



Corporate Social Responsibility Report **2019**
社會責任報告



中国信达
CHINA CINDA

Corporate Social Responsibility Report
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Chairman's statement

2019 is the 70th anniversary of the founding of New China and the 20th anniversary of the establishment of China Cinda. Facing the complicated and challenging domestic and international conditions, China's economy grew while maintaining general stability. Focusing on the primary duty and core business of distressed asset business and adhering to the high-quality development philosophy of "professional operation, efficiency first and value creation", China Cinda has carefully studied and deployed the works related to corporate social responsibility, practiced the Environmental, Social and Governance Report Guide compliance requirements issued by SEHK, promoted the risk prevention and mitigation, served the real economy, cared for the development of employees, advocated green development, implemented targeted poverty alleviation, continued to maintain good performance, and made further achievements in environmental, social and governance.

Contributing to defusing risks. By firmly holding fast to primary duty and core business of distressed assets business, and fully exerting the unique function of counter-cyclical tools and financial bailout, China Cinda strived to expand the "extensive distressed assets" operation pattern, actively carried out the acquisition and disposal of distressed assets from financial institutions and enterprises and innovated the acquisition and disposal of defaulted bonds. In 2019, the acquisition cost of distressed debt assets is RMB116.711 billion in total, which greatly enhanced proactivity and effectiveness on forestalling and defusing financial risks. Focusing on distressed entities and distressed assets, the Company carried out corporate various measures, including crisis relief, bankruptcy reorganization of distressed enterprises, listed companies bail-out, and innovatively solving the debt crisis and guarantee chain difficulties for large-scale private enterprises, and achieved good results in dissolving industrial and regional risks.

Keeping improving client service. In line with client-centric concept and relying on advantages of core business, China Cinda provided clients with professional, customized and differentiated services through multiple financial instruments. In order to boost the entity economy development, it offered supports for enterprises engaged in projects in connection with

national and regional development strategies, such as "the Belt and Road" Initiative, Coordinated Development of Beijing-Tianjin-Hebei Region, and Guangdong, Hong Kong and Macao Bay Area Construction, etc. Besides actively participating in the supply-side structural reform, helping the reform of state-owned enterprises, and supporting the enterprise transformation and upgrading, it was also committed to promoting the development of livelihood undertakings, such as medical and health care, housing projects, electric energy as well as middle and small-sized enterprises. By enhancing customer management, development and service capabilities, the Company emphasized on client experience and demands to constantly improve client satisfaction. Moreover, it also carried out financial knowledge publicity and education activities to strengthen financial awareness of the public.

Caring for employees growth. China Cinda adhered to the personnel-oriented principle, and promotes the unification of employees' growth and development as well as corporate development. It promoted democratic management, protected the legitimate rights and interests of employees, and built a harmonious labor relationship. Strengthening the management of the cadre team, it built a development platform for employees, and a group of highly professional and young employees had taken up middle and senior management positions. The Company carried out professional trainings of more than 1,300 sessions, with a total of 55,000 participants. On the occasion of the 70th anniversary of the founding of the People's Republic of China and the 20th anniversary of the establishment of the Company, the Company organized many activities for employees, including exhibitions of calligraphy, of painting, and of photography, micro-video recording, essays, speeches and sports competitions to enhance employees' sense of belonging and team cohesion. The Company also carried out the "Send Warmth" campaign to care for employees in need.

Advocating green development. China Cinda paid attention to the global climate changes and integrated green, low-carbon and environmental protection concepts into business development and operation management. The Company carried out green finance business so as to provide financial support for green enterprises and energy-saving and environmental

protection projects, and help projects for ecological environment governance and soil restoration, and relocation of metal enterprises. It expanded the business model of cooperating with Internet companies to disposal of distressed assets, and saved energy and resources usage during the transactions. The Company adhered to low-carbon operations, promoted paperless office work and energy conservation and emission reduction measures, properly disposed of waste computers and other office wastes, and reduced adverse environmental impacts. Actively organized and participated in public welfare activities such as environmental protection, paid attention to environmental protection issues, and cultivated employees' environmental protection awareness, to act as communicators, practitioners and promoters of ecological civilization.

Conducting out targeted poverty alleviation. China Cinda conscientiously implemented the poverty alleviation decision deployment, and promoted the transition of poverty alleviation methods from “transfusion-type” to “hemopoiesis-type”. The Company’s management has conducted in-depth investigations on poverty areas for many times. The 21 ministers of poverty alleviation fought in the front lines of poverty alleviation in more than 10 provinces, autonomous regions and cities, including Qinghai and Xinjiang. They made efforts to tackle poverty through multiple dimensions, including industrial assistance, infrastructure assistance, education assistance, and consumption assistance. The Company increased funding, implemented RMB7.40 million in poverty alleviation and other charitable donation throughout the year, and increased the plan scale and number of beneficiaries of the charity trust “Great Cinda”. It also promoted the construction of the relocation project of Qilidian Village, Ledu County, Qinghai. Adhering to the combination of poverty alleviation and intellectual assistance, the Company preached financial knowledge in the “Financial Inclusion” programs for a total of 18,000 people-times during the recent three years. It also carried out activities to help students and visit the poor as well as care for the vulnerable groups.

Strengthening epidemic prevention and control. In response to the outbreak of COVID-19, China Cinda strengthened its arrangements and deployments in accordance with the decisions and deployments of the Party Central Committee and the State Council as well as the relevant requirements of the CBIRC to fully launch the Company’s epidemic prevention

and control. The Company donated RMB5.00 million through Hubei Charity Federation to help Hubei conduct epidemic preventions and controls. At the same time, the Company disbursed the special funds for preventing and controlling to basic-level trade unions to implement epidemic prevention for employees. It also increased financial supports for clients, and helped enterprises organize and conduct production and operation activities during the special period, so as to contribute to fight against the epidemic prevention and control.

Building brand image. In 2019, China Cinda strived for the honorary titles based on its actual situation, intensified its publicity efforts, and created a good brand image. The Company has won the Best Social Responsibility Practice Case Award of the China Banking Association, the “Best Corporate Governance in Listed Companies” and the “Most Socially Responsible Listed Companies” of the China Securities Golden Bauhinia Awards, the “Prize for Case of Social Responsibility of the Year” of China Financial Annual Brand Case Competition, the “China Top 100 Enterprises Award” and “China Ethical Enterprises Award” by the China Listed Company Top 100 Summit Forum, and other awards and honors.

2020 is the final year when China will finish building a well-off society in an all-round way and when the “Thirteenth Five-Year Plan” will be completed. Standing at the historical intersection when the two centenary goals are to be achieved, facing a more complicated domestic and foreign economic environment, China Cinda will uphold the visions “to provide excellent services to the customers, to create best returns for the shareholders, to build development platforms for the employees, to resolve financial risks for China and to undertake more responsibilities for the society”, and will work together with all stakeholders to assume greater social responsibility in the three critical battles of preventing and resolving major risks, targeted poverty alleviation and pollution prevention, so as to create better work performance and make greater contributions to the decisive victory in building a well-off society in an all-round way.

ZHANG Zi'ai
Chairman
China Cinda Asset Management Co., LTD.

CSR key performance in 2019



Economy

RMB **1,513.230** billion
Total assets

16.76%
Capital adequacy ratio

RMB **385.450** billion
Net distressed debt assets

RMB **13.053** billion
Net profit attributable to shareholders of the Company

RMB **4.527** billion
Income tax expenses



Environment

1,489 tCO₂e

Total emission of category 1 greenhouse gas

32,577 tCO₂e

Total emission of category 2 greenhouse gas

Society

16,440

Jobs directly provided for the society

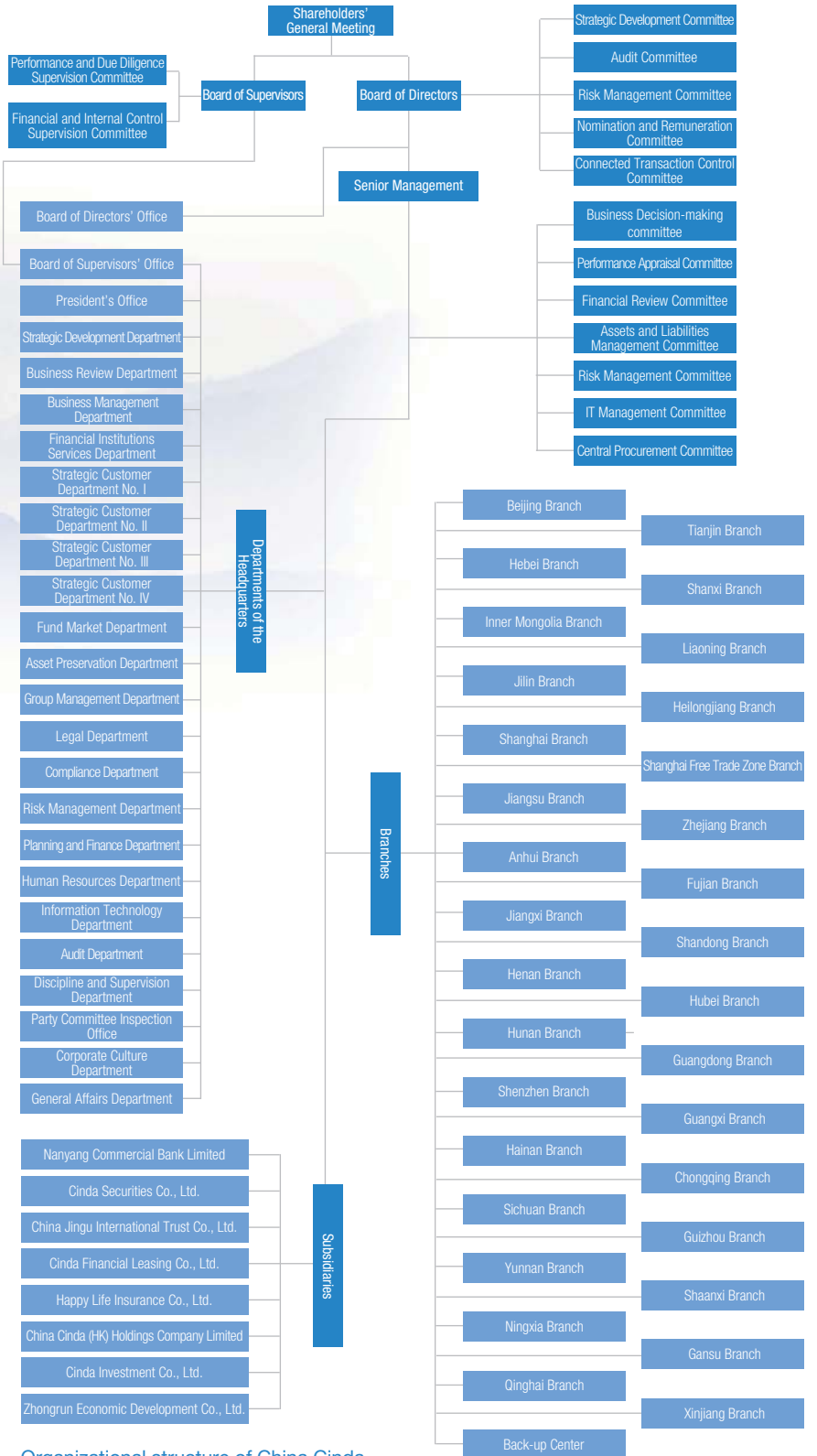
RMB 7.40 million
Public welfare donations

About us

Company profile

China Cinda Asset Management Co., Ltd. (“China Cinda”, “Cinda” or “the Company”), formerly known as China Cinda Asset Management Corporation, was established in 1999 pursuant to the approval of the State Council to effectively tackle financial risks and maintain the stability of the financial system as well as to facilitate the reform and development of state-owned banks and enterprises. In June 2010, China Cinda Asset Management Corporation was reorganized to establish China Cinda Asset Management Co., Ltd. In April 2012, China Cinda successfully received investments from four strategic investors, namely the National Council for Social Security Fund of the PRC, UBS AG, CITIC Capital Holdings Limited and Standard Chartered Bank. In December 2013, China Cinda was successfully listed on the main board of the Hong Kong Stock Exchange and became the first financial asset management company in China to be listed on the international capital market.

