

China CITIC Bank Corporation Limited

2021 Sustainability Report

March 24th, 2022

Preparation Explanation

Reporting Scope

The *2021 Sustainability Report of China CITIC Bank Corporation Limited* is hereinafter referred to as “the Report”.

Unless otherwise specified, for the purpose of the Report, “the Bank” refers to China CITIC Bank Corporation Limited, “the Group” refers to China CITIC Bank Corporation Limited and its subsidiaries. The subsidiaries of China CITIC Bank Corporation Limited include: Zhejiang Lin'an CITIC Rural Bank, CITIC Financial Leasing Co., Ltd., CITIC Wealth Management Corporation Limited, CITIC International Financial Holdings Limited, and CNBC (Hong Kong) Investment Limited (formerly known as “China Investment and Finance Limited”), excluding CITIC aiBank Corporation Limited and JSC Altyr Bank.

Preparation Basis

The present report is prepared on the principle of responding to the United Nations' Sustainable Development Goals.

The basis for preparation of the Report includes the *Opinions on Strengthening Social Responsibilities of Banking Financial Institutions* promulgated by the China Banking Regulatory Commission (“CBRC” hereinafter), SSE's *Guidelines on Preparation of Report on Company's Fulfillment of Social Responsibilities*, and relevant notifications released by the SSE, as well as Appendix 27 *Environmental, Social and Governance Reporting Guide*¹ (hereinafter referred to as the “ESG Guide”) to the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited*.

The Report was prepared in accordance with the Core option of the *Sustainability Reporting Standards (2016)*² issued by the Global Reporting Initiative (“GRI Standards” hereinafter). For the purpose of the Report, the quantification of greenhouse gas emissions was based on ISO14064-1:2006³.

The Report was prepared with reference made to the *Guidelines on Corporate Social Responsibilities of Banking Financial Institutions* promulgated by the China Banking Association (“CBA” hereinafter) and GB/T36001-2015 *Guide on the Preparation of Social Responsibilities Report*.

Principles of the Report

Materiality: The Bank identified key topics on sustainable development, made communication with stakeholders, performed the materiality assessment and sequencing procedures for such key topics, and disclosed relevant key topics based on their materiality levels. For more information on the process of sorting out and carrying out materiality assessment for key topics on sustainable development, please read the section “Compilation of Report”.

Quantification: The Bank measured and disclosed the applicable key performance indicators (KPIs) according to the relevant quantitative standards. The information on the standards, methods, assumptions and/or calculation tools used for the quantification of environmental data, as well as the sources of the conversion factors used, was disclosed in the appropriate places.

¹The traditional Chinese version shall prevail.

²The English version shall prevail.

³The English version shall prevail.

Consistency: The preparation, disclosure, and statistical methods as well as KPI measures in the Report are consistent with those of previous years. No changes have been identified that may affect their comparability.

Preparation Method

The work process related to preparation of the Report was based on the *Measures for Management of Sustainable Development Reporting of China CITIC Bank*. Methodologies for collection of data, statements and cases disclosed in the Report are made through the Information Management System for Sustainable Development of the Bank.

Information about the Board of Directors, the Board of Supervisors, corporate governance and risk management information and financial data in the Report were sourced from the *2021 Annual Report (A Share) of China CITIC Bank Corporation Limited*.

Unless otherwise specified, for the purpose of the Report, denomination currency is “Renminbi” and “as at the end of the year” refers to “as at December 31st, 2021”. “Over the previous year” refers to “data over the same period of the previous year”.

The Report was written in the Simplified Chinese. The Traditional Chinese version and the English version were translated based on the Simplified Chinese version. In case of any discrepancies among the versions, the Simplified Chinese version shall prevail.

Preparer of the Report

The Report was prepared by the Culture and Labor Union Department of China CITIC Bank Corporation Limited located in 6-30/F and 32-42/F, Building No.1, 10 Guanghai Road, Chaoyang District, Beijing.

Reporting Period

This report is an annual report. The disclosure date of the Bank’s previous report is March 25th, 2021. Unless otherwise specified, the reporting period, as covered by the Report, ranges from January 1st, 2021 to December 31st, 2021. Unless otherwise specified, the time ranges of the statistics regarding the statements, data and cases as mentioned in the Report coincide with those of the Report. All data mentioned in the Report relating to the previous reporting period are basically consistent with those data disclosed in the previous report of the Bank.

Responsibility of the Report

The Report was deliberated and adopted by the Board of Directors, the Board of Supervisors and the senior management of the Group. The Board of Directors and all directors of the Group guarantee that the information contained herein does not include any false record, misleading statements or material omissions, and assume several and joint liabilities for its truthfulness, accuracy and completeness.

Assurance of the Report

PwC Zhong Tian LLP has carried out independent limited assurance of the Report and produced its independent assurance report thereof (refer to the relevant annex of the Report).

Publication of the Report

The Simplified Chinese version of the Report is released in the three forms of interim announcement, printed hardcopy and PDF electronic edition. The interim announcement edition is released at SSE. Hardcopies are distributed to the public via outlets in Chinese mainland of the Bank, by postal service or at related events. The PDF electronic edition is

made available on the official website of the Bank (<http://www.citicbank.com/>). The Traditional Chinese version of the Report is released in the two forms of interim announcement and PDF electronic edition. The interim announcement edition is released on The Stock Exchange of Hong Kong Limited. The PDF electronic edition is made available on the official website of the Bank. The English version of the Report is made available on the official website of the Bank in the form of PDF electronic edition.

The Group has officially published its social responsibility information in the form of independent social responsibility report once a year as of 2008. The Report is the 4th sustainable development information officially published by the Group in the form of independent report and after independent assurance by a third party. The Report is both the 14th social responsibility information officially published by the Group in the form of independent social responsibility report and the 13th social responsibility information officially published by the Group after independent assurance by a third party.

Contents

Chairman's Letter to Shareholders.....	P6
President's Letter to Shareholders.....	P8
The Group's Profile	P11
Key Performance Indicators.....	P11
Chapter I Strategy and Governance.....	P14
Full and Strict Party Self-governance Strategic Plan Values Sustainable Development Concept Corporate Governance Compilation of Report	
Chapter II Development and Internal Control.....	P34
National Strategies Financial Supervision Internal Control and Management	
Chapter III Green Banking and Environmental Protection.....	P46
Green Credit FinTech Carbon Footprint	
Chapter IV Employees and Society.....	P58
Customer Service Employee Development Community Development	
Independent Assurance Report.....	P78
Annexes.....	P82
Honors & Awards Corporate Culture Stories GRI Index ESG Index	
Figures, Tables and Cases Feedback Questionnaire	

Chairman's Letter to Shareholders

In 2021, amid the raging COVID-19 pandemic and changes unseen in the past century, the world economy and the Chinese economy were intertwined, the human society and the natural environment closely linked, and the banking industry and society both experienced reform and innovation. Transforming to become a “bank of value”, China CITIC Bank resolutely shouldered its responsibilities as a state-owned financial enterprise and showed more courage and passion than ever before in pursuing comprehensive and sustainable development in the economic, social and environmental fields.

We returned to the original purpose of finance and served the real economy. We firmly bore in mind that “serving the real economy is the calling of the financial industry.” With focus on our principal business, we took multiple measures to increase support for national strategic key areas. We allowed enterprises in need to defer principal and interest repayments on loans, and took a multi-pronged approach to help them solve financing problems. We coordinated the work for business development and security, stepped up efforts to guard against systemic financial risks, created a stable environment and foundation, and delivered better and more efficient financial services to the real economy.

We stood with the people and businesses and faced the COVID-19 crisis squarely. When a disaster strikes in one location, help comes from all quarters. We joined the fight against the virus by making donations, sourcing supplies and providing volunteer services. We actively responded to the national anti-epidemic plan, established a regular epidemic prevention and control mechanism, and made every effort to provide basic financial services and emergency support. We actively expanded financing channels for enterprises affected by the epidemic, increased credit extension, reduced fees and helped enterprises fight the virus.

We cared about the people's wellbeing, and promoted social progress with financial services. We are well aware that what we have today comes from society and we should give back to society. Over the past decade, we have conducted targeted poverty alleviation in Xietongmen County of Tibet, Dangchang County of Gansu Province, and Jiashi County of Xinjiang; launched educational assistance projects in 20 provincial regions across the country; and offered targeted medical assistance in the western region and the “three regions and three prefectures”. In 2021 alone, we donated RMB 11.6192 million and launched 208 targeted-assistance and charitable projects. When a major flood hit Zhengzhou on July 20, all our local outlets actively responded by offering emergency shelters and flood relief materials to local people. To promote rural revitalization with financial services, we set up the Rural Revitalization Department, and worked to consolidate the achievements made in poverty alleviation while effectively advancing rural revitalization.

We pursued green development and protected our common home. We firmly believe that “the path to the future of banks is one of green development,” and protect the lush hills and lucid waters with financial resources. In 2021, we worked to deliver on China's commitment to peak carbon emissions and achieve carbon neutrality. We implemented the Group's low-carbon development strategy featuring “two increases and one reduction”, and included green finance into our strategic plan. We specified the development direction of green industries and the requirements for environmental (climate) and social risk management, and strictly controlled the credit scale for energy-intensive and highly-emitting projects. We promoted the practice of green office, implemented the green entry policy for suppliers, guided and supported our customers to fulfill their commitment to energy conservation and emissions reduction, thus contributing to the harmonious coexistence between man and

nature. We played an active role in international sustainability governance. The “carbon footprint” management had covered all our domestic and overseas branches and subsidiaries. By the year-end, our greenhouse gas (GHG) emissions amounted to about 164,300 tons, about 2.77 tons per capita.

We were open and integrated to generate diverse value for customers. We adhere to the principle of “altruism and win-win cooperation” and the concept of “One CITIC, One Customer.” Leveraging the Group’s advantages in both the financial and industrial sectors, we concentrate on improving comprehensive financial services. As the Group’s main collaboration platform, we sound the horn of “CITIC United Fleet,” stay oriented to customer value, and provide one-stop, multi-scenario and whole-lifecycle professional services to customers, to form a comprehensive service ecosystem that is “more than finance”.

We employed technology to empower industry transformation and upgrade. Committed to becoming “a first-class technology-driven joint-stock bank,” we promote agile innovation via the technology-business integration mechanism, reduce the operating cost with the help of technology, and give full play to our advantages as a pioneer in digitization to increase the financial product supply efficiency. In 2021, adapting to the trend of “contactless” services, we optimized online and intelligent services, improved the whole customer experience, protected the rights of customers, stepped up to address the root causes of customer grievances, and enhanced their sense of gains from financial services. We were the first to release our own proposal for delivering financial services with rarely used characters and explore the “cloud” technology for digitization. We are the only joint-stock bank recognized by the People’s Bank of China as an excellent pilot institution for financial information technology innovation.

Despite challenges ahead, we are confident about the future. In 2022, China CITIC Bank will turn 35. We will continue to inherit the Group’s corporate culture, maintain our strategic focus, take the initiative to embrace changes, and strive to become a unique and responsible enterprise offering the best comprehensive financial services with value and a human touch. We will continue to integrate the concept of sustainable development into the corporate development strategy, governance structure, corporate culture and business process, and work together with shareholders, customers, employees and all walks of society to create a better future for all!

Chairman

Zhu Hexin

March 24th, 2022

President's Letter to Shareholders

Last year was full of uncertainty. The pandemic lingered and disrupted the normal life, the internal and external situations remained complex and severe, and the world entered a new phase of turbulent transformation. At China CITIC Bank, we adhered to the leadership of the Party building, fostered new opportunities amidst crises, and opened up new horizons on a shifting landscape. With high-quality development as the theme, value creation as the main task, and technology as the engine, we continued to seek long-term, high-quality, rapid development and promote the transformation to “light capital, light asset and light cost,” and strived to become a unique and responsible enterprise offering the best comprehensive financial services with value and a human touch.

The Board of Directors attaches great importance to the sustainable development of the Bank and all stakeholders. Following the Board's strategic guidance, the senior management actively organized efforts in daily operations and made progress in customer service, consumer rights protection, internal control management, employee development and charitable activities. By the end of 2021, China CITIC Bank registered nearly 60 thousand employees, the operating income of more than RMB 200 billion, total assets of more than RMB 8 trillion, and expanded in scale with improved efficiency and quality. The social contribution per share was RMB 5.64, an increase of 7.43%. The Bank ranked 16th on *The Banker's* Top 500 Banking Brands of 2021, with its brand asset value and international influence steadily rising.

First, in the economic field.

Significant results were achieved in high-quality development. We continued to uphold business compliance. We resolutely fought three critical battles for “asset quality control, expansion and in-depth management of customers, and development of key regions.” We advanced the comprehensive risk management system featuring “effective risk control and strong boost to development,” and made noticeable progress in NPL disposal and key-risk mitigation. We saw a drop in both the NPL ratio and amount for the first time in 11 years, and the highest provision coverage ratio in seven years. We deepened the “one policy for one branch” approach, and increased the value contribution of branches of strategic pivot and branches in key regions.

We increased support for the real economy. With focus on inclusive finance, state-level regional development strategies, people's wellbeing and the Belt and Road Initiative, we helped micro, small, and medium-sized enterprises ease financing difficulties, drove industry transformation and upgrading, improved cross-border financial infrastructure, and supported the manufacturing industry and strategic emerging industries. The balance of inclusive loans to micro and small enterprises amounted to RMB 366.867billion, an increase of 23.03%, and the number of clients with outstanding loans was 181,700, an increase of about 20,000 from the beginning of the year

We improved the customer experience. We held firm to customer orientation. On the Group's integrated platform, we made use of the full range of financial licenses, and strived to build three value chains of wealth management, asset management and integrated financing. We extended financing cooperation to the integration of industry and finance, and

provided financial and non-financial services to customers. We had opened 1,415 outlets in 153 medium-sized and large cities across the country and put into operation 5,397 self-service devices, covering all provincial administrative regions. We improved customer service procedures and channels, strengthened customer grievance response, and exempted personal account service charges worth about RMB 2,748 million for about 11.0035 million transactions. Personal mobile banking transactions amounted to RMB 11,910.445 billion, an increase of 13.18%; the substitution rate of e-banking transactions was about 99.65%, an increase of 0.11 percentage point.

The effort in digitization paid off. Driven by the high-tech engine, we increased investment in technology R&D, improved the organizational structure of the fintech business line, and deepened the empowerment of digital technology in business area by leaps. A number of key projects, such as the Wealth Customer Journey and AI-empowered risk management were launched, to deliver a more intelligent, considerate customer experience.

Second, in the social field.

We fulfilled our social responsibilities and shouldered new responsibilities in the new era. We made sustained efforts in providing targeted assistance, improving local education, culture, industries in poverty-stricken areas, boosting consumption of products from these areas, consolidating achievements made in poverty alleviation, driving rural revitalization, providing public-welfare assistance and in fighting the COVID-19. As at the end of the year, we opened 159 county-level outlets, the balance of targeted-assistance loans amounted RMB 30.849 billion, an increase of 5.68%, and that of loans to poverty-stricken areas RMB 14.526 billion, an increase of 5.65%. We donated RMB 11.6192 million in 2021 alone, launched 208 targeted-assistance and charitable projects, and sent 84 full-time and part-time anti-poverty officials to poverty-stricken areas, benefiting 42,300 people of 12,700 households in need, 3,101 primary and middle school students from poor families and 1,200 university students. We also helped 113 children with congenital heart disease. We supported the fight against the epidemic and actively gave back to society. Our staff donated RMB 4.1462 million in cash and in kind, an increase of 8.18%, and we organized 288 volunteer activities and offered 11,960 volunteer opportunities.

We protected consumer rights on various fronts. We adhered to the “people-centered” development philosophy, and worked actively and continuously to improve the management system for consumer rights protection. We popularized financial knowledge among community residents, especially the middle-aged and elderly groups, including knowledge on how to protect oneself from phone frauds and other e-crimes, which was praised by the regulatory authorities and the public. In 2021, we organized about 14,670 such public-information sessions on financial literacy, distributed over 39.15 million copies of materials, and attracted more than 57.35 million online views, reaching an audience of more than 120 million.

We joined hands with employees to create value together. We respect, motivate and care for employees. We have established a dual-channel career development system for managerial talents and professionals, continued to build up the talent pool and the cadre team, and established a sound training system. We go all out to protect the employee rights and create a workplace of diversity. In 2021, we invested RMB 97.4812 million in training, paid 59,000 regular sympathy visits to employees, allocated more than RMB 24 million for sympathy money, and organized over 1,500 cultural and sports activities that involved about 200,000 participants.

Third, in the environmental field.

We vigorously developed green finance. We continued to implement the 14th Five-Year Plan and the development strategy for peaking carbon emissions and achieving carbon neutrality, and helped promote green recovery and low-carbon development in the post-epidemic era. We vigorously developed green finance, promoted the innovation of green finance business within the framework of the Bank's credit orientation policy, and improved the quality and efficiency of green finance products and services. The Bank developed the first carbon-neutral bond in the market, and struck the first carbon-neutral derivative deal in China. The balance of green credit was RMB 205.425 billion.

We contributed to ecological conservation. We applied the new development philosophy, specified wind power, photovoltaic power generation and new-energy vehicles as key areas, and strongly supported the development of green, low-carbon and circular economy. While stepping up to build us into a green bank, we actively investigated and assessed the environmental and social risks of suppliers, strictly controlled the credit scale to high-polluting and energy-intensive projects, and supported the fight against pollution.

Only in hard times can courage and perseverance be manifested. Only after polishing can a piece of jade be finer. Looking into 2022, the senior management of China CITIC Bank will follow the strategic guidance of the Board of Directors, drive high-quality development with the new development philosophy, take stronger actions with stronger confidence, forge ahead and make greater contributions to the economic and social development and the people's wellbeing.

Executive Director, President

Fang Heying

March 24th, 2022

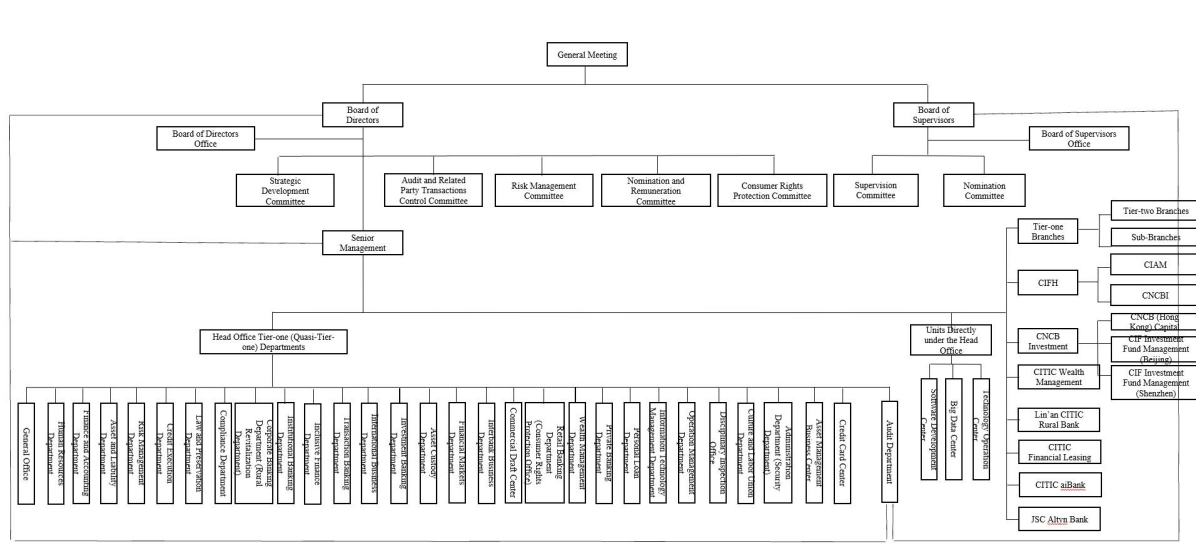
The Group's Profile

Founded in 1987, the Group is one of the earliest emerging commercial banks established during China's reform and opening-up and also China's first commercial bank participating in financing at both domestic and international financial markets. A keen contributor to China's economic development, the Group is renowned at home and abroad for brushing numerous track records in the modern Chinese financial history. In April 2007, the Group simultaneously listed its A and H shares at the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited.

The Group aspires to become a responsible, unique and valuable provider of the best comprehensive financial services with a human touch. To attain this development vision, the Group fully leverages on the unique competitive advantages of integrating financial and non-financial businesses, and at the same time holds firm to its business concept of "customer orientation, reform driven, science & technology for growth, asset-light development, compliant operation, strengthen through talents". For corporate customers and institutional customers, the Group offers integrated financial solutions in corporate banking business, international business, financial markets business, institutional banking business, investment banking business, transaction banking business and custody business. For individual customers, the Group provides diversified financial products and services in retail banking, credit card, consumer finance, wealth management, private banking, going abroad finance and e-banking. As such, the Group satisfies the needs of corporate, institutional and individual customers for comprehensive financial services on all fronts.

As at the end of 2021, the Group had 1,415 outlets in 153 large and medium-sized cities in China and 7 affiliates at home and abroad, namely CITIC International Financial Holdings Limited, CNCB (Hong Kong) Investment Co., Ltd., CITIC Financial Leasing Co., Ltd., CITIC Wealth Management Corporation Limited, CITIC aiBank Corporation Limited, JSC Altyn Bank and Zhejiang Lin'an CITIC Rural Bank Limited. CITIC Bank International Limited, a subsidiary of CIFH, recorded 32 outlets and 2 business centers in Hong Kong SAR, Macao SAR, New York, Los Angeles, Singapore and the Chinese mainland. CNCB (Hong Kong) Investment Co., Ltd. had 3 subsidiaries in Hong Kong SAR and the Chinese mainland. CITIC Wealth Management Corporation Limited is the wholly-owned wealth management subsidiary of the Bank. CITIC aiBank Corporation Limited, a joint venture co-sponsored by the Bank and Baidu, is the first independent legal entity practicing direct banking in China. JSC Altyn Bank had 7 outlets and 1 private banking center in Kazakhstan.

The Group has persevered in serving the real economy, engaging in stable healthy business operation and keeping abreast with the times. Thriving through over 30 years' growth and expansion, the Group has become a financial conglomerate with strong comprehensive competitiveness and powerful brand influence, registering more than RMB 8 trillion total assets and nearly 60,000 employees. In 2021, *The Banker* magazine of the United Kingdom rated the Bank the 16th on its list of the "Top 500 Global Bank Brands" and the 24th on its list of the "Top 1,000 World Banks" in terms of tier-one capital.

Figure 1: Organizational Chart of the Bank**Key Performance Indicators⁴**

Key Performance Indicators	Unit	2021	2020
Total assets	in RMB hundred million	80,428.84	75,111.61
Total profit	in RMB hundred million	655.17	578.57
Value of social contribution per share	in RMB	5.64	5.25
Loan balance of inclusive micro and small businesses ⁵ ※	in RMB hundred million	3,668.67	2,982.03
Loan balance of green credit ⁶ ※	in RMB hundred million	2,054.25	922.01
Substitution rate for personal e-banking transaction volume※	%	99.65	99.54

⁴Except for those ended with “※”, all the figures in this table are under the scope of the Group.

⁵The indicator for 2021 was measured within the scope of regulatory appraisal for “two no-less-than” set out in the *Notice by the General Office of the China Banking and Insurance Regulatory Commission on Further Promoting the High-quality Development of Financial Services for Micro and Small Enterprises in 2021*. In other words, it does not include the data related to bill discounting and rediscounting, and is not comparable to the data disclosed in previous years.

⁶The indicator for 2021 was measured as per the *Notice by the General Office of the China Banking and Insurance Regulatory Commission on the Work Concerning the Green Financing Statistics System*. So it is not comparable to the data disclosed in previous years.

Purchased electricity	in MWh	261,437.44	235,628.41
Outlets※	in number	1,415	1,405
Self-service terminals※	in set	5,397	5,687
Total employees※	in person	55,419	55,154
Donations	in RMB ten thousand	1,161.92	7,815.64
Volunteer activities	in number of times	288	226

Chapter I Strategy and Governance

The United Nations Sustainable Development Goals



Full and Strict Party Self-governance.....P15

Strategic Plan.....P16

Values.....P16

Sustainable Development Concept.....P18

Corporate Governance.....P18

Compilation of Report.....P27

Section I Party building

In 2021, the Party Committee of China CITIC Bank took political development as the overarching principle, the celebration of the 100th anniversary of the founding of the Party as the mainline, and the central inspection as a great opportunity to promote the Party's work on all fronts, with a view to presenting a new look and getting off to a good start.

Continuing to strengthen theoretical innovation about Party building. At its meetings, the Party Committee of China CITIC Bank always gave priority to learning and acting on the important speeches delivered by General Secretary Xi Jinping as well as important meetings and documents of the CPC Central Committee and the State Council. While arming staff's minds and guiding their practices, the Party's innovative theories provided a strong theoretical grounding and an important source of intellectual impetus for the development of the Bank.

Continuing to improve the Party's leadership. The Party's overall leadership got integrated into all aspects of corporate governance, the Articles of Association was further revised, and corporate governance earned a rating upgrade at the Bank. The Party Committee of China CITIC Bank revised its rules of procedure, streamlined the decision-making process, specified the boundaries of powers and duties assigned to each governance body, continued to enhance the leadership of the Party in corporate governance, and ensured it could "steer the way forward, manage the overall situation, and guarantee the implementation".

Giving Party history learning sessions with high quality. The "I Do Real Work for the Public" campaign was organized and implemented in a meticulous, orderly, list-based way, to attain the purpose of learning Party history, raising ideological correctness, taking practical actions, and getting off to a new start. The Bank was rated the "Model Organizer for Party History Learning in China" by the official website of the Party history learning and education campaign, and won two championships in the financial section of the National Party History Knowledge Contest. Its experiences and practices in this regard were published nine times on the bulletin and official website of the Party history learning and education campaign. The Party Committee of the Group compiled and published 12 issues of Party history learning journal.

