



国家开发银行
CHINA DEVELOPMENT BANK



2022

SUSTAINABILITY
REPORT

BANK PROFILE

Established in 1994, the China Development Bank (hereinafter referred to as CDB) 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 underdeveloped 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. 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. Adhering to the development finance methods for building consensus and synergy and seeking win-win cooperation, CDB mobilizes, guides and allocates economic resources to increase support for key industries and underdeveloped sectors and boost high quality economic and social development. CDB mainly supports the following key areas:

- Socioeconomic development, such as infrastructure, basic industries, pillar industries, public services and management;
- Urbanization, urban-rural integration and balanced regional development;
- Programs 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, consolidation of poverty alleviation achievements, rural revitalization, student loans, and inclusive finance;
- Areas of strategic importance, including science and technology, and people-to-people exchange;
- The Belt and Road Initiative (BRI), international cooperation in industrial capacity, manufacturing, infrastructure connectivity, energy and resources, and “Go Global” Chinese enterprises;
- Initiatives in support of development and economic and financial reforms;
- Other areas encouraged by national development strategies and policies.

Acting on the new development philosophy and placing a strong premium on reform and innovation, CDB brings into play its role as a DFI in promoting government development goals, compensating for market failures, improving resource allocation efficiency, and alleviating cyclical economic fluctuations. CDB implements a people-centered approach to development to provide high quality support to the national strategies, plans and policy objectives, putting itself on track to be a world-class, modern DFI and a strong force of financial support for China's sustained and sound economic and social development.

PREAMBLE

In 2022, the 20th National Congress of the Communist Party of China (CPC) was successfully held, marking the beginning of a new journey to build China into a modern socialist country in all respects and advance the rejuvenation of the Chinese nation on all fronts. In the past year, CDB stayed true to its mission of supporting national development and delivering a better life for the people, and integrated the philosophy of sustainable development into its business management. We remained committed to development as a priority, a people-centered approach, inclusiveness and benefits for all, innovation-driven development, harmony between human and nature, and results-oriented actions. We made the financial activities more politically-oriented and people-centered, gave full play to development finance, and boosted through financial services the implementation of the *Transforming our World: The 2030 Agenda for Sustainable Development* adopted by the United Nations (UN) and the Global Development Initiative (GDI), so as to help achieve a better and more sustainable future.

Committed to the development mandate. CDB delivered its mandate as a DFI, increased support for key industries and underdeveloped sectors in economic and social development, went all out to help maintain a stable economy, and bolstered high quality development. To support infrastructure development across the board, CDB stepped up investment through the infrastructure investment fund, and issued RMB1.4 trillion of infrastructure loans last year. It took the initiative to promote the development of the manufacturing sector, and supported the building of an industrial system, with the balance of loans to the manufacturing sector exceeding RMB1 trillion for the first time. It stepped up support for coordinated regional development, with a focus on major projects. It provided financial services to ensure energy supply and help ease enterprises’ burden, increased on-lending loans, to provided better financial services for small and micro enterprises with higher efficiency. It also explored sustainable financing models compatible with the context of each country to advance the high quality development of the BRI.

Committed to green development and ecological conservation. CDB implemented the strategy of green and low-carbon finance, increased the supply of green finance, and endeavored to build a green bank. It continued to deepen bank-government cooperation and strengthened policy coordination and information sharing in priority areas such as carbon peaking and carbon neutrality, territorial and spatial ecological protection and restoration, and rural sewage treatment. CDB improved the governance system of green finance and formulated a special plan for green, low-carbon and circular development during the 14th Five-Year Plan period. It vigorously supported clean energy, pollution control, and eco-environment protection through green and low-carbon loans, green finance bonds, and schemes for emission reduction, and delivered the “RMB100 Billion Loans for 100 Counties” financing program. It also established an ESG rating model, and continued to improve the ESG risk management mechanism.

Committed to a people-centered approach to build a harmonious society. CDB commits itself to improving people's livelihood while supporting development, and made full use of development finance to realize people's aspirations for a better life, stepping up its efforts on key areas vital for people's livelihood. CDB followed a new path to urbanization, and vigorously supported priority areas such as industry-city integration and urban-rural integration. In support of rural revitalization, it saw an increase in the balance of agriculture-related loans by RMB262.1 billion. CDB issued RMB130.2 billion in loans for social housing to support affordable rental housing and the renovation of dilapidated housing and shanty towns. Adhering to the principle of “providing loans to those in need”, CDB extended RMB49.6 billion in student loans to students from underprivileged families. It boosted the building of a high quality healthcare service system, supported local governments in building a network of inclusive elderly care services, and helped respond to emergencies such as flood control and earthquake relief through emergency loans.

Committed to a modern governance system. CDB strengthened the Party's leadership while improving its corporate governance, put in place a legally defined corporate governance system with transparent powers and responsibilities, effective coordination, and balance between different functions. It kept improving its internal control management, launching the Year of Internal Control Mechanism Building to strengthen internal control and compliance of lending activities. With a keen appreciation of the risk landscape, CDB continued to improve its comprehensive risk management system that aligns with its mandate as an infrastructure bank. It stepped up efforts to counter corruption and promote integrity, with a view to developing a clean financial culture. It implemented the talent strategy to develop a high caliber workforce. It also actively made charitable donations and organized voluntary services to deliver love and care and demonstrate social responsibility.

The year 2023 marks the start to fully implement the guiding principles of the 20th CPC National Congress. On the new journey of building a modern socialist country in all respects, CDB will bear in mind the country's most fundamental interests, launch the education campaign on studying and implementing Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and remain committed to promoting national development and providing financial services for the people. It will unswervingly follow the path of sustainable development, and contribute to a bright future of peace and shared prosperity.

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HIGH QUALITY ECONOMIC DEVELOPMENT

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When its real economy prospers, a country grows stronger. Finance fuels the growth of the real economy, and it is an innate responsibility for the financial sector to support the real economy. In order to build a modern socialist country in all respects and accelerate the new development paradigm featuring dual circulation, in which domestic and overseas markets reinforce each other, with the domestic market as the mainstay, we should support the real economy as the ultimate goal of financial services, continue to expand financing channels for the real economy, and deliver more efficient and effective services on all fronts.

As a DFI, CDB gives full play to its advantages in medium- and long-term investment and financing, increases financial support to priority areas of the real economy including infrastructure and advanced manufacturing, and eases enterprises' burden with financial support. It focuses on maintaining a stable economy, keeps the economy operating within an appropriate range, and promotes high quality economic development.



Feature

Infrastructure Development



As a basic, pioneering, strategic and leading industry, infrastructure plays an important role in supporting economic and social development, with a huge multiplier effect in stimulating investment, expanding domestic demand and driving the development of industrial chains in related sectors. In recent years, China has seen continuous improvement in networked infrastructure and service quality. The innovation-driven capability has been significantly enhanced, the integrated and collaborated development has been stepped up, and the overall level of infrastructure has been improved by leaps and bounds, which provides a strong safeguard for economic and social development. In 2022, the 11th Meeting of the Central Committee for Financial and Economic Affairs stressed the need to strengthen infrastructure development and build a modern infrastructure system to lay a solid foundation for a modern socialist country in all respects.

CDB goes wherever the country needs. Taking the financial strategy for infrastructure as an important part of the high quality development strategy of CDB and the business development plan during the 14th Five-Year Plan period, we focus on improving the overall efficiency of the national economy, serve the strategy of expanding domestic demand, foster a complete domestic demand system, identify the areas where the supply-side structural reform and demand-side reform can be combined effectively, and help shore up weak links in infrastructure.

In 2022, we implemented the strategic plan of “maintaining a stable economy”. With a strong sense of responsibility, we supported infrastructure development and actively leveraged our advantages in medium- and long-term investment and financing, focused on the priority areas of infrastructure, and provided market-based financial services to infrastructure projects with huge financing needs, long payback periods and significant social benefits.

Planning ahead

CDB gave priority to planning and provided intellectual and institutional support. It took the initiative to communicate with relevant ministries and commissions and local governments at all levels, cooperate with them in planning in key areas, and keep abreast of the progress of major programs and key projects, with a view to promoting project development.

Leveraging market methods

CDB provided long-term, stable financing for infrastructure development through its medium- and long-term loans and infrastructure investment fund. In 2022, it issued RMB1.4 trillion infrastructure loans, and efficiently promoted investments through the infrastructure investment fund.

Channeling investment

CDB channeled economic resources to increase support for infrastructure by leading syndicated loans and issuing special bonds. Throughout the year, it underwrote 123 debt financing instruments for enterprises engaging in urban and rural infrastructure and transport infrastructure construction, with a share of RMB108.36 billion.

Building China's Strength in Transport



Boosting national strength in transport is a priority in building a modern economic system and an important buttress to the building of a modern socialist country in all respects. CDB focused on supporting the transport projects outlined in the 14th Five-Year Plan and the key strategic transport projects. It strengthened government-bank-enterprise cooperation, and accelerated lending to relevant projects. Meanwhile, in line with the rural revitalization strategy, CDB helped shore up weak spots in transport infrastructure such as highways and railways, with a focus on rural areas and old revolutionary bases.

The Building of a Modern Industrial System



Manufacturing is an important part of the real economy, and the high quality development of manufacturing is crucial to the high quality development of the Chinese economy. In 2022, CDB remained committed to its mandate, promoted the building of a modern industrial system, increased support for key industries, especially manufacturing and scientific and technological innovation, and helped form a virtuous cycle of “sci-tech, industry and finance”.

High Quality Development of the Manufacturing Sector

In 2022, we supported the strategy to strengthen China's competitiveness in manufacturing, and helped boost the high quality development of the sector.

Improving the credit structure to increase support

- CDB improved the structure of loans to the manufacturing sector, and supported strategic emerging industries such as the new generation of IT, high-end equipment manufacturing, new materials, and new-energy vehicles (NEVs).
- CDB further increased medium- and long-term financing support for priority projects in the areas of manufacturing and increased medium- and long-term loans for the manufacturing sector.

Accelerating efforts to strengthen industrial chains, and shore up the weak links

- CDB focused on key industrial chains, and provided special financial support to strengthen industrial chains.
- CDB issued special loans to reinforce and stabilize industrial chains, supporting 1,722 enterprises.

Sci-tech Self-reliance at Higher Levels

A country can thrive only when it is strong in science and technology. We issued the guidelines on intensifying support for sci-tech innovation with development finance during the 14th Five-Year Plan period, and formed a multi-tiered, differentiated and comprehensive sci-tech finance system with a focus on sci-tech credit, which coordinated investment, loan, bond, lease and securities, and covered the entire innovation chain, so as to provide life-cycle support for sci-tech innovation, bring scientific and research findings from the “laboratories” to “production lines”, and bolster sci-tech self-reliance at higher levels.

Specialized Enterprises with Sophisticated Technologies

Dynamic SMEs play an important part in maintaining China's economic resilience, among which the SMEs specialized in niche sectors play the leading role. In view of the characteristics of such SMEs, we established a “1+9” system—one special loan program and nine supporting policies. We comprehensively improved our capability to provide refined financial services while defining differentiated operation requirements from customer access, credit rating, credit review, loan pricing, credit management, due diligence and disclaimer, bank-government cooperation, equity investment and securities financing.

Coordinated Regional Development



CDB fully implemented major national strategies for regional development and the strategies for coordinated regional development. It proposed measures to provide better financial services with higher efficiency and established long-term mechanisms to support national strategies for regional development, contributing to a regional economic structure that features complementary advantages and high quality development.

In 2022, through development finance, we continued to support the coordinated development of the Beijing-Tianjin-Hebei Region, the development of the Yangtze Economic Belt, integrated development of the Yangtze River Delta, ecological conservation and high quality development of the Yellow River Basin, and the development of the Guangdong-Hong Kong-Macao Greater Bay Area, upgrading the quality and effectiveness of financial services in supporting major national strategies of regional development.

Coordinated development of the Beijing-Tianjin-Hebei Region

- CDB stepped up efforts to provide financial services for the coordinated development of the Beijing-Tianjin-Hebei Region and the planning and construction of Xiong'an New Area. With a focus on infrastructure and other priority areas, CDB supported the coordinated development of the region with effective and efficient services in an orderly manner, helped relieve Beijing of functions non-essential to its role as China's capital, and boosted the development of Xiong'an New Area.