Our principal business segments include distressed asset management and financial services. As of the end of 2019, China Cinda has 33 branches (including Hefei Operation Support Center) in 30 provinces, autonomous regions and municipalities in mainland China, and eight wholly-owned or majority-owned subsidiaries as platforms for providing distressed asset management, asset management as well as financial services in mainland China and Hong Kong. The Group has approximately 16,000 employees.



Organizational structure of China Cinda

Corporate culture

Our core value

“Start from good faith, achieve through action”
— integrity, integration, innovation and excellence

To become a world-famous brand of asset management and financial service, and build a modern financial enterprise with core competency

Vision

High-quality development concept

Professional management

Efficiency first

Value creation

Our mission

- To provide excellent services to the customers
- To create best returns for the shareholders
- To build development platforms for the employees
- To resolve financial risks for China
- To undertake more responsibilities for the society

Our basic principles

Operational concept: Market-oriented and focus on benefits

Service concept: Customer first and trustworthiness

Competitive concept: Entrepreneurship and pioneer

Risk concept: Bottom line defence and proactive management

Management concept: Respect for rules, stringency and effectiveness

Talent concept: Hiring based on talent, position based on competence

Responsibility concept: Task taker and due diligence

Team concept: Solidarity, diligence, simplicity

Compliance operation

China Cinda has normative structure of corporate governance, continuously improves risk management system, enhances employees' awareness against corruption, strengthens supplier management and insists on operating in compliance with law and regulations, so as to lay a solid foundation for the Company to achieve sustainable development in an all-round way.

Corporate governance

Adhering to the principle of good corporate governance of listed companies and the domestic and overseas regulatory regulations, China Cinda continuously optimized its governance structure, which comprises Shareholders' General Meeting, the Board of Directors, the Board of Supervisors and the management, actively strengthened the governance system and the system construction, creating a well-coordinated and effectively balanced corporate governance mechanism so as to ensure continuous compliance and healthy development of the Company, effectively protect the interests of the shareholders and promote the value maintenance and appreciation of state-owned assets. In 2019, the Company won the Best Corporate Governance of Listed Company and the Most Socially Responsible Listed Company of the China Securities Golden Bauhinia Award.

Shareholders' General Meeting

The shareholders' general meeting is the organ of authority of China Cinda. It shall exercise its power in accordance with the law and its main functions include: to decide on the Company's operating policies; to consider and approve the profit distribution plan and loss recovery plan of the Company; to amend the Articles of Association of the Company, the procedural rules of the Shareholders' general meeting, the meetings of the Board of Directors and the Board of Supervisors; and to decide on the employment, dismissal or termination of reappointment of accounting firms. During the Reporting Period, China Cinda held 3 general meetings and considered and approved 15 resolutions and made 1 report.

Board of Directors

The Board of Directors is the organ of operational decision making of China Cinda and shall be responsible for the shareholders' general meeting. The legal roles and responsibilities of the Board of Directors include, but are not limited to the following: to implement the resolutions passed at the shareholders' general meetings; to determine the development strategies, operation plans and investment plans of the Company; to formulate annual financial budgets and final account plans of the Company; to formulate the profit distribution plan and loss recovery plan of the Company; to formulate plans for increasing or reducing registered capital of the Company; to formulate the basic management system of the Company and supervise the implementation of the system; to determine the risk management, compliance and internal control policies of the Company and to establish appropriate systems with regards to the internal control and compliance management of the Company and to formulate equity incentive plans.

As of the end of the reporting period, the Board of Directors of the Company had 10 directors, including 1 executive director, 5 non-executive directors and 4 independent non-executive directors. During the Reporting Period, China Cinda held 11 meetings of Board of Directors and considered and approved 46 resolutions and made 17 reports.

Risk and compliance management

China Cinda complied with all the laws and regulations, continued to promote the construction of comprehensive risk management system, optimized internal control mechanism and constantly optimized the risk detection and evaluation systems so as to effectively prevent and control all kinds of compliance risks and ensure the safety of assets and legal compliance in the operations and management of the Company.

Comprehensive risk management

China Cinda followed the risk management concept of “protecting the bottom line by managing risks proactively”, constantly improved the comprehensive risk management system, and promoted the high-quality development of the Company. The Company has established a risk management system that covers all business lines and all types of risks, and continued to optimize the system. The Company has a sound risk governance structure. The responsibilities of the Board of Directors, the Board of Supervisors and Senior Management in the comprehensive management system are clear, specific and well defined. According to the development strategy, the Company formulated and issued the 2019 Risk Appetite Management Measures of the Group to facilitate the implementation and communication of the Group’s appetite management measures and promoted the formation of a uniform risk appetite policy for the Group. Risk monitoring, pre-warning, reporting, inspection and control mechanisms were in smooth operation. In 2019, the risk control capacity of the Group was significantly improved. All the risks were controlled within the acceptable scope, ensuring the healthy development of the Group businesses.



The Board of Supervisors is a supervisory body of the Company and shall be responsible for the shareholders’ general meeting. The legal roles and responsibilities of the Board of Supervisors include, but are not limited to the following: to supervise the financial condition, risk management, and internal control policies of the Company; and to supervise the performance of the Board of Directors, Senior Management and their constituent members. As of the end of the Reporting Period, the Board of Supervisors of the Company consisted of 7 Supervisors, including 1 Shareholder Representative Supervisor, 3 External Supervisors and 3 Employee Supervisors. In 2019, China Cinda held 6 meetings of Board of Supervisors and considered and approved 21 resolutions.



The management strengthened the arrangements and deployment and organized all departments at the headquarters, and its branches and subsidiaries, through the breakdown and implementation of the business strategy and the completion of the annual management tasks, to guide the Company to focus on the core business, conduct transformation and develop business, operate business stably, and prevent and control risks, which helped the Company achieved a high-quality development. The Company also actively performed social responsibilities to the country, shareholders, customers, suppliers, employees, environment and community, and managed to achieve even better results.

China Cinda carefully organized internal training in the risk management line, actively participated in external training hold by regulatory agencies and professional training institutions, publicized and implemented the latest regulatory concepts and risk policies, and promoted the continuous improvement of employees' professionalism and performance. In 2019, in accordance with the unified deployment of regulatory authority, the Company actively organized the work of "consolidating the results of controlling chaotic practices and promoting compliance (巩固治乱象成果促进合规建设)", further enhanced the level of compliance operations and comprehensive risk management capabilities, and cultivated a profound risk culture.

Compliance internal control management

The Company has developed a management framework comprising three lines of defence under the leadership of the Shareholders' General Meeting, the Board of Directors, the Board of Supervisors and the management, which clarifies the respective responsibilities of and the reporting relationship from management to staff. In terms of corporate governance, the Board of Directors shall bear the ultimate responsibility for the establishment, improvement, effective implementation and comprehensive inspection and evaluation of the compliance internal control system; the Board of Supervisors shall be responsible for supervising the Board of Directors and the management; the management shall be responsible for organizing and leading the daily operation of the compliance internal control system, developing and improving the relevant operation and management systems, and promoting the implementation of the relevant management systems in an all-round way.

In terms of company operation, as **the first line of defence**, the business departments established the internal control mechanism featuring self-motivated internal control, self-assessment of risk exposure, self-correction and timely report. As **the second line of defence**, the compliance department of headquarters is the functional department for internal control and compliance management. It took the lead in the establishment and maintenance of the compliance internal control system, supervised and inspected

the implementation of the compliance internal control by both daily supervision and special inspection. As **the third line of defence**; the audit department of headquarters evaluates the adequacy and the effectiveness of the compliance internal control, reports the problems found during the evaluation to the Board of Directors, and supervises and tracks the rectification thereof. The Company engaged an external professional institution to audit the internal control system, with the audit findings reported to the Board of Directors.

The risk and compliance management post is deployed in each department at the headquarters, while compliance internal control management post and audit post are deployed in each branch, in order to implement and assess the compliance internal control management within their spectrum of duty. The compliance internal control management department is responsible for the establishment and maintenance of the internal control system of the subsidiaries. The subsidiaries have compliance internal control contact persons who are responsible for the establishment and implementation, daily maintenance and inspection, major event report and periodic reporting of the compliance internal control system for the relevant subsidiaries. The internal control measures of the Company mainly include the Company mechanisms, internal control manual and evaluation manual. The guiding document for internal control is the Basic Regulations for Internal Control.

In 2019, China Cinda organized various units to conduct the re-inspection of the systems, so as to comprehensively check the compliance, effectiveness and operability of the systems, continuously optimize the system and maintain the vitality of the system. Based on changes in the external regulatory system, the company's internal rules and regulations, and actual control measures, the Company comprehensively updated the internal control manual and optimized the internal control management system; it set up an operation risk management system and management tools, and established the Measures for the Administration of Points for Minor Violations (《轻微违规行为积分管理办法》), so as to effectively improve the effectiveness of the compliance internal control management.

Anti-money laundering

China Cinda earnestly performed the social obligation of anti-money laundering in strict accordance with relevant laws and regulations such as the Law of the People's Republic of China on Anti-Money Laundering and the Rules for Anti-money Laundering by Financial Institutions issued by the People's Bank of China, and continuously improved the effectiveness of anti-money laundering by conscientiously implementing the risk-based management principles. In 2019, the Company hired a consulting agency to conduct a comprehensive evaluation of the money laundering risk management system. Through a series of effective measures such as anti-money laundering training, refining anti-money laundering workflow, system optimization and upgrade, and preparation of a business management manual, the anti-money laundering compliance management level was fully improved. This year, 4 sessions of anti-money laundering training were conducted at the group level, covering 3,319 attendances.