Taking a firm grip on the intra-Party political activities. The Party Committee of China CITIC Bank strictly implemented the system of organizational life, convened Party branch meetings and Party organization meetings, and made good use of the weapon of criticism and self-criticism, with an aim to improve the quality of political life within the Party continuously.

Focusing on strengthening the effectiveness of organizational building efforts. The Party Committee of China CITIC Bank finished adjusting the organizational structure and responsibilities of the Party work departments, so that "the management of leading personnel and the construction of grassroots Party organizations could be in the charge of one department and one bank leader". Besides, it implemented the requirement for "no less than 1%" in two aspects to strengthen the support for the handling of Party affairs. Grassroots Party committees made headway in standardized operation, and continued to consolidate the achievements in this field, with the "Jinyun Sub-branch Model" applied extensively. Subsidiaries and overseas institutions worked harder to strengthen Party building. The conferences on Party leadership and corporate governance in subsidiaries were held to issue working opinions and guidelines. With respect to the development of Party members, moves were taken to improve the process and quality of related work. The bank-wide symposium on united front work, the meeting on promoting the work of the Communist Youth League, and

the “Always Following the Party” public activity were held extensively to create a positive atmosphere where the masses would rally closely around the Party.

Intensifying the political supervision and disciplinary accountability. The Bank has researched and formulated a list of key points, scenarios and assessments for supervision work, paid close attention to the "vital importance to the nation", "key minority", key areas and links to carry out supervision, and ensured that the requirements for “two upholdings” could be implemented in all aspects of the Bank’s work. The Bank seriously handled petition reports, dealt with clues to problems, and investigated and dealt with violations of laws and disciplines.

Section II Strategic Plan

The Group released the *2021-2023 Development Plan of China CITIC Bank* on January 28th, 2021. The strategic plan, which defines the Group’s development direction such as vision, objectives and market positions for the next three years, is a guideline for the Group in the next three years.

I. Guidelines

To become a responsible, humane, unique and dignified enterprise with best integrated financial services

To attain high-quality and sustainable business development

To create value and realize a higher market capitalization

II. Positioning and Objectives

Guided by the vision to “become a unique and responsible enterprise offering the best comprehensive financial services with value and a human touch”, the Bank will fully leverage the Group’s advantages as a comprehensive platform integrating financial and non-financial businesses, strive to become an integrated financing organizer and service provider, and switch the focus of its work from “operating products” to “operating customers” at a faster pace. With three to five year of hard work, the Bank is expected to attain the following: improving its asset quality remarkably, consolidating its customer base greatly, and expanding its business size continuously, optimizing its income structure significantly, and enhancing its profitability sharply. With its operation management and market competitiveness both lifted to a new height, it will grow into a respectable, well-recognized bank excelling in value creation.

III. Implementation Paths

To attain the aforesaid objectives, the Group will forge a new development pattern fit for the new era by following a path that is summarized as “breakthroughs in reform, transformation and critical battles, multi-thronged measures in operation, management and building”, also known as “one reform, two transformations, three critical battles and eight measures”.

In September 2021, the Group released the “342 Action Plan for Developing Core Business Capabilities”. As a continuation and embodiment of the Three-year Development Plan, it laid out specific measures.

Section III Values

In February 2018, the *China CITIC Bank Corporate Culture Manual (Version 2.0)* was officially released, marking further improvement of the corporate culture system by the Group, with values, code of conduct and standard image that are suitable for the Group's development needs. It is a summary and sublimation of the cultural heritage of China CITIC Bank fostered during its thirty-year development, and a set of universally recognized terms bank-wide that should be observed in operation management. It is a guideline that China CITIC Bank people follow spontaneously, and a code of conduct that China CITIC Bank people adopt in pursuing their dreams.

I. Mission

To create value for customers, seek happiness for employees, make profit for shareholders and perform responsibility for society

II. Core Values

Customer orientation, integrity, innovation, coordination and excellence

III. Management Philosophy

Safe CITIC Bank, compliant operation, science and technology for growth, serving the real economy, market orientation and value creation

IV. Code of Conduct

Love for the motherland, loyalty to the Bank, devotion, professionalism, efficient execution, cooperation, mutual help, observation of law, integrity, gratitude, and dedication

V. Motto

Customer orientation, employees as foundation, credibility, compliance, team work, professionalism, innovation, value creation

VI. Logo



VII. Brand Slogan

Achieve the Great Goal through Integrity and Intelligence

VIII. Corporate Culture Building

In 2021, the Group made major strides in corporate culture building, with cultural presence further extended to the grassroots level. It erected the pillars of corporate culture development, came up with six cultural cores of “hard work, responsibility, collaboration, agility, execution, and pragmatism”, and carried out themed essay competitions. Efforts were made to foster a compliance and information technology (IT) culture at the Head Office level, as well as distinctive cultures in Shijiazhuang, Xi'an, Dalian, Shenzhen, Ningbo, and Ji'nan branches. To act on the arrangements of the Group for building a responsibility culture, the Bank held themed discussions among all employees. To be specific, theoretical learning sessions saw an attendance of 41,161 persons, and reading activities drew 38,019 participants. There were 6,107 book reviews, 4,229 pieces of advice, and 68 rectification proposals received across the Bank. To celebrate the 100th anniversary of the founding of the Party, a massive singing

activity named “Ode to the Party” was held with an attendance of 58,400 employees.

Section IV Sustainable Development Concept

“A human touch” as stated in the Group’s vision and “to create value for customers, seek happiness for employees, make profit for shareholders and perform responsibility for society” stated in the mission are an epitome of the Group’s sustainable development concept. The Group continued the sustainable development goal of “aiming to become a green bank, a people-oriented bank, a charitable bank, a trustworthy bank, a value creator and a bank with a great brand”.

I. A humane touch: Starting with love, spreading love, showing gratitude for society and giving back to society are the Group’s commitments. In the reporting year, the Group focused on social demands, fulfilled economic, social and environmental responsibilities, actively participated in poverty alleviation and public benefit projects and showed care to employees, striving to become a financial enterprise with “big love”.

II. Creating Value for Customers: Customers are the center for the operation and development of the Group. Continuing to improve customer value is the most important mission of the Group. In the reporting year, the Group returned to the basics of banking services, listened to customers’ expectations, thought about customers’ urgent demands, offered the best services to customers and joined hands and grew together with customers.

III. Seeking Happiness for Employees: The Group is not only a platform on which employees obtain compensation but also a stage on which employees gain self-confidence, dignity, honors and happiness, and realize their value and dreams and more importantly. It is a home to employees. The Group thanks employees for their hard work, cares for their growth, and strives to improve employee satisfaction in terms of working environment, career development and balance between work and life, and create a harmonious, learning, team-like and caring home where employees can enjoy work and life and chase their dreams with the Group.

IV. Making Profit for Shareholders: The Group upholds its traits as a group with the strongest modern enterprise awareness since the reform and opening-up, has a strong awareness of serving and giving back to shareholders, attaches great importance to shareholders’ requirements of value added returns. It pursues maximum profit and maximum benefit, shares corporate development goals with shareholders, jointly draws the blueprint for the Group’s future and gives back to shareholders with continuous, efficient and quality growth.

V. Performing Responsibility for the Society: During the reporting period, the Group upheld the fundamental direction of returning to the basics of the Bank and serving the real economy, undertook economic, environmental and social responsibilities, thoroughly implemented new development philosophy, built an inclusive finance system and implemented precision poverty alleviation. Adhering to giving back to society, the Group actively participated in public benefit activities, helped vulnerable groups in various fields including poverty alleviation, education, environmental protection and health care, and prospered with society.

Section V Corporate Governance

I. Overview of Corporate Governance

In 2021, the Bank carried out corporate governance and operation management strictly in accordance with the *Company Law of the People's Republic of China*, *Law of the People's Republic of China on Commercial Banks*, *Law of the People's Republic of China on Regulation and Supervision over the Banking Industry*, *Securities Law of the People's Republic of China* and other relevant laws and regulations.

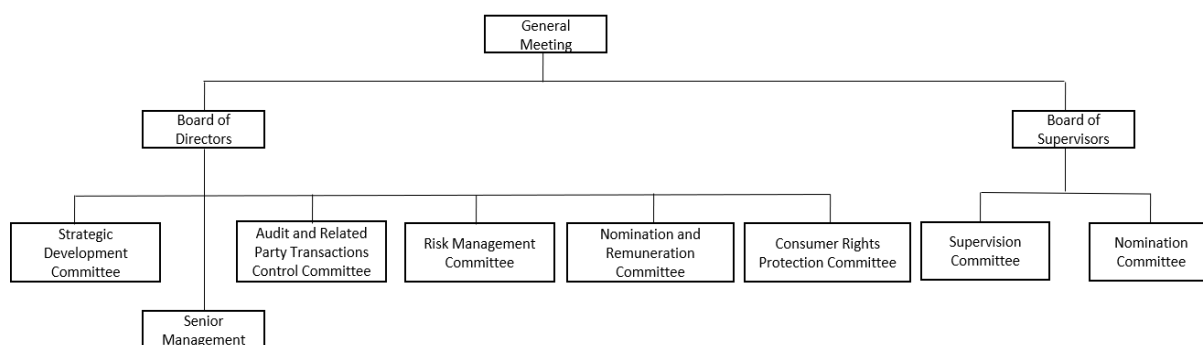


Figure 2: Corporate Governance Structure of the Bank

General meetings: In 2021, the Bank convened 1 annual general meeting of shareholders and 2 extraordinary general meetings of shareholders, where 19 proposals were adopted after deliberation. These meetings were all convened in compliance with the procedures specified in the Articles of Association of the Bank.

Chairman of the Board of Directors and president: As at the end of 2021, Mr. Zhu Hexin was Chairman and Non-Executive Director of the Bank, responsible for presiding over general meetings, convening and presiding over Board meetings, and examining the implementation of Board resolutions and other relevant matters. Mr. Fang Heying was Vice Chairman, Executive Director and President of the Bank, responsible for implementing Board resolutions and leading the Bank in its business operation and management and other relevant matters. The division of duties between the Chairman of the Board of Directors and President of the Bank was clearly defined and in compliance with the Hong Kong Listing Rules.

Rights and interests of minority shareholders: The Bank adopts multiple measures to strengthen its communication and interactions with minority shareholders continuously and safeguard their rights and interests. In 2021, it kept daily, efficient communication with shareholders through many channels such as hotline, email, and SSE e-interaction. The investor open day activity of listed companies in Beijing, a platform established by Shanghai Stock Exchange (SSE), enabled the Bank to answer questions of concern of investors and make its operational information available to medium and small investors. The Bank actively created conditions for shareholders to participate in general meetings. Faced with the severe challenges posed by the COVID-19 pandemic, it well balanced compliance with convenience in active communication with shareholders. Specifically, by issuing meeting notices in advance, reminding shareholders of going through meeting attendance procedures in a timely manner, and answering questions on proposals, the Bank made sure shareholders' rights and interests could be protected effectively. The Bank participated in the "May 15 National Investor Protection Awareness Day". In response to the requirements of the CSRC Beijing Office to promote the special representative litigation system, it published on its WeChat official account some themed articles, including "Preventing Illegal Fundraising and Enhancing Legal Awareness" and "Knowing More about Special Representative Litigation".

Stock price: The Bank assigned special personnel to monitor stock price movements and major events in the capital market and make daily records. If a big fluctuation in stock price or relevant abnormal situations occurred, the personnel would report it and start response procedures at the earliest possible time. The Bank monitored market public opinion, promptly screened public opinion early warnings relating to stock price and investors, and responded promptly to market concerns. As of the end of the year, there was no abnormal stock price fluctuation in the Bank that requires public notification or clarification.

II. Board of Directors

Composition of the Board of Directors: As at the end of the year, the Board of Directors of the Bank had 9 members, namely, 2 executive directors, Vice Chairman and President Mr. Fang Heying and Vice President Mr. Guo Danghuai; 4 non-executive directors, Chairman Mr. Zhu Hexin, Mr. Cao Guoqiang, Ms. Huang Fang, and Mr. Wang Yankang; and 3 independent non-executive directors, Mr. He Cao, Ms. Chen Lihua, and Mr. Qian Jun.

As at the end of the year, there were 5 specialized committees under the Board of Directors, namely, the Strategic Development Committee, the Audit and Related Party Transactions Control Committee, the Risk Management Committee, the Nomination and Remuneration Committee, and the Consumer Rights Protection Committee. Specifically, the Strategic Development Committee comprised 4 directors, with Chairman Mr. Zhu Hexin as chairman, and Mr. Fang Heying, Mr. Cao Guoqiang and Mr. Qian Jun as members; the Audit and Related Party Transactions Control Committee comprised 4 directors, with Mr. He Cao as chairman, and Mr. Wang Yankang, Ms. Chen Lihua, and Mr. Qian Jun as members; the Risk Management Committee comprised 4 directors, with Mr. Fang Heying as chairman, and Mr. Guo Danghuai, Mr. He Cao, and Mr. Qian Jun as members; the Nomination and Remuneration Committee comprised 3 directors, with Mr. Qian Jun as chairman, and Ms. Huang Fang and Ms. Chen Lihua as members; and the Consumer Rights Protection Committee comprised 4 directors, with Ms. Huang Fang as chairperson, and Mr. Wang Yankang, Mr. He Cao, and Ms. Chen Lihua as members.

Table 1: Month of Birth and Gender Information of Members of the Board of Directors

Members of the Board of Directors	Month of Birth	Gender	Members of the Board of Directors	Month of Birth	Gender
Zhu Hexin	1968.03	Male	Wang Yankang	1971.03	Male
Fang Heying	1966.06	Male	He Cao	1955.09	Male
Cao Guoqiang	1964.12	Male	Chen Lihua	1962.09	Female
Guo Danghuai	1964.05	Male	Qian Jun	1970.07	Male
Huang Fang	1973.05	Female			

Board meetings: As at the end of the year, the Bank convened 16 Board meetings (including 10 on-site meetings and 6 meetings via written resolutions). At these meetings, the Board of Directors listened to 51 presentations and adopted 101 proposals after deliberation. It convened 44 meetings of specialized committees under the Board of Directors, which

consisted of 7 meetings by the Strategic Development Committee, 17 meetings by the Audit and Related Party Transactions Control Committee, 9 meetings by the Risk Management Committee, 6 meetings by the Nomination and Remuneration Committee, and 5 meetings by the Consumer Rights Protection Committee. At these meetings, attendees deliberated on 93 proposals and listened to 44 presentations.

Changes in the Board of Directors: On October 30th, 2020, the Bank's 2nd Extraordinary General Meeting of 2020 elected Mr. Wang Yankang as a non-executive director of the 5th Session of the Board of Directors. Upon the approval by the CBIRC, Mr. Wang Yankang began to serve as non-executive director of the Bank as of April 16th, 2021.

On March 15th, 2021, the Bank received the resignation from Ms. Li Qingping. She resigned as Chairperson and Executive Director of the Bank and Chairperson and member of the Strategic Development Committee of the Board of Directors due to work rearrangements, with effect from March 15th, 2021.

On April 21st, 2021, the Board of Directors of the Bank received a resignation report from Mr. Wan Liming, a non-executive director of the Bank. Due to work adjustments, Mr. Wan Liming tendered his resignation from the position of the non-executive director of the Bank. The resignation of Mr. Wan Liming became effective from April 21st, 2021.

On March 15th, 2021, the 43rd meeting of the 5th Session of the Board of Directors of the Bank reviewed and approved relevant proposals, nominating Mr. Zhu Hexin as non-executive director candidate of the Bank, and electing Mr. Zhu Hexin as Chairman of the Board of Directors. Before the general meeting of the Bank elected him to serve as a non-executive director of the Bank and the regulatory authority approved his qualifications for the Bank's non-executive director and Chairman, pursuant to the regulatory requirements, the Board of Directors agreed to appoint executive director and President Mr. Fang Heying to perform the duties of the Chairman of the Bank, with effect from March 15th, 2021 to the date when Mr. Zhu Hexin assumed non-executive director and Chairman of the Bank. On May 7th, 2021, the 2nd Extraordinary General Meeting of 2021 elected Mr. Zhu Hexin as a non-executive director of the Bank. Upon the approval by CBIRC, Mr. Zhu Hexin began to serve as non-executive director and Chairman of the Bank as of June 21st, 2021.

On March 15th, 2021, the 43rd meeting of the 5th Session of the Board of Directors of the Bank reviewed and approved the proposal on electing Mr. Fang Heying as Vice Chairman of the 5th Session of the Board of Directors of the Bank. Upon the approval by CBIRC, Mr. Fang Heying began to serve as Vice Chairman of the Bank as of June 21st, 2021.

On June 24th, 2021, upon expiration of the term of the 5th Session of the Board of Directors of the Bank, the 6th Session of the Board of Directors was elected at the 2020 Annual General Meeting of the Bank. Mr. Zhu Hexin, Mr. Cao Guoqiang, Ms. Huang Fang and Mr. Wang Yankang served as non-executive directors of the 6th Session of the Board of Directors of the Bank; Mr. Fang Heying and Mr. Guo Danghuai served as executive directors of the 6th Session of the Board of Directors of the Bank; Mr. He Cao, Ms. Chen Lihua, Mr. Qian Jun and Mr. Yan Lap Kei Isaac served as independent non-executive directors of the 6th Session of the Board of Directors of the Bank. On June 24th, 2021, the first meeting of the 6th Session of the Board of Directors of the Bank elected Mr. Zhu Hexin and Mr. Fang Heying as Chairman and Vice Chairman of the 6th Session of the Board of Directors of the Bank, respectively. The above-mentioned personnel were all re-appointed upon election and took office as of June 24th, 2021.

On November 22nd, 2021, the 6th meeting of 6th Session of the Board of Directors of the

Bank reviewed and approved the proposal on nominating Mr. Liu Cheng as an executive director candidate of the 6th Session of the Board of Directors of the Bank, which was approved after voting at the 1st Extraordinary General Meeting of 2022 held on January 20th, 2022.

On December 10th, 2021, Mr. Yan Lap Kei Isaac was not able to perform his duties due to personal health reasons and resigned as independent non-executive director, member of the Nomination and Remuneration Committee under the Board of Directors, member of the Risk Management Committee under the Board of Directors, and chairman and member of the Audit and Related Party Transactions Control Committee under the Board of Directors of the Bank. On the same day, the 7th meeting of 6th Session of the Board of Directors of the Bank reviewed and approved relevant proposals, nominating Mr. Liao Zibin as the independent non-executive director candidate of the 6th Session of the Board of Directors of the Bank and electing independent non-executive director Mr. Chen Lihua as a member of the Nomination and Remuneration Committee of the Board of Directors of the Bank. The election of Mr. Liao Zibin as an independent non-executive director of the 6th Session of the Board of Directors of the Bank was approved after voting at the extraordinary general meeting held on January 20th, 2022.

On December 24th, 2021, the 8th meeting of 6th Session of the Board of Directors of the Bank reviewed and approved relevant proposals, appointing independent non-executive director Mr. He Cao as the Chairman of the Audit and Related Party Transactions Control Committee under the Board of Directors and electing Mr. He Cao as a member of the Risk Management Committee of the Board of Directors.

Diversity of the Board of Directors: The Board of Directors of the Bank had directors dispatched by substantial shareholders of the Bank, including China CITIC Group, Xinhua Zhongbao, and China Tobacco, thus ensuring the participation of stakeholders. To maintain the diversity of directors, the Board of Directors of the Bank comprised members of different gender, age, culture, education background and professional experience such as economic, financial, accounting, legal, and audit, who have expertise and experience in items related to social responsibility and environmental responsibility. Independent directors have always accounted for no less than one third of the total Board members, which complies with the requirements of regulators at home and abroad. As at the end of the year, the Sixth Board of Directors of the Bank had 9 members, of which 3 were independent non-executive directors, accounting for one third of the total members.

Allowances for directors: According to the policy on allowances for directors approved at the general meeting, the Bank does not pay any directors' allowance to executive directors of the Bank, but pays remunerations corresponding to their posts according to relevant regulations. The Bank does not pay any directors' allowance to non-executive directors (excluding independent non-executive directors) of the Bank. The remuneration paid to independent directors can be divided into the following three parts: basic remuneration, floating remuneration linked to performance, and allowance. 1. The basic remuneration comes in a fixed amount, that is, RMB240,000 before tax per person a year, which is paid on a monthly basis. 2. Floating remuneration comes in a pre-tax amount up to RMB100,000 per person a year, which is linked to the annual duty performance evaluation results. Independent directors rated as "competent", "basically competent" and "incompetent" are paid with 100%, 60% and 0% of the floating remuneration, respectively. Such remuneration shall be disbursed in late March every year after the annual duty performance evaluation results are verified and finalized by the Board of Supervisors as per the corporate governance rules. 3. Independent directors who hold positions at the specialized committees shall be paid with a certain amount

of allowances. For those serving as the chairpersons and members of the Risk Management Committee and the Audit and Related Party Transactions Control Committee under the Board of Directors, the allowance rates are suggested as RMB30,000 and RMB20,000 per person a year, respectively. For those serving chairpersons and members of other specialized committee under the Board of Directors, the allowance rates shall be RMB20,000 and RMB10,000 per person a year, respectively. If independent directors hold positions at more than one specialized committees at the same time, allowances shall be calculated cumulatively. The aforesaid allowances shall be disbursed on a monthly basis.

Internal communication of the Board of Directors: The Board of Directors of the Bank carried out work strictly according to the Articles of Association, Rules of Procedures of the General Meeting, Rules of Procedures of the Board of Directors, etc., and strengthened policy formulation. The Board of Directors upheld an all-inclusive governance mechanism and culture. When listening to reports, having a discussion and deliberating relevant matters, directors spoke freely and independently and passed resolutions by voting. The Board of Directors suspended voting on matters objected by independent directors with reasonable grounds, provided support to independent directors in their surveys, and enhanced their knowledge of the operation management of the Bank so they could better fulfill their responsibilities. In addition, directors of the Bank who have a stake in the matters subject to the Board resolution shall recuse themselves from the deliberation process. They may neither exercise voting rights, do so on behalf of other directors, nor be counted in the quorum of the meeting concerned. In 2021, there was no conflict of interest among directors of the Bank. In the event of a conflict of interest, the Board of Directors of the Bank shall, according to disclosure requirements, clearly write down the specific numbers of affirmative votes, dissenting votes, and abstention votes in the Voting Results column of the resolution deliberated at the meeting of the Board of Directors, and state the reasons for casting dissenting votes or abstention votes (if any).

IV. Board of Supervisors

Composition of the Board of Supervisors: As of the disclosure date of this report, the Board of Supervisors of the Bank comprised 7 members, namely, 3 employee representative supervisors, Mr. Cheng Pusheng, Mr. Chen Panwu, and Ms. Zeng Yufang; 1 shareholder representative supervisor, Ms. Li Rong; and 3 external supervisors, Mr. Wei Guobin, Ms. Sun Qixiang, and Mr. Liu Guoling.

Table 2: Month of Birth and Gender Information of Members of the Board of Supervisors

Members of the Board of Supervisor	Month of Birth	Gender	Members of the Board of Supervisor	Month of Birth	Gender
Wei Guobin	1959.03	Male	Cheng Pusheng	1968.02	Male
Sun Qixiang	1956.09	Female	Chen Panwu	1964.01	Male
Liu Guoling	1960.01	Male	Zeng Yufang	1970.12	Female
Li Rong	1968.04	Female			

Meetings of the Board of Supervisors: The Bank held 14 meetings of the Board of Supervisors (13 on-site meetings and 1 meeting via written resolutions), which consisted of 4 meetings by the Supervision Committee and 4 meetings by the Nomination Committee. At these meetings, attendees deliberated on 29 proposals and listened to 54 presentations.

Changes in the Board of Supervisors: On January 14th, 2021, the 1st Extraordinary General Meeting of 2021 reviewed and approved Ms. Li Rong as a shareholder representative supervisor of the 5th Session of the Board of Supervisors of the Bank. On January 27th, 2021, the 30th meeting of the 5th Session of the Board of Supervisors of the Bank reviewed and approved relevant proposal, appointing Supervisor Ms. Li Rong as a member of the Nomination Committee of 5th Session of the Board of Supervisors of the Bank.

Due to the expiration of term of office of the 5th Session of the Board of Supervisors in June 2021, the staff representative conference of the Bank held on June 23rd, 2021 and the 2020 Annual General Meeting of the Bank held on June 24th, 2021 elected the 6th Session of the Board of Supervisors of the Bank. Mr. Wei Guobin, Ms. Sun Qixiang and Mr. Liu Guoling serve as external supervisors of the 6th Session of the Board of Supervisors of the Bank. Ms. Li Rong serves as shareholder representative supervisor of the 6th Session of the Board of Supervisors of the Bank. Mr. Liu Cheng, Mr. Li Gang, Mr. Chen Panwu and Ms. Zeng Yufang serve as employee representative supervisors of the 6th Session of the Board of Supervisors of the Bank. Among them, Ms. Sun Qixiang and Mr. Liu Guoling were newly appointed supervisors, and the other supervisors were re-appointed upon election. All of the above-mentioned supervisors assumed their posts as of June 24th, 2021.

