

2021 CSR

Corporate Social Responsibility Report



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About the Report

Welcome to read the *2021 Corporate Social Responsibility Report of China Everbright Bank Company Limited*. China Everbright Bank identifies key topics and opportunities concerning its stakeholders through the analysis of importance. It fully discloses the CSR performance information on these topics during the reporting period.

Report Framework

Based on the overall strategic plan of the Bank, the 2021 CSR Report is structured to focus on five aspects of serving national strategies, Everbright featured operation, corporate governance, social responsibility concept and ESG value creation, and discloses relevant information, so as to showcase the Bank's new look and new achievements in terms of management of corporate social responsibility.

Chapter One—"Making New Achievements in Serving National Strategies" describes the Bank's new moves and achievements in supporting real economy, regional coordination, rural revitalization, green development, inclusive finance, and people's well-being, etc.

Chapter Two—"Creating a New Look for Everbright Featured Operation" describes the Bank's new moves and achievements in building a first-class wealth management bank, practicing CEG's E-SBU ecosphere coordination, innovating the Bank's financial products and services, improving financial availability, protecting consumers' rights and interest, and expanding international presence.

Chapter Three—"Bringing Corporate Governance to a New Stage" describes the Bank's new moves and achievements in the work of Shareholders' General Meeting, the Board of Directors, the Board of Supervisors, and Senior Management, internal control and compliance management, comprehensive risk management, investor communication and corporate culture.

Chapter Four—"Enriching the Corporate Social Responsibility Concept" describes the Bank's efforts in corporate social responsibility management and contributions to the Sustainable Development Goals (SDGs) of the United Nations, as well as awards and honors of the Bank.

Chapter Five—"Taking ESG Value Creation to a New Height" describes the Bank's new moves and achievements in creating environmental and social performance.

Coverage

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

Reporting Period: January 1, 2021 to December 31, 2021 (Some contents may not fall into the aforesaid reporting period).

Reporting Cycle: Annual report.

Issue: The Report is the 12th CSR report published by the Bank consecutively.

Basis

the former China Banking Regulatory Commission

Opinions on Strengthening Social Responsibility of Banking Financial Institutions (2007)

China Banking Association

Guidelines on Corporate Social Responsibility of Banking Financial Institutions (2009)

China Securities Regulatory Commission

Code of Corporate Governance for Listed Companies (2018)

Shanghai Stock Exchange

Guidelines for Self-disciplinary Supervision of Listed Companies No.1-Standard Operation(2022)

Hong Kong Exchanges and Clearing Limited

Environmental, Social and Governance Reporting Guide (2020)

Global Reporting Initiative ("GRI") Sustainable Development Reporting Standards (2016)

Sources of Information

There are no significant changes in the method of obtaining and calculating data in the Report compared with previous ones. The financial data herein is quoted from the audited Annual Results Announcement (H share), and other data comes from the Bank's internal management system, statistical ledger, etc. All monetary amounts stated in the Report are denominated in RMB, unless otherwise specified.

Languages

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

How to Access the Report

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

Definitions

CBIRC: China Banking and Insurance Regulatory Commission

CSRC: China Securities Regulatory Commission

SSE: Shanghai Stock Exchange

HKEX: Hong Kong Exchanges and Clearing Limited

China Everbright Group, Everbright Group, CEG: China Everbright Group Ltd.

China Everbright Bank, CEB, the Bank: China Everbright Bank Company Limited

Everbright Financial Leasing: Everbright Financial Leasing Co., Ltd.

Everbright Wealth: Everbright Wealth Management Co., Ltd.

Sunshine Consumer Finance: Beijing Sunshine Consumer Finance Co., Ltd.

Sun Life Everbright Asset Management, Sun Life Everbright: Sun Life Everbright Asset Management Co., Ltd.

CYTS: China CYTS Tours Holding Co., Ltd.

Reporting Principles

In line with the principle of importance, the Report identifies and addresses important ESG topics concerning the Bank's sustainable development based on online surveys and information analysis of stakeholders. Please refer to P88-P89 of the Report for the process and result of materiality analysis.

On the quantitative principle, the Report discloses key quantitative ESG performance indicators of the Bank.

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

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

Third-party Assurance

To ensure the authenticity and reliability of the Report, KPMG Huazhen (Special General Partnership) has performed limited assurance of selected key data disclosed in the Report, and issued an independent assurance engagement report in accordance with the *International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

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Statement of the Board of Directors

China Everbright Bank has established an ESG governance structure covering the three levels of "decision-making, management and execution". Specifically, the Board of Directors constitutes the decision-making level for ESG work, which is responsible for formulating ESG objectives, reviewing and supervising the implementation of ESG plans, and fulfilling regulatory requirements on ESG work for the Board of Directors. The Leading Group for CSR Work of CEB Head Office constitutes the management level for ESG work, which is responsible for coordinating bank-wide ESG efforts, studying, drafting and perfecting the Bank's ESG work plans, formulating and implementing ESG rules and regulations, and providing necessary support for the Board of Directors to fulfill ESG responsibilities. Relevant departments and units constitute the execution level for ESG work, which are responsible for deploying and implementing specific ESG work, and reporting to the Leading Group for CSR Work of CEB Head Office. In 2021, all levels fulfilled their responsibilities and cooperated with each other, ensuring the effective execution of a series of plans regarding corporate social responsibility and ESG work.

Material topics were reviewed.

Annual stakeholder investigations were carried out on a regular basis, major ESG topics were identified, and implementation of ESG-related issues concerning stakeholders were continuously followed up. The latest stakeholder communication was held in the fourth quarter of 2021, during which 53 key topics including serving the real economy, boosting rural revitalization, practicing inclusive finance and adapting to climate change were identified and ranked by priority. They constituted the disclosure orientation and key tasks of ESG work.

ESG objectives were clarified.

In 2020, the Bank formulated the *Three-Year Development Plan for Corporate Social Responsibility of China Everbright Bank (2020-2022)*, which defined the specific work plans for corporate social responsibility and ESG work with 16 action plans and 23 specific tasks in seven aspects of management mechanism, capacity building, responsibility practice, information dissemination, stakeholder linkage, ESG communication on the capital market, and theoretical study and research.

The Report discloses in detail the Bank's management and practice progress on the afore-mentioned work and other ESG topics. Relevant work has been reviewed and approved by the Board of Directors in March 2022.

About Us

China Everbright Bank, established in August 1992 and headquartered in Beijing, is a national joint-stock commercial bank approved by the State Council of China and PBOC. The Bank was listed on the SSE in August 2010 (stock code 601818) and the HKEX in December 2013 (stock code 6818).

Focusing on the strategic vision of "building a first-class wealth management bank", the Bank has pushed ahead with the transformation towards "agility, technology and ecosphere". Through integrated, characteristic, light-asset and digital development, the Bank has stepped up efforts to optimize its product design, channel development and service models, which not only forged a strong competitive edge in wealth management and fintech, but also built up a sound social image of first-class wealth management bank, with balanced growth of all businesses, improved risk management and enhanced innovation capabilities.

As at the end of the reporting period, in domestic market, the Bank had established 1,304 branches and outlets nationwide, covering all provincial administrative regions and extending its business reach to 150 economic center cities across the country. Centering on wealth management strategy, Everbright Financial Leasing Co., Ltd. strove to build a comprehensive operating platform and asset operation platform for leasing business, Everbright Wealth Management Co., Ltd. focused on asset management and wealth management business, while Beijing Sunshine Consumer Finance Co., Ltd. was engaged in the specialized consumer market. In overseas market, closely following up with the Belt and Road Initiative and expanding its international presence at a faster pace, the Bank put Hong Kong Branch, CEB International Investment Corporation Limited, Seoul Branch, China Everbright Bank (Europe) S.A., Luxembourg Branch and Sydney Branch into operation successively. CEB Tokyo Representative Office was officially opened for operation, and CEB Macao Branch was under preparation. At the same time, the Bank's long-term sponsorship for "Water Cellar for Mothers", a public charity program, demonstrated CEB's ever-growing commitment to its social responsibilities, which was well recognized by the Chinese society. Everbright Cloud Fee Payment, an online convenient inclusive finance service launched by the Bank, focused on people's well-being services and financial scenarios and served hundreds of millions of people. Three Everbright rural banks located in Shaoshan, Huai'an of Jiangsu Province and Ruijin of Jiangxi Province delivered sound results in providing inclusive financial services to rural residents. In 2021, the Bank was ranked 32nd among the "Top 1000 World Banks" according to *The Banker*, up 3 places over the previous year.

Over the years, along with the evolution of Chinese economy and the growth of Chinese financial sector, the Bank managed to improve its brand image and market value continuously. While rendering quality financial services to its customers and the public, it also secured good business performance. Now the Bank is a listed bank with sound compliance and wide influence.



Message from the President

The year of 2021 marks the 100th anniversary of the founding of the Communist Party of China (CPC), the start of the 14th Five-Year Plan and the opening year since China embarked on the new journey towards building a modern socialist country in all respects. Over the past year, firmly upholding the Party leadership, CEB has maintained its strategic focus, kept serving national strategies, adhered to featured business operation, strengthened its corporate governance, fulfilled corporate social responsibilities, and created ESG value, thus delivering satisfactory results for all stakeholders.

Implementing national development strategies based on the new development pattern

CEB actively supported key national strategies, critical industries and pivotal projects. With pooled resources, it provided financial service to support not only major regions of national strategic importance, including the Yangtze River Delta, Beijing-Tianjin-Hebei region, Guangdong-Hong Kong-Macao Greater Bay Area, the Yangtze River Economic Belt, and the Yellow River Basin (ecological conservation), but also industries and projects such as new infrastructure, new urbanization initiatives and major projects, new energy, medicine and health. To build China into a manufacturing power, CEB actively provided financial support for advanced manufacturing and strategic emerging industries such as 5G, integrated circuit and high-end equipment. It also committed itself to realizing the goal of "peaking carbon emissions and achieving carbon neutrality" by releasing the *Notice on Implementing the Major Decisions and Arrangements for Peaking Carbon Emissions and Achieving Carbon Neutrality to Promote the Comprehensive Development of Green Finance*, setting up a Leading Group for Achieving Peak Carbon Emissions and Carbon Neutrality, constantly enriching green finance product spectrum, and improving service capability for green finance to embark on a new journey toward green finance. As at the end of December 2021, the balance of green loans amounted to RMB124,592 million. Moreover, CEB supported the development of



inclusive finance, micro, small and medium-sized enterprises (MSMEs) and rural revitalization, enriched the product lines of inclusive finance, upgraded the "Sunshine Inclusive Finance Cloud" platform, and considered pricing for inclusive finance loans in the overall planning to ease the burden of MSMEs in accessing affordable financing. Among joint-stock commercial banks in China, CEB was the first to set up Rural Revitalization Finance Department and launch a comprehensive financial service brand for rural revitalization. With fintech application, CEB facilitated the construction and development of "832 Platform", an online sales platform for agricultural and sideline products in regions that had shaken off poverty, helped over two million farmers increase production and income, thus opening a new chapter in assisting agriculture, revitalizing rural areas and delivering benefits to farmers. CEB ardently served the projects concerning people's well-being and actively provided support to projects initiated by the National Development and Reform Commission to make up for the weaknesses of counties. It promoted the mode of "Internet + Medical Insurance" to facilitate the development of healthcare and medical insurance industry. Furthermore, it popularized financial knowledge and established demonstration outlets to better serve the elderly and the young.

Persisting in featured business operation to enhance the capacity for sustainable development

CEB highlighted the features of its wealth management business and sped up its transformation. As at the end of December 2021, the operating income of retail banking reached RMB63,380 million, and the assets under management (AUM) of retail customers reached RMB2.12 trillion. CEB took the lead in building E-SBU ecosphere with the scale of business coordination registering RMB1.8 trillion. It also put efforts to develop distinctive, well-recognized and market-leading wealth management financial products. The Cloud Fee Payment service platform offered 12,263 fee payment service items with a total payment amount of over RMB552,439 million and 565 million active users for the whole year, serving 2.1 billion person-times. CEB won all the 33 custodian bids for the occupational annuity program consecutively and registered RMB271,064 million in the assets under custody for the "Sunshine Occupational Annuity" product. In line with the digital Everbright strategy, CEB strengthened technology empowerment and improved the quality and efficiency of customer services. It placed emphasis on the protection of consumers' rights and interests and enhanced the quality of "Sunshine Service". CEB made new strides towards internationalization as CEB Tokyo Representative Office was officially opened for operation and CEB Macao Branch is accelerating the pace of preparation.

Promoting ESG value creation in line with the ESG development trend

CEB attached great importance to environmental protection and climate change issues, and applied the philosophy of green and low-carbon development throughout the entire

process of operation and development. It gave play to its financial strengths to support the building of a national green and low-carbon circular economic development system, stepped up climate risk management and adjusted toward a "greener" credit structure. CEB also actively advanced the building of a "Green Everbright", raised employees' awareness of environmental protection and pooled individual efforts together to deliver greater achievements in green development. CEB focused on the career development of staff by invigorating human resources. It improved supplier ESG management and conducted supplier environmental and social risk assessment. In addition, CEB paid constant attention to social needs, and carried out various forms of social welfare events in pandemic containment, disaster relief, charity program, climate change, etc. In particular, it made donations to the flood control and disaster relief in Henan Province, CEB's paired-up poverty assistance region as well as the development of remote areas in western China, displaying a socially caring and compassionate Everbright corporate image.

Adhering to the leadership of Party building and improving corporate governance

Adhering to the philosophy of full and strict Party self-governance to reinforce political guarantee, CEB has always closely followed with the CPC Central Committee with Comrade Xi Jinping at its core, in terms of political stance, political orientation, political principles and political path, and integrated the Party's leadership into all aspects of corporate governance. CEB ensured efficient operation of the Shareholders' General Meeting, the Board of Directors, the Board of Supervisors and Senior Management, and effective implementation of membership diversity of the Board of Directors. It focused on protecting the rights and interests of minority shareholders and communicated with investors through multiple channels. CEB enhanced its capacity to forestall and defuse risks, incorporated ESG risks into comprehensive risk management system, strengthened internal control and compliance management, and organized review of its rules and regulations as well as the risk control matrix.

Unremitting efforts create history and hard work leads to a bright future. As the 30th anniversary of the establishment of CEB is approaching, we will continue to maintain our strategic focus, deepen reform across the board, and advocate working down-to-earth and bravely shouldering responsibilities. We will gather ideas and strengths across the Bank, stand in the forefront, and meet challenges head-on, so as to embrace the successful opening of the 20th CPC National Congress with outstanding accomplishments.

President **Fu Wanjun**

25 March, 2022

Highlights of performance in 2021

Significant increase in scale indicators

million

5,902,069



Total assets

Continuous improvement in profitability

million

153,366



Operating income

Continuous enhancement of the ability to withstand risks

187.02%



Provision coverage ratio

million

43,407



Net profit attributable to shareholders of the Bank

million

43,639



Net profit

2021
Ranked 25th in the "Brand Finance Banking 500";
Ranked 32nd on the list of "Top 1000 World Banks"

Included in the Hang Seng (China A)
Corporate Sustainability Benchmark
Index for three consecutive years

million

552,439



Payment amount via "Cloud Fee Payment"

million

237,001



Balance of inclusive loans to small and micro enterprises

million

25.166



External donations

million

124,592



Green loan balance

trillion

1.8



Through the construction of Wealth E-SBU, total amount of collaborative business within CEG exceeded RMB1.8 trillion

Fitch rating: BBB long-term and F2 short-term

MSCI ESG in 2021: BBB

BBB

One of the signatories of the *Joint Declaration of the Banking Sector to Support Biodiversity Conservation*



Making New Achievements in Serving National Strategies

2021 was the 100th anniversary of the founding of the Communist Party of China, the opening year of the 14th Five-Year Plan and the new journey of building a modern socialist country in all respects, as well as a critical year for CEB's business development. On the basis of consolidating existing achievements, CEB maintained its strategic focus, fulfilled national strategies and made new strides as national financial team, resonating with the times and forging ahead with the nation.

Serving the real economy and fulfilling responsibilities as a state-owned financial enterprise

The Bank kept firmly in mind its original aspiration and mission as national financial team and fulfilled corresponding responsibilities and duties. The Bank made solid efforts to ensure stability on six key fronts and maintain security in six key areas. It continued to increase support for the real economy, improve the quality and efficiency of targeted services for the real economy, played a leading role in "credit increase, cost cut and convenient services" via a variety of measures, thus demonstrating creativity and professionalism in supporting the development of the real economy. In 2021, the Bank's balance of medium and long term loans to manufacturing enterprises registered RMB137.576 billion, increasing RMB43.5 billion or 46% from the beginning of the year, overfulfilling the regulatory target.

Balance of medium and long term loans to manufacturing enterprises

137.576 billion

43.5 billion
From the beginning of this year

46% From the beginning of this year

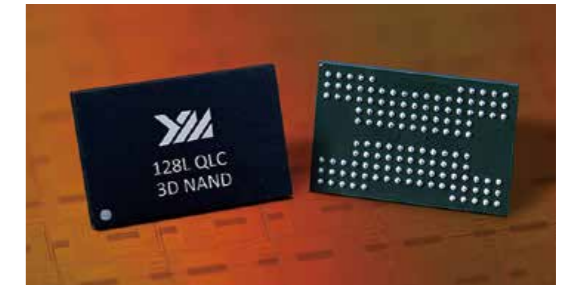


Boosting the development of strategic emerging industries

New-generation information technology

CEB Wuhan Branch supported the development of a chip manufacturer

Yangtze Memory Technologies Co., Ltd. is an IDM company for integrated circuits focusing on the design and manufacturing of 3D NAND flash memory, and is an important pioneer to promote the implementation of national strategies on chip manufacturing. From the preparation to the expansion of the company, CEB Wuhan Branch continuously provided it with cross-border trade finance, working capital loans and other financial services. With a total of over RMB10 billion funded to the company, CEB Wuhan Branch assisted in promoting the development of national chip manufacturing industry.



High-end equipment

CEB Tianjin Branch supported the development of state-level specialized and sophisticated enterprises producing new and unique products

Tianjin Emaging Technology Co., Ltd. is a state-level specialized and sophisticated enterprise producing new and unique products that is engaged in the R&D, promotion and industrialization of maglev high-speed rotating machinery. CEB Tianjin Branch provided the enterprise with RMB150 million fixed asset loans to support the upgrading of the traditional rotating machinery technology with eco-friendly maglev technology, thus serving the major national strategies of energy conservation and intelligent manufacturing.

CEB Tianjin Branch provided the enterprise with

150 million
Fixed asset loans



New-energy vehicle(NEV)

CEB Xiamen Branch supported the building of the NEV industrial cluster in Xiamen

CEB Xiamen Branch supported China Aviation Lithium Battery (Xiamen) Company in implementing the "Novel Power Lithium Battery Production Line Project". Its completion will fill the critical gap in Xiamen's development of a NEV industrial cluster, improve NEV supporting industries, and promote the cluster development of the local advanced manufacturing as well as industry transformation and upgrading. As at the end of December 2021, a total of RMB105 million loans were granted.

Xiamen Branch accumulatively invested in the enterprise

105 million



CEB Shijiazhuang Branch facilitated the development of a superalloy manufacturer

AVIC Shangda Superalloys Co., Ltd. is mainly engaged in the R&D, manufacturing, processing and sales of special alloys such as superalloys, with its products reaching the world-leading level. In December 2021, CEB Shijiazhuang Branch issued an RMB50 million working capital loan to the company for purchasing raw materials and supporting the company's production and operation.

50 million

Shijiazhuang Branch issued a working capital loan to the company



Facilitating the flourishing of modern service industry

Contributing to the integration of productive service sector

CEB Hefei Branch helped with the building of Huainan Cloud Valley Big Data Center

Huainan Cloud Valley Big Data Industrial Park is a key technology project in Huainan City, Anhui Province. The local government is committed to building it into the incubation base for core technologies of cloud computing and big data and the base for industrial ecological development in China. CEB Hefei Branch granted RMB200 million fixed asset loans to the project.

Contributing to the quality improvement of the consumer-oriented service sector

CEB Shijiazhuang Branch assisted in the development of local cultural tourism

In December 2021, CEB Shijiazhuang Branch issued an RMB50 million working capital loan to Shijiazhuang Cultural Tourism Investment Group Co., Ltd. to support the construction of infrastructure such as the Hutuo River Ecotourism Area and the operation and development of key projects, thus building an industrial cluster in which various industries benefit, coexist and cooperate with each other.



