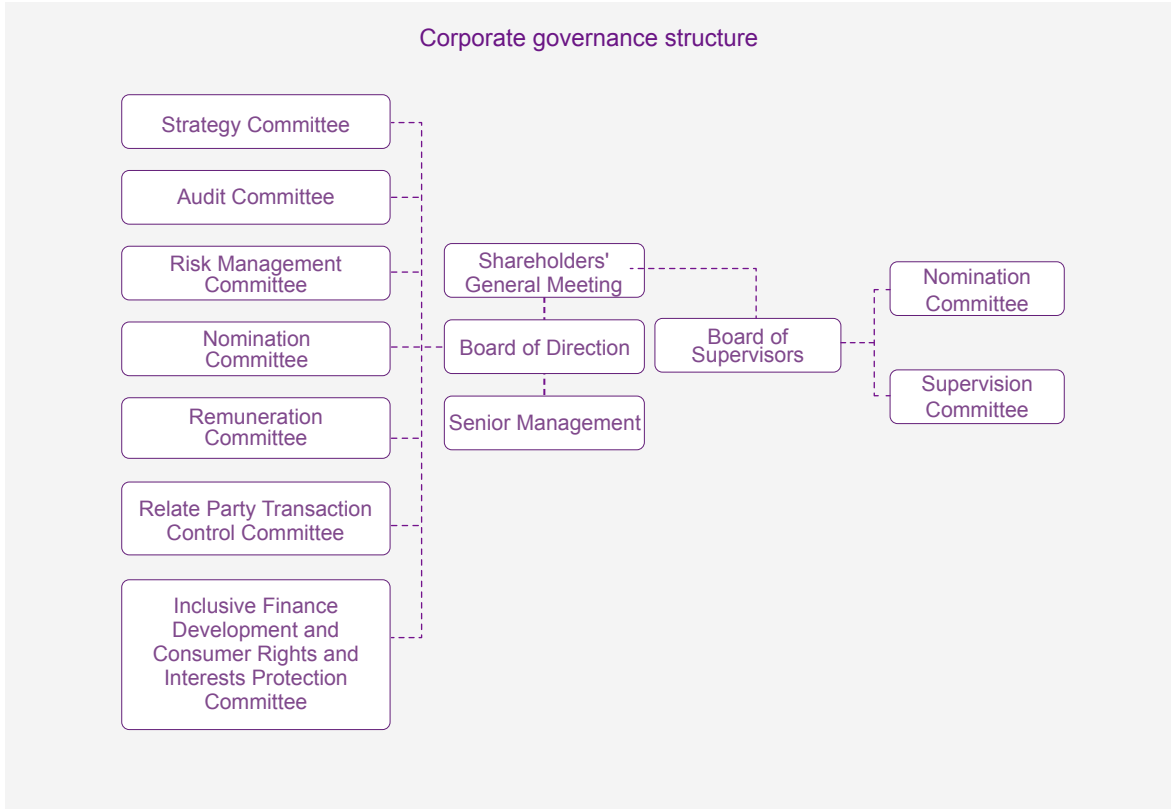
Escorting financial services with comprehensive risk management

Improving corporate governance to lay a solid foundation for high-quality development

CEB continued to modernize its corporate governance systems and capabilities, improve related policies and mechanisms, and fortify the policy base. In doing so, the Bank made sure that different governance entities could operate independently, come under effective counterbalances, and cooperate with each other for coordinated operation, so as to steadily improve corporate governance.

The corporate governance structure

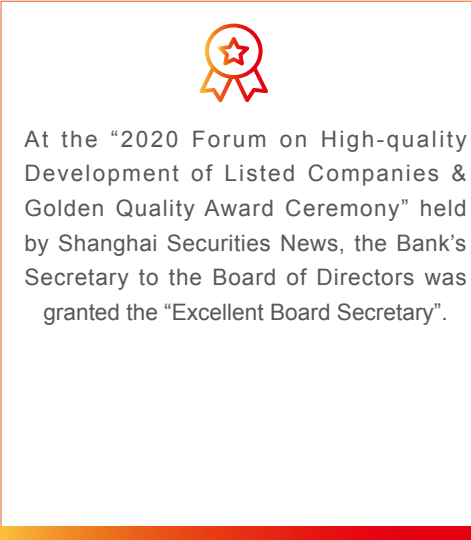
CEB established a sound corporate governance structure in accordance with the Company Law and related regulatory requirements. The Shareholders' General Meeting holds the ultimate power. The Board of Directors reports to the Shareholders' General Meeting. The Senior Management reports to the Board of Directors, and the Board of Supervisors supervises the Board of Directors and the Senior Management. As at the disclosure of this report, the Bank's Board of Directors had 14 members, including 2 executive directors, 6 non-executive directors and 6 independent non-executive directors. Independent non-executive directors accounted for more than one third of the members of the Board of Directors.



Corporate governance

In 2020, the Bank's Board of Directors amended the working rules of its special committees in accordance with the applicable regulatory requirements and actual work needs, in a bid to ensure these committees could operate efficiently. It prudently implemented the corporate governance procedures related to the selection and appointment of directors and senior management members, and adjusted the composition of its special committees. It approved proposals on establishing and canceling some first-tier departments of the Head Office, continuously optimizing the management structure. It revised the policies on capital management, money laundering risk management, subsidiary management and other domains, in an effort to consolidate the institutional foundation. It reviewed and adopted the proposal on the quota of external targeted donations to the poverty alleviation and emergency response programs, in fulfilling social responsibilities actively. It continued to optimize related party transactions and related party management mechanisms, and review major related party transactions stringently.

In addition, CEB actively strengthened Party building. In 2020, the Bank's Party organizations at all levels strove to realize dual leading goals in Party building and corporate construction, focused on dual coverage in Party organizations and Party work, gave full play to Party organization as stronghold and Party member as pioneering role model, and organized themed Party Day activities in various forms, thus promoting high-quality development with high-quality Party building.



At the "2020 Forum on High-quality Development of Listed Companies & Golden Quality Award Ceremony" held by Shanghai Securities News, the Bank's Secretary to the Board of Directors was granted the "Excellent Board Secretary".

Themed Party Day activities in various forms



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Information disclosure

As a company listed in both Shanghai Stock Exchange (SSE) and Hong Kong Exchanges and Clearing Limited (HKEX), CEB earnestly implemented the new Securities Law and related regulations, complied with the requirements set out by information disclosure laws and regulations on all fronts, continued to improve the quality of information disclosure, strengthened the management of insiders, and disclosed various types of information in a timely and fair manner through the legally recognized media outlets, all of which ensured the authenticity, accuracy and completeness of the disclosed information, and fully informed investors at home and abroad of the Bank's development strategies, operation performance and management situation. The Bank was given an "A" rating by the SSE for its information disclosure work in 2019-2020. At the fifth "Golden Sail Award" jointly hosted by China Media Group and Southern Finance Omnimedia Corporation, the Bank won the award of "2020 Excellent Enterprise with High Information Disclosure Reputation".

CEB prepared regular reports in accordance with the pertinent laws and regulations, and made information disclosure more targeted and effective. Focused on the strategic vision of "building a first-class wealth management bank", the Bank optimized and enriched the contents of regular reports, and wrapped up the preparation and release of the 2019 annual report, the 2020 interim report and quarterly reports. In addition, the Bank disclosed announcements in a timely manner, fully considered regulatory requirements at home and abroad to ensure the simultaneous and compliant information disclosure in the two markets. A total of 110 A-share temporary announcements (including non-announcement online documents) and 133 H-share announcements (including A-share overseas regulatory announcements) were released throughout the year.



Protecting minority shareholders' rights and interests

CEB put in place policy arrangements and procedure guarantee to effectively protect the rights and interests of shareholders, especially minority shareholders. Independent non-executive directors all expressed objective, impartial and independent opinions on the profit distribution plan, remuneration of senior management, major related party transactions and other matters involving minority shareholders' interests. Pursuant to relevant regulatory requirements, the voting of the Shareholders' General Meeting was conducted via onsite+online means. The votes of minority investors were separately counted and disclosed when reviewing major issues involving the interests of minority investors.

