



China International Capital Corporation Limited

(a joint stock limited company incorporated in the People's Republic of China)

Stock code: 3908



2021

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

CONTENT

About this Report	2
Message from Our Management	4
About the Company	5



Appendix: ESG Index	56
---------------------	----

01

Incorporating ESG into Our Operations	8
Improving ESG management to achieve sustainable operation	9
Adhering to compliant and efficient management	12

02

Protecting the Green	18
Committed to cope with climate challenge	19
Promoting low-carbon operation	21
Support the “Dual-Carbon” strategy and firmly establish the concept of environmental protection	23

03

Endorsing Responsible Finance	26
Green financing	27
Responsible investment	30
Creating an ecosystem	32

04

Improving Customer Experience	37
Innovating products and services	38
Emphasizing on investor protection	41

05

Growing with Our People	43
Encouraging “voices”	44
Empowering career development	46
Safeguarding health and safety	48
Open and Inclusive Culture	49

06

Giving Back to Society	50
Support rural revitalization and serve the national strategy	51
Actively participate in public welfare and practice social responsibility	53
Building a volunteer platform	55

About This Report

REPORTING SCOPE:

Data and facts involved herein covers China International Capital Corporation Limited and its branches and subsidiaries. For the convenience of expression, they are referred to as "CICC", "the Company" or "We".

REPORTING PERIOD:

This is an annual report. The reporting period is from January 1, 2021 to December 31, 2021. Some contents are extended to March 30, 2022 to make this report more comparable and forward looking.

PREPARATION BASIS:

This report was prepared in accordance with the Environmental, Social and Governance (ESG) Reporting Guide ("Reporting Guide") as set out in Appendix 27 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to the GRI Sustainability Reporting Standards issued by the Global Sustainability Standards Board (GSSB).

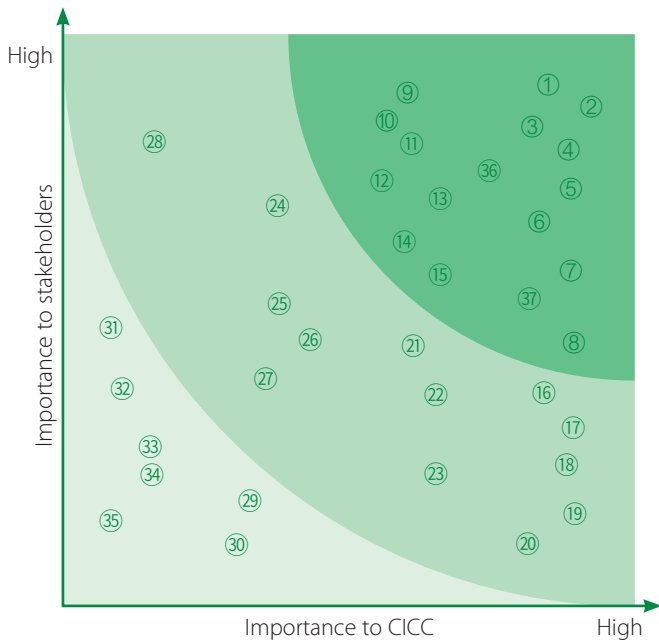
PREPARATION PRINCIPLES:

This report is prepared in line with the principles of materiality, quantitative, balance and consistency.

- **Materiality:** The communication with stakeholders, as well as the identification process and the matrix of substantive issues are disclosed in this report.
- **Quantitative:** Statistical standards, methods, assumptions and/or calculation tools for quantitative key performance indicators herein and source of conversion factors are all explained in the definitions of the report.
- **Balance:** This report shall provide an unbiased picture of the Company's performance during the reporting period and should avoid selections, omissions or presentation formats that may inappropriately influence the decision or judgment made by the report readers.
- **Consistency:** The statistical methodologies and basis applied to the data disclosed in this report are consistent unless otherwise stated.

PREPARATION METHOD:

The Company identifies and assesses material issues through sending questionnaires to stakeholders annually and based on the actual operation and management conditions of the Company. Through assessment, identification and prioritization of the issues, the Company formed its ESG materiality matrix as an important basis for disclosure in the ESG report.



Notes:

- | | |
|---|---|
| ① Financial information security and protection | ⑳ Climate change response |
| ② Operation according to laws and regulations | ㉑ Responsible investment |
| ③ Intellectual property protection | ㉒ Assessment of environmental and social impacts of suppliers |
| ④ Popular education on financial knowledge | ㉓ Promoting environmental awareness of employees |
| ⑤ Comprehensive risk management and control | ㉔ Customer feedback |
| ⑥ Influential financial products and services | ㉕ Development and training of employees |
| ⑦ Innovation and development of FinTech | ㉖ Growth of Profit |
| ⑧ Integrity management | ㉗ Green financial products and services |
| ⑨ Optimizing customer services | ㉘ Protection of customer privacy |
| ⑩ Occupational safety and health | ㉙ Rural revitalization activities |
| ⑪ Equal and compliant employment | ㉚ Charity activities |
| ⑫ Brand image | ㉛ Avoiding forced and child labor |
| ⑬ Security, compliance and transparency of financial products | ㉜ Care and assistance for employees |
| ⑭ Protection of employee rights and interests | ㉝ Volunteer activities |
| ⑮ Selection and assessment of compliant suppliers | ㉞ Purchase of energy-saving and environment-friendly products |
| ⑯ Fair and open procurement procedure | ㉟ Environmental protection activities |
| ⑰ Green office and operation | ㊱ Sound corporate governance |
| ⑱ ESG management | ㊲ Management of ESG risks |
| ⑲ Responsible marketing | |

DATA DESCRIPTION:

Unless otherwise stated, the statistical scope of data disclosed herein covers China International Capital Corporation Limited and its branches and subsidiaries.

Unless otherwise stated, the amounts in this report are denominated in Renminbi ("RMB").

REPORT FORMAT:

This report is released in an electronic version. You can download the report on HKEXnews (website: www.hkexnews.hk) and our website (website: <http://www.cicc.com>).

CONTACT INFORMATION:

Address: 27th and 28th Floor, China World Office 2, 1 Jianguomenwai Avenue, Chaoyang District, Beijing, China

Email: Investorrelations@cicc.com.cn

Message from Our Management

The year of 2021 was extraordinary. It marks the 100th anniversary of the founding of the Communist Party of China, the completion of building a moderately prosperous society in all respects, and the first year of the “14th Five-Year Plan”. China’s capital market has become the second largest capital market worldwide after three decades of development, and the year of 2021 was also critical for China’s in-depth reform. China’s capital market embarks on the new journey and shoulders the historical mission that China transforms from a major to a major and strong financial power.

As a PRC-based leading investment bank with the mission of “Chinese Roots and International Reach”, CICC is deeply engaged in the economic reform and development of China, and proactively promotes the new development pattern of “dual circulations”. Through participating in and exploring innovative businesses, CICC firmly serves national strategies and promotes high-quality development.

We embrace the philosophy of ESG management and improve governance structure fit for ESG. We have established an ESG management mechanism based on the operation and management of the Company, and the Board of Directors is the highest decision-making body on ESG-related matters. We have defined the top-down ESG management responsibilities and duties covering “decision-making, management and execution levels”, and are committed to incorporating the ESG management into all aspects of our operation and management, with a view to promoting low-carbon concept and environmental protection, innovation-driven growth, employee development and serving the society, and ensuring the efficient and steady progress of all work.

In line with the concept of green development, CICC actively promoted the implementation of “Carbon Peak and Carbon Neutrality”. In terms of operational, we have formulated a plan featured by “focusing on dual-carbon objectives and promoting green development”, so as to promote green office, low-carbon lifestyle and tree planting and lead the new low-carbon development. In terms of business, we promoted the construction of a green financial system, launched the innovative green bonds in the market, intensified the investment in green industries, supported the growth of green companies, and offered our advice and suggestions on the “dual-carbon” strategy

relying on our strong research capacities. During the Reporting Period, we issued green bonds with a total amount of over RMB110 billion as the underwriter, initiated a number of green-themed funds, and expanded our investment in green industries with a total of over 70 green industry-related projects. We held the highly successful “CICC Carbon Neutrality 2060 Forum” and rolled out a major report “Economics of Carbon Neutrality”.

We fulfill our social responsibilities and providing financial assistance to more social groups. We give full play to our professional advantages with attention to the society and people’s livelihood. We completed the issuance of numerous bonds themed on rural revitalization as the underwriter, including the first special corporate bond on rural revitalization issued on the stock exchange by Guangxin Holdings Group Ltd., and established and promoted financial service station “Rural Neighborhood Station” (鄉鄰小站) in rural areas nationwide. In order to better meet diversified financial needs of the public and the real economy, we provided various financing channels and tools to support important government initiatives, helped small, medium and micro enterprises and private enterprises lack of funds, and assisted the post-disaster reconstruction in Henan Province. In addition, we actively performed our social responsibilities, improved the volunteer services mechanism, and paid attention to education, healthcare, vulnerable groups and other charity fields. We have been staying true to our original aspirations, and will continue to participate in charity activities going forward.

We never stopped our efforts in serving the society, and continuously contributing our share for a better future. We are well aware that only by realizing and upholding our missions can we achieve steady and long-term development. In the future, we will continue to uphold the mission of “For the Nation and unchange initial aspiration”, and seize opportunities to serve national strategies. With focus on sustainable development, we will promote the transformation toward the green economy from all respects, and proactively participate in green investment and financing in line with the strategy of “carbon neutrality”. We will serve the real economy, develop innovative financial products, build a leading think tank, and promote the development of employees. Meantime, we will be committed to rural revitalization and charity activities, embarking on a new journey to build a modern socialist country in an all-round way.

About the Company

COMPANY PROFILE

China International Capital Corporation Limited, headquartered in Beijing, is the first joint venture investment bank in China. Our Group has a number of subsidiaries in the PRC, namely CICC Wealth Management Securities, CICC Capital, CICC Fund Management, CICC Pucheng, CICC Futures and CICC Private Equity, and our Group has established 221 securities branches located in 30 provinces, autonomous regions and municipalities directly under the central government of the PRC and branch companies in Shanghai, Shenzhen, Xiamen, Chengdu, Hangzhou, Jinan, Chongqing, Shenyang and Nanjing. As the scope of business continues to expand, our Company has also actively ventured into overseas markets and has established offices in seven international financial centres, namely Hong Kong, New York, London, Singapore, San Francisco, Frankfurt and Tokyo with our international presence further strengthened. It laid a solid foundation for our Company to become a China-based global investment bank.

For further details about the Company, please refer to the "Company Profile" section of the annual report.

CORPORATE GOVERNANCE

The Company is well aware of the importance of good corporate governance, and has established a sound and complete corporate governance structure composed of the Shareholders' General Meeting, the Board of Directors, the Supervisory Committee and the management of the Company, contributing to the establishment of a complete corporate governance system of deliberation, decision-making, authorization and implementation with clear authority and responsibility, standardized operation, mutual coordination and checks and balances among the organ of power, the organ of decision-making, the organ of supervision and the management.

The roles of the Chairman of the Board and the Chief Executive Officer are separate and are taken by different persons. A clear division of the management of the Board and the day-to-day

management of the Company ensures the differentiation of their duties and the balance of power and authority. Meantime, the Company is well aware that diversified Board members can promote and improve our sustainable development. In designing the composition of the Board, we consider a number of aspects, including gender, age, cultural, educational background, professional experience and other factors, based on meritocracy. In addition, we strictly follow domestic and overseas listing rules and regulatory requirements to regulate the management of the Board, including complying with requirements as to the election or replacement of Directors, the qualifications and concurrent positions of Directors, the regulation of related party transactions in the principles of equity, openness and fairness.

The members of committees under the Board have in-depth experience in relevant professions and industries, professional capabilities in fiscal affairs, economy, finance, risk control and business management, and work experience in large domestic and overseas listed companies such as banks and securities firms, who are capable to provide an effective reasonable opinions for the decision-making of the Board.

For further details about corporate governance, please refer to the "Corporate Governance Report" section of the annual report.

OPERATING RESULTS

As at the end of 2021, total assets of our Group amounted to RMB649,795.5 million, increasing by 24.6% year on year; net assets^(note) amounted to RMB84,422.1 million, increasing by 17.9% year on year. Our Group recorded total revenue and other income of RMB40,964.4 million, increasing by 26.4% year on year; and net profit^(note) of RMB10,777.7 million, increasing by 49.5% year on year, with a weighted average return on net assets of 14.6%.

Note: Net assets refer to total equity attributable to shareholders of the parent company. Net profit refers to net profit attributable to shareholders of the parent company.

AWARDS AND HONORS

In 2021, the Company continued to give full play to its advantages in professional services, and was committed to the sustainability of corporate, economic and social development. We are awarded a number of awards and honors on social responsibility.

Awards Sponsor	Name of Award/Honor
Institutional Investor	2021 All-Asia Executive Team — All-Asia Banks Sector ➤ Most Honored Companies (Rank 2) ➤ Best ESG (Combined & Buy-Side Rank 2) — Chinese Mainland Banks Sector ➤ Most Honored Companies (Rank 2) ➤ Best ESG (Combined & Buy-Side Rank 2)
Global Finance	“Stars of China” 2021 — Best Bank for Green Bonds
Green Investment Principles	Best Green Finance Transaction Award 2021
Hong Kong Quality Assurance Agency	2021 Hong Kong Green and Sustainable Finance Awards — Visionary Green Loan Framework (For SOEs and Local Governments)
Caijing	2020 JINSUI • Securities Dealers Value Annual Selection — Best CSR
Financial News	Gold Medal Awards 2021 — Best CSR Enterprises
China Securities Journal	Best Securities Company Awards 2021 — Best Securities Companies for CSR

Awards Sponsor	Name of Award/Honor
Tencent	China Benefit Corporation Award 2021 — Best ESG Enterprises
Chinese Venture	China Industrial Investment Awards 2020-2021 — Top 20 Best Institutions on Green Investment in China
HK Takung Wenwei	Guangdong-Hong Kong-Macao Greater Bay Area Awards 2021 — Best Financial Services Institution for Guangdong-Hong Kong-Macao Greater Bay Area
Red Cross Society of China	Dedication Medal of Red Cross Society of China
Jiemian News	2021 Outstanding Charity Cases — Beijing CICC Charity Foundation (Rural Doctor Training and Maternal and Child Health Project)
Forbes China	2021 Best Employer Selection — China's Best Employers — China's Most Innovative Employers for HR Management
Universum	2021 China's Most Attractive Employers Rankings — Top 1 of Investment Banks
51Job	2021 Outstanding HR Management Awards 2021 China Model Employers — Excellent Corporate Social Responsibility Award

01

Incorporating ESG into Our Operations

We continued to optimize and improve our management system, intensified the construction of ESG governance system and ESG risk management, and further improve our management and control of compliance risks, with a view to creating a clean and efficient operating environment and promoting the stable and long-term development of the Company.

Our Performance

♀ We attached importance to trainings on anti-corruption and anti-money laundering, and carried out a total of 61 anti-corruption and integrity trainings with participation of **38,781** person-times

♀ We explored to optimize the supply chain management, and performed relevant practices to **1,750** suppliers

IMPROVING ESG MANAGEMENT TO ACHIEVE SUSTAINABLE OPERATION

Statement of the Board

The Board of the Company attaches great importance to the management of environmental, social and governance (hereinafter referred to as “ESG”) work, and strictly implements the Code of Corporate Governance of Listed Companies, the ESG Reporting Guide of the Hong Kong Stock Exchange and other relevant requirements. The Board of the Company is committed to improving the ESG governance system, management procedure and information disclosure, ensuring the establishment of an appropriate and effective ESG work and operation mechanism.

The Board of the Company is responsible for supervising and deciding on ESG-related issues. Based on management

operations and stakeholder communications, determines the priorities of sustainable development of the Company, so as to better perform the responsibility on sustainable development. The Board of the Company is also responsible for reviewing the information disclosed in the Environmental, Social and Governance Report of the Company. This report has also been considered and published by the Board.

