



国家开发银行
CHINA DEVELOPMENT BANK



Global Compact
LEAD
2020 PARTICIPANT



SUSTAINABILITY REPORT 2020

Bank Profile

Established in 1994, the China Development Bank (hereinafter referred to as CDB or we) is a state-funded and state-owned development finance institution (DFI). As an independent legal entity directly overseen by the State Council, it is dedicated to supporting China's economic development in key industries and under-developed sectors.

To anchor its mission of supporting national development and delivering a better life for the people, CDB aligns its business focus with China's major medium- and long-term economic development strategies. Leveraging its strength as a leading bank for medium- and long-term financing and comprehensive financial services, it mobilises economic resources and channels them towards eight key areas:

- Socioeconomic development, such as infrastructure, basic industries, pillar industries, public services and management;
- Urbanisation, urban-rural integration and balanced regional development;
- Programmes essential for national competitiveness, including the transformation, upgrading, and restructuring of traditional industries, energy conservation, environmental protection, and advanced equipment manufacturing;
- Public welfare, including affordable housing, poverty alleviation, student loans, and inclusive finance;
- Areas of strategic importance, including science and technology, culture, and people-to-people exchange;
- The Belt and Road Initiative (BRI) and other international cooperation programmes in industrial capacity, equipment manufacturing, infrastructure connectivity, energy and resources, and for Chinese enterprises to "go global";
- Initiatives in support of development and economic and financial reforms;
- Other areas encouraged by national development strategies and policies.

Placing a strong premium on reform and innovation and tapping into its strengths as a DFI, CDB keeps closely to national development strategies, operates on market principles with the backing of sovereign credit, and ensures principal safety and modest profitability. Its vigor, influence and risk resilience has been growing continuously, putting it on track to be a world-class DFI and a steady force of support for China's economic and social development.

Contents

2	Chairman's Review	12	Support a New Development Paradigm
		14	Infrastructure Development
		16	New Areas of Growth
		17	Coordinated and Balanced Development between Regions
		21	Green and Low-carbon Development
		25	Economic Openness
4	President's Report	28	Create a Better Life
		30	Promote Synergy between Poverty Reduction and Rural Invigoration
		34	Build Liveable Cities
		36	Energise Private Businesses
		37	Improve People's Wellbeing
6	Special Topic	40	Support Pandemic Control
	Promoting National Development with Development Finance during the 13th Five-year Period	46	Win-win Cooperation
		48	Improve Services for Clients
		49	Staff Care
		53	Charity Programmes
8	Sustainable Development Philosophy and Management		
12	Sustainable Development Practices		
57	Outlook		
58	Appendices		

Chairman's Review

The year 2020 marks the completion of the 13th five-year plan and the beginning of the United Nations' decade of action for sustainable development goals. While the global environment was complex and challenging, CDB followed closely the strong leadership of the CPC Central Committee with Comrade Xi Jinping at the core, stuck to its general approach of seeking progress on top of stability, and made targeted efforts to buttress the real economy, especially the goal of advancing stability on six fronts and security in six areas ("double-six goals"), living up fully to its mission as a DFI.

In this year, CDB followed the CPC's leadership to stay on the right course as circumstances changed dramatically at home and abroad. Guided by the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, CDB kept firmly in mind the need to maintain political integrity, think in big-picture terms, follow the leadership core, and keep in alignment. We strengthened our confidence in the path, theory, system, and culture of socialism with Chinese characteristics. We resolutely upheld General Secretary Xi Jinping's core position on the Party Central Committee and in the Party as a whole, and resolutely uphold the Party Central Committee's authority and its centralised, unified leadership. In an enhanced effort in political development, we put in place stronger mechanisms for implementing the important instructions of General Secretary Xi Jinping and the plans of the CPC Central Committee and built on the progress we made during the campaign to renew the Party's commitment to its founding mission. We brought out stronger courage and sense of mission from the staff and fostered integrity, honesty and professionalism. We countered corruption with full strength and continued to take action on the CPC's eight-point rule to address empty formalities and bureaucratism. Our sustained effort delivered marked progress in the political aspect of CDB.

In the past year, CDB acted with a strong sense of responsibility in giving full support to the "double-six goals". To promote pandemic control and economic reopening, we granted RMB468.1 billion in special loans to over 1,100 enterprises for the resumption of their business activities. In a targeted way, we stepped up lending at lower rates to help cut business costs. We leveled up RMB loans by one trillion over the year to increase effective investment, support the vulnerable areas in infrastructure to cement the foundation for growth, encourage advanced manufacturing and the transformation of conventional manufacturing to strengthen the nation's industrial capacity and modern industrial chain, and support the implementation of flagship regional development strategies to promote balanced development. To steady foreign trade and outbound investment, CDB scaled up support for infrastructure connectivity, production capacity, and livelihood projects in partner countries, boosting their defense against the pandemic and improving local economies, industries and lives.

In the past year, we provided intellectual as well as financial support for the three campaigns against major risks, poverty, and pollution, which have been identified as being critical to a moderately prosperous society. On fighting poverty, we drew up tailored financial services plans for each of the 52 counties on the national poverty list, leveraged market capital and introduced new models to support value-added industries, provision of daily necessities, compulsory education, basic

health care, and housing in rural areas so that more people could enjoy the benefits of development. On treating pollution, especially the pollution of air, water, and soil, we targeted such areas as ecological preservation, energy efficiency and emissions reduction, and climate change, contributing to the transition towards green development and improvement of the ecological environment. On risk prevention and mitigation, we basically removed existing risks and put potential risks under control after three years of dedicated efforts, strengthened risk management mechanisms, developed better tools, and intensified monitoring and prevention in key areas, which further enhanced the foundation for sustainable development.

In the past year, we deepened internal reforms to modernise our corporate governance system and strengthen capacity so as to achieve quality growth. We refined our internal governance and management by strengthening the Party's leadership over corporate governance and establishing a governance mechanism featuring clear powers and responsibilities, efficient coordination and internal checks and balance, which translated into better business performance. We moved forward strategic planning by aligning ourselves with the 14th five-year plan and the state's vision for 2035 and produced holistic plans that focus on the key subjects of development. We continued to reform our system and mechanisms, such as creating special approval procedures, category-based authorisation and three-tiered credit line management for comprehensive credit review and extension; adaptive changes to the structures of the headquarters to ensure market-oriented operation and management; and centralised management of international business by the headquarters.

In 2021, we come to the starting point of the 14th five-year plan and the journey to build a modern socialist country. At this historical juncture, CDB will keep abreast of the new development stage and philosophy, and increase support for the key areas and strategies identified by the government and vulnerable economic and social sectors to contribute to a good start of the 14th five-year plan and a festive 100th anniversary of the founding of the CPC.

President's Report

In 2020, an extraordinary year in the history of the People's Republic of China, CDB conscientiously implemented the decisions of the CPC Central Committee and the State Council and remained committed to acting in the interest of the country. It gave strong support to fighting the coronavirus pandemic and promoting economic and social progress and strengthened its own management, successfully withstanding the tests of Covid-19. By the end of 2020, CDB's total asset stood at RMB17.1 trillion, net profit RMB118.8 billion, capital adequacy ratio 12.03%, and NPL ratio 0.79%.

Fighting the coronavirus pandemic and reopening businesses. CDB promptly created emergency financing schemes and adopted more than 110 measures for defeating the pandemic, resuming business activities, and bringing Hubei to recovery. RMB31.5 billion emergency loans were granted to the leading enterprises on the first line of defense; an RMB13.5 billion special anti-pandemic bond was issued; an RMB10 billion working capital loan for spring farming preparation was created and fully disbursed to support the production of agricultural supplies and the business vigor of agricultural distribution companies; RMB5.7 billion for spring farming were granted through on-lending to protect steady supply of rice and vegetables.

Supporting state priorities. CDB channeled its development finance resources towards the real economy with remarkable efficiency. It promoted effective investment to increase support for flagships programmes with national, industry-wide, and regional significance. It issued RMB1.8 trillion loans to modern infrastructure, modern urbanisation, and major projects. To support the priority industries, CDB leveraged medium- and long-term financing to enhance the fundamentals of industries and the modern industrial chains, granting RMB265.9 billion such loans to the manufacturing sector over the year. To support the priority geographical areas, CDB established working mechanisms for promoting state strategies for the Yangtze River Economic Belt, Beijing-Tianjin-Hebei Integration, old industrial bases in northeast China, Guangdong-Hong Kong-Macao Greater Bay Area, the Yangtze River Delta, Hainan Free Trade Area, and the Yellow River Basin. To serve priority clients, which include the SOEs under the direct oversight of the central government, CDB consistently put clients at the center, actively engaging priority clients through enhanced strategic cooperation at the highest corporate levels and supporting them in leading the national charge of stimulating domestic demand.

Raising living standards. We granted RMB244.5 billion in loans to support targeted poverty relief programmes in 2020, giving priority to the counties and villages on the national poverty list and consolidating the gains made against poverty. We also granted RMB60.4 billion in loans to support targeted poverty relief in the deeply impoverished regions in Tibet, Qinghai, Sichuan, Gansu, Yunnan, and Xinjiang, with optimized credit policies, loan pricing, approval processes, resource allocation and service modalities. We financed urban renewal and government subsidised housing programmes. We promoted the conversion of resources into assets and capital with market-based financing models and a strategic vision

that takes into account the situations in China and beyond, especially the fight against Covid-19. We increased the amount and coverage of on-lending and lowered their costs for small and micro businesses.

Supporting green and low-carbon development. Acting on our responsible financing principle, we contributed towards carbon peaking and neutrality. Focusing on sewage and waste treatment in counties and water pollution control in major river basins, we promoted the pilot programme of ecological value compensation, environmental cleanup and ecological rehabilitation in important geographical areas to tackle pollution. We issued our first RMB10 billion special "Bond Connect" green finance bond on climate change to offer more green finance products. By the end of 2020, CDB had RMB2.3 trillion in its balance of green loans, leading China's banking industry.

Strengthening management capacity. We employed a combination of tools to eliminate existing risks. We strengthened overall risk management with deepened reforms to the comprehensive credit extension and review system and enhanced risk awareness across the group. We centralised management of the risk appetite strategy, moving forward with reforms of the risk management system, credit management procedures, and group client management system. In an effort to efficiently raise large amounts of long-term funds at a lower cost, CDB issued RMB2.38 trillion financial bonds over the year, which was an historic amount and at the lowest cost in 15 years. Corporate management was consistently improved and refined, with financial resources managed in a more centralised manner to strike a good balance between supporting state strategies, managing risks, and achieving financial sustainability.

As we look back on the tough challenges we have been able to overcome, we are more confident to press ahead from a new starting point with even greater courage and determination to help secure a good beginning of the 14th five-year period and a joyous 100th anniversary of the founding of the CPC.



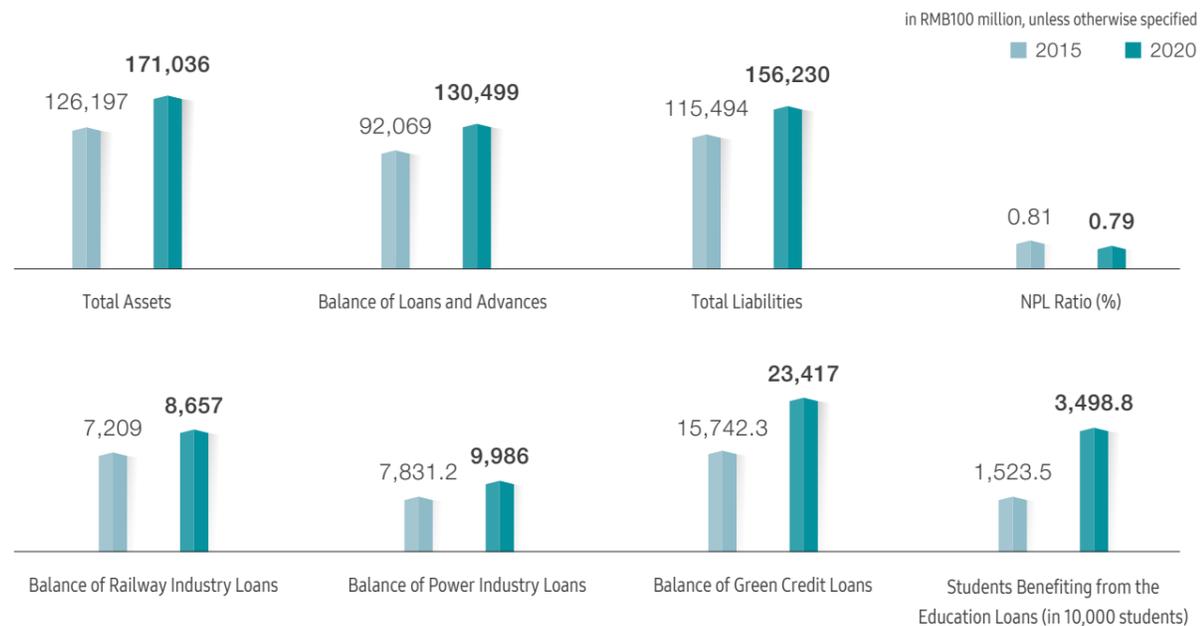
Special Topic Promoting National Development with Development Finance during the 13th Five-year Period

The 13th five-year plan is designed to achieve the goal of building a moderately prosperous society and China's first centenary goal. In the five years, CDB honored its mission of enhancing national competitiveness and improving people's livelihood, practiced the new development philosophy of promoting innovative, coordinated, green, open, and shared development, contributing notably to the various development goals set for the 13th five-year period.

In the past five years, CDB enhanced support for priority sectors and projects, especially innovation and modern manufacturing, to strengthen industrial fundamentals and advanced industrial chains. CDB dedicated resources to lifting living standards, eradicating poverty, and the renovation of shanty towns and other affordable housing projects. CDB was a key supporter of major regional development strategies, including Beijing-Tianjin-Hebei Integration, Yangtze River Delta Development, old industrial bases in the northeast, Guangdong-Hong Kong-Macao Greater Bay Area, Yangtze River Economic Belt, Hainan Free Trade Area, and Yellow River Basin. CDB made strong efforts to develop green finance and treat pollution to uphold its value of responsible financing. CDB supported the quality development of the BRI, respecting the principle of consultation, contribution, and shared benefits as well as standard international practices and market rules. CDB took proactive steps to support pandemic control and economic recovery in the face of the Covid-19 pandemic.

In the past five years, CDB consistently deepened reform and innovation to make its governance system more modern and efficient, more resilient against risks, and better able to deliver sustainable corporate growth. We established a deeper appreciation of the fundamental importance of the CPC's centralised and unified leadership to the CDB in going in the right direction in its reform and growth. Development finance must support the key areas identified in state strategies, engage in in-depth reform and innovation for continued vigor, protect asset safety and effectively manage risks for its own quality growth, and build a strong team to cope with the challenges ahead.