On June 24th, 2021, the first meeting of the 6th Session of the Board of Supervisors of the Bank reviewed and approved relevant proposals, electing Mr. Liu Cheng as Chairman of the 6th Session of the Board of Supervisors; appointing supervisors Mr. Wei Guobin, Mr. Liu Guoling, Mr. Li Gang and Ms. Zeng Yufang as members of the Supervision Committee of the 6th Session of the Board of Supervisors of the Bank and supervisor Mr. Wei Guobin as chairman of the committee; appointing supervisors Mr. Sun Qixiang, Mr. Liu Guoling, Ms. Li Rong and Mr. Chen Panwu as members of the Nomination Committee of the 6th Session of the Board of Supervisors of the Bank, and supervisor Mr. Sun Qixiang as chairman of the committee.

On June 24th, 2021, Mr. Jia Xiangsen ceased to serve as external supervisor and chairman of the Supervision Committee under the Board of Supervisors of the Bank due to expiration of his term of office. Mr. Zheng Wei ceased to serve as external supervisor and member of the Supervision Committee and the Nomination Committee under the Board of Supervisors of the Bank due to expiration of his term of office.

On November 22nd, 2021, Mr. Liu Cheng resigned from the positions of Chairman of the Board of Supervisors and employee representative supervisor of the Bank due to the change of work. The resignation of Mr. Liu Cheng took effect from November 22nd, 2021.

On March 10th, 2022, upon deliberation at the first joint meeting of the Bank's second staff representative conference in 2022, Mr. Cheng Pusheng was elected as the employee representative supervisor of the sixth session of the Bank's Board of Supervisors. According to the corporate governance rules, from March 14th, 2022, Mr. Cheng Pusheng would officially serve as the employee representative supervisor of the Bank, and his term will expire until the term of the sixth session of the Supervisory Committee expires. Due to work adjustment, Mr. Li Gang resigned from the positions of employee representative supervisor and member of the Supervisory Committee of the Board of Supervisors of the Bank. Mr. Li Gang's resignation will take effect on March 14th, 2022.

Performance of the Board of Supervisors: The Board of Supervisors actively explored new working methods, broadened the channels for duty performance, deepened the supervision influence, and promoted the transformation towards “proactive and continuous supervision”. In line with the guiding principles of the central government and regulators, the Board of Supervisors timely conveyed its supervisory opinions and suggestions to the Board of Directors and the senior management concerning key areas of supervision and the central work of the Bank through the *Supervision Reminder Letter*. In 2021, the Board of Supervisors issued four *Supervision Reminder Letters* and proposed the following supervisory suggestions to the Board of Directors and the senior management: paying attention to risks of key credit customers, intensifying efforts in green finance development, strengthening fraud case prevention and staff behavior management, and intensifying risk prevention and control in the process of digital transformation. By doing so, the Board of Supervisors played a sound supervisory and reminding role. Meanwhile, the Board of Supervisors conducted thematic surveys including the development and risk prevention and control of inclusive finance business, and solutions to difficulties faced by some branches, covering a total of 6 branches. The Board of Supervisors further improved the effectiveness of surveys by reasonably planning the survey topic selection, continuously improving the survey mode, and reinforcing the transformation of survey value, and put forward systematic and pertinent opinions and suggestions for the reference of the Board of Directors and the senior management of the Bank, thus facilitating the high-quality development of the Bank.

V. Senior Management

Composition of the Senior Management: The Senior Management is the executive arm of the Bank accountable to the Board of Directors. The Senior Management should truthfully report to the Board of Directors or the Board of Supervisors, on a regular basis or as required by the Board of Directors or the Board of Supervisors, information regarding the Bank’s business performance, important contracts, financial position, risk profile, business outlooks and significant events. As of the disclosure date of this report, the Senior Management of the Bank comprised 12 members. All Senior Management members passed the qualification review of the CBIRC.

Table 3: Month of Birth and Gender Information of Members of the Senior Management

Members of the Senior Management	Month of Birth	Gender	Members of the Senior Management	Month of Birth	Gender
Fang Heying	1966.06	Male	Xiao Huan	1972.07	Male
Liu Cheng	1967.12	Male	Lu Wei	1971.10	Male
Guo Danghuai	1964.05	Male	Lyu Tian’gui	1972.10	Male
Wang Kang	1972.06	Male	Lu Jin’gen	1969.06	Male
Hu Gang	1967.03	Male	Zhang Qing	1968.08	Female
Xie Zhibin	1969.05	Male	Liu Honghua	1964.05	Male

Changes in Senior Management: On November 24th, 2020, the thirty-sixth meeting of the fifth session of the Board of Directors of the Bank reviewed and approved relevant proposals, agreeing to appoint Mr. Lu Wei and Mr. Lyu Tian'gui as vice presidents of the Bank. Approved by the China Banking and Insurance Regulatory Commission, from April 2nd, 2021, Mr. Lu Wei and Mr. Lyu Tian'gui officially took office as Vice Presidents of the Bank.

On November 22nd, 2021, the 6th meeting of the 6th Board of Directors of the Bank reviewed and approved relevant proposals, agreeing to appoint Mr. Liu Cheng as Executive Vice President of the Bank, and to appoint Mr. Wang Kang as Executive Vice President and Chief Financial Officer of the Bank, officially taking office from the date when the regulatory agency approves the relevant qualifications. Approved by the China Banking and Insurance Regulatory Commission, Mr. Liu Cheng officially took office as Executive Vice President of the Bank from January 7th, 2022, Mr. Wang Kang officially took office as Vice President and Chief Financial Officer of the Bank from January 10th, 2022. Mr. Fang Heying No longer concurrently serve as Chief Financial Officer of the Bank.

VI. Management of Related Party Transactions

Pursuant to the policy trends and management requirements of regulators, the Bank in 2021 optimized its mechanism for the management of related party transactions, raised the awareness for compliance of related party transactions, accelerated the IT application in related party transactions, and enhanced the efficiency and degree of refinement of the management of related party transactions. It also promoted the creation of synergistic value and shareholder value under the premise of compliance.

The Bank established a relatively complete related party transaction management architecture. In accordance with the principle of “vertical, professional, and comprehensive management”, a related party transaction management structure came in place, which consisted of the General Meeting, the Board of Directors, the Board of Supervisors, the Senior Management, the Head Office, branches and subsidiaries. Within the framework, different parties performed their respective duties according to the *Measures for the Management of Related Party Transactions of China CITIC Bank (Version 2.0, 2019)*, which set out clearly-divided responsibilities and management processes.

The Bank improved the namelist-based related party management system that was fairly comprehensive. To be specific, it continued to dynamically manage related legal persons and natural persons by updating the list of legal persons nearly 20 times throughout the year, in which there are nearly 6,000 related legal persons, and updating the list of related natural persons continuously, in which there are about 20,000 related natural persons. To optimize the management of related parties, the Bank added 7 new related party information identifiers such as legal entity level, accounting relationship, and affiliation with tier-one companies, and generated relation graphs through the system to realize multi-dimensional, visualized management of related parties, all of which provided useful references for business decision-making and approval.

The Bank strengthened compliance awareness and ability in the management of related party transactions. Taking into account the regulatory opinions of the CBIRC and the annual audit opinions on related party transactions, the Head Office, branches, and subsidiaries were mobilized to study the rectification plan and implement rectification measures effectively. To realize the ongoing self-check of equity and related party transactions management, the Bank further stepped up efforts to thoroughly self-examine related party transactions across the board, so that different entities could identify and rectify problems as early as possible, and keep optimizing the management.

The Bank made headway in the systematic application of related party and related party transaction management. With the help of external data platforms, it established “a closer-knit network of related legal persons”, developed the function of suspected related parties in the related party transaction system, and forced the blocking of suspected related party businesses in the credit business system, thus effectively reducing the non-compliance risks associated with the identification of related parties and their transactions to a level that remained at the forefront of the industry. As per the new requirements of the CBIRC for regulatory reporting, the Bank optimized the data reporting function of the related party transaction system to achieve the management goal of “sending statistics of one execution to multiple regulators” and improve the statistical efficiency of regulatory reporting efforts. It took the lead in promoting the identification of related parties in the customer relationship management (CRM) system, core system, data collection system, and other systems, and prompted business systems to carry out customer information governance and create their mapping relationships with related legal persons, both of which created conditions for raising the automation rate of data collection in related systems.

According to the requirements of new regulations such as the CBIRC’s *Measures for the Management of Related Party Transactions at Banking and Insurance Institutions (Exposure Draft)*, the Bank thoroughly studied the implementation plan of regulatory policies and the impact of such policies on its related party transaction compliance management, with an aim to enhance the foresight of management. With the regulatory guidance combined with its actual management practices, the Bank conducted a comprehensive study to optimize the related party transaction management mechanism to strengthen internal control management, risk monitoring, timely issuance of forewarnings, and effective control.

Credit related party transactions: As at the end of 2021, under the SSE regulatory criteria, the balance of credit that the Group extended to all related enterprises amounted to RMB72.118 billion; under the CBIRC regulatory criteria, the balance of credit that the Group extended to all related party enterprises reached to RMB120.486 billion. Such credit extensions to related enterprises were of good quality in general, with one substandard facility (RMB60 million), one doubtful facility (RMB339 million) and one loss facility (RMB920 million), and all other being performing facilities. In terms of transaction quantity, structure and quality, these credit extension didn’t exert material impacts on the normal operation of the Bank.

Non-credit related party transactions: As of the end of 2021, the actual amount of non-credit related party transactions between the Bank and CITIC Group as well as its related parties amounted to RMB79.828 billion, including RMB73.392 billion for asset related party transactions and RMB6.436 billion for expense related party transactions. All kinds of non-credit related party transactions did not exceed the annual cap and conformed to the regulatory requirements.

In accordance with the regulatory rules of the SSE and the SEHK, the Bank strictly controlled the related party transactions within the limit that have applied for annual cap, and managed and monitored those that have not applied for the annual cap. Once the disclosure requirements are triggered, the Bank timely reviewed or disclosed in accordance with regulatory regulations. As at the end of 2021, the Bank simultaneously issued 34 interim announcements concerning related party transactions at home and abroad to effectively protect shareholders’ right to be informed and safeguard their interests.

Section VI Compilation of Report

I. Identification of Stakeholders

An enterprise's perception of its purpose, meaning and value of existence is its mission. The mission of the Bank is "to create value for customers, seek happiness for employees, make profit for shareholders and perform responsibility for society". Based on that, the Bank has defined important stakeholders as customers, staff, shareholders and society (communities). Because of the particularity of the financial industry and the stricter supervision by the government in recent years, government has been identified as one of the important stakeholders of the Bank. As there are in fact a lot of procurement relations and the Bank is in a relatively advantaged position in negotiation, in line with the concept of joining hands with all sectors of society to realize sustainable development, the Bank has identified suppliers as important stakeholders.

The stakeholders identified and recognized by the Bank include government, shareholders, customers, suppliers, staff and communities. As environment does not belong to certain organization or individual, it is not included as stakeholders and is only identified as an important object and topic of sustainable development.

Table 4: Identification Table of Stakeholders of the Bank

Stakeholder	Expectations as Understood by the Bank	Forms of Communication	Response Measures	Performance
Government	<ul style="list-style-type: none"> ✓ Compliance with state laws and regulations as well as industrial standards and norms ✓ Safeguarding safety of bank funds ✓ Fair competition according to law, and safeguarding a fair competition environment ✓ Sustainable development 	<ul style="list-style-type: none"> ✓ Laws, regulations, policy guidelines and normative documents ✓ Industrial meetings, special reports, regulatory announcements and ratings, and briefings ✓ On-site inspections and off-site regulation ✓ Symposiums, seminars and forums 	<ul style="list-style-type: none"> ✓ Answered government calls ✓ Implemented regulatory policies ✓ Participated in development of industrial standards and norms ✓ Improved operating and management results ✓ Accepted regulatory evaluation 	<ul style="list-style-type: none"> ✓ Tax payment according to law ✓ Support to the real economy ✓ Steady improvement of operating results ✓ Remarkable management results ✓ Anti-corruption and clean governance ✓ Safeguarding a stable financial order, etc.
Shareholders	<ul style="list-style-type: none"> ✓ Standard corporate governance ✓ Higher return to shareholders ✓ Higher profitability 	<ul style="list-style-type: none"> ✓ General meetings ✓ Periodical announcements ✓ Communication and exchanges 	<ul style="list-style-type: none"> ✓ Formulated and implemented development strategies ✓ Refined corporate governance 	<ul style="list-style-type: none"> ✓ Better CSR management ✓ Higher social contribution value per share ✓ Lasting brand

	<ul style="list-style-type: none"> ✓ Higher corporate value ✓ Sustainable development 	<ul style="list-style-type: none"> with investors ✓ Road shows ✓ Results releases 	<ul style="list-style-type: none"> ✓ Reinforced risk prevention ✓ Increased transparency of information disclosure 	<ul style="list-style-type: none"> value ✓ Better operating development ✓ Internal regulatory ratings, etc.
Customers	<ul style="list-style-type: none"> ✓ Provision of high-quality financial services ✓ Provision of high-quality financial products ✓ Provision of complete, truthful and accurate product and service information ✓ Safeguarding information safety 	<ul style="list-style-type: none"> ✓ Business Outlets ✓ E-banking ✓ Marketing activities ✓ Salons and lectures ✓ Market surveys ✓ Result evaluation 	<ul style="list-style-type: none"> ✓ Provided convenient express financial services ✓ Diversified financial products ✓ Timely launched product & marketing announcements ✓ Understood customer comments and suggestions ✓ Strengthened safety and security of business outlets 	<ul style="list-style-type: none"> ✓ Survey of customer satisfaction and demand ✓ Better service quality ✓ Better customer experience ✓ Safeguarding customer rights and interests, etc.
Supplier	<ul style="list-style-type: none"> ✓ Compliance with commercial ethics ✓ Open, equitable and fair procurement ✓ Mutual benefit, win-win and common development 	<ul style="list-style-type: none"> ✓ Publicly available procurement information ✓ Negotiations and exchanges ✓ Cooperation agreements and contracts 	<ul style="list-style-type: none"> ✓ Set up and improved the supplier management mechanism ✓ Established and maintained a supplier database ✓ Reinforced communication and contact with suppliers 	<ul style="list-style-type: none"> ✓ Establishment of a centralized procurement center at the Head Office ✓ Formulation of relevant rules and regulations on centralized procurement management ✓ Establishment of partnership with suppliers
Employees	<ul style="list-style-type: none"> ✓ Creation of jobs ✓ Reasonable remuneration and welfare ✓ Satisfactory work 	<ul style="list-style-type: none"> ✓ Employee representatives' congresses ✓ Trade unions ✓ Intranet emails 	<ul style="list-style-type: none"> ✓ Uniformly recruited employees ✓ Upheld equal pay for equal work ✓ Safeguarded 	<ul style="list-style-type: none"> ✓ Realizing the role of trade union ✓ Staff performance evaluation for promotion purpose

	environment ✓ Smooth communication mechanisms ✓ Admirable room for personal career development	and forums ✓ Internal meetings	staff health and safety ✓ Organized cultural and sports activities ✓ Protected essential rights and interests of staff ✓ Provided on-job skill training ✓ Listened to employee viewpoints	✓ Health examination and psychological counseling for employees ✓ Diversified professional training sessions ✓ Employees arranged to go on all types of leaves ✓ Symposiums with young employees, etc.
Community	✓ Care for vulnerable groups ✓ Communication with government on poverty alleviation ✓ Charity and public benefit activities ✓ Financial literacy	✓ Field surveys and visits ✓ Visit to poverty alleviation organizations ✓ Visit to charity and public benefit organizations	✓ Made outbound donations ✓ Implemented poverty alleviation projects ✓ Assisted vulnerable groups ✓ Promoted financial literacy ✓ Organized public benefit activities	✓ More outbound donations ✓ Organization of targeted poverty alleviation events and public benefit and charity activities ✓ Participation in voluntary activities, etc.

II. Communication with Stakeholders

Information disclosure and management of insider information: During the reporting period, strictly following the principles of truthfulness, accuracy, completeness, timeliness and fairness, abiding by laws and regulations, and considering the information needs of investors, the Bank published over 360 periodic reports, interim announcements and other documents at the SSE and the SEHK. Meanwhile, in the light of hotspot issues on the capital market, the Bank kept improving the framework and contents of its periodic reports, demonstrated the effectiveness of its strategy implementation and differentiated competitive advantages from multiple perspectives, and provided investors with timely, sufficient and effective information to effectively protect investors' right to know.

During the reporting period, the Bank kept pace with regulatory developments to develop internal policies and procedures in line with the latest regulatory rules. Pursuant to the *Information Disclosure Management Measures for Listed Companies* and other relevant laws and regulations as well as regulatory provisions, the Bank revised its *Administrative Measures for Insider Information and Insiders* and formulated the *Code of Conduct for Directors, Supervisors and Senior Management Members in Information Release*, further fortifying the compliance foundation for information disclosure. At the same time, the Bank

kept improving its management mechanism for insider information, and properly registered insider information and insiders at critical time points, so as to prevent the risks of insider information divulgence and insider trading. During the reporting period, the Bank was not aware of any circumstance where any insider traded the Bank's shares by virtue of insider information.

Disclosing administrative affairs: To enable employees to know better about the Bank's development strategy and business development plan, the Bank maintained an information announcement mechanism on the intranet, continued to implement the *Measures for Intranet Management of China CITIC Bank*, and promptly released important news about the Bank's operation and management on the premise of ensuring the security of confidential information. As at the end of the year, the Bank released over 140,000 pieces of information on the intranet, and earned about 18 million visits.

Communication with customers: The Group carried out such customer communication activities as product content communication, product promotion, door-to-door service, customer care activities, customer networking activities and publicity of financial policies and financial knowledge. The Bank's telephone banking conducted customer surveys and customer care and handled services by calling out.

Internal communications: The Bank established communication channels with employees through "President's Mailbox", "General Manager's Mailbox", "Quality Complaint Hotline", and "Contact for Work" column, encouraged employees to actively give advice on and jointly supervise business development and internal management, and established complete internal and external feedback mechanisms and reasonable suggestion collection channels.

The Bank took up and managed tip-offs in the form of letter, phone call, visit, and email, and encouraged employees to report all kinds of violations against laws, regulations, and disciplines.

Media release: The Bank actively developed cooperation with media and disclosed the true news of the Bank to the public responsibly. As of the end of the year, the Bank released over 131,491 pieces of relevant positive public opinions.

Brand protection: The Bank publicized and managed its brand in strict compliance with the laws and regulations such as the *Advertising Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Contract Law of the People's Republic of China* and the *Commercial Bank Law of the People's Republic of China*. In accordance with the relevant provisions and requirements of the Trademark Office of the National Intellectual Property Administration, the Bank formulated the *Management Measures for Intellectual Property of China CITIC Bank* and the *Management Measures for Advertising of China CITIC Bank*, continuously standardized the management and use of trademark, carried out daily monitoring of trademarks, and made timely trademark opposition against similar trademarks, to safeguard trademark rights and interests in accordance with the law. The Bank clearly stipulated that the production of advertising materials shall meet the requirements of the Bank's VI specifications and not infringe the rights and interests of third parties.

Interviews and communication: To meet investors' demand for information about its ESG development, the Bank briefed BlackRock Capital Investment Corporation (the US) and Sumitomo Mitsui Trust Asset Management Co., Ltd. (Japan) on its ESG development via phone calls in November, with a focus placed on the progress it made in green finance and low-carbon transition in recent years.

III. Identification of Key Topics

With the support of third party institutions, based on relevant articles of GRI and ESG criteria, the Bank developed 18 key topics on sustainable development, and evaluated the importance of the topics through a questionnaire survey conducted among external stakeholders such as government, shareholders, individual customers, corporate customers, interbank customers, suppliers, media and public benefit representatives as well as internal stakeholders including employees at all levels of the Bank. In this Report, there was no significant change in the substantive topics and their boundaries involved in the report of the previous period.

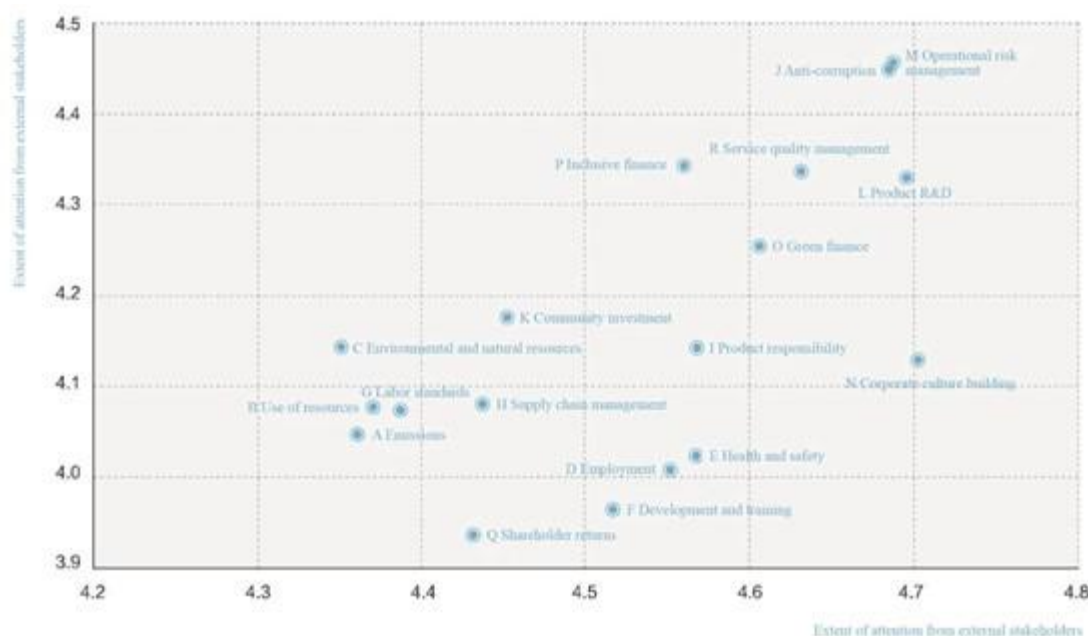


Figure 3: Distribution of Importance of Major Topics on Sustainable Development of the Bank

IV. Management Performance

Statement from the Board of Directors

The Board of Directors supervises and instructs the Bank's sustainability efforts overall. It gets involved in the process of identifying, carrying out materiality assessment, sequencing, and managing key topics on sustainable development.

In 2021, the Board of Directors of the Bank evaluated the Bank's social responsibility and risk control as well as specific measures by reviewing the annual reports and sustainable development reports, and released related reports in the form of Board meeting resolution according to regulatory requirements and relevant laws and regulations. On March 25th, 2021, the 44th meeting of the 5th Board of Directors of the Bank deliberated on and adopted the *2020 Sustainable Development Report of China CITIC Bank*, listened to a report on the work done by the Bank in many aspects such as inclusive finance, internal control and compliance, green credit, carbon footprint management, customer service, staff development, poverty alleviation, and pandemic control, and voiced related comments and suggestions.

In 2021, the Board of Directors of the Bank listened to and considered the regular representation on comprehensive risk management as well as the reports and discussions related to social and environmental responsibility. It gave suggestions and comments on strengthening consumer protection, intensifying the integration of resources input in many fields such as green finance, strategic emerging industries, and rural revitalization, and

shoring up the development of inclusive finance and supply chain finance. Relevant departments stepped up efforts to act on the suggestions and comments put forth by directors and provided feedback to the Board of Directors.

Evaluation mechanism: The Bank continued to include “key topics of sustainable development” into the scope of performance evaluation indicators. These indicators comprised inclusive finance, credit support for key areas of the real economy, consumer protection and public education, information risk control, money laundering risk management, and reporting of sustainable development data⁷, etc.

Information management: The Group continued to disclose sustainable development information with the “China CITIC Bank Information Management System for Sustainable Development Report” as the main tool, and improve its sustainable development management indicator system. All the units of the Group reported quarterly and annually via the system. The system has been provided with relatively complete informant, administrator and approver system to ensure the reliability, completeness and traceability of collected statements, data and cases.

Third party assurance: Since 2009, the Group has engaged a third-party assurance institution to provide independent limited assurance over all important statements and key data in the Group’s social responsibility report and give advice and suggestions on social responsibility management to the Group. In 2021, PricewaterhouseCoopers Zhong Tian LLP made independent limited assurance over the *2020 Sustainable Development Report of China CITIC Bank Corporation Limited* and gave five key suggestions in two aspects to the Group. The Group already made improvements and responded to those suggestions in day-to-day work. The assurance of the Report will also be provided by PricewaterhouseCoopers Zhong Tian LLP, who will provide independent limited assurance over the important statements and key data in the Report and give further advice and suggestions for improvement to the Group after finishing the assurance work.

⁷Sustainable development data reporting is designed to evaluate the passing rate of the social responsibility data reported by branches quarterly.

Chapter II Development and Internal Control

The United Nations Sustainable Development Goals



Key Performance Indicators	Unit	2021	2020
Total assets	in RMB hundred million	80,428.84	75,111.61
Total profit	in RMB hundred million	655.17	578.57
Value of social contribution per share	in RMB	5.64	5.25
Loan balance of micro and small enterprises	in RMB hundred million	3,668.67	2,982.03

National Strategies.....	P35
Financial Supervision.....	P40
Internal Control and Management.....	P42

In 2021, the Bank's total assets, loans and proprietary deposits all maintained growth. The total assets reached RMB80,428.84 hundred million, an increase of 7.08%; the total profit recorded at RMB655.17 hundred million, an increase of 13.24%; the operating income was RMB2,045.57 hundred million, an increase of 5.05%; the non-performing loan (NPL) ratio and provision coverage ratio were 1.39% and 180.07%, respectively.

Section I National Strategies

I. Responding to the Belt and Road Initiative (BRI)

Centered on high-quality ports, the Bank explored such business models as “domestic letter of credit (LC) + international LC” and stock right pledge financing, and prioritized catering to needs for cross-border investment & financing businesses such as engineering letter of guarantee (LG) and export credit under the BRI.