CEB Xi'an Branch made contributions to the 14th National Games of the People's Republic of China

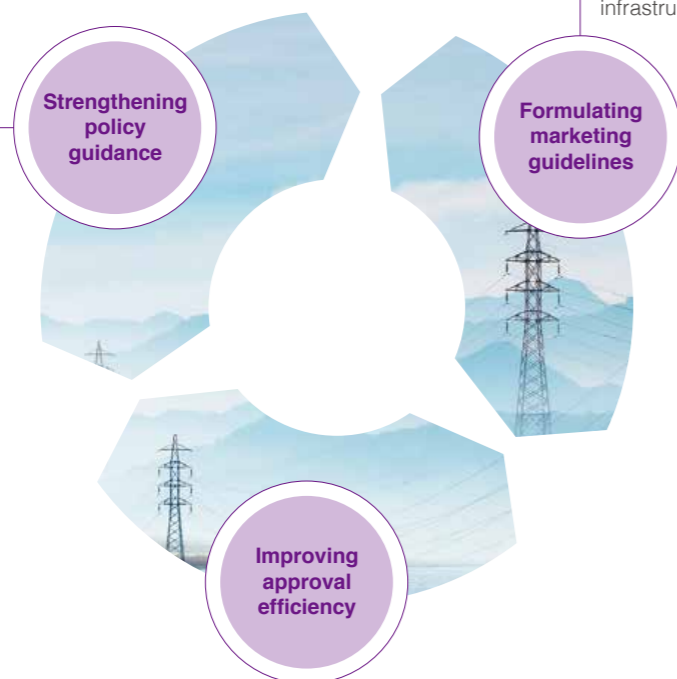
As the exclusive financial supplier of the 14th National Games of the People's Republic of China, CEB Xi'an Branch granted an RMB300 million project loan for the construction of the "one venue and two stadiums" of Xi'an Olympic Sports Center, and an RMB10 million loan to key collaborative medical testing institutions in Shaanxi Province to meet the pandemic control needs during the Games. In addition, it rolled out the special offers of "0.01 Yuan Bus Ride" and "50% Off Subway Taking" using a CEB credit card to ease the traffic pressure during the Games and encourage citizens to travel in a low-carbon way.



Building a modern infrastructure system

The Bank actively supported the establishment of a modern infrastructure system. It launched a series of policies and measures to increase support for national and local key projects.

In credit and investment policies, with a focus on "building a modern network of infrastructure" as required in the 14th Five-Year Plan, the Bank gave major support to the construction of projects in the fields of new infrastructure, transportation, modern energy system, water conservancy infrastructure, etc.



The Bank formulated marketing guidelines for industries including new infrastructure and kept refining the working mechanism so as to intensify the support for strategic infrastructure projects in key regions.

The Bank improved the approval efficiency of infrastructure projects that have been included in the strategic plans of key regions such as Beijing-Tianjin-Hebei region, the Yangtze River Delta and Guangdong-Hong Kong-Macao Greater Bay Area or projects aimed to improve areas of weakness of key infrastructure.

CEB Hefei Branch supported Anhui Expressway's M&A loan project

Anhui Expressway Company Limited was the first domestic highway company to get listed in Hong Kong. It operates 557 kilometers of highways. Aiming at investment in the construction of key infrastructure in Anhui Province, CEB Hefei Branch gave an RMB2 billion M&A loan limit to the company, boosting the development of the comprehensive transport network of Anhui Province.

2 billion

Hefei Branch gave the company a M&A loan limit

Promoting the transformation and upgrading of traditional enterprises

CEB Taiyuan Branch focused on SOE reforms, breaking the ice for the financing of coal enterprises

CEB Taiyuan Branch made efforts to boost the reform of provincial state-owned enterprises, especially that of coal enterprises. Taking the provincial key coal enterprises as strategic customers, the Branch offered support by approving loans totaling RMB63 billion and assisting in the issuance of bonds totaling RMB30.08 billion cumulatively, ranking first among banks in Shanxi Province in terms of bond issuance scale. In 2021, in face of the continuous downturn in coal enterprises' financing, the Branch neither withdrew nor delayed loans. Instead, it firmly advanced the low-carbon, clean and efficient development and utilization of coal and the development of green energy such as 5G+smart mining, to facilitate the transformation and upgrading of the coal industry in Shanxi Province.

63 billion

Approving loans

30.08 billion

Assisting in the issuance of bonds

Everbright Financial Leasing backed up domestic aircraft manufacturing

Commercial Aircraft Corporation of China Ltd.(COMAC), established in 2008, functions as the main vehicle for China to realize the industrialization of civil aircraft. Its establishment also serves as a major strategic measure to build an innovative country and improve the country's independent innovation capability and core competitiveness. Everbright Financial Leasing Co., Ltd. persistently shored up the development of the company. In addition to the direct order of 30 C919 airliners from COMAC, one ARJ21 aircraft of COMAC was delivered to Chengdu Airlines by leasing in March 2021.



Promoting regional coordination to form a new development pattern

China Everbright Group attaches great importance to the coordinated regional development of national strategies. It issued the *Notice on the Establishment of the Leading Group of China Everbright Group Limited for Serving the Regional Strategies of the State*, established the leading group, setting up three offices in charge of promoting coordinated development of Beijing-Tianjin-Hebei region, the Yangtze River Delta, and Guangdong-Hong Kong-Macao Greater Bay Area, and set up a joint meeting mechanism for the coordinated development of the aforementioned three regions. Under the unified arrangements of CEG, as CEG's financial service pioneer, CEB closely follows the national strategies, and actively engaged in serving the coordinated construction and development of relevant regions with an aim to promote coordinated regional development and help form a new development pattern with domestic circulation as the mainstay and domestic and international circulations reinforcing each other.



Propelling the coordinated development of Beijing-Tianjin-Hebei region

In 2021, the Bank further improved the quality and efficiency of financial services in Beijing-Tianjin-Hebei region, with the focus on facilitating the coordinated development of Beijing-Tianjin-Hebei region, the construction of the Xiongan New Area and the implementation of key projects for people's well-being. The funds invested in the four areas of "transportation integration, urban function optimization, industrial transfer and upgrading, and ecological protection in Beijing-Tianjin-Hebei Region" totaled RMB17.8 billion.

Supporting transportation integration

- In Beijing, a loan of RMB1.6 billion was provided for the construction of Beijing Subway Line 3, which would effectively relieve the operational pressure of subway lines in Beijing.
- In Tianjin, a syndicated loan of RMB3.1 billion was provided for the first phase of Tianjin Rail Transit Line Z4, which would be of great significance to optimize the layout of the Binhai New Area.
- In Hebei, financial services such as working capital loan and bond underwriting were provided for Shijiazhuang Transportation Investment Development Company Limited and Xingtai Road & Bridge Construction Corporation, with accumulative total loans of RMB2,213 million.

1.6 billion

Provided the company with a M&A loan amount

3.1 billion

Provided syndicated loan for the enterprise

2,213 million

Accumulative total loans

Supporting coordinated development of industries

- In Beijing, CEB won the bid for the special account for the Grade I Land Development Project of Changziying Industrial Park in Yizhuang New Town, thus expanding the cooperation with the management committee of the economic and technological development zone. With the focus on the "four-center" urban strategy of the capital and the "four zones and one front" development positioning of the upgraded development zone, CEB contributed to the construction of "three towns and one district". Besides, the Bank provided online financing services for Xiaomi's suppliers by accessing to the supply chain platform system of Xiaomi Communications Co., Ltd.
- In Tianjin, CEB continued to build the aircraft leasing featured products and granted the first loan for the corporate aircraft leasing project in the country in 2021.
- In Hebei, project loans were granted to customers such as Beijing Xian Tuo Medical Appliance Co., Ltd., easing Beijing's non-capital functions while injecting new vitality into the high-quality development of the local economy. A cumulative funding of RMB2,711 million was granted as at the end of December 2021.



2,711 million

Accumulative funding

Supporting ecological protection

In Beijing, CEB issued a loan of RMB200 million to United Photovoltaic (Changzhou) Investment Group Co., Ltd. for its purchase of photovoltaic power equipment. In addition, it cooperated with Everbright Financial Leasing to conduct the financial leasing business for a wind power project totaling RMB230 million.

In Tianjin, CEB provided a syndicated loan of RMB250 million for the PPP project of Jingu Sewage Treatment Plant Phase III and Poding Area Renovation Project, which would rapidly enhance the regional sewage treatment capacity and improve the drainage facilities in Tianjin's downtown area.

In Hebei, CEB actively conducted business with Hebei Jointo Energy Investment Co., Ltd., the largest energy company in Hebei Province, and granted a loan of RMB31.12 million to its subsidiary for the construction of a distributed rooftop power plant.

250 million

Provided syndicated loans for projects

31.12 million

Granted a loan used for the construction of a distributed rooftop power plant



Supporting public service integration

In Beijing, the Cloud Fee Payment service strengthened support for government services by providing over 20 million users with online fee payment services covering water, electricity, gas, telecommunications, broadband, heating, property and many other items, realizing the "cloud access" for residents to pay bills.

20 million users

Provided users with online fee payment services

In Tianjin, credit support was offered to Tianjin Chase Sun Pharmaceutical Co., Ltd., whose product "Xuebijing Injection", the only domestic drug included in the COVID-19 treatment solutions recommended by doctors of both Western and traditional Chinese medicine, won the First Prize for Technological Progress in Tianjin.



In Hebei, CEB formulated the *Guidelines on Processing General Personal Foreign Exchange Business of China Everbright Bank* to provide foreign exchange service for the Olympic Winter Games Beijing 2022, contributing to the preparatory work of the Games.

CEB Shijiazhuang Branch supported the construction of Xiongan New Area

In terms of credit business, CEB established benign business relationship with companies such as Xiongan Kerong Environment Technology Co., Ltd., granting working capital loans of RMB115 million.

In terms of non-credit business, CEB continued its deep cooperation with China Xiongan Group City Development & Investment Co., Ltd., with the bid winning amount totaling RMB3 billion in 2021. Besides, it obtained the qualification as the agent bank of designated account for housing provident fund in Xiongan New Area.

Convenient services such as Cloud Fee Payment were promoted. As at the end of December 2021, residents in Xiongan New Area conducted 500,200 fee payment transactions relating to social security and medical insurance via channels such as "Public Services" and "Utilities" on WeChat and "City Service" on Alipay.

115 million

Granted working capital loans

3 billion

The bid winning amount of Xiongan Group City Development & Investment Co.,Ltd's

500,200

Cloud fee payment transactions

Supporting the integrated development of the Yangtze River Delta

- In Shanghai, CEB Shanghai Branch actively propped up the integrated development of the Yangtze River Delta and made outstanding achievements in terms of satisfaction with financial service quality, financial innovation capability and loan support. It was hence awarded the honorary title of "Financial Support for the Yangtze River Delta - Top Ten Excellent Bank Brands in Shanghai" by *Shanghai Morning Post*.
- In Jiangsu, cooperating with Everbright Wealth Management, CEB Nanjing Branch registered an RMB1 billion wealth management direct financing instrument for Yancheng Oriental Investment & Development Group Co., Ltd., with an investment of RMB200 million for the first phase, to facilitate the construction of Yancheng Economic and Technological Development Zone.
- In Zhejiang, CEB Hangzhou Branch participated in one of the first public REITs in China, Shanghai-Hangzhou-Ningbo and Hangzhou-Huizhou Expressway Infrastructure Securities Investment Fund, to support the construction and operation of the Hangzhou-Huizhou Expressway (Zhejiang section).
- In Anhui, CEB Hefei Branch won the bid for the qualification as the depository bank of Anhui Provisional Group Limited for Yangtze-to-Huaihe Water Diversion in 2021, facilitating the construction of Yangtze-to-Huaihe water diversion Project.



Promoting the development of the Yangtze River Economic Belt



The Yangtze River Delta city clusters: CEB Nanjing Branch actively implemented the "strategic cooperation agreement" between the Head Office and Changjiang Waterway Bureau, and deepened the cooperation with Changjiang Nanjing Waterway Engineering Bureau, offering integrated financial services such as credit business, trade finance and international settlement. Its comprehensive credit facility was raised from RMB200 million to RMB500 million, for the purpose of continuously expanding the scope and depth of cooperation and improving the coverage of products.

The city clusters along the middle reaches of the Yangtze River: CEB Nanchang Branch conscientiously implemented the strategic cooperation agreement between Jiangxi Provincial Government and China Everbright Group and actively integrated itself into local economic and social development. It propped up the construction of roadways in Jiangxi Province by means of bond investment, investing RMB50 million and RMB20 million respectively to support Yichun Communications Investment Group Co., Ltd. and Ganzhou Expressway Co., Ltd.

70 million

Supported the construction of roadways in Jiangxi Province

Chengdu-Chongqing city cluster: CEB Chengdu Branch supported the construction of major infrastructure projects such as the airports in Sichuan Province, rail transit in Chengdu, Sichuan Lianjie-Leshan Railway, Minjiang River and Dadu River hydropower development. As at the end of December 2021, the balance of loans granted by CEB Chengdu Branch to Chengdu-Chongqing economic circle reached RMB36,876 million.

36,876 million

The balance of loans granted to Chengdu-Chongqing economic circle

Integrating into the construction of Guangdong-Hong Kong-Macao Greater Bay Area

- In Guangdong, relying on the model of "commercial banking + investment banking + asset management + marketing", CEB Guangzhou Branch brought into play the characteristics of corporate wealth management, and implemented the first medium-term note for urban renovation projects in the country. Besides, Everbright Wealth Management participated in the Ping An Guangzhou Jiaotou Guanghe Expressway closed-end infrastructure REITs, one of the first public REITs in China, to support the development of Guangdong-Hong Kong-Macao Greater Bay Area.
- In Hong Kong, CEB Hong Kong Branch strengthened the interconnection of Hong Kong and Chinese mainland capital markets, stepped up efforts in the local market and served the construction of "Belt and Road" Initiative through the development of offshore RMB, green finance, corporate treasury center, insurance, bonds and other businesses.
- In Macau, the application of CEB Macau Branch has been approved by the CBIRC, and related work is in progress.



Contributing to rural revitalization and consolidating the achievements of the fight against poverty

The Bank released its comprehensive financial service brand for rural revitalization and its service plan.



The Bank earnestly implemented the strategic deployment of the CPC Central Committee and the State Council and relevant regulatory requirements on rural revitalization. In 2021, it took the lead among joint-stock commercial banks by establishing the Rural Revitalization Finance Department as well as setting up tier-1 rural revitalization departments in 39 branches, to further consolidate and expand the achievements of poverty alleviation and eradication, continuously promote the work of rural revitalization, improve the quality and efficiency of financial services, and fulfill the social responsibility as a state-owned financial enterprise.

In November 2021, the Bank released its comprehensive financial service brand for rural revitalization and its service plan, with an overall policy of "achieving rural revitalization and common prosperity". Four plans and two systems were established as the basic framework, covering various aspects such as consolidating the achievements of poverty alleviation and eradication, improving rural environment, innovating rural finance and enhancing technology empowerment. By combining the services for rural revitalization and the strategy of "building a first-class wealth management bank", the Bank aimed to contribute more to economic development, rural revitalization and common prosperity.

In addition to the formulation and issuance of the *Work Plan of China Everbright Bank for Paired Assistance in 2021*, CEB achieved positive results in upholding Party leadership, completing the donation of funds for paired assistance, increasing loans for rural revitalization, expanding the breadth and depth of consumer assistance, managing special assistance projects and carrying out e-commerce training. Moreover, the Bank built a product library for rural revitalization, created the "Sunshine Rural Revitalization" service brand, and developed the function of "one-stop account opening via remote counter", to accelerate technology empowerment and application in agriculture-related fields.

As at the end of December 2021, the balance of the Bank's agriculture-related loans was RMB390,160 million, an increase of RMB13,294 million compared with the beginning of the year. The balance of agriculture-related inclusive loans was RMB15,259 million, an increase of RMB3,454 million or up 29.25% from the beginning of the year, exceeding the growth rate of various loans by 19.74%. The Bank's "Wonderful Shopping" e-commerce platform helped 116 rural enterprises in 107 former nation-level poverty-stricken counties in 19 provinces, and nearly 700 agricultural products were launched online, with cumulative sales of 2,045,700 pieces worth RMB134 million, making CEB rank the first among Chinese joint-stock commercial banks in terms of sales in helping farmers.

The balance of the Bank's agriculture-related loan

390,160 million
13,294 million Compared with the beginning of this year

The balance of agriculture-related loans

15,259 million
3,454 million From the beginning of this year



Rural revitalization symposium on supporting Xintian County of Hunan Province

Supporting agriculture



Ensuring food security

CEB Beijing Branch's "Sunshine Golden Warehouse Loan" helped grain enterprises raise funds

To address the issues of accessible and affordable financing in the grain circulation, CEB Beijing Branch and Sinochem Agriculture Holdings innovatively launched "Sunshine Golden Warehouse Loan", a financing product featured by the mode of "pledge with warehouse receipts + repurchase by core enterprises", to meet the financing needs of small and micro agriculture enterprises. This product is designed to serve agricultural industry chain by accelerating the flow of funds in the process of quality grain acquisition, storage, sales and processing through a digital system.

Supporting modern agriculture

Livestock industry

When hog market was seriously affected by African swine fever, CEB Zhengzhou Branch continued to strengthen cooperation with the domestic leading hog cultivation enterprise Muyuan Group by providing supply chain finance services for its subsidiary Muyuan Food Co., Ltd. and 1+N factoring services for its upstream suppliers, to prop up the stable development of the hog industry.

Planting industry

Centered on the projects such as sightseeing agriculture and "agriculture + commerce", CEB Jinan Branch promoted the melon base construction in Qingzhou Mihe Modern Agricultural Science and Technology Demonstration Park, with an investment of RMB170 million. The project is an important move of the Qingzhou County-level Municipal Government to promote development of agricultural products industry, improve brand publicity and industrial standardization of Qingzhou melons, and effectively facilitate the large-scale, standardized, and brand-based development of the industry.

Developing featured agriculture

- Focusing on the featured agriculture of Guangxi Province, CEB Nanning Branch innovatively launched the financial products for rural revitalization such as "Sunshine Sugarcane Farming Loan" and "Sunshine Rice Noodle Loan" in support of sugar and rice noodles industries, bringing prosperity to livelihood industries with strong financial support.
- CEB Guiyang Branch deeply explored Guizhou's featured agriculture and launched a series of special products such as "Guizhou Tea Loan", "Guizhou Poultry Loan", "Guizhou Pepper Loan" and "Guizhou Pig Loan", to increase finance momentum for rural areas.



- Deeply rooted in the Shaanxi market, CEB Xi'an Branch rolled out the "Sunshine Fruit Easy Loan", to provide special financial support for agricultural enterprises like those in fruit industry in Shaanxi Province.
- CEB Heilongjiang Branch, in cooperation with various parties, promoted the "Everbright Farmer Loan" in the local area, providing special loans for planters in Heilongjiang Province to help with the storage of production materials and increase industrial value.
- Since the cooperation with Yunnan Yinmore Group Co., Ltd. and its subsidiaries, CEB Kunming Branch had provided credit support of about RMB229.55 million in total, driving the agricultural development in the plateau region covering flowers, seeds and fertilizers, and helping farmers generate and increase income.
- Focusing on the construction of "a green and organic agricultural and livestock product output zone", CEB Xining Branch granted loans of RMB27 million cumulatively to support the development of the largest wholesale trade distribution center for agricultural and sideline products in Qinghai Province.



229.55 million

Kunming Branch provided credit support

27 million

Xining Branch provided credit support

Innovating financial products for agricultural enterprises

- CEB Yinchuan Branch launched the "live cow mortgage business" to address the issues of accessible and affordable financing in the livestock breeding and raw milk industry by simplifying credit materials, lowering lending rates and providing settlement services.
- CEB Chongqing Branch launched the financial mode of "Live Hog Breeding Loan" integrating "insurance + futures + banking", helping Chongqing Hailin Hog Development Co., Ltd. in Fuling District to acquire a bank loan of RMB3 million, thus solving the financing difficulties for hog-breeding enterprises.



Revitalizing rural areas

Consolidating the achievements of poverty alleviation and eradication

Supporting the construction of "832 Platform"

The "832 Platform", i.e. "Online Sales Platform for Agricultural and Sideline Products in Areas Lifted out of Poverty", is a strategic e-commerce platform for local governments to procure agricultural and sideline products from areas out of poverty. Since 2019, the Bank has launched services including merchant registration, account management, order payment, information inquiry and system notification via the Bank's digital financial product "Guang Fu Tong" and exempted any handling charges, to effectively reduce the burden of merchants.



Agricultural products market constructed with the support of CEB Kunming Branch

Supporting farmers with "Wonderful Shopping" e-commerce platform

In 2021, centered on the strategies of paired assistance and rural revitalization, the "Wonderful E-shopping" platform made full efforts to alleviate poverty through industrialization and consumption. It continued to help by live streaming sales and held CEG's Third Agricultural Assistance Achievement Exhibition & Agricultural Product Live Streaming Sales Campaign titled "Restart for Rural Revitalization". Strategic cooperation with the website "Social Participation in Poverty Alleviation and Development of China" was carried out to introduce and launch a variety of agricultural products from all over the country, and the marketing campaign titled "Everbright 818 Special Offer for Farmers" was launched to promote agricultural products for targeted counties and other rural areas, thus further increasing the sales of agricultural products.