ESG governance system

In order to ensure a stable and orderly management of our sustainable development, during the Reporting Period, CICC has established a top-down management mechanism covering “decision-making, management and execution levels”, which defines the responsibilities and duties at all levels:

Decision-making level:

The Board of the Company is fully responsible for the ESG work of the Company, and authorizes the establishment of the Strategy and ESG Committee¹ to review and decide on ESG issues. The Strategy and ESG Committee is responsible for conducting research on and managing ESG-related policies; providing consultation to and proposals on the decision-making of ESG management issues, including vision, objectives, measures, etc.; reviewing the ESG report of the Company and submit proposals to the Board; causing the Company to strengthen communication with stakeholders in connection with important ESG issues; paying attention to material ESG-related risks; causing the Company to implement the objectives of the national dual carbon strategy, and managing its progress and other ESG work.

Management level:

The Management Committee of the Company is responsible for the unified management and coordination of ESG work in line with the policies and guidelines of the Board and the Strategy and ESG Committee, and reports to the Board and the Strategy and ESG Committee on a regular basis.

Execution level:

CICC will set up an ESG office, which is responsible for coordinating relevant departments and branches to implement specific work such as information disclosure according to the requirements of the ESG management team.

¹ The Strategy Committee of the Company was renamed as the Strategy and ESG Committee, which was considered and approved by Board of the Company on March 30, 2022.

Management of ESG risks

CICC focuses on strengthening the assessment of ESG risks and fully considers ESG risk factors in business operation. In particular, we pay attention to the investment ratio of industries with “high pollution, high energy consumption and overcapacity” in terms of environmental factors, negative information and public opinions on the Company in terms of social factors, and the information on public penalties, performance of Directors, Supervisors and senior management, and financial fraud in terms of governance factors. In case of any material negative information, the Company will prohibit relevant investments after strict approval to avoid ESG-related risks.

In addition, CICC strengthens its ESG risk management through ESG due diligence in its business operation. For example, the Company conducted the preliminary assessment and classification of all investments in the Shandong Green Development Fund project, and carried out due diligence on projects with ESG risks. In the future, we will gradually explore to jointly conduct ESG due diligence together with risk management departments, defines the procedures and factors of ESG due diligence, and strengthen trainings for employees relating to risk management, so as to optimize the integration of ESG risk management.

Meantime, CICC attaches importance to the management and supervision of ESG risks and the analysis of climate change risks. For example, the Shandong Green Development Fund of the Company conducted the pre-investment climate risk

analysis for all investments, which met all requirements of the environmental and social management system (ESMS) and green assessment guidelines recognized by Asian Development Bank (ADB), Green Climate Fund (GCF), Kreditanstalt Fur Wiederaufbau (KfW) and French Development Agency (AFD). We also transmit relevant assessment requirements to investees via investment agreements, and regularly monitor and strengthen the management of ESG standards of investees. In the future, we will further improve the supervision of ESG risk management, optimize the standardization and applicability of ESG management policies, and define the tiered management of ESG risks, so as to supervise ESG risk management through more complete management mechanism.

Communication with stakeholders

CICC lays emphasis on continuous and regular communication with stakeholders. We look into the expectations and demands of stakeholders via diversified communication channels, and effectively optimizes relevant management work, with a view to performing our social responsibilities and creating value for our stakeholders.

In addition to the following daily communication methods, in the preparation of the report, the Company engaged independent consultants to conduct a series of stakeholder communication activities, including online interviews and questionnaires, and determined the key contents of this report according to the ESG Reporting Guide and MSCI rating indicators of the Hong Kong Stock Exchange and the actual operation condition of the Company.

Stakeholder	Expectations and demands	Communication method
Government and regulators	<ul style="list-style-type: none"> • Operation according to laws and regulations • Serving national economic development strategies, and supporting the development of people's livelihood • Maintaining the stability and security of financial system 	<ul style="list-style-type: none"> • Government and regulatory document requirements • Information material submission • Work conference exchange • Research, visit and communication
Trade and industry associations	<ul style="list-style-type: none"> • Strengthening industry self-discipline • Optimizing financial services • Promoting industry development through exchanges 	<ul style="list-style-type: none"> • Training and conference exchange • Online communication via telephone and email • Information material submission
Shareholders and investors	<ul style="list-style-type: none"> • Strict risk control • Steady and honest operation • Reasonable return • Sound development plan • Smooth information communication • Improving compliance and internal control • Good corporate governance 	<ul style="list-style-type: none"> • Shareholders' meeting • Roadshow for investors • Work meetings • Investor hotline and mailbox • Research via questionnaire • Results presentation • Reception day for investors of companies in the region

Stakeholder	Expectations and demands	Communication method
Customer	<ul style="list-style-type: none"> • High-quality and safe financial services and products • Protecting privacy and security • Ensuring response to service feedback • Reasonable publicity • Fintech empowerment • Popularization of financial knowledge 	<ul style="list-style-type: none"> • Research and visit • Consumer hotline • Lectures on financial knowledge
Employees	<ul style="list-style-type: none"> • Equal and compliant employment • Protecting employee's legal rights • Sound career development • Ensuring occupational health and safety • Communicating with employees • Caring for employees 	<ul style="list-style-type: none"> • Staff communication meeting • Questionnaire research • Internal Communication Forum
Suppliers	<ul style="list-style-type: none"> • Fair and good cooperation opportunities • Supply chain management 	<ul style="list-style-type: none"> • Procurement bidding • Signing of contract agreement • Telephone, email and on-site communication
Environment	<ul style="list-style-type: none"> • Developing green finance • Implementing green operation • Promoting green office 	<ul style="list-style-type: none"> • Measures of energy conservation and emission reduction • Green and low-carbon activities • Green financial products
Community	<ul style="list-style-type: none"> • Social welfare activities • Employee volunteer activities • Promoting rural revitalization 	<ul style="list-style-type: none"> • Charity activities • Volunteer activities • Visits
Media	<ul style="list-style-type: none"> • Maintaining a good brand image and public relations 	<ul style="list-style-type: none"> • Interviews

ADHERING TO COMPLIANT AND EFFICIENT MANAGEMENT

CICC always regards the compliance and risk management as a key component of its corporate governance, and continuously strengthens the honest operation management and supplier management including anti-corruption and anti-money laundering, so as to promote the stable operation and sustainable development.

Risk management

The Board of Directors is the top level of our Company's risk management and internal control governance structure and is responsible for facilitating the enforcement of the firmwide risk management culture and reviewing and approving the overall risk management goals, risk appetite, risk tolerance, important risk limits and the risk management policy of our Company. The Management Committee determines the risk appetite of our Company in accordance with the overall risk management goals set by the Board of Directors and assumes the major responsibility of ensuring the effectiveness of the overall risk management of our Company. The Risk Committee established under the Management Committee reports risk issues to the Management Committee and significant risk matters to the Risk Management Committee under the Board of Directors. Functional departments in relation to risk management cooperate with each other to manage various risks from their respective perspectives. Heads of business departments and branch heads are directly responsible for the effectiveness of risk management. In daily business operations, all employees of business departments and branches involved in business operations are required to perform risk management functions.

CICC persisted in implementing the risk management and control requirements of "full coverage, looking through, and full cycle", and continuously strengthened the integrated vertical risk management system covering its subsidiaries and branches. Through joint efforts on risk management control of three lines

of defense, the Group actively identified, prudently evaluated, dynamically monitored, timely reported and proactively coped with risks. The Group deeply publicized the risk management culture, continuously enhanced risk management capabilities, coordinated its business plans, considered its risk appetite, reviewed and improved the multi-dimensional and multi-level risk limit system, optimized the management mechanism and processes from a forward-looking perspective, and continuously promoted the optimization and sustainable development of its business models.

Compliance management

In order to regulate the compliance system, CICC has established a number of compliance policies applicable to all employees, including the CICC Compliance Management Policy, the Policy on the Management of All Employee Transactions, Private Investments and External Activities 《全球員工交易、私人投資和外部活動政策》, the Information Barrier Walls Policy 《信息隔離牆政策》, the Policy on the Management of Employees' Conflict of Interests 《員工利益衝突管理政策》 and the Seal Management Policy 《印章管理政策》.

In terms of compliance management measures, CICC follows the vertical management and on-going supervision mechanism: as for domestic branches, we have established an integrated compliance management mechanism for the headquarters to manage all business department and branches; as for overseas branches, we conducted compliance management by region, and have set up an international professional team to manage the compliance affairs of new overseas subsidiaries and branches, ensuring a comprehensive and effective compliance supervision and management. In addition, the Company continued to conduct compliance work relying on digital technology, realized the systematic, automated and intelligent compliance supervision and management, and integrated the compliance management system with business systems of the Company, so as to enhance the accuracy of system supervision and improve the efficiency and level of compliance management.

In terms of compliance culture, the Company actively implemented compliance trainings, enhanced the compliance awareness of employees through on-site training, online training, relevant tests and publicity via emails, and strengthened internal trainings of the compliance team to deepen professional capabilities, thus better supporting the compliance work of the Company:

- In order to enhance the compliance awareness of new employees, we provided a comprehensive compliance training for new employees (including interns) covering laws and regulations, latest regulatory requirements, compliance policies, the Employee Code of Conduct and professional ethics, etc.;
- In addition to regular compliance trainings for employees of all business lines, we also carried out special compliance trainings in relation to the latest laws and regulations, regulatory developments, company policies and actual business needs. In 2021, we organized a total of 87 special legal compliance trainings;
- The compliance department has established an internal training and learning mechanism to regularly invite internal employees or external experts to share key and hotspot legal compliance knowledge, so as to enhance the professional capabilities of our teams.

Management of honest operation

CICC attaches great importance to incorruptible operation management, strictly abides by the the Criminal Law of the People's Republic of China, the Anti-Money Laundering Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, the Provisions on the Professional Integrity of Securities and Futures Business Institutions and Their Employees, the Detailed Implementation Rules on the Professional Integrity of Securities and Futures Business Institutions and Their Employees, the Interim Provisions on Banning Commercial Bribery, the Measures for the Administration of Financial Institutions' Reporting of High-Value Transactions and Suspicious Transactions, the Guidelines for the Assessment of Money Laundering and Terrorism Financing Risks and Categorized Management of Customers of Financial Institutions, the Administrative Measures for Financial Institutions' Report of Transactions Suspected of Financing for Terrorist Purposes, and other laws, regulations and requirements of policy documents, and formulates a number of internal systems on anti-money laundering, anti-corruption and anti-bribery to ensure the Company's incorruptible operation management.

During the Reporting Period, the Company did not have any lawsuits arising from any violation of laws and regulations on anti-corruption, anti-bribery, anti-fraud, and anti-money laundering of the place we operate in.

Anti-corruption and Anti-bribery

CICC continuously promoted the mechanism that “officials do not dare, are not able, and have no desire to be corrupt”, imposed strict punishments against financial corruptions and prevented financial risks. We formulated a series of internal policies on anti-corruption and anti-bribery to carry out management work, including the Policy on Integrity Practice Management of Employees of China International Capital Corporation Limited, the Working Rules and Procedures on Management and Treatment of Clues to Problems 《問題線索管理處置工作規程》, the Implementation Measures for Replying to Opinions on Party Ethics and Integrity 《黨風廉政意見回覆工作實施辦法》, the Implementation Measures on Integrity Talks with Managerial Staff Before Taking Office (for Trial Implementation) 《管理幹部任前廉政談話實施辦法(試行)》, the Interim Measures for the Administration of Integrity Files of Managerial Staff 《管理幹部廉政檔案管理暫行辦法》, the Work System for Case Prevention 《案件防控工作制度》 and the Measures for the Administration of Public Complaints and Whistle-blowing 《信訪舉報工作管理辦法》.

Management Actions

- **Conducting accurate and effective supervision and inspection.** The Company organized all departments of the Company to carry out integrity risk inspections on a regular or irregular basis, comprehensively sorted out the procedures of domestic and overseas businesses to identify integrity risks, and caused responsible departments to formulate prevention and control measures, so as to promote the construction of a comprehensive risk management system.
- **Strengthening management through audit and supervision.** The Internal Audit Department of the Company has determined the audit frequency of one to three years for all business areas and management procedures based on the assessment results of inherent risks and business scale, and have formulated audit plans accordingly on a three-year rolling basis and made dynamic adjustments on a quarterly basis. During the auditing process, we attached importance to potential risk points relating to integrity practice, inspected the check and balance of key positions and the separation of positions and responsibilities, carried out inspections around business-related risk points relating to integrity practice, and paid attention to the check and balance of the exercise of power. Meantime, we laid emphasis on whether there were new risk points relating to integrity practice as the business changes, and promoted the establishment of relevant mechanisms for such changes in risk points.
- **Effectively regulating public complaints and whistle-blowing.** We have established various reporting channels such as telephone and mailbox for whistle-blowing, and strictly protected whistleblowers. On the one hand, we keep strictly confidential the personal information of whistleblower and the content of whistle-blowing, verify public complaints and whistle-blowing confidentially, and seriously deal with employees who leak such information. On the other hand, if the legal rights of the whistleblower are threatened or violated during the process of public complaints and whistle-blowing, we will support the application for protection and fully ensure the information security of the whistleblower.
- **Organizing integrity talks.** We conduct a collective integrity talk with managerial staff of the Company to enhance the awareness of honest management, and further improve relevant work systems to implement integrity work.



- Including the number of anti-corruption and integrity trainings for employees 49 time
- Number of anti-corruption and integrity trainings for Directors 12 time



- Including person-times of anti-corruption and integrity trainings for employees 38,687 person-time
- Person-times of anti-corruption and integrity trainings for Directors 94 person-time

Integrity training

- At the Director level, the Company conducted trainings on insider trading, the due diligence obligations and code of conduct of Directors, Supervisors and senior management, and anti-money laundering and anti-terrorism financing in a variety of ways such as providing online trainings and written and video training materials, so as to continuously enhance the capacity of Directors to perform duties according to law and the awareness of integrity practice.
- As for all employees, CICC has organized anti-corruption education, publicity and training activities to continuously enhance employees' awareness of integrity practice:
 - We invited an expert from an external regulators to give a special counseling report on the Law on Administrative Discipline for Public Officials, enhancing the awareness of discipline and law and building an ideological defense line against corruption;
 - We carried out learning and warning education activities through the study of typical cases, and guided employees to build a strong ideological defense line;
 - We established the "Integrity CICC" platform, distributed over 140 publicity and education articles on anti-corruption, and organized employees to study publicity videos on anti-corruption “正風反腐就在身邊”, thus enhancing the anti-corruption awareness of employees;
 - We carried out integrity education and publicity for new employees to improve their self-discipline and the awareness of integrity practice, and to prevent violations of regulations and disciplines from the heart;
 - We strengthened the training and construction of internal discipline inspection team, and provided the theoretical and business learning through a variety of methods such as on-the-job training, internal and external trainings and industry research, so as to improve the professional capability of the team.

Anti-money laundering management

CICC has established the anti-money laundering leadership team. The team is responsible for the overall guidance, deployment and orderly implementation of anti-money laundering work, and revised the Measures for the Management of Large Transaction and Suspicious Transaction Reporting, the Measures for the Management of Money Laundering and Terrorist Financing Risk Assessment and Customer Classification and the Policy on Self-Assessment of Money Laundering and Terrorism Financing Risks, further supplementing and improving the existing anti-money laundering and anti-terrorist financing work of the Company.

Management Actions

- We implemented and refined all business processes related to anti-money laundering, carried out the identification and assessment of money laundering risk, the customer identification, data preservation and the analysis and reporting of suspicious transactions, enhanced the anti-money laundering information research capacity, thus effectively controlling money laundering risks;
- We established an anti-money laundering information system to collect and record the information for the money laundering risk management in a timely, accurate and complete manner, conducted the identification, assessment, monitoring and reporting of money laundering risks, and continuously optimized and upgraded the system based on the needs of money laundering risk management, thus further improving the anti-money laundering work of the Company with technical support;
- We carried out inspections on anti-money laundering work, supervised the internal implementation of anti-money laundering laws, regulations and regulatory requirements, the effectiveness and implementation of internal control systems, and the management of money laundering risks, and improved relevant issues in a timely manner, so as to ensure the effective implementation of anti-money laundering work.