As we bid farewell to the fleeting five years, we are excited to embrace a new stretch of the journey. Encouraged by the blueprint drawn up at the fifth plenary session of the 19th CPC Central Committee to become a modern socialist country in 2035, CDB will devote itself to the new paradigm development by implementing the new development concept, adopting a systematic approach, and enhancing its professional capacity, sticking to the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as the ultimate guide. CDB is poised to contribute to a good start of the 14th five-year period and healthy development of the economy and society.



Sustainable Development Philosophy and Management

» Mission

CDB's mission is to enhance national competitiveness and improve people's livelihood. In the new era, CDB will concentrate on promoting China's quality development by implementing the new development philosophy, promoting the new development paradigm, and addressing

imbalances and insufficiency in development, which are the inherent goals of CDB as a DFI, and will endeavor in making China strong and the goals of building a modern socialist country.

» Management of Responsibilities

» Leadership of the CPC

CDB is committed to building itself into an institution up to the expectations of the CPC and the public by earnestly implementing the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and following closely the CPC's leadership.

Strengthen political guidance. Giving top priority to this aspect of development, CDB put in place mechanisms for implementing the important instructions of General Secretary Xi Jinping and the decisions of the CPC Central Committee. Political standards and requirements were observed in all aspects of Party building. All Party members in the CDB were able to maintain political integrity, think in big-picture terms, follow the leadership core, and keep in alignment with the central Party leadership; stay confident in the path, theory, system, and culture of socialism with Chinese characteristics; and uphold General Secretary Xi Jinping's core position on the Party Central Committee and in the Party as a whole, and uphold the Party Central Committee's authority and its centralised, unified leadership.

Theoretical learning. To better grasp the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the CPC Committee in the CDB convened 39 meetings and 17 learning sessions of the central leading group over the year, studying theories under 80 topics. With the introduction of the *CDB Plan of Action for Consolidating Gains of Education Campaign "Staying True to Founding Mission"*, CDB carried out learning, investigation, research, and problem detection and correction on a permanent basis.

Accountability in strengthening Party discipline. CDB formulated two working documents, i.e. *List of Responsibilities of CDB CPC Committee*

in Enforcing Party Discipline and Methods of Implementation for Evaluation of CPC Secretaries in Primary Structure Management, setting out responsibilities and putting the emphasis on action. Two rounds of checks were conducted after the CPC Central Committee inspected the work of the CDB and another two internal examinations were carried out. A centralised coordination mechanism was created for addressing the issues identified across CDB in its main areas of business; and inspections were conducted in a way that enhanced supervision and public scrutiny.

Political integrity. In further implementing the eight-point rule of the CPC Central Committee on improving conduct, CDB stepped up the fight against formalism and bureaucratism. Its measures included special meetings of the CDB CPC Committee, meetings for soliciting opinions, and educating members through cases of discipline violations. Intensive efforts were made for using these cases to raise awareness, prompt action, and enhance corporate governance. CDB put in place the "four integrity" policy to restrain and supervise the use of power.

Human resources management. CDB established the right principles and procedures for evaluating cadres, giving special attention to their performance in completing the critical jobs. Officials are evaluated on their loyalty to Party values, professional performance, and popular support, which informed decisions on promotion, grooming, and regulation and inoculated a greater sense of responsibility and motivation.

» Enhance Corporate Governance

Keen to integrate the CPC's leadership into every aspect of its corporate governance, CDB established a governance mechanism featuring clear and law-mandated powers and responsibilities, efficient coordination, and effective checks and balance, which further modernised its governance structure and capacity.

Rules-Based Corporate Governance

Strengthen the corporate governance structure. In line with relevant laws, regulations, the CDB Articles of Association, and various rules of decision-making, CDB continuously improved its governance structure and efficiency and strengthened its management capacity. In 2020, the Board of Directors rose up to the challenges at home and abroad and leveraged medium- and long-term financial resources for the strategic goals and policy targets of the government. The board held 10 meetings, at which it adopted 52 proposals. All committees under the Board of Directors were assigned clearly defined responsibilities and discharged their duties mandated by the board, adopting 53 proposals in 32 meetings. Democracy was promoted in management, with the CDB's workers' congress playing an active role in ensuring the right of staff members to access information, participate in governance, express views and exercise scrutiny.

Operationalise governance rules. Proposals and reports were made to the Board in accordance with the *Guidelines on Implementing the Articles of Association and the Regulatory Measures and Establishing Standing Mechanisms* to enable the board to work in a more forward-looking manner. Arrangements were made for special reports to be delivered to the board, which covered 10 topics, such as strategic development, transition of development models, and support for the "double-six goals". Mechanisms were strengthened for submitting reports to the board, implementing their guidance, and providing feedback as well as routine reports and communication, which improved corporate governance and business management.

Business Management Capacity Steadily Strengthened

Formulate strategies. CDB conducted in-depth research into the fundamental, strategic and overarching issues and aligned itself with the 14th five-year plan in formulating its development strategy to identify ways to better deliver state strategies and its own growth targets.

Deepen reform and innovation. CDB deepened reform of comprehensive credit extension and review systems. In response to market dynamics and keeping the special features of development

finance institutions, CDB improved its credit extension quota system and streamlined the procedures. Reforms of its international business saw the headquarters directly involved in some parts of the business. CDB optimised its credit management procedures to make it more rules-based, professional, standardised, sophisticated and efficient. Subsidiaries continued to undergo reforms, such as establishment of centralised decision-making in equity investment to enhance strategic coordination with the headquarters.

Improve operational efficiency and impact. CDB mobilised considerable amounts of long-term funds at low costs in an efficient way, keeping the whole group well-funded. Innovative bond products were issued to support national priorities, such as pandemic-control, poverty alleviation, and balanced regional development. Centralised management of the group and budget was enhanced to enable financial analysis figure more prominently in decision-making and in striking a good balance between promoting national strategies, managing risks and maintaining financial sustainability. In ensuring operational safety, CDB realised the goal of zero accident and zero loss in funds. Digitalisation was advanced. Good progress was made in developing a new generation system for core business, putting the group in a stronger position to apply IT for the benefit of business growth and decision-making.

» Improve Risk Management

Placing a high premium on implementing the instructions of the CPC Central Committee and State Council on preventing and mitigating major risks, CDB made solid progress in eliminating existing risks. Since the launch of the campaign three years ago, CDB had basically removed existing risks, put potential risks under strong control and heightened risk awareness across the bank, cementing the foundation for its sustained and healthy growth. At the end of 2020, CDB's NPL ratio was 0.79%.

Strengthen Comprehensive Risk Management

CDB created a system in which the risk management structure is clear, procedures are complete, tools are effective, and oversight is strong, strengthening its position in dealing with risks in a proactive way. Group-wide risk assessment was carried out to develop a good understanding of the main categories of risks and potential problems and design corresponding measures. A centralised risk management system was strengthened with the introduction of *CDB 2020 Risk Appetite Statement*, which outlined the goals and strategies for managing overall risks and various categories of risks. Consolidated management was enhanced to fully gauge the risks facing CDB at



three levels, i.e. the group, headquarters, and subsidiaries. Centralised decision-making was promoted in formulating risk strategies, standards, and appetite at the group level.

Risk Management in Priority Areas

CDB instituted measures to continuously update its procedures and mechanism for credit management to clearly define responsibilities and establish full procedures that operate smoothly and efficiently and balance against one another. CDB enhanced risk detection and early warning with reinforced mechanisms and intensified efforts in key areas by evaluating credit risks in its subsidiaries on a monthly basis and drawing up plans for risky clients identified in the exercise. CDB strengthened country risk management with "one country, one policy" as the binding principle for various steps in lending, investment, programming, and post-loan management. CDB targeted concentration risks associated with countries, industries, and clients to keep a firm grip on the total exposure and increase of risks.

Step up Risk Mitigation

CDB clearly defined risk mitigation goals for the year, which put the focus on the key programmes, demanding well-designed timelines, roadmaps, and specific persons in charge. Weekly adjustments and monthly reporting were carried out. The internal monitoring and performance evaluation system in risk mitigation was improved to make sure relevant personnel were clear about their responsibilities. Good progress was made in mitigating and removing risks in major programmes.

Enhance Internal Control and Compliance Management

CDB optimised its authorisation management structure, especially for differentiated authorisation and dynamic adjustments. Subsidiaries made flexible changes to basic authorisation to develop a closed loop encompassing the scope of authorisation, performance evaluation, and internal control evaluation indicators. These indicators were redesigned and on-site and offsite evaluation carried out to cover all lines of business and all subsidiaries. CDB improved compliance management structures and procedures and took actions under the permanent mechanism to tackle internal challenges. Follow-up checks were conducted to ascertain progress in addressing problems identified in the reviews in the past five years, which ensured continued improvements.

Enhanced Supervision through Auditing

CDB took speedy actions in the follow-up audit of emergency loans for pandemic-control purposes and completed the auditing of loans for business reopening so as to translate the policies of the CPC Central Committee and State Council actions and impacts on the ground. CDB continued the auditing of poverty-reduction loans to ensure good progress in the national fight against poverty. CDB carried out credit auditing to mitigate significant risks and auditing of the economic responsibilities of officials to regulate the use of power. CDB engaged in special reforms of internal auditing, strengthened the leadership mechanism of internal auditing to centralise management, and restructured the setup and functions of audit organs. The IT system for auditing was enhanced and off-site auditing promoted for greater efficiency and impact.

» Promote Stakeholder Participation

CDB values and responds to the aspirations of various stakeholders through enhanced communication and participation to honor its obligations to these parties.

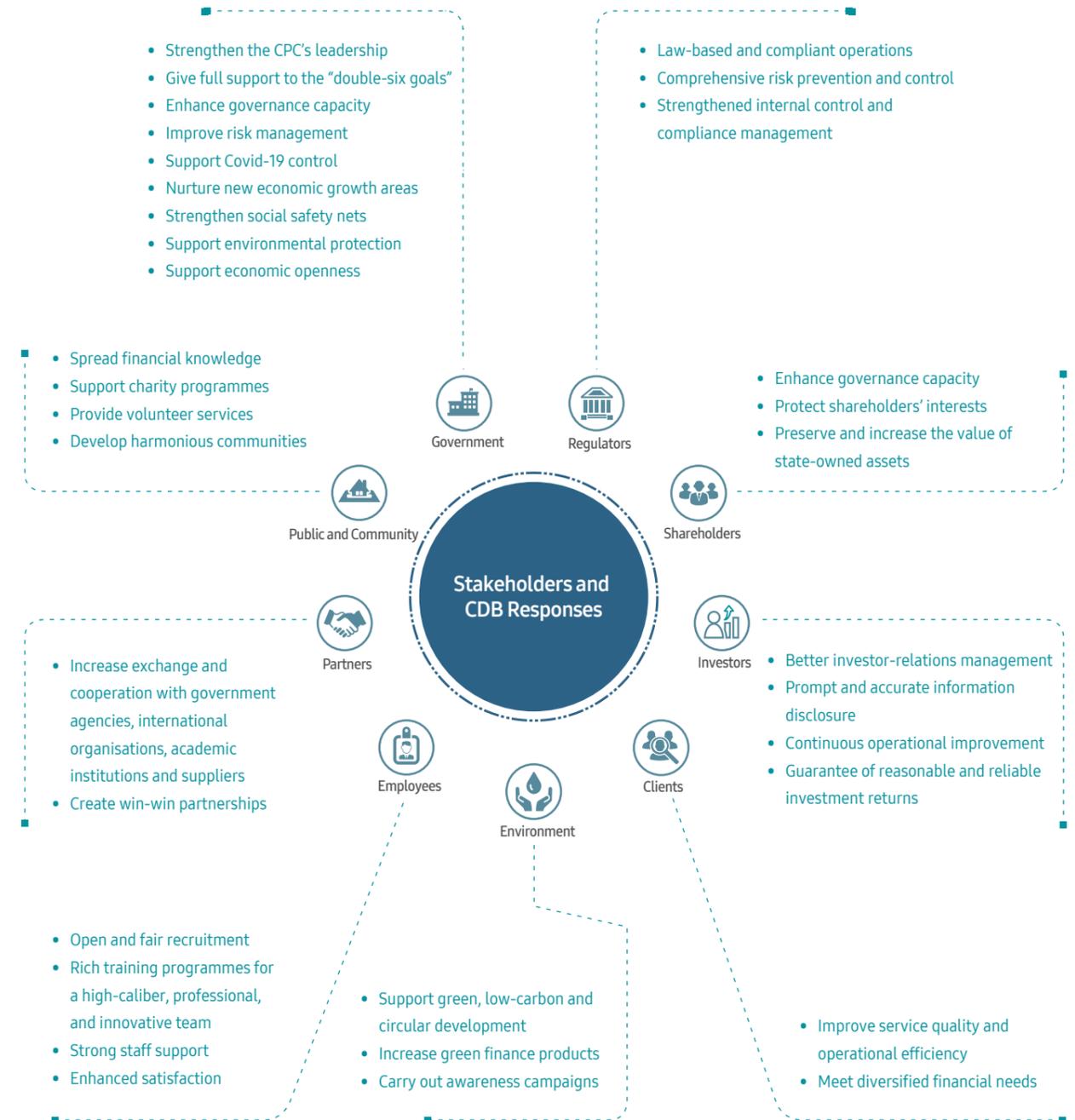
Increase Exchange and Cooperation

CDB enhanced communication and exchange with Chinese and foreign organisations, such as the United Nations Global Compact (UNGC) and China Banking Association, in the field of social responsibility, discussing measures for the implementation of the UN 2030 Agenda for Sustainable Development.

CDB participated in the UNGC's 2020 Chinese business summit on SDGs, where it shared its approach and practices in using development finance to promote a community of shared interests, responsibilities and future under the BRI in line with the principles of extensive consultation, joint contribution, and shared benefits.

More Information Disclosure

Information disclosure through multiple channels, such as CDB official website, WeChat and Weibo, and enhanced communication with shareholders, regulators, investors, industry associations, international organisations, and industry peers, which contributed to operational transparency.