A cadre of CEB Chongqing Branch dispatched to villages helping the 99-year-old resident lifted out of poverty with the harvest

Benefiting farmers

Revitalizing rural economy

CEB Urumqi Branch supported the construction of Zhuiguang Balang Specialized Farmers' Cooperative for Agricultural Products Sales

Based on the "1+3" work pattern (1 refers to farmers, and 3 refers to cooperatives, enterprises and banks), CEB Urumqi Branch assisted in establishing the Zhuiguang Balang Specialized Farmers' Cooperative for Agricultural Products Sales, which has recruited 100 villagers and achieved sales of RMB7,493,200 in terms of agricultural products, hence increasing local employment and continuously raising farmers' income. Meanwhile, the Cooperative acted as a base to realize joint production and operation and complementation of advantages for projects in the assisted villages, so as to enhance the effectiveness and influences of these projects.



CEB Hangzhou Branch, in collaboration with Zhejiang Wasu Broadcasting Network Co., Ltd., carried out a series of live streaming campaigns titled "Rural Revitalization, Common Prosperity".

Popularization of wealth management knowledge in rural areas

The Bank carried out themed activities for the popularization of wealth management knowledge in rural areas. County-level sub-branches distributed promotional fliers and posters to local villagers and introduced to them the knowledge about anti-counterfeit notes, tips on safe card use, and effective means of protecting personal information, preventing internet fraud, resisting illegal fund raising and anti-money laundering.



Training on e-commerce knowledge

The Bank carried out three live streaming e-commerce training lectures to help farmers gain access to the internet through the "Wonderful Shopping" e-commerce platform, covering nearly 200 participants from 23 rural enterprises. The lectures focused on contents including merchants access and product launch, e-commerce operation and back-office operation, WeChat content operation, and daily risk prevention, to propel the digital transformation of rural enterprises.

Issuance of rural revitalization-themed card

CEB issued the "rural revitalization" themed debit card in partnership with UnionPay to customers in counties and rural areas. Deeply integrated with the UnionPay App, the debit card can meet the financial needs of users and enhance inclusive financial services in rural areas.



Facilitating rural life

CEB Nanning Branch made new breakthroughs in rural power grid business via Cloud Fee Payment

Guangxi New Power Investment Group is a large state-owned electric power enterprise in Guangxi Province, supplying power to a population of 20 million mainly in below-county-level areas. In March 2021, CEB Nanning Branch successively accessed its electricity bill payment business to Guangxi New Power Investment Group in many counties, providing convenient online fee payment services for residents in villages and towns.

Supporting the goal of "peaking carbon emissions and achieving carbon neutrality", and propelling the construction of a green Everbright

To fully support the national goal of "peaking carbon emissions and achieving carbon neutrality", the Bank incorporated green and low-carbon development into its "first-class wealth management bank" strategy and made the construction of a "green Everbright" the bank-wide priority throughout the "14th Five-Year Plan" period. As at the end of December 2021, the Bank's green loan balance stood at RMB124,592 million, an increase of RMB20.869 billion from the beginning of the year.



Strategic mechanism as the guide

In August 2021, the Bank issued the *Notice on Implementing Major Decisions and Plans on Peaking Carbon Emissions and Achieving Carbon Neutrality to Promote the Comprehensive Development of Green Finance*, and established the Leading Group under the Asset and Liability Management Committee of the Head Office, to clarify the Bank's work program and action plan on comprehensively implementing the goal of peaking carbon emissions and achieving carbon neutrality.



President Fu Wanjun attending the signing ceremony of "Strategic Cooperation Partnership of Promoting Development via Green Finance and Jointly Building a New Dual-carbon Future"

China Everbright Bank Work Program for Green Finance

Establish a coordination mechanism: strengthen planning and coordination of the whole bank, and establish a planning and coordinated development mechanism for green finance.

Develop green finance: properly identify green finance customers, strengthen guidance on green investment and financing, reinforce planning and coordination, enrich product system, optimize credit process, perform statistical management and improve appraisal mechanism.

Improve environmental and climate risk management: integrate identification, assessment and control of environmental and climate risk into the comprehensive risk management system, and make risk monitoring and analysis more intelligent and visualized.

Practice green and low-carbon transformation: carry out self-energy conservation and emission reduction, accelerate green and low-carbon development and transformation, and cement communication, feedback and training.

Enhance information disclosure: improve the external information disclosure mechanism, and enhance external communication and cooperation.

Supporting green development

The Bank actively supported the development of green industries and green transformation of enterprises, with the focus on enterprises in connection with energy production, energy consumption and support for carbon emission reduction. By further specifying the key areas of green credit and investment support for different types of enterprises, it optimized the resource allocation and fully advanced the development of green industries and the low-carbon transformation of enterprises.

Energy production

CEB positively supported the clean energy sector, with its emphasis laid on photovoltaic and wind power, as well as hydrogen energy storage, transportation equipment and technologies with a certain degree of sophistication. Besides, further support was given to competitive companies engaged in clean power generation equipment and infrastructure construction required for grid investment, energy storage technology, clean power generation and green hydrogen.

The Bank supported China Resources Power in issuing carbon neutrality bonds

In July 2021, the Bank underwrote RMB2,005 million of targeted green asset-backed notes (carbon neutrality bonds) for China Resources Power Holdings Co., Ltd., with underlying assets involving 72 wind power projects and two photovoltaic power projects, which were expected to achieve an annual coordinated carbon dioxide emission reduction of 444,300 tons and an annual energy saving of approximately 175,700 tons of standard coal equivalent.



CEB Guiyang Branch granted special credit funds to speed up urban waste treatment

CEB Guiyang Branch issued a project loan of RMB308 million to Zunyi Hongcheng Teda Environmental Protection Co., Ltd, which was earmarked for the construction of the "Zunyi City East Urban Household Waste Incineration and Power Generation Project". The project, once completed, is expected to treat 547,500 tons of waste per year and achieve a weight reduction of about 80% and a volume reduction of over 90% in terms of waste treatment, thus avoiding the occupation of massive land resources with the traditional sanitary landfill, and realizing recycling of waste treatment by incineration-power generation.



"Sunshine ABS" continued to support the green economy

The Bank, relying on its interbank featured product "Sunshine ABS", placed the first issue of green asset-backed special program (for carbon neutrality) for the accounts receivable of Xinjiang Goldwind Sci & Tech Co., Ltd. The ABS project is expected to generate 685 MW of wind turbine capacity, produce 1,371 million kWh of grid electricity per annum, save 420,000 tons of standard coal and reduce 1.4 million tons of carbon dioxide emissions.

In 2021, the investment of "Sunshine ABS" in support of the green economy amounted to RMB4,874 million, and that of "Sunshine Bond E-Financing" in green bonds and carbon neutrality bonds totaled RMB1,705 million, thus continuously guiding the funds to the green finance field.

1.4 million tons

CO₂ Emission Reduction

4,874 million

Amount of investment to support green economy

Energy consumption

CEB's multi-party cooperation mode of "industry + government + bank" achieved breakthroughs primarily in supporting the financing needs of key carbon emission industries such as thermal power, iron and steel, construction materials, transportation, chemical industry, nonferrous metals and papermaking for energy saving, emission reduction and green technology upgrading. Besides, investment was given to the construction of selected core components of the NEV industry chain and new energy-related infrastructure.

CEB Guangzhou Branch supported the development of GAC AION

CEB Guangzhou Branch continued to cooperate with GAC AION New Energy Vehicle Co., Ltd. to support the company's healthy development through three major measures, namely, "comprehensive credit support, introduction of strategic investors and establishment of dealer network". As at the end of December 2021, the total financing amount for its 83 dealers reached RMB2,802 million.



CEB Fuzhou Branch supported the development of a hydrogen fuel cell enterprise

Fujian Snowman Co., Ltd. is a high-tech enterprise with the core technology of hydrogen fuel cell air circulation system. After thorough investigation into its industrial layout, product structure, manufacturing technique, core competitiveness, supply chain and financial needs, CEB Fuzhou Branch granted a comprehensive credit facility of nearly RMB143 million, helping the company get a head start in the new energy field.



Support for carbon emission reduction

The Bank gave priority to the low-cost CCUS (carbon capture, utilization and storage) technology as well as process transformation, energy saving and efficiency improvement, recycling equipment and technology with a high degree of sophistication. It selectively supported smart cities, industrial automation control and AI power optimization. In addition, it positively supported carbon sink trading and negative carbon emissions, propelled the establishment of a national carbon sink trading authority, and participated in carbon trading and other carbon finance markets.

The Bank supported the construction of the national carbon emissions trading market

On 16 July 2021, the national carbon emissions trading market was officially launched. The Bank was invited to participate in the Launching Ceremony of China's National Carbon Trading (Hubei Session) & First 30-60 International Conference, and signed the *Strategic Cooperation Agreement for Financial Institutions to Support the Development of National Carbon Market* with Carbon Emission Registration and Settlement (Wuhan) Co., Ltd. The two parties will cooperate extensively in such fields as supporting the development of national carbon market, fund settlement for carbon market, and promoting the development of climate investment and financing.

CEB Kunming Branch supported forestry carbon sink trading in Yunnan Province

In 2021, CEB Kunming Branch approved a forest ownership mortgage loan of RMB200 million for Yunnan Yunjing Forestry Development Co., Ltd., a major participant in forestry carbon sink trading in Yunnan Province. Since 2008, the Company has been vigorously carrying out artificial afforestation. In 2016, its carbon sink afforestation project was approved by the NDRC for filing, and the project was expected to generate 1,118,600 tons of carbon dioxide emission reduction, with an average emission reduction of 55,900 tons per annum.

1,118,600 tons

CO₂ Emission Reduction

55,900 tons

Average CO₂ emission reduction per annum

Supporting national industrial restructuring

For industries with high pollution, high energy consumption and excess production capacity and the eight emission-controlled industries, CEB persisted in aggregate management and structural optimization in accordance with the regulatory requirements for phasing out overcapacity. To accelerate the elimination of "zombie enterprises", the Bank implemented credit limit management for industries with serious overcapacity and conducted classified management of the existing customers. Besides, the Bank issued the *Notice on Supporting the Green and Low-carbon Transformation of the Steel Industry and the Development of Advanced Manufacturing Enterprises*, to strengthen financial support for advanced manufacturing enterprises.

Supporting biodiversity

On 16 October 2021, the Bank, as one of the signatories, issued the *Joint Declaration of Banking Sector to Support Biodiversity Conservation* together with 35 Chinese banking financial institutions, 24 foreign banks and international organizations, committed to promoting the establishment of global financial partnership for biodiversity, fully exploring and developing the potential of banking financial institutions to invest in biodiversity, giving full play to the role of finance in boosting the healthy development of eco-environment, and building our Planet into a homeland where people and nature coexist in harmony.



CEB Kunming Branch providing loan support for the operation of Sun-River National Park

Sun-River National Park, as one of the first eight pilot national parks in Yunnan Province and one of the areas with the highest species richness in China, covers a total area of 21,623 hectares with a forest coverage of 97.45%. CEB Kunming Branch approved a working capital loan of RMB25 million for its operator Yunnan Mekong Group Co., Ltd., to support the healthy development of forest parks as well as the operation, management and maintenance of forest resources.

25 million

Approving a working capital loan

CEB Hong Kong Branch protecting ocean ecosystem

CEB Hong Kong Branch supported the establishment of a dolphin conservation management zone in the surrounding waters of the Lantau Island, the initiative to turn 30% of Hong Kong waters into marine protected areas, the appeal to minimize the damage caused by fishery to the ecology, and the call for rejecting the use of disposable plastic products.

Ecological protection of the Yellow River Basin

CEB Lanzhou Branch launched the voluntary activity of "Drinking Water from the Same River and Protecting Our Mother River", organizing cadres and employees to clear rubbish out of relevant riverways of the Yellow River so as to create a river environment with clear water and beautiful scenery.

CEB Zhengzhou Branch, as the custodian bank, managed the Sun Life Everbright - Henan Water Conservancy Infrastructure Debt Investment Plan (Phase I) with a value of RMB115 million, not only supporting the construction and operation of water conservancy infrastructure in Henan Province but also propelling the ecological protection and high-quality development of the Yellow River Basin.



115 million

Trust funds for water infrastructure debt investment plan



Dedicating to inclusive finance and supporting the development of small and micro enterprises

Adhered to the work requirement of "credit increase, cost cut and convenient services", the Bank expanded the coverage of inclusive finance in support of the development of small and micro enterprises. As at the end of December 2021, the balance of inclusive loans to small and micro enterprises stood at RMB237,001 million, an increase of RMB49,981 million or up 26.72% from the beginning of the year, exceeding the growth rate of various loans by 17.21 percentage points. The number of customers reached 392,125, an increase of 18,934 from the beginning of the year. The weighted average interest rate of new loans was 4.90% and the NPL ratio was 0.68%, both remaining within a reasonable range and meeting the requirements of CBIRC on "Two No-less-thans and Two Controls".

The balance of inclusive loans to small and micro enterprises

237,001 million

49,981 million
From the beginning of this year

Number of customers

392,125

18,934 From the beginning of this year

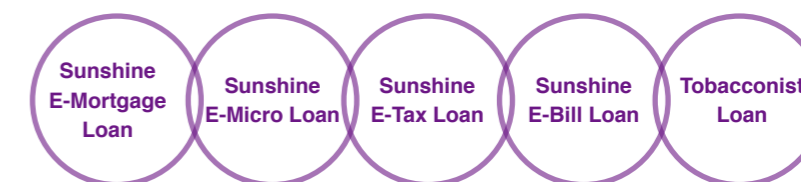


Creating an overall management platform for inclusive finance

The Bank innovatively built a business process management system for inclusive finance, to realize the comprehensive operation and intelligent integration of middle-office functions for featured inclusive finance businesses such as credit, business, project, contract and data management, and bolster the development and launch of featured inclusive finance projects by means of fintech. The first phase of project functions has been launched, which strongly advanced the development of online and innovative inclusive finance businesses such as Sunshine Premium Loan and Sunshine Government Procurement Loan.

Enhancing the effectiveness of inclusive finance services

- Enriching quick loans under inclusive finance: CEB upgraded "Sunshine E-Mortgage Loan", "Sunshine E-Micro Loan" and "Tobacconist Loan", innovatively developed "Sunshine E-Tax Loan" and "Sunshine E-Bill Loan", enriched tax approval logic and scenario application, and increased financing channels for unsecured loans.
- Providing mobile services under inclusive finance: CEB created tailored mobile services for customers under inclusive finance by WeChat official accounts and mobile banking App, to realize the whole-process online operation of products, and comprehensively improve customer experience.



CEB Hefei Branch innovated in the cooperative mode of bank and guarantee companies to promote the development of small and micro enterprises

CEB Hefei Branch actively connected with Anhui Credit Financing Guaranty Group Co., Ltd. and non-commercial finance guarantee companies in the province and joined "4321", the new-type cooperative mode of bank +local government +guarantee companies, and released innovative products such as "Loan on Strategic Emerging Industries", "Technology Loan", and "Assistance Loan", in order to satisfy diversified needs of small and micro enterprises from different areas and sectors. As at the end of December 2021, the balance under this business cooperative mode of CEB Hefei Branch registered RMB1.5 billion with more than 200 customers.



1.5 billion

The balance under this business cooperative mode

200+

Number of customers

CEB Yantai Branch built a technology loan platform to support the development of small and micro enterprises

CEB Yantai Branch, together with Department of Science & Technology of Shandong Province and Yantai Science and Technology Bureau, built the technology loan platform. With the three parties each shouldering a certain proportion of credit funds risk, the Branch offered quick finance support to the enterprises included on the list released by the Department of Science & Technology of Shandong Province, so as to facilitate the small and micro business development in the region. As at the end of December 2021, working capital loans of RMB197 million were issued to 43 small and micro enterprises under inclusive finance.

Serving people's well-being and sharing the benefits of social development

Supporting new urbanization initiative

Promoting people-centered new urbanization initiative is a key element of China's 14th Five-Year Plan. Counties, as the urban-rural junction, are considered as important carriers of new urbanization initiative. As the only joint-stock commercial bank among all the cooperative banks designated by the NDRC to provide credit support for counties to make up for their weaknesses, the Bank precisely supported high-quality projects in these counties by strengthening policy guidance, optimizing authorization plans, formulating marketing guidelines and establishing green channels among other measures. As at the end of December 2021, loans were granted to 21 projects with a total amount of RMB2,653 million.

Supporting high-quality projects to make up for countries' weaknesses

2,653 million

CEB Nanchang Branch supported the Minyuetongqu Historical and Cultural Block Project

The Minyuetongqu Historical and Cultural Block Project in Shicheng County, Ganzhou City is one of county's core projects to promote itself as a holistic tourism demonstration county. Due to the increase of capital cost and slowdown of construction progress as a result of the COVID-19 pandemic, CEB Nanchang Branch actively contacted local government departments to solve difficulties in the process, such as weak indicators of borrowers and impact of land acquisition and demolition on licensing process. It completed the financing of RMB100 million within only one month, thus providing strong financial guarantee for the stable progress and timely delivery of the project.



CEB Nanjing Branch supported the drainage area improvement project in Xueyan Town



Xueyan Town in Wujin District of Changzhou City had been perennially affected by industrial structure and the sewage discharge problems in rural areas, which had already impacted the ecological environment in the Taihu Lake Basin. In 2021, CEB Nanjing Branch provided a 10-year loan of RMB250 million for the drainage area improvement project in Xueyan Town, for sewage pipeline renovation in 102 natural villages, 37 public construction units and separate-flat residential quarters in the town.

250 million
Providing 10-year loan

Assisting in the information-based construction for healthcare services

The Bank gave full play to its advantages in "Sunshine" services and fintech, provided assistance for the information-based construction of national medical insurance system, and promoted the development of "internet + medical insurance". It signed a strategic cooperation agreement with the National Healthcare Security Administration, and comprehensively improve public services by promoting the application of electronic vouchers and mobile payment for medical insurance through mobile applications.

CEB Suzhou Branch actively built a "full-life-cycle health management ecosphere"

Relying on CEG's strategic layout of "Inclusive Healthcare", CEB created the first "Fangchengshi" App in Suzhou, built a service platform of "Internet + finance + combination of healthcare, medical insurance and medicine", and constructed a full-life-cycle health management ecosphere covering Sunshine Medical Insurance, Sunshine Medicine, Everbright Cloud Healthcare and Everbright Medicare. It built an ecosystem integrating healthcare, medicine and medical insurance in the region, so as to help residents manage their health status, facilitate efficient sharing of regional medical resources, and empower people to live a better life with its refined services.



Serving the elderly and the young

In active response to the national strategy for coping with population aging and improving population services system with a focus on the elderly and the young, the Bank provided both the elderly and the young with heart-warming and considerate financial services by taking a series of characteristic service measures such as popularization of financial knowledge, fintech application, construction of model outlets, and joint construction of educational bases.

Promoting elderly-friendly services

CEB actively implemented the requirements in the *Circular of the General Office of the State Council on Distributing the Implementation Plan for Effectively Solving the Difficulties of Using Intelligent Technology for the Elderly* and the *Notice by the General Office of the China Banking and Insurance Regulatory Commission on Requiring Banking and Insurance Institutions to Effectively Resolving Difficulties of Using Intelligent Technologies for the Elderly*, and made every effort to drive the orderly implementation of age-friendly services throughout the Bank, to further improve such services and vigorously carry forward the traditional Chinese virtue of filial piety and respect for the elderly.



CEB's elderly-friendly service measures

- Age-friendly fintech**
 CEB kept upgrading its "Simple Love", the elderly-friendly version of mobile banking services, and developed screen reading technology, intelligent voice technology and video customer service functions. The 95595 customer service hotline could automatically identify senior customers and directly access to manual service. The Bank developed the "Caring" elderly-friendly version of its Cloud Fee Payment App for senior people, to provide them with easy-to-find and easy-to-pay customer experience highlighted by "payment + reminder + collect and remit payment" services. The upgrade of the "Caring" version of Sunshine Life App was completed. The App page design featuring large fonts and simple operation effectively dealt with the inconvenience encountered by senior customers when using the App. The Bank also opened a special service hotline for the elderly called "Everbright Silver Years", to help those customers with access mode, staffing and service contents.
- Popularization of financial knowledge**
 CEB carried out the campaigns of "Financial Knowledge into Communities" and "Financial Knowledge into Rural Areas", gave priority to the continuous enhancement of age-friendly financial services and financial security for the elderly, and constantly enriched the financial knowledge of senior customers, so as to improve their risk prevention awareness and self-protection ability.
- Benefiting the elderly with wealth management products**
 To accelerate the reform of pension finance and bring into play the Bank's characteristics and advantages in wealth management business, CEB launched the series of "Enjoy Sunshine Elderly Care Wealth Management Products", and enriched the Third Pillar (personal savings and commercial pension insurance) pension products for the purpose of guaranteeing residents' pension needs.
- Building model outlets for respecting the elderly**
 The Bank organized the campaign for the establishment of "model outlets for respecting the elderly", to provide heart-warming, patient, considerate and attentive services for senior customers, such as providing complete sets of age-friendly service facilities, improving lobby services and popularizing knowledge on financial fraud prevention for the elderly. The Bank established a number of model outlets to meet the needs of the elderly, help them hold tight to their "money bags", and increase the value of their wealth. In 2021, a total of 55 outlets were awarded "Model Outlets for Respecting the Elderly", accounting for 5% of all outlets of the Bank.