Case: Ningbo Branch Supported Local Enterprises in “Going Global”

To support private enterprises to go global, CITIC Ningbo Branch provided sight import LCs to two trading companies in Ningbo Free Trade Zone. So far, the two enterprises have had credit lines of RMB1.2 billion at the Bank. In 2021, Ningbo Free Trade Zone Shoumei Trade Co., Ltd. opened LCs worth USD380 million with the Bank, which funded its business expansion in overseas markets and enabled itself to grow stronger.

II. Support for the Coordinated Development of Beijing, Tianjin and Hebei

To implement regional strategies of the state thoroughly, the Bank issued the *Three-Year Plan for the Coordinated Development of the Beijing-Tianjin-Hebei Region of China CITIC Bank*, according to which three branches in Beijing, Tianjin, and Hebei, CITIC Financial Leasing, and CITIC aiBank jointly established the Beijing-Tianjin-Hebei Regional Working Group to implement the businesses related to the coordinated development of the Beijing-Tianjin-Hebei region. The efforts of the Head Office and branches to promote the coordinated development of the region achieved remarkable results, which included further improving the top-level design, exerting the impact of Beijing, intensifying operations in key regions, seizing opportunities presented by the launch of major projects, organizing talent exchanges in the region, playing the leading role of Party building in business development, actively integrating advantages of the Group, and channeling more resources.

The Bank actively implemented the *Outline for the Coordinated Development Plan of the Beijing-Tianjin-Hebei Region*. Seizing the strategic opportunities brought about by the coordinated development of Beijing, Tianjin and Hebei, the Bank increased credit supply, weighted more resources towards the region, strengthened coordination and cooperation, explored innovative models, controlled project risks, and extended credit accurately. At the same time, it tapped the most valuable customer groups, preferentially increased the support for emerging industries that were aligned with national strategies and regional industrial upgrading and transfer. Moreover, it resolutely phased out the customers lacking competitive edges and development prospects in the industries with overcapacity.

Case: CITIC Financial Leasing Supported the Coordinated Development of Beijing, Tianjin, and Hebei

CITIC Financial Leasing actively responded to the master plan for developing cloud computing and big data industries proposed by Hebei Province, promoted the construction of a regional center for big data industry and a big data industry corridor around the capital, and provided high-quality and efficient financial leasing services to some leading IDC enterprises such as Global Data Solutions Limited (GDS) and Aofei Data. As at the end of the year, the subsidiary worked with the above-mentioned companies to build 9 data centers in Shunyi of Beijing, Langfang of Hebei, and other places with total investments of RMB3,205 million. Besides, it also financed 40 environmental protection projects in the Beijing-Tianjin-Hebei region, which registered a loan balance of

III. Support for the Development of the Yangtze River Delta

Centering on the integrated development plan of the state for the Yangtze River Delta, the Bank took root in the local market, exerted its advantages in coordination, and strove to become the best comprehensive financial service provider in the region. It actively responded to the financing needs of many fields such as key infrastructure construction, urban interconnection, and urbanization. To further unlock the growth potential of emerging industries, it better served high-quality private enterprises and innovative high-tech enterprises, accelerated the supply of high-quality assets to corporate customers, and pooled together advantageous resources to forge growth poles of profits, which were expected to

Case: CITIC Nanjing Branch Supported the Development of the Yangtze River Delta

Wuxi Branch under CITIC Nanjing Branch supported the merger and acquisition (M&A) of Ruili Airlines by Wuxi Communications Industry Group Co., Ltd. To support the development of Wuxi Shuofang Airport and help address the operational dilemma facing Ruili Airlines, Wuxi Branch extended a 7-year M&A loan worth RMB300 million in April 2021. The inauguration ceremony of Sunan Ruili Airlines Co., Ltd. took place on September 8th, 2021.

lead the high-quality business development nationwide.

IV. Support for the Real Economy

On the basis of compliance with national macroeconomic policies, industrial policies and regulatory requirements, the Bank gave more support to the industries such as manufacturing, leasing, commercial services and real estate development. As at the end of the year, the balance of loans granted by the Bank to the manufacturing industry was RMB3,431.57 hundred million, an increase of 10.74%, which accounted for 16.11% of corporate loans, up by 0.42 percentage points from the end of previous year.

Table 5: The Bank's Loans by Sector

Industry	2021		2020	
	Loan balance (in RMB hundred million)	Proportion of	Loan balance (in RMB hundred million)	Proportion of

	million)	loans (%)	million)	loans (%)
Manufacturing	3,431.57	16.11	3,098.64	15.69
Transportation, warehousing and postal services	1,373.58	6.45	1,273.33	6.45
Production and supply of power gas and water	610.14	2.86	600.12	3.04
Wholesale and retail	1,548.99	7.27	1,480.20	7.49
Real estate development	2,636.31	12.38	2,655.49	13.45
Water conservancy, environment and public utility management	3,780.75	17.75	3,366.67	17.05
Leasing and business services	4,546.73	21.34	4,122.10	20.87
Construction	1,028.65	4.83	979.97	4.96
Public and social organizations	67.94	0.32	106.28	0.54
Others	2,277.93	10.69	2,067.19	10.47
Total corporate loans	21,302.59	100.00	19,749.99	100.00 ⁸

Case: CITIC Shanghai Branch Supported an Edible Fungi Planting Enterprise

A Shanghai-based edible fungi planting and sales enterprise specializes in industrialized mushroom farming on a large scale and possesses many patented technologies. It has offered feasible solutions to the contradiction between developing the edible mushroom industry and protecting the environment, greatly contributing to the modernized, massive, and standardized development of China's edible fungi industry. Over the years, CITIC Shanghai Branch has continued supporting the customer's business development by expanding the credit lines extended to it as a source of working capital. In doing so, the Bank provided financial support for the real economy, the rural revitalization drive, and the non-staple food projects.

V. Support for the Industrial Development in the Key Areas Concerning Agriculture, Rural Area and Farmers

The Bank actively supports the supply-side structural reform in agriculture. In 2021, it focused on supporting the development of high-quality, distinctive industries, helping to

⁸Due to the "rounding off", the aggregate of "proportion of loans" for the items above exceeds 100%, and this figure shall prevail.

improve the quality of agricultural products and facilitating the conversion of agricultural technologies into practical use. First, it intensified credit support for “going out” agricultural projects and for key enterprises engaged in intensive processing of agricultural products as well as in the acquisition of primary, special agricultural products as raw materials. Second, it ramped up the medium and long-term credit support for key rural areas. Third, it expanded the financial support for new types of agricultural businesses and small farmers, and encouraged the issuance of micro-credit loans to farmers. On the premise of complying with local policies, the Bank studied how to expand the scope of agricultural-related loan collateral.

Case: Lin'an Rural Bank Supported Sannong Development

Spearheaded by its market positioning of “supporting agriculture and small businesses”, Lin'an Rural Bank strived to achieve its transformation and upgrading as per regulatory requirements, fulfilled its duties to serve agriculture, rural areas, and farmers (hereinafter referred to as “Sannong”), and served the real economy with concrete actions. As at the end of the year, its indicators, such as “two no-less-than and two control” target for small and micro enterprises, inclusive loans extended to small and micro enterprises, and agriculture-related loans, all met the regulatory requirements. Specifically, the balance of loans granted to small and micro enterprises amounted to RMB1,455 million and grew by 18.56%, 0.1 percentage point higher than the average growth of various loans; the balance of inclusive loans going to small and micro enterprises stood at RMB1,143 million and went up by 19.47%, 1.01 percentage points higher than the average growth of various loans; and the loans to farmers and micro and small enterprises combined accounted for 92.41% of the total.

In 2021, Lin'an Rural Bank rolled out a program for cultivating small and micro enterprises and the self-employed, a micro-credit loan marketing competition in the title of “Assisting small and micro enterprises, the self-employed, and Sannong”, and other activities, to further expand the customer base of small and micro enterprise loans. As at the end of the year, it acquired 35 new small and micro enterprise customers and 1,281 individual customers, with the balance of personal loans hitting RMB1,321 million, up 29.15%.

The Bank strived to ensure food security as a response to the 14th Five-Year Plan. It focused on supporting the construction of functional zones for grain production, protective areas for the production of major agricultural products, distinctive agricultural product zones and seed banks, while promoting high-quality grain projects. It paid close attention to national policies and price cycles in the market. In combination with regional characteristics, it selectively supported: (1) major crop production bases, leading enterprises of industrialized green food production bases, and leading enterprises of agricultural industrialization included in the lists announced by agricultural and other authorities; (2) large farming groups benefiting from changes in grain prices; and (3) large animal husbandry groups that reach environmental protection standards, put in place a complete set of epidemic disease prevention and quality inspection & assurance systems, and demonstrate obvious cost advantages and strong growth potential. In 2021, the Bank set up 159 county outlets nationwide, accounting for 11.2% of its total, which greatly supported the economic development of counties. As at the end of the year, the balance of agriculture-related loans of the Bank stood at RMB396,716 million, an increase of RMB54,768 million compared with the beginning of the year.

VI. Refinement of Loan Structure of Regional Economies⁹

As at the end of the year, the balance of loans granted by the Bank to the western region was RMB 5,727.27 hundred million, an increase of 5.04%, accounting for 12.46%; the balance of loans to the eastern region was RMB32,263.02 hundred million, an increase of 9.00%, accounting for 70.18%; the loans to the northeast region amounted to RMB1,151.07 hundred million, an increase of 4.03%, accounting for 2.50%; and the balance of loans to the central region was RMB6,723.82 hundred million, an increase of 9.73%, accounting for 14.63%.

At the end of the year, the Bank had set up 256 outlets in the western region, a figure remaining unchanged from the previous year and accounting for 18.09%, down 0.13 percentage point over the previous year. A total of 830 self-service machines were deployed, accounting for 15.38%, down 1.34 percentage points from last year. In the western region, the Bank had 7,470 employees, accounting for 13.48%, down 0.86 percentage point from the previous year.

Table 6: The Bank's Loans by Region

Region	2021		2020	
	Loan balance (in RMB hundred million)	Proportion of loans (%)	Loan balance (in RMB hundred million)	Proportion of loans (%)
Eastern region	32,263.02	70.18	29,598.86	69.90
Central region	6,723.82	14.63	6,127.38	14.47
Western region	5,727.27	12.46	5,452.38	12.88

Case: CITIC Xining Branch Financed a Qinghai-based PV Power Plant Project

A Qinghai-based new energy company was established in 2020 with a registered capital of RMB90 million. CITIC Xining Branch provided it with a project loan worth RMB330 million. This was a move that the Bank took to serve the real economy and channel credit supply towards green finance as a key area of the country.

⁹Geographically, the "eastern region" specified herein corresponds to the "Yangtze River Delta", "Bohai Rim Area (including the Headquarters)" and "Pearl River Delta and economic zone on the both sides of Taiwan Strait" disclosed in the annual report (excluding Dalian Branch); the "central region" means the following areas where tier-one branches of the Bank are located: Taiyuan, Hefei, Nanchang, Zhengzhou, Changsha and Wuhan; the "western region" refers to the following areas where tier-one branches of the Bank are located: Chengdu, Chongqing, Xi'an, Kunming, Nanning, Hohhot, Urumchi, Guiyang, Lanzhou, Xining, Yinchuan and Lhasa; the "northeastern region" includes Dalian Branch, in addition to the "northeastern region" disclosed in the annual report.

Northeastern region	1,151.07	2.50	1,106.50	2.61
Overseas	105.52	0.23	59.41	0.14
Total loans	45,970.70	100.00	42,344.53	100.00

Section II Financial Supervision

I. Anti-money Laundering (AML)

The Bank, as per the *Guidelines for the Management of Money Laundering and Terrorist Financing Risks for Corporate Financial Institutions (for Trial Implementation)* of the People's Bank of China (PBOC) and the *Administrative Measures for Anti-money Laundering and Counter-terrorist Financing of Financial Institutions in the Banking Sector* of the CBIRC, clarified the anti-money laundering management responsibilities of the Board of Directors, the Board of Supervisors and the Senior Management, and incorporated the money laundering risk management into the Bank's authorization system. The Board of Directors of the Bank authorized its Risk Management Committee to perform part of the responsibilities for money laundering risk management, authorized the President to undertake money laundering risk management, and strengthened the decision-making role of the Head Office's anti-money laundering leading group. All departments of the Head Office were included as the members of anti-money laundering leading group, to practically guarantee the performance of responsibilities for the Bank's money laundering risk management.

Improving a complete set of AML policies. The Bank stayed up to date with new regulatory rules, and strengthened the internalization of external regulations. It further improved the three-pronged AML internal control system of "top-level policies + special policies + line-specific policies", by revising 4 major AML policies and adding 3 new AML policies, forming a repository of internal and external AML policies.

Refining the long-term AML publicity mechanism. Centering on regulatory priorities, the Bank pushed many articles including "Classroom of AML Guard Xiaofan", "Stay away from Illegal Lending and Keep Your Money Safe", and "Talk about AML" on internal platforms like the WeChat official account "CITIC AML" to disseminate AML knowledge. It organized a micro-video contest on information security protection to further practice the concept of AML information security protection. A number of branches carried out internal and external publicity activities through the Bank's WeChat official account, TikTok, and other channels, to raise AML awareness among all employees and the public.

As at the end of the year, the Bank organized 1,182 AML training sessions in total.

II. Anti-counterfeit Money

According to the work arrangement of the PBOC for the Joint Conference Office, the Bank closely followed up on the requirements for the "I Do Real Work for the Public" campaign, and upheld the concept of "RMB issuance for the people". In response to the needs of enterprises and the public for anti-counterfeit currencies, it actively leveraged new media and organized branches to carry out multi-channel, diversified, multi-level, and multi-faceted anti-counterfeit currency awareness enhancement activities in Winter Olympic venues,

villages, schools, and communities, among other places. While going all out to serve enterprises and the public, the Bank made its contribution to the “anti-counterfeit undertaking” and effectively raised the anti-counterfeit awareness among the general public. As at the end of the year, the Bank confiscated 6,939 counterfeit RMB banknotes, a decrease of 7.02% from the previous year; the total amount of counterfeit banknotes confiscated was RMB572,337, down 7.16% from the previous year.

III. Inclusive Finance

The Bank treats private businesses and small and micro enterprises equally. It neither makes the nature of ownership a premise for providing financial services, nor sets differentiated or discriminatory requirements in terms of comprehensive financing costs, guarantee methods, etc. To earnestly implement the requirements for reducing fees and making interest concessions to small and micro enterprises, the Bank strictly prohibited violations including unreasonable charging, linkage of deposits and loans, and mandatory bundled sales, with a view to providing these enterprises with easy access to affordable financing. Meanwhile, it increased the supply of credit loans to raise the proportion of such loans extended to small and micro enterprises significantly. It allowed small and micro enterprises to renew their loans through simplified procedures, a move aimed at providing the enterprises with working capital rather than calling in loans in advance, suspending loan granting or delaying in loan disbursement blindly. As per related policies, the Bank allowed all eligible small and micro enterprises to defer repayments of loan capital and interest following the market-based principle.

In strict accordance with the work requirements of the PBOC, the CBIRC, and other regulators, the Bank did a good job in ensuring stability on six fronts and maintaining security in six areas, and continued to intensify efforts to offer inclusive finance services. As at the end of 2021, the Bank’s balance of inclusive loans to small and micro enterprises stood at RMB366,867 million, an increase of RMB68,664 million or 23.03%, 15 percentage points higher than the average growth of various loans. Customers with outstanding loans numbered 181,700, an increase of 20,000 from the beginning of the year. The inclusive finance business maintained stable asset quality, with the NPL ratio lower than the Bank’s average and the loan interest rates declining steadily.

Top-level planning: The Bank established and improved a cooperation mechanism that combined overall coordination and division of labor, and issued policy documents such as the *Notice on Further Promoting the High-quality Development of Financial Services for Small and Micro Enterprises*. The credit growth tasks were broken down and assigned to different business lines and branches, so that they could make joint efforts to get major aspects of work done properly. Besides, the Bank also established and improved a steering mechanism that combined coordination via meeting and targeted communication. The Inclusive Finance Working Group convened 10 meetings to coordinate and accelerate policy implementation and business development. A team of professional approvers for inclusive loans was recruited on a pilot basis. Branches were guided to build direct teams and hire full-time account managers.

Digital operation: The Bank built a digitalized customer acquisition system. Around orders, accounts receivable, and other system functions, it developed or optimized products such as “Order e-loan” and “Government Procurement e-loan”, which extended business presence to more small and micro suppliers. Relying on core data such as information flow and capital flow, it developed or optimized products such as “Distribution e-loan”, which enabled the Bank to onboard small and micro distributors in bulk. Relying on transaction scenarios, it

developed or optimized products such as “Logistics e-loan” and “Tarrif e-loan”, which empowered the Bank to tap into foreign trade, logistics, and other high-quality industries. At the same time, the Bank built a digitalized operation & maintenance system, recruited an inclusive finance operation & maintenance team, and established a precision marketing platform and a multi-dimensional data analysis system. It also put in place a digitalized risk control system, optimized the risk management system on all fronts, formulated or improved various policies on examination and approval, post-lending management, asset disposal, and so on, launched the “Year for Enhancing Internal Control and Compliance Management” campaign targeted at inclusive finance, and built a digitalized risk control system that covered all steps before, during and after lending.

Distinctive development: The Bank strove to create featured products. Spearheaded by the principle of “encouraging innovation and being moderately fault-tolerant”, it set up a pilot mechanism for inclusive finance innovation, and launched credit loan products such as “Tarrif e-loan” and “Distribution e-loan”. Under the model of “standardized process, modular components, and open matchmaking”, it built a product R&D credit factory that could significantly shorten the cycle of product development and enhance the parallel operation capacity of projects with the help of standardized scenarios and reusable components. The Bank worked hard to form its marketing features. Specific measures it adopted included the “Huihuxue” exchange meeting, the “Casting Power” program and the “Empowerment” program, the “Ice Breaking” action, and the “Credit e-loan” challenge competition, among other themed marketing activities.

Brand image enhancement: The Bank intensified brand marketing efforts, with the focus placed on featured industries and key products. It continuously promoted the “CITIC Easy Loan” brand in mainstream media such as *People’s Daily*, *people.cn*, *China Business Journal*, and *Caijing Magazine*. These marketing efforts won many awards from professional associations and mainstream media outlets.

Case: CITIC Taiyuan Branch Supported the Pandemic-affected Micro and Small Enterprises

A Shanxi-based technology company defaulted on a loan worth RMB1.43 million from CITIC Taiyuan Branch, after it failed to obtain the receivables due to the delay in project acceptance caused by the pandemic. Informed of this situation, the Branch took the initiative to give the company a three-month extension to December 31st. This move effectively helped the borrower to alleviate the problems of liquidity and corporate credit and walk out of the pandemic-inflicted predicament.

Section III Internal Control and Management

I. Comprehensive Risk Management

In 2021, under the complicated economic and financial circumstances at home and abroad, the Bank actively acted on the requirements of the central policies, and strengthened its prejudgment on the economic and financial situation, striving to prevent all kinds of risks. It promoted a sound risk compliance culture, and continuously improved the comprehensive risk management system; it enhanced risk management policies and systems, and did well in optimizing credit business flows and exercising uniform risk control; it bettered the credit approval procedures, reinforced risk forewarning management, and improved the comprehensive evaluation system of risk management; it strengthened cross-financial risk

management, and properly handled market fluctuations.

Overall planning: The objective of the comprehensive risk management is to create value for the Bank and its shareholders, better serve the real economy, and achieve sustainable development through proactive risk management within the scope of acceptable risks, based on the Bank's strategic requirements as well as risk management strategies and appetite. The Bank is dedicated to establishing a comprehensive, uniform, independent, professional risk management system.

Operational risk management: The Bank defined and issued the key elements of operational risk management for the year, promoted the first line of defense to strengthen duty performance, and intensified the coordination between the second and third lines of defense. Through the Basel III implementation project, business departments were organized to examine and optimize standardized processes, cleanse and govern the loss data in the past decade, and re-check key risk indicators comprehensively. Besides, they also optimized management system functions, and established an operational risk data mart and management cockpit, so as to continuously raise operational risk management capability and risk prevention awareness across the Bank.

Technology risk management: The Bank continuously improved its technology risk management policies by issuing or revising 14 related policies in 2021 and undertaking on-site inspection and rectification of problems. Throughout 2021, it conducted on-site and off-site IT inspections on branches, thus identifying and bolstering up the weak links in the IT management. It finished special risk screenings such as wireless network security, application system information security, and penetration testing, and wrapped up the annual graded protection evaluation. It conducted the annual information technology risk evaluation and the specific evaluation on information technology outsourcing risks, with an aim to raise risk forestalling standards continuously.

Liquidity risk management: Committed to a prudent liquidity risk management strategy, the Bank continued to strengthen liquidity risk management. It embedded bottom-line requirements for liquidity risk management into the bank-wide asset and liability arrangements, kept stabilizing and increasing deposits resolutely, and optimized the sources of funds and their utilization in both aggregate and structural terms. In the meantime, it coordinated efforts to dynamically balance liquidity and profitability, increased the holdings of high-quality liquid assets such as interest rate bonds in good time, strengthened active liability management continuously, and ensured smooth financing channels and diversified sources of funds. Besides, the Bank vigorously promoted the issuance of financial bonds to supplement and stabilize sources of liabilities, intensified market analysis and forecast, and carried out daily liquidity management proactively. All of these moves effectively protected the Bank's liquidity security, and its liquidity indicators continued to meet regulatory requirements.

Interest rate risk management: The Bank established a complete market risk limit system for interest rate risk in the trading book. It set up limits for value at risk, interest rate sensitivity, and profit & loss, used tools such as stress tests to evaluate interest rate risk in the trading book, and controlled the risk within the acceptable range of risk appetite.

Intellectual property protection: The Bank attached great importance to the use of copyrighted software, and consistently enhanced the management of licensed software. The Bank revised the *Measures for the Management of Open Source Technology of China CITIC Bank*, which set out clear requirements for the use of open source technology and the supply chain risk management of software products. It strengthened the unified management of free

software, and implemented the introduction assessment and review mechanism, which required the unified introduction and release of software. It carried out the annual copyrighted software self-inspection, and gave the training on the use of copyrighted software to 20,000 persons, both of which raised awareness in this regard. Besides, it continued to build up software asset management capabilities, realizing the structured and online management of software asset data.

II. Internal Compliance

The Bank cleaned up implementation rules on all fronts. Business departments of the Head Office sorted out 675 implementation rules that branches were prohibited from formulating, supervised and guided branches to evaluate their existing implementation rules one by one, and formulated a cleanup plan centered on “institution, amendment, abolishment”, according to which 2,914 implementation rules were abolished and 497 revised. Thanks to these moves, the Bank managed to unify business and operation standards, standardize the policy-making process, and make continuous progress towards the realization of lean management.

The Bank further improved the internal control management system. Comprehensively aligned with regulatory requirements, the Bank reshaped the internal control management structure by establishing the pre-lending prevention and control mechanism, strengthening in-lending monitoring and control, and introducing the post-lending comprehensive management. As a result, there were refined departmental responsibilities and control requirements.

The Bank established an integrated problem rectification mechanism. By producing similar problem correction cards, the Bank unified rectification standards and provided standardized, convenient support. Meanwhile, it re-inspected the rectification results of key projects. The in-depth investigation and rectification were conducted on businesses such as real estate, local government debt financing, and support for private businesses and small and micro enterprises. The Bank carried out the governance of new business control in an innovative way, focused on key business processes, clarified core control links, and strengthened clear responsibilities and duty performance.

The Bank supervised the internalization of new external regulations. The Bank internalized external regulations such as the *Interim Measures for the Management of Wealth Management Products Sales by Wealth Management Companies*, and issued 33 letters to remind relevant departments of internalizing important and holistic external regulations.

The Bank carried out the “Year for Enhancing Internal Control and Compliance Management” campaign. In accordance with the requirements of the CBIRC for the campaign, the Bank promoted all HO departments and branches to identify and rectify their problems. Moves were made to improve policies and mechanisms in key areas such as internal control and compliance governance structure, management of persons holding important positions, formulation of accountability policy and procedures, internal control evaluation, compliance culture building, credit management, and consumer protection.

As at the end of the year, the Bank was imposed with one regulatory fine for the violation related to customer information protection.

III. Internal Audit

The Bank focused on the normative exercise of major powers and the generation of supervisory synergy, strengthened the supervision and evaluation of senior executives in making decisions on “important issues, appointment and dismissal of important managerial

members, major project investment and use of large-amount funds” as well as controlling major risks, and took the initiative to disclose the fraud in duty performance and violations in areas such as onboarding of credit customers, credit application approval, centralized procurement, and remuneration & expenses. It strengthened supervision of peer departments by urging relevant HO departments to rectify problems and correct defects in process design, coordination & cooperation, and other aspects. Centered on the key areas of regulatory concern, the Bank actively promoted the shared use of audit models in the three lines of defense, played the role of risk information sharing and interactive risk prevention & control, and made strides in improving the joint risk prevention & control regime. In 2021, the Bank completed 42 comprehensive and special audit projects, and fulfilled 110 economic responsibilities.

IV. Integrity and Anti-corruption

The Bank strictly prohibits corruption. It not only handles every corruption case identified severely, but also takes a zero-tolerance attitude to curb the increase in caseload. Throughout the year, the bank has carried out anti-corruption training for 4 times, with extensive participation of directors and cadres and employees at all levels of the general branch, naming, reporting and analyzing typical cases, persistently strengthening the construction of clean financial culture, and further enhancing the bottom-line thinking and awareness of discipline and law of all cadres and employees of the bank. In 2021, one corruption lawsuit was filed and concluded with the Bank.