Support a New Development Paradigm



2020

Infrastructure

RMB **138.2** billion railway loans

RMB **551.9** billion road loans

RMB **213.6** billion power loans, including

RMB **148.4** billion clean energy loans

RMB **242.5** billion urban rail transit loans

RMB **55.3** billion modern infrastructure loans

Industrial Growth and Innovation

RMB **265.9** billion medium- and long-term loans to manufacturing

Created a new model of cooperation for the manufacturing sector, signing agreements worth

RMB **11.6** billion

Balanced Regional Development

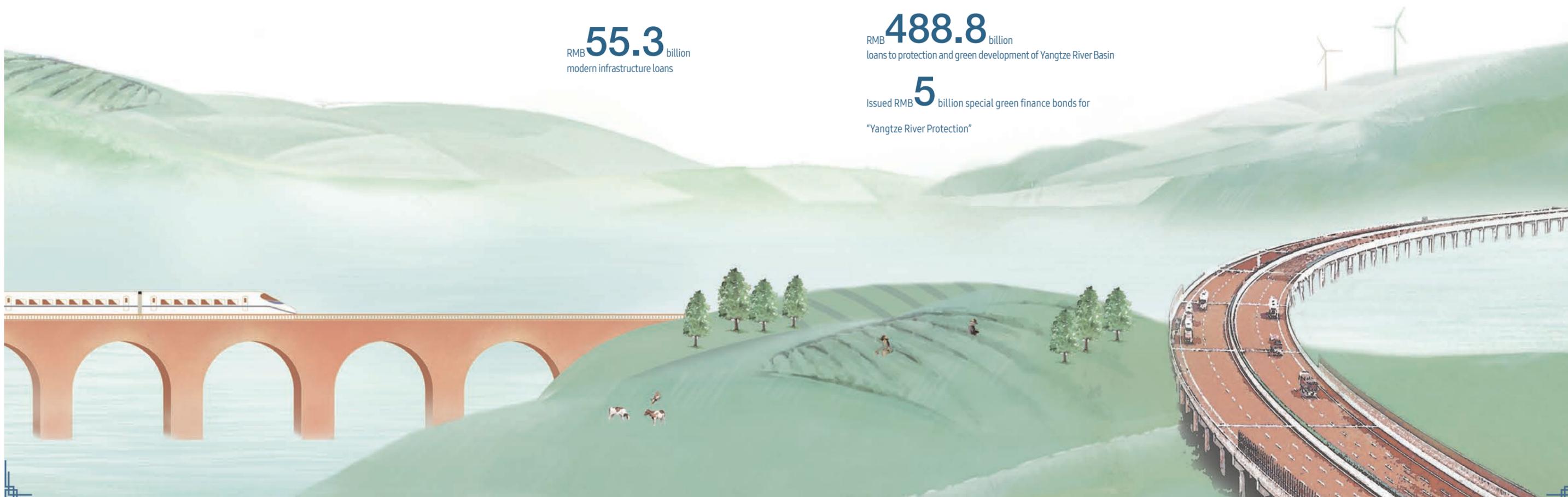
RMB **488.8** billion loans to protection and green development of Yangtze River Basin

Issued RMB **5** billion special green finance bonds for "Yangtze River Protection"

Green Finance

RMB **606.2** billion green industry loans

RMB **15** billion green financial bonds



Infrastructure Development

In 2020, CDB consistently supported such key areas as railways, roads, and urban rails and paid special attention to modern infrastructure, such as IT, converged infrastructure and infrastructure for innovation to develop a modern infrastructure system in China.

Actions: Multiple Measures for Infrastructure Development

Transport

- Construction of “Eight Vertical and Eight Horizontal” high-speed railway network, regional connection lines, urban rails in economically advanced regions, and inter-city rail links.
- Regional connectivity through Beijing-Tianjin-Hebei Integration, “four horizontal and three vertical” transport arteries in Xiongan New Area, and all-purpose and multi-dimensional transport corridor along the Yangtze River Economic Belt.
- More than 60 urban rail projects in 24 cities, such as Shenzhen, Suzhou, Chengdu, Xi’an.
- Development of all-purpose transport corridors through construction, relocation and expansion of regional airport hubs.

Power

- Inter-region and inter-province power transmission corridors and power auxiliary projects for stable electricity supply.
- Nuclear power, pumped-storage hydroelectricity, and waste-to-energy to cut costs and lift efficiency in power generation from new energy.

Water Projects

- Major water diversion projects to address shortages in particular regions, enhance overall water environment, and bolster reliable water supply for important economic belts and city clusters.
- Embankment reinforcement, sediment dredging, and treatment of small and medium rivers where floods are frequent, population is dense, and the water systems are important.

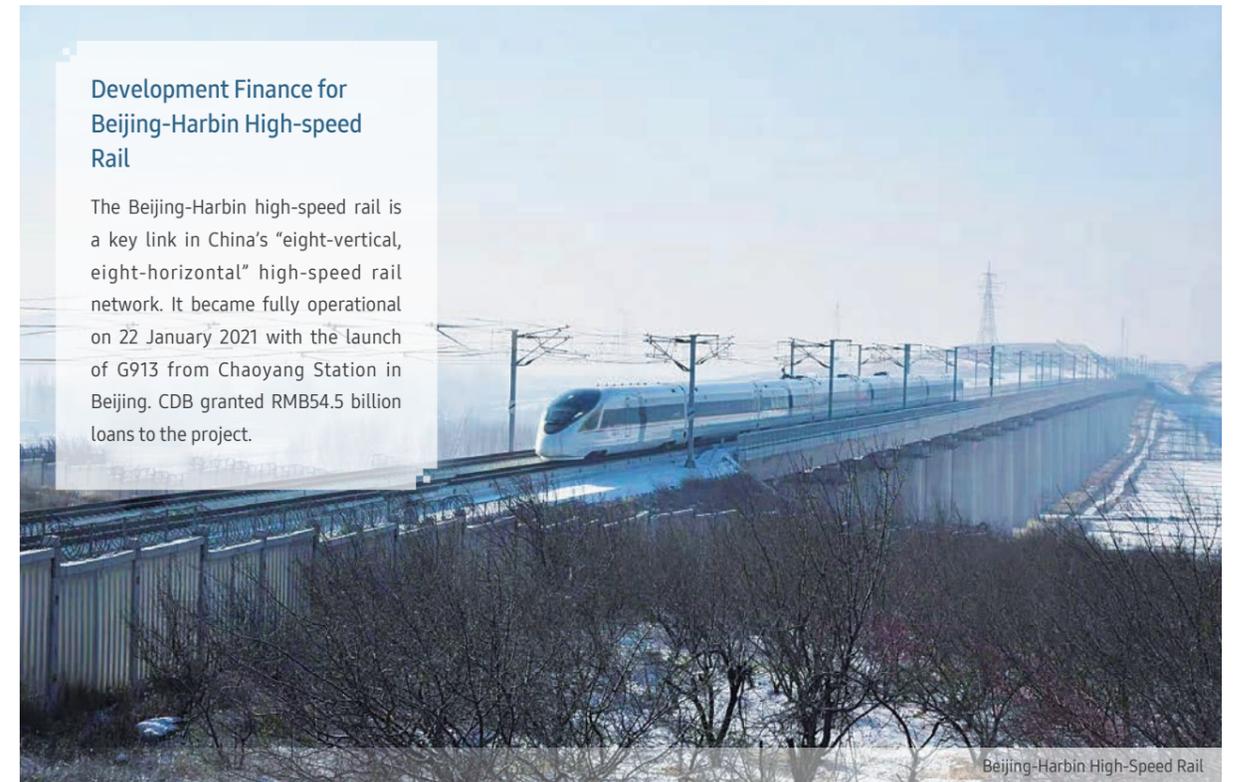
New-type Infrastructure

- A coordination mechanism for modern infrastructure and industrial chains in partnership with the Ministry of Industry and Information Technology.
- 5G, industrial networks, logistics, big data centers, and digital platforms for supply chains.



Development Finance for Beijing-Harbin High-speed Rail

The Beijing-Harbin high-speed rail is a key link in China’s “eight-vertical, eight-horizontal” high-speed rail network. It became fully operational on 22 January 2021 with the launch of G913 from Chaoyang Station in Beijing. CDB granted RMB54.5 billion loans to the project.



Beijing-Harbin High-Speed Rail

Removing Bottlenecks for Better Rural Life

To ease the financing pressure on rural road projects, CDB Guizhou Branch worked with the provincial government of Guizhou to introduce a new model for investment, construction, evaluation and fund management to build high quality roads. By the end of 2020, CDB Guizhou Branch had granted RMB4.473 billion loans, rehabilitating the surfaces of 12,000 kilometers of roads, benefiting 7.8 million in 16 deeply poor counties and 20 extremely poor townships.



Rehabilitation of Road Connecting two Villages in Guizhou

New Areas of Growth

In 2020, CDB supported the quality growth of the manufacturing sector with medium- and long-term finance and investment, strengthening industrial fundamentals and modernizing industrial chains. CDB continued with the investment and loan linkage pilot programme to leverage more financial resources for science and technology to nurture innovation.

Actions: Supporting Quality Industrial Growth and Innovation

Greater Financing Support

- Created special loans and tailor-made policies for new energy vehicles, 5G and optical communication.
- Created a new model of cooperation for the manufacturing sector, signing agreements worth RMB11.6 billion with seven cities to experiment with wholesale development financing for micro, small and medium private manufacturing businesses.

Supported Innovative and Tech Company Businesses

- Promoted investment and loan linkage pilot programmes for innovation businesses and improved the balance between investment and loans, supporting key areas and the relevant industries. By the end of 2020, 78 tech companies had benefited from the scheme.
- Promoted pilot development finance programmes for micro, small and medium tech companies. Programmes were run in Shenzhen, Hangzhou, and Beijing. By the end of 2020, 122 companies in this category had received loans.
- CDB Capital supported 12 programmes listed on the science and technology innovation board of the stock exchange in 2020, covering areas such as new generation IT and biomedicine.



Case

Providing New Services for Micro, Small and Medium Tech Companies

CDB introduced a cooperation scheme for manufacturing companies to diversify its support of micro, small and medium companies. This scheme aims to build a tripartite partnership between the bank, government, and businesses to provide competitive, wholesale credit products at reduced costs to micro, small and medium sized manufacturing companies of great potential. By the end of 2020, CDB Zhejiang Branch had granted RMB400 million loans to 16 manufacturing businesses.



Zhejiang Leqing Manufacturing Cooperation Scheme

Coordinated and Balanced Development between Regions

In 2020, CDB implemented major state strategies for regional development to help bring out the strengths of various regions and form a new pattern in which there are free flows of production factors, effective constraints on the functions of different regions, equal access to public services, and enhanced environmental resilience.

Actions: Promoting Balance in Regional Development

Beijing-Tianjin-Hebei Integration

- To bolster development of key sectors, CDB enhanced transport links by supporting key programmes that increase regional integration, such as Taihangshan Mountain Motorway and Beijing-Zhangjiakou Railway; supported the operationalisation of the cooperation mechanism for the manufacturing sector in the Zhongguancun Demonstration Zone to build world-class manufacturing clusters in the area; and supported flagship environmental programmes such as the treatment and rehabilitation of Yongdinghe River and the planting of 100,000 mu reserve forests in Xiongan New Area to improve the natural environment.
- With financial innovations, CDB supported the development of China Xiongan Group, Tianjin Bohai Chemical Industry Group, and Hebei Zhengding New District with financial products designed for the supply chain; applied a new evaluation model to help upgrade the design industry base in Zhangjiawan; and supported the development of the sub-center of Beijing.



Case

Supporting Beijing Winter Olympics with Excellent Financial Services

CDB has been providing excellent financial services for years for the preparation of the Winter Olympic and Paralympics to be held in Beijing.

“One-hour” City Radius

CDB consistently supported the Beijing-Zhangjiakou Railway, a crucial infrastructure project for the 2022 Winter Olympics and Beijing-Tianjin-Hebei Integration, which opened on 30 December 2020 and cut the time to travel between the two cities from more than three hours to 47 minutes.



Beijing-Zhangjiakou Railway

Winter Olympics Village

The Village will provide hotel rooms for athletes and sports officials during the Games and then be converted into subsidised rental apartments for professional talents in Beijing. By the end of 2020, CDB Beijing Branch had granted nearly RMB1.3 billion for its construction.



Public Rental Housing Scheme at Beijing Winter Olympic Village

Actions: Promoting Balance in Regional Development

Yangtze River Economic Belt

- Completed special studies--*Policy Research on Providing Financial Support for All-round Protection and Green Development of Yangtze River Basin* and *Preliminary Plans for Financing River Basin Ecological Rehabilitation and Green Development*, in partnership with the state office for the development of the Yangtze River Basin; conducted 25 cooperation programmes with 11 provincial-level authorities and key businesses on financing for the all-round protection of the Yangtze River, extending such cooperation programmes to the entirety of the main stream and all the main branches of the river.
- Issued RMB5 billion special green finance bonds for "Yangtze River Protection" to support environmental and pollution treatment programmes in the basin.
- Granted RMB89.4 billion loans in 2020 to the protection and rehabilitation of the environment in the Yangtze River Basin.

It is estimated that the programmes financed by CDB, once becoming operational,

will help improve the riverbed and environment of

1,334 km
of the river

rehabilitate the environment for

35,000 mu
of waterbody

clear away the sediments of

608 km
of the river

and raise the waste handling capacity by

5.74 million tons/day



Subway Construction

CDB Jiangsu Branch, as a key source of financing for local rail transport construction, was involved in the planning and construction of lines and stations of the rail project in the city of Xuzhou, providing medium- and long-term loans. By the end of 2020, CDB Jiangsu Branch had a balance of RMB15.684 billion loans on the project.



Urban Rail Project in Xuzhou, Jiangsu

Actions: Promoting Balance in Regional Development

Guangdong-Hong Kong-Macao Greater Bay Area

- Supported key programmes in building a modern, all-purpose transport system in the area, such as the third runway of Hong Kong Airport and Guangdong-Zhanjiang High-speed Rail; supported major industrial platforms such as Guangzhou International Bio Island; worked in partnership with the Development and Reform Commission of Shenzhen to put in place special financing cooperation schemes for pandemic control, economic reopening, and micro, small and medium tech companies, providing low-cost financing for over 40 medical, pharmaceutical, and new-generation IT companies.
- Issued RMB10 billion bonds on the theme of "Guangdong-Hong Kong-Macao Greater Bay Area Construction" to raise funds for infrastructure and ecological programmes in the Area.



Underground Municipal Tunnel for Urban Development

Guangdong Zhaoqing New Area Municipal Tunnel is a demonstration project for the hub cities in the Guangdong-Hongkong-Macao Greater Bay Area to promote the intensive use of land and develop a streamlined engineering pipeline network and efficient transport network. By the end of 2020, CDB Guangdong Branch had granted RMB7.6 billion which supported the construction of 38.8 km of the main structures of the tunnels.