Development of the Yangtze Economic Belt

- CDB formulated guiding policies to promote eco-environmental protection and restoration, support high quality economic development, and help make the Yangtze Economic Belt the pioneering region for ecological conservation and green development.

Integrated development of the Yangtze River Delta

- CDB strengthened overall planning and coordination to promote the high-level building of a demonstration area in the Yangtze River Delta for eco-friendly integrated development and the high-standard development of Lin-gang Special Area of China (Shanghai) Pilot Free Trade Zone, further advance the development and opening up of Pudong New Area, and support Zhejiang in the high quality building of a demonstration zone for common prosperity.

Development of the Guangdong-Hong Kong-Macao Greater Bay Area

- CDB improved differentiated credit policies, and focused on priority areas including the development of quality living spaces suitable for living, business and tourism, so as to help build a world-class and dynamic bay area and city cluster with international competitiveness.

Ecological conservation and high quality development of the Yellow River Basin

- CDB formulated guiding principles to bring into full play the leading role of finance in supporting the ecological conservation and high quality development of the Yellow River Basin, focusing on priority areas of ecological protection such as the comprehensive governance of the Yellow River Basin and water security, as well as key areas of high quality development such as the modern industrial system, the protection, inheritance and promotion of the Yellow River culture, and the improvement of people's livelihood, so as to make the Yellow River a river that brings happiness and benefits to the people.

Financial Relief for Enterprises



CDB implemented a package of national policies and measures to stabilize the economy, gave full play to its role as a DFI, and helped key industries tide over difficulties and resume development. In 2022, we took the initiative to reduce the fees and lower the interest. We revised the administration measures of financial service fees, refined the catalogue of financial services, cut or reduced 88 charges for financial services and implemented 23 policies on fee reductions and profit concessions. The total financial fees we cut and reduced amounted to RMB3.24 billion.

Easing Burdens on Micro, Small and Medium Enterprises

On-lending, as an important means for CDB and local commercial banks to jointly promote inclusive finance, plays an important role in shoring up weak links in financial services for small and micro businesses and improving the coverage and availability of financial services.

In 2022, we increased on-lending, and worked with our partner banks to lower interest rates and benefit the real economy. We issued RMB338.9 billion of on-lending loans to small and micro businesses throughout the year and delivered low-cost funding to more small and micro businesses in more areas.

Meanwhile, we rolled out a scheme to help ease the burdens on micro, small and medium-sized businesses, established a long-acting mechanism to boost the confidence, willingness, capacity, and expertise in lending to small and micro businesses, and ensured sound progress for the renewal of inclusive loans for them. We continued to ease the burdens on enterprises, following the regulatory authorities' requirements for deferring principal and interest payments for MSMEs.

Energy Supply

In 2022, we made an overall plan to improve the credit policies, and established a rapid response mechanism to increase credit support for enterprises and key projects in the energy supply sector. We provided financial services for safeguarding energy supply, and issued RMB164.3 billion loans for the supply of coal and coal-fired power last year to support the steady production and increased supply in major coal producing areas and the thermal coal procurement of large coal and power groups, with a view to ensuring a warm winter for the residents.



High Quality Belt and Road Cooperation



With 10 years of development, the BRI has become one of the well-received international public goods and platforms for international cooperation, contributing China's wisdom and solutions to the implementation of UN's *Transforming our World: The 2030 Agenda for Sustainable Development*. CDB took the initiative to implement major national plans and kept to the goal of building a community of shared future for mankind. Adhering to the principle of extensive consultation, joint contribution and shared benefits, CDB put into practice the concept of responsible financing. Committed to the high-standard, sustainable and people-centered approach, CDB programmed quality and benchmark BRI projects, and implemented a number of quality and innovative projects that are "small yet smart". CDB strengthened multilateral, bilateral and tripartite financial cooperation, and promoted the cross-border use of RMB in an orderly manner. We played an active role as an innovation and development center, a high-end think tank, and an international planning and consultancy body of the BRI, conducted in-depth research on sustainable financing models tailored to local features, and adopted the "one country, one policy" approach to promote high quality development of the BRI and contribute to the building of a BRI community of shared values, responsibilities and future.

Case



Support for SMEs in Cambodia

In 2022, CDB and the International Finance Corporation (IFC) under the World Bank Group jointly took the lead to establish an international syndicate, granting USD269 million of project loans to ACLEDA Bank of Cambodia.

The program aims to support SMEs in Cambodia, and at least USD100 million loans go to support SMEs owned by women. Such loans were attached with clear requirements for the performance of sustainable development obligations such as environmental protection and social responsibility. Strict rules on the use of funds are in place to prevent adverse impacts on indigenous peoples, the environment, community safety, biodiversity, cultural heritage, setting an example of responsible financing.

Supporting major projects

- CDB supported the Jakarta-Bandung high-speed railway, a cooperative project of China and Indonesia.

Promoting orderly RMB internationalization

- CDB actively encouraged Chinese enterprises to use RMB financing products in overseas investment, contract projects and import of commodities.

Supporting "small yet smart" projects

- CDB focused on livelihood projects, provided affordable financing support for SMEs in BRI countries, and contributed to sustainable economic and social development in those countries.

Contributing to stable foreign trade

- CDB made good use of the special loans for steady foreign trade, providing medium- and long-term project loans and working capital loans for a number of enterprises.

Organizing and participating in international exchanges

- CDB hosted the BRICS Interbank Cooperation Mechanism (BICM) Annual Meeting and Financial Forum 2022, and participated in the 13th International Infrastructure Investment and Construction Forum, strengthening international cooperation and enhancing multilateral understanding.
- CDB attended the council meeting of Shanghai Cooperation Organization Interbank Association (SCO IBA), the executive board meeting of the China-ASEAN Interbank Association (CAIBA) and the ASEAN Plus Three Interbank Cooperation Mechanism (APTIBCM), and the China-ASEAN Expo, and signed cooperation documents.
- CDB supported 55 international students from 14 countries who studied in colleges and universities in China throughout the year with CDB special scholarship for the BRI. More domestic universities and institutions and countries were in cooperation with CDB, with a focus on training high-caliber, cross-cultural international talents who actively promoted the BRI cooperation.
- CDB co-hosted a workshop on poverty reduction and sustainable development in BRI countries, shared China's experience in poverty reduction, and briefed the ideas and practices of development finance in supporting economic and social development, helping relevant countries explore development paths fit for their national conditions, and promoting international practical cooperation in poverty alleviation and sustainable development.



HARMONY BETWEEN HUMAN AND NATURE



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President Xi Jinping announced at the general debate of the 75th Session of the United Nations General Assembly that China would strive to peak carbon dioxide emissions before 2030, and achieve carbon neutrality before 2060. China has given top priority to the response to climate change in its state governance, and integrated carbon peaking and neutrality into the overall plan of ecological conservation and economic and social development, advancing the efforts in addressing climate change.

CDB has followed a green, low-carbon path to high quality development, taken the initiative to bring into play the pioneering role of development finance, and resolutely carried out the political responsibility for ecological civilization. It has established and enhanced its green finance mechanism, improved the capacity of green financial services and the risk management system of green finance, and enabled audit in its investment and financing as well as its operation, to contribute to China's all-round transition to green economic and social development.



Transition to Green Development



CDB made targeted efforts in key areas such as clean energy and low-carbon transition to support the accelerated development of a new energy system. Differentiated policies were designed for special loans for clean and efficient use of coal and clean energy, pricing for clean energy, and credit review for wind power, solar energy, and new energy storage. We actively employed the special re-lending program of the People’s Bank of China for the clean and efficient use of coal released to support safe, efficient, green and intelligent mining of coal as well as the clean and efficient use of coal-fired power. We also focused on the green and smart technological upgrades of traditional industries, and the R&D of high-end products, aiming to promote the green and low-carbon development of traditional sectors.

Pollution Prevention and Control



CDB fully implemented the *Circular of the CPC Central Committee and the State Council on Making Solid Progress in the Fight Against Pollution*, stepped up financial services, helped strengthen environmental infrastructure, supported efforts to keep the sky blue, the water clear and the land pollution-free, and made contribution to the building of a beautiful China. In 2022, we worked hard to promote waste and sewage treatment in counties, continued to implement the special financing scheme “RMB100 billion loans for 100 counties”, and supported the construction of domestic waste and sewage treatment facilities in 442 counties (districts).

Case

A Path to Green Development for All-win Results in Production, Living Environment and Ecosystem



Rizhao Reservoir in Shandong is the main drinking water source of Rizhao City, and it also supplies water for the city’s pillar industries. In 2022, CDB Shandong Branch issued of RMB100 million, to support the ecological protection and industrial development (EOD) projects in the Rizhao Reservoir basin, promoting eco-environment conservation, ecological cultivation, rehabilitation of aquatic ecosystem and biology, and building of EOD eco-experience zones. In this way, the ecological and economic value was balanced and integrated in the reservoir area, and a path to green development came into being, achieving all-win results in production, living environment and ecosystem.

Case

Turning the Old Industrial Base into a “Zero Waste City” Model

Xuzhou is a typical old industrial base and resource-exhausted city in Jiangsu. It is also a pilot for the building of national “zero waste cities”. CDB Jiangsu Branch granted a loan of RMB2.66 billion to support the construction of the Xuzhou Industrial Park for Circular Economy (Phase I), aiming to explore a new, replicable financing model for eco-environmental protection.

Restoration of Natural Ecosystems



CDB supported major national eco-environmental functional areas, eco-environmental conservation red lines, and nature reserves, stepped up the implementation of major projects for the conservation and restoration of key national ecosystems, to support the large-scale land afforestation and help enhance the diversity, stability, and sustainability of ecosystems.

Case

Ecological Improvement in the Lower Reaches of the Yellow River

Dongping Lake is located in southwest Shandong and is the only important flood detention basin in the lower reaches of the Yellow River. CDB Shandong Branch focused on the ecological improvement and high quality development of the Dongping Lake in Tai’an, Shandong, supporting the organic coordination of “ecological restoration, stocking, and industrial upgrading” in the lake and surrounding areas. In the project, fishery was leveraged to put grass, algae, and water under control. In this way, it helped create a high-end aquatic product deep-processing industry around the lake, provide job opportunities to over 1,000 people, and enable both conservation and development in the lower reaches of the Yellow River.



Baer's pochard, a species of National First-class Protected Animal, frequently appeared in the Dongping Lake in recent years, thanks to the improved eco-environment



The ecological improvement and high quality development of the Dongping Lake

Case

An Ancient City with a New Look

The city of Xiangyang reflects half of China’s cultural history. With a history of 2,800 years, Xiangyang is nourished by Xiangshui River. In 2022, the Source of Xiangshui River Eco-Park in Xiangyang, Hubei was open to visitors, and this was the first milestone project for the waterfront restoration and ecological improvement of the river. In order to ensure the implementation of the project, CDB Hubei Branch provided loans to support initiatives such as water ecosystem restoration, river dredging, culvert ecological transformation, and landscape improvement, realizing ecological safety and environmental restoration along the river.



Case



Forest Reserves

CDB Sichuan Branch provided loans to support the afforestation in the Nanba area and construction of supporting infrastructure in Xuanhan County, Dazhou, Sichuan. After completion, the project will absorb 81,800 tons of carbon dioxide and release 59,700 tons of oxygen annually, becoming a natural oxygen bar.

Feature Green Bonds for Green Development



CDB continued to diversify the green financial bonds and issued RMB51 billion of green financial bonds in 2022, contributing to enhancing the bond market’s capacity to support green development. By the end of 2022, we had issued RMB156 billion of green finance bonds in total. The funds raised have mainly been invested in areas such as pollution control, resource conservation and recycling, clean transportation, clean energy, ecological conservation and climate change adaptation, and green infrastructure upgrading, creating significant social and environmental benefits.



Green and Low-carbon Operation



CDB formulated a work plan to save energy and resources in its operation and administration, which categorizes measures and monitors consumption accurately, fully utilizing new energy-saving technologies and products, taking targeted conservation measures, and promoting the efficient use of energy and resources. At the same time, CDB actively advocated for a green and low-carbon work and life style, aiming to raise the awareness of green and low-carbon philosophy among the staff.