Training and publicity

- We continued to create the culture of preventing and managing money laundering risks, and organized over 200 anti-money laundering trainings during the Reporting Period. In addition to distributing the latest anti-money laundering regulations and regulatory documents to employees from time to time, the Company provided various special or comprehensive trainings on anti-money laundering for employees at different levels, and intensified the training and testing on anti-money laundering, so as to help employees know about regulatory requirements and specific work requirements on anti-money laundering and further enhance employees' awareness of preventing money laundering risks.

Network security management

Under the trend of increasing cybersecurity threats, the Company attached great importance to the cybersecurity construction, by improving the cybersecurity management system and technological defense ability, so as to effectively serve national strategies, and support the strategic development of the Company's "Three + One" business.

Management measures

- The Company improves the cybersecurity management structure and consolidates cybersecurity responsibilities. The leaders of the management of the Company take the lead in cybersecurity management, to establish three defenses for cybersecurity and risk management and consolidate defense management responsibilities. The Company regularly organizes and carries out risk assessments to proactively identify potential hazards, and actively promotes the rectification for various issues.
- The Company optimizes the cybersecurity management system and strengthens its security management ability. The Company improves the cybersecurity management requirements and refine the work implementation standards according to the international information security management system standards and outstanding industry practices, so that there are bases for actions and records for inspection. The Company carries out security management online on platforms through the enhancement of digitalization ability, which effectively improves the management efficiency and ensures the high-quality and steady development of its business.
- The Company builds a multidimensional defense system to improve the efficiency of emergency response. With a focus on the implementation of measures in key processes of cybersecurity and based on the defense technology capability of the IT system, the Company highlights the ex ante early warning analysis, supervision in the act and ex post facto rapid response, thus forming a close-loop for effective management of cybersecurity. The Company strengthens the emergency linkage mechanism for cybersecurity, and systematically improves the response and handling ability of all employees through rounds of scenario-based and actual emergency drills.
- Under the people-oriented principle, the Company strengthens security awareness, so that employees keep in mind the risk boundaries. The Company carries out various forms of security publicity and awareness training in daily office work, data transmission to foreign countries, system development, operation and maintenance, information confidentiality, security and compliance, etc., so as to develop employees' awareness of cybersecurity boundaries and risk awareness and improve the overall cybersecurity baseline of the Company.

Data security management

With the promulgation of the Data Security Law and the Personal Information Protection Law of China, the Company has effectively promoted the implementation of various work of data security and user information protection under the principle of strictly complying with laws and regulations and protecting the legitimate rights and interests of users.

Management measures

- System-based management of data security and compliance. In terms of data security, classified and hierarchical management and user information protection, the Company has formulated a number of rules, policies and management requirements. Through the linkage mechanism of three defenses, the Company has promoted the steady implementation of various work and consolidated the management foundation of data security and personal information protection.
- Optimization of the accountability management mechanism. The Company has incorporated data security and personal information protection into the accountability management mechanism, and strengthened the employees' awareness of confidentiality and compliance.

Supply chain management

According to the Bidding Law of the People's Republic of China, the Regulation on the Implementation of the Bidding Law of the People's Republic of China, the Notice by the Ministry of Finance of Issuing the Interim Provisions for the Administration of Centralized Procurement by State-owned Financial Enterprises 《財政部關於印發〈國有金融企業集中採購管理暫行規定〉的通知》 (Caijin [2018] No. 9) and other laws, regulations and administrative regulations, CICC has revised the Procurement Policy of China International Capital Corporation Limited and formulated the Measures of China International Capital Corporation Limited on the Management Centralized Procurement during the Reporting Period, which provided guidance on the standard bidding and procurement procedure of the Company and strengthened the management of environmental and social risks from suppliers.



Regulating the procurement management process

- We set strict access conditions in terms of company qualifications and professional capabilities, and strictly selected suppliers via the Supplier Recommendation Form;
- We carried out annual assessment of suppliers, arranged the procurement department and other relevant departments with demand to jointly conduct performance assessment to ensure an objective assessment, and implemented the tiered supplier management based on assessment results;
- We strictly conducted the control, supervision and inspection of procurement risks, in order to prevent corruption and other violations that may occur in the procurement process and to ensure a fair, open and just procurement.

Managing the environmental and social risks in the supply chain

- The Company attached great importance to the management of environmental and social risks in the supply chain, and gradually improved relevant management measures. In order to strengthen the management and control of social risks, the existing supplier access conditions clearly required that suppliers "are not in the List of Enterprises with Abnormal Operations and the List of Enterprises with Serious Illegal and Dishonest Acts in the National Enterprise Credit Information Publicity System".

Best environmentally friendly products and services

- The management policy of the Company clearly stipulates that "centralized procurement shall give priority to energy-saving and environment-friendly products". In order to practice the concept of environmental protection, the Company requires environmental protection certification when selecting furniture suppliers, and requires to use low-polluting green materials when selecting decoration suppliers.

02

Protecting the Green

The Company has always been pursuing the green development. We took the lead in achieving the objectives of “dual carbon” strategy to cope with climate change, continued to promote energy conservation and emission reduction in our operation, and actively carried out environmental protection activities to create a green work environment.

Our Performance

We actively contributed to achieving the objectives of “Carbon Peak and Carbon Neutrality” to cope with climate change, and continued to promote energy conservation and emission reduction

⌘ The total GHG emission was **20,561** tCO₂e, and the per capita GHG emission was 1.52 tCO₂e

⌘ The total amount of hazardous waste generated was **2,536** kg, and the per capita hazardous waste generated was 0.19 kg

⌘ The total amount of non-hazardous waste generated was **1,200** tons, and the per capita non-hazardous waste generated was 0.09 tons

⌘ The total comprehensive energy consumption was **23,020** MWH, and the per capita comprehensive energy consumption was 1.70 MWH

⌘ The municipal water consumption was **47,266** tons, and the per capita municipal water consumption was 3.49 tons

COMMITTED TO COPE WITH CLIMATE CHALLENGE

Climate change is a common challenge worldwide. In September 2020, China announced at the United Nations General Assembly that it will “peak carbon dioxide emissions by 2030 and achieve carbon neutrality by 2060”. In October of the same year, the Ministry of Ecology and Environment of China announced that addressing climate change will be fully included in the ecological civilization construction during the “14th Five-Year Plan”. The “dual carbon” strategic goal fully demonstrates China’s contribution to tackling global climate change and protecting the shared home of mankind as a responsible major country. In response to the national strategy, CICC have formulated carbon

reduction plans environmental protection goals at the operation level, so as to cope with extreme weathers and promote the green and sustainable development of the society.

Helping perform “dual carbon” commitment

As a company committed to social responsibilities, CICC has been actively responding to national strategies, following the original aspiration of “By the People and For the Nation”, and adhering to the philosophy of sustainable development. Based on the management needs of the Company, we have formulated a plan featured by “focusing on dual-carbon objectives and promoting green development” and a number of carbon reduction plans at the operation level, so as to fully support the implement of China’s “dual carbon” goal with our practical actions.

Carbon Reduction Plan and Its Effect at the Operation Level

Management of Operating Environment

Low carbon office

It is expected that our annual carbon emissions will be reduced by 30,000 tons by 2030 through the following measures.

- Renovating office environment: We plan to apply the workstation sense system to identify the occupancy; set up shared offices; and adopt conference room reservation system to enhance space efficiency.
- Utilizing energy-saving facilities: We plan to replace lights with energy-saving lamps, and desktop computers with notebooks; renovate air-conditioning system; and use paper in a quantitative manner and promote paperless office.
- Optimizing office mode: We plan to promote online office and meetings to reduce the consumption of carbon energy.
- Constructing green buildings: We plan to construct the self-built Houhai Building according to the standards of LEED Gold Grade and Green Building Two-Star Level.

Low-carbon travel

It is expected that the carbon emissions from air travels will be reduced by 25% by 2030.

- We will continue to promote business trips and travels with low energy consumption and reduce the energy consumption from air travels.

Low-carbon activities

- We plan to launch the “Zero Plastic Initiative” and the “Green Action” to enhance the low-carbon and environmental protection awareness of employees.

Planning of green power procurement

It is expected that the use of green power will reduce carbon emissions by 27,000 tons by 2030.

- In line with relevant policies and developments of the green power market, we will gradually explore the feasibility of using power from renewable energy, and optimize our energy structure.

Ecological carbon planting

- We will, together with China Green Carbon Foundation, invest in the CICC ecological protection and restoration program, which plans to plant 500,000 trees, covering an area of over 2.4 square kilometers.

Setting environment targets

While promoting and implementing the carbon reduction plan in a steady manner, CICC will also gradually set targets for energy consumption, water use and waste generation, so as to enhance environment management in all respects.

Target of energy consumption

We will further reduce main power consumption in our existing offices through energy-saving renovation and other methods. It is expected to reduce a total electricity consumption of approximately 10 million kWh by 2030.

Target of hazardous waste

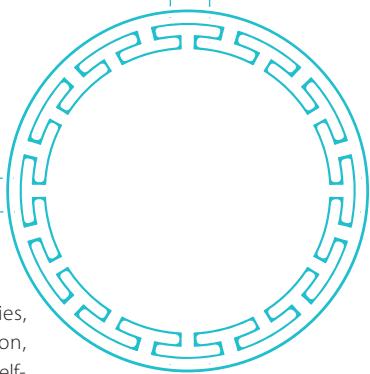
We will continue to deal with wastes such as used toner cartridges, carbon powder and ribbons in a compliant manner, and gradually explore to set quantitative targets for hazardous wastes.

Target of water consumption

Through keeping maintenance of water facilities, enhancing the awareness of water conservation, adopting water-saving devices in the on-going self-built building, and prioritizing the use of recycled water, we will enhance water efficiency, further reduce per capita water consumption, and gradually explore to set quantitative targets for water consumption.

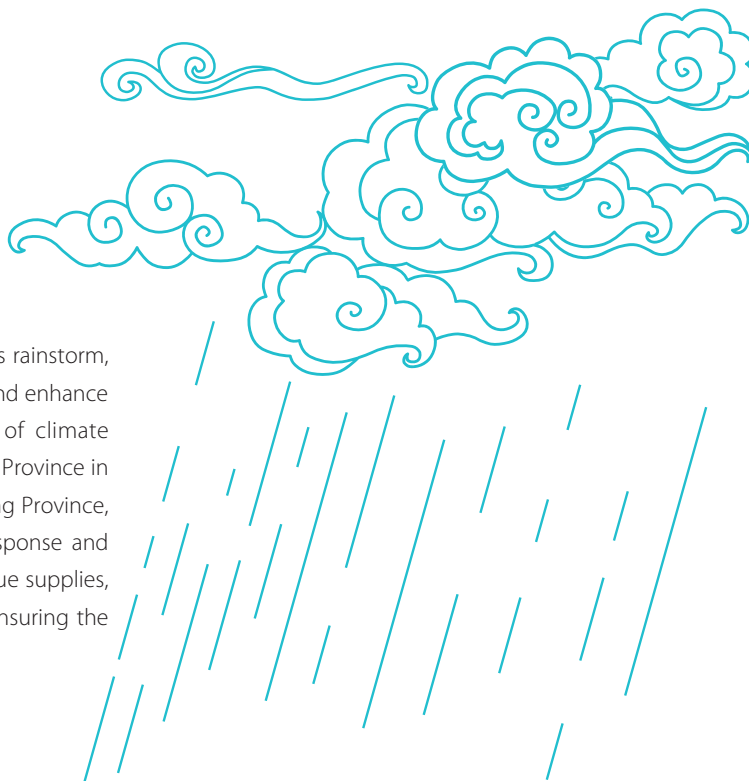
Target of non-hazardous waste

Through waste sorting, recycling, food conservation, reducing paper consumption, paperless office and other measures, we will further reduce the per capita non-hazardous waste, and gradually explore to set quantitative targets for non-hazardous wastes.



Response to disastrous weathers

We focus on responding to extreme weathers such as rainstorm, snowstorm, and typhoon in our operation planning, and enhance the Company's capacity to cope with challenges of climate change. During the rainstorm in Zhengzhou of Henan Province in July 2021 and the Typhoon Mangosteen in Guangdong Province, we immediately issued notices to guide relevant response and prevention work and distributed emergency and rescue supplies, maintaining the orderly operation of all work while ensuring the safety of employees.



PROMOTING LOW-CARBON OPERATION

CICC actively builds a green operating environment in strict accordance with laws, regulations and policies, including the Environmental Protection Law of the People's Republic of China, the Energy Conservation Law of the People's Republic of China and the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes. During the Reporting Period, the Company did not have any lawsuits or related penalties caused by environmental issues.

Energy resources used by the Company mainly consist of natural gas for operating facilities, gasoline for official vehicles, purchased electricity and purchased heat for heating. Our major emissions include greenhouse gases generated from energy consumption, air travel and paper use, and wastes such as office consumables, paper use and household waste. We carried out a number of measures to implement green management practices during the year:

Energy management

Energy-saving renovation	<ul style="list-style-type: none"> Renovating conference rooms with the intelligent lighting control system and using energy-saving lamps to reduce energy consumption of lighting; Adjusting air conditioners to reasonable temperature on a seasonal basis to reduce the electricity consumption; Gradually replacing desktop computers with notebooks to reduce the energy consumption of office devices.
Promoting shared office and online office	<ul style="list-style-type: none"> Piloting shared offices and comprehensively promoting online office and meetings to reduce energy consumption.
Strengthening energy-conservation management	<ul style="list-style-type: none"> Strengthening energy-conservation management through posting energy-saving slogans and reminding to turn off electronic devices; Arranging the building security team to check that all electrical switches and appliances are turned off.
Optimizing the use of vehicles	<ul style="list-style-type: none"> Actively publicizing and promoting the reasonable use of official vehicles, and disposing of some vehicles in a compliant manner during the Reporting Period, so as to reduce the consumption of gasoline and other fossil fuels.

Water resource management

- Publicizing the water saving concept among employees via emails, slogans and other measures, and requiring employees to turn off taps in time and save water in daily work;
- In case of any failure of water devices, timely reporting to and cooperating with the property manager for repair and maintenance to reduce the waste of water resources.

Paper management

- Promoting paperless office and using the online office management system to distribute internal documents in the electronic form to reduce the use of printing paper;
- Encouraging the black and white and double-sided printing to reduce paper consumption;
- Encouraging employees to reuse envelopes, letterhead, courier bags and other paper supplies.

Waste management

Practicing waste sorting

- We strictly follow local waste sorting management policies, provide classified trash bins, and promote waste sorting; and set up recycling bins for waste battery in the office for the unified collection and disposal.

Promoting food saving

- We actively call on employees to save food and consume rationally to steadfastly avoid food waste.

Compliant disposal of wastes

- We engage professional third-party companies to collect and deal with used toner cartridges, carbon powder cartridges and ribbons in a unified manner, so as to prevent the pollution caused by hazardous wastes.
- We deal with and write off electronic waste according to relevant scrap process. During the Reporting Period, a total of 11,735 electronic devices² are scrapped.

Reducing the use of plastic products

- We replace the disposable tableware used in office with environment-friendly and degradable tableware, and gradually reduce the use of traditional plastic name badges of employees, so as to reduce plastic pollution to the environment.

Green travel

Low-carbon travel

- While ensuring work and time arrangements, we encourage employees to choose low-carbon transportation;
- The internal airline reservation system for business travel presents the carbon emission reference value of different flights and the information of low-carbon flights, so as to create a healthy environment of "green trip and low-carbon travel" for employees.

Low-carbon commute

- We actively encourage employees to adopt green travel methods in their daily commutes and choose to travel on foot, by bike or taking public transportation.

² Electronic waste includes wasted microcomputers (host computers), monitors, notebooks, servers, printers and other wasted devices (such as hard drives, mice, keyboards, etc.).