Chapter III Green Banking and Environmental Protection

The United Nations Sustainable Development Goals



Key Performance Indicators	Unit	2021	2020
Balance of green credit loans	in RMB hundred million	2,054.25	922.01
Substitution rate for personal e-banking transaction volume	%	99.65	99.54
Purchased electricity	in MWh	261,437.44	235,628.41

Green Finance.....P47

Technology Finance.....P50

Carbon Footprint.....P51

The Bank has attached great importance to the signing of the *Paris Agreement* by the Chinese government and its policy orientation, realized that climate change has begun to bring about both risks and opportunities to the development of the banking industry, and identified environmental and social risks related to energy consumption, pollution and climate change as well as green credit opportunities. The dual carbon strategy has not only spawned many emerging industries and green industry segments, but also innovated and developed green financial products.

Section I Green Finance

I. Identifying Environmental Risks

The Bank formulated the *Measures for Categorized Management of Environmental and Social Risks of China CITIC Bank Corporation Limited*, to strengthen full process management, including pre-lending investigation, review and approval, contract management, credit use review and post-lending management. The assessment of environmental and social risks shall focus on investigating and reviewing the assessment of credit customers' environmental and social risks, management system, labor and working conditions, pollution prevention and control, among other aspects. Moreover, based on the characteristics of specific customers, attention could also be paid to the management of explosives and chemicals, pollution prevention and control, community health and security, land appropriation and involuntary resettlement, biodiversity protection and management of sustainable natural resources, respect for minority cultures and customs, protection of cultural heritages, and environmental and social risks along the supply chain, among others.

In accordance with the *Measures for Categorized Management of Environmental and Social Risks of China CITIC Bank Corporation Limited*, the Bank standardized the management of green credit business, provided rule-backed bases for its employees to effectively prevent credit losses or adverse impacts incurred by environmental and social risks, and to avoid environmental and social hazards and related risks that may arise from construction, production and operating activities, and ensured the legitimacy and compliance of relevant project financing business. Furthermore, the Bank set specific contents in the project investigation and review template for credit approval, requiring employees to give a description of environmental protection and other related aspects of credit applicants. Meanwhile, the Bank required employees to look into the implementation status of environmental protection and social policies by enterprises in terms of credit customer access, barring those that failed to meet relevant requirements, and reducing loans to existing customers that did poorly in implementing environmental and social policies.

II. Green Finance

The Bank will continue to implement the 14th Five-Year Plan and the 30/60 strategy, and incorporate “developing green finance” into its strategic plan. In 2021, the Bank set up the Green Finance Steering Group, the Business Promotion Working Group, and the Management Improvement Working Group; established a mechanism of regular meetings and responsible persons; formulated and issued the *Work Plan for Green Bank Building of China CITIC Bank* and the *Guiding Opinions on Promoting Green, Low-Carbon, and Circular Development of China CITIC Bank* to point out the direction for business development and set out requirements for risk management; worked on corporate governance, business promotion, product innovation, ESG management, information disclosure, control over the energy-intensive and high emission industries, and other domains.

The Bank actively facilitates the realization of the national goal to peak carbon emissions and

carbon neutrality. It supported the transition from fossil fuels to clean energy, and increased the proportion of clean energy that could achieve zero carbon emission; it stayed informed of business opportunities in new energy vehicles, energy-saving technologies, and other fields, and provided financial support for the enterprises committed to reducing carbon emissions to help peak coal consumption as early as possible; it supported the development of innovative green technologies, advanced clean production, developed environmental protection industries, and fueled the green transformation of key industries and important fields. As at the end of the year, the Bank recorded a balance of green loans¹⁰ of RMB205,425 million, up 122.80%.

Case: CITIC Yinchuan Branch Supported Wind Power Projects

Wind energy is clean and renewable energy, which is in line with the national policies for environmental protection and energy conservation. Ningxia is rich in wind energy resources. The development of wind energy projects can partially alleviate drought and reduce windy and sandy weather in the region. Since 2020, the Bank has extended fixed asset loans totaling RMB417 million to a local new energy company in support of constructing a 100MW wind power project.

In 2021, the Bank underwrote 19 green debt financing instruments with an underwriting amount of RMB11 billion, a year-on-year increase of 132%. It launched one of China's first pilot programs in each of two innovative fields - "carbon-neutrality bonds" and "sustainability-linked bonds". This move not only set a good example for others to follow suit, but also demonstrated the brand value of its green finance.

Case: CITIC Chengdu Branch Issued One of the First "Carbon Neutrality-themed Bonds" in China and the First of its Kind at the Local Level

As a major underwriter in the bond market, the Bank also leads and promotes the development of the domestic green bond market. On February 9th, 2021, it successfully underwrote the first carbon neutrality-themed green building bond in the Chinese interbank market issued by a local SOE, that is, the first tranche of medium-term notes in 2021 issued by Sichuan Province Airport Group Co., Ltd. The proceeds raised were used for the Chengdu Tianfu International Airport project, which was designed with the concept of sponge city and awarded the green building label (3-star) in China.

In 2021, the Bank participated in the climate risk stress test organized by the PBOC to assess the potential impact of the 30/60 strategy on its credit assets. According to the testing results, the Bank would see its customers in the thermal power, steelmaking, and cement industries exposed to the increased credit risk in the stress scenario, but the impact on the Bank's capital adequacy level remains under control overall.

III. Energy-intensive and High Emission Industries¹¹

The Bank exercised rigid control over energy-intensive and high emission industries by

¹⁰The data was measured as per the *Notice by the General Office of the China Banking and Insurance Regulatory Commission on the Work Concerning the Green Financing Statistics System* and not comparable with the data disclosed in previous years.

¹¹Statistical scope is based on the category names as per the *Industry Classification of the National Economy (GB/T 4754-2011)*.

strictly limiting new projects and managing existing projects in these industries. It adopted the one ballot veto system to resolutely exit the enterprises with poor environmental performance or great social risks, strengthened environmental and social risk management, promptly collected information released by governments of all levels on environmental violations and production safety penalties, and prudently assessed environmental and social risks. In the *Guiding Opinions on Promoting Green, Low-Carbon, and Circular Development of China CITIC Bank*, it is clearly stated that the Bank strictly controls the scale of credit extended to energy-intensive and high emission projects, and actively addresses the risks arising from the phase-out of and withdrawal from the traditional energy industries as well as energy-intensive and high emission projects. In October 2021, the Bank forwarded the CBIRC's *Notice on the Matters Concerning Serving the Normal Production of the Coal Power Industry and the Orderly Circulation of the Commodity Market to Ensure the Stable Operation of the Economy*. According to the notice, it would go all out to provide financial services to ensure the supply of energy and electricity in this winter and next spring, and meet credit needs of eligible enterprises in fields of coal power, coal mining, and heating supply and illegal calling in loans in advance and suspending loan granting are strictly prohibited.

Table 7: Statistics on Loans to Industries Featuring “Heavy Pollution, High Energy Consumption and Overcapacity”

“Heavy pollution, high energy consumption and overcapacity” industries	2021		2020	
	Loan balance (in RMB hundred million)	Share in corporate loans (%)	Loan balance (in RMB hundred million)	Share in corporate loans (%)
Steel ¹²	266.75	1.25	247.24	1.25
Cement ¹³	52.31	0.25	72.73	0.37
Coke	1.67	0.01	1.81	0.01
Copper smelting	12.07	0.06	15.40	0.08
Aluminum smelting	107.15	0.50	112.44	0.57
Lead and zinc smelting	1.66	0.01	3.06	0.02
Thermal power generation	128.78	0.60	114.89	0.58
Total	570.38	2.68	567.57	2.87 ¹⁴

¹²Steel industries include iron making, steelmaking, non-ferrous metal casting, steel rolling and ferroalloy smelting.

¹³Cement industries include cement manufacturing and cement products manufacturing.

¹⁴Due to the “rounding off”, the aggregate of “shares in corporate loans” for the items above exceeds 2.87%, and this figure shall prevail.

Case: CITIC Nanjing Branch Withdrew from Energy-intensive and High Emission Projects

CITIC Nanjing Branch extended credit lines worth RMB40 million to a Jiangsu-based chemical enterprise, which was guaranteed by the actual controller of the enterprise. In an environmental inspection, the enterprise was ordered to cease production for overhaul, and its environmental level was downgraded to “blue”. Moreover, its pollutant discharge permit expired on August 1st, 2019, and its application for a new permit was rejected by the local government. Informed of this situation, the Bank terminated credit cooperation with the enterprise as per the one ballot veto system for environmental protection projects.

Section II Technology Finance

The Bank strove to reduce the number of printed paper vouchers and visits made by customers through Internet finance while providing customers with convenient financial services. It continuously optimized and upgraded online functions such as online banking and mobile banking, streamlined service processes, and enhanced customer experience by replacing over-the-counter services with online services and substituting paper vouchers with electronic ones. As at the end of 2021, the number of personal online banking customers reached 58.309 million, up 10.02%; the amount of personal online banking transactions stood at RMB7,568.913 billion, up 7.04%; the number of personal mobile banking customers and the amount of relevant transactions reached 57.263 million and RMB11,910.445 billion, up 10.39% and 13.18% respectively; and the substitution rate for personal e-banking transaction volume was around 99.65%, up 0.11 percentage point over the previous year.

Table 8: Statistics on E-banking Business of the Bank

	2021	2020	Changes (%)
Personal e-banking business			
Number of personal online banking customers (in ten thousand people)	5,830.90	5,299.77	10.02
Amount of personal online banking transactions (in RMB hundred million)	75,689.13	70,711.44	7.04
Number of personal mobile banking customers (in ten thousand accounts)	5,726.30	5,187.51	10.39
Amount of personal mobile banking transactions (in RMB hundred million)	119,104.45	105,234.53	13.18
Number of personal mobile banking	26,047.55	24,781.15	5.11

transactions (in ten thousand)			
Corporate e-banking business			
Amount of corporate online banking transactions (in RMB hundred million)	1,342,522.51	1,071,801.37	25.26
Number of corporate online banking transactions (in ten thousand)	19,871.94	13,281.30	49.62

The Bank unveiled the brand-new Mobile Banking app (version 8.0), which could offer more considerate services. It optimized and upgraded the wealth channel and launched the “Wealth Management in Four Ways” module; gathered many fund companies to launch the “Ship of Happiness” platform, which provided professional interpretation into market trends, wealth management knowledge, and related activities; introduced more life scenarios, which allowed users to make medical checkup reservations through one click via the Health Banking platform; and delivered the new interactive experience, and upgraded the “Happiness+” version to offer barrier-free services.

As required by the documents of the General Office of the State Council and the PBOC, the Bank transformed the existing “Happiness+” version of its Mobile Banking app with a barrier-free design. According to regulatory requirements, it made a series of barrier-free designs to the original app, which primarily included adding the voiceover function to pages of high-frequency transactions and basic shared components of mobile banking, developing customized startup pages, voiceover setting functions, and related guides, and adding floating windows to introduce key functions. All of these adjustments helped improve the accessibility of services.

Open banking: Driven by FinTech, the Bank combined the “going global” and “bringing in” business models. It realized rapid connection and scenario integration with hundreds of partners to introduce more ecosystem-based cooperation scenarios.

Inclusive finance targeted at small and micro enterprises: The Bank launched an app for micro and small businesses and supported use by de facto controllers of enterprises, legal persons of merchants and individuals. The app consisted of four sections including homepage, loans, wealth management and operation, covered five scenarios such as collection and payment, tax and social security, offline service, cross-border service and salary slip inquiry, provided such exclusive services as commercial paper e-Loan, authorization for personal credit investigation and maximum-deposit contract signing, and launched the “Commercial Paper e-Loan” business that would be available nationwide through only one click.

Municipal services: During the reporting period, the Bank provided a total of 108 localized services, such as provident fund payment, social security and medical insurance services, and regionally distinctive campaigns of discount, for customers in 150 cities, including the majority of tier-one and tier-two cities nationwide.

Section III Carbon Footprint

The Bank earnestly identified and complied with the requirements of the *Environmental Protection Law of the People's Republic of China* and the *Energy Conservation Law of the*

People's Republic of China, implemented relevant requirements of energy saving and environmental protection policies of the PRC, vigorously pushed ahead with measures for green operations, and strove to reduce resource consumption and pollutant discharge.

The impact of the Bank's operating activities on natural resources and the environment mainly involved the emissions of nitrogen oxides, sulfur dioxide and greenhouse gases due to the use of official vehicles and power consumption, energy and water consumption, as well as the hazardous and harmless wastes generated from the office process. The Bank has always advocated "green office". It formulated the *Guiding Opinions on Green Office of China CITIC Bank*, so as to reduce resource consumption and emissions and attain sustained, efficient development.

I. Disposal of Hazardous Wastes

The Bank continued to standardize the scrapping and disposal of electronic office equipment. It stuck to the principle of disposal in compliance and introduced unified disposal service suppliers through public bidding. "Unified disposal standards, environmental protection standards and disposal procedures" were strictly practiced across the Bank. Lead-acid batteries were scrapped and recycled by the original manufacturers or integrators who signed the sales contracts, and hard disks were scrapped and recycled after demagnetization or physical disruption.

II. Disposal of Harmless Wastes

For the disposal of domestic/kitchen wastes, the canteens of the Bank provided reusable plates, and classified and recycled relevant wastes. Scrapped electronic and electrical products were recycled by professional service suppliers with related environmental protection qualifications.

III. Advocacy of Green Office

Advocating recycling: The Bank promoted the continuous utilization of old but still usable office furniture whose service time had expired, and called for employees to clean their plates and reduce waste on the dinner table.

Advocating paper saving: The Bank replaced printed and photocopied materials with emails to reduce the use of paper; used recycled paper wherever possible; printed on both sides of paper.

Advocating power saving: The Bank gave priority to purchasing power-saving electric lights and appliances; used natural lighting whenever possible; the temperature of air-conditioners was set to no lower than 26°C in summer and no higher than 20°C in winter, and switched off air-conditioners when the weather was fine.

Advocating water saving: The Bank promoted the extensive use of water-saving appliances; and required turning off the tap immediately after use.

Advocating fuel saving: The Bank complied with the equipment and procurement standards for official vehicles and controlled fuel consumption by vehicles at the source of emissions; strengthened management of statistics about fuel consumption by official vehicles by creating a uniform ledger; strictly acted on the provisions on the use of official vehicles. Employees were advised to go out for business activities by bus or subway whenever possible. Moreover, the Bank required that reasonable plans are made according to the number of passengers, routes to destination and weather conditions to ensure routes were rational and information was accurate and free from errors, and that vehicles are checked before driving to ensure they

are in good conditions.

Advocating gas saving: The Bank regularly checked natural gas pipelines to prevent leaks and handled defective pipelines promptly.

IV. Environmental Objectives

The Bank will gradually establish a catalog of green suppliers of office utilities, and require that priority be given to green suppliers in the procurement of various office utilities. Branches will preferentially buy or rent eco-friendly and energy-saving buildings as their business offices. At the Bank, professional agencies will be hired to dispose of various waste. To be specific, scrapped electronic and electrical products will be recycled by agencies with related environmental protection qualifications. In the future, the Bank will continue to improve its environmental performance and contribute to the sustainable development of society, in light of the latest regulatory requirements and its actual business conditions.

V. Green Purchasing

The Bank's credit cards recovered from customers accounted for around 4.58% of all the cards issued by the Bank. The current paper business cards used by the Bank were made with environmentally friendly paper.

VI. Protection of Biodiversity

The Bank established one outlet (with an area of 1,161 square meters) in Hangzhou Bay New Zone (a national wetland reserve), Ningbo, Zhejiang Province, Xikou Subbranch (with an area of 346 square meters) in Xikou Town (national 5A scenic spot) in Fenghua, Ningbo, Zhejiang Province, and one outlet (with an area of 600 square meters) in Boshan District (a provincial-level nature reserve) in Zibo, Shandong Province.

VII. Environment-friendly Decoration

The Bank required branches to pay attention to environmental protection, health protection and comfort, and safety and compliance in design and material selection, enhance the quality awareness, set up control mechanisms and effectively reduce dust and noise, so as to minimize the negative impacts of relocation and renovation of their outlets on the

Case: CITIC Wuhan Branch Went Eco-friendly in Decoration

CITIC Wuhan Branch fully considered the rational use of various resources to avoid waste in the construction of outlets. When it came to interior decoration, the branch never used building and decoration materials that would be harmful to health and tried to create a workplace that incorporated natural elements. Meanwhile, it minimized the use of resources, including energy, water, and materials, and protected environment from pollution, in a bid to provide a safe, healthy, and cozy working environment for employees.

environment.

VIII. Key Performance

Purchased electricity: Purchased electricity was the biggest carbon emission source of the Bank. As at the end of the year, the Group purchased 261,437.44MWh electricity, up 10.95% from the previous year, equivalent to emissions of around 157,700-ton CO₂ of equivalent, accounting for approximately 95.94% of the Bank's total carbon footprint. Per capita

electricity purchased was around 4.41MWh, up 10.24% from the previous year.

Fuel consumption of official vehicles: By the end of the year, the Group purchased around 1,851,600 liters of gasoline for all its official vehicles, up 10.84%, converted to emissions of around 3,936.40 tons CO2 equivalents.

Discharge of wastes: As at the end of the year, total hazardous wastes and harmless wastes discharged by the Group were 294.27 tons and 1,352.91 tons, down 8.21% and up 9.34%, respectively.

Table 9: Statistics on Discharged Environment Pollutants

Data on Discharged Pollutants		
Performance Indicators	2021	2020
Sulphur dioxide (in ton) ¹⁵	0.03	0.02
Nitrogen oxides (in ton) ¹⁶	0.52	0.60
Total greenhouse gas emissions (in ton) ¹⁷ (Category I and Category II)	164,345.10	148,155.81
Per capita greenhouse gas emissions (in ton/person)	2.77	2.52
Greenhouse gas emissions per square meter of floor area (in ton/square meter)	0.07	0.06
Greenhouse gas emissions per RMB hundred million income (in ton/RMB hundred million)	80.34	76.08
Direct greenhouse gas emissions (Category I) (in ton) ¹⁸	6,668.93	5,939.02
Fuel consumption of official vehicles	3,936.40	3,547.13
Diesel for facilities	11.34	38.52
Natural gas	2,589.29	1,768.75

¹⁵Sulphur dioxide emissions recorded herein mainly came from fuel consumption of official vehicles, with relevant data calculated according to the *Technical Guide for the Preparation of the List of Air Pollutant Emissions by Road Vehicles (for Trial Implementation)* released by the Ministry of Environmental Protection of the PRC.

¹⁶Nitrogen dioxides emissions recorded herein mainly came from fuel consumption of official vehicles, with relevant data calculated according to the *Technical Guide for the Preparation of the List of Air Pollutant Emissions by Road Vehicles (for Trial Implementation)* released by the Ministry of Environmental Protection of the PRC.

¹⁷The list of greenhouse gases in the report includes carbon dioxide, methane and nitrous oxide, mainly coming from purchased electricity and fuel, and presented according to carbon dioxide equivalents, including direct (Category I) and indirect emissions (Category II).

¹⁸Direct greenhouse gas emissions recorded herein were calculated according to the *2006 IPCC Guidelines for National Greenhouse Gas Inventories (2019 Revision)* released by the Intergovernmental Panel on Climate Change (IPCC).

Gas	27.28	45.08
Liquefied petroleum gas	104.62	539.54
Indirect greenhouse gas emissions (Category II) (in ton) ¹⁹	157,676.17	142,216.79
Purchased electricity	157,676.17	142,216.79
Total hazardous wastes (in ton) ²⁰	294.27	320.60
Per capita hazardous wastes (in ton/person)	0.0050	0.0054
Total hazardous wastes per square meter of floor area (in ton/square meter)	0.00012	0.00013
Total hazardous wastes per RMB hundred million income (in ton/RMB hundred million)	0.14	0.16
Total harmless wastes (in ton) ²¹	1,352.91	1,237.31
Per capita harmless wastes (in ton/person)	0.023	0.021
Total harmless wastes per square meter of floor area (in ton/square meter)	0.0006	0.0005
Total harmless wastes per RMB hundred million income (in ton/RMB hundred million)	0.66	0.64

Table 10: Statistics on Energy Consumption

Energy Consumption Data		
Performance Indicators	2021	2020
Total energy consumption (in MWh) ²²	291,477.56	262,078.40

¹⁹Indirect greenhouse gas emissions were calculated according to the *Grid Baseline Emission Factor for China of Emission Reduction Project of 2019* issued by the Ministry of Ecology and Environment of the People's Republic of China. As there was no baseline emission factor for the power grid in Tibet or the UK, and the data of Lhasa Branch and London Branch about purchased electricity had little impact and was of relatively low importance, the purchased electricity of the branches was not included in the statistics on greenhouse gas emissions.

²⁰The hazardous wastes mentioned herein were handed over to qualified and specialized companies for disposal, mainly including scrapped lead-acid batteries, scrapped ink boxes, toner cartridges, carbon powder and ribbons of printers.

²¹The harmless wastes mentioned herein were all handed over to recycling companies for disposal, mainly including scrapped office paper and scrapped hard disks.

²²Total energy consumption mentioned herein includes direct and indirect energy consumption.

Per capita energy consumption (in MWh/person)	4.92	4.45
Energy consumption per square meter of floor area (in MWh/square meter)	0.12	0.11
Energy consumption per RMB hundred million income (in MWh/RMB100 million)	142.49	134.58
Direct energy consumption (in MWh) ²³	30,040.12	26,449.99
Fuel consumption of official vehicles	16,080.26	14,490.08
Diesel for facilities ²⁴	43.13	146.51
Natural gas	13,242.00	9,045.65
Gas	203.09	335.37
Liquefied petroleum gas	471.64	2,432.38
Indirect energy consumption (in MWh) ²⁵	261,437.44	235,628.41
Purchased electricity	261,437.44	235,628.41

Table 11: Statistics on Other Resources Consumption²⁶

Data on Other Resource Consumption		
Performance Indicators	2021	2020
Tap water consumption (in ton)	2,463,067.33	2,578,514.34
Per capita tap water consumption (in ton/person)	41.57	43.79
Tap water consumption per square meter of floor area (in ton/square meter)	1.04	1.05

²³The data on direct energy consumption in this report was calculated according to the amount of fuel consumed and relevant conversion factors provided in the *General Rules on Calculating Comprehensive Energy Consumption (GB/T 2589-2020)*, a national standard of the PRC. Relevant energy includes natural gas, gas, diesel for facilities, liquefied petroleum gas and fuel consumed by official vehicles.

²⁴Diesel for facilities refers to the diesel consumed by standby generators and a small number of stoves.

²⁵The data on indirect energy consumption in this report is calculated according to the amount of electricity consumed and relevant conversion factors provided in the *General Rules on Calculating Comprehensive Energy Consumption (GB/T 2589-2020)*.

²⁶Package data is not applicable to the Bank.

Tap water consumption per RMB hundred million income (in ton/RMB hundred million)	1,204.10	1,324.14
---	----------	----------

IX. Other Performance

A4 copy paper: As at the end of the year, the Group purchased a total of 590,500 packs of A4 copy paper, up 10.52%, converted to emissions of around 1,411.26-ton CO₂ equivalents²⁷; per capita A4 copy paper purchased was around 9.96 packs, down 9.81%.

Paper statements: As at the end of the year, the Bank issued a total of 441 million credit card statements, up 4%; the substitution rate for paper statements was 100%, up 0.02 percentage points over the previous year, which equaled to a decrease in issued paper statements of 441 million, converted to about 8,816-ton paper equivalents²⁸ or about 8,428-ton CO₂ equivalents.

Municipal water consumption: As at the end of the year, municipal water consumption by the Group reached around 2,463,100 tons, down 4.48%; per capita municipal water consumption was around 41.57 tons, down 5.09%. Since the water came from the municipal supply, there were no problems in obtaining water sources.

Video Services: As at the end of the year, to act on the requirements for pandemic prevention and control, the Bank provided video services (meeting, training, work communication, etc.) for 6,992 times using related technology. The video services hours in the year totaled 23,103.41. Specifically, the Head Office used video services for 1,389 times, which added up to 3,516.38 hours; all branches used video services for 5,603 times, which lasted 19,587.03 hours.

²⁷The carbon emission factor of the full lifecycle of paper is 956kg CO₂e/ton. Data source: Department for Environment, Food and Rural Affairs (DEFRA), 2014.

²⁸Calculation standard: Each paper statement weighed 20g.

Chapter IV Employees and Society

The United Nations Sustainable Development Goals



Key Performance Indicators	Unit	2021	2020
Outlets	in number	1,415	1,405
Self-service terminals	in set	5,397	5,687
Total employees	in person	55,419	55,154
Donations	in RMB ten thousand	1,161.92	7,815.64
Volunteer activities	in number of times	288	226

Customer Service.....P59

Employee Development.....P65

Community Development.....P72

Section I Customer Service

I. Service Capacity

Service channels: In 2021, the Bank had 1,415 outlets in 153 large and mid-sized cities of Chinese Mainland, an increase of 10, or 0.71%, compared with the previous year; the number of self-service terminals which put into operation decreased 5.10% to 5,397, covering all provincial-level regions. Through these outlets and self-service terminals, the Bank enriched the local financial ecosystem, met the financial needs of local residents, and supported local economic development.

Moreover, in consideration of various factors such as regional economic status and financial resources, customer distribution and outlet capacity, and dedicated to the principles of getting close to customers and communities and providing customers with convenient services, the Bank kept optimizing the model of regional total outlets, adopted third-party information collection and micro-site selection model, and took into full consideration neighboring residents, office workers, commercial facilities and traffic status to relocate 66 outlets, making the outlet layout more scientific and reasonable. The Bank continued to reduce outlet area according to outlet capacity, staffing and visits of customers, so as to promote light-weight development of outlets and improve actual effect of resource allocation.