Energy and Resources Conservation

In 2022, we engaged a third-party professional institution to conduct a carbon inventory of the entire group's operations from 2018 to 2021. Based on the inventory results, we analyzed the energy-saving and emission-reduction potential, designed a timeline and roadmap for the CDB's operations on carbon peaking and neutrality, and formulated specific energy-saving renovation plans according to the particular situations of each business unit.

Saving electricity

- CDB upgraded the public area with LED energy-saving lighting fixtures, optimized the management of intelligent lighting and electricity, launched new energy charging facilities for electric vehicles, and reasonably adjusted the charged operating time of the underground mechanical parking lots.
- CDB optimized the operation management of the air conditioning system, made the most of natural cooling sources during the transitional seasons, and reduced the energy consumption of fresh air ventilators. It applied the cold-storage energy-saving technology during the cooling season, and took advantage of "off-peak consumption" to save on electricity costs.
- CDB launched research on green and energy-saving technologies at the Daoxiang Lake Data Center, took measures such as replacing traditional water chiller with self-owned cooling technology, applying frequency conversion technology to reduce motor operating frequency, and reducing the operation time of spare transformers. It saved approximately 1.1 million kWh of electricity compared with the last year.

Saving water

- CDB made efforts to conserve water in accordance with the water conservation targets set by the Xicheng District Water Conservation Office of Beijing.
- CDB established a sound system for water conservation in property management, adhered to practices such as "clean water recycling", constantly strengthened the inspection, management, and maintenance of water supply facilities, equipment, and appliances, and effectively eliminated dripping and leaking problems.

Saving food

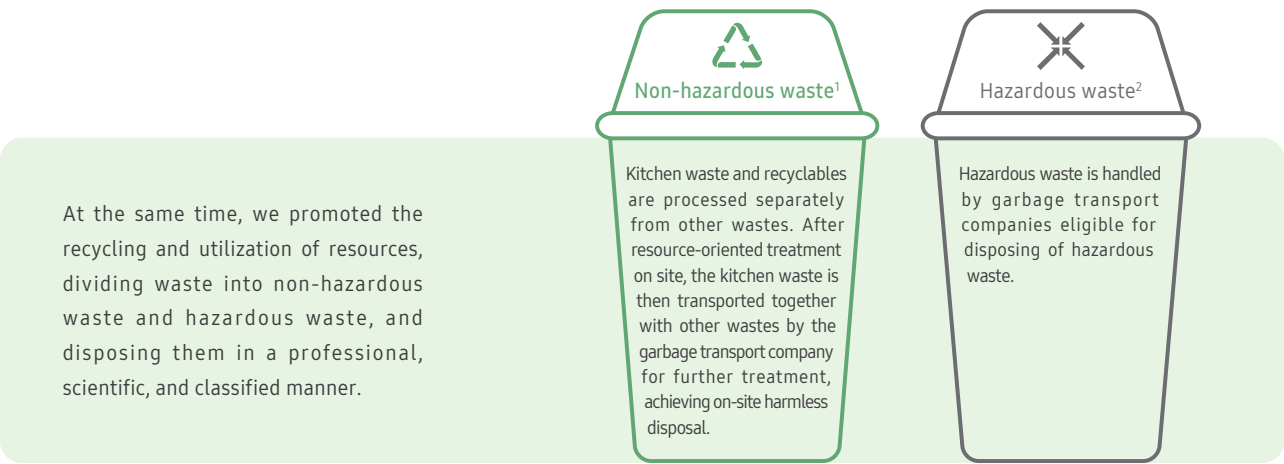
- CDB formulated working measures for implementing the *Action Plan on Saving Food*, innovated saving measures from the aspects of publicity and education, ingredient procurement, cutting and processing, meal preparation and waste disposal, conducted daily inspections and report on food waste, and encouraged everyone to reduce food waste.

Saving paper

- CDB promoted paperless meetings, and held 3,986 paperless meetings in total throughout the year, using tablet computers for 203,000 times and saving approximately 17.36 million sheets of paper.
- CDB vigorously promoted video conferencing, holding a total of 2,102 video conferences throughout the year, representing a 14% year-on-year growth.

Saving gas

- In 2022, CDB reduced gas consumption by 3,000 cubic meters year on year by applying energy-saving stoves.



Green Procurement

We organized green procurement in line with the government procurement list of energy-saving products and environmental labelling products, and promoted green procurement with electronic and paperless processes. Additionally, we integrated green procurement into supplier selection, evaluation, and contract signing processes.

- Supplier selection:** Certification information such as environmental protection and energy saving were included into the supplier database and priority was given to those suppliers during the selection process.
- Supplier review:** The environmental protection and energy conservation requirements of products were emphasized in procurement procedures and evaluation indicators. The performance of suppliers in employee rights and welfare, and safety production environment were reviewed. The suppliers were either scored or required to make relevant commitments.
- Contract signing:** Clauses were added in the procurement contract to clearly specify the requirements for suppliers in areas such as environmental protection and energy efficiency.

Green Philosophy

We participated in the week-long national campaign to promote energy conservation in 2022, and continued to carry out bank-wide campaigns with one theme for each quarter, such as water and electricity conservation, saving food, green office, and green commuting. We encouraged our employees to have a healthy lifestyle that is simple and moderate, green and low-carbon, and socially conscious.



¹ Non-hazard waste mainly includes daily household waste such as kitchen waste, waste metal, waste plastics, waste paper and books, and ceramic fragments, etc.
² Hazardous waste primarily includes waste batteries, waste mercury-containing fluorescent tubes, waste paint and solvents and their packaging, etc.

ENSURE PEOPLE’S WELL-BEING AND SOCIAL DEVELOPMENT

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Improving the wellbeing of the people is the fundamental goal of development. China has been committed to the principles of openness and inclusiveness, devoted to realizing inclusive economic growth and building an inclusive society, and worked tirelessly to ensure that development is for the people and by the people and that the gains of modernization benefit all the people fairly.

CDB has applied a people-centered development philosophy, practiced the idea of finance for the people, promoted common prosperity, and focused on addressing the concerns of the people by strengthening the weak links in key areas of economic and social development. It continued to improve people’s well-being and assisted in realizing people’s aspirations for a better life.



Support Rural Revitalization



With a high sense of responsibility and commitment, CDB promoted the implementation of the rural revitalization strategy, and supported the efforts for strong agriculture, a beautiful countryside, and prosperity for the farmers. In 2022, it saw an increase in the balance of rural-related loans by RMB262.1 billion, issued loans totaling RMB76.5 billion to 160 key counties to receive assistance in pursuing rural revitalization. It underwrote bonds of RMB2.5 billion for old revolutionary bases and rural revitalization, with its financing plans covering all the 160 key counties to receive assistance in pursuing rural revitalization and five demonstration areas.

Ensure Food Security and Stable Supply of Important Agricultural Products

Food is the top priority of the government, and food security is essential to national stability. In 2022, we focused on ensuring the stable supply of important agricultural products and food security, helped tackle the issues of seeds and arable land, and boosted the construction of agricultural infrastructure. We adopted multiple measures to support the high quality development and modernization of agriculture.



High-standard farmland

- CDB increased support for the development and renovation of high-standard farmland, and comprehensively strengthened the foundation of food security.



Revitalization of the seed industry

- CDB supported the leading enterprises in the seed industry to make breakthroughs in core technologies in key fields through the “innovation + industrialization” model and promoted the construction of breeding bases.



Supply of important agricultural products

- CDB set up special loans of RMB20 billion for spring farming preparation, and provided efficient financial services for agricultural production, storage, and distribution, helping ensure a stable supply of important agricultural and sideline products to urban and rural residents.
- CDB explored building the “policy guarantee + on-lending” cooperation mechanism, directing the on-lending funds to targeted agricultural operators through policy guarantee.



Vegetable Basket Supply in Xinjiang

CDB Kashgar Branch built a bank-government-enterprise cooperation platform. In collaboration with CDB Shandong Branch, it supported Shuifa Group in building a modern vegetable industrial park in Kashgar, developing an east-west cooperation and development model consisting of “leading enterprises + cooperatives + farmers + bases”, and creating a demonstration project for vegetable basket supply. In this way, it helped local residents see sustainable income growth, and boosted the high quality development of modern agriculture in southern Xinjiang.



A vegetable planting experts provides technical guidance to employees in the vegetable industrial park

Consolidate Poverty Alleviation Achievements

In 2022, we actively supported the development of underdeveloped areas such as key counties to receive assistance in pursuing rural revitalization, focusing on creating new economic activity to consolidate poverty alleviation achievements. We increased support for follow-up livelihood programs for relocated families, with a focus on relocation areas with more than 10,000 people, vigorously supporting the development of infrastructure such as water, electricity, roads, and gas in those areas. We boosted the efforts to incubate businesses in those areas so as to help relocated residents get employed, live a stable life, and get rich gradually. We issued loans of RMB12 billion for follow-up livelihood programs for relocated households and benefited about 1.1 million relocated people, directly boosting the employment and income increase for 4,584 people who had already been lifted out of poverty. Meanwhile, we provided more extensive consultancy services, and hosted four training sessions for local cadres on the effective connection of comprehensive poverty alleviation and rural revitalization with support from development finance, building up the internal momentum for development in key areas to receive assistance.



The lake sheep breeding base project in Guang'an District

Revitalization of Old Revolutionary Bases through East-west Collaboration

Guang'an in Sichuan, the site of the former guerrilla in Huaying Mountain, is also a riverside city suitable for living. Guang'an County, with an underdeveloped economy and poor industrial structure, was previously one of the key areas entitled for state poverty alleviation assistance. After being lifted out of poverty, it still faced the challenges of consolidating poverty alleviation achievements and achieving sustainable development.

Based on the paired-up assistance relationship between Sichuan and Zhejiang, CDB Sichuan Branch and CDB Zhejiang Branch jointly provided industrial support as a breakthrough in the collaboration between the eastern and western regions, made full of the industrial, financial and technological advantages of Nanxun District of Huzhou, Zhejiang, and provided loans of RMB32 million to support the construction of the lake sheep breeding base, Guang'an District. As an industrial complex integrating breeding, ecological conservation, leisure, popular science education, entertainment, and cuisine, the project has enabled 2,000 rural families to see an annual increase of RMB1,500 in income on average, through a mechanism that links the upstream and downstream industries.

Support Rural Construction

We continued to promote rural construction, focusing on improving rural infrastructure and public services. In 2022, we issued special financial bonds for rural construction worth RMB8 billion, and the funds raised were mainly used for projects involving the building of beautiful countryside, rural infrastructure, and public services.



Water Supply for People in Mountainous Areas

The special topography of high mountains, steep slopes, and deep valleys has made drinking water difficult to access for many villages and towns in Yunnan. In 2022, CDB Yunnan Branch issued loans of RMB4.288 billion to promote the commencement of the campaign to guarantee rural water supply in Yunnan. Once completed, it is expected to solve the problem of emergency water delivery for 1.004 million people under moderate drought conditions and to improve the water supply for 13.487 million residents and create 27,000 job opportunities for the local people, effectively promoting the welfare-to-work scheme to stabilize employment.



Villagers living in Shangbanlao Village, Banlao Township, Cangyuan Wa Autonomous County, Lincang have access to tap water, making drinking water shortage history



The first household accessing tap water in the campaign for safeguarding water supply in rural areas in Wenshan

Case

A Path to Prosperity in the Old Revolutionary Base

In 2022, CDB Henan Branch focused on the protection and inheritance of red culture, and granted loans of RMB200 million to the red culture inheritance project (rural revitalization) in the Red Flag Canal, Linzhou City to support 10 sub-projects including the development of the Youth Cave of Red Flag Canal and the Modern Agriculture and Leisure Park, helping improve the infrastructure and restore the ecological environment surrounding the canal, and drive the upgrading of the overall tourism industry structure in the local rural areas.