SUPPORT THE “DUAL-CARBON” STRATEGY AND FIRMLY ESTABLISH THE CONCEPT OF ENVIRONMENTAL PROTECTION

In 2021, CICC carries out a variety of environmental protection activities to enhance the environmental protection awareness of employees while implementing green and low-carbon practices.

Case: Ecological Carbon Forest- Hebei Fengning Program of CICC Charity Foundation

In October 2021, CICC Charity Foundation organized CICC charity volunteers to carry out tree planting activities of carbon sequestration forest in Fengning, Hebei Province, to support the goal of “carbon peaking and carbon neutrality” with tangible actions. The tree planting activity is one of a series of activities of CICC ecological carbon sequestration forest projects for public welfare. Since 2019,

CICC has continuously carried out ecological protection and restoration actions in Fengning. By 2020, it planted 36,700 Mongolian Scots pines in 0.22 square kilometers of afforested land. By 2025, CICC will plant a total of 136,700 Mongolian Scots pines in 1,243 mu of afforested land in Fengning, which will help build an ecological barrier for Beijing, prevent the dust in north China sand from spreading to south China, and protect the water source in north Beijing.



Case: Beach cleaning activity of volunteers from CICC Hong Kong

After Hong Kong was hit by the typhoon in 2021, the beach was seriously polluted by waste. As the waste damaged the ecological environment and the landscape, employees from CICC Hong Kong Office organized a beach cleaning activity in Hong Kong on October 30 to protect the environment of Hong Kong. Our colleagues from ten departments of the Hong Kong Office actively participated in the activity.



This activity aimed to perform our commitment to sustainable development and social responsibility, enhance the green awareness of employees, deepen the concept of serving the community, and strengthen the team cooperation and cohesion.



CASE: CICC PUBLICITY ACTIVITIES ON "WORLD EARTH DAY" AND "SAVING FOOD"

On April 22, 2021, CICC launched publicity activities for our employees on the World Earth Day to practice low-carbon and green work and life, including waste recycling, paperless office, plastic-free life, travel by public transportation and saving electricity.

CICC called on employees to save food, go shopping rationally, firmly avoid wasting food and participate in empty plate campaign, and fully promoted traditional Chinese virtues among employees such as respecting labour, diligence and thrift, and hardworking.



Name of indicator	Unit of indicator	Figures in 2021 ⁶
Gasoline consumption	Litre	29,060
Consumption of natural gas	M ³	24,831
Consumption of purchased electricity	kWh	21,628,683
Consumption of purchased heat ³	GJ	3,129
Total GHG emissions ⁴	tCO ₂ e	20,561
Including (Scope 1) GHG emissions ⁴	tCO ₂ e	118
(Scope 2) GHG emissions ⁴	tCO ₂ e	12,511
(Scope 3) GHG emissions ⁴	tCO ₂ e	7,932
Per capita GHG emissions	tCO ₂ e/person	1.52
Consumption of comprehensive energy ⁵	MWH	23,020
Per capita consumption of comprehensive energy	MWH/person	1.70
Water consumption of municipal water supply	Ton	47,266
Per capita water consumption of municipal water supply	Tons/person	3.49
Total amount of non-hazardous waste generated ⁷	Ton	1,200
Per capita amount of non-hazardous waste generated	Tons/person	0.09
Total amount of hazardous waste generated ⁸	Kg	2,536
Per capita amount of hazardous waste generated	Kg/person	0.19

³ The consumption of purchased heat is calculated with reference to the Energy and Water Statistical Report System (November 2021) formulated by the National Bureau of Statistics and supplemented and printed by the Beijing Municipal Bureau of Statistics. The statistics cover the offices, branches and subsidiaries that paid heating charges to the heating suppliers.

⁴ Greenhouse gases mainly include carbon dioxide, methane, and nitrous oxide. With respect to the method for calculating GHG emissions, reference was made to The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard 2012 (Revised Edition) issued by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) and the Fifth Assessment Report issued by the Intergovernmental Panel on Climate Change (IPCC). With respect to the grid emission factors used in the calculation of scope 2 emissions, the Chinese mainland factors refer to the Guidance on Accounting methods and Reporting of Corporate Greenhouse Gas Emissions draft for Comments on Power Generation Facilities (Revised 2021) by the Department of Climate Change of the Ministry of Ecology and Environment, the Hong Kong factors refer to the 2020 Sustainability Report issued by China Power, and the Overseas factors refer to the EIB Project Carbon Footprint Methodologies for the Assessment of Project GHG Emissions and Emission Variations (2020 Edition). The scope 3 mainly includes greenhouse gas emissions from air travel and office paper, and the factors used in its calculation refer to the Emission Factors for Greenhouse Gas Inventories under the U.S. EPA Climate Leaders GHG Inventory Protocol. In 2021, due to the adjustment of calculation method and energy conservation and emission reduction, greenhouse gas emissions are down from previous years.

⁵ The data of standard coal converted from all energy sources is based on the General Principles for the Calculation of Comprehensive Energy Consumption (GB/T 2589-2020). And convert energy units to megawatt hours.

⁶ In 2021, based on the ESG Reporting Guide of the Hong Kong Stock Exchange, we updated the data calculation basis and methods to improve the accuracy of data disclosure.

⁷ Non-hazardous waste includes office paper and domestic wastes, among which, the domestic wastes are calculated by reference to the Handbook of Urban Domestic Source Production and Discharge Coefficient for the First National Pollution Source Census issued by the State Council.

⁸ Hazardous wastes include used toner cartridges, carbon powder and ribbons, and are calculated based on the data set out in the ledger of the Company.

Endorsing Responsible Finance

Relying on its professional characteristics, CICC has thoroughly implemented the requirements of relevant policies, including the Guidelines for Issuance of Green Bonds 《綠色債券發行指引》, the Guiding Opinions on Building a Green Financial System 《關於構建綠色金融體系的指導意見》, the Guiding Opinions on Promoting the Investment and Financing in Response to Climate Change 《關於促進應對氣候變化投融資的指導意見》, the Guiding Opinions on Accelerating the Establishment of a Sound Economic System with Green, Low-carbon and Circular Development 《關於加快建立健全綠色低碳循環發展經濟體系的指導意見》, the Guiding Opinions on Finance Serving Rural Revitalization 《關於金融服務鄉村振興的指導意見》, the Notice by the General Office of the China Banking and Insurance Regulatory Commission on Further Promoting the High-quality Development of Financial Services for Micro and Small Enterprises in 2021 《中國銀保監會辦公廳關於2021年進一步推動小微企業金融服務高質量發展的通知》, and the Opinions of the CPC Central Committee and the State Council on Making the Key Work in Agriculture, Rural Areas and Farmers a Success to Ensure the Realization of Moderate Prosperity in All Respects 《中共中央、國務院關於抓好“三農”領域重點工作確保如期實現全面小康的意見》. We gave play to the role of the financial industry in optimizing resource allocation and empowering social and economic development, and assisting sustainable investment and financing, thus promoting the construction of sustainable ecology and comprehensively invigorating the high-quality development of sustainable finance.

Our Performance

We vigorously developed sustainable investment and financing products and services to promote the sustainable financial development:

As of December 31, 2021, the aggregate issuance amount of green bonds we underwritten in domestic markets over RMB **120.0** billion.

In 2021, we participated in the initial public offering (IPO) projects of 57 start-up companies, SMEs and high-tech companies on the STAR Market and the ChiNext Board with total amount of RMB243.2 billion, and the private placements of 20 listed private companies with total amount of RMB81.7 billion. The cumulative issuance amount of asset-backed securities products relating to inclusive finance was RMB28.668 billion.

We are expected to raise green themed funds with total amount of approximately RMB15 billion, and invested in over 70 projects relating to the green industry. The Shandong Green Development Fund is expected to reduce the carbon dioxide emissions by **37.5** million tons during its operation period.

In terms of responsible investment, we explored to establish an ESG evaluation mechanism, which can comprehensively describe the ESG quality of over **4,000** domestic bond issuers and assist decision-making of ESG investments.

GREEN FINANCING

Developing green bonds

During the Reporting Period, the Company issued a variety of green bonds and carbon neutrality bonds as the underwriter, covering green corporate bonds, commercial papers, financial bonds, medium-term notes, asset-backed securities and local government green bonds. As of December 31, 2021, the aggregate issuance amount of green bonds we underwritten in domestic

markets was RMB120.278 billion, among which, the aggregate issuance amount of green credit bonds and green asset-backed bonds we underwritten in domestic markets was RMB113.500 billion and RMB6.778 billion, respectively. Meantime, The issuance amount of ESG bonds we underwritten in overseas markets was US\$18.4 billion, leading the market in terms of scale.

Case: Deeply participating in the innovative practice of green financing tools issued by China Development Bank

In March 2021, CICC acted as the lead underwriter for the successful issuance of 2021 “Carbon Neutrality” green financial bond through the Bond Connect. It represents China’s first “Carbon Neutrality” green financial bond issued to global investors, which has been included in the Corporate Roadmap to Carbon Neutrality of the United Nations Global Compact.

In July 2021, CICC served as the lead underwriter and the vice lead underwriter respectively in the issuance of green financial bonds themed on 2021 “Yangtze River Economic Belt Development” and “Yellow River Basin Ecological Protection and High-quality Development” by China Development Bank, which successfully introduced various domestic and foreign investors, supported the in-depth implementation of major regional strategies of China Development Bank, and promoted inter-regional integration, financing connect and supplementation. Among them, all proceeds from “Yellow River Basin

Ecological Protection and High-quality Development” green financial bonds will be used to provide loans to the infrastructure green upgrades and other relevant projects in 9 provinces and regions, which can reduce the annual carbon dioxide emission by 20,100 tons, nitrogen oxides emission by 34.99 tons, PM10 discharges by 0.66 tons, and the consumption of standard coal by 10,000 tons.

In December 2021, CICC also served as the vice lead underwriter in the issuance of green financial bonds themed on 2021 “Low-carbon Transportation System Construction”, which will help optimize the transportation structure, promote energy-saving and low-carbon transportation, and deepen the low-carbon transportation of the transportation industry. The project is expected to reduce the annual carbon dioxide emission by 21,500 tons, the consumption of standard coal by 10,500 tons, the nitrogen oxides emission by 35.42 tons, and PM10 discharges by 0.66 tons.

Case: Assisting ICBC in issuing the first domestic CBI-certified green financial bond by a large state-owned bank

CICC served as the lead underwriter in issuing the ICBC 2021 Green Financial Bonds (First Tranche), with total amount of RMB10 billion for a three-year period. This bond is the first domestic green financial bond issued by a large state-owned bank since the launch of dual carbon goal, and the first domestic green financial bond issued by a large state-owned bank which was applicable to the Catalogue of Projects Supported by Green Bonds (2021). This project fully complied with the internationally accepted Green Bond Principles (GBP) and Climate Bonds Standard 3.0 (CBS3.0)

in the pre-issuance certification stage, and was the first domestic green financial bond issued by a large state-owned bank and introducing the Climate Bonds Initiative (CBI) certification. This project enhanced the recognition of and participation in the international market, and represented the further connection of the domestic green bond market with the international market, showcasing demonstration effect and milestone significance for the green debt financing of domestic financial institutions in future.

Case: Assisting Bank of China in issuing the first carbon neutrality transition bond worldwide publicly issued by a financial institution

During the Reporting Period, CICC assisted Bank of China in successfully pricing and issuing the dual-currency transition bond, which was the first transition bond worldwide in compliance with the Climate Transition Finance Handbook (2020) issued by the International Capital Markets Association, the first transition bond worldwide issued by

a financial institution with reference to the EU Sustainable Finance Taxonomy, and the first transition bond worldwide publicly issued by a financial institution. This project was a new model for innovative issuance of transition bonds to promote the development of a low-carbon economy with financial power.

Supporting national and local construction financing

CICC has always been committed to supporting the national and local construction, and gave full play to the advantages of financial empowerment to serve national strategies and promote a steady economic growth.

Case: Underwriting and Issuing Global Sustainability Bonds of Asian Infrastructure Investment Bank (AIIB)

On September 9, 2021, CICC, as joint lead underwriter, assisted the Asian Infrastructure Investment Bank (AIIB) complete the issuance of the three-year USD-denominated US\$2,500 million global sustainability bonds with fixed rate successfully. The proceeds from this offering will be used to promote sustainable economic development, create wealth and improve infrastructure connectivity in Asia through investments in infrastructure and other productive sectors; and to work closely with other multilateral and bilateral development agencies to advance regional cooperation and

partnerships to address development challenges. It reflects the purpose and mission of AIIB to promote the process of regional interconnection and economic integration, and demonstrates its international responsibility as a multilateral development bank. As the only Chinese-funded lead underwriter in the underwriting syndicate of this project, CICC has demonstrated its outstanding service capabilities in the international debt capital market, which is another milestone for CICC to actively participate in and implement the global sustainable development goals.

Case: Assisting Gansu Provincial People's Government to introduce international bond investors

On September 15, 2021, CICC assisted the Gansu Provincial People's Government to completing the first introduction of international investors via the "Global Connect" model at the primary issuance stage of local government bonds. Prior to the launch of the project, CICC had in-depth communication with various foreign investors to fully explore their demands, actively cooperated with the issuer and China Central Depository & Clearing Corporation to make preparations

under the "Global Connect" model, and finally completed the distribution. Our assistance in the global introduction of Gansu manifested our "internationalization" and "regionalization" strategies, as well as a specific measure to promote the internationalization of RMB-denominated local government bond assets and assist local governments in developing innovative borrowing mechanism.

Case: Assisting the Shenzhen Municipal Government in issuing overseas government bonds

On October 11, 2021, CICC, as the lead underwriter, assisted the Shenzhen Municipal Government in the successful issuance of offshore local government bonds with amount of RMB5 billion. This issuance is China's first offshore local government bonds issued by the local government of Chinese mainland and the first credit product issued by the local government in the international capital market. It

showcased the achievements of China's forty-year reform and opening up in the international capital market, and was of great significance to deepening the two-way opening up of China's financial market, opening a new overseas financing channel for local governments, improving the yield curve of local government credit products, and improving the pricing mechanism of offshore RMB bonds.

Supporting small, medium and micro enterprises and private enterprises in lack of funds

Small, medium and micro enterprises and private enterprises are key drivers for the steady growth of the national economy. The Company actively responded to the national call and helped small, medium and micro enterprises and private enterprises to make financing less difficult and less expensive through a variety of financing services and tools.

- In 2021, CICC participated in the initial public offering (IPO) projects of 57 start-up companies, SMEs and high-tech companies on the STAR Market and the ChiNext Board with total amount of RMB243.2 billion, and the private placements of 20 listed private companies with total amount of RMB81.7 billion.
- CICC continued to underwrite asset-backed securities products relating to inclusive finance, the cumulative issuance amount of asset-backed securities products relating to inclusive finance was RMB28.668 billion as of the end of December. Among them, we completed the issuance of a total of 12 tranches of Ping An Puhui Chenghui/Yihui Series of asset-backed notes (ABN) and 7 tranches of asset-backed securities based on SME loans, including Longhe, Feichi Jianpu, and Yonghui Asset-backed Securities (ABS).
- CICC completed the issuance of special financial bonds for 9 small and micro enterprises by China Construction Bank, Agricultural Bank of China and China Merchants Bank, with a total issuance scale of RMB127.5 billion. Among them, the SME financial bonds issued by China Construction Bank were the first domestic bank financial bonds introducing S&P Ratings.
- CICC provided credit enhancement for the debt financing of high-quality private enterprises such as Wens, Red Star Macalline and HEC through credit derivatives, which supported the debt financing of private enterprises and helped reduce financing costs.

Supporting financing for rural construction

In response to the national call to support rural revitalization, the Company assisted the economic construction and development of rural areas, and contributed to building a modern socialist country in an all-round way and achieving the second centenary goal.

- CICC underwrote and issued a number of rural revitalization-themed bonds, including the RMB500 million corporate bond of Guangxin Holdings Group, the first special corporate bond for rural revitalization; the RMB20 billion SME financial bond of Agricultural Bank of China, the first SME financial bond for rural revitalization; and the RMB600 million Asset Operation and Management PPN of Xishan, Wuxi, the first bond for rural revitalization in Wuxi. CICC guided and promoted more social capital to invest in rural revitalization via different channels and help break the bottleneck of capital constraints, which demonstrated a sound combination of financial innovation with agricultural and rural modernization.