Improving services to support the young

CEB continuously popularized financial knowledge among the young, propelled smart campus construction, making contributions to cultivating the young into future citizens with high level of financial knowledge as well as creating a quality campus environment.



CEB Lhasa Branch launched the publicity activities of financial knowledge.



CEB Hohhot Branch and Hohhot Municipal Public Security Bureau jointly launched the campaign of "Financial Knowledge into Campus".



CEB Ningbo Branch launched the campaign of "First Financial Experience with Everbright".



CEB Wuhan Branch and Wuhan Jingyu Middle School jointly launched the financial knowledge education campaign.



Making New Achievements in Distinctive Bank Operations

In 2021, China Everbright Bank strengthened the concept of intensive capital use and continued to improve quality and efficiency of management. Actively integrating into the new development pattern, the Bank developed the new competitive edge of "integration of investment banking and commercial banking" in corporate finance and accelerated the growth of retail business. By deepening customer stratification, it strove for a larger customer base with a more reasonable structure and greater contribution. Furthermore, by stepping up risk screening and control in key fields, it reinforced comprehensive risk management and further strengthened corporate governance.



Advancing with the times for a new journey of wealth management




In 2021, the Bank made positive progress in wealth management transformation, realized an operating income of RMB63.38 billion from retail banking. The number of retail customers reached 140 million, among which the number of wealth management customers exceeded 1 million, increasing by 10.7% over the end of the previous year, and that of private banking customers reached 50,000, up 24.7% over the end of the previous year, showing a steadily improving customer quality. The assets under management (AUM) of retail customers of the Bank totaled RMB2.12 trillion, an increase of 10.7% over the end of last year.

Operating income realized from retail banking

63.38 billion

The assets under management (AUM) of retail customers of the Bank totaled

2.12 trillion
10.7% Over the end of last year

 Innovating in financial services via multiple channels to promote the increase of residents' income

10.8 billion

Increasing income from property by

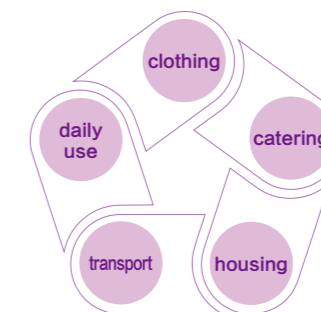
Selling financial products by proxy: CEB sold by proxy RMB18.5 billion consumer financial trusts for private banking, allocated accident and health insurance products for over 20,000 customers, elderly care products for over 40,000 customers, and publicly and privately offered products for 566,000 customers, increasing income from property by RMB10.8 billion.

25 billion

Increasing input

Developing asset management business: Everbright Wealth Management Co., Ltd. served as an engine for industry-finance integration and connection with the real economy in the asset management industry. In 2021, in an effort to support the real economy and serve national strategies, it increased input by over RMB25 billion into serving small and micro businesses, facilitating rural revitalization and issuing inclusive ABS. Attempts were made to invest in urban indemnificatory housing construction projects to practically safeguard the basic housing needs of migrant citizens and the young amid urbanization.

Transforming to loan assistance: In livelihood-related fields such as clothing, catering, housing, transport and daily use, the Bank finished multiple Internet finance-to-loan assistance businesses, extending the reach of its services, expanding the customer base, and rendering warmer financial services in a deeper and broader way.



Comprehensively planning for wealth E-SBU¹ coordination

The Bank's total amount of collaborative business within CEG registered over

1.8 trillion
8.43% year on year

In recent years, China Everbright Group put forward and practiced E-SBU coordinated development, with the focus on the six E-SBU, including wealth management, investment, investment banking, environmental protection, tourism and healthcare, in a bid to explore new patterns of governance of a financial holding group with Chinese characteristics.

In 2021, the Bank's total amount of coordinated business within CEG registered over RMB1.8 trillion, up 8.43% year on year; coordinated operating income approached RMB10 billion, up 21.2%; coordinated intermediary income reached nearly RMB3 billion, up 18.58%; over 2 million customers migrated, with new AUM generated by introduced retail customers exceeding RMB50 billion and new cross-selling reaching RMB38.252 billion.



1. E-SBU: On the basis of major Strategic Business Unit (SBU) and by bringing into play the advantages in comprehensive management and industry-finance integration, the ecosphere and electronic elements are introduced to shape a new pattern of coordination and development with Everbright characteristics.

Perfecting systems for refined management

Formulating management regulations

The Bank formulated the *Guidelines for Business Coordination within China Everbright Group 2021 of China Everbright Bank* and pressed ahead with work in all areas, shaping a favorable momentum of upper- and lower-level connection, internal and external linkage, work in synergy and progress on all fronts.

Improving assessment and incentive mechanisms

The *Detailed Rules of Assessment with Addition and Subtraction Items for CEG Coordination in Balanced Scorecard of Branches* was formulated to enhance profit-oriented effects and guide branches to make efforts in targeted areas and fair competition. The *Measures of Special Performance Rewards for CEG Coordination for Branches* was established to explore targeted and efficient incentives and encourage primary-level business coordination.

Optimizing development plans for the three sub-ecospheres

Wealth E-SBU consists of three sub-ecospheres, namely corporate banking, personal banking and E-cloud banking services, according to diverse customer dimensions.

The sub-ecosphere of corporate banking focuses on the coordination of customers, products and projects to promote "scenario + product development" and establishes the "corporate FPA coordinated marketing mechanism" for intensified asset operation and broader channels.

The sub-ecosphere of personal banking centers on 12 major projects and promotes the building of five scenarios including "glamorous tourism", "healthy elderly care", "one-stop wealth management", "private banking/investment banking +" and "Cloud livelihood services".

The sub-ecosphere of E-cloud banking services follows the working idea of "two roles of members, three basic services, four marketing platforms and five frameworks of rules" to promote key tasks of user introduction, user conversion, online channel management and online operation.

Highlighting characteristics around key businesses

Echoing the national strategies and the needs of the real economy, the Bank gave play to the effect of resource aggregation of Group coordination and coordinated CEG subsidiaries such as Everbright Securities, Sun Life Everbright Life Insurance, Everbright Xinglong Trust, Everbright Financial Holdings Asset Management, Everbright Limited and Everbright Jin'ou Asset Management to offer financial services in key sectors. It promoted comprehensive support for financial services, integrated tourism, comprehensive environmental protection and inclusive healthcare as priorities to contribute to wealth E-SBU coordination.

Launching comprehensive financial services

CEB Qingdao Branch worked with Everbright Securities for PPN underwriting of Rizhao Water Group

In March 2021, CEB Qingdao Branch, working with Everbright Securities Co., Ltd. successfully registered RMB1 billion PPN for Rizhao Water Group and finished the first-phase RMB300 million issuance in August. During the issuance, it introduced RMB80 million CRMW in facilitation as the Bank's first CRMW business under PPN. Meanwhile, the Branch worked with Everbright Wealth Management to invest RMB40 million in the bond through the secondary market to promote business development.

1 billion
PPN registered

热烈祝贺
日照市水务集团有限公司
2021年度第一期定向债务融资工具成功发行
发行人实现银行间债券市场首次亮相!

债券简称	主体评级	票面利率	本期规模	债券期限
21日照水务PPN001	AA	6.00%	3亿元	2+1年

中介机构: 牵头主承销商及簿记管理人: 联席主承销商

中证鹏元 | 中国光大银行 | 光大证券

CEB Hangzhou Branch joined hands with Everbright Sun Life Asset Management to promote insurance debt plans

In the practice of the development philosophy of "commercial banking + investment banking + asset management + transaction banking", CEB Hangzhou Branch joined hands with Sun Life Everbright Asset Management Co., Ltd. for two insurance debt plan businesses totaling RMB3.25 billion in November 2021, playing a positive role in driving the high-quality development of FPA.

Developing integrated tourism

CEB cooperated with CYTS to fuel the development of integrated tourism

The Bank strengthened cooperation with CYTS and launched the "Traveling Wish List" service in the latter's tour app Aoyou, supporting advance payment by app users via electronic accounts and settling long-term tour plans in advance. The issuing of the "Go Abroad +" co-branded card migrated 599,500 customers to CYTS in 2021 and an accumulative total of 1,959,000 customers, with 106,400 credit cards newly issued in 2021 and 2,007,500 cards accumulatively.



Building up "Charming China" 2.0

In an effort of building up "Charming China" 2.0, the Bank planned and launched a new season of four tourism festival sub-projects including Charming Xiamen, Charming Hainan, Charming Yunnan and Charming Yangtze River Delta, and launched the first tourism festival of Charming Chongqing. In doing so, it drove RMB387.153 billion transactions at the destinations throughout the year and realized 2.913 billion times of viewing.

CEB Haikou Branch organized "Everbright Charming Hainan Tourism Festival" for three consecutive years in Hainan, fueling nearly RMB200 billion consumption in the local area. "Charming Hainan" has become a brand jointly developed by Hainan Province and Everbright.

"Charming Chongqing", as the fifth project of CEG's "Charming China" series, was one of the measures taken by CEB Chongqing Branch to deepen the strategic cooperation between CEG and Chongqing Municipal People's Government. It unfolded in five themes including "nightscape, Internet influencers, patriotic tourism, food and wellness in Chongqing" to provide "finance + tourism" integrated services for CEB credit card users in and traveling to the city.

387.153 billion

Drove RMB387.153 billion transactions at the destinations throughout the year



Contributing to comprehensive environmental protection

Working with CEG subsidiaries to promote the implementation of environmental protection projects



Waste treatment project of China Everbright Environment Group Limited in Xiongan New Area



Giving impetus to inclusive healthcare

Activating inclusive insurance

The Bank teamed up with Sun Life Everbright Life Insurance Co., Ltd. and CEG digitalized coordination lab to launch its first inclusive insurance product in the Cloud Fee Payment scenario. This was an accident insurance product against personal accidents in the use of water, electricity and gas at home for policy holders, which was positively received by the public once launched with its low threshold, fast effect and high insurance coverage.

Developing the "Healthy Elderly Care" service system

The Bank formulated the *Strategic Plan on Financial Business on Elderly Care*, set up a leading group for elderly care financial work, and leveraged CEG's strengths of full financial licenses, industry-finance integration and E-SBU coordination to develop the "123+5" Everbright elderly care ecosphere.

CEB Taiyuan Branch launched the "Elderly Care at Ease Program" and closely cooperated with Sun Life Everbright Life Insurance Co., Ltd. Shanxi Branch to develop an experience hall with elderly care community scenarios. As at the end of December 2021, the program achieved 558 insurance policies with RMB113.99 million installment premium, accounting for over 84% of CEG's coordinated total premium.

113.99 million

Installment premium

558

Insurance policies

84%

Accounting for over 84% of the Group's coordinated total premium

Continuing to innovate in financial products



In recent years, CEB managed to develop multiple featured financial products that were distinctive in brand, widely recognized by customers and leading the market, such as Cloud Fee Payment, Inclusive Finance Cloud, Everbright Dual Chain, Logistics Express, Overseas Finance Cloud, E-financing Chain and Sunshine Annuity. The products highly showcase the robust momentum in technology empowerment, economic benefits and Everbright features, consolidating the brand image of "Sunshine Wealth Management".

Cloud Fee Payment

Cloud Fee Payment focused on convenient fee payment service for residents and integrated various fee payment services, channels and functions of payment and settlement in China in a standardized way to present a more practical and refined "Cloud Project" for residents' fee payment.

Solving problems for people

The Bank expanded fee payment services for residents from provinces and cities to counties and townships. As at the end of December 2021, it covered all the prefecture-level cities nationwide for agency collection of electricity, communication and cable fees, 80% prefecture-level cities for agency collection of water bills and 71% for agency gas fee collection. In 2021, it served 565 million active users and 106 million directly-linked users, serving over 2.1 billion person-times in total, with payment amount exceeding RMB552.439 billion. The convenient and quality services of Cloud Fee Payment were further extended, benefiting of tens of thousands of families.



Improving government's service capacity

As at the end of December 2021, 44 entities settled in Cloud Fee Payment for the central government non-tax revenue collection service and the local government non-tax revenue collection service covered 28 provincial-level areas. The number of fee payments associated with government service reached 284 million with the amount totaled to RMB203.328 billion, significantly improving the non-tax, social security and other fee payment experience of enterprises and individuals.



Auto Full Pass

Auto Full Pass is a financial service system based on the auto industrial chain. With a full understanding of the industrial chain's structural characteristics and transaction process, it provided the chain participants (including manufacturers' upper-stream suppliers, downstream dealers and retail consumers) with integrated financial service solutions and various services such as settlement, financing and intelligent solution to improve stability and operation efficiency of the auto industrial chain.

Sunshine Annuity

Sunshine Annuity is a multi-pillar, full-chain and wide-coverage financial service system associated with elderly care in support of China's elderly care security system building and elderly care-related financial development. It contained three pillars including "basic endowment insurance, enterprise annuity/occupational annuity, and personal elderly care", and involved 26 industries such as finance, electricity and manufacturing to provide the public with professional, one-stop and high-quality financial services associated with elderly care. As at the end of December 2021, the value of annuity custody reached RMB271.064 billion, serving 3,933 annuity institutional customers and managing 803,000 personal accounts. Sunshine Annuity managed to win all of the 33 bids for occupational annuity custodian, displaying an excellent brand image.

Sunshine E-account Opening

Sunshine E-account Opening was a one-stop and full-process account opening service system for corporate customers. With pre-application via multiple channels such as WeChat official account "China Everbright Bank Corporate Service", the official website and Everbright corporate banking App, customers were enabled to open accounts conveniently and efficiently without complex information input. In 2021, 165,000 accounts were opened.

271.064 billion

The value of annuity custody

3,933

Annuity institutional customers

Sunshine Wages

6.46 billion

3.11 billion
From the beginning of this year

The amount of payment guarantee for migrant workers' wage

1,341

145 From the beginning of this year

The number of guarantee customers

"Sunshine Wages", the financial service brand on migrant worker wage, is intended to safeguard the interests of migrant workers. It consists of three sub-brands - "Sunshine Wages Letter of Guarantee", "Sunshine Wages Pal", and "Sunshine Craftsman Card", corresponding to the Bank's migrant worker wage payment guarantee, contracted agency payroll service (corporate), and agency payroll service (personal), respectively. Closely centered on all aspects of wage payment for migrant workers, the Bank provided precise services on a product-specific basis, helped enterprises ease the pressure of working capital, and stabilized the "fund pool", so as to ensure migrant workers' wage security.

As at the end of December 2021, the amount of payment guarantee for migrant workers' wage reached RMB6.46 billion, an increase of RMB3.11 billion from the year beginning; the number of guarantee customers was 1,341, an increase of 145. The Bank provided corporate agency payroll services for 147 customers and personal agency payroll services for 43,370 individuals, with the transaction amount registered at RMB4.7 billion, an increase of RMB2.59 billion during the year.

"Colorful Sunshine" product line

"Colorful Sunshine" product line uses seven colors of sunshine, namely, red, orange, golden, green, indigo, blue, and purple, to represent equity, hybrid, fixed income, cash management, alternatives and derivatives, private equity, and structured investment and financing, respectively. Featuring clarified asset categories and clear risk levels, this unique product was easy for customers to understand. In recent years, the Bank continued to develop product containers and issued the industry's first NAV-based bank wealth management product in full compliance with the new asset management rules "Sunshine Gold Daily Profit No.1", which further enriched the "Colorful Sunshine" product line. As at the end of December 2021, the size of NAV-based wealth management products of Everbright Wealth Management reached RMB1,001.948 billion, accounting for 93.84%.

1,001.948 billion

The size of NAV-based wealth management products of Everbright Wealth Management

93.84%

Accounting for



Digitalized transformation for better financial availability

CEB kept advancing the strategy of Digital Everbright and accelerated the building of digital banking. It continued to optimize the regional allocation of financial resources and covered all provincial administrative regions nationwide with its service network, helping address the unbalanced financial services across regions. Empowered by Fintech, it drove forward innovation in business modes and products to extend financial services further to less-developed areas.



Enhancing technological innovation as a driver

CEB further refined the technological innovation management system, and put into use an innovation project management platform for whole-process online approval and management of technological innovation projects. With a Fintech innovation funding mechanism established, as at the end of December 2021, the Fintech Innovation Fund approved a total of RMB533 million. Focused on the building of scientific and technological platforms, the Bank strove to improve the competence of its key business platforms. With efforts made in applying technological innovation results, 52 results were granted patents and software copyrights and five technology projects won the PBOC's Fintech Development Awards in 2021.

533 million

The Fintech Innovation Fund approved

5 Technology projects

Won the PBOC's Fintech Development Awards



The Bank convening report meeting of the Information Technology Department

Product highlights in technological innovation

Blockchain cloud platform (BaaS)

The platform was upgraded in June 2021 in full compliance with the PBOC's technical specifications on blockchain and has been successfully applied in multiple major projects, laying a solid foundation for the Bank to apply and develop blockchain in a safe and compliant manner.

Wealth AI + online platform

Through an innovative application of AI technologies, the Bank realized a one-stop intelligent transaction process for privately offered products covering product explanation, qualified investor identification and video authentication.

Expanding financing channels with supply chain finance

Constantly innovating in financing channels and the service approaches for small and micro businesses via technology empowerment, the Bank developed the "Chain Plan" and made admirable achievements in "Sunshine Inclusive Finance" eco-chain businesses. The "Sunshine Inclusive Finance Cloud" platform was subject to iterative upgrades to render "online financing + Fintech" cloud services.

CEB Nanjing Branch supported customers in key industries for supply chain finance development

CEB Nanjing Branch took advantage of the online products and proactively explored business demand of core enterprises and their upper-and down-stream customers to promote the development of supply chain business such as Sunshine E-financing Chain and factoring. As at the end of December 2021, it customized supplier customers of these core enterprises, which brought 152 supply chain customers of these core enterprises with the total finance amount of RMB11.7 billion for supply chain and factoring business.

11.7 billion

Supply chain and factoring business

CEB Shenzhen Branch facilitated supply chain financing of a beverage enterprise

In December 2021, "NAYUKI" supply chain financing project of CEB Shenzhen Branch offered the first agriculture-aided loan through the 1+N supply chain cloud platform to help smooth capital turnover of upper-stream fruit and tea growers along the supply chain. Via "Sunshine Supply Chain Cloud Platform", the project provided supply chain customers with integrated online supply chain financial services such as management of accounts receivable and payable, transfer of creditor's right, financing repayment and statement query.

1+N

Offered the first agriculture-aided loan through the 1+N supply chain cloud platform

Pressing ahead with the development of online and offline channels

In constant exploration of innovative channel services, the Bank sped up in constructing a "mobile banking + remote banking + physical outlets" intelligent service pattern. It innovated in online service modes and pushed forward the digital and intelligent transformation of outlets to promote the development of both online and offline channels.

Innovation in online services

Mobile banking

People's livelihood service

The Bank accumulatively launched 32 services associated with people's livelihood and government services such as the fight against COVID-19, social security service and medical insurance electronic code.

Intelligent service

"Digital Human" Xiao Xuan answers questions from customers 24/7 to improve interactive customer experience.

Corporate mobile banking

CEB newly launched corporate mobile banking 1.0 to transform online corporate services from single channel to platform-based integrated services and fuel digitization of small and medium-sized enterprises.

Digital business card

By proactively offering services online, CEB accurately offered customers corporate and retail products, activities, information and other services of the Head Office and branches and supported one-click product reservation/purchase/participation, improving customers experience via online channels.

Innovation in offline outlets

"Everbright Supermarket" smart outlets

As the example of smart outlets, "Everbright Supermarket" integrated functions of display, consultation and transaction through the application of 5G and new technologies empowered by Fintech, and provided customers with full-process services concerning people's livelihood and wealth management. So far, a total of 12 Everbright Supermarkets have been set up. In September 2021, in the 4th "Bloom Cup" 5G Application Competition Smart - Finance Event sponsored by the Ministry of Industry and Information Technology, "Everbright Supermarket", as a 5G-based pilot solution in finance, became a model case and benchmark project for 5G application practice.



Everbright Supermarket at CEB Shenzhen Branch



Everbright Supermarket at CEB Zhengzhou Branch



Everbright Supermarket at CEB Shanghai Branch



Everbright Supermarket at CEB Beijing Branch

"Sunshine Service" for protection of consumers' rights and interests

In 2021, in order to further refine systems and mechanisms for the protection of consumers' rights and interests, CEB continued to develop "Sunshine Service" and "Sunshine Consumer Protection" and optimize service experience to better satisfy the needs of financial consumers longing for a better life.



Fintech empowerment

In April 2021, the Bank officially put into use the review management system for consumer rights and interests protection, which realized online review and elevated review efficiency. Meanwhile, scanning and warning functions against sensitive words were launched to support the intelligent screening of materials to be reviewed and enable customization of sensitive words screening regarding consumer rights protection, which effectively enhanced risk prevention and control of the system.

Sunshine Service

Sunshine Consumer Protection

Deepening complaint management

Facilitating channels and optimizing procedures for complaint handling

For complaint handling via 95595 customer service hotline and manual services, handling levels were modified and procedures were optimized to provide consumers with easier access to the service.