Fighting financial crime and anti-fraud

According to the unified deployment of the China Banking Regulatory Commission and the Banking Association, China Cinda launched 2019 publicity campaign in May to prevent illegal fundraising, so as to promote the prevention and control of financial risks, protect the legitimate rights and interests of consumers, and contribute to purifying the financial ecological environment and maintaining financial stability. The Company publicized the dangers of illegal fundraising and the main methods used for illegal fundraising, the identification and preventive measures, and the latest guidance of judicial authorities on handling criminal cases of illegal fundraising on the WeChat Official Account and the Company's website in three phases.

In strict accordance with the relevant provisions of the Company Law of the People's Republic of China and the Basic Standards for Internal Control of Enterprises (《企业内部控制基本规范》), China Cinda established a channel for reporting and complaints to prevent and find fraud practices. Employees and all parties of the society can report information on actual or suspected cases of fraud by the Company and its personnel through face-to-face statements, phone calls, e-mail and letters, and no related reports were received in 2019.

Anti-corruption

In 2019, focusing on its main responsibilities and core businesses and with priority given on strengthening supervision, the Discipline Inspection Commission of China Cinda carried out warning education, and presented disciplines by showing cases and promoted reforms based on cases. The Company continuously improved the systems of various departments, and adopted related measures such as the Measures for Handling the Clues of Fraud Practices of the Discipline Inspection Commission of China Cinda (《中国信达纪委问题线索处置会议办法》) and the Measures for the Inspection of Nomination of the Secretary and Deputy Secretary of Discipline Inspection Commission (《纪委书记、副书记提名考察办法》) to standardize the work process and enhance the effectiveness of discipline accountability. The Company continued to explore new methods and summarize new experiences in case investigation and handling, "three mains and one report (三个为一报告)", "three noes (三不)" and the cadre team building. The Company strengthened anti-corruption warning education and training, carried out company system disciplinary inspection and supervision training courses, and organized party members and cadres to watch the educational films like Rectification of Illegal Villas in Qinling (《秦岭违建别墅整治始末》) and Ask Your Heart (《叩问初心》) and also adopted other measures to strengthen the construction of the Party conduct and of an honest and clean government and to prevent violations of laws and disciplines.

Supply chain management

In 2019, we further improved the normative document of the procurement system, made an overall review on the Rules for Centralised Procurement Management, incorporated green concepts into procurement management, and clearly required that the Company should first purchase energy-saving and environmentally-friendly products in centralised procurement. The Company enhanced the supplier management, insisted on annual review of the suppliers included into database and completed the supplier information so as to comprehensively prevent risks from suppliers. In 2019, the information of 3,019 suppliers was entered into database and 94 suppliers were cooperated with us. 66 centralized procurement projects with the single project value exceeding RMB1 million were organized.

Social responsibility management

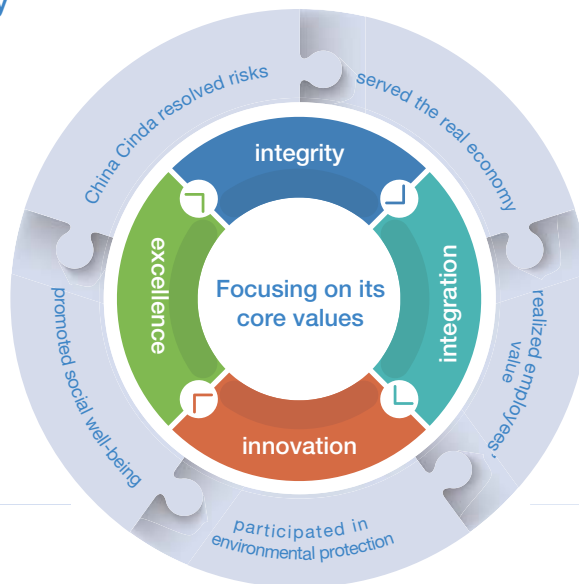
China Cinda paid particular attention to the impact and contribution of social responsibility management to the sustainable development of the Company, and integrated the corporate social responsibility into the development strategy of the Company, to proactively deal with challenges and opportunities and realise harmonious development.

Under the supervision and guidance of the Board of Directors, China Cinda has established and continuously improved its social responsibility management system, where the designated department in the headquarters shall be responsible for the daily works of social responsibility management, while other departments and the branches and subsidiaries shall appoint social responsibility contact persons to actively carry out the corporate social responsibility works.

In 2019, after the Hong Kong Stock Exchange issued a review document on reviewing the Environmental, Social and Governance Reporting Guide and the relevant Listing Rules, the Board of Directors of the Company convened a ninth meeting to hear the compliance requirement report from ESG compliance consulting experts on the Environmental, Social and Governance Reporting Guide, carefully understood the new requirements for the disclosure of the Board's ESG regulatory responsibilities, reporting principles, reporting boundaries, key performance indicators, etc., and gave more attention and support to the social responsibility management work. The Company strengthened the evaluation of social responsibility, specified the social responsibility work focus for the branches and subsidiaries, and mobilized the enthusiasm of the whole Group to fulfil social responsibilities, thus effectively improving the social responsibility work performance. The Company provided training for the Group's social responsibility contact persons to continuously enhance ESG management and information disclosure capabilities.

Social responsibility concepts

Social responsibility model





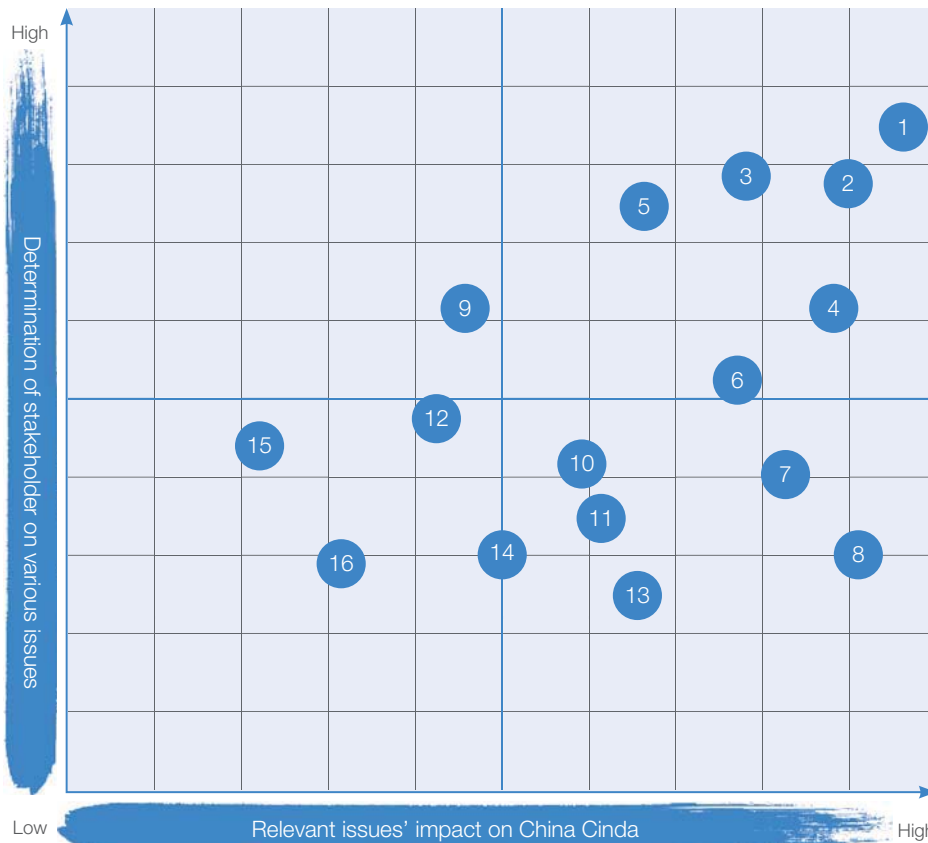
Social responsibility communication

China Cinda actively established and improved the stakeholder participation mechanism, identified important stakeholders, established various communication channels with various stakeholders including governments, regulators, shareholders and investors, customers, employees, suppliers, industries, the environment, and communities and sincerely responded to the expectations and requirements of stakeholders, continuing to improve the effectiveness of communication with relevant parties.

China Cinda has been preparing and disclosing CSR reports for 10 consecutive years to disclose the Company's social responsibility concepts and the effectiveness of social responsibility work to various stakeholders. Based on the communication and exchanges with various stakeholders and the improvements and enhancement in better fulfilling corporate social responsibility, the Group has formed a more mature work system.

Determination of material issues

Pursuant to the requirements of the Guidelines on Corporate Social Responsibility of Banking Financial Institutions of China issued by China Banking Association and the Environmental, Social and Governance Reporting Guide issued by the Hong Kong Stock Exchange, China Cinda identified reporting boundaries and material issues after thorough communication with stakeholders based on the substantive principles.



- | | | | |
|---|-------------------------------------|---|----------------------------|
| 1 Helping mitigate risks | 5 Driving industry upgrade | 9 Confidentiality of client information | 13 Supply chain management |
| 2 Supporting the reforms of enterprises | 6 Improving the quality of services | 10 Employee caring | 14 Green operation |
| 3 Developing green finance | 7 Employee training | 11 Public interest and charity | 15 Investor communication |
| 4 Serving China's regional strategy | 8 Employee development | 12 Anti-corruption | 16 Poverty alleviation |

(Illustration of China Cinda's CSR material issues determination)

AS A STABILIZER TO ELIMINATE FINANCIAL RISKS

In 2019, by firmly holding fast to primary duty and core business of distressed assets business, and fully exerting the unique function of counter-cyclical tools and financial bailout, China Cinda strived to expand the “extensive distressed assets” operation pattern, actively carried out the acquisition and disposal of distressed assets from financial institutions and enterprises and innovated the acquisition and disposal of defaulted bonds. In 2019, the acquisition cost of distressed debt assets is RMB 116.711 billion in total, which greatly enhanced proactivity and effectiveness on forestalling and defusing financial risks. Focusing on distressed entities and distressed assets, the Company carried out various measures, including crisis relief, bankruptcy reorganization of distressed enterprises, listed companies bail-out, and innovatively solving the debt crisis and guarantee chain difficulties for large-scale private enterprises, and achieved good results in dissolving industrial and regional risks.