Valuing the diversity of the Board of Directors

CEB attaches great importance to the diversity of the Board of Directors and formulated the *Policy on Diversity of Board of Directors*. When reviewing the qualifications and conditions of candidates for directors and making recommendations to the Board of Directors, the Nomination Committee of the Board of Directors comprehensively takes into consideration the gender, age, cultural and educational background, professional experience, expertise, knowledge and term of office. The Nomination Committee regularly assesses the structure, number and composition of the Board of Directors. As at the disclosure of this report, of the 14 directors of the Bank, 1 director was female. A total of 12 directors held a master's degree or higher, including 8 doctoral degrees. Non-executive directors all had held important positions with their former employers and had professional background and extensive management experience. Independent non-executive directors were senior experts in economics, finance, accounting, auditing, etc., competent enough to provide professional opinions for the Bank in different fields.

Strengthening internal control and compliance to ensure long-term stable operation

CEB continued to consolidate the internal control and compliance system. Through the optimized authorization management system, the Bank strengthened the anti-corruption, anti-graft and anti-money laundering management, erected a firm bottom line for risk prevention and control, built up the safety operation capabilities, so as to ensure the long-term stable operation and promote the high-quality development of the Bank.

Optimizing the authorization management system

CEB put in place a business management authorization system featuring full coverage and stringent compliance. According to the principles of compatible connection, progressive delegation, authorized persons and clarified processes, the authorization was divided into operation management authorization and business approval authorization, and was promptly adjusted according to each institution's actual operation performance, management situation and the changes in personnel, so as to realize hierarchical management, differentiated authorization and dynamic adjustment. By strengthening the "delegation" and "retake" of authorization and the "streamlining" and "management" of administration for the authorization management system, the potential of managers at all levels was further unleashed to ensure the stable operation across the whole bank.

Anti-corruption campaign

CEB pressed ahead with the work of the construction of the Party conduct and political integrity, the anti-corruption campaign, and the deepening reforms of the disciplinary inspection and supervision system. In 2020, the Bank organized the signing of 3,710 letters of responsibility for improving Party conduct and political integrity. Secretaries of the Party committees at CEB Head Office and branches attended 301 anti-corruption meetings. And the Bank organized training sessions for combating corruption and upholding integrity, covering 121,246 person-times.

CEB also strengthened the construction of "two responsibilities" to improve the accountability system of the Party's conduct and political integrity. The Bank further enhanced the anti-corruption policies and system, strengthened policy execution, and intensified the supervision on execution. The Bank expanded the methods of day-to-day supervision and strengthened regular supervision management, with an aim to put in place a supervision and education mechanism that was led by the Party Committee of the Bank, primarily operated by the Discipline Inspection Committee of the Bank, and supervised by the Discipline Inspection Department. The Discipline Inspection Departments at all levels adopted both on-site and off-site inspections to strengthen supervision, so as to detect problems early, and nip them in the bud. A bank-wide month activity to raise public awareness was carried out to arouse the sense of responsibility, integrity and self-discipline among Party members, thus creating a clean and upright political ecology at CEB. The Bank gave full play to the supervisory role of integrity records, and enhanced integrity supervision during important and long holidays to promote the practice and normalization of supervision.



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Anti-graft campaign

CEB strictly abided by laws and regulations, focused on corruption in the field of finance and credit, and deepened the case inspection mechanism. Strictly implementing the *Constitution of the Communist Party of China*, the *Regulations on Disciplinary Measures of the Communist Party of China*, the *Regulations on Accountability of the Communist Party of China* and other Party regulations, the Bank continuously strengthened discipline construction, and strictly investigated typical cases in violation of the Six Rules of Party Discipline and the CPC Central Committee's eight-point decision on improving Party and government conduct. A long-acting mechanism under which officials "don't dare to, being unable to and do not want to commit acts of corruption" was established to promote the construction of the Party conduct and political integrity and the anti-corruption campaign.

► Adopting four approaches to popularize legal knowledge

- CEB set up the window of legal knowledge popularization, the bullion board of legal education, and the law window for banks to conduct legal publicity campaigns, along with the National Constitution Day and the "Law Window for Banks" activity organized by China Banking Association.
- CEB held lectures and training programs on legal knowledge to strengthen the publicity and education of national laws, specific laws and regulations on finance, market economy and macro control.
- CEB improved the mechanism under which legal review authorities were divided between CEB Head Office and branches, so as to improve the efficiency and quality of the Bank's non-litigation legal affairs.
- New technologies and new forms were employed to establish channels for the online publicity of legal knowledge.

CEB Nanchang Branch, together with the Department of Justice of Jiangxi Province, participated in a large-scale publicity campaign to prevent illegal fund-raising that was co-hosted by the Jiangxi Provincial Financial Regulatory Bureau, the Jiangxi Provincial Public Security Department, the CBIRC Jiangxi Bureau, the CSRC Jiangxi Bureau and the Nanchang Municipal Government.

Anti-money laundering (AML)

CEB strictly abided by the *Anti-Money Laundering Law of the People's Republic of China*, and performed its AML obligations. The Bank established an efficient, orderly, and powerful AML compliance management system, improved the organizational structure for money laundering risk management, and improved the AML policies, procedures and working mechanisms. Besides, it built a complete set of systems for money laundering risk identification, monitoring, assessment, and prevention and control to improve the effectiveness of monitoring large-amount and suspicious transactions. The Bank conducted customer identification work, improved the completeness of customer identity information, put the full-life cycle account management project into operation, and conducted the bank-wide risk assessment of money laundering. Following the trend of in-depth integration of finance and technology, the Bank increased its technology investment in AML, continuously improved and refined monitoring rules and models, and enhanced the effectiveness of suspicious transaction reports. In addition, AML publicity and trainings were carried out on an ongoing basis to carry forward the money laundering risk management culture, and comprehensively raise the AML awareness of employees and the public.

► The full-life cycle account management project went online

CEB put the full-life cycle account management project into operation. As at the end of December 2020, the Bank monitored and identified 50,822 unusual business transactions of enterprises. The function of "one-click submission" by tellers supported the fully automated operation for forewarning feedback, AML rating, account control and customer notification. It took about 3 minutes to process a single transaction while taking 10 minutes before the platform went online, with the efficiency increased by 70%.



Escorting financial services with comprehensive risk management

Improving comprehensive risk management system

CEB established a well-structured risk management system featuring all-round, whole-process and all staff participation, strengthened the construction of "three lines of defense", namely, business management, risk compliance, internal audit and discipline inspection, and strictly implemented the requirements of "strict loan governance according to law", so as to safeguard the bottom line of risk management. The Bank strengthened unified credit management, dynamically adjusted approval authorization, and made continuous efforts to cement the foundation for risk management, thus creating values through risk management. In addition, the Bank upgraded risk management technology to establish the intelligent risk control system with cutting-edge technologies including big data, AI and blockchain as its core.

Improving the ability to forestall risks

CEB improved the full-process management system for asset quality, strengthened unified management, and constantly enhanced the construction of forewarning capability. Besides, it optimized and adjusted the credit structure, strengthened the risk resilience of asset portfolios. Meanwhile, the Bank strengthened the classification of asset risks, and dynamically reflected the risk conditions of loans. Adhering to a prudent, sound and objective provision policy, it conducted impairment calculation and provision for possible losses of assets pursuant to the new accounting standards for financial instruments.

► Building the Sunshine Risk Warning Management System

As at the end of December 2020, the Sunshine Risk Warning Management System saw its functions continue to be improved, which enabled 143 forewarning models and 40 black and gray lists, and brought full range of business segments of corporate banking, retail banking, financial market and asset management under unified monitoring. A total of 27,487,000 corporate and retail customers were covered under the monitoring of the platform. To date, the system has been widely used in the entire credit management process (before, during and post lending), to help business outlets solve such problems as information asymmetry and delay.

Making adjustments of the credit structure

CEB was committed to optimizing credit structure, and allocated credit resources in a reasonable manner, so as to better serve the real economy. The Bank took the initiative in implementing major national strategies, proactively supported strategic emerging industries, advanced manufacturing industry and modern services, and granted more medium and long-term loans to manufacturing industry. The Bank increased its support for private enterprises, treating them with equality in terms of credit policy, product innovation service efficiency, and internal assessment. Meanwhile, it strengthened financial services for small and micro-sized enterprises and for agriculture, rural residents, and rural areas, thus actively promoting inclusive finance. In an effort to support the supply-side structural reform, the Bank provided stronger support for environmental protection, tourism, health and new technologies, and pushed for eliminating zombie companies and cutting overcapacity in an orderly manner. Practicing the business philosophy of combining investment and commercial banking, the Bank improved its ability in capital, customer, product and channel integration to provide comprehensive financial services to serve the real economy.