In the Modern Agriculture and Leisure Park, local residents plant chrysanthemums and fruits. The project contributes a yield increase of over RMB1,200 per mu (about 0.16 acre) of farmland and an average household income increase of over RMB2,000 in Chadian Town, Linzhou



The project supports the renovation of scenic spots like the Youth Cave and development of red tourism resources to promote the red culture

Build Demonstration Areas

We designated five demonstration areas for rural revitalization with the support of development finance, namely Sanming of Fujian, Ganzhou of Jiangxi, Luzhou of Sichuan, Zunyi of Guizhou, and Yan'an of Shaanxi, and created favorable policy conditions from various aspects, such as credit scale, preferential interest rates and review conditions. The five CDB branches in the demonstration areas established a work mechanism, under which each branch has set up a leading group, developed a plan, signed an agreement, appointed a commissioner, and established a guarantee system. Each branch established a leadership group for the construction of the demonstration area and developed a special implementation plan, with specialized workforce, professional teams and special efforts to promote relevant initiatives. In 2022, CDB focused on the revitalization of industry, talent, culture, ecology, and organization in the demonstration areas, adopted differentiated policies, and explored new ideas, models and initiatives for advancing rural revitalization in an innovative way, making contributions to promoting common prosperity.

Promote New Urbanization



In 2022, CDB promoted the new type of people-centered urbanization, and supported development in priority areas such as industry-city integration and urban-rural integration, helping boost the quality of new urbanization.

Case

Renovation and Upgrading of Aging Underground Utility Tunnels and Gas Pipelines

Tongzhou, Beijing

In 2022, CDB Beijing Branch issued loans of RMB135 million to support the construction of utility tunnels around the Tongzhou campus of Renmin University of China, helping upgrade the infrastructure and promote efficient and intensive use of underground space in Beijing's sub-administrative center. The project was expected to build a 2,580-meter main tunnel, integrating municipal tunnels into a space-integrated municipal infrastructure with composite functions.



Chuzhou, Anhui

CDB Anhui Branch provided RMB181 million loans in 2022 to support the construction of Chuzhou's city lifeline safety project (Phase I). After completion, the project is expected to enable real-time monitoring, analyzing and warning, as well as coordinated processing for areas such as gas, bridge, water supply, and drainage in the city, effectively improving its refined management of urban safety.

Case

Infrastructure Upgrading in Yulin

CDB Guangxi Branch granted a loan of RMB190 million to support the Improvement Program of Transport Facilities (Phase I) in Yulin as a park city. The project is part of the alley and lane renovation and improvement of the city. It is of great importance to improve the public service facilities in the old town and create a better urban landscape for the city.



Improve Living Standards



Improving Access to College Education

Youth is the future of the country and the hope of the nation. It is the solemn commitment of the Chinese government to allow no student drop out of school due to economic disadvantages. As the leading bank for student loans, CDB is committed to promoting educational equity. CDB took the initiative to issue student loans, insisted on clearing the path for student to pursue their dreams, and supported over 44 million students with financial difficulties from 2,571 counties in 28 provinces to receive higher education.

Student loans to those in need

- CDB increased student loans in areas like Heilongjiang and Xiamen for local students from economically underprivileged families, expanding the coverage of student loans.
- CDB collaborated with the China National Center for Student Financial Aid and launched a first-loan emergency acceptance policy to enable students or parents to apply for student loans from home.
- CDB signed agreements with joint-stock commercial banks including those on student loan agency settlement and value-added services, providing financial value-added services through collaborations with partner banks, including employment or internship and insurance to students who receive student loans from CDB.
- In 2022, CDB issued a total of RMB49.6 billion of student loans, benefiting 5.15 million students with economic challenges, setting new historical records in both the loan amount and the number of recipients.

Reducing or exempting interest

- CDB implemented the guiding principles of the executive meeting of the State Council, and offered interest-free student loans and allowed deferred repayment of principal in accordance with relevant national requirements.
- In accordance with the principle of “no application needed”, CDB effectively protected the benefits of students, exempting interest within the scope of the interest-free policy.
- By the end of 2022, CDB waived interest of RMB1.75 billion on student loans, benefiting more than 3.3 million students.

Extending principal repayment upon application

- CDB promptly opened the online application channel for students who needed to defer principal repayment. The application for deferring principal repayment took effect immediately upon submission.
- By the end of 2022, CDB has arranged for the deferment on principal repayment for 93,000 students.



The online system of CDB student loans

Application instructions of CDB student loans



On-site support for application of student loans



Meeting People’s Housing Needs

In 2022, we continued to promote the urban renewal initiatives, with a focus on supporting affordable rental housing and the renovation of dilapidated housing and shanty towns. We issued a total of RMB130.2 billion in loans for affordable housing throughout the year, and benefited more than 278,000 households to meet people’s housing needs.

Case

A Former Recipient Passing on Love and Hope

LI Zhong is a geography teacher at Fuyang Middle School, Tongjiang County, Bazhong, Sichuan. When he was a child, LI had a deep understanding of poverty, as his family fell into economic dilemma after his father’s death. In 2014, LI was admitted to his dream school, Sichuan Normal University, but the high tuition fees made him hesitant to pursue his dream. It was at this time that a teacher at his school told him that he could apply for a student loan from CDB, and that the interest on the loan would not need to be paid during his time at university once the application was approved.

Thanks to this preferential policy, LI was able to pursue his dreams. After graduating in 2018, he chose to return to his hometown to be a teacher. He never forgot the help he received as a student. In addition to teaching, he also opted to handle affairs concerning student aid. For more than four years, the mountains, rivers, and small courtyards of his hometown witnessed LI’s arduous efforts and perseverance in student aid work.

Now, the sparks of dreams and hopes have been spread to over 300 students through student loans with the assistance of LI, illuminating their new paths of life. Today, LI continues his efforts to add up the amount of loans with love in the sincerest way.

“I did not drop out of school due to poverty. After graduating from university, I chose to return to my hometown and become a teacher. Since I was young, I have enjoyed the benefits of government policies and the seeds of love have taken root in my heart. With determination, I chose to handle affairs related to student aid so that I can help more students avoid dropping out of school due to poverty.”

LI Zhong, a recipient of student loans from CDB

Meeting People’s Medical Needs

In 2022, we supported the balanced development of quality medical resources, strengthened community healthcare services, and helped build a high quality healthcare service system and guarantee the supply of quality healthcare services.

Case

Improving Allocation of Healthcare Resources and Service Capacity in Primary-level Organization

CDB Jiangxi Branch issued special re-lending loans of RMB258 million for medical equipment updating and renovation to the Jinxi County People’s Hospital in 2022, supporting the hospital to further improve its capabilities in diagnosis, testing, and treatment, and effectively reducing the cost of medical treatment for the public.

Case

Promoting High Quality Development of TCM Industry

CDB Capital, a subsidiary of CDB, collaborated with its partner and jointly invested in the establishment of the Guangdong TCM Health Fund. This fund is responsible for implementing national policies and promoting industry development, aiming to leverage equity investments to incubate outstanding market players in the TCM industry, and to supply excellent TCM-related products and services to China’s health sector.

In 2022, the fund increased new investments of RMB267 million, focusing on advancing project development in key areas for quality improvement and upgrading such as the integration of TCM and Western medicine, modernization and internationalization of TCM, classic prescriptions, and conversion of hospital TCM preparations.

Financing Disaster Relief

In 2022, we issued emergency loans of RMB28.6 billion to meet the urgent needs of the government and relieve people of immediate worries, which were mainly for responding to emergencies such as pandemic control, flood control and earthquake relief. We took the initiative to issue loans for post-disaster reconstruction, focusing on resettlement housing projects for disaster-affected residents in Weihui and Xinmi, Henan.

Case

Fighting Against Heat Wave to Ensure People’s Wellbeing

In the summer of 2022, Sichuan experienced a record-breaking ongoing heat wave. CDB Sichuan Branch quickly initiated an emergency financing response mechanism, issuing emergency loans of RMB100 million to support drought relief in Zhongjiang County of Deyang. The funds were mainly used for water source regulation, water storage, disaster relief, and post-drought reconstruction of living and working facilities and infrastructure, benefiting a total of 266,000 disaster-affected people.

Ensuring Elderly Care

We supported the national strategy to address population aging and leveraged the special on-lending policy for inclusive elderly care released by the People’s Bank of China. We provided preferential loans to eligible service institutions of elderly care to help reduce their financing costs, boost the supply of elderly care services, and support the building of an integrated network of elderly care services across the country. We provided financing to support the integrated development of medical care and health preservation, elderly product manufacturing, and the transformation training and nursing institutions toward inclusive elderly care, striving to promote the development of inclusive elderly care and the prosperity of the “silver economy”.

Case

Financing for Elderly Care Services

CDB Liaoning Branch provided financing support for the construction of inclusive elderly care community centers by China Health and Elderly Care Group Co., Ltd. The project covers the core urban areas of Shenyang and aims to provide affordable and quality elderly care services. By the end of 2022, the project has built 24 service centers, providing over 800 beds for inclusive elderly care. These centers offer diverse services such as entertainment, medical care, health care, rehabilitation, and daily care, ensuring that the elderly can enjoy a golden age of happiness.

CDB Henan Branch granted loans of RMB100 million to support the building of first elderly care service system in Henan integrating medical care and elderly care services at the county, township and village levels in Wuzhi County, Jiaozuo, with a view to encouraging the sharing of resources between elderly care institutions and hospitals, and helping improve the quality of life of the elderly.



The inclusive elderly care community center of China Health and Elderly Care Group Co., Ltd.

CDB Jiangsu Branch provided loans to support the construction of the nursing home in Nanjing. The project includes 3,330 beds for elderly care, and promotes a brand-new model of elderly care service that integrates home-based care, health preservation with cultural activities, professional services, nutritious diet, and medical and health care, with a view to ensuring that the elderly could enjoy a quality life.



Nanjing Nursing Home

ENHANCE GOVERNANCE AND MANAGEMENT CAPACITY



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It is clearly stated in the report of the 20th CPC National Congress that the modern corporate system with distinctive Chinese features should be improved. Modernizing corporate governance is of great significance for the stable and sustainable development of DFI. CDB follows the path of financial development with Chinese characteristics, and improves corporate governance in sync with the consolidation of the Party's leadership. Based on the fundamental driving force of reform and innovation, CDB keeps improving mechanisms for risk management, balance between and supervision of different functions, and incentives and constraints. It enhances refined operations and management, implements strict Party and bank self-governance in all respects, and promotes the modernization of its governance system and capacity.