Acquisition and disposal of financial distressed assets

In 2019, China Cinda was deeply involved in the acquisition and disposal of distressed financial assets. The Company inspected every distressed assets package launched by large banking financial institutions, seriously conducted due diligence and reasonably determined the price of acquisitions. It also actively participated in the distressed assets businesses and the resolution of risks of small and medium-sized banks such as joint-stock banks, city commercial banks, and credit cooperatives. While insisting on the effective placement of distressed assets packages of banks, the Company actively expanded the acquisition and disposal business of distressed assets of non-bank financial institutions, innovated in the acquisition of defaulted bonds, actively explored new methods to deal with financial risks in the new situation, took the initiative to connect with financial leasing, trust and other channels and solved their payment difficulties or overdue issues. The Company increased RMB52.155 billion of acquisition of operational distressed assets throughout the year. Continuing to deeply developing and refining its businesses, the Company utilized a variety of professional methods to accelerate the disposal of distressed assets, which made important contributions to effectively resolve financial risks and support the healthy development of financial institutions.

Case

The distressed assets acquisition business of Zhejiang Branch created good results again

Zhejiang Branch actively participated in the due diligence of all 113 distressed assets packages launched by local banks, and successfully acquired 42 of them, with a total acquisition principle of RMB14.197 billion, ranking first in the market share for eight consecutive years, so the Branch effectively played a role in stabilizing financial risks, achieved outstanding results in the evaluation of the Zhejiang government on the Zhejiang financial institutions' support for local economic and social development, and ranked in the forefront of the local asset management industry.

Case

Jilin Branch helped resolve RMB40 billion of financial debts

Affected by the continued downturn in the industry, a non-ferrous metal group in Northeast China was plunged into successive years of losses, with huge debts and capital chain rupture and facing the risk of delisting. Jilin Branch, as a creditor, supported the company's bankruptcy and reorganization by acquiring RMB2.322 billion of distressed financial debts of the group and its subsidiaries. In 2019, it court ruled the bankruptcy and reorganization plan of the group and its subsidiaries according to law, and became the first local key state-owned enterprise bankruptcy and reorganization case. Through bankruptcy and reorganization, the group successfully introduced RMB2.1 billion of investment and over RMB40 billion of financial debts were properly resolved, so the company was reborn, its employees were properly resettled, and the society in which the company resided remained stable. The local government wrote to China Cinda, thanking Cinda for its outstanding contribution to the development of local economy and the revitalization of Northeast China.

Case

Helping a bankrupt company resume production

Because a large number of debts could not be settled on maturity, a well-known group company in the Southern China was caught in a lawsuit. All of the company's property was seized and the local government established a debt crisis disposal committee. Guangxi Branch acquired the creditor's rights to the group and its related companies from a number of financial institutions and became the largest secured creditor. In 2018, the court ruled to accept the reorganization application of 53 related companies and the group. In 2019, the reorganization case of the group and 53 related companies was approved by a high vote of the court, and then the cement plant, one of the group's assets, resumed production, which means that the group was under normal production and operations. This is a successful case in which Guangxi Branch, as the largest secured creditor, cooperated with the local court to introduce the local AMC as the bankruptcy reformer, and to coordinate the bankruptcy administrator, and ultimately promoted the bankruptcy and reorganization and defused local financial risks.

Case

Acquisition and disposal of defaulted debts of a large private enterprise

A group is a large-scale private enterprise with energy and chemical as its core business. Cinda has accumulatively acquired RMB3 billion of defaulted bonds and RMB1.618 billion debts from the group, setting a precedent for on-the-spot transaction and transfer of defaulted bonds in the domestic interbank market and non-cash cancellation of defaulted bonds. In 2019, China Cinda's Financial Institutions Services Department and Inner Mongolia Branch started the disposal of the project, formulated a comprehensive disposal plan of "Cash Acquisition + Equity Debt + Stock Debt + Debt Relief + Debt Restructuring", and completed equity transfer, stock transfer, and debt restructuring contract signing within the year. In addition, they worked with Cinda Securities to reach a strategic cooperation agreement with the group, so as to promote the restoration of the group's credit environment and help the group out of its predicament, which provided practical experience for the resolution of the defaulting bonds risk and preventing financial risks in China. The project won the "Best Social Responsibility Practice Case Award (最佳社会责任实践案例奖)" issued by the China Banking Association.

Helping distressed entities

By playing the role of creditor and fulfilling the role of the chairman of the debt committee, the Company has led the reorganization of a number of key enterprises that have an impact on the local economy and regional stability. By connecting with industrial investors and comprehensively using a variety of disposal methods such as debt for fund swap model, the Company provided customized comprehensive financial services to debt companies with revitalization value, helping them achieve value enhancement and successfully assisting distressed entities out of difficulties.

Crisis relief for a large enterprise group

Case

Restructuring a large private chemical group

A large private chemical group once ranked among the top 500 in China. Due to poor operation and management and capital chain rupture, it was in a difficult position. In addition, the intricate local guarantee circles and guarantee chains with other companies caused the region to face regional and systematic financial risks. In 2018, 29 related companies including the group entered the merger and bankruptcy reorganization process. China Cinda took full advantage of its functional advantages and professional advantages of distressed asset management, and, according to the reorganization and revitalization approach of "overall reorganization +segment split-off and disposal", a joint special project group was set up by Strategic Customer Department No. IV, Shandong Branch and Zhongrun Company to, together with other industrial investors, invest RMB5.581 billion, to substantially restructure the group through bankruptcy and reorganization and revitalize its effective assets. At the same time, the guarantee chain was cut off through the acquisition of distressed debts, so as to resolve regional systemic financial risks. In 2019, the group's reorganization plan was approved by the court. During the reorganization process, the group kept in a stable and orderly manner in key aspects such as safety, environmental protection, and employees' resettlement. The project supported the leading enterprises in the subdivided industries to become bigger and stronger, resolved regional financial risks, effectively maintained the financial environment and social stability, and created good social benefits.

Case

Resolving a group's guarantee circle risk

A group company and other 27 companies experienced a debt crisis. Due to the large scale of the companies' debt, the large number of creditors, and the involvement of complex external guarantee circles, this risk project was listed as one of the debt default events directly led by the local government with great focus. China Cinda comprehensively adopted a series of measures and invested funds to substantively restructure the 27 companies including the group, revitalize the distressed corporate assets and eliminate outdated production capacity, so as to effectively resolve the risk of regional guarantee circles, and make important contributions to preventing regional financial risks.

Case**Helping a large aluminum group survive the crisis**

An aluminum group in the Guangdong-Hong Kong-Macao Greater Bay Area is one of the largest and most well-equipped aluminum production bases in Asia, which has an important impact on the economic development, tax contribution and employment of the location where the group is. Due to various reasons, the two subsidiaries of the group experienced a serious capital turnover crisis. In 2019, China Cinda introduced industrial investors for the group and participated in the reorganization of a series of distressed debts of it to effectively resolve the group's operating difficulties and revitalize inefficient assets, contributing to stabilizing the employment of a large number of local workers, maintaining a stable economic and social order and supporting the construction of the Guangdong-Hong Kong-Macao Greater Bay Area.

Helping a listed companies out of difficulties**Case****Assisting a ST listed company to took off the hat "ST"**

In 2019, taking the distressed assets of a ST listed company as starting point, Shenzhen Branch acquired and restructured all the debts of the distressed companies involved, provided a package of financial solutions combining the use of various financial tools and introduced industrial investors in capital market to accept the transfer of the equities by the listed company, which helped to successfully solve the outstanding debts of the major shareholder and promoted the value enhancement of the listed company. The ST listed company successfully took off the hat "ST" after 12 years, so win-win results were achieved for multiple parties. The company received praise from the court and regulatory authorities, and achieved both social and economic benefits.

Case**Supporting debt-to-equity swaps of a private listed company**

A private pharmaceutical distribution company in Hubei has been developing steadily and healthily since its listing, but its major shareholder has a demand to deleverage due to a high collateralized ratio. After China Cinda acquired a financial institution's RMB1.99 billion of creditor's right on the major shareholder, it signed an agreement with the company's major shareholder and its concerted parties in 2019 to accept the transfer of the company's shares with a value of RMB100 million through debt-to-equity swap, so China Cinda hold 5.33% of the company's shares and became the company's sixth largest shareholder. After the debt-to-equity swap, the company's major shareholder and its concerted parties' collateralized ratio was reduced to 67.47%, and the liquidity risk of their stock pledge was greatly alleviated. By holding shares in the company, China Cinda helped the private enterprise to deleverage and thus helped to ensure the stable operation of the high-quality physical enterprise, thereby maintaining the stability of the local capital market and obtaining good social benefits.

Promoting the reform and development of enterprises

Case

Supporting the reform and development of large coal enterprises

In 2019, Shanxi Branch effectively fulfilled the strategic cooperation agreement signed between China Cinda and the local government, supported the local transformation and comprehensive reform strategy, and provided liquidity support to large state-owned coal enterprises to facilitate the supply-side structural reform of the coal industry. Through the acquisition of distressed assets of local large coal companies, Shanxi Branch invested an additional RMB8.08 billion into 4 coal companies, and cooperated with Cinda Securities to successfully issue RMB6 billion of corporate bonds for a coal group to support coal companies to ease liquidity tensions and improve operations, so as to improve quality and efficiency.

Case

Helping large phosphorus chemical companies to deleverage

A large phosphoric acid and phosphate fertilizer group in Southwest China is a leading enterprise in China's phosphorous chemical industry. The group had a high leverage ratio for many years and was facing the phosphorus industry integration in its region. China Cinda designed a three-step plan for the group: "separation-debt-to-equity swap-listing". It increased RMB600 million of capital into the group through debt-equity swaps and took the lead in helping the group to conduct roadshows to attract an additional external investment of RMB2.5 billion. This helped the group resolve debt risks, reduce leverage ratio, and increase capital strength; at the same time the group realized the separation of main and auxiliary businesses, reduced historical burdens, so it can focus on main businesses to improve profitability; it also optimized its incentive and restraint mechanisms, consolidated its leading position in the industry, enhanced sustainable development capabilities, and laid a foundation for optimizing its state-owned capital and entering the capital market.

Case

Supporting the separation of the main and auxiliary businesses of a supply and marketing cooperative

Some of the assets of a supply and marketing cooperative's investment management center were under inefficient operation. The center faced a tight cash flow and a severely deteriorated financial condition, so it was not able to pay debts in time, which actually made some assets distressed. In 2019, Beijing Branch acquired the debt assets of the auxiliary businesses of the center and assisted it in divesting non-main businesses. At the same time, debt restructuring was carried out with the debtor. Taking the relevant inefficient assets of the cooperative as the starting point, Beijing Branch cooperated with Zhejiang Cinda Real Estate to restore the governance of the cooperative and increased the value of the cooperative. The project created RMB1.5 billion of additional liquidity for customer, solved the repayment problem of several batches of short-term financing bonds which were issued by the cooperative in the open market and were about to expire, avoided bond defaults, and resolved short-term liquidity risks and reduced debt ratios for the cooperative.