Strengthening market risk management and control

CEB continued to improve the market risk management and control system. According to the risk appetite and business development, the Bank formulated and adjusted market risk limits and integrated all businesses and products concerning market risk into the risk limits management and control. And the Bank continuously monitored, controlled and reported the implementation of risk limits, and managed to keep all the market risk monitoring indicators within the risk appetite. It also strengthened the prediction and forewarning of interest rate risk and foreign exchange risk, continuously tracked the risk exposure and the trends of market-oriented business activities, regularly conducted stress tests, and implemented various measures for risk prevention, so as to ensure the smooth operation of relevant business.

CSR Topic

Promoting poverty alleviation

Targeted poverty alleviation is inseparable from financial support. In recent years, as a national financial team, CEB has given full play to its advantages and taken multiple measures to actively promote various poverty alleviation tasks under the unified leadership of the CEG, achieving positive and remarkable results in poverty alleviation through donations, financial services, industrial development, and consumption.

Turning poverty alleviation from “helping” to “enabling”, and smoothing poverty alleviation path with financial support

- CEB set up branches in poverty-stricken areas, to provide field financial assistance, intensify financial support for three designated poverty-stricken counties in Hunan Province paired up with CEG, and expand financing channels for enterprises in the poverty-stricken areas.

CEB established three tier-2 branches in Yongzhou City, Loudi City and Xiangxi Prefecture in Hunan Province and two county-level sub-branches in Xintian County and Xinhua County with Guzhang County covered by CEB Xiangxi Branch, thus realizing the full coverage of branches and outlets in poverty-stricken counties designated by CEG.

- In Menlouxia Village, Xintian County, and Wentang Town, Xinhua County, CEB put in place CRS (Cash Recycling System) equipment, agricultural POS equipment and mobile card issuing equipment, effectively solving the problems of villagers in leaving village, queuing and withdrawing money.



Please scan the QR-code to know more about targeted poverty alleviation



As at the end of December 2020, the balance of agricultural loans of CEB Changsha Branch

RMB **17,828** million

targeted poverty alleviation loans of CEB Changsha Branch

RMB **529** million

14 small and micro loans of CEB Xinhua Sub-branch in the local area, totalling

RMB **44.03** million

In Wentang Town, Xinhua County, the agricultural self-service equipment processed

2,485 transactions, totalling

RMB **9,004,900**

15 small and micro loans of CEB Xintian Sub-branch in the local area, totalling

RMB **50.28** million

In Menlouxia Village, Xintian County, the agricultural self-service equipment processed

662 transactions, totalling

RMB **1,567,100**

5 small and micro loans of CEB Xiangxi branch in the local area, totalling

RMB **18.5** million

CSR Topic

Focusing on key areas, and providing credit support to promote poverty alleviation through industrial development

As at the end of December 2020,

the balance of the Bank's targeted poverty alleviation loans

RMB **24.814** billion

the balance of loans for poverty alleviation through industrial development

RMB **9.177** billion

increased

RMB **2,999** million from the end of the previous year

growth rate

48.54%

By providing more support for industrial development in poverty-stricken areas, all branches strengthened the income generation capacity of poverty-stricken areas and established a long-term mechanism for sustainable poverty alleviation with financial support.

Innovating poverty alleviation through e-commerce, and expanding new channels for poverty alleviation through consumption

Poverty alleviation through consumption is regarded as the "last mile" for poverty alleviation through industrial development. The Bank focused on poverty alleviation through consumption and helped impoverished areas overcome the difficulty in selling featured agricultural product.

By purchasing products in large scale through centralized welfare procurement and the introduction of poverty alleviation products into canteens or supermarkets, CEB strengthened publicity with internal and external channels, and established a long-term assistance mechanism including the abovementioned means and online

platform as well. Since 2016, the Bank has purchased a total of RMB65.24 million in agricultural products from poverty-stricken areas; and in 2020, the amount of its procurement reached RMB43.22 million.

CEB created a "Wonderful E-shopping" e-commerce platform that integrates "finance + life" scenarios and poverty alleviation functions, and successfully explored a new path for poverty alleviation through e-commerce from the perspective of marketing in a creative way.



CEB launched the preferential policy of "3 Free-charge & Cooperation" for products in poverty-stricken areas across the country, including free development charge, free admission charge, free data traffic charge and cooperative marketing; besides, it adopted a combination of measures to promote poverty alleviation through industrial development, consumption and financial support, and introduced the e-commerce model, so as to sell the products of impoverished areas to other regions.



There emerged some typical model cases for poverty alleviation through industrial development, including, "Ms. Mi", "Miss Yam", "Orange in Jiangxi Province" and "Guzhang Tea".



As at the end of December 2020, a total of 80 national-level poverty-stricken counties in 18 provinces received aid and assistance, and more than 100 enterprises received financial support, with the sales amounting to RMB83.15 million. The sales of poverty alleviation products doubled for two consecutive years.



CEB introduced live-streaming model to promote the introduction of poverty alleviation products into governmental institutions, enterprises, schools, hospitals and military camps. For poverty alleviation through consumption, it took measures in cooperation with external agencies, to provide assistance for 52 counties that had not shaken off poverty. Besides, the "Wonderful E-shopping" platform set up an online poverty alleviation panel to sell agricultural products from poverty-stricken areas, which solved the supply chain financing problem of enterprises in poverty-stricken areas through "e-commerce + financing".

CSR Topic

Fight against the COVID-19 pandemic



▲ The aerial view of CEB Wuhan Branch Building on March 25, 2020.

On March 27, 2020, CEB Wuhan Branch resumed work and production in an orderly manner.
Having gone through this tough time,
We know more about the meaning of safeguard.
This time,
We return with a new outlook,
Providing you with more high-quality and caring sunshine services.

In 2020, after the outbreak of COVID-19, CEB assumed the political responsibility of pandemic containment, resolutely implemented the decisions and plans of the Party Central Committee and the State Council. By mobilizing all employees, breaking through conventions, adopting precise policies, and highlighting its featured advantages in financial services, the Bank soon released a series of compliant, feasible, pragmatic, convenient and effective services at the critical moment, contributing to the whole society's fight against the pandemic.

Fulfilling CEB's responsibilities

In the face of the sudden COVID-19 pandemic, the Party committee of the CEB Head Office considered the fight against the pandemic as the most urgent and important task, took actions promptly, and immediately established a joint prevention and control mechanism. The leaders of the CEB Head Office went to the front-line of the fight against pandemic many times, visited cadres and employees, and implemented pandemic response arrangements, guiding the fight against pandemic, and ensuring logistics support. The CEB Head Office, branches and subsidiaries fully and conscientiously implemented a series of measures including pandemic prevention and control, personnel investigation, information collection, disinfection and sterilization, logistics support, and security guarantee. The remote service center in Wuhan was shut down immediately, CEB Wuhan Branch and other institutions in Hubei were guided to implement the pandemic prevention and control arrangements in an orderly and efficient manner. The video conference system and remote office system were launched to promote "cloud office" across the whole Bank. Local government, departments, institutions and individuals performed their responsibilities to massively monitor the body temperature and attendance of nearly 50,000 employees across the Bank; and districts at different levels responded effectively to ensure the coordination of pandemic prevention and control and business development. Except for individual cases in Wuhan Branch at the beginning of the outbreak, the Bank realized "zero confirmed and suspected cases" of nearly 50,000 employees, guaranteeing the safety and health of employees.

Guarding the CEB home

The Bank put employees' life safety and physical health in the first place, took necessary and effective measures to resolutely curb the spread of the pandemic within the Bank. It acted promptly to purchase necessary disinfection, protective appliance and medicines, distributed the supplies to employees, to deliver solid results and real benefits with care to employees.

Performing duties for pandemic containment of the region and implementing relevant measures

With the focus on centralized office areas and business outlets, CEB strengthened disinfection work and the monitoring of pandemic situation, to effectively protect the health of employees and customers, and safeguard business and office order.

Strengthening the notice, education and management of employees

Holiday management was strengthened. Employees, when leaving for another city, were required to report their schedule to the Bank level by level, and employees were instructed to avoid sensitive areas with high prevalence of COVID-19 pandemic when travelling; they were reminded to take more exercise and maintain good sanitary habits, to improve their own immunity; besides, employees were required to minimize visits to public and crowded places.

Strengthening administrative on-duty management and information feedback

CEB paid close attention to the pandemic changes in the Bank and the region, integrated the pandemic situation in the report of "Daily Safety Reporting Mechanism", and provided feedback on a daily, dynamic and timely basis. The heads of institutions at different levels assumed general responsibilities and prepared plans for pandemic response when they returned to work after the holiday.