Governance Capacity and Efficiency



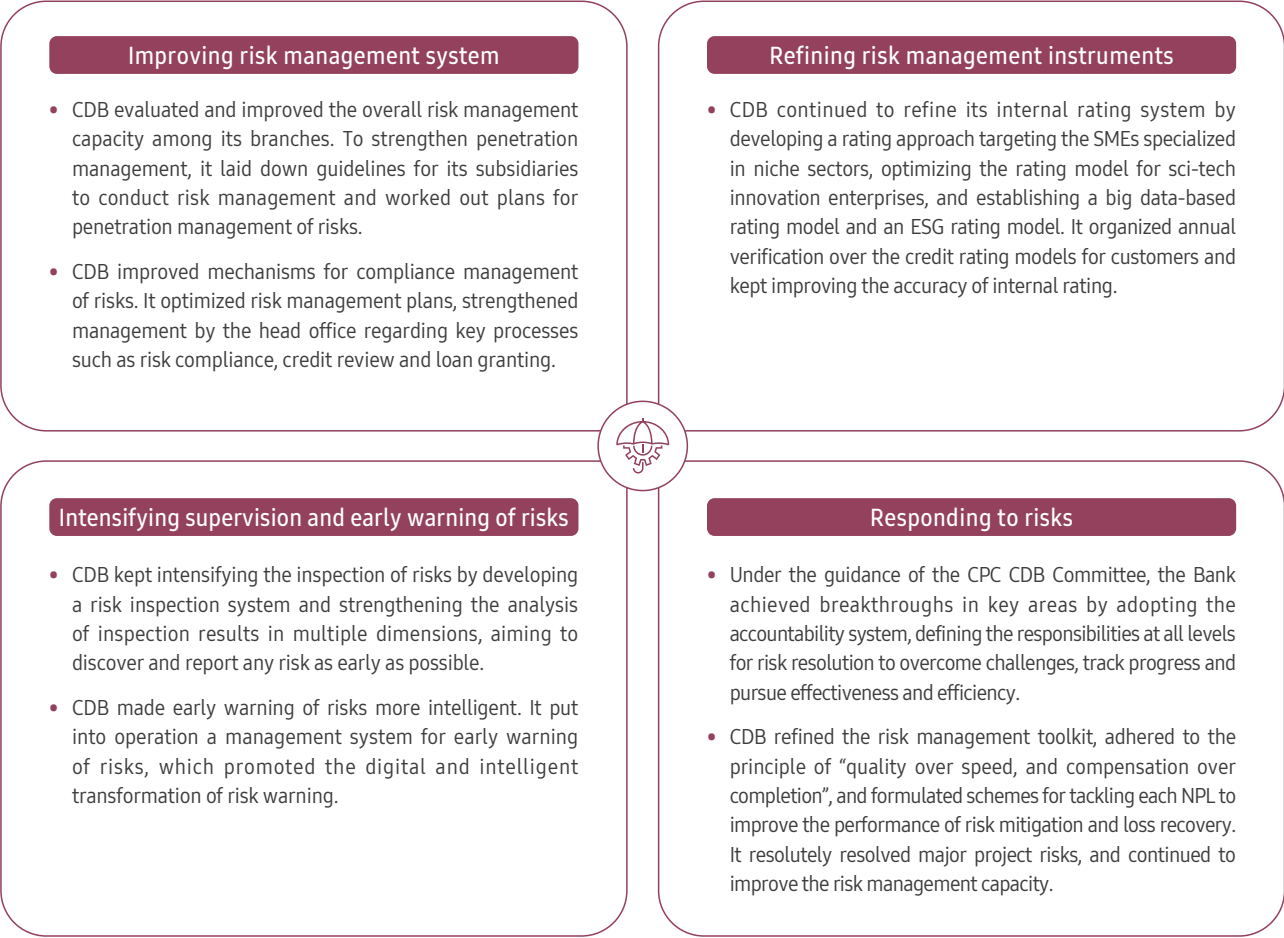
Corporate Governance

Guided by the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, CDB improved corporate governance in sync with strengthening the CPC leadership, fully exerted the leadership role of the CPC CDB Committee, the strategic decision-making role of the Board of Directors, and management role of the senior management in line with the authorization. It continuously improved the corporate governance system and operation mechanism, ensured that all the governance entities perform their duties according to laws and regulations and adopt scientific and efficient decision-making in all functions, and thus constantly enhanced the regulated and effective governance capacity as a DFI.

In 2022, we continued to improve the corporate governance system with statutory and transparent powers and responsibilities, effective coordination, and balance between different functions. The discussion and deliberation of the CPC CDB Committee is required before the Board of Directors make decisions on major management affairs. We established a list of decision-making matters for the CPC CDB Committee, Board of Directors and the senior management, and improved the rules of procedures and work processes. We revised the authorization scheme for the president (senior management) by the Board of Directors, and researched and improved the decision-making procedures for major affairs of the subsidiaries. We carried out evaluation and self-assessment of corporate governance in accordance with regulatory requirements and the characteristics of CDB, and organized special training on corporate governance to improve the operational efficiency of corporate governance.

Risk Management

In 2022, CDB coordinated development and security. Sticking to a prudent risk appetite as a whole, CDB continued to refine its comprehensive risk management system, improved overall management of credit policies, and kept refining risk management tools. It strengthened risk control in priority areas and takes concrete measures to relieve risk and recover losses, never compromising on the bottom line of risk prevention. Risk awareness of the entire staff was strengthened to enhance CDB’s risk management capacity and promote a risk culture.



Internal Control and Compliance

In 2022, we promoted the Year of Internal Control Mechanism Building, coordinated the synergic functions of three lines of defense, and conducted internal control management throughout. We made solid efforts to hold violations accountable and preclude risk cases, and continued to improve internal control management.

CDB systematically strengthened the internal control compliance of credit business, continued to refine the matrix- and grid-based internal management system, and released 446 improvement measures. It promoted new progress in internal control management by establishing a work mechanism for dynamic supervision and a special evaluation team composed of backbone members of credit business from the head office and branches, evaluating and verifying the improvement measures, forming a closed-loop management model featuring task breakdown, implementation of improvement measures, account management, and effect verification.

Defining the direct responsibilities of business functions

- CDB continued to improve the mechanisms for the business lines concerning credit management, equity investment, international operations and financial and accounting management, and kept promoting a well-regulated, standardized and refined mechanism.
- CDB strengthened process control in terms of risks, credit extension, credit, operation, and finance and accounting, and realized regular supervision.
- CDB performed internal control and compliance examination that covered basic credit management, reputational risk, seal management and confidentiality and security, and management of subsidiaries.
- CDB continued to promote the development of IT systems and modules, incorporating internal control management into the information system with a new core, the system that covers the entire process as well as the rating system.

Coordinating management accountability of the internal management department

- CDB improved its authorization management system. It enhanced the dynamic management of authorization, better matched the rights and responsibilities of branches in operation and decision-making, and further regulated the management of re-authorization.
- CDB refined its internal control evaluation index system and enhanced the rating and scoring model of internal control efficiency, and carried out evaluation of internal control in branches.
- CDB further improved the accountability system and strengthened the coordinated management of accountability within the group. It intensified its efforts to ensure that one must be held accountable for violations and those who had fulfilled their duties were not held accountable.
- CDB conducted self-assessment of its system by learning from previous cases. It further built a case prevention system integrating investigation, prevention and resolution, and improved its performance through multiple channels.

Strengthening audit monitoring accountability of the internal audit department

- CDB further improved its internal control evaluation system and identified internal control problems. The bank-wide annual internal control evaluation was completed in a timely manner, with results leading to effective work in this area, and improvements were made where necessary.

Audit Monitoring

In 2022, CDB promoted corporate governance with internal audit. It met regulatory requirements, focused on solving problems, and coordinated various audit monitoring programs, bringing into full play its audit monitoring role. It carried out follow-up auditing of the loan policy dedicated to the ecological protection and high quality development in the Yellow River Basin, ensuring that the major strategies and policy measures of the state produced their intended results. Auditing was carried out for the management of credit assets quality and performance-based salaries. Follow-up auditing was carried out for the comprehensive risk management and key infrastructure projects to promote the improvement of the operational management and the risk control and prevention of the whole bank. In the meanwhile, it continued its regular auditing for foreign exchange and M&A loans, IT management, credit investigation, anti-money laundering, related-party transaction management, NPL transfer and write-off, and the business of CDB Hong Kong Branch.

CDB efficiently coordinated with the National Audit Office to carry out auditing in an orderly manner, and implemented the long-acting mechanism for correcting problems identified in internal and external audits, addressing both the causes and symptoms. Accountability audits were carried out to encourage appropriate and prudent exercise of power. Public complaints concerning the CDB’s asset security were handled in a transparent manner, coupled with follow-up checks and risk reminders. It also organized and carried out investigations in duty performance of the non-performing projects, driving risk elimination of the whole bank. It kept promoting the integrated management of auditing, strictly controlled audit quality, and stepped up building an audit information system. It strengthened training the team of auditors to improve their proficiency and raise auditing efficiency.

Quality Services



Enhance Customer Service Capacity

We upheld the customer-centered concept, built up a deep understanding of the laws and characteristics of medium- and long-term investment and financing, continuously promoted investment and financing model innovation, and leveraged the brand advantages in investment, loan, bond, leasing, and securities to improve financial products and functions, and enhance quality and efficiency of customer services.

Improving customer services

- Adhering to the concept of “serving customers at all levels, with the head office serving branches, and coordinating business between the head office and branches”, CDB continued to promote the building of a three-tier liaison mechanism and a hierarchical service support system, and kept improving customer service efficiency and response speed.
- CDB launched the new generation of core business system, established and improved the 95593 customer service system, and conducted customer training through various channels and formats. It put into operation brand-new online banking and bank-corporate direct connection systems, upgraded its self-service banking system, and improved the financial technology to increase financial service capacity.

Providing comprehensive financial services

- CDB made good use of functions such as investment, bonds, leasing and securities, and synergized them with medium- to long-term credit to guide economic resources through comprehensive financial services. It enhanced the strategic collaboration mechanism between the parent company and its subsidiaries, and providing better financial services.

Enriching the service methods of development finance

- CDB enriched the offering of products and strengthened the promotion of the products to better meet the diverse financial needs of customers.
- Based on its outstanding research and planning capability as well as rich and flexible product system, CDB established a comprehensive service mechanism to develop systematic plans for the development paths of customers.

Safeguard Data and Privacy Security

We stressed the data security of our clients. We issued regulations such as the management measures for client information and data security, standardized the management of client information throughout the whole process of collection, storage, maintenance, usage, transmission and provision, and promoted secure sharing and compliant use of client information, effectively safeguarding client privacy security. We determined different security levels for data based on its importance and sensitivity, as well as the degree of damage caused by tampering, damage, leakage, illegal acquisition, or illegal use, and carried out targeted protection throughout the entire lifecycle of the data.

Management of client information usage and access

- CDB guaranteed the compliant use of client information, and prevented misuse or manipulation of client information during use to ensure the uniqueness of client information.
- CDB defined security measures and set down the criteria for viewing, accessing, and exporting client information at each level according to the minimization principle.

Client information sharing

- CDB conducted cross-branch client information sharing in accordance with the prescribed process.
- CDB shared client information between the parent company and subsidiaries upon authorization from clients, which should not involve undisclosed or confidential information, ensuring clear authorization and time frame.

Security management of client information

- CDB collected and processed personal financial information in accordance with the principle of “requiring minimal information with business necessity”, informing targets of the scope, frequency, type, purpose, availability scope and security control measures for data collection.

Protection of Consumer Rights and Interests

We specified the requirements and mechanisms for handling consumer complaints, established a consumer complaint reception area. We strengthened personnel training and the development of the consumer complaint information system, and standardized the process and management of handling complaints.

Open complaint channels and procedures

- CDB published information about complaint channels including phone number, address and the complaint handling procedures on its official website, new media platforms, business outlets, or offices, and established official complaint channels on the internet.
- CDB provided the phone number or other channels for complaints in its product or service contracts.

Complaint processing

- CDB processed consumer complaints based on the principle of local management, took into full consideration and respected the reasonable claims of consumers, promptly identifying the causes of complaints, and improved the traceability and rectification mechanism, making fair and legal resolutions, and effectively enhancing the financial consumer experience.
- CDB implemented the accountability system for consumer complaint management, and its leading group of consumer complaints instructed correction or made accountability investigations on the relevant and responsible personnel based on the severity of the circumstances.

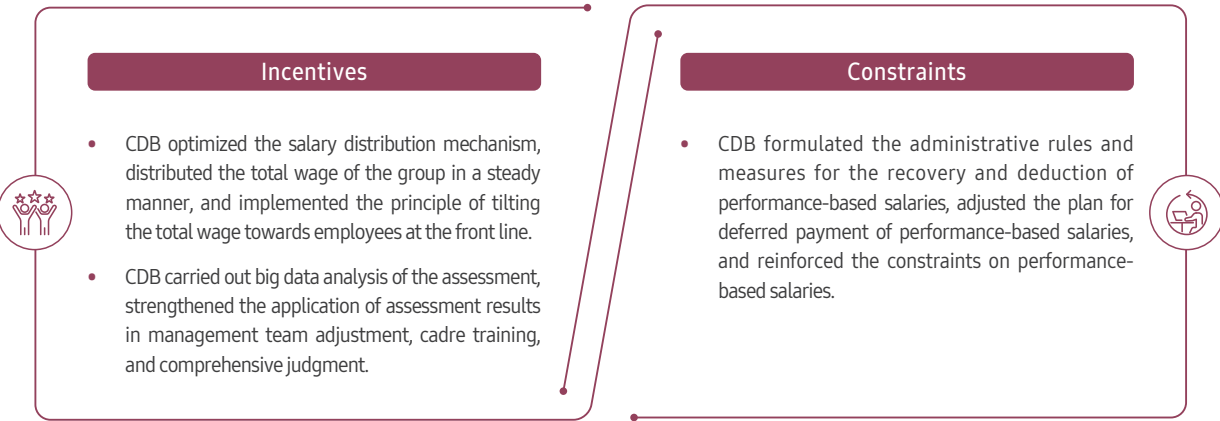
A High Caliber Workforce



CDB actively promoted the strategy of building a high caliber workforce. It took the initiative to plan and implement measures to stimulate the creativity and innovation of all kinds of talents, creating a good environment for employees to bring their abilities into full play and make the most of their potential. In 2022, we continued to attract professionals from various channels, mainly through campus recruitment.