Municipal Tunnel and Supporting Infrastructure in Zhaoqing New Area

Actions: Promoting Balance in Regional Development

Integrated Development of Yangtze River Delta

- Released *Guidelines on Supporting Integrated Development of Yangtze River Delta*, identifying industrial systems, infrastructure, the environment, public services, and economic openness as priority areas.
- Supported transport links, city clusters and urban and rural infrastructure; combined innovation with production to promote balanced industrial growth and construction of innovation centers; supported concerted efforts to protect the environment, experimented with cross-basin ecological compensation mechanisms, and supported relocation of industrial companies in the neighborhood of Pukou Railway Station in Nanjing and cleanup of the wharf and residential blocks.

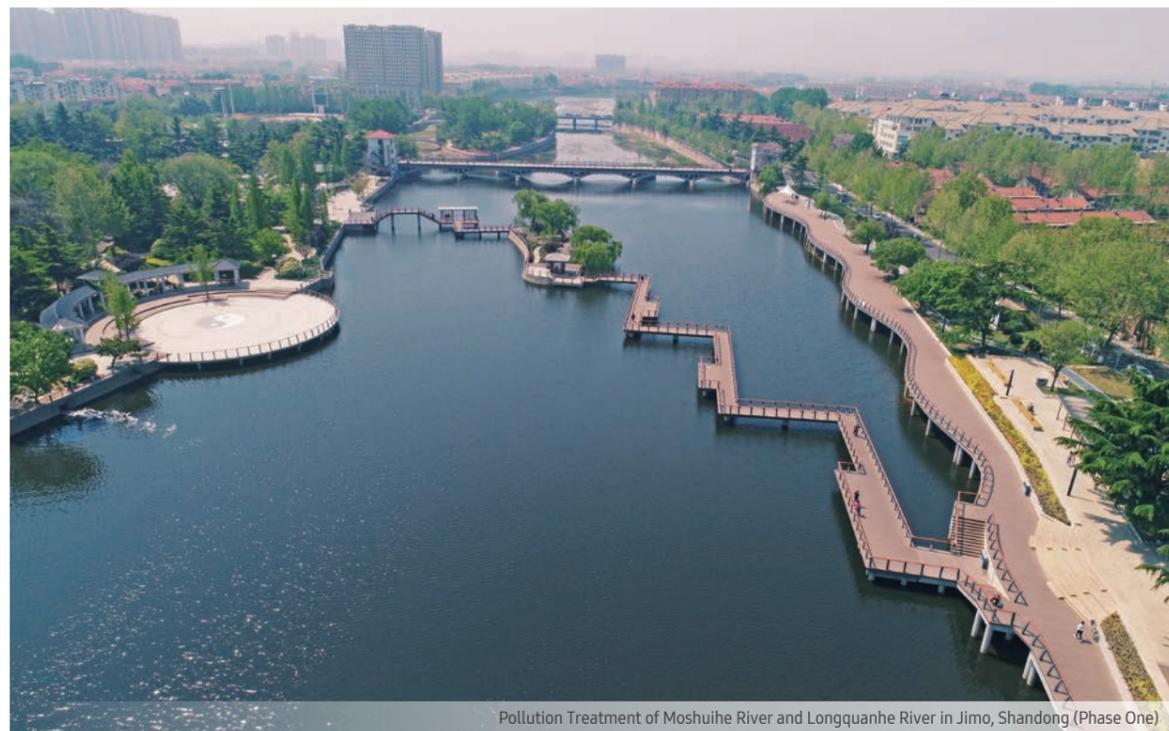
Environmental Protection and Quality Development in the Yellow River Basin

- Conducted 18 planning cooperation programmes with provincial authorities in the Basin to provide intellectual support for ecological preservation and quality development of the Basin.
- Supported adjustment of economic layout and distribution of production capacity in the region for ecological purposes; supported major environmental programmes, such as the comprehensive environmental cleanup programme of Taipinghe River of Xi'an.



Pollution Treatment

By the end of 2020, CDB Qingdao Branch had granted RMB1.02 billion for pollution treatment of Moshuihe River and Longquanhe River in the city of Jimo, Shandong, which greatly improved Qingdao's urban infrastructure and natural environment, cleared up dirty water bodies, improved urban drinking water supply and the quality of water at the Jiaozhou Bay estuary.



Pollution Treatment of Moshuihe River and Longquanhe River in Jimo, Shandong (Phase One)

Green and Low-carbon Development

In 2020, CDB scaled up green credit innovation and issuance and set up an ecological compensation mechanism and an "eco plus" model to support treatment of sewage and waste, pollution prevention and cleanup of important water bodies, and forestry protection. CDB provided diversified financial services for green development and environmental protection with more products, such as bonds, funds, and leasing, giving strong impetus to the post-pandemic green recovery and low-carbon transition of the economy.

Actions: Green Credit Support for Green Development

Innovative Models in Bank-government Cooperation

- Signed an *MOU on Financing Cooperation for Major Environmental Programmes* with the Ministry of Ecology and Environment (MEE) to preserve the ecology and support technological advances in environmental protection and new energy.
- Released *CDB Plan of Action for Supporting Environmental Protection and Wining a Decisive Victory against Pollution*, improving working structure and creating a list of reserve programmes.
- Released *Notice on Selection of Candidates for EOD Pilot Programme* together with the MEE and the National Development and Reform Commission (NDRC), combining ecological preservation with development of resources and industries, easing the financing difficulty of ecological programmes under the new "eco plus" model in an innovative practice of EOD.

Supporting Key Sectors

- In waste treatment, CDB released *Programme of Work on the Construction of Facilities for the Detoxification and Recycling of Wastes*, which saw the operationalisation of programmes in Baoshan, Shanghai and Xiongan New Area; supported pilot "waste-free" cities and phase one of Xuzhou Circular Economy Park.
- In sewage and river basin treatment, CDB supported projects such as sewage treatment on river banks in Taixing, sewage treatment in Ningxia Industrial Park, ecological treatment in Tuojiang River Basin in Chengdu, and Jiujiang River Basin treatment.
- In forestry protection, CDB released *Manual for National Reserve Forest Loans* with the National Forestry and Grassland Administration. In 2020, CDB issued RMB24.8 billion forestry loans, supporting the planting of 55.96 million mu of forestry in Fujian and 16 other provinces.



Ecological Preservation and Green Development Programme (Phase One) at Xiangyang Section Hanjiang River in Hubei

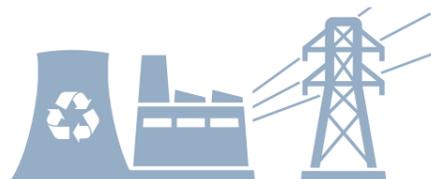


Urban Household Waste Treatment

Liaoning Laohuchong Waste-to-energy Plant in is the first of its kind in the city. CDB Liaoning Branch granted RMB750 million to the project. The plant, which is in operation, is able to treat 3,000 tons of waste per day, a great boost to the detoxification and recycling of household wastes and the local environment.



Laohuchong Waste-to-energy Plant in Shenyang, Liaoning



Green Bonds for Green and Low-carbon Development

In 2020, CDB launched “climate change response” green financial bonds on multiple markets at the same time under the bond connect scheme, with a total value of RMB10 billion, receiving the “Climate Bonds Certified” stamp of approval from the Climate Bonds Initiative. The bond met the standards of green bonds, social bonds and climate change bonds. Funding was used exclusively for green projects in environmental protection, energy conservation, pollution treatment, forestry development, and clean transport. The bond is expected to save energy by 413,000 tons SCE a year and cut carbon dioxide emission by 912,000 tons per year, effectively helping to mitigate and contain climate change and reducing the emission of pollutants.



Certification of Climate Bonds Initiative

Clean Energy for a Better Environment

CDB Shenzhen Branch and CDB Guizhou Branch created an internal syndicate which granted RMB1.85 billion to the CGN's new energy project in Guizhou, including four wind power and six solar projects. Upon completion, it will be a strong boost to local power supply.

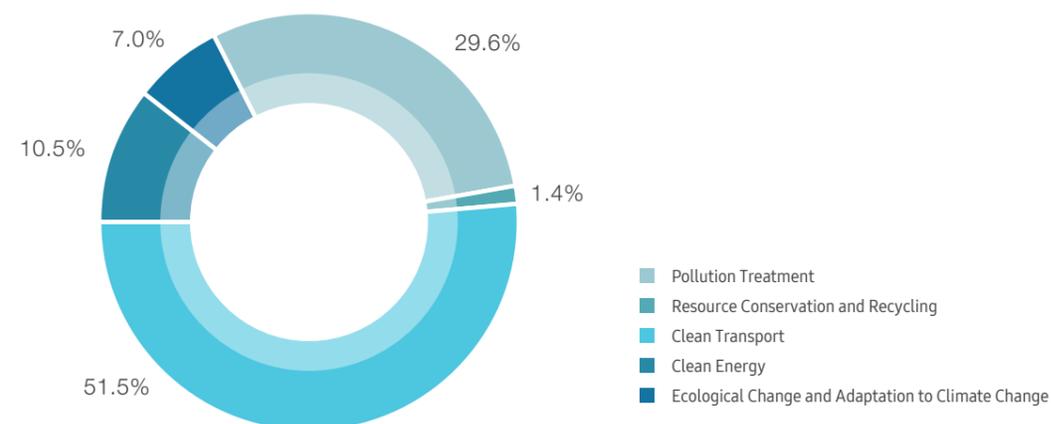


Datang Wind Farm in Leishan County, Qiongdongnan Prefecture, Guizhou

Actions: Green Products for Green Development

Green Bonds	Green Funds
<ul style="list-style-type: none"> Synchronised launch on multiple markets of CDB's first green financial bond worth RMB10 billion under the bond connect scheme on the theme of "Countering Climate Change" to raise funds for green programmes. Increased supply of OTC green bonds in partnership with 12 commercial banks to leverage in market resources for green development. 	<ul style="list-style-type: none"> CDB Capital pledged RMB8 billion to the establishment of the National Green Development Fund to raise capital on the market.
Intermediary Services	Green Leasing
<ul style="list-style-type: none"> Provided services in bills, paper factoring, and domestic letter of guarantee for environmental programmes of the Ecological Development Co., Ltd of China Xiongan Group and wind power programmes of Shanghai Electric Wind Power Group Co., Ltd. 	<ul style="list-style-type: none"> Expanded leasing of environmental equipment; in 2020, CDB Leasing invested RMB11 billion in energy-efficient equipment and new energy vehicles and RMB7.8 billion in wind and solar power.
Green Securities	
<ul style="list-style-type: none"> As the main underwriter, CDB Securities issued five green bonds with a total value of RMB7.8 billion in the fields of infrastructure and water management, such as 20 Nanjing Subway Green Bond, 20 Wuhan Subway Green Bond, and 20 Hangzhou Water Management Green Corporate Bond, promoting effective investment and green development. 	

At the End of 2020, the Sectoral Breakdown of CDB Green Bonds



Economic Openness

In 2020, CDB supported infrastructure connectivity, industrial capacity cooperation, agriculture, and livelihood projects in partner countries in line with international practices, market principles and debt sustainability requirement to help countries contain the Covid-19 pandemic, steady their economies and provide social security for their populations. CDB deepened bilateral and multilateral financial cooperation through arrangements like the Shanghai Cooperation Organisation Interbank Consortium, China-ASEAN Interbank Association, China-Africa Interbank Association, and China-Latin America Development Finance Mechanism to encourage exchange in the financial sector and cooperation in specific programmes.

Actions: Promoting Open and Inclusive International Cooperation

Responsible Financing
<ul style="list-style-type: none"> Signed <i>BRICS DFIs Principles for Responsible Financing</i> with other members of BRICS Interbank Cooperation Mechanism, conducting credit reviews based on factors of the economy, environment and society to promote sustainable development.
International Cooperation on Planning
<ul style="list-style-type: none"> Took part in government-led BRI bilateral and multilateral cooperation planning, including China-Indonesia Regional Comprehensive Economic Corridor and priority sectors of the Lao economy, contributing ideas to planning, policy-making, mechanism design and programme management.
Bilateral and Multilateral Financial Cooperation
<ul style="list-style-type: none"> Co-hosted the 10th meeting of the council of China-ASEAN interbank association (10+1) and concurrently the first council meeting of China-Japan-ROK-ASEAN Interbank Association (10+3) together with the Bank for Investment and Development of Vietnam. Implemented with good effect the RMB30 billion equivalent special loan scheme of the Shanghai Cooperation Organisation Interbank Association.
Openness of Bond Market
<ul style="list-style-type: none"> Issued over USD8.2 billion overseas multi-currency bonds, including 1 billion sterling-denominated bonds which was named the best quasi-sovereign bond of the year, 1.25 billion euro bonds which was the CDB's first zero-coupon bond, and RMB6.5 billion offshore RMB bond, the largest issuance of offshore RMB bond on high grade bond bookkeeping. CDB bonds were listed for the first time on the exchanges of Luxembourg, Singapore, and Macao. On the Singapore exchange, CDB listed RMB42.5 billion financial bonds, enhancing connectivity between international bond markets.



Showcasing China-Africa Cooperation and Sharing Development Finance Practices

CAD Fund worked with the UN Office for South-South Cooperation to release *South-South in Action Report: Promoting the Sustainable Development of Africa through South-South Investment*, sharing practices, results and lessons in providing development finance services for China-Africa investment cooperation.

Mr. Jorge Chediek, Director of UNOSSC and Envoy of the Secretary-General on South-South Cooperation, believed the report could give the international community a better understanding of China-Africa cooperation and investment and promote CAD Fund's good practices and experience for the benefit of south-south cooperation and sustainable development.



Mr. Jorge Chediek Recommending the Report



Vientiane to Vang Vieng Motorway

Contributing to the Completion of Laos' First Motorway

The Vientiane to Vang Vieng Motorway in Laos was completed and opened in December 2020, cutting the time of traveling between the two destinations from 3.5 hours to 1 hour. This is the first motorway in the country and a sustainable development "artery" for Laos. CDB Yunnan Branch was the lead bank of a loan syndicate which granted USD63 million and RMB1 billion loans by the end of 2020.

Actions: Promoting Open and Inclusive International Cooperation

International Cooperation

- An organiser of the International Forum on Sharing Poverty Reduction Experience to share China's practices in eliminating extreme poverty.
- Held a virtual seminar on how to conduct financial innovation and cooperation for poverty alleviation in the post-pandemic era.
- CDB scholarship programme supported 77 students from 21 countries to pursue academic degrees in China and provided one-time award for 56 outstanding students from 22 countries.

International Business Services

- Strengthened management of overseas offices by releasing *Guidelines on Compliance with Laws and Regulations of CDB Representative Offices Overseas* to clearly define functions.
- Analysed country-specific risks as the Covid-19 pandemic became a new normal, established a matrix model for different categories of country risks and designed country-specific risk strategies to increase precision in risk management.