CSR Topic

Fighting against the COVID-19 pandemic with financial support

Guaranteeing smooth financial services

According to the needs of pandemic prevention and control, reasonable arrangements on outlets operation and business hours were made to ensure stable delivery of financial services and smooth operation of key infrastructures. For the outlets that were temporarily closed or adjusted business hours due to the pandemic, explanations and alternative solutions were provided. Besides, technical measures were adopted to strengthen online business and improve the convenience and availability of services across the country, especially in the areas severely affected by the pandemic.

Opening up financial fast tracks

Outlets opened up fast tracks for “fighting against the COVID-19 pandemic”. By doing so, they improved the efficiency of approval, provided preferential rates and provided resources support for enterprises in the areas heavily affected by the pandemic and those engaging in the pandemic prevention and control, so as to fully guarantee the financing needs of enterprises.

Supporting enterprises fighting against the pandemic

CEB underwrote and issued “pandemic control bonds” worth RMB9.51 billion for a total 16 enterprises including Jointown, WEGO Group and Jiangxi Zhengbang Group.

► Fast tracks manifested the speed of pandemic prevention and control with financial support

Tongji Hospital affiliated to Tongji Medical College of Huazhong University of Science and Technology is a Grade III Level A hospital in Wuhan that integrates medical treatment, teaching, and scientific research. It has been ranked first for more than 20 consecutive years in Hubei Province in terms of annual number of outpatients and emergency patients. In order to fight against the pandemic, the area of Tongji Hospital's fever clinics was expanded by 50 times, and the treatment wards were expanded to three hospital areas from one ward area. Within 15 days, Tongji Hospital renovated more than 70,000 square meters of medical area, and opened more than 2,000 beds for critical cases, with the highest number of available beds, number of intensive care patients received and number of fever clinic visits in the city. Through the fast tracks of approval, CEB Wuhan Branch granted RMB350 million of newly added loans to the hospital, with a cumulative credit amount reaching RMB1 billion. As at the end of December 2020, the balance of loans reached RMB500 million.

Helping related industries fight against the pandemic

The Bank supported the industries including wholesale and retail, accommodation and catering, logistics and transportation, and cultural tourism that were greatly affected by the pandemic, and the enterprises with development prospects but were temporarily stranded to overcome the impact of the pandemic.

► CEB Beijing Branch supported catering enterprises to overcome difficulties

During the COVID-19 pandemic, CEB Beijing Branch actively responded to the call of CEG and CEB Head Office to effectively guarantee the credit supply for enterprises by opening up fast tracks, establishing emergency channels for credit business, optimizing credit policies and shortening the approval process. A set of comprehensive credit and financial service solutions were carried out for Meizhou Dongpo Catering Management (Beijing) Co., Ltd., to provide preferential interest rates and ease the financial pressure on the company. Overall, CEB took practical actions to mitigate the impact of the pandemic on the production and operation of catering enterprises.

Sunshine Assembly



CEB Credit Card has launched a series of activities including electronic red envelopes and consumer discounts since March 2020.

Assisting small and micro-sized enterprises

The Bank adopted a range of measures for the fight against the pandemic, including the “Six Major Measures”, “Five Gift Packages” and “20 Work Plans”, to give the maximum financial support to small and micro-sized enterprises. The Bank provided a credit plan of RMB31 billion for small and micro-sized enterprises under inclusive finance, allocated RMB2 billion for loans targeting Wuhan, and given preferential interest rates for loans granted to key industries engaging in the pandemic prevention and control, with prioritized disbursement; the Bank delegated pricing and approval authorizations to branches to implement preferential FTP rate reduction policy, by reducing 100 bps for agency inclusive business FTP and 110 bps for its own inclusive business. CEB insisted on not withdrawing, cutting or delaying loans. It adjusted the installment plan, extended the terms of loans, and renewed loans without the repayment of principal to provide small and micro-sized enterprises with temporary postponement of principal and interests. For some small, medium and micro-sized enterprises with sound development prospects stuck in temporary difficulties and long recovery period due to the pandemic, additional postponement arrangements will be provided according to the actual situation.

Caring for “Angels in white”

Everbright Service Package for Angels in White

• “Everbright Angel Credit Card”

The Angel Credit Card was issued to pay tribute to the medical workers who bravely guarded the lives of the people across the country. As at the end of December 2020, the number of Everbright Angel Credit Card issued was nearly 143,000, with the amount of loans accumulatively exceeding RMB2.1 billion.

• “Angel Zone”

According to the daily needs of medical workers, the “Angel Zone” exclusive medical care service has been launched on the Sunshine Life APP. During the event, the “Angel Zone” panel received 700,000 clicks, providing services covering 240,000 medical and nursing cardholders in more than 20 provinces, municipalities and cities across the country.



CSR Topic

Support the fight against the pandemic with science and technology

Supporting pandemic prevention and control with “Wonderful E-shopping”



February

In February, the Bank put the first batch of emergency supplies online, and guaranteed the continuous supply. As at the end of December 2020, a total of 132,100 pandemic prevention and control products were sold, with the sales amount reaching RMB7.6642 million.

June

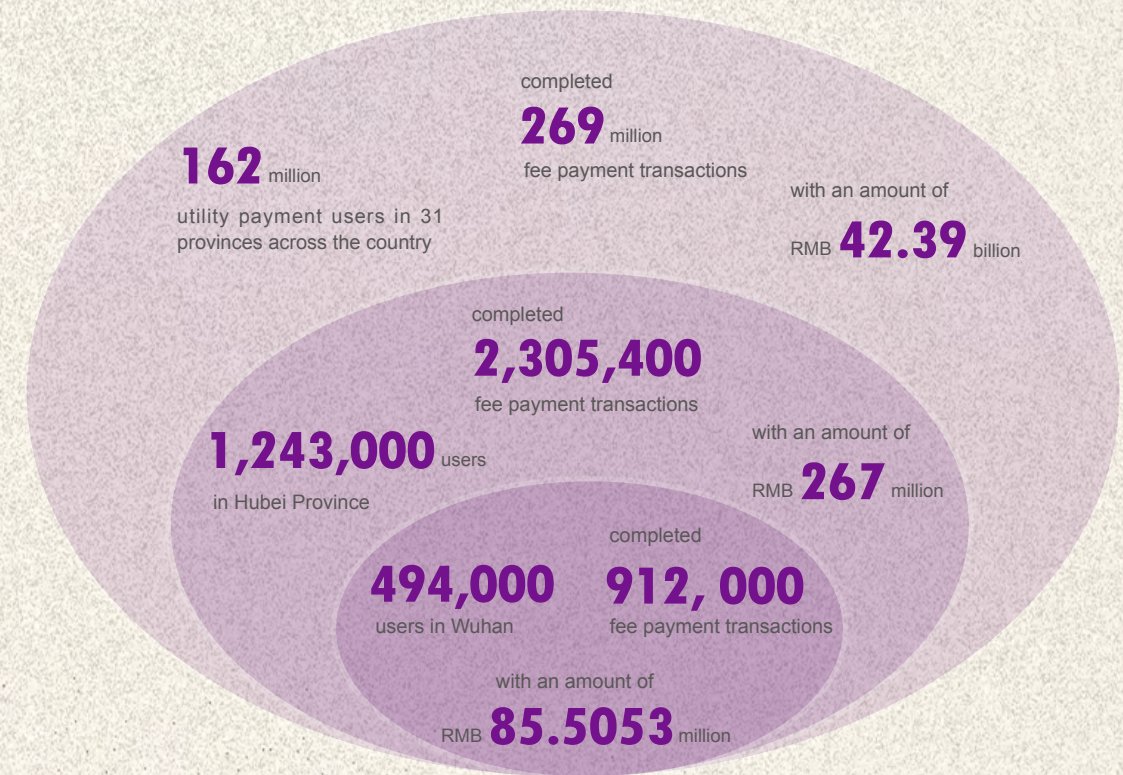
In June, CEB actively responded to the “vegetable basket” test in Beijing, and urgently contacted Shandong Shouguang Vegetable Base to put Shouguang vegetables online and ensure the supply in the market of Beijing.