Improve Incentive and Constraint Mechanisms

In 2022, we fully leveraged the guiding role of compensation in management, refined the internal income distribution structure, and coordinated Party building, performance, special programs, and employee assessment. We adopted a package of incentive measures, coordinated development, risk management, compliance and operating benefits, kept improving the performance evaluation system, and made good use of assessment tools.



Case

Reinforce Positive Guidance and Incentives Based on the Platform for Making Position-based Achievements

We strengthened positive guidance and incentives, organized skill competitions and business development forums, and built a platform for employees to demonstrate and realize their own values.

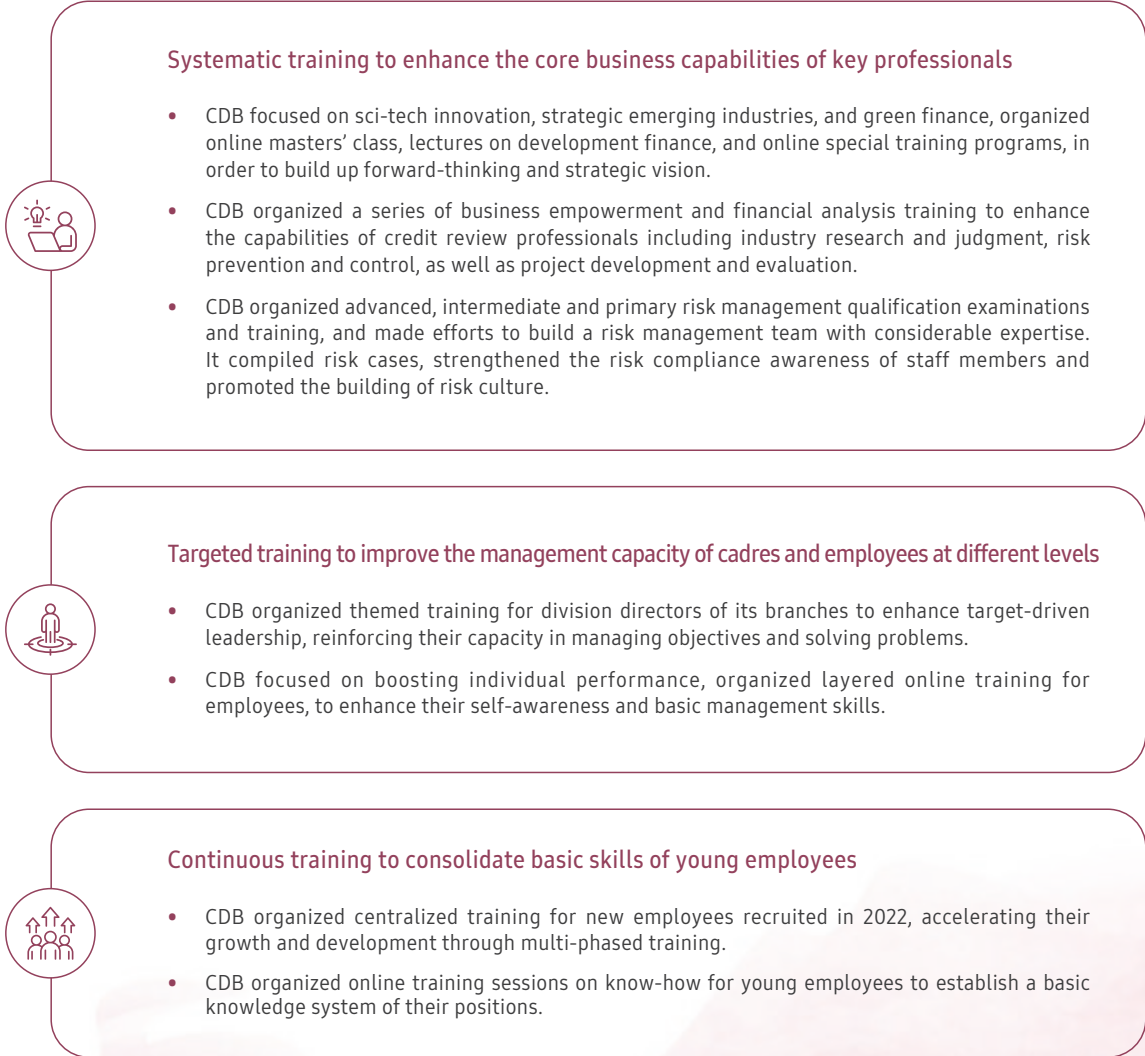
- CDB organized the skill competition themed on “Building a Beautiful China”, and encouraged employees at grass-roots level to organize various kinds of competitions based on key and difficult points in work and showcase their ethos and expertise, and improved their enthusiasm, initiative, and creativity of contributing to carbon peaking and carbon neutrality.
- CDB organized the Forum on New Development of Youth, established 39 youth research groups, and conducted focused research in key business areas. It supported young staff members to make achievements, established 217 youth task forces throughout the bank, organized their job training with a focus on business breakthroughs and model innovation, with a view to building up expertise through solving problems.

Facilitate Development of Employees

We cared about the development of our employees, and formulated an overall plan for their career development, making progress together with them, and sharing the development fruits with them.

> Cultivate Expertise

We focused on strengthening the comprehensive capabilities of employees, in line with the development priorities, difficulties, and tasks of the bank, as well as the goals of expertise development. We strengthened targeted training, and completed 114 training programs.



We grasped the new trends and demands in education and training, explored new models and methods, and promoted the development of internal resources such as curriculum and teaching staff, as well as the building of a training system to make new breakthroughs.

Great results from internal teaching resources

- CDB organized a workshop on the development of learning map, and fostered a training system for customer managers, laying a foundation for employees to enhance their skills in related fields.
- CDB focused on Party building and business development, and offered 86 internal micro-courses to meet employees' diversified needs for learning.
- CDB enriched training resources with distinct features, and developed 12 teaching cases centered on themes of industrial transformation and upgrading, green and low-carbon development, technology finance, and balanced regional development.

Significant progress in training in-house trainers

- CDB released the guidelines on developing internal training team, and established a preliminary internal trainer pool.
- CDB organized case-based training for in-house trainers with emphasis on practical application, and provided opportunities for practice in related training, building a reserve of approximately 100 in-house management training instructors and case study tutors.

Improved training system

- CDB upgraded the education and training management online system in functions such as learning page revision, key resource promotion, and basic data optimization.

Case

Build A Professional Team for Green Finance

In 2022, CDB organized a 3-week business training through both online and offline channels for the first time, focusing on green, low-carbon, and circular development. 265 trainees participated in the three phases of learning: online self-learning, live lectures, and online case study.

- Online self-learning:** CDB assisted students in deepening their understanding of basic concepts, principles, and logic related to carbon peaking and carbon neutrality, green finance, carbon finance, and the realization of ecological product value centered on green development methods and pathways for achieving the carbon peaking and carbon neutrality goals.
- Live lectures:** CDB invited external experts to deliver lectures and interpret the national strategic plans, and look forward to future development trends and paths, focusing on green, low-carbon and circular development and carbon accounting practice in the field of energy strategy, new energy and environmental protection.
- Online case study:** CDB conducted in-depth analysis of real business scenarios based on innovative modes and risk prevention, and held discussions on typical project cases. Through practical exercises, it helped participants internalize what they learned in class, improved their capabilities in project development review, model innovation, and risk prediction.

> Create Career Development Prospects

We built up talent reserves and offered better career development prospects to motivate staff members.

Talent reserves

- CDB conducted the evaluation for the top-level economics professional qualification throughout the bank for the first time, and broadened the training channels for professional and technical talents.
- CDB increased the intensity of practice and training for staff, guided them to gain experience and improve expertise at the grass-roots level.

Talent promotion

- CDB emphasized the promotion of outstanding front-line staff and those who have gone through sufficient front-line training, further improving the structure of management teams in all functions.
- CDB carried out a special inspection on the selection of personnel, refined the system of personnel selection, and worked out practical and meticulous measures for the regular management and supervision of staff.

Strengthen Protection of Employees' Rights and Interests

We took the initiative to promote democracy in corporate management, strengthened the protection of employees' rights and interests to ensure their right in accessing information, participating in CDB management, expressing opinions and exercising supervision, and kept improving the primary-level democratic management.

In 2022, CDB held the 2nd meeting of its 4th Employees Congress, which was attended by 229 employee representatives. At the meeting, reports on the implementation and compilation of the group's financial budgets were heard, and the scope for disclosing the bank affairs was broadened. It promoted the deliberation and voting of the new version of labor contract by representatives that affect employees' vital interests, such as those for handling misconducts and restricting the employment of resigned employees. It reviewed 67 proposals accepted by the Employees Congress, effectively improving the bank's democratic management.

We formulated the interim measures for handling appeals on employees' misconducts, and defined the mechanism, division of responsibilities, and working procedures for handling appeals on employees' misconducts, taking a holistic approach in safeguarding employees' right to appeal, legitimate rights and interests, and the seriousness of results.

Build a Friendly and Caring Workplace Environment

We continued to improve the staff service system and strove to provide employees with a comfortable working environment that is safer, more convenient, and healthier.

Safeguarding Physical and Mental Health of Employees


- CDB cooperated with both professional physical examination institutions and public hospitals to ensure orderly physical examination. It established employee health management files and health consultation platforms.
- The Smart Psychology Platform was available to provide convenient one-stop mental health services including knowledge about mental health, psychological self-assessment and consultation appointments. A psychological care corner was established in the home of staff at the grass-roots level.

Care for Employees' Lives

- CDB supported employees to participate in sports and cultural activities, and organized activities on different themes, such as "March 8 Classroom" live stream program, original poetry recitations, and "Dialogue Across a Century" learning and exchange activities.
- CDB held the "caring for employees campaign" during the New Year and Spring Festival holidays to a total of 2,763 employees who were in difficulties, staying in villages for poverty alleviation or staying overseas for international business.
- CDB intensified its efforts to protect the rights and benefits of female employees, organized a series of activities themed on "Beautiful China, Green Future" for female employees on the Women's Day, and promoted the building of nursing rooms for female staff.

Workplace Safety

- CDB carried out safety hazard inspections, strengthened security and fire control management, and refined various emergency response plans.
- CDB ensured its safe, stable and orderly operation through organizing education and publicity activities on National Disaster Prevention and Reduction Day on May 12 and the 119 Fire Prevention Publicity Month, and organizing the emergency evacuation drill and firefighting practice training.



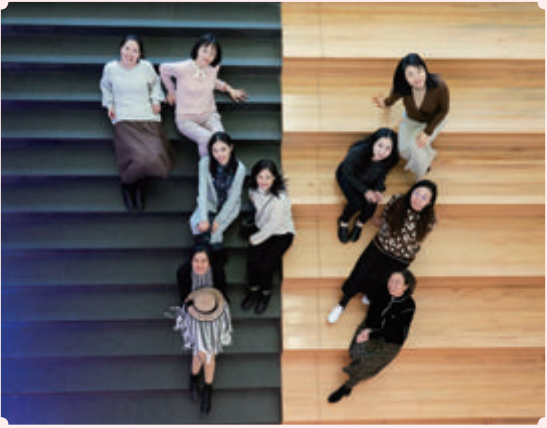
Billboard for the psychological care corner



Case

Women's Hearts to the Party
– Welcoming the 20th CPC National Congress

In 2022, Female Staff Committee of CDB Trade Union highlighted female employees making significant achievements and showcased their social responsibility on the theme “Women’s Hearts to the Party – Welcoming the 20th CPC National Congress” based on the plan and practice of the bank for supporting green and low-carbon development as a DFI.