Supporting financing for post-disaster construction

CICC paid close attention to social hotspots, actively assisted post-disaster construction of major disaster-hit areas, and fully supported the economic recovery, development and financing of disaster-hit areas.

- CICC completed the issuance of RMB500 million corporate bonds of Henan Transportation Investment Group, the first credit bond for post-disaster reconstruction after the heavy rain in Henan Province; and the RMB1 billion corporate bonds of Fujian Huadian Furui Energy, the first corporate bond for post-disaster reconstruction after the heavy rain in Henan Province issued by a central enterprise. These bonds provided a fast and direct financing channel to assist in the repair and reconstruction of infrastructure in Henan including the transportation network, which enhancing the efficiency of post-disaster relief and material transportation, and fully capitalizing on the finance industry to serve the real economy.

RESPONSIBLE INVESTMENT

Developing green funds

CICC is establishing a number of green funds, the total size of which will be expected to amount to RMB15 billion, expanded our investment in green industries such as new energy, new materials and new technologies with a total of over 70 green industry-related projects, comprehensively promoting the construction of low-carbon economy and society.

Case: Shandong Green Development Fund Project

In July 2021, the Shandong Green Development Fund under CICC Capital was officially established upon the completion of registration with the Asset Management Association of China. Shandong Green Development Fund is China's first green fund established at the provincial level with funds from international financial organizations, and its overall size amounted to RMB10 billion. The Fund designed an innovative and complete green assessment system based on international green standards. It will score the projects based on the potential of carbon emission reduction of each project from multiple dimensions including demonstration effect, scale potential and cost efficiency. The Fund will focus on supporting projects with high demonstration effect, duplicable on a large scale and with very high potential of carbon emission reduction. The Shandong Green Development Fund Project will be operated in stages, it is expected to reduce the carbon dioxide emissions by 37.5 million tons during its operation period.

In addition, in order to integrate the green philosophy into the operation of the fund, we have full-time professionals, who actively participate in relevant training every year, for management. We will assess the carbon emission reduction potential of enterprises before investment decision-making, and monitor the completion of carbon emission reduction of enterprises through carbon verification, green assessment and other methods after investment, and help the enterprises improve their philosophy of green management, so as to jointly implement the concept of green development.

Practicing responsible investment

According to the requirements of the new development concept and high-quality development of China, CICC actively developed ESG investment business. Based on the requirements of ESG-related policy documents, we sorted out our investment projects in a systematic manner every year, and timely controlled or ceased to invest in companies that are included in the list of outdated production capacity enterprises, possess high proportion of outdated production capacity, fail to meet environmental protection requirements, are not compliant to green development, fail to go through formalities for new production capacity, or exceed the standards of energy consumption or discharges. However, we actively invest in companies that possess advanced production capacity or technologies, comply with benchmarking environmental protection indicators of the industry and are consistent with the direction of national policies, so as to effectively implement the ESG investment concept.

In order to practice the concept of responsible investment, we incorporated ESG factors into the decision-making of relevant businesses and investments. CICC explored to establish an ESG assessment system, which consists of the overall ESG score, three pillar scores (namely environment, social responsibility and corporate governance) and 12 thematic scores. The professional team of the Company will collect data and relevant public opinions for scoring and tracking, and fully describe the ESG quality of over 4,000 domestic bond issuers. In the future, the decision-making of bond investment will be based on ESG scores in addition to traditional credit risks and investment returns. Meantime, in order to make our ESG investment business more professional, numerous investment teams of CICC are equipped with professional investment talents to conduct research on ESG investment strategies and products. Through in-depth analysis of ESG development trends and key issues, we can meet the market demand with precise and professional services.

During the Reporting Period, the Company has established a ESG business development plan and product layout based on “passive index, index enhancement, and active management”, so as to implement the concept of sustainable investment in market-based methods:

- Passive index: In response to the national strategy of “dual-carbon” objectives and green development, we actively developed and deployed green index products to guide social funds flow into listed companies themed on green development through passive investments.

- Index enhancement: We combined the traditional asset pricing logic with the ESG investment concept through restricted but active management of investments.
- Active management: We made the deployment on ESG themed funds, such as green bond-themed funds, and implement the concept of ESG investment.

In 2021, the Company further optimized and improved the ESG investment system and infrastructure, the formulation of ESG investment strategies and the construction of ESG system under the guidance of a clear development plan, laying a solid foundation for the development of ESG investment business:

Constructing ESG investment system and infrastructure

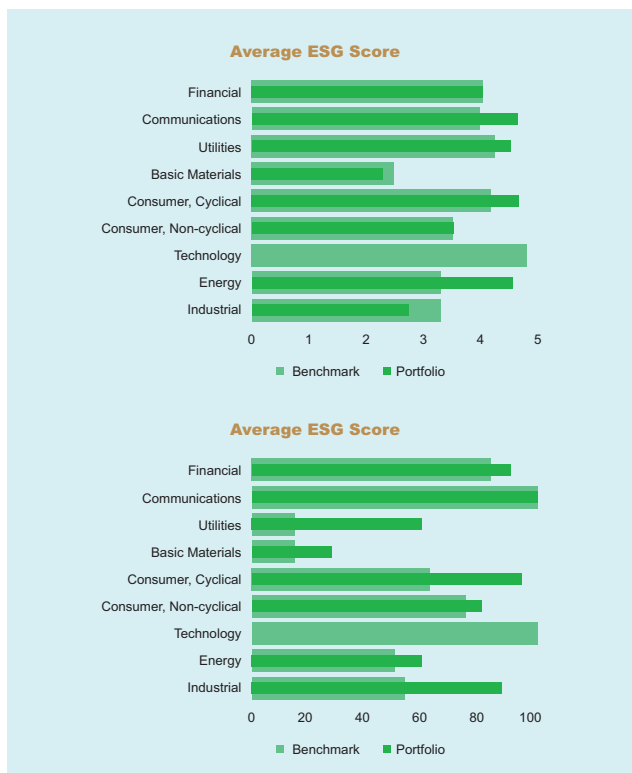
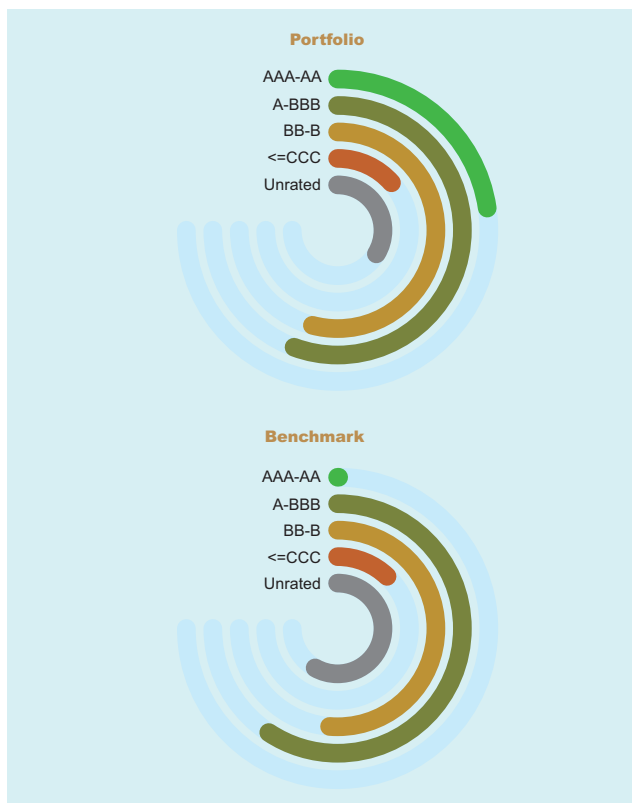
- In November 2021, we gradually built and improved the framework and work plan for responsible ESG investment and formulated the organizational structure of ESG responsible investment with the support of professional third-parties, enhancing existing ESG investment methods of the Company.

Formulating ESG investment strategies

- We continued to formulate a variety of ESG investment strategies. For example, we formulated the ESG weight allocation and ESG index enhancement strategies for the equities business, and ESG bond index, green bond index and carbon neutrality bond index for the bonds business, so as to meet the ESG investment needs of different investors.

Building the ESG system

- We independently developed the CHAMPs, an internal ESG investment analysis and management system, which is suitable for various assets such as stocks, bonds and commodities. Through the selection and integration of ESG information, the system can provide reference for the decision-making of investment managers and researchers. Meantime, the risk control team and the middle and back office teams can monitor the ESG score of all investment portfolio in real times through the system, realizing efficient synergy among front, middle and back offices.



Picture: CHAMPS System

CREATING AN ECOSYSTEM

While investing in the development of sustainable investment and financing businesses, CICC also actively developed other sustainable financial products and services to diversify the sustainable financial system. We also attached importance to the research and proof of sustainable finance to consolidate our theoretical foundation, and carried out extensive exchanges and cooperation with our partners to jointly promote the long-term development of sustainable finance.

Diversified sustainable financial products and services

In addition to vigorously developing sustainable investment and financing businesses, we further diversified the types of sustainable financial products to provide diversified sustainable financial services:

- On April 28, 2021, CICC and China CITIC Bank successfully completed China's first OTC derivatives transaction of green financial bonds relating to "carbon neutrality", with nominal principal of RMB200 million. The bond "21 CBD Green Bond 01 (2102001.IB)" under the transaction was China's first "carbon neutrality" green bond certified by Climate Bonds Initiative (CBI). This transaction was an innovative exploration of domestic OTC derivatives, which diversified the trading varieties of interest rate derivatives, and increased the activity of "carbon neutrality" financial bonds in the secondary market.
- On June 4, 2021, CICC and ChinaBond Pricing Center Co., Ltd. jointly released the "ChinaBond – CICC Green Asset-Backed Securities Index". The Index is a broad-based index that comprehensively describes the trend of the green asset-backed securities market, provides effective information on the trend of market price for green asset-backed securities market research, and can be used as a reference benchmark as to the performance of investment in the green asset-backed securities market.
- On September 22, 2021, CICC and Wuxi Rural Commercial Bank successfully completed an OTC interest rate derivatives transaction, and the subject of transaction was financial bonds issued by the Agricultural Development Bank of China and listed on the exchange, the first batch of financial bonds to support high-standard farmland construction.

- On July 26, 2021, CICC and Guotai Junan successfully completed the income swap of inter-bank carbon neutrality bond index linked to the RMB exchange rate index (CFETS). This transaction was the first income swap of bond index through the CFETS trading system, and capitalized on the convenience and standardization of the online system to further activate the OTC derivatives market, promoting the development of the domestic OTC derivatives market.
- On November 24, 2021, the National Interbank Funding Center and the Shanghai Clearing House launched a standard bond forward physical delivery contract. As the first participants, CICC has completed the first standard bond forward physical delivery contract linked to a 2-year CDB green bond, and there were transactions of contracts of all terms and varieties. This is an important achievement of CICC for actively responding to the needs of financial innovation, promoting the development of the interest rate derivatives market and deepening the services for the dual carbon goal.

Research and Intelligence Support

In March 2021, the CICC Research Department and the CICC Global Institute (CGI) rolled out a major in-depth research report "Economics of Carbon Neutrality". Combining the top-down and bottom-up methods, the report introduced the concept of green premium to China in an innovative way from the perspectives of total amount and structure, and deeply explores the path for China to realize carbon neutrality in the next 40 years and its economic impact. We officially published the report in September 2021 and distributed a total of 91,000 printed copies. The report was selected into the list of most influential books of the year by Yicai.

In addition, CICC released the thematic report "Opportunities and Challenges of ESG Investment" in 2021, which looks into the prospects of ESG investment in China and how to build an ESG ecosystem from various aspects including the origin, status and prospects of ESG, ESG and corporate operation, ESG ratings, changes of ESG strategies and development of ESG products, and ESG supervision, contributing to the research on and development of ESG investment in China.

Participating in and organizing association activities

CICC has applied to join the Green Finance Committee of the China Society for Finance and Banking in 2017, and currently is a director of the first session of the council. We have maintained close cooperation with financial institutions, enterprises, scientific research institutions, think tanks, and relevant industry associations.

In June 2020, CICC, as a founding member, launched the Developer Alliance of Yangtze River Delta Eco-Green Integration Development Demonstration Zone together with China Three Gorges Corporation, Alibaba, Huawei and other 11 renowned enterprises and universities, with an aim to jointly explore the construction of regional green ecology.

On September 27, 2021, CICC was invited to participate in the Carbon Neutrality Action Alliance initiated by the Shanghai Environment and Energy Exchange, and was elected as a member of the first session of supervisors committee. As a member of the first session of supervisors committee, CICC will continue to maintain close relationship with the trading entities of the Shanghai Environment and Energy Exchange and member companies of the Alliance, explore cooperation opportunities and connect the upstream and downstream of the industrial chain, so as to create a carbon neutrality ecosystem and support the realization of the dual-carbon strategy.

In addition, CICC is currently a carbon agreement quotation service provider of Wuhan Carbon Emission Rights Registration and Clearing Co., Ltd., and will become the second batch of trade members in the carbon market of Shanghai Carbon Exchange. In the future, we continue to design carbon trade products and deeply participate in relevant trade activities.

Response to international initiatives

CICC attaches great importance to the response to and participation in international green finance, responsible investment and other initiatives, with a view to expanding our international influence and building the image of a responsible financial institution.

As the first signatories of the Green Investment Principles for the Belt and Road (GIP) and the only investment bank among GIP members, CICC worked together with other members to fully promote the green investment and financing in BRI regions and promote the high-quality development of the Belt and Road Initiative.

In 2021, CICC was actively prepared to join the United Nations Responsible Investment Principles (UNPRI) and implement the principles of responsible investments, contributing to developing a more sustainable global financial system.

Suggestions for the industry

CICC actively participated in domestic and overseas forums and activities in relation to sustainable finance, jointly explored the development trends and hotspots of sustainable finance with other participants, and worked together to realize national economic strategies.

Case: CICC co-hosted the Carbon Neutrality and Green Finance Sub-forum of 2021 Zhongguancun Forum

On September 25, 2021, CICC successfully co-hosted the Carbon Neutrality and Green Finance Sub-forum of 2021 Zhongguancun Forum in Beijing. In the Forum, a number of heads of financial institutions, domestic and foreign experts and scholars, industry and investment leaders shared domestic and foreign cases on green bonds and carbon neutrality and sustainable development bonds, and had in-depth discussions on opportunities and challenges of green equity investments and ESG investments. The Forum focused on the prospect of and path for the finance industry to assist in achieving carbon neutrality, and discussed the development of green finance.

In the forum meeting, Huang Zhaohui (as on the left picture), the CEO of CICC and Chairman of the Management Committee said that as the finance industry is the blood of modern economy, the green finance will play a very

crucial role and have a brilliant future under the trend of green development. The development of green finance can not only optimize resources allocation, guide capital factors into carbon neutrality sectors and facilitate industrial transformation, but also can promote establishing the management system and trading mechanism for carbon assets to accelerate the formation of carbon markets system.

In addition, Peng Wensheng (as on the right picture), Chief Economist of CICC, head of the Research Department and Executive Dean of CICC Global Institute, rolled out a major book "Economics of Carbon Neutrality". The book systematically describes the idea of "carbon neutrality = carbon pricing + technological progress + social governance", and further explores how the finance industry can help achieve carbon neutrality and the investment and development opportunities from the dual carbon strategy.



Case: CICC attended the Seminar on “Finance Supports Climate Actions- China Initiative and International Cooperation” during the 26th United Nations Climate Change Conference (COP26)

On November 3, 2021, CICC was invited to attend the Seminar on “Finance Supports Climate Actions- China Initiative and International Cooperation” jointly organized by the Green Finance Committee of the China Society for Finance and Banking and the Beijing Institute of Green Finance & Sustainable Development during the 26th United Nations Climate Change Conference (COP26).