The Bank established special zones named “Place Orders for Hubei” and “Help Farmers with Love” with favorable prices, to help solve the problem of poor sales of agricultural and livestock products from Hubei Province hit by the pandemic and the CEG’s designated poverty alleviation areas. It only took more than one month to sell a total of 71,900 agricultural products of Hubei, with the sales amount registering RMB5.6342 million, accounting for 10.58% of the total sales of Hubei agricultural products by more than 100 CPC Central Committee and government departments and institutions*.

*Source NDRC

Cloud Fee Payment facilitated the fight against the pandemic

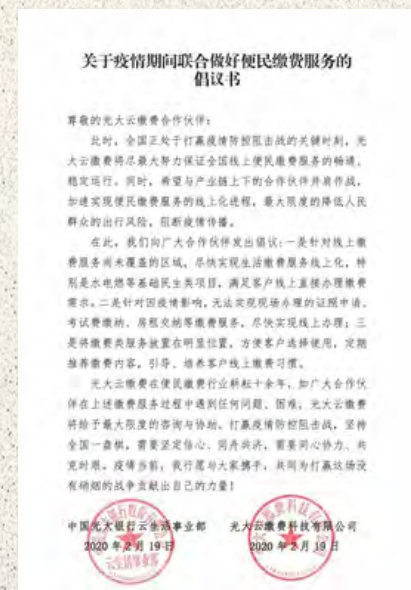
- During the period when the pandemic was severe (from January 24 (Chinese New Year's Eve) to March 31, 2020), the Bank facilitated the smooth operation of fee payment in the country, especially in key areas.



- A variety of publicity methods were employed to call for less contact and less gathering.



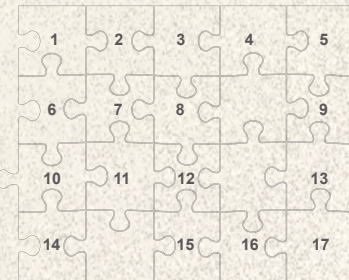
A proposal for convenient fee payment services was issued. More than 200 institutions expressed the intention of cooperation.



Cloud Fee Payment diary for the fight against the pandemic

CSR Topic

Uniting Everbright strengths



- 1.Everbright Financial Leasing Co., Ltd. donated 10 negative pressure ambulances to medical institutions in Hubei Province
- 2.CEB Lujiang Road Sub-branch Hefei Branch donated masks and anti-pandemic supplies to the First Affiliated Hospital of University of Science and Technology of China
- 3.Employees of CEB Changjiang West Road Sub-branch of Hefei Branch delivered masks to customers door to door
- 4.CEB Kunming Branch organized employees to donate blood for social welfare and fight against the pandemic
- 5.CEB Nanjing Branch launched the campaign "Heart to Heart, Fighting the Pandemic"
- 6.Heroes marching straight to the frontlines
- 7.Security guarantee
- 8.CEB Nanning Branch donated daily necessities to households isolated due to the pandemic
- 9.CEB Kunming Branch donated anti-pandemic supplies to the community
- 10.Supporting the resumption for work and production
- 11.Logistics backup
- 12.CEB Xi'an Branch, in cooperation with Shaanxi Charity Association, purchased pandemic response supplies to aid Wuhan city and support medical institutions in Shaanxi Province
- 13.Employees of CEB Changsha Branch donated blood to help fight the pandemic
- 14.Voluntary activities
- 15.Holding posts with tenacity
- 16.CEB Hohhot Branch launched the campaign to collect works on pandemic prevention and control
- 17.Employees of CEB Yantai Branch made donation for local pandemic prevention and control



CSR Topic

Assistance from CEB overseas institutions in the fight against the pandemic

During the COVID-19 pandemic, all CEB overseas institutions worked together to fully support the domestic fight against the pandemic by staff donations, anti-pandemic supply donations, online auctions and themed lectures, demonstrating the cohesiveness of CEB's overseas institutions.

► Everbright Anti-Pandemic Investment Fund

Under the coordination of China Everbright Holdings Company Limited, CEB International and China Everbright Securities International Ltd. have jointly launched the "Everbright Anti-Pandemic Investment Fund", which has received support and recognition from many Hong Kong-based institutions including China Everbright Limited and Hong Kong Chinese Enterprises Association. These efforts helped build up a good image of Everbright to fulfill its social and corporate responsibility.



CSR Topic

Promoting poverty alleviation

→ Fight against the COVID-19 pandemic



CEB International held a charity auction



CEB International and CEB Luxembourg Branch cooperated to donate protective supplies



CEB International and CEB Sydney Branch worked together to donate a negative pressure ambulance

Appendix 1 Honors and Awards

- 1. The Bank was awarded the “Outstanding Contribution Award for Serving Private Enterprises in 2019” in the *Caijing* Sustainable Development Summit & Evergreen Awards Ceremony in January 2020.
- 2. The Bank was awarded the “2019 Innovation China · Online Loan Innovation Product Award” and the “2019 Innovation China · Inclusive Finance Loan Brand Award” in the 2019 Brand Power Economic Forum and (the Third) Innovation Achievement Launch Event jointly sponsored by the *Market Observer* under the SASAC and the People’s Daily News Agency in January 2020.
- 3. The Bank was awarded the “Best Brand Image Bank in 2019” in the evaluation held by Toutiao to rank the active search frequency of the keyword “Everbright Bank”, the click rate of promotional content and the positive comment rate of promotional content by platform users in January 2020.
- 4. The Bank’s Cloud Fee Payment was selected as the Winning Case at the WeChat Pay Industrial Product Application Contest for its excellent services for government affairs in April 2020.
- 5. The China Banking Association issued the *Decision on Commending the Top 100 Institutions and Individuals in China’s Banking Sector for Corporate Social Responsibility in 2019* which officially announced that the Bank’s “Featured Inclusive Financial Services” and “Everbright Cloud Fee Payment for New Life” won the “Best Inclusive Finance Effectiveness Award” and the “Best Corporate Social Responsibility Practice Award of the Year” in July 2020.
- 6. The Bank was awarded the “2019 Outstanding Responsible Enterprise” at the 12th Annual Meeting on Corporate Social Responsibility of Chinese Enterprises, organized by the *Southern Weekly* magazine in July 2020.
- 7. China Everbright Bank’s “Shining 2020 – Telling Everbright Stories with Data and Facts” was awarded the “Influential Brand Communication Case in 2019-2020” at the “Jinnuo Brand Power” - 2020 China Financial Brand Influence Summit hosted by the

- China Banking and Insurance News*, its “Credit Card X Tencent News” program *1068 Examination* case was awarded the “Innovative Brand Communication Case in 2019-2020”, and the case of “Everbright Cloud Fee Payment Practicing Inclusive Financial Communication” was awarded the “Inclusive Finance Brand Communication Case in 2019-2020” in August 2020.
- 8. The Bank won the honor of “Golden Jubilee Award · Outstanding Socially Responsible Enterprise in 2020” for its outstanding contributions in fighting against the pandemic, helping the resumption of work and production, and facilitating targeted poverty alleviation at the “For the future · the Third Capital Market Summit Forum and Annual Golden Jubilee Award Presentation Ceremony”, jointly held by *China Investment Network* and Biaodian Finance and Economics Institute in September, 2020.
- 9. The Bank’s *Poverty Alleviation for 18 Years - Making Every Effort to Fight Against Poverty and Overcoming Difficulties to Help Get Rid of Poverty and A Record of the Deeds of China Everbright Bank* was selected into the compilation of the *Achievements of China’s Banking and Insurance Industries in Assisting Poverty Alleviation* at the Forum on the Banking and Insurance Industry to Help Get Rid of Poverty, organized by the China Banking and Insurance Regulatory Commission and supported by the China Banking Association and the Insurance Industry of China.
- 10. The Bank won the “2020 Corporate Social Responsibility Report Award” at the 13th (2020) PICC China Economic Media Summit jointly organized by the Economic Media Association of China and the newspaper *China Times* under the guidance of China Disabled Persons’ Federation, China Foundation for Disabled Persons and China Poverty Alleviation Foundation in December 2020.
- 11. The Bank was selected as the “Most Socially Responsible Bank of the Year” at the Smart Finance (Beijing) Summit of the 2020 China Banking Development Forum and the 8th Comprehensive Evaluation of Banks and Awarding Ceremony in December 2020.
- 12. The Bank won the 2020 Poverty Alleviation Award at the 2020 Summit Forum on Corporate

- Social Responsibilities and the 15th Corporate Social Responsibility Award Selection and Awarding Ceremony organized by the website people.cn on 12 December 2020.
- 13. The Bank won the “Socially Responsible Vanguard Bank Award” at the 18th China Financial Champion Awards - Bank Summit in 2020, organized by hexun.com in December 2020.
- 14. The Bank won the “2020 Outstanding Socially Responsible Enterprise Award” at the China Corporate Social Responsibility Cloud Summit, jointly organized by Xinhuanet.com and the China Enterprise Reform and Development Society in December 2020.
- 15. The Bank’s “Wonderful E-Shopping” was selected as the “Outstanding Consumption Poverty Alleviation Case” in China at the Third Outstanding Poverty Alleviation Case Report Award Ceremony, held by people.com on December 25, 2020.