Customer personal safety: To protect the personal safety of customers, every outlet of the Bank is staffed with security guards. All outlets are equipped with the anti-attack system which can directly contact the local “110” police service center with just one click, and with defense and anti-terrorism protective appliances in preparation for emergencies. They all have fire alert and fire extinguisher, and evacuation passages, so they can timely report to the local fire protection center and guide customers to evacuate orderly in the event of fire. There are video surveillance systems monitoring all corners of the outlets and connected to higher-level surveillance centers. All outlets have contingency plans for all kinds of emergencies, and organize emergency drills for employees. In the case of an emergency, the employees and security personnel at the outlets will act in accordance with the contingency plans, work with the police organs when necessary, and provide them with any useful clues to properly deal with the situations.

Case: CITIC Shanghai Branch Responded to a Security Incident Properly

On June 11th, 2021, an adult man suddenly appeared on the premises of East Nanjing Road Sub-branch of Shanghai Branch with a knife. The two security guards on duty responded quickly and subdued the man, protecting the safety of bank staff and customers present. The incident happened at a special time when the whole country was celebrating the 100th anniversary of the founding of the Party, and the sub-branch is located in the Bund area of East Nanjing Road, which is a densely populated area of the city drawing high attention. In the face of the emergency, the security guards evacuated all the people in the facility and subdued the man with a knife, with the incident nipped in the bud. What they had done was fully recognized and commended by the Public Order Department of Shanghai Municipal Public Security Bureau.

Customer information security: The Bank continued to improve the customer information security systems. It formulated the *Customer Information Security Management Measures of China CITIC Bank (Interim)* with reference to the policies and norms related to consumer

financial information protection issued by regulators successively. As a top-level policy on customer information protection within the Bank, the document set out the management requirements for all steps of the customer information lifecycle. In addition, the Bank also drafted the *Measures for the Management of Consumers' Financial Information Protection of China CITIC Bank (Version 2.0)*, the *Implementation Rules for Consumers' Financial Information Protection of Operation Lines of China CITIC Bank*, the *Rules for the Management of Protecting Financial Information of Personal Loan Customers of China CITIC Bank*, and the *Implementation Rules for Consumers' Financial Information Protection of the Credit Card Center of China CITIC Bank*, among others.

The Bank took various measures to enhance protection of customer information, such as desensitizing customers' personal information, asset information, account balance and other sensitive information. It increased prevention and control measures on network boundaries and key nodes, deployed multi-layer network security equipment. Also, it strengthened control of employees' office computers to prevent illegal access and data copying. Based on the principles of "business needs" and "least privileges", the Bank authorized users' application system and data management. Besides, it continued to carry out sensitive data screening and information security risk investigation to improve the effectiveness of customer information protection measures. The audit departments of the Bank shall supervise and evaluate the protection of customer information across the board. In addition, the Audit Department of the Head Office shall conduct regular audits on the protection of customer information as well as ongoing audits on the protection of customer information in the off-site or on-site forms to reveal risks and correct management defects in a timely manner.

Case: Lingyun System Operated Steadily

The Lingyun system was officially put into operation on May 3rd, 2020, which indicated that the homegrown core system could function securely and controllably. As at the end of 2021, the system operated stably for 607 days. In December 2021, it registered the average daily transaction volume of 83.89 million (the peak hitting 106 million), the average transaction response time of 57.34 milliseconds, and the transaction success rate of 99.98%. On May 16th, 2021, the Lingyun system finished its first intra-city switchover exercise, with the time consumed and the impact caused reduced to a record low. This also marked that the core system wrapped up its first automatic online switchover of the whole business process via the cloud-network linkage.

Customer asset protection: As a responsible bank, the Bank continuously improves the asset protection mechanism, and adopts innovative methods to ensure asset safety and make customers assured. All outlets outsource cash-in-transit services to specialized armored transportation agencies to fully protect customers' asset safety.

All self-service kiosks are equipped with video surveillance systems connected to higher-level surveillance centers for 24/7 remote monitoring. Field and off-field patrols are conducted regularly, and once any suspicious person, device or situation is detected, the surveillance center will immediately notify the security personnel patrolling nearby, and report the case to the "110" police service center.

"Ten Ones" service procedures: In consideration of customers' moving line, pain points of their experience and banking business standards, the Bank integrates the service standards and processes of reception managers and tellers, and develops the "Ten Ones" reception service process and the "Seven-Steps" counter service process. Reception staff is required to follow the "Ten Ones" service process including "one greeting, one smile, one inquiry, one

guidance, one piece of reminder, one instruction, one care, one beverage, one diversion and one goodbye” to save time for customers and provide efficient and satisfactory service. Tellers are required to provide accurate and instant services and care for customers by conforming to the “Seven-Steps” standard including “welcoming with hands raised, greeting with smiles, treating in polite manners, handling business at once, caring for customers with enthusiasm, delivering bills with reminder, and seeing off customers with eye contact.”

“6S” management for outlets: The Bank has adopted the “6S” methodology of “Sorting, Reorganizing, Sweeping, Cleaning, Safety and Quality” at all outlets to meet growing customer demand and improve customer experience. At the same time, the Bank urges every employee to develop good habits, and work according to the rules. “Sorting, Reorganizing, Sweeping and Cleaning”: Outlets are required to make good and full use of spaces, keep the environment clean, form good habits, and create a relaxing, pleasant, safe and free environment for customers, so that they can have a good mood and a truly enjoyable experience throughout the process. “Safety and Quality”: Outlets are required to protect the personal safety and property safety of customers while providing quality services.

II. Customer Relationship

Customer relationship management: Adhering to the core value of “customer orientation”, the Bank endeavors to build an innovative customer service culture and customer experience mode, and embed the concept of customer relationship management and the awareness of consumer protection into products and services.

Customer complaint management: Attaching great importance to the management of consumer complaints, the Bank formulated the *Consumer Complaints Management Measures of China CITIC Bank*, the *Measures for Consumer Complaint Management of China CITIC Bank Credit Card Center* and the *Specifications of the Customer Service Department of CITIC Credit Card Center on Handling Complaints*, and established the complaint preventing and solving mechanism covering pre-complaint prevention, during-complaint control and post-complaint management. It also set up dedicated teams for handling complaints, which followed up customer appeals in time once receiving the complaints and coordinated business departments to properly address the complaints.

In 2021, the Bank issued *Notice on Regulating the Query and Use of Individual Customer Information in Complaint Handling*, making clear the inquiry and use of customer information in accordance with laws and regulations in the process of complaint handling, effectively protecting the information security of individual customers, ensuring the timely handling of complaints, and safeguarding the legitimate rights and interests of consumers. In terms of complaint process control, according to the problems found in customers' complaints, the bank sends reminders to all business departments through notification letters and other means, and requires rectification and implementation. In complaints closed loop management, report monthly to collect our branches to complain about the problems and difficulties, according to the business classification to distribute to each business unit, ask for each department to comb weaves the complaint content, according to the complaints indicate the rectification or optimization measures, for branch report classified as major, complex complaints, the branch to give guidance, to avoid complaints to upgrade.

The Bank has fully announced its complaint methods and complaint response process at prominent places of its official website, mobile user terminals, business premises, or offices, and set up complaint reception areas that are installed with audio/video recording and other equipment to record the complaint reception and handling process. It tried to protect consumers' right to seek compensation according to law, while regulating the management of

the complaint response process. The Bank also formulated the measures for the management of making rapid compensation for consumer complaints and set aside annual funding to be used by branches for the rapid handling of consumer complaints. At the same time, the Bank encouraged branches to establish contact with local mediation organizations, and made steady progress in implementing a diversified dispute resolution mechanism.

The Bank strengthened source control. After receiving the comments and suggestions from consumers, it provided timely feedback to relevant departments to evaluate and handle complaints and arrive at feasible solutions. Meanwhile, it started to build a digital customer complaint analysis and management system. By charting the “complaint-customer-product-process” relation graphs of all business lines, the Bank was able to analyze, handle, issue early warnings about, and monitor all complaints in real time, further exposed the tough problems existing in products and services, and offered more customer complaint data to business departments in support of their business decision-making. All of these moves enhanced customer satisfaction significantly.

As at the end of the year, the Bank received 309,661 customer complaints, of which 19,696 were referred from regulators (including the CBIRC, PBOC, and other external regulators); 113,183 came from the 95558 customer service hotline for debit card-related complaints; 176,154 were about credit cards via the hotline 4008895558; 628 were received through other internal channels (including business premises, phone calls, and visitors’ books). These complaints mainly involved business categories such as credit card, debit card account management, and personal loan, which accounted for 62.46%, 21.20% and 7.29%, respectively. By region, they mainly came from Guangdong²⁹, Beijing, and Henan, accounting for 66.92%, 3.20%, and 2.07%, respectively.

Standardization of wealth management product sales: Before selling wealth management products, the employees are required to validate customer identity, introduce the sales process and charging standards and methods, understand customers’ risk tolerance, investment period and liquidity requirements, remind customers to read the sales documents, especially content about risk disclosure and customer rights and interests, and confirm that customers have copied the risk reminder sentences as required. When marketing wealth management products, the Bank requires the employees to make a detailed product introduction to customers, including the term, investment destinations, and return on investment in various scenarios, fully disclose the risk of wealth management products in plain language, explain the worst scenarios and investment results, and make sure that customers get a full and accurate understanding. The employees shall not conduct untruthful marketing, make any promise on principals or returns, or force or mislead customers to purchase any product. They are strictly prohibited from subscribing, purchasing and redeeming financial products on behalf of customers, keeping documents, USB Key or other media for customers, or making any promise on gains or assuming losses.

Financial risk disclosure: In the process of communication with customers, the Bank places great emphasis on risk transparency and information symmetry, and fulfills the obligation to fully disclose the potential risks of financial products to customers.

- Customer managers must ensure truthfulness when promoting products and related services to customers, without any exaggeration or partiality, conform to established standards and norms, and shall not make misleading or deceptive explanations.

²⁹As the Credit Card Center of the Bank is located in Shenzhen, the complaints of credit card business have been included in Guangdong province.

- During sales of wealth management products, the Bank requires wealth management managers with sales credentials to guide customers to wealth management areas with distinct signs on wealth management product information, risk disclosure notices and display of marketing credentials for product introduction and promotion. The managers shall explain in details related elements of product instructions and possible financial risks.
- For purchasing wealth management products, customers are required by the Bank to fill in a risk rating questionnaire in person and the rating result must be higher than risk level of the target products, so that the products can be purchased.
- For purchasing wealth management products, customers are required by the Bank to take audio and visual recordings with the help of wealth management managers and to confirm in person that they are well aware of risk characteristics of the products and related elements one by one.

Reduction and exemption of service charges³⁰: The Bank strictly followed the provisions of CBIRC on fee exemption for 34 items in 11 categories of services for personal RMB accounts; and strictly implemented its policy of “two prohibitions and two restrictions” for micro and small businesses, that is, prohibitions of charging commitment fees and fund management fees except for syndicated loans, and strict restrictions on financial advisor fees and consulting fees. The Bank strictly conformed to the government-set and government-guided price catalogs, and forbade units at all levels from charging a price higher than the price ceiling. In response to the inclusive finance policy, the Bank expanded the scope of free-of-charge transfer services via mobile banking and domestic online banking, and cut fees for cross-regional RMB deposit and transfer services for individual customers. In strict accordance with relevant provisions, the Bank canceled charges for cross-regional RMB cash withdrawal at counters for individual customers, and suspended six kinds of charges for notes and bank drafts like handling fees, loss reporting fees, and material charges. At the same time, the Bank further expanded the scope of fee exemptions, and exempted all customers from account management fees (including small account management fees) and annual fees (excluding credit cards). In response to the joint initiative of the PBOC, the CBIRC, the Payment & Clearing Association of China, and the China Banking Association, the Bank reduced the charges for nine service items, the bank has reduced ATM inter-bank cash withdrawal commission starting from July 25, 2021, and has reduced 9 charging service items of small and micro enterprises and individual industrial and commercial households payment commission within three years starting from September 30, 2021. In addition to the 11 types of RMB personal accounts and 8 types of bills stipulated by The CBRC, the Bank also provides 51 service items free of charge for a long time; 46 of the 128 charged service items of the whole bank, for specific customers to implement long-term concessions. As at the end of 2021, service charges worth about RMB2,748 million for approximately 11,003,500 transactions via personal RMB accounts had been exempted.

III. Supplier Management

The Bank can be divided into general suppliers, core suppliers, strategic suppliers and group collaborative suppliers according to the suppliers and the bank's services. Suppliers are included into the bank's supplier database through access to carry out full life cycle

³⁰The Bank has posted policies at conspicuous locations of the outlets and on the official website. Information on service charges is displayed on LED screens and multimedia terminals and can be inquired through computers at outlets where conditions permit to fully protect customers' right to know and to choose. Customers can make an inquiry via our “95558” hotline.

management. The admitted supplier shall meet the following basic conditions: they shall have the ability to independently bear civil liability; they shall provide financial information as required; they shall have records of paying taxes and social security funds according to law; they shall have no major illegal record in business activities in the recent three years; they shall have not been included in the list of persons subject to enforcement for trust-breaking, the list of parties to major tax violation cases and the list of serious trust-breaking enterprises in the recent three years; they shall have not included in the supplier withdrawal list in recent three years. During the review, the Bank can arrange for field investigation over the suppliers if it believes necessary. In 2021, the Bank assessed the centralized procurement suppliers over their performance throughout 2020. According to the result, the suppliers of the Head Office were in sound quality in a general stable trend. As at the end of 2021, the Bank had 16,931 suppliers, including 16,877 suppliers in the Chinese Mainland, 34 suppliers in Hong Kong, Macau, and Taiwan regions, and 20 suppliers outside of China.

In accordance with the *Labor Law of the People's Republic of China* and the *Environmental Protection Law of the People's Republic of China*, the Bank requires suppliers to include their performance of environmental and social responsibilities in their documents in the phase of supplier qualification assessment. It conducts risk screening, including environmental impact, of 521 suppliers of the Head Office through third-party institutions, collects information on environmental and social risks of all signed suppliers such as compliance of laws and regulations, social responsibilities, major changes and legal disputes, includes them into the overall supplier evaluation, and guides suppliers to fulfill their due environmental and social responsibilities. Besides, the Bank requires suppliers to provide documentary evidences of paying tax and social security funds by law for any one month in the last six months in their tendering documents and provide certifications on performing social responsibilities as required by projects, such as ISO9000 quality management certification, ISO14000 environmental management certification and ISO18000 occupational health and safety management certification.

The Bank follows the principle of “loose in access and strict about use” in the management of onboarded suppliers, and divides them into different levels, carries out core supplier risk monitoring and compliance supervision on a regular basis, organize site visits as needed, etc.

IV. Business Coordination

The Group, as the largest financial subsidiary and the main business coordination platform of CITIC Group, has made many useful explorations in terms of mechanism, system, team, system and brand to raise the vision and goal in business synergy year by year. It is loyal to and resolute about pressing ahead with CITIC's business coordination strategy.

Extension from financing cooperation to industry-financing integration: As financial and industrial subsidiaries worked more closely within CITIC Group, there emerged more models, combinations, and business possibilities. CITIC continues to expand advantages in comprehensive services, and forms an ecosystem of industry-financing integration at a faster pace. In the field of “integrated finance + new consumption”, Shanghai Branch completed the UnionPay POS acquiring business of McDonald's across China, a move that extended the partnership of the Bank with its entire supply chain. In the field of “integrated finance + new urbanization”, Hangzhou Branch, together with CITIC Engineering and CITIC COHC, participated in the Oujiang River Estuary Phase II construction project, providing a comprehensive solution featuring “urban area development, industry introduction, and construction financing”. In the field of “financing + intelligence”, Nanchang Branch recommended local enterprise groups to CITIC Consulting, with a view to helping local

SOEs transform and upgrade.

Upgrade from point-to-point connection to cooperation in the whole area: The Bank invested a lot of energy and resources and made holistic arrangements in industry research, review and approval, resource allocation, system development, etc. For example, the customer management departments, risk management departments, and credit approval departments regularly invited experts from CITIC Securities and China Securities to hold discussions on topics such as PV power, automobile, food and beverage, infrastructure and transportation, integrated circuit, TMT, and enterprises featuring specialty, refined management, distinction, and innovation, where they could share the latest research results and provide references for customer onboarding and risk control decision-making. Additionally, the Bank allocated dedicated resources for technical development, and developed the comprehensive risk management system, digitalized procurement sharing platform, and “CITIC Synergy+” system of the Group.

Shift from team marketing to brand marketing: The two shining brands “CITIC Synergy+” and “CITIC Wealth of Happiness” have been widely applied in a diversity of scenarios, such as CITIC Capital Market Forum, CITIC Wealth Forum, CITIC Think Tank Seminar, CITIC Synergetic Risk Meeting, and “Party Building + Synergy”. Thanks to the extensive participation of the Group’s financial and industrial subsidiaries, these brands have passed the tests of and been recognized by the market, thus fully playing their marketing role.

Section II Employee Development

I. Basic Profile of Employees

General information: As at the end of 2021, the Group registered a total of 59,258 employees, an increase of 0.64%; and the Bank had a total of 55,419 employees, an increase of 0.48%. Among them, the number of employees with labor contract was 54,618, accounting for 98.55%, up 1.14% over the end of the previous year. The subsidiaries of the Bank registered a total of 3,839 employees, an increase of 3.06%. Specifically, 57 were employed by Zhejiang Lin’an CITIC Rural Bank Co., Ltd., 122 by CITIC Financial Leasing Co., Ltd., 363 by CITIC Wealth Management Co., Ltd., 2,481 by CITIC International Financial Holdings Limited, and 816 by CNCB (Hong Kong) Investment Co., Ltd.

Table 12: Statistics on Employees of the Bank

	2021	2020	Changes (%)
Total employees	55,419	55,154	0.48
Employees under labor contract with the Bank	54,618	54,002	1.14
Employees dispatched to the Bank or hired with letters of engagement	801	1,152	-30.47
Male employees	25,102	25,268	-0.66

Female employees	30,317	29,886	1.44
Ethnic-minority employees	2,687	2,664	0.86
Primary-level employees	48,732	48,571	0.33
Branch managerial employees ³¹	6,072	6,019	0.88
Head Office managerial employees ³²	615	564	9.04
PhDs	217	209	3.83
Masters	13,732	13,341	2.93
Bachelors	39,216	39,111	0.27
Junior college graduates	2,034	2,254	-9.76
Below junior college	220	239	-7.95
Aged 30 and below	14,744	17,204	-14.30
Aged between 31 and 40	29,587	27,538	7.44
Aged between 41 and 50	8,380	8,086	3.64
Aged between 51 and 59	2,708	2,326	16.42
Aged 60 and above	0	0	0
Number of employees in the eastern region	37,048	35,746	3.64
Number of employees in the central region	7,701	8,080	-4.69
Number of employees in the western region	7,470	7,911	-5.57
Number of employees in the northeastern region	3,157	3,377	-6.51

³¹Employees at and above the level of assistant general manager of the departments of branches, and assistant to deputy head (involved) of sub-branches.

³²Employees at and above the level of assistant (involved) to division chief of the Head Office departments.

Table 13: Statistics on Staff Turnover of the Bank

	2021
Employee turnover rate	5.67%
Female employee turnover rate	4.46%
Male employee turnover rate	6.44%
Turnover rate of employees aged 30 and below	7.30%
Turnover rate of employees aged between 31 and 40	5.12%
Turnover rate of employees aged between 41 and 50	2.00%
Turnover rate of employees aged between 51 and 59	4.75%
Turnover rate of employees aged 60 and above	0.00%
Turnover rate of employees in the eastern region	5.74%
Turnover rate of employees in the central region	4.57%
Turnover rate of employees in the western region	4.65%
Turnover rate of employees in the northeastern region	4.59%

Dispatched staff: The Bank strictly implemented the *Labor Law*, the *Labor Contract Law* and the *Interim Provisions on Labor Dispatch*, and further lowered the ratio of dispatched employees. It reinforced the management of dispatched staff and gradually reduced the number and proportion of dispatched employees year by year. As at the end of 2021, the number of dispatched employees of the Bank was 800, down 30.43% over the end of the previous year, and they accounted for 1.44% of the Bank's staff, down 0.65 percentage point over the previous year, lower than the requirement of 10% in the *Interim Provisions on Labor Dispatch*.

Localization of staff in overseas institutions: As at the end of 2021, CITIC Bank International Limited had 6 employees, including 5 local ones, with localization rate reported at 83%. CITIC Bank International Limited had 2,475 employees, including 2,171 local ones, with localization rate standing at 88%. CNCB (Hong Kong) Investment Limited had 77 employees, including 68 local ones, with localization rate standing at 88%. London Branch had 34 employees, including 25 local ones, with localization rate reaching 74%. Sydney Representative Office had 4 employees, none of whom was local people, with localization rate standing at 0%. JSC Altyn Bank had 507 employees, including 503 local ones, with localization rate standing at 99%.

II. Enhanced Management

Management policies: The Bank formulated and revised human resources policies on management of performance evaluation of employees and leadership members, laying a basis for further improvement of human resources management.

Employee satisfaction: In 2021, the Bank conducted satisfaction surveys on human resources management at the branch level, in which about 69.45% employees of the branches participated. Among the respondents, about 87.56% were “very satisfied” and “satisfied” with human resources management, down 0.86 percentage point over the previous year, about 11.44% “partly satisfied”, up 0.69 percentage point over the previous year, and about 0.99% “not satisfied”, up 0.16 percentage point over the previous year.

III. Protection of Basic Rights and Interests

Staff wage: Minimum wage standards of the Bank in different areas refer to local minimum wage that is determined by local government and varies according to local economic level.

Staff welfare: The Bank offers employees under labor contract social security schemes (basic endowment insurance, basic medical insurance, unemployment insurance, work-related injury insurance and maternity insurance), housing provident funds, enterprise annuities and supplementary medical insurance. The Bank pays social insurance and housing provident fund for labor dispatch system employees eligible for insurance.

The Bank has established a multi-pillar old-age security system, in which, in addition to the basic endowment insurance, employees under labor contract who have completed the probation period can join the enterprise annuity scheme voluntarily. According to the *Measures for Management of Enterprise Annuities of China CITIC Bank*, individual employees shall contribute 4% of their monthly average salary of the previous year to the enterprise annuity scheme, and the Bank shall contribute no more than 8% of gross payroll of the previous year.

Workplace safety: According to the *Norms for the Management of the Business Premise and Office Security of China CITIC Bank (Version 5.0, 2021)*, the Bank takes a variety of measures to create a safe work environment for employees, such as installing bullet-proof glasses and interlocking safety doors up to industrial standards at the cash business area of outlets, and equipping each counter with the emergency reporting system connected to the local “110” police service center, enabling the employees to call the police with just a single click. There are security personnel at outlets and office spaces, and the video surveillance system of outlets is connected to higher-level surveillance centers for remote monitoring 24 hours a day. In 2021, focusing on life safety as the theme, around improving the fire fighting ability of all staff, China CITIC Bank well-organized fire safety-themed knowledge courses, training, drills and publicity activities. The Bank strictly conformed to the identification and compensation standards for work-related injuries and deaths stipulated in the *Regulations on Work-related Injury Insurance* and relevant modification and supplementary articles. As at the end of 2021, there were 77 cases of work-related injuries in sports, in the workplace, and during commutes or business trips³³, an increase of 29 cases over the previous year, and they took a total of 3,084.44 days off work because of work-related injuries. When employees are accidentally injured, the Bank will take the initiative to apply to local human resources and social security departments to identify work-related injuries.

Table 14: Statistics on Employees Casualties of the Bank

³³The identification and compensation standards of the Bank are based on the *Regulations on Work-related Injury Insurance* (Decree No. 375 by the State Council), the *Decisions of the State Council on Revising the Regulations on Work-related Injury Insurance* (Decree No. 586 by the State Council), and relevant regulations of local governments.

	2021	2020	2019
Number of employees dead on the job	0	0	1
Ratio of employees who died on the job (%)	0	0	0.002
Number of employees injured on the job	77	48	51
Time lost due to injury (days)	3,084.44	2,483.5	2,059

Employees' rights to work and rest: The Bank formulated the *Measures for Labor Contract Management of China CITIC Bank* according to the *Labor Law of the People's Republic of China* to fully safeguard employees' rights to work and rest and prohibit forced labor. If employees need to work overtime, they should fill in application forms voluntarily, and submit them to the department head for review and approval. As at the end of 2021, the Group³⁴ registered total overtime of about 1,885,300 hours or 31.81 hours per capita, an increase of 6.33% and 1.70 hours respectively. The employees of the Group took 257,200 days of annual leave, accounting for 46.62% of the 551,800 days of annual leave they were entitled to. Other leave including marital leave, personal leave, sick leave and funeral leave of the Group totaled 177,600 days, or 3.00 days per capita, a decrease of 0.63 day.

Health checkups: The Bank organizes physical examinations for employees to ensure a good working condition. As at the end of 2021, about 51,000 persons in the Group had voluntarily taken health checkups, an increase of 21.72% over the previous year.

Care for retired employees: The Head Office organized annual activities for retired employees in according to their needs, such as health checkups, visits on Chinese New Year's Day, which showed the care for the retired employees.

Employee dismissal: To standardize the employee dismissal process and safeguard the legitimate rights and interests of employees and itself, the Bank formulated the *Employee Dismissal Management Measures of China CITIC Bank (Version 2.0, 2021)* in accordance with the labor laws/regulations of the state and the *Labor Contract Management Measures of China CITIC Bank*.

IV. Employee Development

The Bank constructs the value creation-oriented performance management system that is based on the Bank's strategies and centered on job responsibilities. It highlights the leading role of Party building and strategic orientation, and releases the innovation vitality of organizations and personnel to improve employees' value and performance contribution.