Nurturing Talents and People-to-people Friendship

In 2020, CDB BRI Scholarship Programme benefited 133 foreign students. CDB established regular communication mechanisms with Chinese Scholarship Committee, partner educational institutions, and foreign students to help students complete their studies on schedule under safe conditions during the pandemic.



Romanian Student Completed her Master's Degree in International Relations in June 2020 at Zhou Enlai School of Government of Nankai University during the Pandemic with CDB's Scholarship Support

Create a Better Life

2020



Poverty Reduction and Rural Invigoration

RMB **244.5** billion
targeted poverty-reduction loans

RMB **33.5** billion student loans

Supported **4.5** million students from poor families

RMB **44.6** billion agriculture loans

RMB **53.9** billion rural infrastructure loans

Micro and Small Private Businesses

RMB **181.5** billion loans to

1,157 private companies

RMB **211.9** billion loans to over

250,000 micro and small companies

Education, Healthcare, Culture

RMB **16.2** billion loans to education sector

RMB **23.9** billion loans to healthcare sector

RMB **8.8** billion loans to culture sector



Promote Synergy between Poverty Reduction and Rural Invigoration

In 2020, CDB continued to contribute to poverty alleviation while supporting pandemic control, increasing input in industrial schemes, post-relocation development, east-west partnership, and pair region development to help poor counties on the national list to be completely out of poverty and consolidate the gains made in eradicating poverty. CDB implemented the nation's rural invigoration programme to support quality growth of the agriculture sector and better incomes and environment.

Actions: Helping Counties Labeled as Poor and Regions Deeply Mired in Poverty

Stronger Policy Support

- Released *Opinions on Increasing Financial Support for Regions in Deep Poverty in Tibet, Qinghai, Sichuan, Gansu, Yunnan, and Xinjiang* and *Notice on Supporting Regions Retaining the Poor Label*, which outlined favorable credit policies, interest rates, procedural arrangements, resources support, and models of services for these regions.

Increased Financial Input

- Granted RMB60.4 billion targeted poverty-reduction loans to regions in deep poverty in Tibet, Qinghai, Sichuan, Gansu, Yunnan, and Xinjiang in 2020.
- Issued RMB11 billion financial bond on the theme of "Poverty Alleviation" to provide low-cost financing for the poor counties and regions in deep poverty.
- Issued RMB1 billion poverty-reduction bonds as the lead underwriter in 2020. At the end of 2020, CDB had underwritten RMB20.65 billion debt financing instruments for fighting poverty.

Advisory Support

- Carried out special studies in the poor counties on the national list and those paired up with the CDB, making tailored financing plans to provide advice that worked well under different local conditions.
- Held six training workshops for 473 officials in Tibet, Xinjiang and the counties paired up with CDB.
- Sent over 200 CDB staff members to work as financial advisers and CPC village secretaries in poor regions to address poverty in a way that meets local conditions.

Reemployment Scheme Improving Lives

Helping relocated populations find employment is key to their settling down in the new areas and moving steadily towards a better life. By the end of 2020, CDB Guizhou Branch had granted RMB100 million loans to reemployment programmes for relocated poor populations, which improved the supporting infrastructure and job opportunities. An entrepreneurial street was opened in the settlement area of Ruihao Industrial Park in Zheng'an, Guizhou, where 121 shops were opened and 444 people were employed.

"Without CDB's loan, the job market here would not be what it is today and local residents would not be as gainfully employed."

Wu Taixi, Director of Ruihao Street Office of Zheng'an

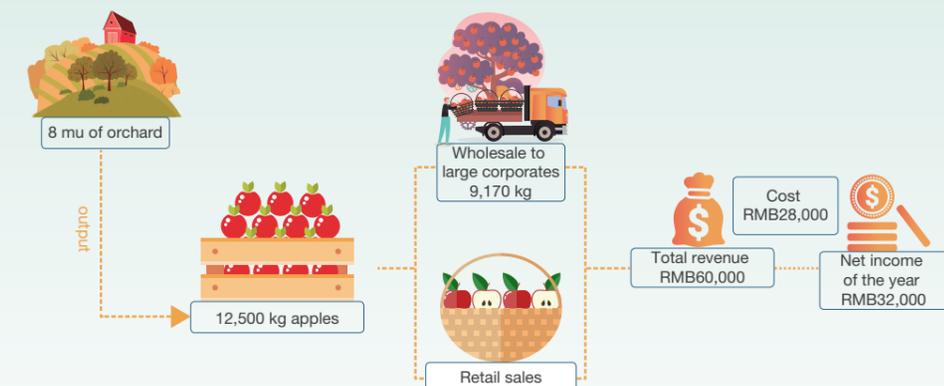


Providing Financing and Advisory Support for Poverty Reduction through Fruit-growing Scheme

The fruit-growing industry is a main source of income for farmers in Yan'an, Shaanxi. But natural disasters in recent years kept prices low. CDB Shaanxi Branch found a new model which could build resilient institutions and curb risks at the same time.

- Institutional building:** CDB Shaanxi Branch introduced *Methods for Managing Special Loans for Apple Purchases*. According to it, cash payments should be made on the spot for purchases; payments for the stocking of apples are only made when apples are delivered and the funds should not be embezzled; and that apples should only be shipped in sales when pre-payment is made and sales revenues should not be used for purposes not previously designated.
- Risk prevention:** a lead enterprise was chosen as the borrower; guarantees were made by combing the credit resources of SOEs; partner cooperatives were carefully selected for organizing purchases; settlement was made to a centralised account through a trusted agency and payment of loans linked to sales progress.

Input and Returns of Wang Zhenhua, a Poor Farmer in Yan'an, Shaanxi



By the end of 2020, CDB Shaanxi Branch had granted RMB1.86 billion for the purchase of 260,000 tons of high-grade apples (accounting for 30% of all high-grade apples on Yan'an's market). 2,896 poor households were able to shed poverty with the added incomes. Over 40,000 apple farmers benefited from the scheme, which helped to foster a strong fruit industry, good incomes for growers, and a nice natural environment.



Student Loans for a Better Future

"My parents work in the fields. They make less than RMB20,000 a year. It was barely enough for our daily necessities. Schooling for the four kids were difficult. CDB student loan solved my parents' problems and helped me realise my university dream."

Jikeamojia, University student in Liangshan, Sichuan



Jikeamojia, University Student



Workshop on Skills Training Held in Ningxia Together with the Local Government

Skills Training for Employment and Income Increase

In 2020, CDB organised skills training workshops in the 52 counties on the national poverty list, helping over 140,000 people stand on their own feet. Given the spread of Covid-19 and local conditions, CDB made use of local broadcasting networks, mobile apps, and cloud computing to complement on-site training and enhance training accessibility.

Action: Support Rural Invigoration

Increase Bank-government Cooperation

- Supported the building of high standard farming fields, supply of live pigs, and agricultural reclamation reform in partnership with the Ministry of Agriculture and Rural Affairs.
- Supported construction of national-level experiment zones for urban-rural integration in partnership with the NDRC.
- Supported safe drinking water and efficient irrigation projects in rural areas by signing an MOU with the Ministry of Water Resources.

Focus on Priority Areas

- In agriculture, CDB supported the construction of high standard fields, rural non-farming economic sectors, and the supply and price stability of grain and live pigs.
- In rural infrastructure, CDB bolstered the vulnerable areas of rural road construction, electricity power grid upgrade, and supply lines of water, electricity, and natural gas.
- In improving the natural environment, CDB supported tourism-led development of rural areas, promoting land reclamation, infrastructure upgrading, and better sightseeing, healthcare and cultural experience. The Model of Anji in Zhejiang was replicated to develop a beautiful countryside.
- Rural public services. CDB supported the elderly care programme in Taigu, Shanxi and the education and culture programme in Lijiang, Yunnan to foster better services in old-age care, healthcare, education, and culture for a greater sense of fulfillment of the residents.



Live Pig Raising Programme of Wuqi Xinliu Technology Co., Ltd

Supporting Live Pig Supply for Food Security

Pork prices are directly related to people's daily life and market order. CDB Shaanxi Branch supported the live pig raising programme of Wuqi Xinliu Technology Co., Ltd, a subsidiary of China's leading agricultural business New Hope Group, with a new model that creates partnerships between the banks, leading enterprises, cooperatives, and farmers. By the end of 2020, CDB Shaanxi Branch had granted RMB160 million loans to the programme, which supplied 40,000 live pigs to the market annually, supporting stable production, supply and prices and increasing the annual incomes of 12 poor households by RMB30,000 through job creation.

Build Liveable Cities

Having a place to call home is a common aspiration of the people. In 2020, CDB raised private funds to finance in a sustainable way the renovation of dilapidated residential blocks in urban areas and construction of government subsidised housing, helping to address the imbalances and deficiencies in urban development.



Case

Implementing the Policy of “Housing for Living, Not Speculation” by Supporting Rental Housing Schemes

By the end of 2020, CDB He’nan Branch had granted RMB517 million to the construction of 25,000 apartments for young professional talents in projects launched by the provincial government of He’nan. The projects added to the supply of affordable housing in Zhengzhou.



Apartment Blocks Built by He’nan Provincial Government for Young Professional Talents

Actions: Supporting Better Housing Conditions

Innovate Services for Urban Renewal and Renovation of Old Residential Blocks

- Supported urban renewal projects with a market-based model, in which planning precedes actions, government plays an encouraging role, the laws of the market are followed, design is made at the top level, resources are managed in a centralised way, and compliance to regulation is ensured. Financing support was given to such areas as the restructuring of urban space, construction and renovation of residential blocks, restoration of dilapidated housing blocks, and development of new forms of industries, which put the cities on a healthier track of development.
- Signed strategic agreements with five provinces, including Jilin, Zhejiang, Shandong, Hubei and Shaanxi, to support renovation of old residential blocks.
- Released *Notice on Increasing Development Finance Support for Renovation of Dilapidated Urban Residential Blocks* and *Guidelines on Development Review of Renovation Projects in Old Residential Blocks in Urban Areas*, which defined the requirements, scope, and elements of review to accelerate the operationalisation of the housing programmes.

Increase Supply of Affordable Housing

- Fleshed out the policy framework with the release of the *Guidelines for Review of Government-subsidised Rental Housing Projects (2020)* and *Guidelines for Review of Credit Extension for Renovation of Shanty Areas (2020)*.
- Supported government-subsidised rental schemes, such as Jingxing Apartment Project in Suzhou Industrial Park and Shenzhen Anju Group, to meet the housing demand of new city dwellers.
- Provided asset securitisation services for public rental housing providers, e.g. ABS programme and REITs of Beijing Affordable Housing Center.



Restoration of Kaibu District in Shantou, Guangdong



Case

Old Town Renovation as Part of City Renewal

Kaibu district in Shantou, Guangdong is one of the best preserved old commercial ports in China. By the end of 2020, CDB Guangdong Branch had granted RMB600 million to the restoration of the park, including the renovation of roads, municipal tunnels and landscape. The old town took on a new look and provided a better environment for the local community.

Energise Private Businesses

The private sector is a critical source of employment, business vigor and stability of industrial and supply chains. In 2020, CDB scaled up financing for micro and small private companies with new models and methods of services, so that their growth supports economic growth and job creation and promote the steady and healthy development of the economy and society.

Actions: Supporting Micro and Small Private Companies

Ease Financing Difficulties

- Created special manufacturing loans to support upgrading of private manufacturers and quality growth of the economy.
- Carried out on-lending cooperation with urban and rural commercial banks and rural credit cooperatives to encourage partner institutions lower credit costs for micro and small businesses.

Provide Better Services

- Implemented loan extension and renewal to help promising small and medium companies hard hit by the pandemic and the companies in Hubei to resume operation.



Multiple Actions to Help Business Transformation

Ningbo Jintian Copper (Group) Co., Ltd, a copper processor, was selected by the NDRC and Ministry of Finance to be part of the national circular economy pilot programme and one of the first national demonstration bases for “urban minerals”. CDB Ningbo Branch granted RMB477 million loans in 2020 to the group for its upgrading and transformation as part of CDB’s ongoing effort in recent years to support the private sector and the real economy.



High Precision Copper Alloy Strip Programme with an Annual Capacity of 40,000 Tons of Zhejiang Ningbo Jiantian Copper

On-lending for Small and Micro Companies

In 2020, CDB Sichuan Branch worked with the financial department of Sichuan provincial government and the Chengdu Branch of the People’s Bank of China to roll out a “pandemic-control loan” for small and micro businesses, which was on-lending loans designed to help Sichuan contain the impact of the pandemic and support the reopening and full-capacity operation of these companies.



Sichuan Panzhuhua Tongli Logistics was a Beneficiary of the Loan Scheme

Improve People’s Wellbeing

In 2020, CDB was hard at work to provide diversified services for social programmes, introducing new financing models for home-based, community-based, and institutional elderly care, increasing support for industry-university-research cooperation and construction of education infrastructure, and bolstering pandemic control and public healthcare systems in different parts of the country to meet the people’s demand for a better life.

Actions: Supporting Key Areas in Social Security

Old-age Care

- Deepen bank-government-business cooperation. Worked with the NDRC and Ministry of Civil Affairs to promote the healthy growth of the sector.
- Increase financing support. Granted old-age care special loans to promote the integrated development of home-based, community-based and institutional care.



Renovation of Facilities at Old-age Care Home in Shanghai to Meet Diverse Needs

By the end of 2020, CDB Shanghai Branch had granted RMB156 million loans to four facilities for old-age care, rehabilitation and medical services, which provide a total of 1,450 beds.



Shanghai Shenyang Wangnianzhenping Senior Home Renovation

Actions: Supporting Key Areas in Social Security

Healthcare

- **Bank-government cooperation.** Signed an MOU with the National Administration of Traditional Chinese Medicine; established working mechanisms with the National Health Commission to support the development of the national medical center.
- **Build institutions.** Released *Programme of Work for Supporting the Vulnerable Areas in Healthcare* to outline key tasks and identify priority programmes.
- **New models of services.** Introduced models such as “repayment by lead investor and from comprehensive revenues” and “private investment + payment from comprehensive revenues” to support public and private healthcare services and provided on-lending loans for the pharmaceutical and medical equipment sector.
- **Unveil special products.** CDB Securities issued “Putian Xingfa Social Bond”—the first bond in China for the healthcare industry — to support the follow-up development of the “Xiaotangshan Model” and the supply of critically-needed medical goods in the city of Putian; CDB Capital established Guangdong Fund for Traditional Chinese Medicine — the first fund for traditional Chinese medicine in China with an initial offering of RMB5 billion.

Education

- **Institutional development.** Released *Guide for Credit Extension for the Education Sector* to set out the key areas to support and promote educational programmes in a rules-based manner.
- **Focus on key areas,** such as infrastructure and linkages between production, education and research; support innovation in national institutions and universities, including Chinese Academy of Sciences and Northwest Agriculture and Forestry University.