(For more information about the Bank’s awards and honors, please refer to the Bank’s 2020 Annual Report.)



Bank
中国光大银行
CHINA EVERBRIGHT BANK
2020 CSR

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Appendix 2 Table of Key Performance Indicators (ESG data included)

Economic performance

Indicator	Unit	2020	2019	2018
Total assets	RMB1 million	5,368,110	4,733,431	4,357,332
Operating income	RMB1 million	142,705	132,939	110,386
Net profit	RMB1 million	37,905	37,441	33,721
Net profit attributable to shareholders of the Bank	RMB1 million	37,824	37,354	33,659
Balance of urbanization construction loans	RMB1 million	135,500	153,200	163,224
Balance of inclusive loans to small and micro-sized enterprises ¹	RMB1 million	201,251	155,396	128,176
Balance of agriculture-related loans	RMB1 million	380,100	341,605	310,289
Balance of green loans ²	RMB1 million	103,723	90,699	78,400

¹The data of 2020, 2019 and 2018 disclosed in this report was the balance of inclusive loans to small and micro-sized enterprises; The data disclosed in the 2019 Corporate Social Responsibility Report was the balance of loans to small and micro-sized enterprise in line with the national standards.

²The data of 2020 was calculated under the standard of the PBOC; The data of 2019 and 2018 was calculated under the standard of the China Banking and Insurance Regulatory Commission.

Social performance

Employment

Indicator	Unit	2020	2019	2018
Number of employees	Person	46,316	45,618	44,982
Number of female employees	Person	25,785	25,332	24,874
Number of male employees	Person	20,531	20,286	20,108
Ratio of male to female employees	/	0.80	0.80	0.80
Number of new employees	Person	2,862	3,767	4,538
Number of ethnic minority employees	Person	1,471	1,344	1,306
Number of foreign employees in domestic Head Office and branches	Person	7	9	5
Proportion of disabled employees	%	0.04	0.04	0.04
Number of disabled employees	Person	17	19	16
Number of employees in the CEB Head Office	Person	7,319	6,827	6,801
Number of employees by management level				
Number of senior management members	Person	384	386	344
Number of middle-level cadres	Person	4,685	4,489	4,441
Number of primary-level employees	Person	41,247	40,743	40,197

Indicator	Unit	2020	2019	2018
Number of employees by educational background				
Master's degree and above	Person	7,437	6,742	6,407
Bachelor's degree	Person	32,958	32,459	31,527
Below bachelor's degree	Person	5,921	6,417	7,048
Total employees by age				
≥40 years old	Person	8,740	7,825	7,391
30 to 39 years old	Person	23,534	20,566	18,530
≤29 years old	Person	14,042	17,227	19,061
Contracted employee turnover rate by age				
Employee turnover rate	%	4.16	4.65	5.86
≥40 years old	%	1.26	1.73	1.95
30 to 39 years old	%	3.98	5.01	5.88
≤29 years old	%	5.97	5.52	7.72

Employee rights and interests

Indicator	Unit	2020	2019	2018
Labor contract signing rate	%	100	100	100
Social security coverage rate	%	100	100	100

Training and development

Indicator	Unit	2020	2019	2018
Number of staff training programs	Session	7,049	7,099	7,051
Staff training	Person-time	744,172	414,042	453,201
Senior management personnel training	Person-time	3,405	1,986	2,740
Middle-level management personnel training	Person-time	72,174	49,765	49,531
Primary-level staff training	Person-time	668,593	362,291	400,930

Care for employees

Indicator	Unit	2020	2019	2018
Total revenue of Sunshine Care Fund of the CEB Head Office	RMB10,000	751.58	776.54	421.41
Cost of Sunshine Care Fund of the CEB Head Office	RMB10,000	349.69	314.42	272.34
People supported by Sunshine Care Fund of the CEB Head Office	Person-time	1,257	273	270

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Anti-corruption

Indicator	Unit	2020	2019	2018
Number of integrity records established for leading officials	/	7,573	7,576	7,398

Products and services

Indicator	Unit	2020	2019	2018
Number of corporate accounts opening handled bank-wide	/	170,699	181,868	147,910
Number of Level 1 service experts rated by the Bank	Person	205	147	139
Number of Level 2 service experts rated by the Bank	Person	996	789	591
Number of community banks	/	495	578	596
Number of private banking customers	/	40,112	32,207	27,954
Number of customer complaints received	/	21,733	5,613	13,550
Customer complaint closing rate	%	100	100	100
Satisfaction rate for customer complaints	%	99.57	99.88	99.8
Number of mobile banking customers	10,000 accounts	4,645	3,736	3,205

Supply chain management

Indicator	Unit	2020	2019	2018
Supplier review coverage rate	%	100	100	100

Community investment

Indicator	Unit	2020	2019	2018
Charitable donations	RMB10,000	4,532	1,951	1,213
Employee volunteer hours	Hour	792	3,783	3,162

Environmental performance

Discharges and emissions

Indicator	Unit	2020	2019	2018
Sulfur dioxide emissions	Ton	0.01	0.01	0.01
Nitrogen oxide emissions	Ton	0.42	0.44	0.55
Total greenhouse gas emissions (Category I & Category II)	Ton	67,242.33	68,891.66	71,661.43
Greenhouse gas emissions per capita (Category I & Category II)	Ton/person	3.19	3.57	3.81
Greenhouse gas emissions per square meter of floor area (Category I & Category II)	Ton/m²	0.10	0.10	0.11
Direct discharges & emissions (Category I)	Ton	5,087.59	5,022.59	5,470.77
Fuel consumption of corporate vehicles	/	1,227.58	1,355.70	1,515.66
Diesel consumption of facilities	/	1,134.40	1,299.80	1,652.77
Gas consumption	/	2,725.61	2,367.10	2,302.34
Indirect discharges & emissions (Category II)	Ton	62,154.75	63,869.07	66,190.66
Purchased electricity power	/	62,154.75	63,869.07	66,190.66
Total hazardous waste discharges	Ton	261.61	248.41	194.63
Hazardous waste discharges per capita	Ton/person	0.01	0.01	0.01
Hazardous waste discharges per square meter of floor area	Ton/m²	0.0004	0.0004	0.0003
Non-hazardous waste discharges	Ton	1,971.06	1,753.02	2,010.20
Non-hazardous waste discharges per capita	Ton/person	0.09	0.09	0.11
Non-hazardous waste discharges per square meter of floor area	Ton/m²	0.003	0.003	0.003



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Resource consumption

Indicator	Unit	2020	2019	2018
Total energy consumption	MWH	109,383.29	110,833.10	117,507.34
Energy consumption per capita	MWH/person	5.19	5.75	6.25
Energy consumption per square meter of floor area	MWH/m ²	0.17	0.16	0.18
Direct energy consumption	MWH	22,649.55	22,007.78	24,244.60
Fuel consumption of corporate vehicles	/	4,901.46	5,411.51	6,184.17
Diesel consumption of facilities	/	4,264.33	4,886.08	6,285.94
Gas	/	13,483.76	11,710.18	11,774.49
Indirect energy consumption	MWH	86,733.74	88,825.33	93,262.74
Purchased electricity power	/	86,733.74	88,825.33	93,262.74
Purchased electricity power consumption of the CEB Head Office	MWH	32,103.71	33,214.41	31,731.055
Daily water consumption	Ton	510,075.83	516,587.02	501,748.50
Daily water consumption of the CEB Head Office	Ton	82,111.00	103,852.00	102,405.00
Daily water consumption per capita	Ton	24.20	26.79	26.70
Daily water consumption per square meter of floor area	Ton/m ²	0.77	0.76	0.75
Total copy paper consumption	Ton	658.44	480.3	701.98