AS A BOOSTER TO SERVE THE REAL ECONOMY

In line with client-centric concept and relying on advantages of core business, China Cinda provided clients with professional, customized, differentiated services through multiple financial instruments. In order to boost the entity economy development, it offered supports for enterprises engaged in projects in connection with national and regional development strategies, such as “the Belt and Road” Initiative, Coordinated Development of Beijing-Tianjin-Hebei Region, and Guangdong, Hong Kong and Macao Bay Area Construction, etc. Besides actively participating in the supply-side structural reform, helping the reform of state-owned enterprises, and supporting the enterprise transformation and upgrading, it was also committed to promoting the development of livelihood undertakings, such as medical and health care, housing projects, electric energy as well as middle and small-sized enterprises. By enhancing customer management, development and service capabilities, the Company emphasized on client experience and demands to constantly improve client satisfaction. Moreover, it also carried out financial knowledge publicity and education activities to strengthen financial awareness of the public.

Serving China’s strategy

Supporting the “Belt and Road” Initiative

Case

Helping a marine company to deleverage

A state-owned enterprise is a leading company in the maritime industry and is an A+H listed company. It is mainly engaged in container transportation and terminal operation businesses and has a global route network and terminal network, so it takes great responsibility in implementing the “go global” strategy and the “Belt and Road” Initiative of China. The company has invested in 15 container terminals in 13 overseas countries and regions along the “Belt and Road”, and has invested a total of about 175 container ships and 1.19 million TEU capacity, which has reached half and more than half of its total number of operating ships and total capacity; it helps realize the effective connection between China-Europe international trains and maritime liner routes on the Silk Road Economic Belt. Because the container transportation and related industries are capital-intensive, with long investment return cycle, shipping and port companies need to invest a large amount of capital to achieve and maintain their scale advantages and the company engaged in dry bulk shipping business with strong market fluctuations before the reorganization of state-owned enterprises in 2016 (the business was divested after the reorganization), it had a high asset-liability ratio, which affected its development and the pace of participating in the construction of the “Belt and Road”. In 2019, China Cinda invested RMB500 million of capital by issuing shares to repay debts to support the company to reduce leverage rate and strengthen its main business, contributing to the construction of the “Belt and Road” and fulfilling its responsibilities of serving the real economy.

Case

Supporting the construction of the consulate area

A consulate area is the first consulate area in the western China approved by the Ministry of Foreign Affairs. The consulate area was established to facilitate the establishment of consulates in the area by countries along the "Belt and Road" and SCO member states, and to create an important platform for opening up. A construction company undertook the construction of major projects in the consulate area. Due to its financial difficulties, it failed to pay the relevant arrears in a timely manner, which hindered the construction of such major projects. Shaanxi Branch restructured the construction company's debts by acquiring the overdue debts of the company owed to another company. Together with Cinda Leasing and Cinda Securities, Shaanxi Branch helped the company to revitalize its assets and resolve risks, so as to support the construction.

The coordinated development of Beijing-Tianjin-Hebei region

Case

Assisting a regional steel company to relocate from its location

The construction of the Xiong'an New Area and the preparations for the Winter Olympics venues result in high requirements for the environmental governance of the Greater Beijing Region, and it is necessary for a steel company in the Greater Beijing Region to withdraw so as to make the city become one without steel. However, in the process, it is difficult for the local government to raise a large amount of funds for the production suspension and resettlement. In order to cutting overcapacity of the steel company, in 2019, through a large amount of preliminary researches and judgments and transaction structure design, Hebei Branch, together with strategic customers, invested RMB2 billion in the steel company, successfully assisting the government to achieve the company's relocation on schedule, thereby promoting the steel industry to cut overcapacity and contributing to Blue Sky Protection Campaign. This model can be reapplied and promoted for the elimination of backward production capacity and relocation of polluting enterprises.

Case

Supporting the dissolution of non-capital functions in Beijing

A commerce company operates 7 professional markets and connects with some commerce enterprises in Beijing's wholesale markets. It has played an active role in easing Beijing's non-capital functions and promoting the local industrial development to drive the urban development. In 2019, targeted at the liquidity difficulties encountered by the commerce company in promoting its transformation and development, Hebei Branch took advantage of the main business of distressed asset management, and invested RMB950 million to acquire its distressed debts, which relieved the company's pressure from short-term cash flow, helped serve the physical enterprises in the Xiong'an New Area, and supported the coordinated development of Beijing-Tianjin-Hebei region.

Case

Participating in the reform and reorganization of state-owned enterprises

The steel industry has always been one of the eight pillar industries in Tianjin. As a leading steel company, a state-owned steel group has an important influence in Tianjin and even the Beijing-Tianjin-Hebei region. Tianjin Branch tailored financial solutions for the group's judicial reorganization, and joined hands with strategic investors to participate in the reorganization, helping the group to out of its difficulty and achieve healthy operation. This resolved major regional risks, optimized the regional industrial layout, and provided a strong guarantee for the coordinated development of Beijing-Tianjin-Hebei region and the infrastructure construction of Xiong'an New Area. At the same time, through active participation and effective promotion of the judicial reform of the group, Tianjin Branch set a successful sample for the reform of large state-owned enterprises.

Supporting the construction of the Guangdong-Hong Kong-Macao Greater Bay Area

Case

Helping revitalize the "distressed assets" of the Greater Bay Area

An established real estate listed company had 26 projects, of which 14 were located in the Guangdong-Hong Kong-Macao Greater Bay Area, with prominent geographical advantages and high development value. But the company was in a debt crisis due to a number of factors. In the second half of 2019, the company had a total of 23 real estate projects with overdue and defaulted debts with a total amount of RMB7.947 billion. Because the company involved in several major lawsuits and arbitrations, its core assets were seized for many times, its multiple bank accounts were frozen, and it was included in the local key enterprises list for financial risk prevention and control. A group actively increased its strategic layout in the Greater Bay Area and was optimistic about the company's multiple distressed assets, but it was difficult for the group to acquire these assets through normal transfer and settlement, so it needed help from professional institutions to create conditions for its acquisition of assets. Guangdong Branch and Strategic Customer Department No. II of the headquarters jointly united the group to acquire and integrate the distressed debts of financial institutions and non-financial enterprises. Through innovative transaction models, and the classified acquisitions and integration, they created conditions for the group to revitalize its distressed assets in the Greater Bay Area and to relieve the debt crisis of the group.

Case

Providing integrated financial services to Hong Kong residents in the Mainland

According to the characteristics of the demand for personal banking services of Hong Kong residents working and living in the Mainland, NCB optimized the layout of outlets and focused on its advantageous business to provide cross-border integrated financial services for customers in the Guangdong-Hong Kong-Macao Greater Bay Area. The Bank expanded its unique cross-border business, "Inner Housing Link (内房通)", and increased the efforts to place "Inner Housing Link" loans from multiple dimensions, including optimizing business processes, reducing transaction costs, and exploring new regions for placing loans.

Case

Supporting the construction of the “Three-Dimensional City” project in the Greater Bay Area

Jingu Trust set up a collective fund trust plan to invest RMB3 billion (with a planned scale of RMB8.5 billion) for a PPP project to assist a local government to build the area north to the high-speed rail station in the region into the first domestic three-dimensional city which would be the supply chain innovation center in the Guangdong-Hong Kong-Macao Greater Bay Area, the modern service industry demonstration zone in the Huizhou-Shenzhen-Hong Kong area and the one-hour living circle and production-city integration demonstration zone, providing strong support for the infrastructure construction in the Guangdong-Hong Kong-Macao Greater Bay Area.

Providing support for the cause of people’s livelihood

Serving for “agriculture, rural areas and farmers”

Case

Helping an agricultural and animal husbandry enterprise to divestiture

An agricultural and animal husbandry group is a leading enterprise in the agriculture industrialization of China. Due to various factors such as the downside cycle and diversified expansion in the livestock breeding industry, the group was in a difficult situation where a large number of its financial debts had expired, making it involved in many legal litigations and disputes. In 2019, Sichuan Branch supported the group to revitalize inefficient assets in its auxiliary business, cooperated with new industrial investors to conduct substantial reorganization for the group, provided the group with capital of RMB200 million, and supported its main business of livestock breeding by tapping the potential of auxiliary business assets.

Case

Supporting the development of an ecological agricultural enterprise

As the manager of China Agricultural Industry Development Fund, Cinda Capital invested in an ecological agricultural company. The company is an agricultural enterprise covering a whole industry chain, with ecological breeding and egg sales as the main business, and egg processing as an auxiliary business. It has imported 4 sets of UFO ecological laying hen breeding and production facilities from abroad which enable the company to produce high-quality antibiotic-free eggs by a breeding method similar to natural stocking, and has also deepened cooperation with new retail companies to sell high-end fresh eggs products within 48 hours after production, driving the increase in farmers’ income in the region. In 2019, the company was selected into the “Sixth Batch of National Key Leading Enterprises in Agricultural Industrialization (《第六批农业产业化国家重点龙头企业名单》)”.

Supporting infrastructure projects and projects related to people's livelihood

Case

Supporting the construction of affordable housing projects

A large residential community is an affordable housing project, which can accommodate nearly 2,000 households. A bank issued a loan of RMB500 million to support the construction of the project, but the bank faced the risk of the loan being overdue. If this risk could not be properly resolved, the project might be closed down, which might cause social stability issues such as petitions from owners and affect the image of the city where the project was in. Shanghai Branch exerted its professional advantages, solved the debt repayment problem of the construction unit through debts acquisition, and resolved the problems caused by the improper planning of large-scale residential community.

Case

Helping resume the operation of a temporarily shutdown hydropower station

Due to capital chain rapture, a private electric power company suspended its operation and owed a huge amount of engineering debt. After Guangdong Branch acquired the debts, it started hard negotiations with the actual controller of the debtor and the creditor of the project funds, and guided the creditors of the project funds to continue to invest in the hydropower project, and the parties appropriately conceded to conduct debt reorganization. After the reorganization, the hydropower station resumed its construction and operation, improving the economic situation of local industries, and providing power for the "transmission of electricity from the west to the east" and the construction of the Guangdong-Hong Kong-Macao Greater Bay Area. The reorganization period of the project is seven years, which provides case guidance for private enterprises with heavy assets of the same type to broaden their financing channels and integrating production and finance.

Serving SMEs

Case

Relieving the liquidity difficulty of a shoe manufacturer

The shoe manufacturing industry is one of the pillar industries in a region. A shoe manufacturing company experienced liquidity difficulty, with RMB258 million of loans overdue for more than 5 months. If the problem of overdue debts continued to exist, it would affect many local shoe manufacturers and financial institutions. Through the acquisition and reorganization of overdue debts, Fujian Branch helped the company to fulfill its repayments in time and to maintain normal production and operation. 10 production lines of the company were operated simultaneously, and the annual production capacity of the company increased to 0.9-1.08 million pairs/each line. At the same time, the company's level of customization has improved, its bargaining power has been enhanced, and it has maintained a long-term cooperative relationship with a well-known brand. It has been awarded the title of "best supplier" for many years.