V. Protection of Legitimate Rights and Interests

Protection of employees' right to speak: The employees can report problems and put forward opinions and suggestions to the Senior Management through three main communication channels, namely "President's Mailbox", "General Manager's Mailbox" and "Contact for Work" columns. All employees can send emails directly to the "President's

³⁴ Including delay overtime, weekend overtime and holiday overtime three cases.

Mailbox”, fully reflect the problems, and put forward opinions and suggestions. The President will give feedback on repeated problems and deal with them.

Protection of employees’ rights as trade union members: After earnestly studying and acting on the requirements of the *Trade Union Law of the People’s Republic of China*, the Head Office and branches of the Bank all have established trade unions to ensure extensive organization of trade union activities.

Protection of female employees’ rights and interests: The Bank signed the *Special Collective Contract for Protecting the Rights & Interests of Female Employees*, and actively carried out activities showing care to female employees. It launched a series of events in celebration of the International Women’s Day, and distributed radiation-proof clothes to 36 pregnant employees at the Head Office.

Anti-discrimination clauses: The Bank continues to promote differentiated remuneration policies, standardizes and improves the remuneration and welfare distribution systems, and formulates related guidelines and management measures that reflect the principle of equal pay for equal work, ensuring employees entitlement to equal promotion, remuneration and welfare, preventing differentiated treatment due to differences in gender, nationality or political party, and creating a diverse and inclusive working environment. Meanwhile, the Bank clearly specifies that recruitment shall strictly abide by national laws and regulations and shall not practice employment discrimination or set any discriminative clause (including but not limited to nationality, race, gender and religious belief).

Anti-child labor clauses: The Bank employs labor according to the *Labor Law* and the *Labor Contract Law*. In the *Management Measures for Employee Recruitment of China CITIC Bank (Version 3.0, 2020)* revised in 2020, it is specified that recruitment shall strictly abide by national laws and regulations and that labor not to be employed as required by national laws and regulations (including but not limited to child labor) shall not be recruited.

Anti-forced labor: According to the *Management Measures for Labor Contract of China CITIC Bank* and the *Management Measures for Employee Attendance of China CITIC Bank*, the Bank provides for working hours, breaks and leave, labor protection and working conditions, and forbids forced or compulsory labor in any form to protect the legitimate rights and interests of employees.

As at the end of the year, the Bank found no child labor or forced labor. Once found in the future, the persons responsible will be imposed with punishments such as warning, demerit, demotion or dismissal as the case may be, according to the *Staff Violation Handling Measures of China CITIC Bank (Version 5.0, 2021)* (X.Y.G.ZH. [2021] No.63). Any violation of laws and regulations will be dealt with seriously in accordance with pertinent national laws and regulations.

Protection of personal privacy: The Bank ensures safe and stable operation of the human resources system, and protects personal information and privacy of employees by strengthening user management, standard operation, division of responsibility and layered authorization. When internally invoking employee information, the relevant department or individual of the Bank must make formal applications for approval, and promise to keep the information confidential and protect employee privacy. The Bank adopts the salary secrecy policy, and makes salaries known to only employees themselves for privacy protection. It keeps the information of job applicants confidential, and no leakage of personal information or privacy of applicants has occurred.

VI. Employee Training

The bank has strengthened the top-level design of staff training, further improved the hierarchical and classified training system, highlighted the "three driving forces" of management ability, digital ability and professional ability, and supported capacity building in strategic key areas by optimizing the allocation of training resources. In 2021, relying on platforms such as CITIC Lecture Hall, Business Gas Station and CITIC Wisdom Lecture Hall, the bank continued to carry out strategic publicity and implementation training on the new three-year development plan, digital transformation and capital light transformation. To overcome the impact of the epidemic, various cadres have completed "mount guard + on-duty" training, personnel training and professional training. At the same time, the Bank revised five training management measures, including the *Measures for the Management of Staff Qualification Training and Examination of China CITIC Bank*, and formulated one new policy. In addition to updating or adding more than 1,000 new courses throughout the year, it introduced high-quality resources from external sources, which included purchasing more than 5,600 courses from well-known websites on topics such as self-management, cutting-edge technology, career competence, communication skills and cross-border vision.

Table 15: Training Statistics

	2021	2020	Changes (%)
Total training cost (in RMB ten thousand)	9,748.12	11,609.76	-16.04
Training cost per capita (in RMB)	1,758.99	2,104.97	-16.44
Total number of participants (in person-time)	533,738	550,166	-2.99
Times of training per employee (in times)	9.63	9.98	-3.51
Duration of training per management staff (days/person)	4.63	-	-
Duration of training per non-management staff (days/person)	10.96	-	-
Duration of training per female employee (days/person)	11.15	-	-
Duration of training per male employee (days/person)	9.97	-	-
Percentage of female employees attending training (%)	100.00	-	-
Percentage of male employees attending training (%)	100.00	-	-
Percentage of management staff attending	100.00	-	-

training (%)			
Percentage of non-management staff attending training (%)	100.00	-	-

VII. Employee Care

The Bank's trade unions paid considerable regard to employees on various special occasions such as wedding, childbirth, serious disease, hardship, retirement and funeral. In 2021, it showed regard to about 59,000 employees with the bonus of about RMB24 million paid to them. Before the New Year's Day and the Spring Festival, the Bank paid special visits to 346 employees in difficulty (including single mothers) and their families along with the subsidies of RMB2,195,000. Before the New Year's Day, a delegation led by Chairman Mr. Zhu Hexin visited the employees who worked overtime on the front line of final accounts at year end, and President Fang Heying and other senior management members paid courtesy visits to six branches. Besides, seasonally varying activities were carried out, such as "sending cool in summer", "sending warm in winter", etc., to show care for employees of the Head Office departments, which cost over RMB5.6 million.

The trade unions of the Bank organized a variety of cultural and sports activities for staff. Some examples of these activities included the one-month fitness walking challenge and the 5th badminton championship. Additionally, the Head Office departments also created ten cultural and sports clubs such as football, table tennis and photography. Some trade unions of the Bank organized a variety of festival-themed activities such as staff fellowship, hiking and speech competition. In 2021, the Bank held over 1,500 cultural and sports activities, which attracted approximately 200,000 participants.

Section III Community Development

I. Overview of External Donations

The Group strictly observed the *Charity Law of the People's Republic of China*, the *Welfare Donations Law of the People's Republic of China* and other laws and regulations, solidly fulfilled social responsibilities, actively gave back to society, and made donations to where most needed. As at the end of the year, the Group donated RMB11.6192 million, a decrease of 85.13%, which was primarily used for providing the paired assistance, consolidating the achievements of poverty alleviation, facilitating the rural revitalization drive, and offering public-spirited aid to vulnerable groups in both urban and rural areas. The employees of the Group donated RMB4.1462 million, an increase of 8.18% over a year before. Taxes paid by the Group totaled RMBXX 30.575 billion, down 9.79%. Social contribution per share of the Group reached RMB5.64, up 7.43%.

II. Financial Assistance

In accordance with the regulatory policies of the PBOC, the CBIRC and others, the Bank strictly implemented the requirements of shaking off no responsibilities, policies, assistance and regulations even when poverty has been shaken off to maintain the existing supporting policies and guarantee, focus on key areas such as population/areas lifted out of poverty and industry-driven areas, continuously increase financial support, and effectively consolidate the achievements of poverty alleviation. As at the end of the year, the Bank's outstanding loans for precise financial assistance amounted to RMB30.849 billion, an increase of RMB1.658

billion or 5.68% compared with the beginning of the year; and the balance of loans for areas lifted out of poverty stood at RMB14.526 billion, an increase of RMB777 million or 5.65% compared with the beginning of the year.

Top-level promotion: The Inclusive Finance Steering Group of the Bank coordinated efforts to consolidate and expand the achievements of poverty eradication, formulated development strategies, specified work priorities, refined the division of duties, and held routine meetings to come up with and implement specific measures. The Board of Supervisors incorporated the performance in consolidating and expanding the achievements of poverty eradication into the senior management appraisal.

Credit guidance: The Bank optimized credit policies. It incorporated “support for consolidating and expanding the achievements of poverty alleviation” into the *2021 Credit Policy of China CITIC Bank*, required further simplifying the credit approval process, approved the loans for precise financial assistance more efficiently, expanded the scope of collateral and pledge, strengthened the cooperation with the National Agricultural Credit Guarantee System and the National Financing Guarantee Fund, and deepened the cooperation mechanism among governments, banks and guarantee institutions to play their role in “customer acquisition, credit enhancement, and risk sharing”. In accordance with requirements in regulatory notices, the Bank updated the identification information of the population and counties lifted out of poverty in a timely manner. It organized branches to complete reviewing the identification information of assistance loans with reference to the poverty alleviation progress, and intensified credit support for the population and areas lifted out of poverty, with an aim to improve the accuracy of loan supply. Given that there were few outlets in remote areas lifted out of poverty, the Bank exploited the superior synergy of CITIC Group to increase the availability of comprehensive financial services.

Products and services: The Bank expanded the coverage of supply chain finance. Considering that rural enterprises and micro and small businesses in areas just lifted out of poverty often had few fixed assets and poor guarantee capacity, the Bank gave full play to the competitive advantages of “chain finance”. With credit circulated along the supply chain, the coverage of assistance loans was expanded. The Bank promoted online products. Relying on big data, it improved and promoted the lineup of innovative credit loan products available online, a move that got rid of the limitations facing the provision of services via physical outlets and improved the coverage of products. Meanwhile, the Bank provided products and services in a more targeted, context-specific way, and diversified the mix of featured products.

Summary and publicity: The Bank continued to follow up the latest developments in consolidating and expanding the achievements of poverty alleviation, spotted innovative models and typical cases of financial assistance, and stepped up publicity efforts to spread the useful experiences among all employees. All of these moves aimed to help consolidate and expand the achievements of poverty reduction through financial strength. The Bank’s financial poverty alleviation case was included by the PBOC in the *Practice and Theoretical Innovation of China in Financial Poverty Alleviation*. The Bank’s documentary film titled “Walking on the Road of Poverty Alleviation” showed the remarkable achievements and exemplary deeds made by primary-level institutions and employees in poverty alleviation through financial support, with a view to mobilizing the initiative of front-line institutions and employees to consolidate and expand the achievements of poverty alleviation through financial support.

III. Donations and Assistance

The Bank adequately fulfilled its social responsibilities by continuing to offer paired assistance in many places such as Xietongmen County of Tibet, Dangchang County of Gansu Province, and Jiashi County of Xinjiang, to implement educational assistance projects in 20 provinces and municipalities directly under the central government across China, to provide medical treatment for children suffering from congenital heart disease in the western region, especially the “three areas and three prefectures”, and to dispatch management personnel to work there. As at the end of the year, the Bank launched 208 paired assistance and public-spirited projects, and donated RMB10,519,500, which mainly went to the areas of rural industry, talent, culture, ecological revitalization, consolidation of poverty alleviation results, medical aid, and courtesy visits, and benefited 42,300 people in need from 12,700 households. Besides, 84 full-time or part-time management staff members were dispatched to work at 45 villages of five counties.

Paired assistance: The Bank continued to implement paired assistance projects in Xietongmen County of Tibet, where it invested RMB3 million in establishing a forage processing plant, effectively easing the shortage of livestock forage in winter at several townships. At the same time, it donated RMB500,000 to 1,012 local students from the registered poor households out of poverty and those who just emerged from poverty but whose position was far from secure. The Bank continued to offer Jiashi County of Xinjiang paired assistance, where it invested RMB1.712 million in carrying out the sheep breeding and rural culture revitalization projects in two villages out of poverty called Kezilekumu and Tanglaiqiaputi, benefiting 1,068 local people from 265 households just emerging from poverty. Furthermore, it donated RMB150,000 to establish an industrial base for rural revitalization at Zhangjiashan Village, Dangchang County, Gansu Province, to process and sell local agricultural products and help the village increase income.

Medical assistance: The Bank donated RMB3 million to offer medical assistance in the western region, especially the “three areas and three prefectures”. To be specific, the money was spent providing free surgical operations and rehabilitation therapies for some children with congenital heart defect from the registered poor households out of poverty, households who just emerged from poverty but whose position was far from secure, and other households in difficulty. As at the end of the year, this effort brought health to 113 children (they, aged 0-18 years old, comprised 54 boys and 59 girls). Of these, there were 14 cases of complicated surgery and 99 cases of non-complicated surgery, with a 100% success rate and 0% mortality rate.

Educational assistance: The Bank continued to operate the New Great Wall Senior High School Student Assistance program in 20 provinces, municipalities directly under the central government, autonomous regions across China. It donated RMB2 million to help 1,000 students from poverty-stricken families complete their sophomore year of senior high school (including 446 male students (44.6%) and 554 female students (55.4%)). Besides, branches and subsidiaries of the Bank launched 22 charity activities such as student aid, voluntary teaching, and volunteer service in the Chinese mainland and Hong Kong SAR, directly benefiting 4,301 students (3,101 primary and secondary school students, accounting for 72.10% of the total, and 1,200 college students, making up 27.90% of the total).

Consumption assistance: In addition to direct donations, the Bank actively gave assistance through consumption. Through various means such as office canteens, internal mini-supermarkets, and employee bonus-related purchases, the Bank and its subsidiaries bought agricultural and sideline products worth RMB18,965,800 from poverty-stricken counties nationwide, contributing to the revitalization of rural industries and the income increase of rural residents nationwide.

IV. Financial Services for Special Groups

Services for visually impaired customers: The Bank requests in the *Service Quality Standards Manual of China CITIC Bank* to provide facilities for visually and hearing impaired customers in hall services, and designs and presents copies of *Common Business Overview of China CITIC Bank* in Braille at information desks of outlets to provide visually impaired customers with more convenient financial services. All outlets of the Bank are equipped with wheelchair ramps, tactile sidewalks, service guides in Braille, convenience cards for the visually impaired, Braille keyboards, voice-cued ATMs, emergency buttons, courtesy seats and courtesy windows, as well as wheelchairs for customers with mobility difficulties, so as to bring more humanized and convenient services to customers with special needs.

Services for the disabled: The Bank's business outlets are equipped with up-to-standard barrier-free facilities, such as seats for disabled, wheelchair ramps and barrier-free parking spaces, in order to facilitate the traveling of people with disabilities; counters for users with special needs are deployed, along with barrier-free cash recycling machines and other facilities; and wheelchairs and mobility aids are also available in outlets.

Services for the elderly: At the outlets of the Bank there are bus cue cards, walking sticks, wheelchairs and courtesy seats with arms to facilitate and guide the waiting and movement of elderly customers at the outlets. Reading glasses and super-large stand magnifiers on the form filling desks can help the elderly read and write. Mobile phones for the elderly in the service cabinet can be used for free, helping the elderly in need. Newspapers and magazines on elderly health and regimen are available to the elderly at the outlets. Besides, the Bank has organized activities in elderly communities many times to popularize knowledge on investment and anti-telecom fraud, so as to increase their awareness of anti-fraud, especially anti-telecom fraud.

Services for special customer groups: The Bank has courtesy windows for special customer groups and requires hall ushers to patiently ask about their special needs in detail and arrange green channels for special and urgent events. For special customers such as the elderly, the weak, people with illness and people with disabilities unable to come to the counter, the Bank can provide door-to-door services. The Bank also works to improve the capacity and raise the level of services for special customers to boost customer satisfaction.

V. Protection of Consumer Rights and Interests

In 2021, the Bank upheld the “people-centric” development philosophy, thoroughly implemented major decisions and arrangements of the CPC Central Committee and the State Council, took “consumer protection” as a major political task and a key aspect of operation, and incorporated consumer protection into business processes in the form of “Party history + consumer protection”, thus forming a full-process consumer protection management system that covered pre-event coordination, ongoing control and post-event supervision with the quality and efficiency of work improved significantly. Specific measures included: improving the organizational structure of consumer protection, with the independence, authoritativeness and professionalism of the consumer protection departments further enhanced; revising and improving the consumer protection policy system; enhancing the across-the-board responsibility assumption and information transmission mechanism; strengthening the construction of the consumer protection team; promoting the launch and application of the consumer protection review system across the Bank; asking branches to establish partnerships with local mediation organizations and forming a diversified dispute resolution mechanism; organizing more than 54,000 employees to attend special training sessions and

examinations on consumer protection; actively carrying out financial education activities and winning the honorary title of “Model Organizer” issued by the regulatory authorities three times; further improving the consumer protection inspection and data analysis mechanism to strengthen the rectification of the problems found and the optimization of related processes; and relying on new technologies such as big data and artificial intelligence to faster improve the customer complaint analysis and management system with digitalized means.

VI. Promoting Financial Literacy

In 2021, the Bank thoroughly acted on the regulatory arrangements. It launched various awareness enhancement campaigns, such as “3·15 Financial Consumer Rights Day”, “Promoting Financial Literacy and Keeping the Wallet Safe”, and “Financial Knowledge Popularization Month”, all of which produced remarkable effects and won the recognition of both regulators and the public. Throughout the year, the Bank organized a total of 14,670 public education and publicity events, handed out over 39.15 million copies of publicity materials, and won 57.35 million views from online activities. Its publicity efforts reached over 120 million people in total.

VII. Volunteer Activities

The Bank established the Youth Volunteer Association in 2014. The association works for the following purposes: to practice volunteerism, disseminate advanced concepts, and contribute to a harmonious society characterized by unity and mutual help, equality and fraternity, and common progress. The volunteers vow to “put aside our own benefits and do our best to help others and serve society”.

Under the leadership of volunteer organizations, the Group’s volunteers participated in various volunteer activities, such as teaching, caring for the elderly, caring for children with illness and disadvantaged groups, donating to disaster-stricken areas, bringing warmth to sanitation workers, advocating the Lei Feng Spirit, donating blood, promoting compliance with road rules, and raising funds for disaster relief by organizing charity bazaars. As at the end of the year, the Group had organized 288 volunteer activities, an increase of 27.43% over the previous year, with 11,960 participants in these activities, an increase of about 73.33% over the previous year.

Case: "Sunshine Mutuality, Keeping Up with CITIC" charity sale volunteer activity

On May 8, 2021, Youth League Committee of China Citic Bank Head Office and Youth League Committee of Head Office Youth League Committee held "Sunshine Mutual, Keeping Up with CITIC" charity sale volunteer activity. Various departments of the head office actively organized donations, and more than 30 departments collected numerous donations. A team of young volunteers with more than 60 people was formed to sort out, classify and price the donations. At the event site, volunteers from various departments carefully arranged booths and held on-site charity sales, raising a total of more than 74,000 yuan. On July 19, representatives of volunteers went to Beijing New Sunshine Charity Foundation (NSCF) for a volunteer "face to face" activity, donating all the proceeds from the charity sale to the treatment of children with leukemia, and discussing the needs of volunteer services. So far, this volunteering activity has launched its fifth season. It embodies the love and wisdom of employees of the Bank and is a vivid carrier of practicing the core socialist values and inheriting the corporate culture of the Bank.

Case: CITIC Jinan Branch Showed "Care for Children with Special Needs" in a Volunteer Activity

On December 21, 2021, a volunteer team of Jinan Branch visited the Cuckoo ASD Home in Jinan to show care for the children with special needs. Located in the mountainous areas in the southern part of the city, the social welfare organization is dedicated to providing early education and rehabilitation training for children with moderate disabilities. Jinan Branch set up a voluntary service base at the Cuckoo ASD Home in 2016, since then the volunteer team has visited the facility several times a year. On the day of the visit, volunteers brought money and daily necessities donated by 655 employees of Jinan Branch to the director of the facility, and the children living there prepared a dance program for the visiting volunteers in turn. They played games and had fun together.

Independent Assurance Report

2022/SH-0132

(Page1/4)

English Translation for Reference Only

Independent practitioner's assurance report

To the Board of Directors of China CITIC Bank Corporation Limited

We have been engaged to perform a limited assurance engagement on the 2021 Sustainability Report ("Sustainability Report") of China CITIC Bank Corporation Limited (the "Bank").

The Board of Directors' Responsibilities

The Board of Directors of the Bank is responsible for the preparation of the Sustainability Report based on Shanghai Stock Exchange "Guidelines on Preparation of 'Corporate Report on Performance of Social Responsibilities' "("SSE Guidelines"), and Hong Kong Exchange and Clearing Limited ("HKEx")'s "Environmental, Social and Governance Reporting Guide "("ESG Reporting Guide"), and with reference to Global Reporting Initiative ("GRI")'s "Sustainability Reporting Standards" ("GRI Standards"), "Opinions on Strengthening Social Responsibilities of Banking Financial Institutions" promulgated by the China Banking Regulatory Commission, "Guidelines on Corporate Social Responsibilities of Banking Financial Institutions" promulgated by the China Banking Association, ISO 26000, and GB/T36001-2015 Guidance on Social Responsibility Reporting. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the Sustainability Report so that it is free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for setting the Bank's objectives in respect of sustainability performance and reporting, including identification of stakeholders and material issues that are relevant to these stakeholders.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

2022/SH-0132

(Page2/4)

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

It is our responsibility to express a conclusion on whether we are aware of any matter that would materially affect the Sustainability Report prepared based on the SSE Guidelines and the ESG Reporting Guide and with reference to GRI Standards based on our work.

We conducted our work 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 plan and perform our work to form the conclusion.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion on any matter that would materially affect the Sustainability Report. Our work involves assessing the risks of material misstatement in the Sustainability Report, whether due to fraud or error, and responding to the assessed risks. The extent of procedures selected depends on our judgment and assessment of the engagement risk.

Within the scope of our work, we have performed the following procedures in the Head Office of the Bank and Nanjing Branch:

- 1) Interviews with management in terms of the strategy and policy of the Sustainability Report, to inquire into the formulation and implementation of sustainability-related strategy and policy;

2022/SH-0132

(Page3/4)

- 2) Interviews with departments in charge of the Sustainability Report and departments involved in providing performance information for inclusion in the Sustainability Report, to inquire into the design and operation of the Sustainability Report information collection and summary procedures;
- 3) Consistency comparison between key financial performance data in the Sustainability Report with related data in the financial report;
- 4) Analytical procedures of Key Performance Indicators (“KPIs”) in the Sustainability Report, based on which we carried out sampling and recalculations of selected KPIs;
- 5) For information other than KPIs, selecting samples for comparison and checking with related internal documentation or public information;
- 6) On-site interviews with Nanjing Branch;
- 7) Other procedures deemed necessary.

Our assurance was with respect to the year ended 31 December 2021 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the Sustainability Report.

Inherent Limitation

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, based on the SSE Guidelines and the ESG Reporting Guide and with reference to GRI Standards.

2022/SH-0132

(Page4/4)

Restriction on Use

Our report has been prepared for and only for the board of directors of the Bank and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report.

PricewaterhouseCoopers Zhong Tian LLP

Shanghai, China

March 24, 2022

Annexes

I. Honors & Awards

In January 2021, the Bank was granted the “Core Dealer”, “Excellent Money Market Dealer”, “Excellent Issuer of Interbank Certificates of Deposit”, “Excellent Derivatives Market Dealer”, “Opening-up Contribution Award”, “Award for Trading Mechanism Innovation X-Repo”, “Award for Trading Mechanism Innovation X-Swap”, “Award for Market Innovation” and “Award for Best Technology” in Interbank Local Currency Market by National Interbank Funding Center; the “Top 100 Excellent Dealers in Annual Settlement”, “Excellent Underwriter of China Green Bond Index Sample Bonds” and “Excellent Issuer – Financial Bond Issuer” by China Central Depository & Clearing Co., Ltd.; the “Private Bank of the Year” by *National Business Daily*; and the “Domestic Private Bank Best Performer” by Hurun Report.

In February 2021, the Bank ranked 16th among the “Top 500 Global Bank Brands” published by *The Banker* magazine of the United Kingdom, and won the “Progress Award for Standard Proprietary Clearing of Bond Forward”, “Excellence Award for Proprietary Clearing of Interest Rate Swap”, “Excellence Award for Proprietary Clearing of Foreign Exchange” and “Progress Award for Proprietary Clearing of Bond Net Balance” from Shanghai Clearing House.

In April 2021, the Bank was awarded the “Best Underwriter for Unsecured Bonds”, “Best Interbank Debt Financing Instrument Underwriter” and “Best Bond Underwriter” by Wind; and the “2021 Special Contributor to International Business”, “2021 Best Contributor to Product Promotion”, “2021 Best Risk Control Member”, “2021 Best Technical Support Member”, “2021 Best Pioneering Institution”, “2021 Best Quotation and Trading Institution” and “Best Participator in Leasing Business” by Shanghai Gold Exchange.

In May 2021, the Bank was recognized as the “Best Joint-Stock Private Bank in China”, “Best Private Bank in China – Discretionary Portfolio Management” and “Best Private Bank in China – Asset Allocation Services and Research” by *Asian Private Banker*; the “Excellent Custodian Institution” by Shanghai Clearing House; and the “First Lead Underwriters of Sustainability-Linked Bonds” and “First Lead Underwriters of Carbon Neutrality Bonds” by National Association of Financial Market Institutional Investors.

In June 2021, the Bank was recognized as the “Excellent Case of Financial Services for Small and Medium-sized Enterprises” by China Banking Association and China Association of Small and Medium Enterprises.

In July 2021, the Bank ranked 24th on *The Banker* magazine of the United Kingdom’s list of the “Top 1,000 World Banks” in terms of tier-one capital. Besides, the Bank’s asset custody data platform was awarded the “Best Financial Market Technology Implementation in China” by *The Asian Banker*, and the Bank was recognized as “Top Market Maker” by Bond Connect.

In August 2021, the Bank was recognized as “2021 Excellent Joint-stock Commercial Bank” by China Internet News Center, and “FX House of the Year China” by *FX-Markets*.