- Notes:
1. The data of environmental performance covers the office building of the China Everbright Bank.
 2. In calculating discharges and emissions, resource consumption and waste density, the staff count covers the office building of the China Everbright Bank.
 3. Based on the nature of the Bank's business, its emissions mainly come from the exhaust gas produced by corporate vehicles, including sulfur dioxide and nitrogen oxides. The data of sulfur dioxide and nitrogen oxide emission is calculated according to the *Technical Guidelines for the Compilation of Air Pollutant Emission Inventories of Road Motor Vehicles (Trial)* released by the Ministry of Ecology and Environment of the People's Republic of China.
 4. Based on the nature of the Bank's business, the greenhouse gas inventories contain carbon dioxide, methane and nitrous oxide, which are mainly produced from purchased electricity power and fossil fuel combustion. Emissions of greenhouse gases are presented in terms of carbon dioxide equivalent, and calculated in accordance with the *2015 Power Grid Baseline Emission Factors in China* released by the National Development and Reform Commission (NDRC) and *2006 IPCC Guidelines for National Greenhouse Gas Inventories* publicized by the Intergovernmental Panel on Climate Change (IPCC).
 5. Hazardous wastes include used modulator tube and waste ink cartridge, and non-hazardous wastes mainly come from office waste paper. The Bank collects and recycles the waste ink cartridges, waste paper and other wastes regularly. Waste modulator tubes are uniformly recycled and disposed of by the property company from time to time, which are not included in the total hazardous waste discharges. Therefore, the total amount of hazardous waste discharges equals to the number of the waste ink cartridges.
 6. The Bank's main sources of energy consumption are gas and purchased electricity power. Calculation of energy consumption data is based on electricity power and fuel consumption and relevant conversion coefficients provided in the national standards of *General Rules for Calculation of Comprehensive Energy Consumption (GB/T 2589-2008)* published by General Administration of Quality Supervision, Inspection and Quarantine and Standardization Administration of the People's Republic of China.
 7. As water charges were included in the management fee paid to the property owner, the corresponding consumption data could not be obtained. In addition, the Bank is not short of water, and provides staff with barreled pure drinking water from the supplier.

Appendix 3 Index of *Environmental, Social and Governance Reporting Guide* by the Stock Exchange of Hong Kong Ltd.

Aspects, General Disclosures and KPIs	Description	Chapter
Aspect A1: Emissions		
General Disclosure	Information on: (a)the policies; and (b)compliance with relevant laws and regulations that have a significant impact on the issuer relating to air ¹ and greenhouse gas ² emissions, discharges into water and land, and generation of hazardous and non-hazardous waste ³ .	P94-P96
KPI A1.1	The types of emissions and respective emissions data.	P132-P133
KPI A1.2	Direct (Category I) and energy indirect (Category II) greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P132
KPI A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P132
KPI A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P132
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	P94-P96
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P94-P96
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources ⁴ , including energy, water and other raw materials.	P94-P96
KPI 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).	P133
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P133
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P94-P96
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P94-P96
KPI A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	/
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	P94-P96
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P94-P96
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	P87-P95
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	P87-P96

¹Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations

²Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

³Hazardous wastes are those defined by national regulations.

⁴Resources may be used in production, storage, transportation, buildings, electronic equipment, etc.



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Aspects, General Disclosures and KPIs	Description	Chapter
Employment and Labor Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P73-P74 P79-P80
KPI B1.1	Total workforce by gender, employment type (for example, full- or part- time), age group and geographical region.	P129-P130
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	P130
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P78
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	/
KPI B2.2	Lost days due to work injury.	/
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P78
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training ⁵ activities.	P75-P77
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P130
KPI B3.2	The average training hours completed per employee by gender and employee category.	/
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	P73-P74
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	P73-P74
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	/
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	P82
KPI B5.1	Number of suppliers by geographical region.	/
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P82
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P82
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P82

⁵ Training refers to vocational training, which may include internal and external courses paid by the employer.

Aspects, General Disclosures and KPIs	Description	Chapter
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	P63-P72
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	/
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	P65,P131
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	/
KPI B6.4	Description of quality assurance process and recall procedures.	/
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P64
Aspect B7: Anti- corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P108-P109
KPI 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.	/
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P108-P109
KPI B7.3	Description of anti-corruption training provided to directors and staff.	P108-P109
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P83-P84
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	P83-P84
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	P83-P84 P131

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GRI Indicator	Description	Chapter
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G102-5	Ownership and legal form	P10
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G102-8	Information on employees and other workers	P73-P81
G102-9	Supply chain	P82
G102-10	Significant changes to the organization and its supply chain	P10
G102-11	Precautionary Principle or approach	P110-P112
G102-12	External initiatives	P2
G102-13	Membership of associations	P127-P128
Strategy		
G102-14	Statement from senior decision-maker	P7-P8
G102-15	Key impacts, risks, and opportunities	P7-P8
Ethics and integrity		
G102-16	Values, principles, standards, and norms of behavior	P10,P64,P73-P74,P82
G102-17	Mechanisms for advice and concerns about ethics	P108-P109
Governance		
G102-18	Governance structure	P101,P105-P107
G102-19	Delegating authority	P101
G102-20	Executive-level responsibility for economic, environmental, and social topics	P101
G102-21	Consulting stakeholders on economic, environmental, and social topics	P104
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G102-33	Communicating critical concerns	P102-P104
G102-34	Nature and total number of critical concerns	P102-P104
G102-35	Remuneration policies	P74
G102-36	Process for determining remuneration	N/A
G102-37	Stakeholders' involvement in remuneration	N/A
G102-38	Annual total remuneration ratio	N/A
G102-39	Percentage increase in annual total remuneration ratio	N/A

GRI Indicator	Description	Chapter
Stakeholder engagement		
G102-40	List of stakeholder groups	P104
G102-41	Collective bargaining agreements	N/A
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Reporting practice		
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Management approach		
G103-1	Explanation of the material topic and its boundary	P102-P104
G103-2	The management approach and its components	P105-P112
G103-3	Evaluation of the management approach	N/A
Economic performance		
G201-1	Direct economic value generated and distributed	P129
G201-2	Financial implications and other risks and opportunities due to climate change	P89-P93
G201-3	Defined benefit plan obligations and other retirement plans	P79-P81
G201-4	Financial assistance received from government	N/A
Market Presence		
G202-1	Ratios of standard entry level wage by gender compared to local minimum wage	N/A
G202-2	Proportion of senior management hired from the local community	N/A
Indirect economic impacts		
G203-1	Infrastructure investments and services supported	P17-P50
G203-2	Significant indirect economic impacts	P17-P32
Procurement practices		
G204-1	Procurement Practices	P82
Anti-corruption		
G205-1	Operations assessed for risks related to corruption	N/A
G205-2	Communication and training about anti-corruption policies and procedures	P108-P109
G205-3	Confirmed incidents of corruption and actions taken	P108-P109



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GRI Indicator	Description	Chapter
Anti-competitive Behavior		
G206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	N/A
Materials		
G301-1	Materials used by weight or volume	P133
G301-2	Recycled input materials used	N/A
G301-3	Reclaimed products and their packaging materials	N/A
Energy		
G302-1	Energy consumption within the organization	P133
G302-2	Energy consumption outside of the organization	P133
G302-3	Energy intensity	P133
G302-4	Reduction of energy consumption	P133
G302-5	Reductions in energy requirements of products and services	P94-P95
Water		
G303-1	Water withdrawal by source	N/A
G303-2	Water sources significantly affected by withdrawal of water	N/A
G303-3	Water recycled and reused	N/A
Emissions		
G305-1	Direct (Category I) GHG emissions	P132
G305-2	Energy indirect (Category II) GHG emissions	P132
G305-3	Other indirect (Category III) GHG emissions	N/A
G305-4	GHG emissions intensity	P132
G305-5	Reduction of GHG emissions	P132
G305-6	Emissions of ozone-depleting substances (ODS)	N/A
G305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions ¹	P132
Effluents and waste		
G306-1	Water discharge by quality and destination	N/A
G306-2	Waste by type and disposal method	P132
G306-3	Significant spills	N/A
G306-4	Transport of hazardous waste	N/A
G306-5	Water bodies affected by water discharges and/or runoff	N/A
Environmental compliance		
G307-1	Non-compliance with environmental laws and regulations	N/A
Supplier Environmental assessment		
G308-1	New suppliers that were screened using environmental criteria	P82
G308-2	Negative environmental impacts in the supply chain and actions taken	P82
Employment		
G401-1	New employee hires and employee turnover	P129
G401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	P73- P81,P130
G401-3	Parental leave	N/A
Labor/Management Relations		
G402-1	Minimum notice periods regarding operational changes	N/A
Occupational health and safety		
G403-1	Workers representation in formal joint management–worker health and safety committees	N/A
G403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	N/A
G403-3	Workers with high incidence or high risk of diseases related to their occupation	N/A
G403-4	Health and safety topics covered in formal agreements with trade unions	N/A