Case

Solving the financing problems of SMEs

NCB strived to solve the financing difficulties for SMEs, participated in the guarantee scheme run by government to support SMEs in Hong Kong, and proactively launched three measures to successfully apply for new credit lines for more than 60 SMEs with a sum of HK\$400 million, effectively solving the liquidity problem of SMEs. NCB was awarded the “Best Partner Award for SMEs (中小企业最佳拍档奖)” by the Hong Kong General Chamber of Small and Medium Business. NCB launched the “NBC Puhuobao (南商普惠宝)” platform in the Mainland to provide small- and micro-enterprises and “Agriculture, rural area and farmer (Sannong)” customers with online solutions for batch credit granting, which effectively solved the problems of financing difficulty and high financing cost for customers. The bank issued production and operation loans to qualified customers, and enabled customers to apply for loans, accept loans, sign contracts, withdraw loans, and repay loans online, and provided services such as account management, financing management, and contract management. This enabled the bank to win the “Excellent Case Award (优秀案例奖)” of the “Small Business, Big Dream” Summit Forum of the China Association of Small and Medium Enterprises.

Improving the quality of services

Improving customer experience

Case

Guangxi Branch held cooperation matchmaking meeting

In June 2019, China Cinda and Guangxi's state-owned enterprises held a cooperation matchmaking meeting. Local government departments signed a strategic cooperation agreement with Cinda's Guangxi Branch. 17 local large-scale state-owned enterprise groups, 2 local financial institutions, relevant business departments of Cinda's headquarters, Guangxi Branch and 8 subsidiaries of Cinda attended the meeting. Through in-depth exchanges, the two sides further explored business cooperation in areas such as reducing corporate debt ratios, replenishing liquidity, divesting main and auxiliary businesses, and revitalizing assets, jointly promoting Guangxi's state-owned capital to become larger and stronger, and to improve the quality of the development of state-owned enterprises.

Case

NCB's MIT platform won an award

NCB China's MIT platform is a smart terminal, which is composed of terminal equipment PAD, back clip, and mobile card issuing box. It is convenient to carry and is equivalent to the counter of a mobile bank outlet. By combining advanced hardware equipment, software systems, and business processes, the platform's service pipelines extended to communities, enterprises, business districts, professional markets, and rural areas, and handles account opening, card replacement, and bank card activation, card upgrades and downgrades, mobile banking contracting, personal online banking contracting and other services for customers on the mobile PAD side, improving business efficiency and customer experience. The platform won the “Best Mobile Financial Service Platform Award (最佳移动金融服务平台奖)” in the China Finance Innovation List (中国金融创新榜) of 2019 issued by Yicai Global.

Protecting customer rights

Dealing with customer complaints

NCB revised the Handling Policies and Procedures for Customer Complaints (《处理客户意见政策及程序》) and Handling Rules for the Investment Products Customer Complaints (《投资产品客户意见处理工作细则》). It investigates customer complaints with the principles and attitudes of fairness, impartiality, and independence, and follows up on matters that have room for improvement and takes corresponding measures, to prevent similar events from recurring. NCB China announced the complaint hotline through its website, announcements in business outlets and other channels. The head office has hired full-time staff responsible for complaints and internal or external staff shall receive and transfer complaints within the specified time limit, and follow up the complaints and pay visits to customers to obtain customer satisfaction.

According to laws and regulations such as the Guidelines for the Protection of Rights and Interests of Consumers in the Banking Industry (《银行业消费者权益保护工作指引》) and other laws and regulations, Jingu Trust formulated the Administrative Measures for the Protection of Rights and Interests of Consumers (《消费者权益保护工作管理办法》), announced the complaint hotline on the company's website, WeChat Official Account, and the location of the double-recorded contract signing, so that customers can know the complaint channels as soon as possible. In 2019, NBC continued to maintain zero customer complaints.

Happy Life put every effort to meet the time limit for settlement of claims. For simple cases, it must be settled and paid on the same day. For cases that need to be investigated, the investigation must be prioritized. For customers who cannot claim compensation from the company, it took the initiative to collect information by visiting customers and other methods to persuade them to apply earlier and thus improved customer satisfaction in claims. At the same time, it properly handled customer complaints.

Customer privacy protection

China Cinda's subsidiaries protect the information security of individual customer. NCB organizes information security inspections, information security incident drills, and security training tests to achieve effective protection of customer data and privacy. NCB China specifies each business function and the type of personal information collected by it through the Privacy Statement for Financial Information of Individual Customers (《个人客户金融信息隐私声明》), and markedly marks personal sensitive information. Jingu Trust respects the consumer's right to personal financial information security and strengthens the protection of personal financial information. It clearly stipulates that consumers' personal financial information must not be tampered with or illegally used, and personal financial information must not be provided to third parties without the authorization or consent of consumers. Happy Life checks the special information security of key business systems to eliminate information security risks such as weak passwords, data access and control loopholes, and high-risk clients.

Financial knowledge promotion

China Cinda actively carried out activities to promote financial knowledge. In 2019, 39 units under the Group organized about 1,600 special promotion activities, distributed more than 140,000 promotion materials, and the audience of the financial knowledge promotion program exceeded 1.15 million persons. Liaoning Branch hung publicity banners, display stands and brochures in the offices, established an information desk to accept anti-money laundering consultations, and organized employees to carry out anti-money laundering publicity education at subway stations, shopping malls and other places. Jiangxi Branch co-hosted local communities to carry out publicity activities to prevent and combat illegal fundraising, which was reported on the spot by local media. NCB held 34 “little bankers” events, inviting more than 600 children and parents to the business outlets. By playing the role of bank clerks, children were allowed to experience the daily operation of the bank and learn financial knowledge and financial management concepts.



AS A COMMUNITY FOR REALIZING THE VALUE OF EMPLOYEES

China Cinda adhered to the personnel-oriented principle, and promotes the unification of employees' growth and development as well as corporate development. It promoted democratic management, protected the legitimate rights and interests of employees, and built a harmonious labor relationship. Strengthening the management of the cadre team, it built a development platform for employees, and a group of highly professional and young employees had taken up middle and senior management positions. The Company carried out professional trainings of more than 1,300 sessions, with a total of more than 55,000 participants. On the occasion of the 70th anniversary of the founding of the People's Republic of China and the 20th anniversary of the establishment of the Company, the Company organized many activities for employees, including exhibitions of calligraphy, of painting, and of photography, micro-video recording, essays, speeches and sports competitions to enhance employees' sense of belonging and team cohesion. The Company also carried out the "heart-warming" campaign to care for employees in need.

Protecting employees' rights

Total number of employees:

16,440



Number of minority employees:

964



Number of new employees:

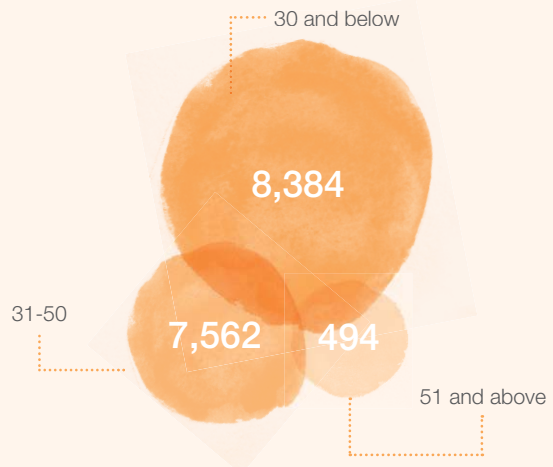
1,009



Number of dispatched workers:

941

Number of employees (by age):



Protecting the labour rights, compensation and benefits of the employees

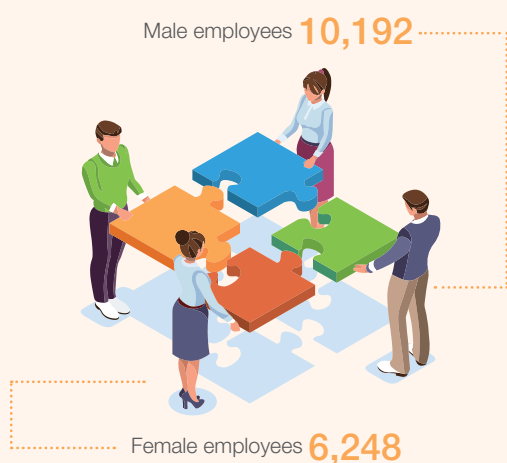
In accordance with the Labour Law of the People's Republic of China and the Contract Law of the People's Republic of China, the Company has formulated internal rules and regulations such as the Measures for the Administration of Labor Contracts (《劳动合同管理办法》), strictly enforced the relevant state regulations on working hours and holidays, and protected employees' labor rights in accordance with the law. The Company provided various social insurance and housing provident funds for employees in accordance with the prescribed bases and ratios, established supplementary welfare systems such as enterprise annuity and supplementary medical insurance, and built a multi-level pension and medical security system for employees. In accordance with the requirements of "putting efficiency first, and taking fairness into account", the Company established a remuneration mechanism and system that meets the needs of the Company in its development, and it objectively, scientifically, reasonably, and rigorously and compliantly allocated remuneration to its employees.

The Company has sought to prevent any discrimination based on gender, nationality, religion and other factors in employment, compensation, training and promotion, and prohibited child labour and forced labour.

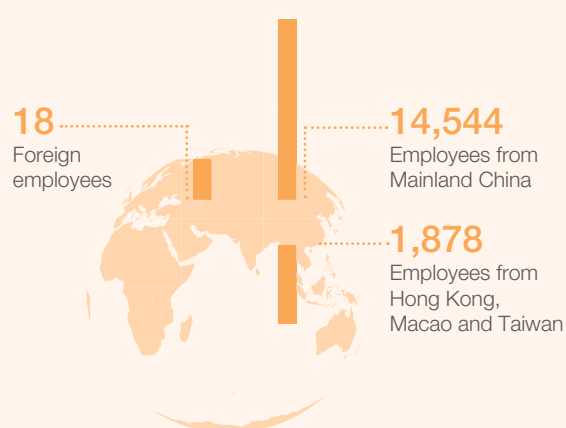
Continuing to enhance the democratic management

The Company attached great importance to democratic management and the building of democracy, continued to implement the Implementation Rules for Employee Assembly and Operation Guidelines for Employee Assembly of the Company. We held the first and the second meeting of the fourth session of Employee Assembly, and the first meeting of the first session of the Member Conference to listen to the corporate work report, proposal work report and employee supervisor performance report, etc., to review annuity amendments and other content related to employees' rights, and to elect new employee supervisor, union members, economic review members, and female employee members to promote the democratization, legalization and institutionalization of the Company to develop in depth.

■ Number of employees (by gender):



■ Number of employees (by region):



Caring for the physical and mental health of the employees

• Ensuring the workspace safety and occupational health of the employees

The Company provided employees with a safe working environment and prevented occupational hazards by conducting fire evacuation and firefighting drills, conducting special inspections of office building safety, and ensuring the safety of office buildings. The Company protected employees' occupational health by organizing physical examinations and health lectures for employees, and asking employees to do exercises during the break of their work.