Strengthening organizational structure and enhancing coordination across all levels

The Special Working Team on Complaint Management was set up under the Leading Group for Consumer Rights and Interests Protection and Sunshine Service Promotion, and a dedicated complaint handling position was set in each relevant department, with complaints being studied at regular meetings. In this way, a thoroughly connected and comprehensively coordinated complaint management structure was formed.

Improving traceability and optimizing product service procedures

The closed-loop management of "collecting complaint data-analyzing causes-making improvement plans-verifying improvement" was established, and complaint analysis was taken as a regular tool for optimizing products, services and procedures.

Advancing diversified solutions and properly dealing with consumer disputes

Methods such as third-party mediation and neutral evaluation were actively explored to deal with consumer disputes, and communication with consumers was enhanced to fully safeguard their legitimate rights and interests.

In 2021, 132,972 consumer complaints were received. Geographically, complaints were concentrated in Beijing, Guangdong and Henan and mainly related to businesses including bank cards, debt collection and loans.

Popularizing financial literacy

The Bank took the initiative to promote financial knowledge in an effort to increase consumers' financial literacy and risk prevention awareness and shape a favorable financial environment.

"Sunshine Consumer Protection Themed Jogging Event"

On 15 March 2021, CEB initiated the "2021 Sunshine+1 (Towards a Healthy Life) - Sunshine Consumer Protection Themed Jogging Event" financial knowledge promotion campaign, which covered 57 patriotic educational scenic spots in nearly 70 cities and attracted over 20,000 participants. The event reached more than 200,000 person-times of consumers both online and offline and collaborated with over 200 internal and external entities, further improving the consumers' financial literacy and expanding the brand influence of "Sunshine Consumer Protection".



Cloud publicity on financial consumer protection

The Bank launched a special column on consumer rights protection on its official website, where it kept posting publicity works. In the meantime, it released a total of over 70 original videos, pictures and posters for publicity via WeChat official accounts, Channels and Moments. "Xiao Xuan", digital human and customer service staff at Remote Banking Center, was employed as the ambassador for cloud financial consumer protection to continuously expand the coverage of financial education and publicity.

70

Original videos

Demonstration bases for financial education

As the Bank steadily pressed ahead with the construction of demonstration bases for financial education, the Banking Department of CEB Beijing Branch and CEB Wuhan Branch were respectively honored "Demonstration Base for Financial Education in Beijing" and "Demonstration Base for Financial Education in Hubei Province".



The Banking Department of CEB Beijing Branch was honored as "Demonstration Base for Financial Education in Beijing"



CEB Wuhan Branch was honored as "Demonstration Base for Financial Education in Hubei Province"

Steadily shaping the international network based on the Bank's strategies



CEB has achieved primary results in its overseas layout and basically formed a comprehensive overseas network covering investment and commercial banking institutions, subsidiaries and branches, and profit-making and non-profit entities.

Responding to the Belt and Road Initiative

In active response to the Belt and Road Initiative, the Bank participated in more major projects along the Belt and Road, supported Chinese enterprises to "go global", served key customers, and paid close attention to investment and financing projects in fields such as environmental governance, renewable energy, sustainable transport and advanced manufacturing in countries along the Belt and Road.

Participating in the Southbound Bond Connect Scheme

In September 2021, the Southbound Bond Connect officially commenced, marking the comprehensive two-way connection in Chinese bond market. CEB closed deals with several overseas market makers on the very day of commencement. As at the end of December 2021, it closed ten Southbound Scheme deals with four overseas institutions, valued at RMB460 million. The full participation in the Southbound Bond Connect signaled another step taken by the Bank in contributing to the two-way opening-up of the financial market, RMB internationalization and stronger global operation capacity.

CEB Luxembourg Branch taking multiple measures to support the Belt and Road Initiative

Since its establishment in 2017, CEB Luxembourg Branch supported enterprises in countries and regions along the Belt and Road in forms of syndicated loans, bilateral loans to financial institutions, and risk participation, among others, and sought to expand financial business cooperation with peers in those countries and regions amid daily inter-bank lending. As at the end of December 2021, it accumulatively offered nearly EUR3 billion credit support to enterprises in the countries and regions along the Belt and Road.

EUR **3** billion

Accumulatively offered nearly EUR3 billion credit support to enterprises in the countries and regions along the Belt and Road

CEB Kunming Branch landing syndicated loans for Siem Reap-Angkor International Airport in Cambodia

Siem Reap-Angkor International Airport in Cambodia was a signature project that marked the efforts of Yunnan provincial Party Committee and provincial government in proactively integrating into and serving the Belt and Road Initiative and implementing the central government's support for Yunnan to build a regional hub with links radiating throughout South Asia and Southeast Asia. In July 2021, CEB Kunming Branch landed USD80 million syndicated loans for this project.

CEB Hong Kong Branch supporting a wind power project in Vietnam

CEB Hong Kong Branch provided the Hong Kong subsidiary of a large joint-stock energy group with a three-year USD40 million bilateral loan to invest in the construction of Chinh Thang 50MW wind farm in Ninh Thuan Province, Vietnam, and actively participated in projects related to energy conservation and emission reduction in Southeast Asia.

Rendering cross-border financial services

In 2021, by leveraging on the advantages in overseas institutions, the Bank not only developed a cross-border collaboration information platform but also realized one-stop full-coverage cross-border financial services, including trade financing, project financing, overseas bond underwriting, international syndicated loans, agent foreign exchange transactions and overseas IPO, with the joint efforts of both domestic and overseas institutions. Domestic branches worked with overseas institutions to provide over RMB15 billion low-cost financing for nearly 100 domestic entities in cross-border financing business.

CEB Sydney Branch facilitating enterprise funding with financing guarantee

In July 2021, CEB Sydney Branch joined hands with CEB Chengdu Branch to complete a USD200 million overseas debts under domestic guarantee for Sichuan Development Holding Co., Ltd. and realizing a lending amount of USD160 million. With its comprehensive financing cost lower than the average domestic financing cost by 60 bps, the business saved over RMB6 million of financial expenses for the customer throughout the year.

USD **160** million

Inputting a total amount of USD160 million

Building global correspondent banking networks

CEB established the RMA relations with 997 overseas correspondent banks from 93 countries and regions around the world, including 41 countries along the Belt and Road. In 2021, the Bank authorized country/region credit risk limits worth USD76.86 billion for 40 countries and regions, among which 14 countries along the Belt and Road were entitled to credit limits totaling USD4.84 billion. It authorized credit limits totaling USD39,833 million for 160 overseas correspondent banks (including factors) from 28 countries and regions, among which 5 countries along the Belt and Road were entitled to credit limits totaling USD1,855 million.

USD **76.86** billion

Authorized country/region credit risk limits for 40 countries and regions

997 overseas correspondent banks

Established the RMA relations with

Establishment and business development of overseas institutions

Centered on its banking strategy and international development plan, CEB steadily advanced the development of its international network. As at the end of December 2021, it established seven overseas institutions in five locations (Hong Kong, Seoul, Sydney, Luxembourg, and Tokyo).

5

Established overseas institutions in five locations

7

Established seven overseas institutions



Opening ceremony of CEB Tokyo Representative Office in August 2021 via video conference linking Beijing and Tokyo

CEB Sydney Branch backing up the sustainable development of overseas enterprises

CEB Sydney Branch participated in the syndicated loan of Downer Group, Australia's largest construction project outsourcer, in 2020 and 2021, with the lending amount totaling AUD38.88 million. With distinct characteristics of green financial products, the syndicated loan was affixed with sustainable development KPIs, including the greenhouse gas emission reduction and energy conservation indicator targets set according to the company's actual condition, employees' physical and mental health indicator, local cultural learning and training indicator, etc. The KPIs were set based on the company's environmental protection vision, and linked to the progress of the borrower's targets so as to highlight the care and protection of society, environment, and humanity.

Taking a Leap Forward in Corporate Governance

In strict compliance with *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China* and other related laws and regulations, the Bank continued to advance the modernization of corporate governance system and capacity, refined systems and mechanisms, and consolidated institutional foundations to ensure independent operation, effective balancing, mutual cooperation and coordination among all governance entities, promote stable improvement of corporate governance, and safeguard its sustained and prudent operation.



Consolidating the foundation to improve corporate governance



Driving high-quality development with Party building

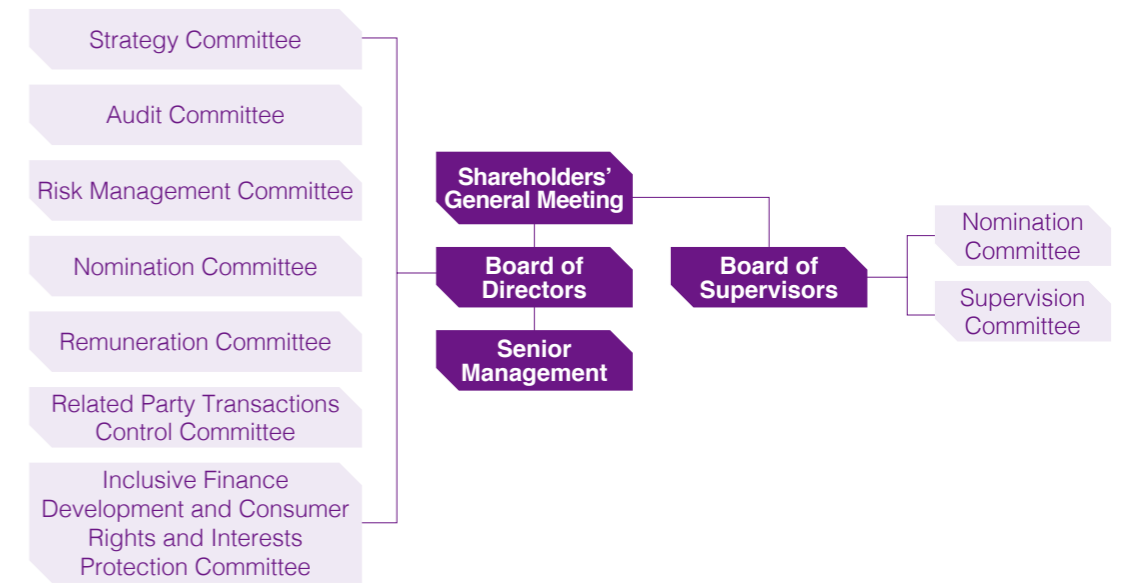
The Bank adhered to Party building as guidance and enhanced political guarantee. While persistently following Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, it fully carried out the guiding principles of the 19th CPC National Congress and all the plenary sessions of the 19th CPC Central Committee in rolling out the campaign of learning CPC history and the initiative of “doing practical things in the interests of the masses”. With the great Party founding spirit integrated into every aspect of enterprises and keeping in mind the missions as a central financial enterprise, CEB remained true to the needs of the country, the expectations from the public, and the capabilities of finance, and implemented the decisions and plans of the CPC Central Committee in its practice of devising strategies, making policies and promoting work. Maintaining a high-handed posture to rectify prevailing practice, reinforce discipline, combat corruption, and carry out the Party’s eight-point decision on improving work conduct and its detailed rules on the implementation. Consequently, the political ecology continued to improve and new progress was made in guiding high-quality development with high-quality Party building.

Improving corporate governance structure

CEB established a sound corporate governance structure in accordance with the *Company Law of the People’s Republic of China* and related regulatory requirements. The Shareholders’ General Meeting holds the ultimate power. The Board of Directors reports to the Shareholders’ General Meeting; the Senior Management reports to the Board of Directors; the Board of Supervisors supervises the Board of Directors and the Senior Management. As at the end of December 2021, the Bank’s Board of Directors had 14 members, including 2 executive directors, 6 non-executive directors and 6 independent non-executive directors. Independent non-executive directors accounted for more than one third of the members of the Board of Directors.

In 2021, the Bank convened three Shareholders’ General Meetings, where it considered 17 proposals and heard 5 reports; the Board of Directors held 14 meetings, considered a total of 122 proposals and heard 41 reports; committees of the Board of Directors convened 38 meetings, considered 101 proposals and heard 47 reports. The Shareholders’ General Meetings and meetings of the Board of Directors were legal and compliant with applicable regulations with regard to convening procedures, attendance, proposal consideration and methods of voting.

Corporate Governance Structure



Diversity of members of the Board of Directors

CEB attached great importance to the diversity of members of the Board of Directors and formulated the *Policy on Membership Diversity of the Board of Directors*. When reviewing candidates for directors and making recommendations to the Board of Directors, the Nomination Committee of the Board of Directors comprehensively takes into consideration their gender, age, cultural and educational background, professional experience, expertise, knowledge and term of office. The Nomination Committee regularly assessed the structure, number and composition of the Board of Directors. At the end of the reporting period, of the 14 directors of the Bank, 12 directors held a master’s degree or higher, including seven doctoral degrees. Non-executive directors all held important positions with their employers and possessed extensive management experience. Independent non-executive directors were senior experts in economics, finance, accounting, auditing, etc., competent enough to provide professional opinions for the Bank in different fields.

Ensuring stable operation by strengthening internal control and compliance

Management system building

The Bank unfolded recheck of regulations and systems, combed and rectified internal systems that were absent or conflicting, together with the rectification of problems identified in regulatory inspections, and kept refining system details to ensure the consistency between practical operation and internal and external rules and enhanced the standardization, consistency and validity of the Bank's systems.

In the recheck of risk control matrix, the Bank revised and maintained the matrix in time to ensure timeliness of its internal control and operational risk tools in order to better adapt its internal control evaluation to the needs in practical work.

CEB proceeded to implement its routine daily supervision and inspection plans and compliance inspection plans and promote standardized and effective practice of the plans at the first and second defense lines. By driving forward rectification, development and management with inspection, it managed to improve internal control and compliance management and refine its internal control system.

"Year of Internal Control and Compliance Management" campaign

In June 2021, China Banking and Insurance Regulatory Commission released the *Notice on Launching the "Year of Internal Control and Compliance Management" Campaign in Banking and Insurance Industries*. In active response, CEB drew up work plans and set up a leading group to coordinate related work. CEB Head Office and branches initiated a series of publicity and education activities such as compliance education meetings, seminars with young employees, compliance training and online contests to strengthen employees' compliance awareness and cultivate a compliance culture.

A contest on internal control and compliance knowledge organized by CEB Shanghai Branch



Anti-money laundering (AML)

To strictly implementing regulatory requirements, intensifying the public awareness of anti-money laundering, enhancing social synergy in preventing and combating money laundering crimes and creating a favorable AML atmosphere, the Bank launched a one-month AML campaign themed "Preventing Money Laundering with Virtual Currency". The Bank selected some typical cases of wide public concern as well as money laundering cases involving mass participation such as fundraising frauds, online pyramid selling, telecom frauds and bank account leasing and selling where virtual currencies were illegally traded. By analyzing these cases, the serious consequences and social damage of related crimes were fully revealed so as to enhance public awareness against money laundering.



The campaign themed "Preventing Money Laundering with Virtual Currency" at CEB Guangzhou Branch



AML publicity activities by CEB Yantai Branch in local communities

Escorting financial services with comprehensive risk management

In 2021, CEB tightened comprehensive risk management. As a result, its asset quality maintained a good momentum of steady growth; main risk indicators realized "Three Decreases and One Increase", and both non-performing loans and non-performing loan ratio were reduced for two consecutive years; external ratings remained stable, and all the risk appetite indicators were kept in a tolerable range. As at the end of December 2021, the non-performing loan ratio was 1.25%, and the provision coverage ratio reached 187.02%.

As at the end of December 2021

1.25%

The non-performing loan ratio

187.02%

The provision coverage ratio



Refining the comprehensive risk management system

In 2021, the Bank continued to enhance the management and transmission of risk appetite and intensified authorization management for overseas branches and subsidiaries, in a bid to fuel the effective transmission of risk appetite within the Bank and enhance the overall risk management.

CEB improved the risk management system of retail business to promote the building of loan assistance models and scenario risk management. Approval mechanisms were optimized, with intensified dynamic management of approval and authorization. The Bank strove to refine the climate risk management system, formulated the *Policies on Environmental, Social and Governance Risk Management*, practiced classified management of customers' ESG risks, conducted the climate risk stress testing, and tightened the risk control in energy-gobbling and high-emission sectors. The Bank also continued to optimize IT risk management. Efforts were made to intensify market risk management, refine the investment risk control mechanism for credit bonds and derivatives risk management, and improve the management system of market risk limit associated with consolidated trading books. Management of cooperative institutions was also improved.

Augmenting risk prevention and control in key fields

The Bank put into effect a look-through risk monitoring system for large-sum credit customers and established the system at CEB Head Office and branches respectively to monitor large-sum credit risk at a high frequency. An asset quality monitoring mechanism with a combinational dimension of credit watch was established to identify and handle projects with major risks as soon as possible. The Bank tightened risk control in key fields, prohibited new implicit debts of local governments, and launched risk screening among real estate enterprises. It effectively carried out coordinated management of asset quality and defused stock risks in order, maintaining the quality of new credit.

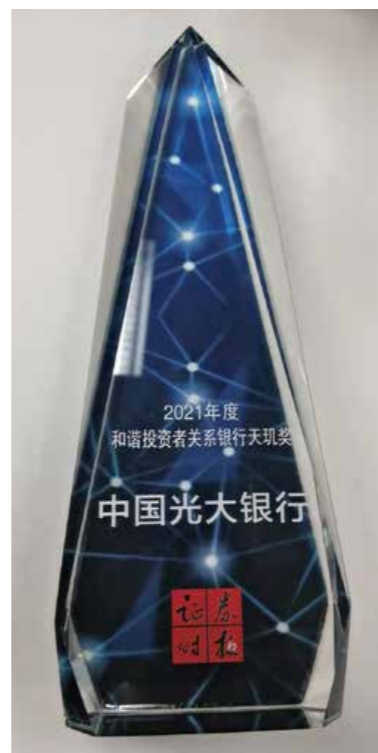
Safeguarding the interests of investors and maintaining closer communication with them

With close attention paid to investor relations, the Bank followed the *Work Instructions on Relations between Listed Companies and Investors* published by CSRC, the *Rules Governing the Listing of Stocks* published by SSE and other governing laws and regulations to communicate with investors and concretely safeguard their legitimate rights and interests.



Communication via diverse channels

The Bank overcame the adverse influences of COVID-19 and held two results announcement meetings both online and offline on the basis of full understanding of the capital market's areas of interest in the Bank, attracting over 200 person-times to attend. It also organized one roadshow, one themed open house day and one investors' reception day, and participated in 55 surveys and strategy seminars organized by both domestic and overseas mainstream securities brokerages, where it communicated with over 400 investors.



Information disclosure in compliance

As a company listed on both Shanghai Stock Exchange (SSE) and Hong Kong Exchanges and Clearing Limited (HKEX), CEB earnestly implemented the *Securities Law* and related regulations, complied with the requirements for information disclosure on all fronts, continued to improve the quality of information disclosure, strengthened the management of insiders, and disclosed various types of information in a timely and fair manner through legally recognized media outlets, all of which ensured the authenticity, accuracy and completeness of the disclosed information, and fully informed investors at home and abroad of the Bank's development strategies, operation performance and management situation. The Bank was rated "A" by the SSE for its information disclosure work in 2020-2021.

CEB prepared regular reports in accordance with pertinent laws and regulations, disclosed more targeted and effective information, optimized and enriched the contents of regular reports, and successfully wrapped up the preparation and release of the 2020 annual report, the 2021 interim report and quarterly reports. In addition, the Bank disclosed announcements in a timely manner, and fully considered regulatory requirements at home and abroad to ensure simultaneous and compliant information disclosure in both markets. A total of 110 A-share temporary announcements and 103 H-share announcements were released throughout the year.

Closer communication with medium and small investors

CEB put in place policies and procedures to effectively protect the rights and interests of shareholders, especially minority shareholders. Independent non-executive directors expressed objective, impartial and independent opinions on the profit distribution plan, remuneration of the Senior Management, major related party transactions and other matters involving minority shareholders' interests. Pursuant to relevant regulatory requirements, the voting of the Shareholders' General Meeting was conducted through both onsite and online means. The votes of medium and small investors were separately counted and disclosed in reviewing major issues involving their interests. All the common shareholders, including minority shareholders, were entitled to attending the Shareholders' General Meeting to express opinions and appeals, and the Bank answered their concerns.

In 2021, the Bank answered over 390 phone calls from both domestic and overseas investors and handled over 190 inquiry emails. By communicating with stock reviewers, it updated medium and small investors on the Bank's development strategies and operation development via stock review columns. It also interacted with investors via online platforms such as "SSE E-interaction" and Snowball App.

over **390**

Answered phone calls from both domestic and overseas investors



Protection of investors' interests

Since its A-share listing on SSE in 2010, the Bank has been staying among the top in joint-stock commercial banks regarding the ratio of cash dividends, which stood at 27.57% on average in history and reached 30% in 2020. The accumulative amount of dividends amounted to RMB80,437 million.

80,437 million

The accumulative amount of dividends

Promoting the building of corporate culture

A good corporate culture is the spiritual pillar and source of power for the sustainable development, as well as an important part of the core competitiveness of an enterprise. The Bank attached great importance to the construction of its corporate culture, and adopted various methods to promote the development of corporate culture in depth and guide the corporate culture to take roots so as to enhance the sense of belonging and happiness of employees through the cohesion power of corporate culture.