The March 8 activities under theme of “Beautiful China, Green Future”

Case

Parent-child Activities on the Children's Day

In 2022, CDB Fujian Branch organized activities on the Children's Day for employees and their children, inviting them to experience the culture and history of the Dragon Boat Festival. They visited the historical and cultural blocks with local features in Liangcuo, Fuzhou, Fujian, fully appreciating the charm of traditional Chinese culture and the beauty of ancient architecture.



CDB Fujian Branch holds parent-child activities on the Children's Day

Case

Diverse Activities for Employees, Organized by the CDB Head Office



Outdoor sports association – CDB running group



Culture and arts association – CDB vocal group



Calligraphy and painting association

Garner Power of Love

Charitable Donation

We took the initiative to make public welfare donations. We continued to improve the mechanism for managing public welfare donations and bring into play the social benefits and demonstration effects of projects receiving donations by strictly implementing donation management procedures, and coordinating and optimizing the allocation of donation resources, and intensifying monitoring management, so as to fulfill our corporate social responsibility.

> Paired-up Assistance and Partner Assistance

We made donations to those areas that have been lifted out of poverty, which we supported to effectively consolidate the poverty alleviation achievements and transition into rural revitalization, such as development of businesses that utilize local resources, safety of drinking water, village clinics, education facilities, and improvement of living environment. We continued to increase our support for those areas to solve the problem of unsalable agricultural products. We directly purchased agricultural products worth RMB9.36 million from those areas, and helped them sell products worth RMB2.29 million.

Case

Grass-roots Party Organization Building in Rural Areas

To help the grass-roots Party organizations to further improve their cohesion and efficiency to lead the masses to consolidate the poverty alleviation achievements for the rural revitalization, the organs at CDB Head Office donated Party membership dues amounting to RMB5 million to support the development of 100 village-level Party organizations of counties for paired-up and partner assistance in 2022. The funds were mainly used to renovate the Party and mass service centers, build or repair the bulletin boards, buy the articles for educational activities for Party members, upgrade the materials posted on the walls, and organize the educational activities.



The General Party Branch of Dakan Community in Hexi Town, Zheng'an County, Zunyi, Guizhou



CDB Chongqing Branch provides paired-up assistance to Wuxi County and organized an exhibition and sales fair for local agricultural products

> Public Welfare Donations

In 2022, we took the initiative to make public welfare donations and focused on education loans and social assistance. We kept our attention on the high school completion rate and start-up founders who were also students in vocational education, essential-qualities and aesthetic education, elders with Alzheimer, and left-behind children. In addition, we supported various signature programs including Education Empowerment, Happy Music Rooms, Yellow Bracelet Action, and CDB Guardianship Plan. Moreover, we sponsored the building of elderly care facilities in Duantiao Village in Licheng District of Jinan, Shandong.



Volunteer Services

Volunteer services are an important symbol of social civilization progress. We actively promoted volunteer spirit of “dedication, friendship, mutual assistance and progress”, and organized staff members to participate in 235 volunteer activities throughout the year, including promoting financial knowledge, caring for left-behind children, environmental protection, and volunteer service for the Winter Olympics, with a total of 3,558 participants.

Case

Dreams Lit up with Joint Efforts

In 2022, we continued to organize the volunteer service campaign titled “Spark Action”, donated 1,010 “warm sun energy packs” with the funds of more than RMB310,000 raised, helping more than 600 children in Sanjiangyuan region, Yushu, Qinghai, fulfill their dreams. Through small actions, we made our love felt among children in remote areas, and lit up the hope for them.



CDB Henan Branch organizes the voluntary teaching activity in the “Colorful Classroom” initiative for left-behind children in the old revolutionary base area of Dabie Mountains.



CDB Ningbo Branch organizes themed volunteer service activities for financial knowledge popularization at the Chunhui School.



CDB Qinghai Branch organizes volunteer service activities to care for left-behind children in the Tibetan region.

Appendices

Honors and Awards

People.cn
People’s Social Responsibility Award – Enterprise of the Year

Financial News
Bank of the Year for Infrastructure Development

**China Foundation for Poverty Alleviation
(now renamed China Foundation for Rural Development)**
Outstanding Contribution Award for Poverty Alleviation

Green Credit Special Committee of China Banking Association
Role Model of Green Bank Evaluation

**National Afforestation Commission, Ministry of Human
Resources and Social Security, and National Forestry and
Grassland Administration**
National Afforestation Role Model

UN Global Compact Network China
Best Practices Awards by Companies on Sustainable Development Goals:
Sustainable Development along the Belt and Road
Eradicating Poverty and Promoting Prosperity

**Association of Development Financing Institutions in Asia
and the Pacific (ADFIAP)**
Development Awards 2022:
Winner of Financial Inclusion
Merit Award of SME Development

Climate Bonds Initiative
Climate Bond Pioneer Awards – the issuer of climate bonds with
the largest subscription scale in 2022

China Banking and Insurance News
Jinnuo • Exemplary Case of Finance Communications (case of new
media communications of CDB student loans)

Periodical Office of Financial Computerizing
Outstanding Contribution Award for Information Security Development
of the Finance Industry 2022

Bond Connect Company Limited
Outstanding Northbound Issuer

Key Data

In billion RMB, unless otherwise specified

Key Performance Indicators	2022	2021	2020
I. Economic Indicators			
Total Assets	18,243.1	17,167.9	17,103.6
Gross Loans and Advances to Customers	14,474.9	13,262.5	13,049.9
Non-Performing Loan Ratio (%)	0.78	0.84	0.79
Allowance to Total Loans Ratio (%)	4.28	3.80	3.38
Debt Securities Issued	12,126.0	11,480.4	10,722.1
Total Equity	1,605.6	1,538.3	1,480.6
Profit for the Year	84.3	80.8	118.8
Capital Adequacy Ratio (%)	11.37	11.66	12.03
ROA (%)	0.48	0.47	0.71
ROE (%)	5.37	5.35	8.27
II. Social Indicators			
Balance of Railway Industry Loans	904.1	865.5	865.7
Balance of Power Industry Loans	1,166.2	1,081.1	998.6
Balance of Highway Industry Loans	2,557.5	2,405.5	2,233.9
Balance of On-lending Loans to Micro and Small Businesses	332.4	259.7	219.4
Total Education Loans	49.6	37.9	33.5
Students Benefiting from the Education Loans (in 10,000 students)	4,481.2	3,965.9	3,498.8
Total Emergency Loans ¹	28.6	8.1	19.2
Total Number of Employees (person) ²	10,564	10,293	10,092
Proportion of Female Employees (%) ²	42.38	41.91	41.73
Public Welfare Donation (in RMB10,000)	4,720.3	6,016.4	18,109.1
Employee Satisfaction (%)	98.2	98.3	98.5
III. Environmental Indicators			
Electricity Consumption per Person in the Head Office (kWh/person)	11,131	10,570	11,600
Paper Consumption per Person in the Head Office (kg/person) ³	17.91	21.48	18.2
Water Consumption per Person in the Head Office (m³/person)	42.32	36.90	28.5
Number of Video Conferences ³	2,102	1,843	1,534
E-banking Transaction Amount	17,442.2	14,726.6	14,532.2

1 Referring to loans whose duration is within a year (including) and which are issued quickly by the CDB after quick decision-making within its business scope to assist local governments and key enterprises and institutions of different places in responding to emergencies before the financial disaster relief funds are in place or the affected enterprises or institutions resume normal production and operation.

2 Within the Bank's range.

3 Including the number of video conferences held by the Head Office, Xinjiang Branch, Hainan Branch and Hebei Branch (including its secondary branches).

Independent Practitioner’s Assurance Report

English Translation for Reference Only

To China Development Bank

We have been engaged to perform a limited assurance engagement on the selected key data of 2022 (hereinafter referred to as “key data”) as defined below in the 2022 Sustainability Report (“the Sustainability Report”) of China Development Bank (the “Bank”).

Selected Key Data

The selected key data in the Bank’s 2022 Sustainability Report are the following environmental indicators and social indicators in the table of key data:

- Balance of Railway Industry Loans
- Balance of Power Industry Loans
- Balance of Highway Industry Loans
- Balance of On-lending Loans to Micro and Small Businesses
- Total Education Loans
- Students Benefiting from the Education Loans
- Total Emergency Loans
- Total Number of Employees
- Proportion of Female Employees
- Public Welfare Donation
- Employee Satisfaction
- Electricity Consumption per Person in the Head Office
- Paper consumption per Person in the Head Office
- Water Consumption per Person in the Head Office
- Number of Video Conferences
- E-banking Transaction Amount

Our assurance was only with respect to the key data selected above for the year ended 31 December 2022 and we have not performed any procedures with respect to earlier periods or any other elements included in the 2022 Sustainability Report.

Criteria

The criteria used by the Bank to prepare the selected key data in the 2022 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 2022 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 2022 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 behavior.

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 2022 Sustainability Report based on our work.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 “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 2022 selected key data in the 2022 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 2022 Sustainability Report whether due to fraud or error, and responding to the assessed risks. The extent of procedures selected depends on our judgment and assessment of the engagement risk.

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

- Guangdong Branch
- Guangxi Branch
- Fujian Branch

We performed the following procedures:

- 1) Interviews with the leading department of the Bank involved in preparing the Sustainability Report;
- 2) Interviews with relevant departments of the Bank involved in providing information for the selected key data within the Sustainability Report;
- 3) Analytical procedure;
- 4) Examination, on a test basis, of documentary evidence relating to the selected key data on which we report;
- 5) Recalculation of key data in 2022;
- 6) On-site visits to partial sample branches and interviews with relevant departments involved in to understand the statistical scope of sustainable development data; and
- 7) 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 2022 selected key data in the 2022 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 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.

BDO China SHU LUN PAN Certified Public Accountants LLP

Shanghai, the People’s Republic of China

5 July 2023

Global Reporting Initiative (GRI) Content Index

Statement China Development Bank reported the information cited in this GRI Content Index with reference to the GRI standards for the period from January 1, 2022 to December 31, 2022.

GRI 1 used GRI 1: Foundation 2021

GRI standard	Disclosure item	Location
General Disclosures		
GRI 2: General Disclosures 2021	2-1 Organizational details	Bank Profile
	2-2 Entities included in the organization's sustainability reporting	Notes to the Report
	2-3 Reporting period, frequency and contact point	Notes to the Report
	2-4 Restatements of information	/
	2-5 External assurance	Appendices: Independent Practitioner's Assurance Report
	2-6 Activities, value chain and other business relationships	Bank Profile
	2-7 Employees	Appendices: Key Data 4.3 A High Caliber Workforce
	2-9 Governance structure and composition	4.1.1 Corporate Governance 2022 Annual Report: Corporate Governance
	2-10 Nomination and selection of the highest governance body	2022 Annual Report: Changes to the Board of Directors and Senior Management
	2-11 Chair of the highest governance body	2022 Annual Report: Directors, Senior Management and Staff 2022 Annual Report: Corporate Governance
	2-12 Role of the highest governance body in overseeing the management of impacts	4.1.1 Corporate Governance
	2-13 Delegation of responsibility for managing impacts	4.1.1 Corporate Governance
	2-14 Role of the highest governance body in sustainability reporting	4.1.1 Corporate Governance
	2-15 Conflicts of interest	2022 Annual Report: Directors, Senior Management and Staff
	2-16 Communication of critical concerns	4.1.1 Corporate Governance
	2-17 Collective knowledge of the highest governance body	4.1.1 Corporate Governance
	2-18 Evaluation of the performance of the highest governance body	2022 Annual Report: Annual Remuneration
	2-19 Remuneration policies	4.3.1 Improve Incentive and Constraint Mechanisms
	2-20 Process to determine remuneration	2022 Annual Report: Annual Remuneration
	2-21 Annual total compensation ratio	2022 Annual Report: Annual Remuneration
	2-22 Statement on sustainable development strategy	Preamble
	2-29 Approach to stakeholder engagement	4.3.3 Strengthen Protection of Employees' Rights and Interests
Material Issues		
Economic performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	1. High Quality Economic Development 2. Feature: Green Bonds for Green Development 3.1 Support Rural Revitalization 3.3 Improve Living Standards 4.1.2 Risk Management
		1. High Quality Economic Development 2. Feature: Green Bonds for Green Development 3.1 Support Rural Revitalization 3.3 Improve Living Standards Appendices: Key Data
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	3.1 Support Rural Revitalization 3.3 Improve Living Standards Appendices: Key Data
	201-2 Financial implications and other risks and opportunities due to climate change	4.1.2 Risk Management