Basic Capacity-building Programme for Vocational Education in Xiangxi, Hu'nan



Yihe Street in Nanjing, Jiangsu (Phase One)



Case

Preservation and Development of Historic and Cultural Blocks

Yihe Street is a historical neighborhood with the largest number of residential properties and foreign diplomatic representations in Nanjing during the days of the Republic of China. But today, the residential areas have become rundown, cramped, and dirty, and the cultural relics partly damaged. CDB Jiangsu Branch proposed a five-pronged strategy, i.e. demolition, preservation, renovation, construction, and upgrading, offering a template for how to use market resources to promote the renewal of cities and renovation of old housing blocks and cultural areas. By the end of 2020, CDB Jiangsu Branch had granted RMB640 million loans to the project.

Support Pandemic Control



Since the outbreak of the Covid-19 pandemic, CDB took prompt actions to create emergency financing mechanisms. In a more responsive, accommodative, streamlined and targeted manner, it stepped up support for companies whose lines of business were important for pandemic control in resuming production and thereby steadying the economy.



Actions: Promoting Pandemic Control

Emergency Response

- Issued RMB31.5 billion emergency loans for pandemic control, primarily supporting the construction of specialised hospitals, production and procurement of medical equipment, supply of daily necessities during the pandemic, procurement of emergency equipment, and manufacturing of pharmaceuticals.
- Issued RMB13.5 billion special "Anti-pandemic" financial bond to leverage in private funds for containing Covid-19.
- Issued 11 pandemic-control bonds as the lead underwriter with a total amount of RMB11 billion.
- Granted RMB240 million special loan to vaccine manufacturers.

Support Economic Recovery

- Set up 15 emergency loans schemes to meet the demand of key enterprises; released *CDB Programme of Work for Countering the Impact of the Pandemic on the Energy and Transport Sector*; released *CDB Programme of Work on Implementing the Guidelines for Further Lowering Logistics Costs*.
- Set up two special liquidity loans schemes to support projects under construction and new projects in infrastructure, manufacturing, and livelihood areas, granting a total of RMB468.1 billion over the year to more than 1,100 enterprises.

International Anti-pandemic Cooperation

- Released in partnership with the Ministry of Commerce *Notice on Using Development Finance Tools to Support the BRI and Cope with Covid-19*, establishing joint working mechanisms to buttress companies and projects weighed down by the pandemic.
- A special lending scheme for stabilising foreign trade and supporting the BRI was set up to boost import and export and the BRI programs affected by the pandemic.
- Created China-Latin America Special Loan Scheme for pandemic control to help Latin American and the Caribbean states run public healthcare programmes; completed in full the 2020 credit extension programme of the African Export-Import Bank for PATIMFA.

Special Loans for Spring Farming Preparation and Food Supply

- Established and disbursed in full an RMB10 billion special liquidity fund for farming preparation in spring, helping 66 logistics companies and businesses dealing in seeds, pesticides, fertilisers, and fodder in 27 provinces to resume operation.
- Worked with rural commercial banks and rural credit cooperatives to grant RMB5.7 billion sub-loans for spring farming, helping 9,000 households, new business owners in the agricultural sector, and small and micro businesses to purchase production supply and buttressing the supply of staple food, vegetables and other food products.

Tailored Policies for Diversified Needs

- Responded under a 24-hour emergency mechanism to the financing needs of key enterprises on the national list for pandemic-control, provided favorable policies on access and interests and reasonable lending programmes and repayment plans.
- Adopted special policies to make sure companies hard hit by the pandemic would not face early repayment, delay in loan issuance or cut-off of loans. Accommodative interest rates were offered to small and micro companies in Hubei.

Charity Donations

- CDB donated RMB20 million to Hubei Charity Federation on 27 January 2020; four subsidiaries donated RMB20 million to Hubei; staff members donated over RMB6.82 million.
- Purchased and donated more than 4.5 million pieces of critically needed PPEs and medical equipment to the frontline.
- Donated 1.13 million pieces of PPEs and medical equipment to overseas Chinese, partner entities and financial institutions.



CDB Hubei Branch Granted RMB500 million Loans to Hubei Xingfa Chemical Group under Special Liquidity Loan Facility for the Company to Resume Operation



CDB Shanghai Branch Granted USD1.205 billion and RMB1.352 billion under Special Loans Scheme for Business and Trade Recovery to Cosco Shipping Business



CDB Chongqing Branch Granted RMB240 million and CDB Fujian Branch Granted RMB360 million to Ensure the Normal Operation of 130 Stores of Yonghui Superstore Chain in Chongqing to Stabilise Supply of Daily Necessities



CDB Xiamen Branch Granted RMB413 million to Xiamen King Long United Automotive Industry Co., Ltd for Producing Negative Pressure Ambulance for Frontline Use

Bring Ship Crew Home in the Face of the Pandemic

The outbreak of the pandemic delayed the rotation of the ship crew on the CDB Leasing's CL LINDY which was working at the sea. To protect the health of the crew and the safety of the ship, CDB Leasing organised health examination, training, and Covid-19 tests together with the lesser, ship manager and crew agency to facilitate the rotation of 42 crew members outside China.



CL LINDY



Ship Crew of CL LINDY Taking the Flight to Egypt



CDB Beijing Branch Granted RMB150 million Loans to the Maintenance of Xiaotangshan Hospital and the Expansion and Renovation of Designated Covid-19 Hospitals such as Ditan and Huairou in Beijing

Win-win Cooperation



2020

Clients

CDB Inner Mongolia Branch, Shaanxi Branch, and Hebei Branch named as among the "Top 1,000 Excellent Service Providers"

27 CDB branches rated as "China's Star Bank Branches with Excellent Services"

Charity

2,327 registered volunteers

18,120 hours of volunteer services

Staff

Held **2,678** training sessions of various types

Employee satisfaction at **99%**



Improve Services for Clients

CDB developed a three-tier client liaison mechanism to provide all-round services and better experiences for clients.

Safe Banking Services to Prevent Virus Infection

- **Encourages the Use of Online Services and Appointment-making**
Encouraged clients to receive and transfer funds online via cash management, e-banking, and bank-company direct linkage. Encouraged clients who had to access on-site services to make appointments and previewed files to reduce time of exposure and physical gathering.
- **Opened Green Lanes for Reviews**
Enhanced responsiveness and efficiency in handling loan applications and set up green lanes for reviews of loans for pandemic-control purposes; streamlined procedures for businesses related to pandemic control, with some transactions made directly with the payment directives of clients; temporarily instituted special loans policies during the pandemic and worked remotely where on-site work was made difficult by the pandemic to meet emergency needs.
- **Reduced Fees for Transactions Related to Pandemic Control**
Waived general fees independently levied by banks, such as fees for account opening, for emergency loans for the hard hit areas and pandemic control purposes.

Information Security for Trust-building

- Promoted the use of information security management systems and tools, such as unified authorisation, sensitive information protection, and watermark.
- Recognised by ISO 27001 ISMS which strengthened clients' confidence.



Case

Enhanced Operational Performance

In 2020, CDB Hebei Branch continued to diversify the functions of its business counters and improved the professionalism of counter staff, providing excellent, intelligent services with a human touch. It was named as one of the "Top 1,000 Excellent Service Providers" in China.



CDB Hebei Branch Counters

Staff Care

CDB cares for the wellbeing of its staff, promotes democracy in corporate governance, provides a variety of training programmes at various levels, and organises cultural and sports events for a healthy workplace.

By the end of 2020

10,092
employees

97.91%
holding a bachelor's degree or above

41.73%
female

Foster a Learning Environment

Skills Competition

- Organised competition to stimulate better performance in implementing national policies and priority tasks.
- Organised competition to encourage and share best practices in supporting poverty reduction.

Reward Excellence

- Drew up *CDB Awarding Methods* and four implementing rules and handed out May 1st Medals to encourage excellence.

Multi-layered Training

Professional Training in Different Categories and at Different Levels

- Held 2,678 training sessions of various types and at various levels on the theme of "reducing vulnerabilities, preventing risks, and promoting growth" to fill in skill gaps.
- Special training with a view to improving corporate governance, supporting supply-side reform, preventing and mitigating risks, and innovating investment and financing models.
- Enrolled outstanding members of the mid-level and senior managers in online seminars and workshops of globally leading academies to broaden their vision and sharpen strategic thinking; organised training in specialised areas to increase professionalism and orientation training for new staff members.

New Ways of Learning

- Held training sessions that consisted of online and offline segments and master class on regional development to promote learning under the special circumstances of the pandemic.
- Significantly increased online training by providing nearly 500 online courses on political development, leadership, basic knowledge, and prevention of Covid-19 to update the knowledge structure of staff members.

Case



Master Class Poster

Master Class on Regional Development

This course seeks to fill in skill gaps and strengthen strategic thinking to implement the national strategies for regional development. Chinese and foreign experts offered lectures and round-table discussions for 12,286 participants.



Political Awareness Training for a Stronger Sense of Mission

In 2020, CDB organised a workshop for members of the CPC Committee of the CDB headquarters, who are identified as the “critical minority”, in Yan’an, a revolutionary base of China. Adopting an immersion method, the workshop allowed members to review the history of the CPC and visit revolutionary sites to gain a deeper understanding of history and political theories and renew their commitment to the Party ethos and the people’s welfare.



Field Visit to Wangjiaping Revolutionary Site

Develop a Caring Environment

Help Employees in Difficulty

- Emergency support. Prompt support was given to employees suffering from serious illnesses, family members of deceased employees, and employees in critical conditions.
- Supported employees in the branches in Tibet and Qinghai and CDB advisers and poverty -relief financing specialists working in villages in Tibet and Xinjiang.

Protect the Rights and Interests of Female Employees

- By the end of 2020, 42 primary-level units had set up maternal rooms and eight were chosen by the National Committee of the Chinese Financial Workers’ Union as partners in building “workers’ home”, effectively addressing the special needs of female workers.

Retirees

- Added new functions to the retirees’ support system, including 24-hour hotlines, meals ordering, housekeeping services, and medical consultation.
- Provided fitness rooms and entertainment and sports facilities, organised cultural and sports events, and opened courses.

Psychological Support

- Developed psychological support mechanisms with the formulation of *Measures on Building Mechanisms for Providing Psychological Support for Employees*.
- Provided support through counseling hotlines and seminars whereby 655 consultations were given.

Case

New Measures for Home-based Elderly Care

“My husband and I are getting old. Even going about our daily life is becoming difficult, especially during the pandemic. But with the CDB’s support system, we can have someone come over to cut our hair and clean the room. There are coupons that can be used to buy elderly care products and even rent wheelchairs for essential errands. I am very grateful.”

This is a letter from a retiree, Ms. Sun. The retirees’ support system she talked about provides diverse services and makes life easier for them.



Service Center for Retirees

Promote Democracy in Corporate Governance

Protect Lawful Rights and Interests of Staff

- Held the third meeting of the third workers' congress whereby staff representatives made 66 proposals and received responses to all.
- 28 primary-level workers' congresses held meetings at which 130 items were dealt with and 220 proposals were acted upon or responded to.
- Strengthened the tripartite mechanism for managing labor relations, organised talks between staff representative and the management and new collective contracts were signed with the support of staff representatives.
- Special collective contracts for the protection of female employees' rights and interests were renewed and labor protection provisions were included to protect the lawful rights and interests of female workers and address their special concerns.

Foster a Learning Environment



Fun Sports Event of CDB Hainan Branch



Youth League Event of CDB Shanxi Branch



Hiking Event of CDB Suzhou Branch



Chinese New Year Riddle Game of CDB Securities

Charity Programmes

CDB is devoted to a variety of charity programmes by working with different organisations and encourage employees to be volunteers to help promote social harmony.

Shopping as a Means of Reducing Poverty

Whole Group Involvement in "Shopping for Poverty Alleviation"

- Placed more orders for agricultural and livestock products from poor areas. By the end of 2020, CDB workers' congress had bought products worth RMB12.31 million from poor areas and CDB canteens bought products worth RMB13.91 million.
- Suppliers of rice, flour, cooking oil, eggs, pork, chicken, and mineral water from poor areas were the preferred partners for the bulk purchases of the canteen of the headquarters.

Open Up More Channels for Multi-party Cooperation

- Promoted sales of agricultural products from poor areas through partnerships with a number of online retail platforms, such as Gongfu Yungonghui, E-butler of Agriculture Bank of China, and "e-marketplace for suppliers and distributors".
- Encouraged CDB clients and partners to purchase products from poor areas, opening up new distribution channels in Shanghai, Ningbo, and Chongqing.
- Organised livestreaming marketing sessions which sold products worth RMB170,000 from poor areas in Hubei; promoted wormwood products from Guizhou through CDB advisers in the county of Wuchuan.
- By the end of 2020, CDB workers' congress had helped to distribute products for poverty-alleviation purposes worth RMB5.37 million.



Case

Buy Agricultural Products to Reduce Poverty

"All the chickens ready for slaughter are sold!" Villagers in Wuchuan, Guizhou were excited. In March 2020, with the help of CDB Ningbo Branch, all the 3,000 slaughtered black-bone chickens in the village were sold to Ningbo. This was the first time villagers accessed the market in Ningbo, a timely intervention in the face of the pandemic.



Black-bone Chickens in Shichao Village, Wuchuan, Guizhou

Support for the Children



CDB Xinjiang Branch Staff Members as Volunteers in a Primary School in Xinjiang



CAD Fund Working with Beijing Technology and Business University in "Green Dream" Child Support Programme



Support for Left-behind Children

Children in rural areas, especially from ethnic minority groups, those whose parents are migrant workers in cities and those living in poverty or with disabilities often face tremendous challenges in education and mental health. To help them overcome these difficulties, CDB Qinghai Branch introduced a new model under which volunteers would provide companionship, donate supplies, give lectures, and organise events for the children.

In an effort to support their education, by the end of 2020, CDB Qinghai Branch had donated more than RMB230,000 to the benefit of over 240 children in difficulties from different ethnic groups, including, Tibetan, Sala, Hui, and Tu. CDB Qinghai Branch organised handcraft and baking workshops and wild life park visits for children with autism. In 2020, the children care programme was awarded bronze medal by the fifth Chinese Youth Volunteer Programme Contest with its care programme for left-behind and poor children and children with special needs in ethnic minority regions and poor areas.



Children in Xi'ning, Qinghai Benefiting from CDB Programmes

Support for Education

Teaching Support

- "CDB Care Award" had provided support 1,664 times by the end of 2020. In the past year, 188 teachers living in poverty in four poor counties received support from the programme, which helped build teachers' team in poor villages.