Organizing various corporate culture events



Expanding the Connotations of Corporate Social Responsibilities



To implement a series of sustainable development policies put forward by regulatory authorities including CBIRC, CSRC, SSE, HKEX and Hong Kong Monetary Authority and act on the requirements for listed companies to perform social responsibilities, CEB not only proactively formulated development plans for corporate social responsibility, but also continuously pressed ahead with relevant work.

Improving social responsibility management with a strong sense of responsibility



Strategic plans for corporate social responsibilities

The Bank continued to refine the *Three-Year Development Plan for Corporate Social Responsibility of China Everbright Bank (2020-2022)*, put in place sound working systems and management measures for social responsibility, and paid attention to a variety of stakeholders such as government, regulatory authorities, shareholders, customers, employees and suppliers, in an effort to integrate the fulfillment of social responsibilities into all links of business development, continuously improve CSR management, and pursue the path of sustainable development.

Goals of CSR strategic plans	Refining social responsibility management system	Enhancing CSR capabilities	Unfolding social responsibility practice	Promoting CSR publicity	Strengthening CSR communication	Deepening ESG exchanges in the capital market	Conducting CSR research
Progress of implementation	<ul style="list-style-type: none"> CEB formulated the <i>Management Measures of China Everbright Bank Co., Ltd. for Corporate Social Responsibility Work</i> and the <i>Evaluation Policy for Corporate Social Responsibility Performance Appraisal of China Everbright Bank Co., Ltd.</i> CEB set up the Leading Group for CSR Work at the Head Office level to lead the CSR work of the entire Bank. 	<ul style="list-style-type: none"> CSR themed training events were organized across the Bank. CEB released a special feature titled "Shouldering Responsibilities as National Financial Team" in its internal publication. 	<ul style="list-style-type: none"> CEB released the <i>Notice on Implementing the Major Decisions and Plans on Peaking Carbon Emissions and Achieving Carbon Neutrality to Promote the Comprehensive the Development of Green Finance</i>, and set up the Leading Group for Peaking Carbon Emissions and Achieving Carbon Neutrality and three work teams under the Assets and Liabilities Management Committee of the Head Office. CEB convened green finance work meetings to arrange the green finance work across the Bank. CEB was the first joint-stock commercial bank to set up Rural Revitalization Finance Department CEB launched the integrated financial service brand for rural revitalization and issued specific service plans under the guiding principle of "revitalizing rural areas for common prosperity". 	<ul style="list-style-type: none"> CEB established a comprehensive CSR indicator system, and released CSR reports annually. CEB formulated the <i>Management Measures for Donations of China Everbright Bank Co., Ltd.</i> to standardize procedures of donation management. 	<ul style="list-style-type: none"> CEB acted on the CEG's requirement for CSR work and established efficient CSR communication mechanisms with CEG. In reference to CEG's guideline for preparation and disclosure of ESG reporting, CEB revised its CSR reporting indicator system. 	<ul style="list-style-type: none"> CEB was included in the "Hang Seng (China A) Corporate Sustainability Benchmark Index" (HSCASUSB) for three consecutive years. It was rated BBB on the MSCI ESG Ratings. 	<ul style="list-style-type: none"> CEB conducted CSR research under the guidance of CEG and carried out over 10 studies in 2021.

Framework for corporate social responsibility management

CEB established the organizational framework for CSR management and set up the Leading Group for CSR Work of China Everbright Bank at the Head Office level, headed by President of the Bank and co-headed by Vice President who is in charge of the General Office with heads of related departments as members.

Office of the Leading Group for CSR Work is set up in the General Office of the CEB Head Office, and is responsible for coordinating CSR and ESG work across the Bank and leading the implementation of the work arrangements made by the Leading Group for CSR Work. Meanwhile, the *Rules of Procedure of the Leading Group for CSR Work of China Everbright Bank* was formulated, while the Bank also identified functions of respective units, drew up corresponding implementing regulations and specified work contents of both leading and supporting departments, in an effort to press ahead with daily CSR work in a planned and orderly way.



The Bank convening the Employees' Congress

Communication with stakeholders

Stakeholder	Government	Regulatory authorities	Customers	Employees	Shareholders	Suppliers	The public
Expectations of stakeholders	<ul style="list-style-type: none"> Responding to national strategies Serving the real economy Promoting regional coordination Driving green development Facilitating rural revitalization Realizing common prosperity 	<ul style="list-style-type: none"> Preventing financial risks Developing inclusive finance Standardizing corporate governance Anti-corruption and anti-money laundering 	<ul style="list-style-type: none"> Offering products and services meeting their demands Providing quality service experience Protecting customers' rights, interests and privacy 	<ul style="list-style-type: none"> Smooth communication channels Attractive remuneration and benefits Promising career prospects Healthy and safe working environment Work-life balance 	<ul style="list-style-type: none"> Stable business performance Mature corporate governance mechanism Transparent information disclosure Continuously enhanced risk management Development in compliance and integrity Protection of rights and interests of minority shareholders 	<ul style="list-style-type: none"> Realizing win-win cooperation Leading industrial innovation 	<ul style="list-style-type: none"> Joint construction of a green environment Low-carbon and green operation Charitable activities Disaster relief
Channels of communication	<ul style="list-style-type: none"> Responding to national strategies and serving the real economy Accelerating business transformation and promoting regional coordinated development Developing green finance and contributing to the realization of "peaking carbon emissions and achieving carbon neutrality" Developing inclusive finance and supporting small and micro businesses Supporting rural revitalization to realize common prosperity 	<ul style="list-style-type: none"> Operating in conformity with laws and regulations Implementing regulatory policies Forestalling financial risks and ensuring the safety of financial assets Maintaining sound internal control and observing professional ethics 	<ul style="list-style-type: none"> Surveys on customer product demands Customer service hotline-95595 Mobile banking, online banking, phone banking and remote banking for customer communication Protection of consumers' rights and interests 	<ul style="list-style-type: none"> Employees' Congress Departmental communication meetings Business supervision, training and technical support Cultural, sports and health promotion activities for employees 	<ul style="list-style-type: none"> Shareholders' General Meeting Regular reports and announcements Investor communication via the press, phone calls, emails, etc. 	<ul style="list-style-type: none"> Strengthening relationship maintenance and risk prevention of suppliers and supply chains Ensuring legal and transparent supplier selection and management in compliance Supplier training 	<ul style="list-style-type: none"> Making donations Providing environmental-friendly products and services Practicing green operation Promoting green finance Innovating financial instruments to facilitate social and corporate green transformation

Annual materiality analysis

<p>Step 1: Expert assessment 1</p>	<p>The General Office of the CEB Head Office made adequate communication with external CSR consulting experts.</p>	<p>A list of CSR issues was drafted.</p>
<p>Step 2: Investigations into internal and external stakeholders 2</p>	<p>The 2021 stakeholder survey was carried out through WeChat on mobile phones.</p>	<p>The effectiveness of questionnaire results was analyzed.</p>
<p>Step 3: Confirmation on the importance levels of the issues 3</p>	<p>Through scientific analysis and evaluation, major issues of the year were identified. The results were used as one of the important references for the preparation of the CSR report.</p>	<p>A total of 53 major issues were identified.</p>
<p>Step 4: Confirmation by the Senior Management 4</p>	<p>The Senior Management reviewed the issues covered in the CSR report and the degree of response the Bank made.</p>	<p>Further guidance was offered to the preparation of the CSR report.</p>
<p>Step 5: Deliberation by the Board of Directors 5</p>	<p>The Board of Directors deliberated on annual major CSR/ESG issues, ranked the issues by importance, and reviewed the report.</p>	<p>Key CSR/ESG issues and disclosures for the year were checked and confirmed.</p>

External stakeholders' expectations on CEB's sustainable development


<ul style="list-style-type: none"> Communication with stakeholders Social responsibility management Brand building Green finance Support for the development of small and micro-sized enterprises Financial education Customer complaint handling Diversified teams 	<ul style="list-style-type: none"> Promoting coordinated regional development Practicing inclusive finance Data security and management Protection of customers' rights and interests Customer services and satisfaction Safeguarding consumer rights Corporate governance Internal control & compliance Supply chain management Corporate integrity & anti-corruption 	<ul style="list-style-type: none"> Responding to national strategies Serving the real economy Supporting the goal of "peaking carbon emissions and achieving carbon neutrality" Facilitating rural revitalization Corporate strategic planning Comprehensive risk management Fintech application Protection of customer privacy Employees' remuneration and benefits Employees' health and safety Care for employees
<ul style="list-style-type: none"> Construction of new-type towns Serving the elderly and the young Green operation Implementation of the "Belt and Road" Initiative Product innovation 	<ul style="list-style-type: none"> Party building Support for community development ESG risk management for supply chain Responsible procurement Information disclosure and quality 	<ul style="list-style-type: none"> Fight against the pandemic Industrial competitiveness Assistance for employees in need Development of distinctive business Addressing climate change
<ul style="list-style-type: none"> Promoting overseas development Layout of overseas institutions 	<ul style="list-style-type: none"> Volunteer service Charitable donations Green public welfare 	<ul style="list-style-type: none"> Training and development Recruitment policy Protection of employees' rights and interests Work-life balance

Internal stakeholders' expectations on CEB's sustainable development

Creating value and contributing to the UN Sustainable Development Goals

Sustainable Development Goals (SDGs) of the United Nations depict a blueprint to achieve a more beautiful and sustainable future for all. They are proposed to fundamentally tackle social, economic and environmental development problems by 2030 and shift to the path of sustainable development. By integrating SDGs into its own development and management, CEB actively contributes to the realization of SDGs.

CEB's Actions



CEB was the first joint-stock commercial bank to set up Rural Revitalization Finance Department to consolidate and expand the achievements in poverty alleviation and facilitate rural revitalization. By enriching the product spectrum for inclusive finance, the Bank contributes to common prosperity.

CEB's Actions




In response to national policies for easing the burden of excessive homework and off-campus tutoring for students, the Bank launched "Sunshine Golden Education" products to help supervise funds of off-campus training agencies and support the healthy development of Chinese education industry.

CEB's Actions




CEB launched "Sunshine Golden Warehouse Loan", among other financing products, to safeguard food security. It also supported modern agriculture resorting to Fintech to realize online business procedures.

CEB's Actions




Opposed to gender discrimination, CEB fully respected and safeguarded female rights and interests by providing impartial and fair career opportunities.

CEB's Actions




Implementation of COVID-19 control measures became routine. "Inclusive-healthcare" was promoted and the "123+5" Everbright service ecosphere for elderly care was developed. Care for employees' physical and mental health was stepped up by creating a comfortable working environment. Support was offered to national information-based medical security and "Internet + medical insurance" development.

CEB's Actions




CEB not only actively promoted water conservation within the Bank, but also collaborated with other CEG entities to participate in infrastructure construction such as sewage disposal plants and rural toilets to help improve drinking water conditions and health facilities in both urban and rural areas.

CEB's Actions



The Bank made responsible investments, underwrote directional bonds for clean energy and "carbon neutrality" bonds, and issued green loans to promote optimization of energy structure and support clean energy projects.

CEB's Actions




Attention was paid to create a comfortable working atmosphere for employees, establish and refine the remuneration and benefit system and support employees' career development by offering sound training.

CEB's Actions



CEB actively engaged in major national infrastructure projects such as rail transit, waste incineration for power generation, road network construction, and operation of the Yangtze River waterway. It also supported high-tech enterprises with financing and credit enhancement and boosted the growth of emerging industries of strategic importance.

CEB's Actions




The Bank was dedicated to reducing regional imbalance in economic development and promoting coordinated regional development. Fintech was adopted to increase the availability of financial services.

CEB's Actions




CEB provided integrated financial services for the development of Beijing-Tianjin-Hebei, the Yangtze River Delta, and Guangdong-Hong Kong-Macao Greater Bay Area, facilitated people-centered new urbanization initiative, and offered targeted support for quality projects to make up for the weaknesses of counties.

CEB's Actions




Paperless work environment and online meetings were advocated. Suppliers were subject to evaluation, and green suppliers and environmental-friendly and energy-saving materials were preferred. Digital credit cards were issued to decrease carbon emissions caused by the use of physical cards.

CEB's Actions




CEB underwrote green financial bonds, issued green loans and used other green financial instruments for green investment. It proactively managed its own carbon emissions from operation.

CEB's Actions


As one of the signatories, CEB, together with 35 Chinese banking financial institutions and 24 foreign banks as well as international organizations, released the Joint Declaration of Banking Sector to Support Biodiversity Conservation, committed to building a financial partnership of biodiversity across the world.

CEB's Actions



With internal reporting, risk monitoring, internal auditing and self-inspection mechanisms in place, the Bank eradicated any form of corruption or other fraudulent practices. It organized compliance training across the Bank to enhance the compliance awareness of the entire staff.

CEB's Actions



Through active communication and cooperation, CEB joined hands with stakeholders to create economic, social and environmental value.

Winning broad recognition with steady development

2021.01

Everbright Wealth Management Co., Ltd. was honored as the "Most Innovative Banking Wealth Management Subsidiary of the Year" by Sina.com.

2021.06

CEB won the honor of the "Thumb-up 2021 - Annual Influential Brand of Financial Enterprises" from xinhuanet.com.

2021.07

CEB won the "2021 Best Practice Award for Business Decision Artificial Intelligence" at the Business Decision Artificial Intelligence Summit.

2021.08

CEB was selected as the "Excellent Joint-stock Commercial Bank of the Year" and the "Excellent Retail Bank of the Year" by china.com.cn.

2021.09

"CEB 2020 Annual Results Announcement Case Sharing" was conferred the "Outstanding Practice Case Award for 2020 Annual Results Announcement of Public Companies" by China Association for Public Companies.

2021.10

CEB was honored as the "Most Potential Financial Institution of Supply Chain Finance in China" by *Trade Finance*.

2021.05

CEB was conferred the "Glory Award", the supreme award at the 2021 China Financial Digital Technology Innovation Competition, by cebnet.com.cn for its "Smart Financial Brain" and the "2021 Gold Award for Innovation in Special Fields" for its "Logistics Express" (Wu Liu Tong).

2021.11

CEB was selected as the "Bank Serving Real Economy with Excellent Competitiveness in 2021" by *China Business Journal*.

2021.12

CEB was selected as the "Outstanding Mobile Banking in 2021" and the "Outstanding Wealth Management Bank in 2021" by Biaodian Finance and Economics Institute and *China Investment Network*.

2021.12

CEB was awarded the "Best Joint-stock Commercial Bank of the Year" and its "Everbright Cloud Fee Payment" platform was awarded the "2021 Most Influential Convenient Financial Service Platform" at the Gold Medal Award Ceremony of Chinese Financial Institutions - Gold Dragon Award 2021 organized by *Financial News*.

2021.12

CEB won the "2021 Golden Case for Integrated Marketing" at the 2021 China International Advertising Festival for its CCTV brand communication case "Role Model of State-owned Enterprises".

2021.12

CEB was awarded the "Excellent Institution Award - Joint-stock Commercial Bank of the Year" by Jiemian.com affiliated to Shanghai United Media Group.

2021.12

CEB won the "2021 Socially Responsible Vanguard Bank" by Hexun.com.

2021.12

"Target-oriented and Multi-dimensional Communication" - CEB's CCTV brand communication case 'Role Model of State-owned Enterprises'" and "Strengthening Responsibility and Sticking to Risk Bottom Line - CEB's reputation risk management case" won the "Annual China Finance Branding Award" and the "Annual Reputational Risk Management Case Award" respectively by *China Finance*.

2021.11

CEB was selected as the "2021 Wealth Management Bank" and the "2021 Bank with Excellent Competitiveness in Asia" by *21st Century Business Herald*.

Creating Higher ESG Value

ESG

Environmental, social and corporate governance (ESG) is a major indicator for corporate non-financial comprehensive performance. As a company listed on both SSE and HKEX, CEB, in strict compliance with various regulatory requirements, actively assumed the CSR and ESG responsibilities of listed companies, enhanced resource conservation and environmental protection, paid attention to communication with stakeholders, refined ESG working mechanisms, standardized ESG management, and kept improving its ESG management ability, in a bid to realize all-round coordinated and sustainable development socially and environmentally.

Highlighting environmental performance to contribute to green and sustainable development

Discharges and emissions

In order to reduce waste discharges, CEB continued to push forward with waste sorting, adopting a host of measures to raise the awareness of environmental protection among all employees, including strengthening the publicity and training of waste sorting, updating new labels for different types of waste, and enhancing guidance and supervision. It also established a waste sorting and treatment system in which different recycling and disposal methods were adopted for hazardous waste and non-hazardous waste. In order to bring down emissions of hazardous gas and greenhouse gases, it optimized the management system for official vehicles by refining the vehicle management and reducing the use of official vehicles.

Indicator	Unit	2021	2020	2019
Sulfur dioxide emissions	Ton	0.01	0.01	0.01
Nitrogen oxide emissions	Ton	0.33	0.42	0.44
Total greenhouse gas emissions (Category I & Category II)	Ton	68,416.38	67,242.33	68,891.66
Greenhouse gas emissions per capita (Category I & Category II)	Ton/person	2.74	3.19	3.57
Greenhouse gas emissions per square meter of floor area (Category I & Category II)	Ton/m ²	0.10	0.10	0.10
Direct discharges & emissions (Category I)	Ton	5,386.28	5,087.59	5,022.59
Fuel consumption of official vehicles	/	1,983.63	1,227.58	1,355.70
Diesel consumption of facilities	/	491.91	1,134.40	1,299.80
Gas consumption	/	2,910.74	2,725.61	2,367.10
Indirect discharges & emissions (Category II)	Ton	63,030.11	62,154.75	63,869.07
Purchased electricity power	/	63,030.11	62,154.75	63,869.07
Total hazardous waste	Ton	378.17	261.61	248.41
Hazardous waste per capita	Ton/person	0.02	0.01	0.01
Hazardous waste per square meter of floor area	Ton/m ²	0.0006	0.0004	0.0004
Non-hazardous waste	Ton	2,730.19	1,971.06	1,753.02
Non-hazardous waste per capita	Ton/person	0.11	0.09	0.09
Non-hazardous waste per square meter of floor area	Ton/m ²	0.004	0.003	0.003

Notes:

- The data of environmental performance covers the CEB Head Office and tier-1 domestic branches.
- Since the data of emissions and energy and resource consumption of machine rooms currently cannot be calculated independently, the data of greenhouse gas emissions, hazardous waste discharges, non-hazardous waste discharges, energy consumption and daily water consumption per capita and per square meter of floor area of the Bank cover office areas and machine rooms.
- Sulfur dioxide emissions mainly came from the exhaust gas produced by official vehicles. The data of sulfur dioxide emissions was calculated according to the Technical Guidelines for the Compilation of Air Pollutant Emission Inventories of Road Motor Vehicles (Trial) released by the Ministry of Ecology and Environment of the People's Republic of China.
- The emissions of nitrogen oxides mainly came from the exhaust gas produced by official vehicles. The data of emissions of nitrogen oxides was calculated according to the Technical Guidelines for the Compilation of Air Pollutant Emission Inventories of Road Motor Vehicles (Trial) released by the Ministry of Ecology and Environment of the People's Republic of China.
- The greenhouse gas inventories contain carbon dioxide, methane and nitrous oxide, which were mainly produced from purchased electricity power and fossil fuel combustion. Emissions of greenhouse gases are presented in terms of carbon dioxide equivalent, and calculated in accordance with the 2011 and 2012 Power Grid Mean Carbon Dioxide Emission Factors in China released by the National Development and Reform Commission (NDRC) and 2006 IPCC Guidelines for National Greenhouse Gas Inventories publicized by the Intergovernmental Panel on Climate Change (IPCC). Since Tibet Electric Power Company of State Grid didn't have baseline emission factors and the impact of the data of purchased electricity power of Lhasa Branch was very small and its importance was relatively low, the purchased electricity power of Lhasa Branch wasn't included into the statistics of greenhouse gas emissions.
- Fuel consumption of official vehicles includes gasoline consumption and diesel consumption of official vehicles.
- Diesel consumption of facilities means diesel consumption of standby generators and a few cooking ranges. The data of diesel consumption of facilities of the Bank covers the Shangdi office area of the Head Office and its 16 branches.
- All the hazardous wastes involved in the operation of the Bank are disposed by professional companies with qualification and they mainly include waste lead-acid batteries, waste modulator tubes, and waste ink cartridges, waste toner cartridges and waste ribbons of official printing equipment. The increase in hazardous wastes was mainly attributed to the increase in waste lead-acid batteries during the year. Waste lead-acid batteries are generally replaced every five years.
- All the non-hazardous wastes of the Bank are disposed of by recycling companies and mainly include official garbage, copy paper, discarded hard disks and waste computers. The office garbage of Xiamen Branch, Jinan Branch, Dalian Branch, Wuxi Branch, Qingdao Branch and Haikou Branch is disposed of by the property companies of their office areas and currently cannot be calculated independently. An estimation has been made according to the Manual of Pollutants Discharge Coefficients from the Urban Life Source in the First National Pollution Source Census released by the State Council.