GRI Indicator	Description	Chapter
Training and education		
G404-1	Average hours of training per year per employee	N/A
G404-2	Programs for upgrading employee skills and transition assistance programs	P75-P77
G404-3	Percentage of employees receiving regular performance and career development reviews	N/A
Diversity and equal opportunity		
G405-1	Diversity of governance bodies and employees	P73,P105,P107
G405-2	Ratio of basic salary and remuneration of women to men	N/A
Non-discrimination		
G406-1	Incidents of discrimination and corrective actions taken	P73
Freedom of association and collective bargaining		
G407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	N/A
Child labor		
G408-1	Operations and suppliers at significant risk for incidents of child labor	P74
Forced or compulsory labor		
G409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	N/A
Security practices		
G410-1	Security personnel trained in human rights policies or procedures	N/A
Rights of indigenous peoples		
G411-1	Incidents of violations involving rights of indigenous peoples	N/A
Human rights assessment		
G412-1	Operations that have been subject to human rights reviews or impact assessments	N/A
G412-2	Employee training on human rights policies or procedures	N/A
G412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	N/A
Local communities		
G413-1	Operations with local community engagement, impact assessments, and development programs	P83-P84
G413-2	Operations with significant actual and potential negative impacts on local communities	P131
Supplier social assessment		
G414-1	New suppliers that were screened using social criteria	P82
G414-2	Negative social impacts in the supply chain and actions taken	N/A
Public policy		
G415-1	Political contributions	N/A
Customer health and safety		
G416-1	Assessment of the health and safety impacts of product and service categories	P66
G416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	N/A
Marketing and labeling		
G417-1	Requirements for product and service information and labeling	N/A
G417-2	Incidents of non-compliance concerning product and service information and labeling	N/A
G417-3	Incidents of non-compliance concerning marketing communications	N/A
Customer privacy		
G418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	P66
Social and economic compliance		
G419-1	Non-compliance with laws and regulations in the social and economic area	N/A

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Appendix 5 Independent Assurance Engagement Report of the CSR Report



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Independent Assurance Report
on the Corporate Social Responsibility Report

安永华明（2021）专字第 60770055_A01 号
China Everbright Bank Company Limited

The Board of Directors of China Everbright Bank Company Limited:

We have been engaged to express a limited assurance opinion on the selected data in the 2020 Corporate Social Responsibility Report of China Everbright Bank Company Limited ("CSR Report") prepared by China Everbright Bank Company Limited ("China Everbright Bank").

I. The Board of Directors' responsibilities

The Board of Directors of China Everbright Bank are responsible for the preparation and presentation of the selected data in accordance with the basis of reporting. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the selected data; and making estimates that are reasonable in the circumstances.

II. Our responsibilities

Our responsibility is to express a conclusion on the selected data in the CSR report based on our work performed. We report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our work on the selected data in accordance with the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance as to whether any matters have come to our attention that causes us to believe that the selected data as at 31 December 2020 and for the year then ended in the CSR report is not prepared in all material respects in accordance with the basis of reporting.

III. Scope of work, approach, and limitation

The selected data in the CSR report that is covered by this report is as follows:

- Balance of inclusive loans to small and micro-sized enterprises (RMB1 million)
- Balance of urbanization construction loans (RMB1 million)
- Balance of agriculture-related loans (RMB1 million)
- Balance of green loans (RMB1 million)



安永华明（2021）专字第 60770055_A01 号
China Everbright Bank Company Limited

Independent Assurance Report
on the Corporate Social Responsibility Report

- Number of employees (Person)
- Number of female employees (Person)
- Number of staff training programs (Session)
- Customer complaint closing rate (%)
- Total number of Cloud Fee Payment service items
- Charitable donations (RMB10,000)
- Purchased electricity power consumption of the CEB Head Office (MWH)
- Daily water consumption of the CEB Head Office (Ton)
- Number of domestic branches and institutions
- Employee volunteer hours (Hour)

Our work was performed at the Head Office and Beijing Branch of China Everbright Bank, which includes:

- Interviews with management and personnel in the departments involved in providing information for inclusion in the CSR report in relation to the selected data;
- Analytical procedures;
- Examination, on a test basis, of documentary evidence relating to the selected data on which we report;
- Recalculation;
- Other procedures deemed necessary.

In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement, and the therefore less assurance is obtained than in a reasonable assurance engagement. The procedures selected depend on the practitioner's judgment, including the assessment of the risks of material non-compliance of the selected data prepared in accordance with the basis of reporting.

Our work was limited to the selected data as of 31 December 2020 and for the year then ended in the CSR report. We have not performed any procedures over other data included in the CSR report, nor have we performed any procedures on other data or data for 2019 and years before. In addition, our work performed was not for the purpose of expressing an opinion on the effectiveness of China Everbright Bank internal controls.

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China Everbright Bank Company Limited

IV. Conclusion

Based on the limited assurance work which we have performed, nothing has come to our attention that causes us to believe that the selected data as at 31 December 2020 and for the year the ended has not been prepared, in all material respects, in accordance with the basis of reporting listed in the CSR report.

V. Our independence, quality control and assurance team

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants. We have complied with the quality control requirements of the *International Standard on Quality Control 1*. Our team has required competencies and experience for this assurance engagement.

Ernst & Young Hua Ming LLP

Ernst & Young Hua Ming LLP

Beijing, China

26 March 2021



Appendix 6 Feedback

Dear reader,

We highly appreciate your reading of the 2020 Corporate Social Responsibility Report of China Everbright Bank. To better meet your needs and provide you with information of greater value, and also to help us continuously improve our CSR performance and capability, we sincerely look forward to your comments and opinions on this Report given through the QR code or the following contact information:

Address: China Everbright Center, No.25, Taipingqiao Street, Xicheng District, Beijing

Postal code: 100033

Tel: 86-10-63636363

Thank you!

China Everbright Bank

March 2021

1. What is your overall opinion on this Report?

☐Very good ☐ Good ☐ Average

2. What is your opinion on CEB in the field of creating economic value?

☐Very good ☐ Good ☐ Average

3. What is your opinion on CEB in the field of creating social value?

☐Very good ☐ Good ☐ Average

4. What is your opinion on CEB in the field of creating governance value?

☐Very good ☐ Good ☐ Average

5. What is your opinion on CEB in the field of creating environmental value?

☐Very good ☐ Good ☐ Average

6. What are your further suggestions on CEB's performance of CSR?

Thanks for your support and help to CEB.

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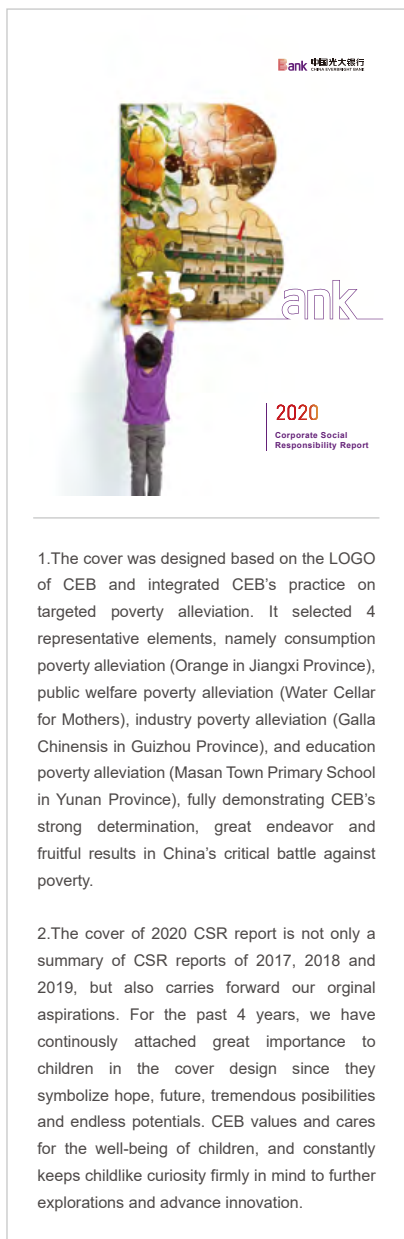
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CEB Official Subscription



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