Learning Support

- Under CDB's "Sun of Spring Programme" in Sichuan, students in the registered poor households in Liangshan Prefecture with outstanding academic performance were given RMB8,000 yuan each year each person to complete high school. In 2020, 76% of the students were enrolled into the first and second tier universities.



Students Benefiting from "Sun of Spring Programme"

Protect the Environment



CDB Leasing Carrying out "Young Volunteers for Environmental Protection Programme"



CDB Sichuan Branch Planting Trees in Sichuan

Financial Knowledge Campaign

Organised awareness campaigns in rural areas, universities, residential areas, and companies to raise financial literacy and awareness of risks.



"Financial Knowledge Month" of CDB Tianjin Branch



"Financial Knowledge on the Move" of CDB Tibet Branch



"Financial Knowledge for Rational Investment and Lawful Online Banking" of CDB Heilongjiang Branch



CDB Capital Carrying out "Financial Knowledge for Security and Happiness" in Communities

Outlook

The year 2021 marks the beginning of the 14th five-year period and the endeavor to fully build a modern socialist country. CDB is a DFI guided by the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era; it focuses on consistency in performance, promotes quality economic growth and supply-side reform and is driven by reform and innovation. It will continue to leverage its strengths to help bring about a good start of the 14th five-year period.

Party building for stronger implementation of state strategies. CDB will continue to firmly uphold the centralised and unified leadership of the CPC Central Committee and implement the important instructions of General Secretary Xi Jinping and the decision of the CPC Central Committee. We will strengthen our consciousness of the need to maintain political integrity, think in big-picture terms, follow the leadership core, and keep in alignment with the central Party leadership; stay confident in the path, theory, system, and culture of socialism with Chinese characteristics; and uphold General Secretary Xi Jinping's core position on the Party Central Committee and in the Party as a whole, and uphold the Party Central Committee's authority and its centralised, unified leadership. CDB will develop a deeper understanding of the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, comprehensively strengthen the Party organs at the primary levels of the bank, and enhance integrity and curb corruption. We will raise awareness with cases of indiscipline, maintain firm control over the four problems of formalities for formalities' sake, bureaucratism, hedonism, and extravagance, and strengthen restraints and supervision on the use of power.

Prop up priority areas for quality growth of the economy. CDB will stimulate domestic circulation, support flagship projects in modern infrastructure, modern urbanisation, energy, transport, and hydropower. CDB will support finch and promote steady operations and continuous upgrading of supply and industrial chains to build an advanced manufacturing sector. Regional development strategies, such as Beijing-Tianjin-Hebei Integration, Guangdong-Hong Kong-Macao Greater Bay Area, and the Yangtze River Delta Integration, will be promoted to make development more balanced. CDB will support priority regions and countries in the BRI cooperation. CDB will take an active part in global financial governance and engage in practical cooperation bilaterally and multilaterally.

Green finance for carbon peaking and neutrality. CDB will support key demonstration programmes in ecological conservation and solid waste and sewage treatment programmes in townships to fight pollution and improve the environment; implement state strategies for building reserve forests and a good forestry environment to increase green resources; contribute to the ecological protection and treatment of major river basins and large lakes and wetlands, particularly the Yangtze River and the Yellow River; and promote the creation of compensation mechanisms in para-public service areas so that market resources can be mobilised for programmes of sewage treatment and waste-to-energy plants.

Inclusive finance for better lives. CDB will contribute to the smooth transition from eradicating absolute poverty to rural invigoration by modernizing the agriculture sector; supporting the supply of grain and other important produce, modern farming, and non-farming economic sectors in rural areas. The general goal is to ensure food security, fill in infrastructure gaps, raise efficiency in the agricultural sector, and deliver interconnected growth across the primary, secondary, tertiary industries in rural areas. CDB will support construction of public rental housing, government-subsidised rental apartments, and public-private co-owned apartments and the renovation of old residential blocks and shanty towns. CDB will support small and micro businesses with a view to protecting job opportunities and market players.

Reform for sustainable development. With the Party's leadership firmly established in corporate governance, CDB will continue to improve compliance with the law, transparency of the powers and responsibilities of officials, and coordination and balance in its governance structure. We will build a more comprehensive risk management system, which allows a prominent role of risk appetite in shaping management and risk prevention. Risk monitoring in crucial areas will be intensified to keep a firm control over risks. Financial bonds will be issued with cross-cycle financing in mind to give the real economy better support.

The long road ahead demands nothing but continued hard work. Going forward, CDB will stay true to its founding mission, especially its commitment to the people's wellbeing. It will make good use of its strengths to support the gains China has made in fending off the Covid-19 pandemic and reviving the economy, making greater contribution to China's quality growth.

Appendices

» Honors and Awards

National Poverty Reduction Commendation Conference

Leading Organisation for Poverty Reduction (Poverty Reduction Finance Department of CDB, CDB Guizhou Branch)
Outstanding Individual for Poverty Reduction (Li Xuezheng, former deputy head of Gulin County in Sichuan, former CPC Secretary of Maliutan Village, staff member of CDB Planning department; Xu Lingang, CDB Poverty reduction finance consultant in He'nan, staff member of CDB He'nan Branch)

People.cn

People's Social Responsibility Award (15th consecutive year)

Xinhuanet.com

China Corporate Social Responsibility Award for Targeted Poverty Alleviation

People's Daily

Best Case of Targeted Poverty Alleviation

Financial News

Best Bank of the Year for Implementing "Double-six Goals"

UNGC Network China

Best Practices Award 2020 on Sustainable Development Goals

ADFIAP

Winner under the Outstanding Development Project Awards, Infrastructure Development (Amur Gas Processing Plant)
Merit Award under the Outstanding Development Project Awards, Trade Development (Phnom Penh-Sihanoukville Expressway)
Merit Award under the Outstanding Development Project Awards, Trade Development (Lekki Deep Sea Port Project in Nigeria)

China Banking

2020 Annual Award for Best Performance in Loan Syndication
2020 Annual Award for Best Programme in Loan Syndication

The Asset

Best Quasi-sovereign Bond

Project Finance International

2019 "African Infrastructure Deal of the Year", (Lekki Deep Sea Port Project in Nigeria)
2020 "Europe Petrochemicals Deal of the Year" (Amur Gas Processing Plant)

Financial Digitalisation

Fintech Innovation Services--Fintech for Poverty Reduction
Fintech Innovation Outstanding Contribution--Fintech for Operation and Maintenance
Fintech Innovation Outstanding Contribution--Special Contribution to Development and Innovation

Beijing FinTech Industry Alliance

Leading Institution in Contribution

China Business Executives Academy, Dalian

Leading Example of SOE Management Practices--"New Era, New Responsibilities, New Actions" SOE Management Practices Competition

Ministry of Civil Affairs

11th China Charity Award--Outstanding Contribution to Fighting COVID-19 2020

Ministry of Finance

Excellence Financial Accounting Award for Financial Institutions Directly Overseen by the Central Government

People's Bank of China

2019 Fintech Development Second Prize
2019 Fintech Development Third Prize

China Banking Association

Award for Contribution to the "Three Critical Battles"
Award for Contribution to the BRI
2020 China Banking Industry Best News Reporting Award
2020 China Banking Industry Most Popular News Reporting Award
2020 Award for Organisation of Evaluation of Research Programmes in China's Banking Sector
Best Corporate Social Responsibility Case (Lekki Deep Sea Port Project in Nigeria)

China Central Depository & Clearing Co., Ltd

2020 Excellent Issuer of the Year
2020 Excellent Issuer of OTC Products
2020 Top 100 Financial Accounting--Excellent Bond Dealer

ChinaBond Pricing Center Co., Ltd

2020 Excellent Partner for Comprehensive Evaluation of China Bond Index Users

China Foreign Exchange Trade System

2020 Top 10 Traders of Standard Chinese Yuan Foreign Exchange Products

National Interbank Funding Center

2020 Core Dealer on Inter-bank Local Currency Market
2020 Excellent Trader Inter-bank Local Currency Market
2020 Award for Inter-bank Local Currency Market Trading Mechanism Innovation (X-Repo)

Shanghai Stock Exchange

2020 Best Issuer of Financial Bonds

Shenzhen Stock Exchange

2020 Best Issuer of Policy Financial Bonds

Bond Connect

2020 Annual Award for Market Promotion
2020 Best Issuer

Interbank Market Clearing House

2020 Best Issuer
Best Institution in 2020 for Promoting Innovative Businesses

» Key Data

in billion RMB, unless otherwise specified

Key Performance Indicators	2020	2019	2018
I. Economic Indicators			
Total Assets	17,103.6	16,504.6	16,179.8
Balance of Loans and Advances	13,049.9	12,200.5	11,678.9
NPL Ratio (%)	0.79	0.95	0.92
Allowance for Loan Losses to Total Loans	3.38	4.24	4.37
Debt Securities Issued	10,722.1	9,735.8	9,108.4
Total Shareholders' Equity	1,480.6	1,393.7	1,300.7
Capital Adequacy Ratio (%)	12.03	11.71	11.81
Net Profit	118.8	118.5	112.1
ROA (%)	0.71	0.73	0.70
ROE (%)	8.27	8.80	8.82
II. Social Indicators¹			
Balance of Railway Industry Loans	865.7	853.7	808.0
Balance of Power Industry Loans	998.6	951.6	913.3
Balance of Highway Industry Loans ²	2,233.9	1,980.4	1,782.1
Total Loans to Central and Western China ³	1,528.9	1,104.6	1,296.7
Total Loans to Old Industrial Bases of Northeastern China ⁴	146.2	157.5	143.2
Total Rural Infrastructure Loans ⁵	53.9	47.2	61.8
Total Education Loans	33.5	31.0	28.7
Students Benefiting from the Education Loans (in 10,000 students)	3,498.8	3,048.8	2,622.0
Total Emergency Loans ⁶	19.2	1.1	0.4
Total Number of Employees (persons) ⁷	10,092	9,797	9,507
Proportion of Female Employees (%) ⁷	41.73	41.41	41.04
Public Welfare Donations (in RMB10,000) ⁸	18,109.1	5,781.0	5,478.8
Employee Satisfaction (%)	99	99	99

2021/SH-0397

Key Performance Indicators	2020	2019	2018
III. Environmental Indicators¹			
Balance of Green Credit Loans ⁹	2,341.7	2,143.7	1,901.2
Total Loans to Yangtze River Protection and Green Development ¹⁰	488.8	384.9	Not Applicable
Electricity Consumption per Person in the Head Office (kwh/person) ¹¹	11,600	13,893	14,534
Paper Consumption per Person in the Head Office (kg/person) ¹¹	18.2	17.19	18.36
Water Consumption per Person in the Head Office (m ³ /person) ¹¹	28.5	50.76	49.50
Number of Video Conferences ¹²	1,534	916	995
E-banking Transaction Amount ¹³	14,532.2	16,790.6	10,670.6

Notes: 1. The indicators which involved foreign currency loans shall be translated according to the central parity of RMB exchange rate on December 31, 2020 of China Foreign Exchange Trade System.

2. Excluding loans in foreign currencies and loans of CDB Hong Kong Branch.

3. Referring to loans disbursed to projects located in central and western China, which includes Shanxi, Jilin, Heilongjiang, Anhui, Jiangxi, He'nan, Hubei, Hu'nan, Inner Mongolia, Guangxi, Chongqing, Sichuan, Guizhou, Yunnan, Tibet, Shaanxi, Gansu, Qinghai, Ningxia and Xinjiang.

4. Referring to loans disbursed to projects located in the three provinces of Northeastern China.

5. Referring to the loans to rural infrastructure projects located in and designed to serve regions where the underprivileged population account for no less than 10% of total local population.

6. Referring to the loans within one year (included) with rapid decision-making as a part of the Bank's business scope, aiming to help local governments and critical enterprises and institutions to manage emergencies before fiscal aid or relief become available or the afflicted enterprises or institutions can resume their normal productions and operations.

7. Within the Bank's range.

8. Referring to the amount of actual external cash donations made by the Head Office and the branches.

9. Referring to outstanding loans to projects under the 12 categories specified in the *Notice on Reporting Green Credit Statistics* by the CBIRC [2013] No.185.

10. Referring to the total loans to the projects located in the 11 provinces along the Yangtze River and belong to the green development fields in the supporting list.

11. Per capital use of electricity, paper and water are calculated based on regular employees in the Head Office.

12. Including the number of video conferences held by the Head Office, Xinjiang Branch and Hainan Branch.

13. Referring to the online banking transaction amount.

» Independent Practitioner's Assurance Report

English Translation for Reference Only

To the Management of China Development Bank

We have been engaged to perform a limited assurance engagement on the selected 2020 key data as defined below in the 2020 Sustainability Report ("the Sustainability Report") of China Development Bank (the "Bank").

Selected Key Data

The selected key data in the Bank's 2020 Sustainability Report is the environmental indicators and social indicators of 2020 in the table of key data.

Our assurance was with respect to the year ended 31 December 2020 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the 2020 Sustainability Report.

Criteria

The criteria used by the Bank to prepare the selected key data in the 2020 Sustainability Report is set out in the footnotes to the table of key data (the "basis of reporting").

The Management's Responsibilities

The Management is responsible for the preparation of the selected key data in the 2020 Sustainability Report in accordance with the basis of reporting. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the selected key data in the 2020 Sustainability Report that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

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

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

Practitioner's Responsibilities

It is our responsibility to express a conclusion on the selected key data in the 2020 Sustainability Report based on our work.

We conducted our work in accordance with the *International Standard on Assurance Engagements 3000 (Revised)* "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". This standard requires that we plan and perform our work to form the conclusion.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion about whether the Bank's 2020 selected key data in the 2020 Sustainability Report has been prepared, in all material respects, in accordance with the basis of reporting. Our work involves assessing the risks of material misstatement of the selected key data in the 2020 Sustainability

2021/SH-0397

Report whether due to fraud or error, and responding to the assessed risks. The extent of procedures selected depends on our judgment and assessment of the engagement risk.

Within the scope of our work, our work was performed at the Head Office and the following branches:

- Hu'nan Branch
- Jilin Branch
- Shenzhen Branch

We performed the following procedures:

- 1) Interviews with relevant departments of the Bank involved in providing information for the selected key data within the Sustainability Report; and
- 2) Analytical procedures
- 3) Examination, on a test basis, of documentary evidence relating to the selected key data on which we report;
- 4) Recalculation; and
- 5) Other procedures deemed necessary.

Inherent Limitation

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

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the 2020 selected key data in the 2020 Sustainability Report is not prepared, in all material respects, in accordance with the basis of reporting.