GRI standard	Disclosure item	Location
Market Presence		
GRI 3: Material Topics 2021	3-3 Management of material topics	2022 Annual Report: Annual Remuneration 2022 Annual Report: Directors, Senior Management and Staff
		2022 Annual Report: Annual Remuneration
GRI 202 Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	2022 Annual Report: Annual Remuneration
	202-2 Proportion of senior management hired from the local community	2022 Annual Report: Directors, Senior Management and Staff
Indirect Economic Impacts		
GRI 3: Material Topics 2021	3-3 Management of material topics	1. High Quality Economic Development 2. Harmony between Human and Nature 3. Ensure People's Well-being and Social Development
		1. Feature: Infrastructure Development
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	1. High Quality Economic Development 2. Harmony between Human and Nature 3. Ensure People's Well-being and Social Development
	203-2 Significant indirect economic impacts	1. High Quality Economic Development 2. Harmony between Human and Nature 3. Ensure People's Well-being and Social Development
Procurement Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	Procurement of China Development Bank website 2.4.2 Green Procurement
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Procurement of China Development Bank website
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	2022 Annual Report: Corporate Governance
		2022 Annual Report: Corporate Governance
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	2022 Annual Report: Corporate Governance
	205-2 Communication and training about anti-corruption policies and procedures	2022 Annual Report: Corporate Governance
	205-3 Confirmed incidents of corruption and actions taken	2022 Annual Report: Corporate Governance
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	2. Harmony between Human and Nature
		Appendices: Key Data
GRI 302: Energy 2016	302-1 Energy consumption within the organization	2. Harmony between Human and Nature Appendices: Key Data
	302-2 Energy consumption outside of the organization	2. Harmony between Human and Nature Appendices: Key Data
	302-3 Energy intensity	2. Harmony between Human and Nature Appendices: Key Data
	302-4 Reduction of energy consumption	2. Harmony between Human and Nature Appendices: Key Data
	302-5 Reductions in energy requirements of products and services	Appendices: Key Data
Water and Effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	2.1 Transition to Green Development 2.2 Pollution Prevention and Control 2.3 Restoration of Natural Ecosystems 2. Feature: Green Bonds for Green Development 2.4 Green and Low-carbon Operation
		2.1 Transition to Green Development 2.2 Pollution Prevention and Control 2.3 Restoration of Natural Ecosystems 2. Feature: Green Bonds for Green Development 2.4 Green and Low-carbon Operation
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	2.1 Transition to Green Development 2.2 Pollution Prevention and Control 2.3 Restoration of Natural Ecosystems 2. Feature: Green Bonds for Green Development 2.4 Green and Low-carbon Operation
		2.1 Transition to Green Development 2.2 Pollution Prevention and Control 2.3 Restoration of Natural Ecosystems 2. Feature: Green Bonds for Green Development 2.4 Green and Low-carbon Operation
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	2.1 Transition to Green Development 2.2 Pollution Prevention and Control 2.3 Restoration of Natural Ecosystems 2. Feature: Green Bonds for Green Development 2.4 Green and Low-carbon Operation
		2.1 Transition to Green Development 2.2 Pollution Prevention and Control 2.3 Restoration of Natural Ecosystems 2. Feature: Green Bonds for Green Development 2.4 Green and Low-carbon Operation
GRI 303: Water and Effluents 2018	303-5 Water consumption	Appendices: Key Data
		Appendices: Key Data

GRI standard	Disclosure item	Location
Biodiversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	1.5 High Quality Belt and Road Cooperation 2.3 Restoration of Natural Ecosystems
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	2.3 Restoration of Natural Ecosystems
	304-2 Significant impacts of activities, products and services on biodiversity	1.5 High Quality Belt and Road Cooperation 2.3 Restoration of Natural Ecosystems
	304-3 Habitats protected or restored	2.3 Restoration of Natural Ecosystems
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	2. Harmony between Human and Nature
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	2. Harmony between Human and Nature
	305-2 Energy indirect (Scope 2) GHG emissions	2. Harmony between Human and Nature
	305-4 GHG emissions intensity	2. Harmony between Human and Nature
	305-5 Reduction of GHG emissions	2. Harmony between Human and Nature
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	2.4.1 Energy and Resources Conservation
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	2.4.1 Energy and Resources Conservation
	306-2 Management of significant waste-related impacts	2.4.1 Energy and Resources Conservation
	306-3 Waste generated	2.4.1 Energy and Resources Conservation
	306-4 Waste diverted from disposal	2.4.1 Energy and Resources Conservation
	306-5 Waste directed to disposal	2.4.1 Energy and Resources Conservation
Supplier Environmental Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	2.4.2 Green Procurement Procurement of China Development Bank website
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	2.4.2 Green Procurement Procurement of China Development Bank website
	308-2 Negative environmental impacts in the supply chain and actions taken	2.4.2 Green Procurement Procurement of China Development Bank website
Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 A High Caliber Workforce
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	4.3 A High Caliber Workforce Appendices: Key Data
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.3 A High Caliber Workforce
Occupational Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3.4 Build a Friendly and Caring Workplace Environment
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	4.3.4 Build a Friendly and Caring Workplace Environment
	403-2 Hazard identification, risk assessment, and incident investigation	4.3.4 Build a Friendly and Caring Workplace Environment
	403-3 Occupational health services	4.3.4 Build a Friendly and Caring Workplace Environment
	403-6 Promotion of worker health	4.3.4 Build a Friendly and Caring Workplace Environment
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3.4 Build a Friendly and Caring Workplace Environment
	403-10 Work-related ill health	4.3.4 Build a Friendly and Caring Workplace Environment

GRI standard	Disclosure item	Location
Training and Education		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 A High Caliber Workforce
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	4.3 A High Caliber Workforce
	404-2 Programs for upgrading employee skills and transition assistance programs	4.3 A High Caliber Workforce
	404-3 Percentage of employees receiving regular performance and career development reviews	4.3 A High Caliber Workforce
Diversity and Equal Opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 A High Caliber Workforce
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	4.3 A High Caliber Workforce Appendices: Key Data
Non-discrimination		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 A High Caliber Workforce
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	4.3 A High Caliber Workforce
Child Labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 A High Caliber Workforce
GRI 408 Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	4.3 A High Caliber Workforce
Forced or Compulsory Labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 A High Caliber Workforce
GRI 409 Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	4.3 A High Caliber Workforce
Local Communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	3. Ensure People's Well-being and Social Development 4.4 Garner Power of Love
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	3. Ensure People's Well-being and Social Development 4.4 Garner Power of Love
	413-2 Operations with significant actual and potential negative impacts on local communities	3. Ensure People's Well-being and Social Development 4.4 Garner Power of Love
Supplier Social Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Procurement of China Development Bank website
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Procurement of China Development Bank website
	414-2 Negative social impacts in the supply chain and actions taken	Procurement of China Development Bank website
Marketing and Labeling		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.2.2 Safeguard Data and Privacy Security
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	4.2.2 Safeguard Data and Privacy Security
Customer Privacy		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.2.2 Safeguard Data and Privacy Security
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	4.2.2 Safeguard Data and Privacy Security

Notes to the Report

Reporting Period:

1 January to 31 December 2022, with a few exceptions.

Release Cycle:

CDB Sustainability Report is an annual report.

Organizational Scope:

China Development Bank (referred to as CDB) and its subsidiaries.

Basis of Preparation:

ISO26000:2010 Guidance on social Responsibility (<http://www.iso.org>), *GB/T36000-2015 Guidance on Social Responsibility*, Global Reporting Initiative Sustainability Reporting Guidelines (GRI Standards 2021) (<http://www.globalreporting.org>), *UN Transforming our World: the 2030 Agenda for Sustainable Development* and the Global Compact's 10 principles for businesses, and guidelines of CBIRC and China Banking Association.

Assurance:

In order to ensure its truthfulness and reliability, BDO China SHU LUN PAN Certified Public Accountants LLP was engaged third-party assurance on the report.

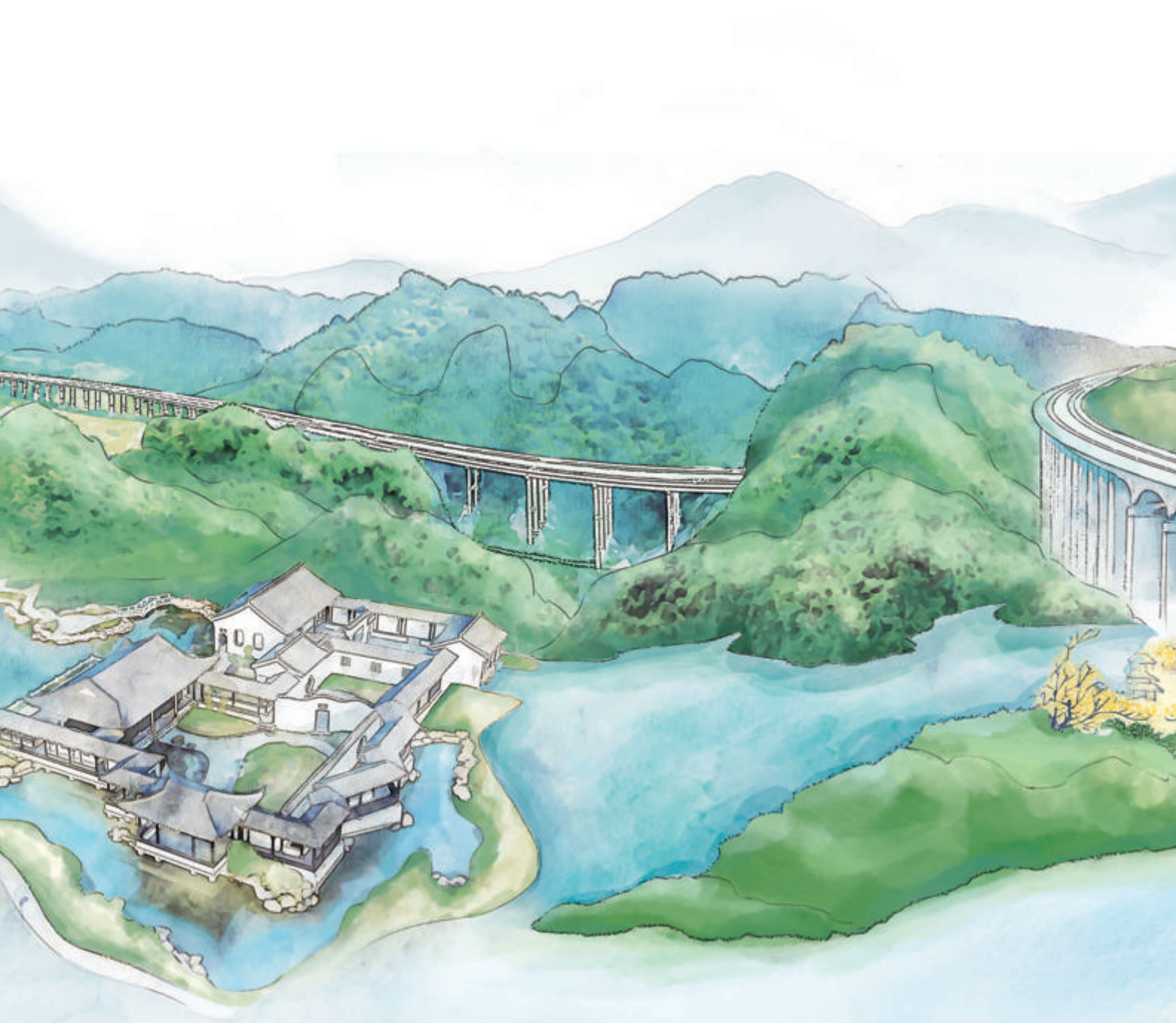
Access to Report:

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

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