• Maintaining work and life balance of employees

At important occasions such as the 70th anniversary of the founding of the People's Republic of China and the 20th anniversary of the establishment of the Company, we organized a series of cultural and sports activities such as walking activity, calligraphy, painting and photography exhibitions, cultural performances and micro video exhibitions, table tennis competitions, speech competitions, etc., which played a good role in uniting employees and improving communication between them.

• Carry out the work of heart-warming to employees

The Company continued to carry out the activity of warmth-delivery in two festivals (the New Year's Day and the Spring Festival). The trade union of the Company visited and expressed sympathy to 63 difficult employees and the "condolence money" paid amounted to RMB250 thousand. At the same time, the Company expressed regards to employees in their birthdays, or when they were in hospitalization, got married, and gave birth to children and during festivals, in order to bring the care and warmth of the Company to each employee.

• Protecting special rights and interests of female employees

The Company organized all female workers in the Company to sign a Collective Contract for Protecting Rights and Interest of Female Employees. During the "Women's Day on March 8th", it organized activities to celebrate the Day and express regards to female workers. It set up maternity lounges, continued to pay health fees for female workers, and protected the special rights and interests of female workers. Cinda Hong Kong cared for its employees in many aspects and has been recognized by external agencies. In 2019, the company won the 2019 "Breastfeeding Friendly Workplace (母乳喂养友善工作间)" honorary certificate issued by the Hong Kong Committee of the UNICEF and the "Caring Company (商界展关怀)" honorary title issued by the Hong Kong Council of Social Services (HKCSS) in 2019. It also has been awarded the title of "Good MPF Employer (积金好雇主)" and awarded the "e-Contribution Award (电子供款奖)" by the Hong Kong Mandatory Provident Fund Schemes Authority.

• Caring for retired employees

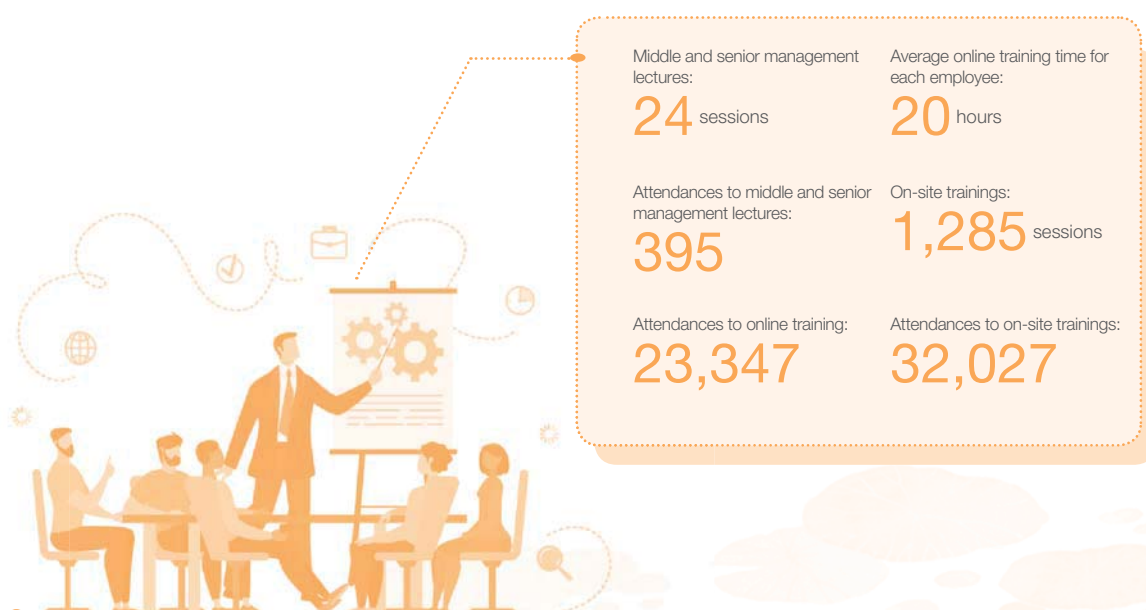
The Company provided living allowances for retired employees, organized condolence activity during festivals, birthdays, and sick days, provided supplementary medical and critical illness insurances, family property insurance, and organized and carried out painting, singing, calligraphy and other interest classes, as well as various activities such as spring outings, autumn outings, and group visits, so as to care for the physical and mental health and life of retired employees.

Promoting the growth and development of employees

By establishing a sound rank management system, the Company broadened the career development channels for employees and persuaded them to make choices and develop themselves based on their own career plans and capabilities. Through the external introduction and internal selection and recruitment mechanism, talents were encouraged to flow within the group and the employee growth platform was improved. The Company formulated the Market-oriented Recruitment Work Methods for Senior Managers (《高级管理人员市场化招聘工作办法》) to promote market-oriented recruitment. The Company formulated the Opinions on Strengthening the Party's Strict Administration, Strengthening Internal Governance, and Preventing Risks in an All-round Way (《关于全面加强从严治党、强化内部治理和风险防范工作的意见》) to strengthen cadre rotation and staffing. The Company increased the selection and appointment of young cadres, and continuously enhanced the vitality of the cadre team. It strengthened the staffing of branches, subsidiaries and headquarters and made the cadre team younger. It also promoted the normalization of employment of workers and provided equal promotion opportunities for employees.

Training staff to have professional skills

The Company arranged annual training plans and budgets, and promoted the establishment of the company's classified and hierarchical training system to enhance the professional capabilities of employees. Through the combination of centralized training and video lectures, offline and online learning, domestic training and overseas learning throughout the year, the Company completed more than 1,300 sessions of various types of training, with more than 55,000 participants, and the average training time per person was over 20 hours. The Company held a special training course for young cadres from Guanghai School of Management of Peking University to improve their leadership and management capabilities. The Company selected high-quality courses for Cinda Online University, increased the financial support for social training and vocational qualification examinations, meet the individual training needs of employees, and expanded training coverage. Liaoning Branch established a Young Employees Working Committee to facilitate the growth and development of young employees, and sent young employees to the Company's headquarters and Cinda Investment to study and practice, and to improve the professional capabilities of young employees. Zhejiang Branch formulated and introduced the "internal trainer" system. It hired experienced employees with strong business abilities as internal trainers to enhance the training specificity and cultivate the ability of employees to learn and put what they've learned into practice.



Note: the data for middle and senior management lectures and online trainings included the headquarters and branches; while the data for on-site trainings included the headquarters, branches and subsidiaries.

AS A PRACTITIONER PARTICIPATING IN ENVIRONMENTAL PROTECTION

China Cinda paid much attention to the global climate change and integrated green, low-carbon and environmental protection concepts into business development and operation management. The Company carried out green finance business so as to provided financial support for green enterprises and energy-saving and environmental protection projects, and help projects for ecological environment governance and soil restoration. It expanded the business model of cooperating with Internet companies to disposal of distressed assets, and saved energy and resources usage during the transactions. The Company adhered to low-carbon operations, promoted paperless office work and energy conservation and emission reduction measures, properly disposed of waste computers and other office wastes, and reduced adverse environmental impacts. Actively organized and participated in public welfare activities such as environmental protection, paid attention to environmental protection issues, and cultivated employees' environmental protection awareness, to act as communicators, practitioners and promoters of ecological civilization.

Green services

Helping green companies out of trouble

Case

Helping an eco-environment management enterprise out of difficulty

A group is a leading company in the eco-environment management in China and a global leader in desert control recognized by the United Nations. In 2019, the group's cash flow problem triggered a bill acceptance crisis. Beijing Branch, together with the headquarters of Cinda and Cinda Securities, formulated a transaction structure for the group's overall relief and persuaded the group to revitalize inefficient coal assets, helping the group to get rid of difficulties, maintain normal production and operations, and obtain good social benefits.

Case

Helping a new energy company resolve risks

A group is a technology-led comprehensive energy leading company focusing on new and clean energy and diversified development in related industries. In 2019, the group's cash flow was tight due to the lack of photovoltaic subsidies. Jiangsu Branch resolved the group's financial risk that its bank wealth management funds could not be recovered after the due date by debt restructuring, and helped the private enterprise successfully overcome the difficulties.

Launching green finance business

Case

Underwriting and issuing green bonds

In December 2019, Cinda Securities was engaged as the lead underwriter of green bonds of a company, and successfully completed bookkeeping of the green bonds in the interbank bond market, with a bond issuance scale of RMB900 million and a term of 7 years. The proceeds were used to build green industry projects and supplement working capital, providing long-term funds for the development of local green industries, solving the funding problems of environmental improvement projects, improving the living environment of the local people, and providing replicable experiences for local green project financing.

Case

Providing financing lease for photovoltaic companies

In 2019, Cinda Leasing provided a capital support of RMB2.424 billion to 11 companies including companies involved in photovoltaic power generation, green transportation, and green renewable power generation. An electric power company is a photovoltaic power generation company. Cinda Leasing conducted two financial leasing businesses with the company with a total project value of RMB800 million and a term of 8 years, providing the company with a long-term stable liquidity and supporting the development of green industries.

Case

Conducting Green Fund Business

Cinda Capital established the Green Finance Division to promote the establishment and management of green funds. The company has set up a special fund for the comprehensive management of a river basin, with an initial scale of RMB4.52 billion. The fund is used for investing in the construction of the national key project which is a pilot project for the comprehensive management of mountains, rivers, forest, fields, lakes, grass and sand. The project added 1 million acres of cultivated land through environmental management and soil restoration, and conducted cross-provincial trading of cultivated land that meet the farmland occupation and supplementation balance in the form of bidding, auctioning and listing, which brought considerable fiscal revenue and investment income to local governments and investors. At the same time, it created a new model that generates economic benefits through the operations of the project itself and guarantees investment returns for social capital parties, providing a new approach for the integration of industry and finance in the construction of ecological civilization.

Networked services

China Cinda and its branches and subsidiaries provide customers with online services through the Internet to achieve energy conservation and emissions reduction. The Company actively explored the cooperative disposal business model of financial institution+ Internet company, built online platforms including Alibaba's "Cinda Distressed Assets Town (信达不良资产小镇)", and used the Internet platform to promote distressed assets to a large number of online users, effectively increasing market investment in distressed assets and activity in asset trading. From 2015 to the end of 2019, a total of 1,879 online bid invitations were implemented, and the bidding amount exceeded RMB100 billion, attracted nearly 20,000 investors. Among them, the transaction volume of online platforms in 2019 increased by more than 50% year-on-year. Through tapping and using network electronic service methods and technologies, the Company improved disposal efficiency and accelerated resource circulation, so that effective resources can be reinvested into the real economy, which saves resources and expenses that are not necessary to put into in the middle links.