Restriction on Use

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

PricewaterhouseCoopers Zhong Tian LLP

Shanghai, China
August 11, 2021

» GRI Content Index

Number of the Disclosure Standard and Heading	Disclosure Article	Standard Content	Where to Find	
GRI 102: General Disclosures				
Organisational Profile	102-1	Name of the Organisation	Bank Profile	
	102-2	Activities, brands, products, and services	Bank Profile	
	102-3	Location of headquarters	Back Cover	
	102-4	Location of operations	Back Cover	
	102-5	Ownership and legal form	Bank Profile	
	102-6	Markets served	Bank Profile	
	102-7	Scale of the organisation	VII. Appendices (2). Key Data	
	102-8	Information on employees and other workers	V.(4).2. Staff Care	
	102-9	Supply chain	Procurement of China Development Bank	
	102-10	Significant changes to the organisation and its supply chain	IV.(2).2. Enhance Corporate Governance	
	102-11	Precautionary principle or approach	IV.(2).3. Improve Risk Management	
	102-12	External initiatives	VII. Appendices (5). Notes	
	102-13	Membership of associations	IV.(2).4. Promote Stakeholder Participation	
Strategy	102-14	Statement from senior decision-maker	I. Chairman's Review II. President's Report III. Special Topic: Promoting National Development with Development Finance during the 13th Five-year Period IV.(2).3. Improve Risk Management	
	102-15	Key impacts, risks, and opportunities	I. Chairman's Review II. President's Report	
Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior	IV.(2).3. Improve Risk Management	
	102-17	Mechanisms for advice and concerns about ethics	2020 Annual Report: Corporate Governance	
Governance	102-18	Governance structure	2020 Annual Report: Corporate Governance	
	102-19	Delegating authority	2020 Annual Report: Corporate Governance	
	102-20	Executive-level responsibility for economic, environmental, and social topics	IV.(2).2. Enhance Corporate Governance	
	102-21	Consulting stakeholders on economic, environmental, and social topics	IV.(2).4. Promote Stakeholder Participation	
	102-22	Composition of the highest governance body and its committees	2020 Annual Report: Corporate Governance	
	102-23	Chair of the highest governance body	I. Chairman's Review 2020 Annual Report: Profiles of Directors, Senior Management and Staff 2020 Annual Report: Corporate Governance	
	102-24	Nominating and selecting the highest governance body	2020 Annual Report: Changes to the Board of Directors and the Senior Management 2020 Annual Report: Profiles of Directors, Senior Management and Staff	
	102-25	Conflicts of interest	2020 Annual Report: Profiles of Directors, Senior Management and Staff	
	102-26	Role of highest governance body in setting purpose, values, and strategy	2020 Annual Report: Corporate Governance	
	102-27	Collective knowledge of highest governance body	IV.(2).4. Promote Stakeholder Participation	
	102-28	Evaluating the highest governance body's performance	2020 Annual Report: Annual Remuneration	
	102-29	Identifying and managing economic, environmental, and social impacts	IV.(2).4. Promote Stakeholder Participation	
	102-30	Effectiveness of risk management processes	IV.(2).3. Improve Risk Management	
	102-31	Review of economic, environmental, and social topics	IV.(2).2. Enhance Corporate Governance	
	102-32	Highest governance body's role in sustainability reporting	IV.(2).4. Promote Stakeholder Participation	
	Stakeholder Engagement	102-33	Communicating critical concerns	IV.(2).4. Promote Stakeholder Participation
		102-34	Nature and total number of critical concerns	IV.(2).4. Promote Stakeholder Participation
102-35		Remuneration policies	2020 Annual Report: Annual Remuneration	
102-36		Process for determining remuneration	2020 Annual Report: Annual Remuneration	
102-37		Stakeholders' involvement in remuneration	2020 Annual Report: Annual Remuneration	
102-38		Annual total compensation ratio	2020 Annual Report: Annual Remuneration	
102-39		Percentage increase in annual total compensation ratio	2020 Annual Report: Annual Remuneration	
102-40		List of stakeholder groups	IV.(2).4. Promote Stakeholder Participation	
102-41		Collective bargaining agreements	V.(4).2. Staff Care	
102-42		Identifying and selecting stakeholders	IV.(2).4. Promote Stakeholder Participation	
102-43		Approach to stakeholder engagement	IV.(2).4. Promote Stakeholder Participation	
102-44		Key topics and concerns raised	IV.(2).4. Promote Stakeholder Participation	

Number of the Disclosure Standard and Heading	Disclosure Article	Standard Content	Where to Find
Reporting Practice	102-45	Entities included in the consolidated financial statements	VII. Appendices (2). Key Data
	102-46	Defining report content and topic boundary	VII. Appendices (5). Notes
	102-47	List of material topics	IV.(2).4. Promote Stakeholder Participation
	102-48	Restatements of information	Not Applicable
	102-49	Changes in Reporting	Not Applicable
	102-50	Reporting period	VII. Appendices (5). Notes
	102-51	Date of most recent report	VII. Appendices (5). Notes
	102-52	Reporting cycle	VII. Appendices (5). Notes
	102-53	Contact point for questions regarding the report	VII. Appendices (5). Notes
	102-54	Claims of reporting in accordance with the GRI standards	VII. Appendices (5). Notes
102-55	GRI content index	VII. Appendices (4). GRI Content Index	
102-56	External assurance	VII. Appendices (3). Independent Practitioner's Assurance Report	
GRI 200 Economic			
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	III. Special Topic: Promoting National Development with Development Finance during the 13th Five-year Period V. Sustainable Development Practices
	103-2	Management approach and its components	
	103-3	Evaluation of the management approach	
GRI 201 Economic Performance	201-1	Direct economic value generated and distributed	V. Sustainable Development Practices VII. Appendices (2). Key Data
	201-2	Financial implications and other risks and opportunities due to climate change	IV.(2).3. Improve Risk Management
	201-3	Defined benefit plan obligations and other retirement plans	V.(4).2. Staff Care
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	2020 Annual Report: Profiles of Directors, Senior Management and Staff
	103-2	Management approach and its components	
	103-3	Evaluation of the management approach	
GRI 202 Market Presence	202-1	Proportion of senior management hired from the local community	2020 Annual Report: Annual Remuneration
	202-2	Proportion of senior management hired from the local community	2020 Annual Report: Profiles of Directors, Senior Management and Staff
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	III. Special Topic: Promoting National Development with Development Finance during the 13th Five-year Period V. Sustainable Development Practices
	103-2	Management approach and its components	
	103-3	Evaluation of the management approach	
GRI 203 Indirect Economic Impacts	203-1	Infrastructure investments and services supported	V. Sustainable Development Practices VII. Appendices (1). Honors and Awards
	203-2	Significant indirect economic impacts	V.(1).1. Infrastructure Development III. Special Topic: Promoting National Development with Development Finance during the 13th Five-year Period V.(1). Support a New Development Paradigm V.(2). Create a Better Life
GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	Procurement of China Development Bank
	103-2	Management approach and its components	
	103-3	Evaluation of the management approach	
GRI 204 Procurement Practices	204-1	Proportion of spending on local suppliers	Procurement of China Development Bank
	103-1	Explanation of the material topics and its boundary	IV.(2).1. Leadership of the CPC
103-2	Management approach and its components		
103-3	Evaluation of the management approach		
GRI 205 Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	V.(4).2. Staff Care VII. Appendices (2). Key Data
	205-3	Confirmed incidents of corruption and actions taken	

Number of the Disclosure Standard and Heading	Disclosure Article	Standard Content	Where to Find
GRI 300 Environment			
GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	III. Special Topic: Promoting National Development with Development Finance during the 13th Five-year Period V.(1).1. Infrastructure Development V.(1).4. Green and Low-carbon Development
	103-2	Management approach and its components	
	103-3	Evaluation of the management approach	
GRI 302 Energy	302-1	Energy consumption within the organisation	VII. Appendices (2). Key Data
	302-2	Energy consumption outside of the organisation	III. Special Topic: Promoting National Development with Development Finance during the 13th Five-year Period V.(1).1. Infrastructure Development V.(1).4. Green and Low-carbon Development
	302-3	Energy intensity	VII. Appendices (2). Key Data
	302-4	Reduction of energy consumption	VII. Appendices (2). Key Data
	302-5	Reductions in energy requirements of products and services	VII. Appendices (2). Key Data
GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	III. Special Topic: Promoting National Development with Development Finance during the 13th Five-year Period V.(1).1. Infrastructure Development V.(1).3. Coordinated and Balanced Development between Regions V.(1).4. Green and Low-carbon Development
	103-2	Management approach and its components	
	103-3	Evaluation of the management approach	
GRI 303 Water	303-1	Interactions with water as a shared resource	VII. Appendices (2). Key Data
	303-2	Water sources significantly affected by withdrawal of water	III. Special Topic: Promoting National Development with Development Finance during the 13th Five-year Period V.(1).1. Infrastructure Development V.(1).3. Coordinated and Balanced Development between Regions V.(1).4. Green and Low-carbon Development
303-3	Water withdrawal	V.(1).4. Green and Low-carbon Development	
GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	III. Special Topic: Promoting National Development with Development Finance during the 13th Five-year Period V.(1).3. Coordinated and Balanced Development between Regions V.(1).4. Green and Low-carbon Development
	103-2	Management approach and its components	
	103-3	Evaluation of the management approach	
GRI 304 Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	III. Special Topic: Promoting National Development with Development Finance during the 13th Five-year Period V.(1).4. Green and Low-carbon Development
	304-2	Significant impacts of activities, products, and services on biodiversity	
GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(1).4. Green and Low-carbon Development VII. Appendices (2). Key Data
	103-2	Management approach and its components	
	103-3	Evaluation of the management approach	
GRI 305 Emissions	305-1	Direct (Scope 1) GHG emissions	V.(1).4. Green and Low-carbon Development
	305-2	Energy indirect (Scope 2) GHG emissions	
	305-3	Other indirect (Scope 3) GHG emissions	
	305-4	GHG emissions intensity	
	305-5	Reduction of GHG emissions	
GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(1).3. Coordinated and Balanced Development between Regions V.(1).4. Green and Low-carbon Development
	103-2	Management approach and its components	
	103-3	Evaluation of the management approach	
GRI 306 Effluents and Waste	306-1	Water discharge by quality and destination	V.(1).4. Green and Low-carbon Development
	306-2	Waste by type and disposal method	
GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(1).4. Green and Low-carbon Development
	103-2	Management approach and its components	
	103-3	Evaluation of the management approach	
GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(1).4. Green and Low-carbon Development Procurement of China Development Bank
	103-2	Management approach and its components	
	103-3	Evaluation of the management approach	
GRI 308 Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	Procurement of China Development Bank
	308-1	Explanation of the material topics and its boundary	V.(4).2. Staff Care
103-2	Management approach and its components		
103-3	Evaluation of the management approach		
GRI 401 Employment	401-1	New employee hires and employee turnover	V.(4).2. Staff Care VII. Appendices (2). Key Data
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	V.(4).2. Staff Care

Number of the Disclosure Standard and Heading		Disclosure Article	Standard Content	Where to Find
GRI 402 Labor/Management Relations	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(4).2. Staff Care
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
GRI 403 Occupational Health and Safety	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(4).2. Staff Care
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
	403-1	Workers representation in formal joint management—worker health and safety committees		
		403-2	Hazard identification, risk assessment, and incident investigation	
		403-4	Health and safety topics covered in formal agreements with trade unions	
GRI 404 Training and Education	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(4).2. Staff Care
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
		404-1	Average hours of training per year per employee	
		404-2	Programmes for upgrading employee skills and transition assistance programmes	
GRI 405 Diversity and Equal Opportunity	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(4).2. Staff Care
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
		405-1	Diversity of governance bodies and employees	
		405-2	Ratio of basic salary and remuneration of women to men	
GRI 406 Non-discrimination	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(4).2. Staff Care
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
		406-1	Incidents of discrimination and corrective actions taken	
GRI 407 Freedom of Association and Collective Bargaining	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(4).2. Staff Care
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
		407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	
GRI 408 Child Labor	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(4).2. Staff Care
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
GRI 409 Forced or Compulsory Labor	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(4).2. Staff Care
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
GRI 410 Security Practices	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	WeChat: How to Pay Attention to Work During Epidemic Prevention and Control? Please Check this Guide
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	

Number of the Disclosure Standard and Heading		Disclosure Article	Standard Content	Where to Find
GRI 411 Rights of Indigenous Peoples	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(1).5. Economic Openness
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
GRI 412 Human Rights Assessment	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(4).2. Staff Care
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
		412-2	Employee training on human rights policies or procedures	
GRI 413 Local Communities	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	III. Special Topic: Promoting National Development with Development Finance during the 13th Five-year Period V.(1). Support a New Development Paradigm V.(2). Create a Better Life V.(3). Support Pandemic Control V.(4).3. Charity Programmes
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
		413-1	Operations with local community engagement, impact assessments, and development programmes	
GRI 414 Supplier Social Assessment	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	Procurement of China Development Bank
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
		414-1	New suppliers that were screened using social criteria	
GRI 415 Public Policy	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(2).1. Promote Synergy between Poverty Reduction and Rural Invigoration V.(3). Support Pandemic Control V.(4). Win-win Cooperation V.(4).3. Charity Programmes
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
		415-1	Political contributions	
GRI 416 Customer Health and Safety	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(4).1. Improve Services for Clients
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
		416-1	Assessment of the health and safety impacts of product and service categories	
GRI 417 Marketing and Labeling	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(4).1. Improve Services for Clients
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
		417-1	Requirements for product and service information and labeling	
GRI 418 Customer Privacy	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	V.(4).1. Improve Services for Clients
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	
GRI 419 Socioeconomic Compliance	GRI 103 Management Approach	103-1	Explanation of the material topics and its boundary	IV.(2).3. Improve Risk Management
		103-2	Management approach and its components	
		103-3	Evaluation of the management approach	

» Notes

Reporting Period:

1 January to 31 December 2020, with a few exceptions.

Release Cycle:

CDB Sustainability Report is an annual publication

Organisational Scope:

China Development Bank (referred to as CDB and “we” in report) and its subsidiaries.

Basis of Preparation:

ISO 26000:2010 *Guidance on Social Responsibility* (<http://www.iso.org>), GRI standards core option (<http://www.globalreporting.org>), GB/T 36000-2015 *Guidance on Social Responsibility*, UN *Transforming our World: the 2030 Agenda for Sustainable Development*, and guidelines of CBIRC and China Banking Association

Assurance:

In order to ensure its truthfulness and reliability, PricewaterhouseCoopers Zhong Tian LLP was engaged to provide third-party assurance on the report.

Access to Report:

Electronic copy can be accessed at <http://www.cdb.com.cn>

Contact:

Tian Qing

Tel: 86-10-88309375

Fax: 86-10-88309169

E-mail: csr@cdb.cn



No.18 Fuxingmennei Street, Xicheng District, Beijing, P.R.China

Post code: 100031

Website: www.cdb.com.cn