In September 2021, the Bank was granted as the “Best Foreign Currency Lending Member

in Interbank Foreign Currency Money Market” and “Best RMB Foreign Exchange Market Maker in Interbank Foreign Exchange Market” by China Foreign Exchange Trade System; and the “2021 Corporate Banking Brand Influence Star” by *The Economic Observer*. The distributed business development of the Bank was recognized as the “OSCAR Peak Open Source Technology Innovation Award” by China Academy of Information and Communications Technology.

In November 2021, the Bank was recognized as the “Inclusive Finance Business Bank”, “Excellent Corporate Banking” and “Best Auto Finance Service Bank 2021” by *21st Century Business Herald*; the “Best Corporate Banking Innovation Bank” by *China Business News*; the “Excellent Inclusive Finance Bank” by *The Economic Observer*; the “Inclusive Finance Practice Bank with Excellent Competitiveness” by *China Business Journal*; the “Excellent Wealth Management Bank” and “2021 Cross-border Financial Services” by Hexun.com; the “2021 Commercial Bank with Excellent Innovation” by Investor China; and the “Best Digital Operation Award of Mobile Banking” by China Financial Certification Authority.

In December 2021, the Bank was recognized as the “2021 Most Valuable Custodian Bank” by *Caijing* magazine; the “2021 Best International Business Innovation Bank” by *Financial Times*; the “Top 100 Best Employers in China” by the Organizing Committee of China Best Employer Award; the “ESG Green Company Star” and “Bank Innovation Award” by *China Investment Network*; the “2021 High Net Worth Lifestyle Service” and “2021 Family Heritage Service” by *The Asian Banker*; and the “Best Bank for Responsible Investment” by Sina Finance; “Hong Kong Corporate Governance and ESG Excellence Awards 2021” by the Chamber of Hong Kong Listed Companies. Moreover, the Bank’s audit technology platform was awarded the “Innovation Achievement of FinTech and Digital Transformation” by China Institute of Communications; the Bank’s Data Lake project was awarded the “Excellent Case of Industry Big Data Application” by China Academy of Information and Communications Technology.

II. Corporate Culture Stories

Story 1: Struggle – “Five Flavors of Struggle” on the Snow-Capped Plateau (Guangzhou Branch)

Tibet, a sacred place of pilgrimage; Lhasa, the home of the soul. There are snowy mountains, vast grassland and magnificent lamaseries. People who have been there can’t help but feel that this is the spiritual home, a garden of the soul.

In 2018, Li Tao, who had been working in CNCB Guangzhou Branch for ten years, received a task: building and improving the CITIC Bank business process in Tibet. Having bid farewell to his family, he packed up and moved to the snowy plateau with enthusiasm and determination. Three years have passed, during which he experienced the five flavors of life. It has become the most precious and memorable period in his life.

When Li Tao first arrived in Lhasa, he was quite shocked to find that everyone was lying in bed uptaking oxygen from a medical oxygen tank. Because of the high altitude and sparse vegetation, the air in Lhasa contains barely more than half as much oxygen as on the plains. In winter, the air pressure drops further. He had shortness of breath, loss of appetite, unbearable headache and insomnia. The real test had only just begun. When struggling for

breath, the only thing Li Tao could do was trying harder to adapt to the new environment. He was ready to brave all obstacles, knowing that he was fighting for a worthy cause.

Every time he had a video call with his family, Li Tao was thinking that when his son grew up, he would have a better idea of the word “struggle” than children of his age. One day, he would understand his father’s choice. “Struggle” is an invaluable experience, which should be passed down from generation to generation. If there is no struggle, there is no progress.

Story 2: Responsibility – Take Water as a Mirror and Fulfill the Mission (Xiamen Branch)

Lao Tzu said in Tao Te Ching, “The supreme good is like water; water nurtures all living things without competing with them.” Indeed, water is a commonplace existence for most people. However, this seemingly ordinary thing contains profound philosophy and noble qualities. It is a great spirit that makes silent contributions to all.

There are people among us who are no great talkers, but great doers, always working hard for the benefit of the team and the collective and for the better development of the group. Sometimes, they zoom in and notice the most subtle details. At other times, they would step up at the critical moment and demonstrate amazing power all at once. No matter in ordinary daily life or in special moments, they remain faithful to their duties and responsibilities.

Zeng Guoyong, Party branch secretary at CNCB Xiamen Tongan Sub-branch, is such a man who, like water, “nurtures all living things without competing with them”, “gives favors without seeking reward”, and performs his duties admirably. “Tongan Sub-branch is my second home.” This is what Zeng Guoyong often says and practices. Every morning, he is the first to arrive at the outlet to open the door and welcome the new day with everyone.

Since he joined CITIC Bank, Zeng Guoyong’s car records a mileage of 400,000 kilometers, most of which are business trips to develop customers. His car bears good evidence of his dedication to customer service, as he always thinks for the customers, responds to their needs, and provides them with professional, high-quality and thoughtful services.

In 2021, Tongan Sub-branch had to suspend business due to the epidemic. During this period, Zeng Guoyong signed up for community volunteering, and was responsible for checking the temperature and health code of people in and out of Yunxi community and helping people out with any queries. Every day, he would show up at the post on time, his shirt wet with sweat, and repeated in spite of his hoarse voice, “Please wear a mask and show your health code.” “Please go to the designated place to take the PCR tests in time.” In those days, his tall and erect figure at the gate of the community was truly touching to behold.

Water is a symbol of purity. In order to nourish all living creatures, it chooses to merge into ponds, lakes and rivers. In the journey of thousands of twists and turns, it forms alluvial plains, irrigates farmlands and finally returns to the vast sea. Such is the commitment and dedication of water; such is the excellence and nobleness of water. Let’s take water as a mirror and serve the people with commitment and dedication!

Story 3: Collaboration – Winning the “Impossible” Project with the “Art of Playing the Piano” (Hangzhou Branch)

“Loan successfully granted!” The good news was loudly cheered among members of the project group of USD760 million cross-border syndicated loan for PT. Huayue Nickel Cobalt. This is the first cross-border syndicated loan project of Hangzhou Branch, and also a benchmark project for Zhejiang to implement the carbon peak and neutrality goals and the

Belt and Road Initiative (BRI). The success of this project is a testament to the hard work and collaboration of our colleagues in the Head Office, Hangzhou Branch and Jiaxing Branch.

One day in May, Zheng Qianghua, Assistant Head of Jiaxing Branch, learned that an enterprise was seeking financial support in the form of syndicated loan. Upon further inquiry, they learned that the project aimed to recover metal from abandoned nickel lateritic ores in Indonesia. It was the most environment-friendly, low-carbon and green project in the world featuring the largest scale, the lowest cost and the most advanced technology. According to the enterprise, after the project was completed and put into operation, it was expected to produce 60,000 tons of nickel-cobalt mixed hydroxide precipitate (MHP) per year, which would effectively reduce the production cost of lithium battery materials.

Zheng Qianghua's heart sank when he was told that the approval of the syndicated loan was drawing to a close. It was obviously a little late to get the news. But considering that the corporate syndicate had not been finally formed, there was still a chance. He made a quick decision and proposed to the enterprise, "Our bank will participate, too." The enterprise representative expressed interest in the proposal, but kindly reminded, "Your bank may participate, but the time limit is rather tight. As far as I know, the approval for such a complex project takes at least two months, so I'm afraid it's a waste of your time. Hopefully we would get an opportunity to work together in future." "We insist on taking up this opportunity," Zheng Qianghua added, "We'll make sure the approval for loan is received before the deadline."

The CNCB people always honor their words with actions. From the moment he stepped out of the customer's door, the countdown begun. At last, CITIC Bank not only caught the "last train" but also served as a joint lead bank and the security agency in the Chinese mainland.

Looking back on the project, people could not help but exclaim in admiration. This is truly doing things with "the art of playing the piano". Pressed by time, the team had to plan things down to the day and make detailed arrangements to ensure efficient internal operation and smooth external coordination. It's just like playing the piano. The keyboard has black keys and white keys, and three areas of bass, midrange and treble. Every note should be accurate and in place, and the keys of the piano must be pressed with proper strength and technique.

As the Chinese saying goes, only in hard times can courage and perseverance be manifested; only after polishing can a piece of jade be finer." Through hardships and trials, CITIC has found the path that leads to higher mountains. As long as we work together and rise to challenges, there is nothing we cannot achieve. In unity lie the strength, pride and glory of all CITIC Bank people!

Story 4: Agility – A "Perfect" Overtime Experience (Nanjing Branch)

What do you think of when you hear the word "overtime", the 996/007 work culture, or something else? In the workplace, would you choose to work overtime to improve work performance? Does "overtime" mean an extra pay or the selfless love of your career? Everyone has his own understanding of "overtime". In CNCB Wuxi Branch, there is a "perfect" overtime experience cherished in the heart of every team member.

On 15 January 2021, Wuxi Public Transport Group acquired 57% equity in Ruili Airlines and completed the industrial and commercial change registration. It was the first time for a state-owned enterprise to acquire private airlines in Jiangsu Province, and Wuxi has thus become the first city in the province to have its own airlines. Behind this success lies the dedication and hard work of CNCB people. Here is the "overtime" story.

“The funds of Wuxi Public Transport Group have not been credited and the High-value Payment System is closed at 17:15. Is there any way for the customer to transfer the funds from other bank accounts so that we could issue the national bank drafts today? The customer’s financial chief is flying to Yunnan tonight and must take the bank drafts to pay the advance payment for equity transfer.” Explained the account manager patiently and clearly on the other side of the phone, though his voice was full of anxiety. That was a truly difficult situation. Instead of looking for excuses to spare himself the trouble, the accounting manager’s first thought was the interest of the customer. CITIC Bank has promised to be always at the command of our customers.

“Listen, if the customer could transfer any funds from other bank accounts through online banking at any time before 20:30 tonight, the funds would be credited in the customer account of our Bank at 20:30 tonight. In ten minutes, the two national bank drafts would be ready. It should take less than an hour from Qingyang Road to Su’nan airport. There is still a fighting chance. We must not give up.” Said the accounting manager with confidence and conviction. In the face of the sudden task, no one flinched or abandoned the challenge. Customer satisfaction is always the number one priority of CITIC Bank.

Everyone returned to their posts and worked with high efficiency. At 20:33, the funds were credited as scheduled.

We respond to customer needs promptly and serve customers wholeheartedly. Perfect customer service is a goal, but the pursuit of perfection will lead us to excellence. After years of dedicated efforts, CITIC Bank has developed into a gold-lettered brand name, and our career will endure and thrive like a tall tree.

Story 5: Execution – This “Goalkeeper” is Really Cool (Beijing Branch)

In the game of soccer, the goalkeeper is a unique position. As the last line of defense, a goalkeeper’s crucial saves can control the tempo of the game and determine the final result. In order to make brilliant saves on the pitch, a good goalkeeper observes strict self-discipline and practices goalkeeping thousands of times every day. Rather than the results, it is “process management” that sets great goalkeepers apart from mediocre goalkeepers.

The major concern for the management of banks is to manage risks. A bank’s risk management capability determines its long-term sustained profitability and sustainable competitiveness, and even the success of its business operation. The credit approval department is responsible for risk management. It is the goalkeeper of the Bank. The methods and techniques used in credit risk management are similar, but the result depends on the competence, responsibility and dedication of the “goalkeeper”.

Ao Xiang, General Manager of the Credit Approval Department of CNCB Beijing Branch, is an excellent “goalkeeper”. Before work starts in the morning, Ao Xiang has the habit of doing some reading in the office. This is his way of developing critical thinking skills, which is an indispensable quality of a good “goalkeeper”. This day, he is reading the book *Replay* for the second time. He reads for the sake of his work and insists on adopting the right method, with the aim of acquiring the necessary techniques for fair, effective and accurate risk management. “In the risk management department, we make unremitting efforts to strengthen preparedness and capacity-building,” said Ao Xiang.

At the end of the day, he would go through his daily work log and reflect on what had worked and what had not. Then he would apply the newly acquired knowledge to his work. Ao Xiang always goes beyond the data to find out the underlying facts, causes and consequences. He loves to draw his own conclusions through independent data analysis.

“He who learns but does not think is lost. He who thinks but does not learn is in great danger.” Ao Xiang’s day starts with “learning” and ends with “thinking”. There is something in his daily routine that we all admire and look up to. Let’s all keep learning and thinking like Ao Xiang who believes that “there is no best, only better”, and strive to become an expert on our posts and a “guru” in the industry, for every day counts on our way to self improvement.

Story 6: Hard Work – Be Ambitious, Work Hard and Get Things Done (Suzhou Branch)

If you ask Li Jiandong, Head of Zhangjiagang Sub-branch, how he secured a big order, he would simply answer, “I was inspired by Zhao Yuanxin, Head of Suzhou Branch, who encourages us to “be ambitious, work hard and get things done.” In the past two months, Li Jiandong and his colleagues at Zhangjiagang Sub-branch had to “cross the river by touching the stone” as they went through a special test of a complex business that had never been done before.

The story started with an “act of gratitude” of Shagang Group. In order to express gratitude to the retired employees who had made great contributions to the development of the company, Shagang Group planned to buy back their shares and provide a wealth management plan for the old shareholders at the cost of the company. At the suggestion of Li Jiandong, CITIC Bank developed a customized net-value private financing product for eligible investors of Shagang Group, to be sold on the online platform of the Private Banking Department of the Head Office. The product would be invested in the equity financing plan listed on Beijing Financial Assets Exchange by an affiliate of Shagang Group.

When the customized product was rolled out, it was amazing in many ways. In terms of product design, it fully considered and met the needs of the customer in respect of term, return, dividend frequency, early termination and other maintenance perspectives. At the same time, the product was based on the debt financing plan listed on Beijing Financial Assets Exchange by a private wealth management and investment group affiliated to Shagang Group, which greatly reduced the financing cost of the customer. As a result, positive feedbacks were received from Shagang Group.

“No matter how good the innovation is, no matter how much effort is made, the final product will be presented in the form of customer service.” Li Jiandong has a deep understanding of customer management. CITIC Bank offers unique financial services with a human touch, which is a great advantage. Zhangjiagang Sub-branch thoughtfully assigned a “customer care specialist” for each shareholder to provide “one-to-one” and door-to-door service. At last, the shareholders of Shagang Group became private banking customers of CITIC Bank. When the “act of gratitude” of Shagang Group was integrated with the “financial services with a human touch” of CITIC Bank, it not only spread warmth to the hearts of the people, but also brought a “miraculous” business order to CITIC Bank.

In fact, the miracle was the result of our colleague’s diligence and hard work. We attribute the great achievement to the courage and dedication of the CNBC people, and to the fact that we have struck the right balance between short-term interest and long-term development. More importantly, we are proud that various departments across the Bank have always kept in mind the big picture and shouldered their responsibilities.

III. GRI³⁵ Index

Disclosure Items		Pages	Disclosure Items		Pages
1. Organizational Profile	102-1	P2-4	4. Governance	102-29	P18-27 , P32-33
	102-2	P11		102-30	P42-43, P47
	102-3	P2-4, P98		102-31	P31-32
	102-4	P11		102-32	P32-33
	102-5	P11		102-33	P27-32
	102-6	P11		102-34	P31-32
	102-7	P11、P59		102-35	P22-26, P68
	102-8	P65-72		102-36	P22-26 , P68, P32
	102-9	P63-64		102-37	Undisclosed
	102-10	P11、P59、P63-64		102-38	Undisclosed
	102-11	P43-45		102-39	Undisclosed
	102-12	P2-4	5. Stakeholder Engagement	102-40	P27-30
	102-13	Undisclosed		102-41	P65-72
2. Strategy	102-14	P6-10, P31-32		102-42	P30-33
	102-15	P42-45、P47	6. Reporting Practice	102-43	P27-31
3. Ethics and Integrity	102-16	P16-18		102-44	P28-31
	102-17	P27-32 、P61-62		102-45	P2-4

³⁵ GRI stands for Global Reporting Initiative.

4. Governance	102-18	P18-27		102-46	P2-4
	102-19	P32-33		102-47	P12、P31-32
	102-20	P32-33		102-48	Undisclosed
	102-21	P28-31		102-49	P2-4
	102-22	P18-27		102-50	P2-4
	102-23	P18-27		102-51	P2-4
	102-24	P18-27		102-52	P2-4
	102-25	P18-27		102-53	P2-4、P98
	102-26	P18-27		102-54	P2-4
	102-27	P18-27		102-55	P88-92
	102-28	Undisclosed		102-56	P32-33、 P78-81
GRI 201	GRI 103	Economic Performance Management Approach			P35-39、 P46-50
	Topic-specific disclosures	201-1			P35
		201-2			P47-48
		201-3			P68-69
GRI 202	GRI 103	Market Presence Management Approach			P68
GRI 203	GRI 103	Indirect Economic Impacts Management Approach			P35-39
	Topic-specific disclosures	203-1			P35-39
		203-2			P35-39
GRI 204	GRI 103	Procurement Practice Management Approach			P63-64

GRI 205	GRI 103	Anti-corruption Management Approach	P40, P44-45
GRI 206	GRI 103	Anti-competitive Behavior Management Approach	Undisclosed
GRI 207	GRI 103	Tax Management Approach	Undisclosed
GRI 301	GRI 103	Materials Management Approach	P51-57
	Topic-specific disclosures	301-1	P57
		301-3	P53
GRI 302	GRI 103	Energy Management Approach	P51-57
	Topic-specific disclosures	302-1	P51-57
		302-3	P51-57
GRI 303	GRI 103	Management approach for water and effluents	P51-57
	Topic-specific disclosures	303-3	P51-57
		303-5	P51-57
GRI 304	GRI 103	Biodiversity Management Approach	P53
	Topic-specific disclosures	304-1	P53
GRI 305	GRI 103	Emissions Management Approach	P51-57
	Topic-specific disclosures	305-1	P53-56
		305-2	P53-56
		305-3	Undisclosed
		305-4	P53-56
		305-5	P53-56
		305-6	Undisclosed

		305-7	P47-48
GRI 306	GRI 103	Waste Management Approach	P51-57
	Topic-specific disclosures	306-2	P53-56
GRI 307	GRI 103	Environmental Compliance Management Approach	P51
GRI 308	GRI 103	Supplier Environmental Assessment Management Approach	P63-64
	Topic-specific disclosures	308-2	P63-64
GRI 401	GRI 103	Employment Management Approach	P65-72
	Topic-specific disclosures	401-2	P68-69
GRI 402	GRI 103	Labor Management Relations Management Approach	P65-72
GRI 403	GRI 103	Occupational Health and Safety Management Approach	P68-69
	Topic-specific disclosures	403-2	P68-69
GRI 404	GRI 103	Training and Education Management Approach	P70-71
	Topic-specific disclosures	404-2	P70-71
GRI 405	GRI 103	Diversity and Equal Opportunity Management Approach	P69-70
	Topic-specific disclosures	405-2	P69-70
GRI 406	GRI 103	Non-discrimination Management Approach	P70
	Topic-specific	406-1	P70

	disclosures		
GRI 407	GRI 103	Freedom of Association and Collective Bargaining Management Approach	P69-70
GRI 408	GRI 103	Child Labor Management Approach	P70
GRI 409	GRI 103	Forced or Compulsory Labor Management Approach	P70
GRI 410	GRI 103	Security Practices Management Approach	P59-61 、 P68-69
GRI 411	GRI 103	Rights of Indigenous Peoples Management Approach	Undisclosed
GRI 412	GRI 103	Human Rights Assessment Management Approach	P69-70
GRI 413	GRI 103	Local Communities Management Approach	P72-77
GRI 414	GRI 103	Supplier Social Assessment Management Approach	P63-64
	Topic-specific disclosures	414-2	P63-64
GRI 415	GRI 103	Public Policy Management Approach	Undisclosed
GRI 416	GRI 103	Customer Health and Safety Management Approach	P59-61
GRI 417	GRI 103	Marketing and Labeling Management Approach	P30
GRI 418	GRI 103	Customer Privacy Management Approach	P59-60
GRI 419	GRI 103	Socioeconomic Compliance Management Approach	P43-45
	Topic-specific disclosures	419-1	P43-45

IV. ESG³⁶ Index

Mandatory Disclosure Requirements			
Content		Pages	
Governance Structure		P32	
Reporting Principles		P2-3	
Reporting Boundary		P2	
“Comply or Explain” Provisions			
Category	Aspect	Indicator	Pages
Environment	A1 Emissions	General disclosure	P51-57
		A1.1	P52-57
		A1.2	P52-57
		A1.3	P52-57
		A1.4	P52-57
		A1.5	P51-57
		A1.6	P51-57
	A2 Use of resources	General disclosure	P51-57
		A2.1	P52-57
		A2.2	P52-57
		A2.3	P51-57
		A2.4	P51-57
		A2.5	P52-56
	A3 The Environment and	General disclosure	P51-57

³⁶ ESG stands for Environmental, Social and Governance.

	Natural Resources	A3.1	P51-57
	A4 Climate Change	General disclosure	P47-48
		A4.1	P47-48
Society	B1 Employment	General disclosure	P65-70
		B1.1	P65-66
		B1.2	P67
	B2 Health and Safety	General disclosure	P68-69
		B2.1	P68-69
		B2.2	P68-69
		B2.3	P68-69
	B3 Development and Training	General disclosure	P70-P72
		B3.1	P71-72
		B3.2	P71-72
	B4 Labor Standards	General disclosure	P70
		B4.1	P70
		B4.2	P70
	B5 Supply Chain Management	General disclosure	P63-64
		B5.1	P63-64
		B5.2	P63-64
		B5.3	P63-64
		B5.4	P63-64
	B6 Product Responsibility	General disclosure	P31, P43-45, P59-61
		B6.1	Undisclosed

		B6.2	P61-62
		B6.3	P31, P43-45
		B6.4	Undisclosed
		B6.5	P59-61
	B7 Anti-corruption	General disclosure	P40, P43-45
		B7.1	P43-45
		B7.2	P43-45
		B7.3	P40, P43-45
	B8 Community Investment	General disclosure	P72-77
		B8.1	P72-77
		B8.2	P72-77

V. Figures, Tables and Cases

i. Figures

Figure 1: Organizational Chart of the Bank

Figure 2: Governance Structure of the Bank

Figure 3: Distribution of Importance of Major Topics on Sustainable Development of the Bank

ii. Tables

Table 1: Month of Birth and Gender Information of Members of the Board of Directors

Table 2: Month of Birth and Gender Information of Members of the Board of Supervisors

Table 3: Month of Birth and Gender Information of Members of the Senior Management

Table 4: Identification Table of Stakeholders of the Bank

Table 5: The Bank's Loans by Sector

Table 6: The Bank's Loans by Region

Table 7: Statistics on Loans to Industries Featuring "Heavy Pollution, High Energy Consumption and Overcapacity"

Table 8: Statistics on E-banking Business of the Bank

Table 9: Statistics on Discharged Environment Pollutants

Table 10: Statistics on Energy Consumption

Table 11: Statistics on Other Resources Consumption

Table 12: Statistics on Employees of the Bank

Table 13: Statistics on Staff Turnover of the Bank

Table 14: Statistics on Employees Casualties of the Bank

Table 15: Training Statistics

iii. Cases

Case 1: Ningbo Branch Supported Local Enterprises in "Going Global"

Case 2: CITIC Financial Leasing Supported the Coordinated Development of Beijing, Tianjin, and Hebei

Case 3: CITIC Nanjing Branch Supported the Development of the Yangtze River Delta

Case 4: CITIC Shanghai Branch Supported an Edible Fungi Planting Enterprise

Case 5: Lin'an Rural Bank Supported Sannong Development

Case 6: CITIC Xining Branch Financed a Qinghai-based PV Power Plant Project

Case 7: CITIC Taiyuan Branch Supported the Pandemic-affected Micro and Small Enterprises

Case 8: CITIC Yinchuan Branch Supported Wind Power Projects

Case 9: CITIC Chengdu Branch Issued One of the First “Carbon Neutrality-themed Bonds” in China and the First of its Kind at the Local Level

Case 10: CITIC Nanjing Branch Withdrew from Energy-intensive and High Emission Projects

Case 11: CITIC Wuhan Branch Went Eco-friendly in Decoration

Case 12: CITIC Shanghai Branch Responded to a Security Incident Properly

Case 13: Lingyun System Operated Steadily

Case 14: "Sunshine Mutuality, Keeping Up with CITIC" charity sale volunteer activity

Case 15: CITIC Jinan Branch Showed “Care for Children with Special Needs” in a Volunteer Activity

VI. Feedback Questionnaire

To help us better understand your needs, improve the quality of the CSR report and provide you and other stakeholders with more valuable information, we would like to invite you to fill in the Feedback Questionnaire and send it back to us either by facsimile or by mail delivery (please kindly indicate “Feedback Questionnaire about China CITIC Bank CSR Report” on the envelope if you choose mail delivery).

Tel.: 010-66637789

Email: csr@citicbank.com

Address: 6-30/F and 32-42/F, Head Office of China CITIC Bank, Building No.1, 10 Guanghai Road, Chaoyang District, Beijing

What is your overall view of the Report?

Do you think the Report fully discloses what you hope to understand about China CITIC Bank’s performance of Environmental, Social and Governance?

What further information do you hope to be disclosed in Environmental, Social and Governance Report?

Do you think the Report is of the right length?

Do you think the Report is of a reasonable structure? How can we make further improvement?

Are you satisfied with the design style of the Report? How can we make further improvement?

What are your other suggestions regarding Environmental, Social and Governance Report?

Your Information

Name

Employer

Position

Telephone

Fax

Email

Contact information for the Report

Address: 6-30/F and 32-42/F, Building No.1, 10 Guanghai Road, Chaoyang District, Beijing

Telephone: 010-66637789