This Seminar invited a number of major domestic financial institutions and member institutions of GIP to share green development strategies, the progress and achievements of international cooperation, and new actions to implement carbon neutrality strategy, with nearly 100 online and offline participants.

In the Seminar, CEO of CICC, said that finance can lead the development of the real economy and promote the transformation of industrial entities to clean energy, and the international cooperation on green finance is of great significance to achieving the “dual-carbon” objectives of China. CICC will continue to vigorously support a variety of green financing instruments including green bonds and green equities, actively adopt common international standards on sustainable finance, and promote the issuance of cross-border green financial products, so as to conduct targeted international cooperation on green finance.

Case: CICC held “CICC Carbon Neutrality 2060 Forum”

CICC successfully held the CICC Carbon Neutrality 2060 Forum from March 23 to 24, 2021. The Forum invited senior experts and scholars from decision-making agencies and the industry and academic communities to discuss about the path of carbon neutrality and market opportunities. Zhou Xiaochuan, President of the China Society for Finance and Banking and former Governor of the People’s Bank of China, attended the Forum and delivered a keynote speech on calculation of carbon peak, formation of carbon market price, key areas for structural optimization and green governance combined with the Economics of Carbon Neutrality published by CICC.



Case: The CICC Global Institute and the BRIGC co-hosted the Belt and Road Forum on Green Finance and Low-carbon Development

On May 25, 2021, under the guidance of the Ministry of Ecology and Environment, CGI and the Belt and Road Initiative International Green Development Coalition (BRIGC) co-hosted the "Belt and Road Forum on Green Finance and Low-carbon Development" in Beijing. Nearly 200 experts from domestic and foreign government departments, financial institutions, and scientific research institutes attended the Forum.

In the Forum meeting, Shen Rujun (as on the left picture), Chairman of CICC, expressed his gratitude to the guests and said that "I hope this Forum can gather insights of guests, have an in-depth discussion on the prospects and path to achieve synergy effects between green finance and low-carbon development, and provide suggestions and advice on promoting the high-quality development of the Belt and Road Initiative under the new trends, so as to help the steady and practical development of the Green Silk Road. Since its establishment, CICC has always been committed

to serving the reform of national economic system and the development of the capital market. I hope to work together with all industry communities to promote the green and low-carbon development of the Belt and Road Initiative."

Wu Huimin (as on the right picture), managing director and general manager of the CICC Global Institute and head of the BRI Research Center, said that "CICC will give full support and cooperation in implementing and promoting the Belt and Road Initiative in line with the mission of "Chinese Roots and International Reach". Since the launch of the first White Paper on BRI Research "Steady Travel Toward Global Reach" ("道"行天下·行稳致远) in 2018, we have released the White Paper on BRI Research for four consecutive years. The 2021 White Paper was themed on "Openness and Inclusiveness for Shared Development", covering four parts: macro perspective, micro research, special research and observations by country.



Case: CICC organized the 2021 Xiamen Carbon Neutrality Industry Investment and Financing Summit

In September 2021, the 2021 Xiamen Carbon Neutrality Industry Investment and Financing Summit hosted by CICC and organized by CICC Capital was successfully held. Participants from politics, industry, academic and research communities gathered together to conduct in-depth dialogues on topics such as carbon neutrality and the capital market, industrial transformation, investment and financing. At the Summit, CICC Capital invited a number of experts and scholars to deliver keynote speeches, including "Climate Change and Carbon Peak and Carbon Neutrality",

"Development and Prospect of Carbon Market in China" and "Economics of Carbon Neutrality", and invited guests from all walks to discuss about industry development, investment trends and other topics. The Summit focused on the policy trend under the context of carbon neutrality and its impact on economic development, and the opportunities, challenges and future planning of Xiamen from the development of carbon neutrality. The participants provided numerous suggestions on the green growth and high-quality development of China's economy.

04

Improving Customer Experience

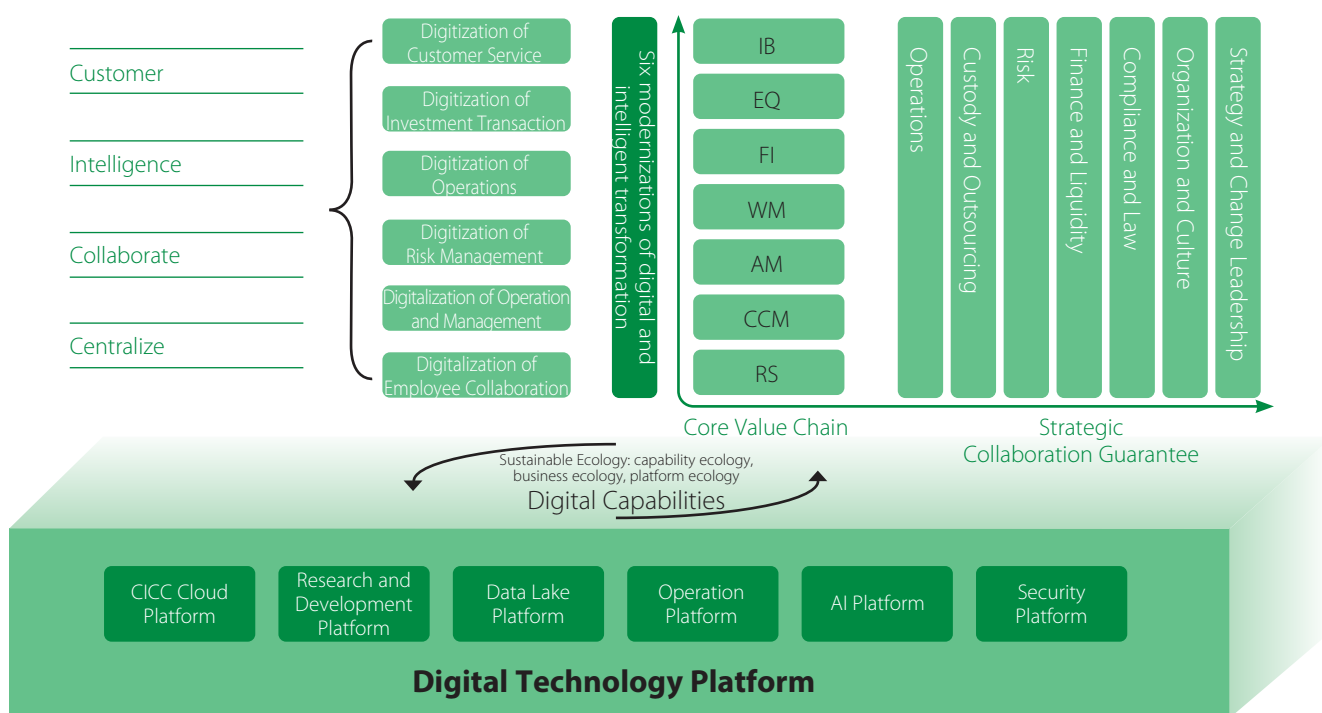
Adhering to the concept of “Customer First and Integrity; Chinese Roots and International Reach”, CICC vigorously developed financial technologies, protected the interests of investors and continuously provided first-class financial services to customers.



INNOVATING PRODUCTS AND SERVICES

Fintech Innovation

The Company seized the opportunities from the digital transformation of the economy and the society, steadfastly promoted the implementation of “digitization, regionalization and internationalization” strategy, and deepened the research on and application of big data, artificial intelligence and other technologies, with a view to providing better customer services in technical support and digital operation.



Digital technology platform	Achievements
"Tianji" Platform	It forms a tiered R&D system for digital collaboration, which effectively improves the delivery efficiency of R&D and the quality of product delivery.
"Luban" Digital Employee Service Platform	It creates an industry-leading "Luban" digital employee service platform with 52 digital employees and covering 10 business departments, and adopted RPA to replace repetitive low-value labour, thus reducing costs and increasing efficiency.
"Jiuzhang" AI Brain	It can provide unified AI supporting services for the construction of application systems and empower the intelligent development of the Company. Since its launch in August, it has provided five services for business departments, namely voice processing, RPA, natural language and image recognition, with average monthly access of 12,000 times.
Cangqiong Infrastructure Cloud Platform	It can manage the domestic and overseas infrastructure of CICC in a unified manner, covering private and public cloud resources, enhance the adaptability and operation management capabilities of IT infrastructure, reduce the overall IT costs, bridge the gap among resources, and realize the resource allocation on demand, thus efficiently supporting our business development.
Qingtian Monitoring and Operation Platform	It can break barriers among tools and realize integrated and centralized management, so as to give full play to information technology. Its management scope covers server monitoring, dynamic environment monitoring, network monitoring, application monitoring, security monitoring, and terminal security tools.
Xingshi Security Situation Awareness Platform	It offers the capabilities to identify, prevent and analyze security threats from a macro security perspective, and can analyze application systems, servers, and terminals from asset security and risk control capabilities, thus presenting the overall operation conditions of asset security and supporting the decision-making on safe operation.

In terms of wealth management, the Company offers efficient wealth management service platforms such as the "CICC Wealth Management" APP and the "CICC FICC" APP. In response to the needs of different customer bases, CICC Wealth Management and Tencent established a joint venture Jinteng Technology, aiming to provide better customer services in technical support and digital operation services relying on financial technology.

Protection of Intellectual Property Rights

The Company regulates the protection of its own intellectual property rights according to the Trademark Law of the People's Republic of China, the Copyright Law of the People's Republic of China, the Patent Law of the People's Republic of China and other laws and regulations. We are gradually planning to improve the intellectual property rights management system, and have established a daily monitoring and rights protection mechanism for intellectual property rights such as trademarks and copyrights. In case of any violation of rights and interests of the Company, such as unauthorized transmission and issuance of research reports of the Company for profit-making purposes, the legal department of the Company will protect its legitimate rights and interests according to relevant laws and regulations.

Information Security and Privacy Protection

According to the Cybersecurity Law of the People's Republic of China, the Measures for the Administration of Information Technology Management of Securities Fund Trading Institutions and other laws and regulations, the Company has formulated the Information Security Management System of China International Capital Corporation Limited 《中國國際金融股份有限公司信息安全管理制度》, the Information Technology Management Policy of China International Capital Corporation Limited 《中國國際金融股份有限公司信息技術管理政策》, the Regulations of China International Capital Corporation Limited on Management of the Commencement and Change of Information System 《中國國際金融股份有限公司信息系統投產變更管理規範》, the Policy of China International Capital Corporation Limited on Management of Data Access 《中國國際金融股份有限公司數據權限管理政策》, started to establish the ISO27001 management system and PDCA closed-loop management thinking, and continued to optimize the risk management mechanism, thus constantly enhancing the management of information security.

During the Reporting Period, the Company adhered to the bottom line of data security, carried out the vulnerability scanning on a quarterly basis, and conducted security tests before the launch of systems; implemented access measures for the access of equipment, and set up security protection equipment; conducted the key network security protection work according to relevant requirements, and carried out offensive and defensive drills; shared the intelligence on threats; and provided regular trainings on security awareness and publicity of information security awareness for the employees, thus building a strong information security firewall.

In terms of protecting customer privacy, the Company complied with national regulations and requirements such as the Personal Information Protection Law, the Data Security Law of the People's Republic of China and Information Security Technology – Personal Information Security Specification (GB/T 35273-2020), and has formulated and implemented a series of policies including the Measures of China International Capital Corporation Limited on the Management of Data Classification 《中國國際金融股份有限公司數據分類分級管理辦法》, the Policy of China International Capital Corporation Limited on the Management of Data Authorization 《中國國際金融股份有限公司數據權限管理政策》, the Measures of China International Capital Corporation Limited on the Management of Data Desensitization for Beidou Project 《中國國際金融股份有限公司北斗項目數據脫敏管理辦法》 and the Measures of China International Capital Corporation Limited on the Management of Data Encryption for Beidou Project 《中國國際金融股份有限公司北斗項目數據加密管理辦法》. The information on customers were kept in special folders and direct sales systems. We have defined clear security management requirements for the full life cycle of data including collection, transmission, storage, use and destruction, adopted differentiated protection measures for data based on security levels, and performed necessary encryption and desensitization of data, so as to prevent the risk of privacy leakage from the technical level and effectively protect customer privacy.

EMPHASIZING ON INVESTOR PROTECTION

The Company attached importance to investor education, protection and services, continued to deepen customer communication, and efficiently dealt with customer complaints to improve customer experience.

Investor Education

The Company has formulated the Work System of China International Capital Corporation Limited on Investor Education, and established an effective work mechanism on investor education. During the Reporting Period, the Company actively carried out various investment education activities, including the “3·15” thematic education activity, “Knowing rules, identifying risks, and investing rationally in 2021” thematic education activity, “5·15 National Investor Protection Day” special activity, the Preventing Illegal Fundraising Month activity, “Popularizing financial knowledge for all investors, and becoming rational investors and good financial netizens” activity, and “2021 World Investor Week” activity. We introduced financial and legal knowledge to investors and guided investors to establish the concept of rational investment through various channels including online live broadcast, Wechat Official Account, official website and on-site education spaces in business premises.

Compliant Product Marketing

The Company strictly complied with the *Advertising Law of the People's Republic of China* and other laws and regulations, and each business department has formulated management regulations on relevant marketing and publicity based on

the actual conditions, and defined relevant requirements on the production, review and release of education materials for investors. The Company requires that business personnel shall not use untrue and inaccurate information and materials, fully respect customer's right to be informed, ensure the truthfulness and accuracy of information provided to customers, and protect legitimate rights and interests of financial consumers.

Suitability Management

According to the Guiding Opinions on Regulating the Asset Management Business of Financial Institutions, the Measures for the Administration of the Privately Offered Asset Management Business of Securities and Futures Business Institutions and other laws, regulations and self-discipline rules, the Company has formulated the System of China International Capital Corporation Limited on the Management of Investor Suitability (《中國國際金融股份有限公司投資者適當性管理制度》). We focus on enhancing the service quality and level of business line employees, and require the business personnel to fully understand the risk level of products or services and the risk tolerance of investors and to provide appropriate financial products and services based on the risk tolerance, investment objectives of investors and the investment period of financial products or services, categories and risk classification of investment. Where the risk tolerance level of an investor is not consistent with the risk level of purchased products or services received, the business personnel shall warn and inform the investor of specific conditions of such inconsistencies and require the investor to sign the Warning and Confirmation of Inappropriate Products or Services (《產品或服務不適當警示及投資者確認書》).



Picture: Reception Desk for Preventing Illegal Fundraising in the business premise



Picture: Popularizing financial knowledge in communities

Enhancing Customer Satisfaction

In order to provide comprehensive and high-quality services to customers, the Company provides smooth complaint channels to customers, understands the needs and opinions of customers through customer service hotline, complaint mailbox, questionnaire, follow-up visit call, arranges special personnel to handle customer complaints and follow-ups, to ensure

timely responds to complaints via relevant procedures and the compliance of handling results, thus continuously enhancing customer satisfaction. During the Reporting Period, the Company had received 60 complaints from customers which were handled through active communication. The customer satisfaction of inbound business was 98.33%, and the online business was 96.06%.

Case: Holding the CICC Investment Forum to deepen customer communication

In November 2021, CICC has successfully held the 2021 CICC Investment Forum in Shanghai, with the participation of 500 guest speakers from the government authorities, industries, A-share and H-share listed companies and investment institutions and 1,900 customers. On the theme of “High-quality Development: Opportunities and Challenges”, the Forum discussed about core issues including how to deal with the relationship between short-term goals (such as pandemic control and stable growth) and medium and long-term goals (such as scientific and technological innovation and carbon neutrality in China), how to focus on high-quality development, how to serve national strategies, and the factors affecting asset allocation in 2022. This activity enhanced the customer experience, and also built a good brand image for CICC Investment Forum.



Growing with Our People

Talents are the most important resources for the development of the Company. In line with the cultural mission of “By the People”, the Company protects the fundamental rights and interests of employees according to law, provides growth platforms for employees, and cares for the physical and mental health of employees. We are committed to promoting the construction of corporate culture and pursuing win-win cooperation with our employees.