Resource consumption

To improve the efficiency of resource and energy utilization, the Bank formulated multiple measures of green operation. It replaced the high-energy consuming facilities and equipment with the products adopting energy-saving technologies, and used water-saving appliances to build itself into a water-saving institution. Non-secret waste paper and waste electrical/electronic devices were collected for centralized processing and recycling. Information technologies were employed to promote paperless office and reduce the consumption of disposable office supplies. The Bank strengthened air-conditioning management, shortened its operation time, kept tight control over indoor temperatures, and promptly replaced outdated energy-intensive engines and other products. It also strengthened video conference management, standardized bank-wide conference procedures, cut down on the number of meetings, and advocated video conferences vigorously. With a full understanding of the significance of "practicing thrift and opposing waste" advocated by the Party Central Committee, the Bank enhanced regular regulation, took effective measures, and established a long-term mechanism to prevent waste. It further stepped up publicity and education, effectively cultivated employees' habit of frugality, and fostered an environment where waste was opposed and thriftiness was advocated across the Bank.

Indicator	Unit	2021	2020	2019
Total energy consumption	MWH	106,075.35	109,383.29	110,833.10
Energy consumption per capita	MWH/person	4.26	5.19	5.75
Energy consumption per square meter of floor area	MWH/m ²	0.16	0.17	0.16
Direct energy consumption	MWH	21,638.34	22,649.55	22,007.78
Fuel consumption of official vehicles	/	5,323.69	4,901.46	5,411.51
Diesel consumption of facilities	/	1,828.85	4,264.33	4,886.08
Gas	/	14,485.80	13,483.76	11,710.18
Indirect energy consumption	MWH	84,437.02	86,733.74	88,825.33
Purchased electricity power	/	84,437.02	86,733.74	88,825.33
Purchased electricity power consumption of the Head Office	MWH	26,095.43	32,103.71	33,214.41
Daily water consumption	Ton	521,356.88	510,075.83	516,587.02
Daily water consumption of the Head Office	Ton	109,213.52	82,111.00	103,852.00
Daily water consumption per capita	Ton/person	20.92	24.20	26.79
Daily water consumption per square meter of floor area	Ton/m ²	0.78	0.77	0.76
Total copy paper consumption	Ton	615.84	658.44	480.3

Notes:

- The data of energy consumption was calculated according to relevant conversion factor provided in the national standard of the People's Republic of China, General Rules for Calculation of Comprehensive Energy Consumption (GB/T2589-2008). It includes purchased electricity power, gas, diesel consumption of facilities and fuel consumption of official vehicles.
- The purchased electricity power consumption of the CEB Head Office means the total power consumption of the institutions of the CEB Head Office in Beijing. Specifically, it includes the purchased electricity power consumption of the China Everbright Center office area, the Shangdi office area, the Taoranting office area, the Shijingshan office area, the China Everbright Building office area and the Zhongguancun No.1 office area.
- Daily water consumption includes consumption of tap water and reclaimed water.
- The daily water consumption of the CEB Head Office means the total water consumption of the institutions of the CEB Head Office in Beijing. Specifically, it includes the daily water consumption of the China Everbright Center office area, the Shangdi office area, the Taoranting office area, the Shijingshan office area, and the Zhongguancun No.1 office area. Since the daily water consumption of the China Everbright Building office area cannot be independently calculated for equipment reasons, it is not included in the data.

Environment and natural resources

In order to minimize the impact on the environment and natural resources, CEB strengthened the dynamic evaluation and classification of environmental and climate risks of major industries and customers and fended off various risks in the transformation to peaking carbon emissions and achieving carbon neutrality. Remaining industry-oriented in its credit policies, the Bank focused on green industries supported by national policies, prudently engaged in traditional high-carbon industries, included environmental and social risk management into credit management, and fully identified customers' environmental and social risks. Compliance with environmental testing standards, pollution control effects and ecological conservation were deemed as important preconditions for credit approval, and credit granted to energy-gobbling, high-emission and severely over-capacity industries were strictly limited.

Climate change

In active response to climate change issues, the Bank set up the Leading Group for Peaking Carbon Emissions and Achieving Carbon Neutrality at CEB Head Office, formulated and updated related credit policies, conducted environmental and social risk management, and put into place internal working procedures on climate-related issues according to the *Guideline for Disclosure of Climate Information* of HKEX.

Working procedure

Identify the proper governance framework

Select appropriate scenarios and parameters within the identified scope and boundary

Confirm the importance of climate-related risks with qualitative/quantitative measures

Identify the impact of major climate-related risks on business based on the property and position of the business

Draw up parameters, indicators and targets according to climate-related business impact

Prioritize, implement and supervise a series of targets-driven actions to shape the basis of climate action plans

Evaluate the influence on each financial project

Include climate-related issues into long-term plans on business strategies

Actions

CEB set up the Leading Group for Peaking Carbon Emissions and Achieving Carbon Neutrality at CEB Head Office and three specialized work teams.

CEB analyzed the overall credit business by industry, conducted environmental stress testing, and devised corresponding measures based on the testing results.

The Bank included ESG risks into the comprehensive risk management system, practiced classified management of customers' ESG risks, and enhanced risk control over energy-gobbling and high-emission sectors.

Customers were subject to classified management regarding EGS risks with four customer categories identified based on climate-related risks including support, maintenance, reduction and exit, and a list of significant climate-related business impact was drawn up.

The Bank set two targets that the growth of green loans shall not be lower than that of general loans and the growth of loans to clean energy industries shall not be lower than that of general loans.

CEB released the *Notice on Implementing the Major Decisions and Arrangements for Peaking Carbon Emissions and Achieving Carbon Neutrality and Comprehensively Promoting the Development of Green Finance* to identify work programs and action plans for reaching the targets of peaking carbon emissions and achieving carbon neutrality. It also issued the Notice on Formulating the Credit Plan Management Program of the Bank 2021 to include the green factor into the 2021 credit plan management program. The Bank revised and circulated the Manual of Risk Management of China Everbright Bank (Version 2021) to refine the climate risk management system, and developed the Policies for Environmental, Social and Governance Risk Management of China Everbright Bank to practice classified management of customers' EGS risks.

More green credit resources were allocated to a certain extent to encourage business entities to make special efforts in green industries.

CEB proposed to reach the target of "peaking carbon emissions and achieving carbon neutrality" in the general strategic objectives by 2025, included the improvement of risk management systems and mechanisms into strategic supportive measures, and proposed to improve comprehensive management ability over environmental and climate risks, among other risks.

Paying attention to social performance and highlighting communication with stakeholders

Employment

Staff recruitment

The Bank recruited its staff under the principles of equality, impartiality and openness and issued the *Measures for Management of Staff Recruitment of China Everbright Bank (2021 Revision)* and the *Measures for Management of Staff Recruitment for Professional Positions of China Everbright Bank (2021 Revision)*. The staff recruitment procedures were sound and complete with diversified recruitment channels and open and transparent information. Employees enjoyed smooth promotion paths, and young cadres and employees developed rapidly. In the recruitment of staff for overseas branches, except for the senior management and a few key positions appointed by CEB Head Office, the other positions were filled locally to ensure the required proportion of local employees.

Employee rights and entitlements

The Bank earnestly protected the legitimate rights and interests of employees, ensuring that all its employees have signed employment contracts and participated in the social security programs. In terms of remuneration and benefits, the Bank distributed remuneration in a timely and accurate manner, calculated and paid in full statutory employee benefits, and withheld employees' individual income taxes pursuant to law. It practiced people-oriented attendance and leave management, and encouraged employees to schedule their work reasonably. Employees were entitled to public holidays and paid leaves.

Indicator	Unit	2021	2020	2019
Number of employees	Person	46,175	46,316	45,618
Number of female employees	Person	25,908	25,785	25,332
Number of male employees	Person	20,267	20,531	20,286
Ratio of male to female employees	/	0.78	0.80	0.80
Number of new employees	Person	2,662	2,862	3,767
Number of ethnic minority employees	Person	1,540	1,471	1,344
Number of foreign employees	Person	8	7	9
Proportion of disabled employees	%	0.02	0.04	0.04
Number of disabled employees	Person	11	17	19
Number of employees in the Head Office	Person	7,526	7,319	6,827
Number of employees by management level				
Number of Senior Management members	Person	387	384	386
Number of middle-level cadres	Person	4,785	4,685	4,489
Number of primary-level employees	Person	41,003	41,247	40,743
Number of employees by educational background				
Number of employees with master's degree and above	Person	8,215	7,437	6,742
Number of employees with bachelor's degree	Person	32,641	32,958	32,459
Number of employees graduating from junior college and below	Person	5,319	5,921	6,417
Total employees by age				
≥40 years old	Person	9,396	8,740	7,825
≤29 years old	Person	12,282	14,042	17,227
30 to 39 years old	Person	24,497	23,534	20,566
Total employees by region				
Domestic	Person	45,811	/	/
Overseas	Person	364	/	/
Contracted employee turnover rate by age				
Employee turnover rate	%	4.58	4.16	4.65
≥40 years old	%	1.66	1.26	1.73
≤29 years old	%	6.78	5.97	5.52
30 to 39 years old	%	4.43	3.98	5.01

Health and safety

Personalized healthcare services

In addition to the basic medical system, the Bank established a supplementary medical insurance system. In 2021, it put into effect upgraded enterprise annuity and supplementary medical insurance scheme. For enterprise annuity, the ratio of individual contribution decreased by 2 percentage points, while that of enterprise contribution increased by 5.5 percentage points; for supplementary medical insurance, annual payment standard per capita doubled, with the sum assured increased, the coverage of insured events expanded and death by disease insurance and accidental injury insurance newly included. The fast track to medical care was upgraded to increase the number of times for employees to enjoy the service, expand the scope of service recipients and enrich the contents of medical care.

Care for the mental health of employees

The Bank established the Sunshine Care Fund, and organized "Sunshine Lectures" and "Ease of Mind" move to ease employees' work pressure and negative emotions and help them develop physical and mental harmony and health. The campaign of lowering the intensity of training programs was launched to boost employees' mental health and help them strike a balance between work and life.

Work-life balance

Celebrating the 100th anniversary of the founding of the CPC and learning the Party's history



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“Serving the People with Practical Deeds” activities



Rich cultural and recreational events



“Celebrating Lantern Festival and Guessing Lantern Riddles” event at CEB Beijing Branch



Social event among Hong Kong employees



Outdoor event of Beijing Sunshine Consumer Finance Co., Ltd. employees

Caring for female employees



Flower arrangement in celebration of the Women's Day at CEB Xiamen Branch



Nursing room at CEB Xi'an Branch

Indicator	Unit	2021	2020	2019
Total revenue of Sunshine Care Fund	RMB10,000	337.86	751.58	776.54
Expenditure of Sunshine Care Fund	RMB10,000	299.23	349.69	314.42
People supported by Sunshine Care Fund	Person-time	227	1,257	273
Number of work-related fatalities in each of the past three years including the reporting year	Person-time	0	/	/
Rate of work-related fatalities in each of the past three years including the reporting year	%	0	/	/

Development and training

Career development of employees

In 2021, CEB modified its position system management measures and promotion rules for employees and optimized their career development paths to stimulate their enthusiasm. It further refined the performance assessment system covering all levels of organizations and individuals and shaped a unified incentive and constraint mechanism. CEB Head Office held two sessions of “CEB Talents” to extensively recruit outstanding staff both internally and externally. The 2022 campus recruitment was unfolded to enhance team building and reserve forces for the lasting prosperity of Everbright.

Staff training system

CEB continued to upgrade its training and cultivation systems for cadres and employees.

It fostered a loyal, honest and responsible cadre team, and rolled out the Senior Management training program (five sessions of centralized training) themed on “Learning the Party’s History, Remaining true to the Original Aspiration and Assuming the Responsibility to Contribute to a Leap Development and Stepping up to a New Level” in order to promote Senior Management members to take a higher political stance and improve their management capability and comprehensive competency.

Empowered by technology, the Bank brought into full play the strength of “Sunshine Academy”, a digital learning platform, where 307 sessions of “Weekly Lesson” live training were offered, 1,703 courses were newly launched, 4,818 persons got online for study daily on average, and 1,183 online tests were organized. “Sunshine Academy” won the “Best Eco-platform Application Award” in the selection of “Booao Awards” for the domestic education and training industry.

In the learning campaign of “Studying the Four Histories and Assuming the Responsibility to Promote Leap Development”, which proceeded in three parts of “Four Histories (histories of the Party, New China, the reform and opening-up, and socialist development)” study, Everbright history and culture, and financial compliance, “Sunshine Academy” was used as a carrier to promote high-quality business development with high-quality Party building in the form of “Party building + business”. The campaign played a due role in guiding employee to recognize and practice the “Everbright New Culture”, popularizing financial compliance knowledge and

raising financial compliance awareness.

In an effort to develop elite training programs, CEB continued with the Training Campus of Innovation Talents and integrated technology with business to accelerate the team building for a digital Everbright and foster intrinsic innovation momentum. It actively explored new modes of fostering new employees from campus recruitment and gave semi-monthly lectures based on the learning needs of new employees to promote management trainees’ mastering of banking business.

The Bank organized the 17th Joint Meeting for Training Work of National Joint-stock Commercial Banks as part of its efforts to tighten exchanges with peers and strengthen the brand building. Themed on “Embarking on a new journey from the 100th anniversary of the founding of the CPC” and centered on “promoting business development with the guidance of Party building”, the meeting covered three parts, namely peer exchanges, sharing by Party history experts and explanation of innovation development, and played a positive role in enhancing experience sharing and win-win cooperation regarding the development of professionals.

CEB pressed ahead with the building of the bank-wide professional talent pool, and circulated the *Interim Management Measures for the Retail Finance Talent Pool* and the *Management Measures for Internationalized Talent Pool of China Everbright Bank*, established the retail finance talent pool and drive forward the building of the internationalized talent pool. It launched the first session of “Voyage Program - Internationalized Talent Training” to offer and reserve talents for the Bank’s high-quality internationalization.

Indicator	Unit	2021	2020	2019
Number of staff training programs	Session	7,185	7,049	7,099
Staff trained	Person-time	807,255	744,172	414,042
Senior Management members trained	Person-time	3,288	3,405	1,986
Middle-level management members trained	Person-time	84,597	72,174	49,765
Primary-level employees trained	Person-time	719,370	668,593	362,291
Percentage of trainees by gender				
Percentage of male trainees	%	100	100	100
Percentage of female trainees	%	100	100	100
Percentage of trainees by management level				
Percentage of Senior Management trainees	%	100	100	100
Percentage of middle-level management trainees	%	100	100	100
Percentage of primary-level trainees	%	100	100	100

Labor standards

CEB was committed to protecting employees’ legitimate rights and interests and continued to upgrade and standardize labor relations management. It strictly prohibited child labor and resisted forced and compulsory labor in any form. No violation of the kind occurred at the Bank.

Indicator	Unit	2021	2020	2019
Labor contract signing rate	%	100	100	100
Social security coverage rate	%	100	100	100

Supply chain management

Policies on suppliers’ social responsibility management

CEB practiced procurement management according to the *Measures for Procurement Management of China Everbright Bank* by following the guiding principles of legitimacy and compliance, centralized management, stratified authorization, quality improvement and efficiency enhancement, energy conservation and environmental protection. Centralized and decentralized procurement were combined to select suppliers.

Measures and inspection of suppliers’ social responsibility management

CEB has clarified the centralized procurement catalog and limits, standardized centralized procurement procedures, approval process, committee rules of procedure, application conditions for various procurement methods, and strengthened the management of branches. An intelligent centralized procurement platform has been established to enable online order placement, order management and logistics information update by employees and project personnel.

Suppliers' environmental and social risk management

Being green and environmental-friendly, CEB gave priority to environmental-friendlier and more sustainable suppliers under the conditions of satisfying procurement requirements and meeting the same quality and service standards. Meanwhile, it promoted green procurement, shifted from traditional offline procurement by departments to online centralized procurement, built an intelligent centralized procurement platform, and unified bidding and procurement at CEB Head Office, which improved the procurement efficiency across the Bank.

The Bank requested notices in advance from suppliers in case of important matters such as change of major investors, shareholders and legal representatives, and required suppliers to safeguard the safety of their labor force. The bidding documents involving staff outsourcing services required prospective bidders to quote and participate in the evaluation of CSR indicators or factors such as the proportion of employees' salaries, and clarified preference for prospective suppliers with national credentials in occupational health and safety management, thereby practicing responsible procurement.

Indicator	Unit	2021	2020	2019
Supplier review coverage rate	%	100	100	100

Product responsibility

Always putting customers' demands first, CEB kept optimizing its financial products and services and took multiple measures to improve the quality and efficiency of services.

Protection of consumer information and privacy

CEB formulated the *Management Measures for Protection of Consumers' Financial Information of China Everbright Bank* to follow the principles of legitimacy, validity, necessity and integrity to process consumers' information, enhance maintenance and management of agreements, sales documents and other business documents, and conduct regular reviews, in an effort to ensure compliance with requirements for consumer's financial information protection.

Ability building for data and privacy safety

The Bank organized the "Run-up Program for Future Progress" live-streaming lectures on rules and regulations regarding data safety and personal information protection. Personal information protection training and tests were given, in which a total of 40,176 persons participated across the Bank and 97.63% of them passed. "Cybersecurity for the People and by the People" cybersecurity publicity campaign was launched to boost social awareness of cybersecurity and protection skills. Bank-wide training on information security awareness was organized; the *Journal of Information Safety Awareness* was issued monthly, and the *Ten Codes of Conduct for Employees on Information Safety* was released.

Mechanism for customer service improvement

In pursuit of better services, the Bank continued with video inspections of business outlets for "Sunshine Service" and customer satisfaction surveys, constantly upgraded the quality of "Sunshine Service" and optimized customer experience. In 2021, 35 outlets across the Bank were honoured as the "Top 1,000 Demonstration Outlets" by China Banking Association.

Indicator	Unit	2021	2020	2019
Number of corporate accounts opening bank-wide	/	171,098	170,699	181,868
Number of Level 1 service experts rated by the Bank	Person	233	205	147
Number of Level 2 service experts rated by the Bank	Person	1,020	996	789
Number of community banks	/	483	495	578
Number of private banking customers	/	50,021	40,112	32,207
Number of customer complaints received	/	132,972	21,733	5,613
Customer complaint closing rate	%	100	100	100
Satisfaction rate for customer complaints	%	96.55	99.57	99.88
Number of mobile banking customers	10,000 accounts	5,252	4,645	3,736

Anti-corruption

CEB strictly abided by laws and regulations, focused on corruption in the field of finance and credit, and deepened the case inspection mechanism.

Improving Party conduct and political integrity

CEB kept a close eye on "critical minority", "key positions" and "key problems" and stepped up reminders for integrity and supervisory inspections prior to important festivals. With the "Primary-level Integrity Promotion" campaign proceeding, and the long-term mechanism of Party building and warning education for domestic and overseas institutions with multiple parties coordinated was put into place. The Bank continued with the task of "promoting rectification and governance with corruption cases", drove related departments to establish systems, and shore up weaknesses while consolidate strengths, and kept refining the Bank's governance system for better governance effects.

Establishing the joint supervision mechanism

CEB set up a joint supervision mechanism involving multiple departments including Office of Discipline Inspection Committee, Inspection Office, Party Organization Department, Legal & Compliance Department and Auditing Department. with the supervisory forces integrated and the supervision network tightly knit, fully utilizing the role of joint supervision. Focusing on credit, bidding and procurement, human resources management, and prevention of violation of the Party's eight-point decisions on improving work conduct, it practiced discipline enforcement and accountability by observing the "Party's Six Disciplines".

In 2021, the Bank organized online signing of 3,958 letters of responsibility for building good conduct and political integrity, dynamically updated basic information of 42,000 supervision targets, updated 8,392 integrity records, and involved around 600,000 person-times in anti-corruption and integrity training across the Bank.

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Anti-corruption requirements for the Board of Directors

The *Articles of Association of China Everbright Bank* included explicit provisions on anti-corruption requirements for directors, pointing out that "directors of the Bank shall not abuse their authorities by accepting bribes or receiving other illegal income, embezzle property of the Bank, misappropriate funds of the Bank, or use their own names or other people's names to open accounts to deposit the Bank's assets or funds...". The above-mentioned requirements were delivered to each director through the *Key Points of Performance of Directors* to ensure concrete performance of related anti-corruption requirements.

Indicator	Unit	2021	2020	2019
Number of integrity records established for leading officials	copy	8,392	7,573	7,576
Number of corruption court cases filed and concluded	case	0	/	/

Community investment

Developing community banks

To improve its community service ability and promote high-quality development of community banks, CEB drew up the *Work Instructions on Operation and Development of Community Banks of China Everbright Bank (2022)*. Following the guiding principles of "based on community, practicing inclusive services, highlighting quality, conducting compliant operation", featuring low-cost and light-asset, the community banks were dedicated to providing community residents with professional, convenient and considerate financial services for the "last kilometer".



CEB Haikou Branch developing community bookstores

CEB Haikou Branch joined hands with Hainan Library to build community bookstores at community banks, and on such basis, offered users advisory services for account opening, wealth management, credit card and loans, among other financial businesses. A variety of activities were organized such as financial knowledge promotion, anti-money laundering and voluntary blood donation, which expanded the boundary of non-financial services and were highly recognized by community residents.

CEB Tianjin Branch staging a convenient community ecosystem

Based on community bank outlets, CEB Tianjin Branch developed a merchant alliance covering supermarkets, beauty salons, breakfast restaurants and convenience stores predominated by community banks. Focusing on clothing, food, housing and travel needs of community residents, it explored transaction channels of merchants, integrated various preferential benefits and established a preferential merchant system for community marketing, so as to provide residents with convenient and cost-effective community services.

Supporting pandemic prevention and control and the post-disaster reconstruction of Henan

In compliance with the decisions and arrangements of the CPC Central Committee for pandemic prevention and control, namely, securing a coordinated development between domestic and international landscape and striking a balance between pandemic prevention and control and the economic and social development, CEB branches and outlets operated in an orderly way, safeguarding the safety of employees, operations and customers. The Bank made a swift response to the rainstorm in Henan and other major incidents, allocating financial resources efficiently to offer strong financial support.

Everbright Financial Leasing providing financing for the COVID-19 vaccine productivity enhancement project

To support national pandemic prevention and control, Everbright Financial Leasing provided RMB537 million financing for phase II of inactivated COVID-19 vaccine productivity enhancement project of Wuhan Institute of Biological Products Co., Ltd. under China National Biotec Group, a subsidiary of China National Pharmaceutical Group Corporation. In May 2021, the project was put into operation in Wuhan, Hubei, with a design production capacity of 1 billion doses of vaccines annually.

Fully supporting COVID-19 control with services facilitating people's well-being

During the period of regular COVID-19 prevention and control, Cloud Fee Payment gave full play to its advantage in online convenient services and enriched fee payment services, including launching "caring service zone" in Jiangsu, Henan, Shanxi, Shaoxing and Xi'an, which provided channels for the online payment of water, electricity, gas, communication and cable fees to safeguard a stable daily life of residents in affected areas.



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Taking multiple measures to support flood control, disaster relief and post-disaster reconstruction in Henan

In July 2021, multiple areas in Henan were hit by catastrophic floods. The Bank acted immediately to ensure financial services and circulated the *12 Measures of China Everbright Bank to Serve and Support Flood Control, Disaster Relief and Post-disaster Reconstruction*, which proposed to open green channels for enterprises in affected areas, enlarge credit support and reduce or exempt them of commission charges. Also, it resorted to Fintech to render better online services and improve both the quality and efficiency of financial services.

Public welfare activities

The Bank paid continuous attention to social needs and actively practiced social responsibilities with concrete actions, organizing a variety of public welfare activities in the fight against COVID-19, targeted assistance, care for the elderly and charity. As at the end of December 2021, its charitable donations reached RMB25,166,000.

25,166,000

As at the end of December 2021, its charitable donations reached

Targeted assistance



CEB Taiyuan Branch visiting the designated village to donate disaster relief supplies



CEB Haikou Branch making donations

Community activities



CEB Dalian Branch organizing community activities

Community services



Community Financial Dispute Mediation Workstation of CEB Changchun Branch

Care for children



CEB Wuxi Branch organizing the "Seed Program" activity for children care

Support for the elderly



CEB Seoul Branch visiting a local nursing home

Fight against COVID-19



CEB Nanjing Branch visiting anti-pandemic personnel

Aid to Henan for flood relief



CEB Wuxi Branch offering flood relief to Henan



Indicator	Unit	2021	2020	2019
Charitable donations	RMB10,000	2,516.6	4,532	1,951
Employee volunteer hours	Hour	2,457	792	3,783

Appendices

Appendix 1 Independent Assurance Engagement Report of the CSR Report

Independent Limited Assurance Report

To the Board of Directors of China Everbright Bank Company Limited:

We were engaged by the Board of Directors of China Everbright Bank Company Limited ("CEB") to perform limited assurance on the selected key data for the 2021 Corporate Social Responsibility Report of China Everbright Bank Company Limited (the "CSR Report") prepared by CEB. This English version is a translation, should there be inconsistency between the English edition and the Simplified Chinese edition, the Simplified Chinese edition shall prevail.

I. Key data

This Report covers the limited assurance procedures performed on the following selected key data for the CSR Report:

- Balance of inclusive finance loans to small and micro enterprises (RMB 100 million)
- Balance of medium and long term loans to manufacturing enterprises (RMB 100 million)
- Balance of agriculture-related loans (RMB 100 million)
- Balance of green loans (RMB 100 million)
- Total number of employees
- Number of female employees
- Ratio of male/female employees
- Number of ethnic minority employees
- Number of staff training programs
- Customer complaint closing rate
- Total items of Cloud Fee Payment services
- External donations (RMB 10,000)
- Purchased electricity power consumption of the Head Office (MWh)
- Daily water consumption of the Head Office (tons)
- Total number of domestic branches and outlets
- Employee volunteer hours

Our assurance work was limited to the selected key data as of 31 December 2021 and for the year then ended in the CSR Report. Other data disclosed in the CSR Report or data of 2020 and previous years was not included in our work scope.

2. Criteria

The criteria adopted by CEB for preparing the CSR Report are described in the basis of key data preparation (the "Basis of Preparation") attached hereto.

III. The Board of Directors' responsibility

It is the Board of Directors' responsibility to prepare key data for the CSR Report according to the Basis of Preparation, including designing, implementing, and maintaining internal controls relevant to the preparation of key data for the CSR Report to ensure that the data are free from material misstatement, whether due to fraud or error.

IV. Our independence and quality control

We comply with the independence and other ethical requirement of the *International Code of Ethics for Certified Public Accountants* issued by the International Ethics Standards Board for Accountants, which has been founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies the *International Standard on Quality Control No. 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.

V. Auditors' responsibility

Our responsibility is to express a conclusion on the key data for the CSR Report based on our assurance.

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*, which requires us to plan and conduct our work to form an assurance conclusion.

VI. Summary of work performed

The procedures performed in a limited assurance engagement vary in nature and timing from a reasonable assurance engagement, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The extent of procedures selected depends on our judgment, including our assessment of risk of major discrepancy between the selected key data and the basis of preparation. We do not conduct our work to express an opinion on the effectiveness of CEB's internal controls.

Within our work scope, the assurance procedures were implemented at the head office and Beijing branch of CEB.

Our work mainly included:

- 1) Interviewing the departments of CEB engaged to provide the selected key data for the CSR Report;
- 2) Implementing analytical procedures;
- 3) Carrying out sampling inspection on the selected key data in the CSR Report; and
- 4) Performing recalculation.

VII. 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.

VIII. Conclusion

Based on the procedures implemented and evidence obtained, we have not noticed any issues causing us to believe that the selected key data as of 31 December 2021 and for the year then ended in the 2021 CSR Report of CEB has not been prepared, in all material respects, in accordance with the Basis of Preparation.

IX. Restriction on use

This Report can only be used by the Board of Directors to prepare its CSR Report, and is not applicable and shall not be used for other purposes. We shall not be liable to any third party other than the Board of Directors of CEB.

KPMG Huazhen LLP

Beijing, China

25 March 2022

Appendix: Basis of Key Data Preparation

Balance of inclusive finance loans to small and micro enterprises (RMB 100 million): The balance of inclusive finance loans to small and micro enterprises disclosed in the CSR Report refers to the sum of CEB's outstanding loans to small and micro enterprises, each of which has a credit line of equal to or less than RMB 10 million, including loans to small enterprises, loans to micro enterprises, and loans to owners of individually-owned businesses and small and micro businesses. Classification of these enterprises was performed according to the *Classification Criterion for Medium and Small Enterprises* published by the Ministry of Industry and Information Technology.

Balance of medium and long term loans to manufacturing enterprises (RMB 100 million): The balance of medium and long-term loans to the manufacturing sector disclosed in the CSR Report refers to the sum of CEB's outstanding medium and long-term loans to manufacturing enterprises as defined by the People's Bank of China. Classification of these enterprises was performed according to the *Industrial Classification for National Economic Activities*.

Balance of agriculture-related loans (RMB 100 million): The balance of agriculture-related loans disclosed in the CSR Report refers to the sum of outstanding agriculture-related loans as defined by regulators, including loans to rural enterprises and organizations, loans to urban enterprises and organizations for agriculture-related purposes, loans to farmers, and loans to individuals other than farmers for agriculture, forestry, stockbreeding, and fishery-related purposes.

Balance of green loans (RMB 100 million): The balance of green loans disclosed in the CSR Report refers to the sum of CEB's on-balance-sheet green loans as defined in the *Notice of the People's Bank of China on the Revision of the Special Statistical Policy for Green Loans (Yin Fa [2019] No. 326)*.

Total number of employees: The total number of employees disclosed in the CSR Report refers to the sum of employees with whom CEB (excluding the subsidiaries it controls) or its overseas branches have signed an employment contract and laborers dispatched to them.

Number of female employees: The number of female employees disclosed in the CSR Report refers to the sum of female employees with whom CEB (excluding the subsidiaries it controls) or its overseas branches have signed an employment contract and female laborers dispatched to them.

Ratio of male/female employees: Ratio of male/female employees = Number of male employees/Number of female employees, where the number of male employees refers to the sum of male employees with whom CEB (excluding the subsidiaries it controls) or its overseas branches have signed an employment contract and male laborers dispatched to them.

Number of ethnic minority employees: The number of employees from ethnic minorities disclosed in the CSR Report refers to the sum of ethnic minority employees with whom CEB (excluding the subsidiaries it controls) or its overseas branches have signed an employment contract and ethnic minority laborers dispatched to them.

Appendix 2 Index of Global Reporting Initiative (“GRI”)

Number of staff training programs: The number of employee training programs disclosed in the CSR Report refers to the sum of training programs arranged by CEB for its contracted employees, including off-the-job training programs and online training programs from its head office, domestic branches, and subsidiaries.

Customer complaint closing rate: The proportion of closed customer complaints disclosed in the CSR Report refers to the proportion of the customer complaints closed by CEB in accordance with the *Administrative Measures for the Handling of Consumer Complaints in the Banking and Insurance Sectors (CBIRC Decree [2020] No. 3* and the *Implementing Measures of the People's Bank of China for Protection of Financial Consumers' Rights and Interests* to the total customer complaints. These customer complaints include those received by CEB's remote banking center or branches, as well as those forwarded by external institutions.

Total items of Cloud Fee Payment services: The total number of cloud payment services disclosed in the CSR Report refers to the sum of services available in CEB's cloud payment service platform, including services classified into 20 major categories for paying power bills, water bills, gas bills, heating bills, telecommunication bills, cable TV bills, government bills, traffic fines, shopping bills, community service charges, social security contributions and medical insurance premiums, League, Party, and Trade Union membership dues, education fees, etc.

External donations (RMB 10,000): The amount of donations to external parties disclosed in the CSR Report refers to the sum of donations from CEB (including the subsidiaries it controls) through administrative appropriation.

Purchased electricity power consumption of the Head Office (MWh): The consumption of purchased power by the head office disclosed in the CSR Report refers to the total volume of power purchased and consumed by CEB's head office in Beijing, including its premises in China Everbright Center, Shangdi, Taoranting, Shijingshan, Everbright Plaza, and Zhongguancun No. 1.

Daily water consumption of the Head Office (tons): The daily water consumption by the head office disclosed in the CSR Report refers to the total volume of water consumed by CEB's head office in Beijing, including its premises in China Everbright Center, Shangdi, Taoranting, Shijingshan, and Zhongguancun No. 1. The daily water consumption in the Everbright Plaza cannot be measured separately due to water meter limitation, and is therefore not included in the statistics.

Total number of domestic branches and outlets: The total number of domestic branches disclosed in the CSR Report refers to the total number of CEB business outlets (excluding those in Hong Kong SAR, Macao SAR, and Taiwan Region, as well as overseas branches and subsidiaries), which are branches with business licenses, regardless of whether they are operational.

Employee volunteer hours: The number of employee volunteer hours disclosed in the CSR Report refers to the total duration of volunteer services delivered by CEB's employees, which has been registered via provincial or municipal volunteer service websites.

GRI Indicator	Description	Chapter
Organizational profile		
G102-1	Name of the organization	P3
G102-2	Activities, brands, products, and services	P4
G102-3	Location of headquarters	P4
G102-4	Location of operations	P4
G102-5	Ownership and legal form	P4
G102-6	Markets served	P4
G102-7	Scale of the organization	P4
G102-8	Information on employees and other workers	P99-P105
G102-9	Supply chain	P105-P106
G102-10	Significant changes to the organization and its supply chain	P4
G102-11	Precautionary principle or approach	P76-P77
G102-12	External initiatives	P2
G102-13	Membership of associations	P92-P93
Strategy		
G102-14	Statement from senior decision-maker	P4
G102-15	Key impacts, risks, and opportunities	P4
Ethics and integrity		
G102-16	Values, principles, standards, and norms of behavior	P4-P7
G102-17	Mechanisms for advice and concerns about ethics	P107-P108
Governance		
G102-18	Governance structure	P4,P73
G102-19	Delegating authority	P4,P73
G102-20	Executive-level responsibility for economic, environmental, and social topics	P4
G102-21	Consulting stakeholders on economic, environmental, and social topics	P86-P87
G102-22	Composition of the highest governance body and its committees	P4,P73
G102-23	Chair of the highest governance body	Refer to annual report
G102-24	Nominating and selecting the highest governance body	Refer to annual report
G102-25	Conflicts of interest	Refer to annual report
G102-26	Role of highest governance body in setting purpose, values, and strategy	P4,P73

GRI Indicator	Description	Chapter
G102-27	Collective knowledge of highest governance body	P4,P73
G102-28	Evaluating the highest governance body's performance	Refer to annual report
G102-29	Identifying and managing economic, environmental, and social impacts	P86-P89
G102-30	Effectiveness of risk management processes	P76-P77
G102-31	Review of economic, environmental, and social topics	P86-P89
G102-32	Highest governance body's role in sustainability reporting	P4
G102-33	Communicating critical concerns	P88-P89
G102-34	Nature and total number of critical concerns	P86-P89
G102-35	Remuneration policies	P99, Refer to annual report
G102-36	Process for determining remuneration	Refer to annual report
G102-37	Stakeholders' involvement in remuneration	Refer to annual report
G102-38	Annual total remuneration ratio	Refer to annual report
G102-39	Percentage increase in annual total remuneration ratio	Refer to annual report
Stakeholder engagement		
G102-40	List of stakeholder groups	P86-P87
G102-41	Collective bargaining agreements	N/A
G102-42	Identifying and selecting stakeholders	P86-P87
G102-43	Approach to stakeholder engagement	P86-P87
G102-44	Key topics and concerns raised	P86-P87
Reporting practice		
G102-45	Entities included in the consolidated financial statements	Refer to annual report
G102-46	Defining report content and topic boundaries	P2
G102-47	List of material topics	P89
G102-48	Restatements of information	P2-P3
G102-49	Changes in reporting	P2-P3
G102-50	Reporting period	P2
G102-51	Date of most recent report	P2-P3
G102-52	Reporting cycle	P2
G102-53	Contact point for questions regarding the report	P3
G102-54	Claims of reporting in accordance with the GRI Standards	P2
G102-55	GRI content index	P117-P122
G102-56	External assurance	P112-P116

GRI Indicator	Description	Chapter
Management approach		
G103-1	Explanation of the material topic and its boundary	P88-P89
G103-2	The management approach and its components	P70-P81
G103-3	Evaluation of the management approach	Refer to annual report
Economic performance		
G201-1	Direct economic value generated and distributed	P7-P9
G201-2	Financial implications and other risks and opportunities due to climate change	P98
G201-3	Defined benefit plan obligations and other retirement plans	P99-P105
G201-4	Financial assistance received from government	Plan for future disclosure
Market presence		
G202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Plan for future disclosure
G202-2	Proportion of senior management hired from the local community	Plan for future disclosure
Indirect economic impacts		
G203-1	Infrastructure investments and services supported	P12-P43
G203-2	Significant indirect economic impacts	P12-P43
Procurement practices		
G204-1	Procurement practices	P105-P106
Anti-corruption		
G205-1	Operations assessed for risks related to corruption	P107-P108
G205-2	Communication and training about anti-corruption policies and procedures	P107-P108
G205-3	Confirmed incidents of corruption and actions taken	P108
Anti-competitive behavior		
G206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	N/A
Materials		
G301-1	Materials used by weight or volume	P97
G301-2	Recycled input materials used	P97
G301-3	Reclaimed products and their packaging materials	N/A
Energy		
G302-1	Energy consumption within the organization	P97
G302-2	Energy consumption outside of the organization	P97
G302-3	Energy intensity	P97
G302-4	Reduction of energy consumption	P97
G302-5	Reductions in energy requirements of products and services	P97

GRI Indicator	Description	Chapter
Water		
G303-1	Water withdrawal by source	N/A
G303-2	Water sources significantly affected by withdrawal of water	N/A
G303-3	Water recycled and reused	P97
Emissions		
G305-1	Direct (Category I) GHG emissions	P96
G305-2	Energy indirect (Category II) GHG emissions	P96
G305-3	Other indirect (Category III) GHG emissions	Plan for future disclosure
G305-4	GHG emissions intensity	P96
G305-5	Reduction of GHG emissions	P96
G305-6	Emissions of ozone-depleting substances (ODS)	Plan for future disclosure
G305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	P96
Effluents and waste		
G306-1	Water discharge by quality and destination	Plan for future disclosure
G306-2	Waste by type and disposal method	P96
G306-3	Significant spills	Not exist
G306-4	Transport of hazardous waste	N/A
G306-5	Water bodies affected by water discharges and/or runoff	N/A
Environmental compliance		
G307-1	Non-compliance with environmental laws and regulations	Not exist
Supplier environmental assessment		
G308-1	New suppliers that were screened using environmental criteria	P105-P106
G308-2	Negative environmental impacts of the supply chain and actions taken	P105-P106
Employment		
G401-1	New employee hires and employee turnover	P100
G401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	P101-P104
G401-3	Parental leave	P99
Labor/management relations		
G402-1	Minimum notice periods regarding operational changes	Plan for future disclosure
Occupational health and safety		
G403-1	Workers representation in formal joint management-worker health and safety committees	N/A

GRI Indicator	Description	Chapter
G403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	P103
G403-3	Workers with high incidence or high risk of diseases related to their occupation	N/A
G403-4	Health and safety topics covered in formal agreements with trade unions	N/A
Training and education		
G404-1	Average hours of training per year per employee	Plan for future disclosure
G404-2	Programs for upgrading employee skills and transition assistance programs	P104-P105
G404-3	Percentage of employees receiving regular performance and career development reviews	P105
Diversity and equal opportunity		
G405-1	Diversity of governance bodies and employees	P73,P99-P100
G405-2	Ratio of basic salary and remuneration of women to men	Plan for future disclosure
Non-discrimination		
G406-1	Incidents of discrimination and corrective actions taken	Not exist
Freedom of association and collective bargaining		
G407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	N/A
Child labor		
G408-1	Operations and suppliers at significant risk for incidents of child labor	Not exist
Forced or compulsory labor		
G409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Not exist
Security practices		
G410-1	Security personnel trained on human rights policies or procedures	N/A
Rights of indigenous peoples		
G411-1	Incidents of violations involving rights of indigenous peoples	N/A
Human rights assessment		
G412-1	Operations that have been subject to human rights reviews or impact assessments	N/A
G412-2	Employee training on human rights policies or procedures	N/A
G412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	N/A
Local communities		
G413-1	Operations with local community engagement, impact assessments, and development programs	P108-P111
G413-2	Operations with significant actual and potential negative impacts on local communities	Not exist

GRI Indicator	Description	Chapter
Supplier social assessment		
G414-1	New suppliers that were screened using social criteria	P105-P106
G414-2	Negative social impacts of the supply chain and actions taken	P105-P106
Public policy		
G415-1	Political contributions	N/A
Customer health and safety		
G416-1	Assessment of the health and safety impacts of product and service categories	P106-P107
G416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not exist
Marketing and labeling		
G417-1	Requirements for product and service information and labeling	Plan for future disclosure
G417-2	Incidents of non-compliance concerning product and service information and labeling	Not exist
G417-3	Incidents of non-compliance concerning marketing communications	Not exist
Customer privacy		
G418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not exist
Social and economic compliance		
G419-1	Non-compliance with laws and regulations in the social and economic area	Not exist

Appendix 3 Contact Us

Dear reader,

We highly appreciate your reading of the 2021 Corporate Social Responsibility Report of China Everbright Bank. To better meet your needs and provide you with information of greater value, and also to help us continuously improve our CSR performance and capability, we sincerely look forward to your comments and opinions on this Report given through the QR code or the following contact information:

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

Postal code: 100033

Tel: 86-10-63636363

Thank you!

China Everbright Bank

March 2022

1. What is your overall opinion on this Report?

Very good Good Average

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

Very good Good Average

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

Very good Good Average

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

Very good Good Average

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

Very good Good Average

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

Thanks for your support and help to CEB.



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