Our Performance

○ We had a total of **13,557** employees, including 7,013 female employees and 6,544 male employees

○ We paid attention to the growth and development of employees, and carried out 1,088 trainings for our employees with total participation of 107,624 person times and total investment of RMB **19.02** million

ENCOURAGING “VOICES”

Staff Recruitment and Employment

According to the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Minors, the Provisions on the Prohibition of Using Child Labor and other laws and regulations, the Company has formulated the basic principles of recruitment featured by “fair competition, objectiveness and justice, comprehensive assessment, merit-based selection, legal compliance, evidence-based practices” to attract various professional talents worldwide. We fully respect the individual differences of talents, strictly prohibit discrimination in the recruitment process in terms of gender, age, sexual orientation, religion and race, regulate the recruitment process and implement strict approval for recruitment, and provide equal employment opportunities to workers.

The Company has formulated relevant human resources policies, including the Recruitment Management System of China International Capital Corporation Limited, the Employee Handbook of China International Capital Corporation Limited, and the Labor Relations Management System of China International Capital Corporation Limited, and strictly regulates the signing of labor contracts, employee recruitment, dismissal and other processes. We stipulate the labor conditions, salary payment, working hours and vacation rights according to law, protect the fundamental rights and interests of employees from any infringement, and build a harmonious labor relationship. Meantime, we strictly abide by the laws and regulations of the country and the place we operate in, avoid the use of child labor and forced labor, and strictly verify the identity of employees. In case of any violation of labor standards, we will immediately stop such actions, identify loopholes and formulate solutions. During the Reporting Period, the Company did not have any violations such as forced labor and child labor.

Remuneration and Benefits

The Company formulated the remuneration strategy with full consideration of the experience, qualifications and capabilities of employees to motivate employees. We continued to build a more comprehensive benefit and social security system for employees, and provided more market-competitive benefit and

social security plans, including statutory social insurance, housing provident fund, supplementary commercial insurance, employee care plans, vacations and home leave, so that employees can feel our care for them.

Communication with Employees

In order to understand the demand of employees and listen to their voices, we have set up a “CEO Mailbox” communication mechanism, through which employees can put forward their demands, relevant departments will reply such demands and implement relevant work and then give feedback to employees. The CEO Mailbox has become a main fast channel for CICC employees to express their demands, report problems, and make suggestions, which arises much attention and is widely recognized. During the Reporting Period, we have officially launched an internal communication community “Gold in Sand” (沙中有金), serving as an online communication platform for employees to trust and communicate with each other. In addition, we held “employee communication meeting” from time to time to provide the direct and effective communication between the management and employees.

CEO信箱公示

2021年12月31日（第二十六期）

各位同事，

近期，我收到了关于企业文化建设、考核激励机制、场外期权收入、IT系统建设、餐饮机制建设等方面的建议，具体回复如下：

一、关于企业文化建设、考核激励机制、产品线与客户覆盖职能分工的建议（主要负责部门：中金学院、投行部）

意见/建议：

过往几年公司快速扩张，尤其是前线部门，很多团队人员翻倍。几点建议：1.加强企业文化建设，培养简单、直接、平等的工作氛围；2.目前同一产品线在中金无内部竞争，但后续仍需通过产品、区域等角度细化工分，明确产品线和客户覆盖职能分工。考虑到目前IB人员众多，建议采用外资coverage和product specialist的分工机制，有利于为客户综合规划发展路径和引进合适的产品，避免不同产品线甚至业务线间对同一客户的不良竞争。

回复：

(1) 关于企业文化：公司历来非常重视企业文化建设工作，简单敏捷、平等高效也一直是我们所坚持并倡导的企业文化。后续，我们将继续做好文化培育和宣传工作，积极探索开展各类文化活动，挖掘各部门在简单、直接、平等方面的先进经验，广泛宣传，推动完善相应的沟通机制，进一步营造更加简单敏捷、平等高效的工作氛围。

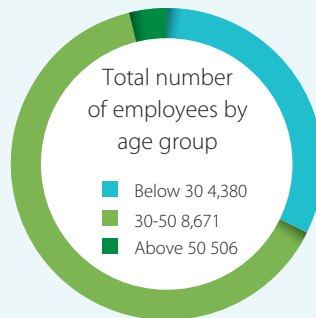
(2) 关于考核激励机制：目前，中金公司为了更好地服务国家战略和实体经济，同时满足股东的各项工作部署和要求，根据汇金对中金公司的考核体系设计了各部门工作考核标准，将“服务国家战略”作为单独的考核指标纳入公司考核指标体系，评价维度包括服务国家科技自强战略、防范化解内外部金融风险、服务绿色发展战略、

Picture: Contents of CEO Mailbox

Figures in 2021⁹

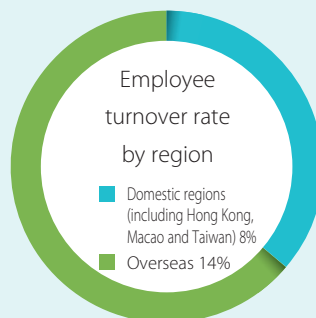
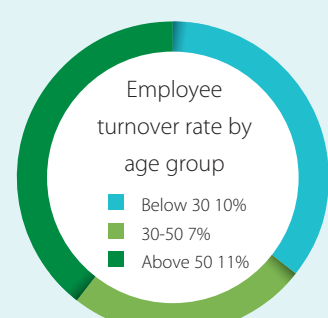
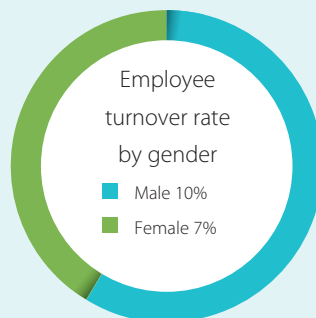
8 Total number of employees

13,557



9 Employee turnover rate

8%



⁹ In 2021, based on the ESG Reporting Guide of the Hong Kong Stock Exchange, we adjusted data calculation methods to improve the accuracy of data disclosure.

EMPOWERING CAREER DEVELOPMENT

The Company has defined the strategy of “serving the strategy of the Company and focusing on key positions and groups”, and is committed to promoting the common progress of employees and the Company through improving the construction of system, optimizing development paths, enhancing occupational skills and other means.

The Company adopts a promotion route under the market-oriented MD system, with ranks including managing director, executive general manager, deputy general manager, senior manager, manager and analyst. During the Reporting Period, the Company has formulated the Training Management Measures of China International Capital Corporation Limited 《中國國際金融股份有限公司培訓管理辦法》 to regulate the training management mechanism of the Company, enhance the effectiveness of training programs and training management, and strengthen the organizational capability to ensure the realization of strategies.

In order to enhance the professional quality of employees, the Company encourages professional employees to participate in various qualification examinations, and reimburses part of the relevant expenses. CICC Wealth Management purchased the online courses on the securities investment advisory business which are available to employees of branches, and granted relevant rewards to employees who pass the investment advisory examination.

The Company provides diversified training courses for employees at different levels and development stages. Meantime, the Company has established a digital learning platform and optimized the “online + offline” all-round training mechanism, with a view to building a learning organization and empowering our employees.

New employees	<ul style="list-style-type: none"> As for employees employed via social recruitment, we focused on the required knowledge, integration with the team and professional skills, and designed a learning map in stages to help new employees know of the strategy, culture, business and management red lines of the Company, covering more than 2,500 employees. As for employees employed via campus recruitment, we organized the “Future Star Training Camp” (創未來訓練營), an off-the-job training program, to help the transition of the new CICC baby from the campus to the workplace, covering nearly 600 employees.
Newly promoted employees	<ul style="list-style-type: none"> As for employees newly promoted in 2021, we focused on the role change and improvement of leadership and strategic capacities, provided differentiated and customized online management courses, promoted the seminars on leadership and strategic capacities in stages, covering all newly promoted MD\ED\VP\SA.
Core managerial employees	<ul style="list-style-type: none"> As for over 50 core managerial employees, we carried out a series of agile leadership trainings to promote the effective implementation of the digital strategy and agile culture of the Company and accelerate the achievement of transformation results.
On-the-job employees	<ul style="list-style-type: none"> We launched the CICC open class training program based on the needs of employees, and regularly invited senior employees to give lectures and share experience on topics such as industry hotspots, business knowledge, work skills, and workplace experience, so as to help employees tap into their potentials.

Case: Cultivating internal trainers and enriching training cases

The Company adheres to the concept of “training better talents with outstanding talents”, and encourages outstanding senior employees to participate in talent training. During the Reporting Period, the internal trainer team recommended by departments and trained by the Company was formally established. 36 senior MDs, EDs and VPs participated in the training on case teaching as

internal lecturers, enlarging our trainers pool based on the culture of “professional spirit”. Meantime, we took the lead in collecting and developing special cases from all departments, and formed training cases based on the actual work scenarios of each department, which enriched the case resource pool of the Company and laid the foundation for customized case teaching.

Case: “Leadership for Everyone” training camp to develop the leadership of employees

Leadership is crucial to the long-term development of individual employees. In order to optimize the talent development and develop the systematic and in-depth leadership of employees, the CICC Institute organized the first “Leadership for Everyone” (人人都有領導力) training camp in November 2021. This training camp was themed on “Self-leadership” and lasted for 30 days. The first batch of over 120 trainees have completed 35 online courses, 372 minutes of online course learning, and over 500 discussions and interactions. These trainees achieved the overall breakthrough and transformation from knowing themselves to learning new knowledge, and to actual practices.

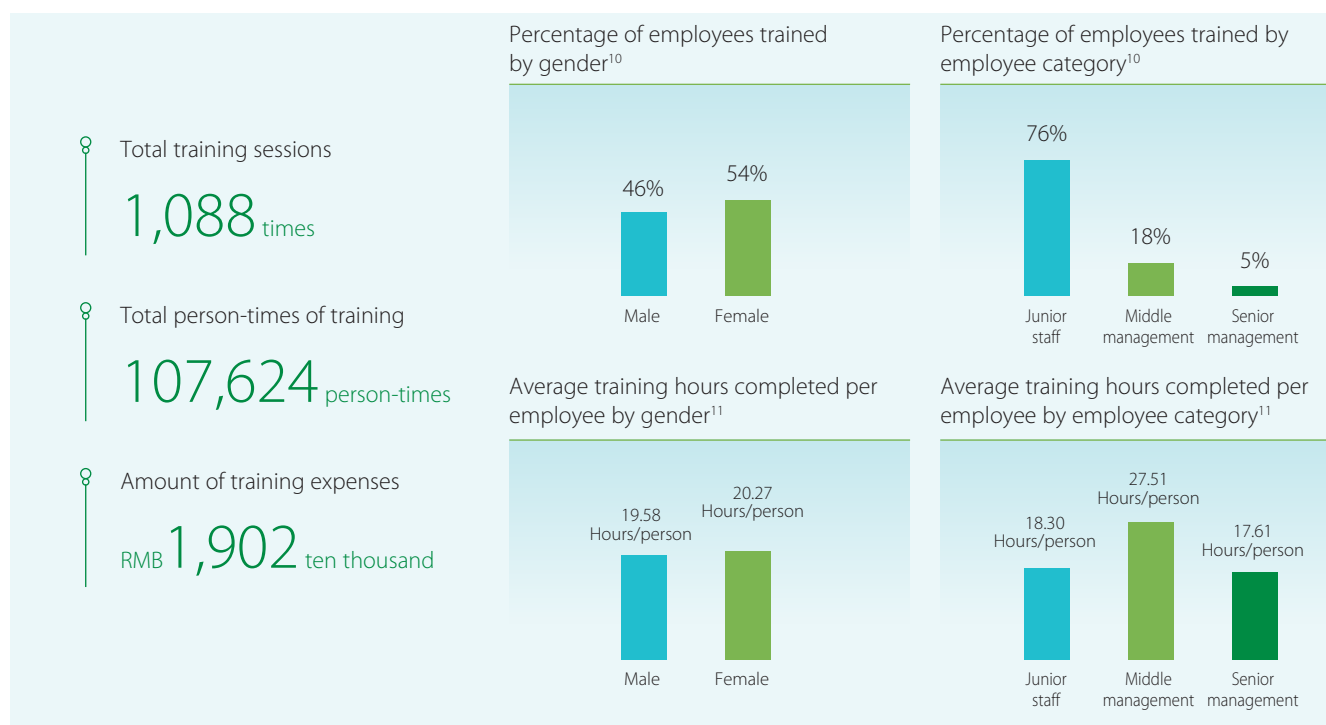
This training camp gave me the opportunity to systematically learn the interpersonal relationship, communication, personality, etc., enabling me to understand the people and things around with a scientific framework and to think about how to better cooperate with them.

– Sun Yunkun, Trainee



This training camp helped me form a right perception of leadership. Leadership lies in actions. I hope I can work with people of the same interest to practice what I have learned in my daily work and life.

– Shi Xinming, Trainee



10 The data includes resigned employees as of December 31, 2021. According to appendix 3 of "How to Prepare an Environmental, Social and Governance Report" published by the Hong Kong Stock Exchange: Society Guidance on Reporting key Performance Indicators (March 2020). In 2021, the calculation method of this indicator will be adjusted to training coverage rate of each type of employee = number of employees receiving training for that type of employee/receiving training the total number of employees.

11 In 2021, due to the increase of the new employee base, new employee training is the main training, and other training does not fully cover new employees; and affected by the epidemic, the total length of training decreased, resulting in per capita training time is down from previous years.

SAFEGUARDING HEALTH AND SAFETY

The Company follows the Measures for the Administration of Occupational Health Examination and other laws and regulations, promotes a harmonious and healthy work and life, cares for female employees, and provides assistance to employees in need, thus continuously enhancing employees' sense of belonging and happiness.

In order to protect the health of our employees to the maximum extent, we regularly organize sports trainings and competitions, and provide green medical registration services. During the Reporting Period, we carried out a series of well-organized health management activities, enabling our employees to relax themselves after work. In addition, we attached great importance to the mental health of our employees, and implemented the CICC "Xinleyuan" Employee Assistance Program (EAP) to provide 7*24h psychological consultation by telephone. Meantime, we held health and psychological lectures from time to time to help employees relieve work pressure.

Under the context of normalized pandemic response, the Company gave first priority to the life and safety of our employees. We have established and improved the daily pandemic response and procedures from seven aspects, namely daily pandemic report, employee health screening, management of on-site office, visitor management, travel management, and vaccination, and have set up an emergency system for pandemic response covering emergency plan, emergency resources, and emergency measures. Our employees implemented the combination of on-site office, home office, shared office, "flexible work system" and "fixed work system". During the Reporting Period, the headquarters and domestic branches of the Company recorded "zero infection".



Picture: Hike to Xiangshan Mountain



Picture: The First "CICC Cup" Three-person Basketball Game

Name of indicator		Unit of indicator	Indicator figure
Number and rate of work-related fatalities occurred in each of the past three years	Number in 2021	person	0
	Rate in 2021	%	0
	Number in 2020	person	0
	Rate in 2020	%	0
	Number in 2019	person	0
	Rate in 2019	%	0
Lost days due to work injury in 2021 ¹²		day	105

¹² The calculation method of this index refers to "Standard for Working days of Accident Injury Loss – GB-T15499-1995".

OPEN AND INCLUSIVE CULTURE

Corporate culture is the soul and the source of soft power of the Company. During the Reporting Period, the Company vigorously carried out the construction of corporate culture, and focused on enhancing the cultural identity of employees, so as to create a talent team with "CICC spirit".

Creating an atmosphere for promoting corporate culture

We carried out an all-round publicity of CICC Culture via multiple media relying on the "Gold in Sand" employee community and the "CICC Culture" Enterprise Wechat. We promoted the cultural concepts and work habits of CICC through the publication of comics, animations, articles and other forms, including videos on historical stories of CICC, 2021 CICC book list, employee stories, reports of sports clubs; actively assisted all departments in promoting the progress of cultural construction on the "CICC Culture" Wechat Official Account; and planed a series of reports on "Voices from Employees" to encourage employees to talk about their understanding and perception of corporate culture.

Learning the corporate culture

We developed courses related to our corporate culture, and organized reading clubs and communication activities, so as to create a sound learning environment. We established the "CICC Reading Club" Enterprise Wechat Group, and operated the "Reading and Learning" section of "Gold in Sand", promoting the interaction and communication in the employee community. We digitized the audio/video, written records and other materials of reading clubs and lectures, and kept such materials in the "Knowledge Library" of Enterprise Wechat for employees to learn and communicate at any time.



Picture: CICC Reading Club



Picture: Corporate Culture Training

06

Giving Back to Society

The Company has always been committed to serving national development and strategies, upholds the charity culture concept of "By the People and For the Nation". While promoting economic development, we capitalized on our professional advantages to actively support the charity cause, promote equal education, carry out voluntary services, and give back to society with sincerity.



Our Performance

♀ We vigorously supported the development of rural revitalization, actively participate in charity and volunteer services, with the total participation of **2,677** person-times

♀ The total time of charity and volunteer activities amounted to **966** hours

♀ The amount of donations to external parties over RMB **42** million

SUPPORT RURAL REVITALIZATION AND SERVE THE NATIONAL STRATEGY

The Company resolutely implemented the decisions and arrangements of the CPC Central Committee, and strengthened the effective connection between the achievements of poverty alleviation and the rural revitalization. We have deepened the assistance in finance, people's livelihood, education, party building and consumption for Huining County of Gansu Province,

Yuexi County of Anhui Province, Guzhang County of Hunan Province, and Kaizhou District and Fengjie County of Chongqing City we've assisted and paired up with. During the Reporting Period, the Company arranged a cadre to assume the temporary post as the first secretary to a village in Huining County of Gansu Province, contributing our share to the rural revitalization work.

Financial assistance

- Implementing the "Comprehensive Insurance for Preventing Returning to Poverty". We contributed RMB2.45 million to purchase the Comprehensive Insurance for Preventing Returning to Poverty for 174,000 people in Huining County (including 169,000 people from registered households and 5,000 people from marginal households), which effectively resolved the personal and property losses of registered households and marginal households arising from accidents, natural disasters, illness, infectious diseases and other factors.
- Continuously promoting "Futures + Insurance". We contributed RMB1.5 million to underwrite for Huining County the 35,000 tons of corn with total area of 60 square kilometres planted by over 9,000 registered households, and over 7,000 beef cattle raised by over 1,400 registered households, so as to effectively avoid the risk of price decline for registered household.

People's livelihood assistance

- Deepening the construction of beautiful village demonstration area. Relying on the cadre assuming temporary post in villages, we optimized the road maintenance, night lighting and sanitation facilities in villages to improve the living environment. We contributed RMB1 million to build the beautiful village demonstration area, providing a sample for subsequent comprehensive implementation of beautiful village strategy.
- Assisting in drought relief. As Huining County experienced a drought disaster with 20-year return period in 2021, we contributed an additional RMB3 million as the special fund for drought relief, helping the local farmer households to tide over difficulties.
- Donating winter supplies. We invested RMB98,000 to carry out the "Warm Winter Actions" and donate grain, oil and materials to all villagers, helping the villagers pass the winter.

Education assistance

- Promoting the "China Reach" program. It promoted the development of language, movement and health of children in mountainous areas of Huining County.
- Assisting in the construction of Kechuang Middle School. We invested RMB17 million to assist in the construction of Kechuang Middle School in Huining County, which provided 1,620 places for local students and solved the education problem of children of migrant workers from remote mountainous areas and students from registered households.
- Building "Dream Center". We signed a cooperation agreement with Shanghai Adream Foundation to introduce assistance funds of RMB800,000 to Huining County and build 8 Adream Centers, bringing high-quality teaching resources from large cities into underdeveloped rural areas.
- Implementing student aid program. We have carried out the "One for One • Passing Love" (一幫一 • 傳遞愛) assistance activity for four consecutive years. We arranged employees/teams of the Company to pair up with poor families in Huining County, and invested RMB200,000 to provide education assistance to 200 excellent students from registered households in Huining County. We donated RMB1 million to provide living subsidies to students from registered households in Guzhang County. We donated RMB1 million to provide subsidies to students in need in Yuexi County.
- Donating books. The Company donated high-quality extracurricular reading materials to the students of Huining Siyuan Experimental School, Guzhang Furong School, Kaizhou Donghua Junior Middle School and Fengjie Yong'an Middle School, to enrich their reading resources.

- | | |
|---------------------------|---|
| Party building assistance | <ul style="list-style-type: none"> - Assisting the construction of Huining Cadre College. We invested RMB2 million to build the main building of the comprehensive education building of Huining Cadre College, promoting the development of red cultural tourism industry in Huining. - Carrying out the construction of village-level Party premises. We used the supplementary Party fees to build and repair Party premises for poor villages in Huining, renovate the education facilities for Party members, and provide subsidies to poor Party members. We invested RMB1.6 million build new village-level Party premises for 8 villages in 8 towns. - Conducting capacity trainings for Party members and cadres. We invested RMB150,000 to strengthen the capacity building of grass-roots Party members and cadres in Huining, conducted Party building training for the village branch of Party committee and the village committee, helping local Party organizations to cultivate backbone talents for rural revitalization. |
| Consumption assistance | <ul style="list-style-type: none"> - We invested RMB9.597 million to carry out consumption and sales assistance, helping the sales of local special agricultural products. We made innovative efforts in the new model of two-way assistance, and purchased agricultural products from the paired areas to distribute to our employees. Baowu Group purchased agricultural products of RMB1 million in Huining County through the mutual purchase model. |
| Talent assistance | <ul style="list-style-type: none"> - We carried out trainings for grass-roots cadres and technicians. We invested RMB350,000 to provide relevant training for leaders, technicians and grass-roots cadres of rural revitalization, covering nearly 5,000 people. |
| Intelligence assistance | <ul style="list-style-type: none"> - The Company actively gave full play to the professional strength of its research team. The team carried out rural revitalization research in 6 counties in 6 provinces, and made top-level design with a focus on how to give full play to regional advantages and improved development effectiveness, and formed 11 high-quality rural revitalization reports to support rural revitalization with tangible actions. |

Case: Participating in the Sponsor Agreement on Promoting Rural Revitalization by the Securities Industry

In October 2021, CICC, as a sponsor, participated in and signed the Sponsor Agreement on Promoting Rural Revitalization by the Securities Industry (《證券行業促進鄉村振興公益行動發起人協議》) with 51 other securities firms. The Company's first phase commitments with amount of RMB30

million will be used to consolidate the poverty alleviation achievements under the "one company for one county" model (一司一縣), and carry out professional services and charity activities to help rural revitalization.

Case: CICC Futures created a new talent training model in Qinghai

CICC Futures insists on the importance of talents in rural revitalization. It created a special elective course on financial derivatives with the School of Economics and Management of Qinghai Normal University, which has been officially launched during the Reporting Period. CICC Futures created a new model of financial talent training in Qinghai through incorporating investor education into

the national education system. In addition, CICC Futures and the School have jointly launched the 4th "Training Program for Futures Talents". In line with the mission of "creating learning and employment opportunities for poor students, and eliminating poverty through learning", 87 students were selected to the training, and 12 students were awarded scholarships.

ACTIVELY PARTICIPATE IN PUBLIC WELFARE AND PRACTICE SOCIAL RESPONSIBILITY

The Company has always been committing to performing the corporate social responsibility, actively participated in social charity activities, and paid attention to education, healthcare and vulnerable groups, so as to promote the normalized development of charity programs.

Establishment of CICC Charity Foundation

The Company was among the first securities firms to establish charity organizations, and exclusively initiated the Beijing CICC Charity Foundation ("CICC Charity Foundation") in 2012. As one of the important platforms for the Company to carry out public benefit activities, CICC Charity Foundation focuses on the fair development of education, environmental improvement, rural revitalization and public welfare culture construction, and has continuously carried out and supported various high-quality projects. Through years of efforts, a series of educational assistance projects covering "gestation, child care, upbringing and education" have been implemented to build a whole-chain assistance system covering all the stages of child development from infant to teenager. In addition, CICC Charity Foundation actively carried out disaster relief and post-disaster reconstruction. In 2021, it participated in flood relief and post-disaster reconstruction in Henan Province and Xixian County, Shanxi Province, and the fight against the COVID-19 outbreak in Guzhang, Hunan Province, etc.

"Rural Doctor Training" Program

Since 2013, the CICC Charity Foundation has continued to fund the "Rural Doctor Training" Program initiated by the Tibet Maternal-infant Health Care Association, a charity partner of the CICC Charity Foundation for a long-term. The Program is committed to enhancing the medical skills of rural medical workers and the awareness of maternal-infant health care of farmers and herdsmen in remote areas, so as to effectively prevent and reduce birth defects and improve the quality of newborn population. As of 2021, the Program has offered a total of 77 rural doctor training sessions, with a cumulative participation of approximately 3,800 medical workers at village level, of which more than 50% are village doctors from remote rural and pastoral areas. Medical workers participating in such trainings have successfully delivered over 5,500 babies.

Meantime, the Program has also provided in-depth support in remote villages every year through health education and publicity activities and charity medical diagnosis at the grassroots level to bring benefits to the local people.



Picture: Training for Rural Doctors in Shannan Village

“China Reach” Early Childcare Program

The CICC Charity Foundation conducted the “China Reach” Early Childcare Program together with China Development Research Foundation. We will continue to support the “China Reach” project in Tibet, Hunan and Gansu, to change the current situation of malnutrition and lack of basic and early family upbringing of infants and young children in underdeveloped areas, promote the early development of infants and young children, so that they grow healthily in the “first mile” of child care.



Picture: “China Reach” Early Childcare Program in Nimu County

Region	Achievements (by the end of 2021)
6 towns and 48 administrative villages in Guzhang County of Hunan Province	Benefiting 1,296 children and providing 30 employment opportunities.
8 townships and 2 towns in Nimu County of Tibet Autonomous Region	Benefiting 1,369 children and providing 84 employment opportunities.
The Senburi relocation site (for immigrants from high-altitude areas) in Shannan City, Tibet Autonomous Region	Benefiting 90 children and providing 9 employment opportunities.
Huining County of Gansu Province	Benefiting 1,664 children and providing 67 employment opportunities.

Village Early Education Center

CICC Charity Foundation cooperated with China Development Research Foundation in continuously funding the “Program for Kindergartens in Mountain Villages” to support preschool education and remediate the shortcomings of preschool education in underdeveloped areas. As of September 2017, the CICC Charity Foundation has provided a cumulative amount of approximately RMB7 million to establish over 70 kindergartens in mountain villages of Guzhang County, Hunan Province, providing early education opportunities for nearly 6,000 preschool children aged 3 to 6. The program was successfully handed over to the local government in 2017, and the CICC established the “Development Fund for Volunteer Teachers in Mountain Village Kindergartens” in Guzhang County. By the end of 2021, the Fund has offered 15 trainings of various types for volunteer teachers with participation of more than 1,000 person-times. Through those trainings, helping 12 volunteers obtain higher academic qualifications and 10 volunteers obtain professional qualifications in early education, further consolidating the teacher teams in mountain villages.

Case: Participating in establishment of China Children Development Fund

CICC, as an initiator, initiated the establishment of China Children Development Fund, together with the China Development Research Foundation and 9 domestic and foreign companies. In line with the mission of “A Bright Start for Every Child”, the Fund is committed to promoting equal baseline, start and opportunity of every children in terms of education, health and parenting and securing the equal development of children in all growth stages, especially those from low-income families.

CICC Teacher Development Fund

Dandelion Middle School in Daxing, Beijing is the first private non-profit school in Beijing established in 2005 for migrant children for public welfare purposes. The Company has set up the “CICC Teacher Development Fund” since the establishment of the school, aiming to improve school conditions, commend outstanding teachers, provide teacher trainings on education and teaching skills, and assist volunteer teaching activities. By 2021, among the faculty members of the Dandelion Middle School, there were a total of 516 winners of the CICC Excellent Faculty Award.

BUILDING A VOLUNTEER PLATFORM

The Company promotes the public welfare culture featured by “everyone participates in and contributes to the charity cause for everyone”, and encourages our employees to actively participate in volunteer services. During the Reporting Period, the Company focused on the construction of volunteer services system, established the CICC Charity Volunteer Team (中金公益愛心同行志願團), and launched the management platform of CICC charity volunteers to provide management services for volunteer activities.

The “Charity Contribution Award” was awarded annually to outstanding teams and individuals in terms of social welfare on a regular basis, which aims to uphold the spirit of volunteer activities.

During the Reporting Period, the Company organized employee volunteer services themed on “Community Activities”, “Stepping into Rural Areas/Schools” and environmental protection, including “CICC Tree Planting Season” public benefit and fitness walking, books donation, charity sales, and anti-epidemic/natural disaster relief donations. We organized various volunteer activities, including volunteer teacher, charity summer camp, “First Class in School”, and community activities relating to financial security (healthcare), with a view to encouraging and pooling CICC volunteers to form a public welfare synergy.

Figures in 2021

Number of charity and volunteer activities

18 times

Number of participants in charity and volunteer activities

2,677 person-times

Time of charity and volunteer activities

966 hours

The amount of donations to external parties over

RMB 42 million



Picture: Volunteers teach a quality education course themed on “First Class in School” in Beijing Dandelion Middle School

Appendix: ESG Index

No.	Indicator Description	Page of Disclosure
A1 Emissions	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p>Note: Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.</p> <p>Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</p> <p>Hazardous wastes are those defined by national regulations.</p>	P21
A1.1	The types of emissions and respective emissions data.	P25
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P25
A1.3	Total hazardous waste produced (in weight or volume) and, where appropriate, intensity (e.g. per unit of production volume, per facility, per official employee).	P25
A1.4	Total non-hazardous waste produced (in weight or volume) and, where appropriate, intensity (e.g. per unit of production volume, per facility, per official employee).	P25
A1.5	Description of emissions target(s) set and steps taken to achieve them.	P19, P21-24
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P19, P21-24
A2 Use of Resources	<p>General Disclosure</p> <p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	P21-25
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	P25
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P25
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P20-21
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P20-21
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A

No.	Indicator Description	Page of Disclosure
A3 The Environment and Natural Resources	<p>General Disclosure</p> <p>Policies on minimising the issuer's significant impacts on the environment and natural resources.</p> <p>A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.</p>	<p>Based on the nature of office business of the Company, our operation mainly involves the emissions and resource consumption other than any significant impact on the environment and natural resources; our business activities mainly involve green financial products and services (P27-P30) which have a positive impact on the environment and natural resources.</p>
A4 Climate Change	<p>General Disclosure:</p> <p>Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.</p> <p>A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.</p>	<p>P19-20</p> <p>P13, P21-23, P29-41</p>
B1 Employment	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p> <p>B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.</p> <p>B1.2 Employee turnover rate by gender, age group and geographical region.</p>	<p>P47-48</p> <p>P45</p> <p>P45</p>

No.	Indicator Description	Page of Disclosure
B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P48
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P48
	B2.2 Lost days due to work injury.	P48
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P48
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	P46-47
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P47
	B3.2 The average training hours completed per employee by gender and employee category.	P47
B4 Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P44
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	P44
	B4.2 Description of steps taken to eliminate such practices when discovered.	P44
B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	P17
	B5.1 Number of suppliers by geographical region.	P17
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P17
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P17
	B 5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P17

No.	Indicator Description	Page of Disclosure
B6 Product Responsibility	General Disclosure	
	Information on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P38-42
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
	B6.2 Number of products and service related complaints received and how they are dealt with.	P42
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	P40
B7 Anti-corruption	B6.4 Description of quality assurance process and recall procedures.	N/A
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P40
	General Disclosure	
	Information on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P13-15
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	P13
B8 Community Investment	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P13-15
	B7.3 Description of anti-corruption training provided to directors and staff.	P13-15
	General Disclosure	
B8 Community Investment	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P51
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P51-55
	B8.2 Resources contributed (e.g. money or time) to the focus area.	P51-55



Design and Production by: Toppan Merrill Limited
Website: <https://toppanmerrill.com>