Happy Life launched electronic document subscription/view functions on its website and mini-APP on WeChat, so users can view various electronic letters such as electronic policies, universal insurance reports and dividend notifications. The website added functions such as policy cancellation, withdrawal of policy deeds, partial collection, reissue of policies, and modification of customer information. Through the introduction of face recognition, OCR and other technologies, WeChat customers can apply for advanced insurance certification online, and realize online insurance application, renewal, and claims, providing customers with more convenient services. The form of the original VIP card was changed from a physical card to an electronic card, and the card activation method was changed from operations by institutional customer service staff to customers' self-service activation through WeChat or web pages, and services including customer ID identification, online insurance application, electronic signature, and electronic insurance policies can be delivered through Pad or phones, so as to save printed paper and improve service efficiency to achieve the overall goal of reducing cost and increasing efficiency.

Low-carbon operations

As a financial enterprise, China Cinda consumes energy during operating activities that mainly involves electricity used in office, gasoline for official vehicles, purchasing electricity for office heating, natural gas for canteens and heating, and the resulting greenhouse gas emissions such as carbon dioxide, methane and nitrous oxide, and the consumption of resources mainly involves water and paper used in office. The Company has no manufacturing companies, so it does not generate waste gas, and does not discharge pollution to water and land, and therefore, there is no problem in obtaining suitable water sources. The hazardous waste generated in the office is discarded toner cartridges, ink cartridges, and lamps, and the harmless waste generated is discarded computers and dry batteries. All waste is entrusted to qualified professional companies for proper recycling and disposal.

China Cinda strictly abides by laws and regulations such as the Environmental Protection Law of the People's Republic of China and Energy Conservation Law of the People's Republic of China, actively promotes low-carbon operations, and strives to reduce resource and energy consumption and waste emissions. The Company reduces energy consumption by installing energy-saving lamps, "one light on, two lights off" in public areas, adjusting air-conditioning temperature, closing office equipment and elevators after work, etc.; it insists on the use of reclaimed water equipment to provide reclaimed water to save tap water; it tightens the use of official vehicles to reduce gasoline consumption; it fully promotes paperless office to reduce the use of paper; it promotes the use of video conferences and teleconferences to replace on-site meetings to reduce greenhouse gas emissions caused by travelling; its staff canteens provide non-disposable tableware, carry out waste classification and recycling, and properly handle food waste rubbish.

Based on the characteristics of low load at the end of the data center, Support Center tries to reduce the amount of electricity and electricity expenses by adjusting the operation mode of the UPS units in the equipment room. The Center strictly blocks cabinets in the data center to reduce heat exchange in the cold aisles of the equipment room and improve the cooling

efficiency of the equipment room. The center adopts medium-temperature heat recovery system in the data center for winter heating. The system uses the heat from the water used for cooling operating equipment in the equipment room of the data center to provide heating for the park, while reducing the frequency of boiler start-stops to reduce the amount of natural gas used, which effectively saves gas expenses. Zhongrun Development developed a WeChat mini-app, so that employees can borrow and return books and materials in the library of the company online. Staff's borrowing registration and book statistics ledger all realized automatic system generation, so no paper would be consumed.

Statistical Table of Energy Consumption and CO₂ Emission in 2019

Index	Qty. in 2019
Electricity (KWH)	33,273,330
Gasoline (ton)	431
Natural gas (M ³)	90,841
Purchased heat (MKJ)	34,281
Category 1 Direct discharge of greenhouse gases (tons of carbon dioxide)	1,489
Category 2 Indirect discharge of greenhouse gases (tons of carbon dioxide)	32,577

Statistical Table of Resource Consumption in 2019

Index	Qty. in 2019
Office paper (ton)	361
Municipal water (ton)	88,518
Drinking water (ton)	901

Statistical Table of Wastes in 2019

Index	Qty. in 2019
Used cartridge and ink box (PCS)	3,642
Discarded lamp (PCS)	8,339
Discarded computer (desktop and laptop) (set)	1,909
Used dry battery (PCS)	9,412

Note: 1. The statistical coverage of electricity, gasoline, natural gas, purchased heat, office paper, drinking water and waste data included the headquarters offices of Group headquarters, branches and subsidiaries, and the headquarters offices of Cinda Real Estate, Cinda International and Cinda Capital; while the statistical coverage of municipal water data only included the offices of the Group headquarters and the Support Center. The drinking water only included bottled water and barrelled water.

2. The greenhouse gas emission mainly came from the purchased electricity, purchased heat and the burning of fossil fuel (such as gasoline and natural gas). The greenhouse gas type included carbon dioxide, methane and nitrous oxide. It was calculated based on the latest greenhouse gas calculation method issued by the NDRC and other relevant authorities.

Environmental and public welfare activities

Carrying out afforestation public welfare activities

Tianjin Branch organized employees to conduct voluntary tree planting activities in Tianjin Shuixi Park to celebrate the 40th anniversary of the China Arbor Day. Shanxi Branch and the Cinda's subsidiary in Shanxi Province organized a party day event on the theme of "Using Cinda's Power to Safeguard Clean Water and Green Mountains (贡献信达力量，守护绿水青山)". It organized employees to voluntarily plant trees in Yangqu County, and built the third "Cinda Forest" in the northern suburb of Taiyuan. Heilongjiang Branch organized employees to go to Xinglin Village, Leye Town, and Harbin City to carry out voluntary tree planting activities, so as to beautify the urban environment and enhance the awareness of environmental protection of the public to protect the ecological environment. Shaanxi Branch organized all employees to go to Xiangyugou, Qinling to carry out public welfare tree planting activities, and established the "Safeguard Qinling Public Welfare Forest (守护秦岭公益林)" of Shaanxi Branch of China Cinda to protect Qinling by planting trees.



Strengthening garbage classification and cleaning

Inner Mongolia Branch organized all employees to go to the teaching site of ecological civilization construction in Qinglong Cave Mountain to carry out activity on the theme of environmental protection. They learned the garbage classification standards, picked up the garbage in Qinglong Cave Mountain and sorted them for recycling, strengthening the understanding and perception for waste classification. Jilin Branch organized young employees to go to Yitong River to carry out environmental protection public welfare activity on the theme of “Protecting the Mother River and Awakening a City (保卫母亲河唤醒一座城)”. They picked up domestic garbage along the river, protecting the clean water and green mountains of the city with practical actions. Cinda Real Estate Guangdong Company organized employees to carry out volunteer service activities on the theme of environmental protection. They picked up non-degradable garbage along the Nansha Wetland and other places in Guangzhou, with a total of over 400 kilometers footprint for environmental protection throughout the year. Branches in Hebei, Shanghai Free Trade Zone, Fujian, Shenzhen and other places also actively organized employees to carry out waste classification activities.

Case

Cinda International organized environmental protection activities on the theme of “conservation”

Cinda International organized the environmental protection activities on the theme of “conservation”, participated in the green organization leap plan of Hong Kong Productivity Council, and invited the Council’s environmental protection commissioner to explain waste management methods and tips on waste reduction. The company organized employees to participate in Central Rotary Club’s beach cleaning activities and photography competition, and carry out beach cleansing and garbage classification activity; it organized conservation study tours, organized employees to visit WWF Haixiawan Marine Park in Saigon District, take glass bottom boats to watch coral communities and various fishes, observe plankton in the sea with a microscope, and let employees experience the marine ecological environment up close.

AS A CORPORATE CITIZEN TO PROMOTE SOCIAL WELFARE

China Cinda conscientiously implemented the poverty alleviation decision deployment, and promoted the transition of poverty alleviation methods from “transfusion-type” to “hemopoiesis-type”. The Company’s management has conducted in-depth investigations on poverty areas for many times. The 21 ministers of poverty alleviation fought in the front lines of poverty alleviation in more than 10 provinces, autonomous regions and cities, including Qinghai and Xinjiang. They made efforts to tackle poverty through multiple dimensions, including industrial assistance, infrastructure assistance, education assistance, and consumption assistance. The Company increased funding, implemented RMB7.40 million in poverty alleviation and increased the plan scale and number of beneficiaries of the charity trust “Great Cinda”. It also carried out activities to help students and visit the poor as well as care for the vulnerable groups. The Company strengthened the prevention and control of new coronavirus, donated RMB5 million to support epidemic prevention in epidemic areas, implemented epidemic prevention for employees, increased financial support for clients, and helped enterprises organize and conduct production and operation activities during the special period.

Targeted poverty alleviation

The Company’s designated poverty alleviation work

In 2019, China Cinda’s Leading Group for Poverty Alleviation and Development held several meetings, and the Company’s major leaders went to the designated poverty alleviation county, Ledu District of Qinghai Province, to carefully investigate the poverty alleviation measures, and continuously strengthen the leadership of poverty alleviation organizations. The Company signed the Agreement on Fixed-point Poverty Alleviation with Ledu District, established a three-tier linkage mechanism of headquarters, branch and subsidiaries and cadres in charge, and implemented poverty alleviation measures. It strengthened the pairing assistance with the grassroots party branch in Ledu, allocated RMB400,000 to party fees, built 2 new village party activity rooms, and repaired 50 village party activity rooms. A total of RMB5.8 million of aid funds were invested, and charity trusts were set to supervise the use of funds, which strengthened the protection of poverty alleviation funds. The Company established the largest relocation and resettlement project in Qinghai, the Comprehensive Service Center of the relocation and resettlement site in Qilidian, which served more than 1,160 elderly people in the relocation site and promoted poverty alleviation through relocating and resettling. The Ledu’s government and the Company signed the Cooperation Agreement on “Poverty Alleviation through Employment” (“就业扶贫” 合作协议) to find jobs for poor households, and conduct poverty alleviation through employment. The Company implemented the Jinhui Project financial education in rural area, studied professional financial program to realize Ledu’s poverty alleviation, and increased efforts in poverty alleviation through financial service. A total of 703 grassroots cadres and technical staff in the health system, financial system, and finance personnel in villages and towns were trained in Ledu District, promoting poverty alleviation through professional training. A total of RMB2.79 million of agricultural products in poverty-stricken areas were purchased and promoted by the Company.

At the same time, in the Company's designated poverty alleviation village, Ledu Chengzi Village, the Company started with large-scale local chicken breeding, subsidized green-shell layer chicken breeding, and coordinated provision of free seed potatoes to implement consumer-driven industrial poverty alleviation; it explained the entrepreneurial rewards and subsidy policies to encourage villagers to start their own businesses so as to get rid of poverty; it invested in the repair of the sports and cultural square, the renovation of old walls of dilapidated houses, the renovation of restrooms of farmers, and the construction of farmland irrigation canals and flood control dams on the riverbanks in Chengzi Village, consolidating the poverty alleviation through infrastructure construction project; by donating electric heaters, computers, and subsidizing poor students, the Company timely handled the heartwarming "trivial matters" on the road to poverty alleviation.

Branches' designated poverty alleviation work

Name of Branch	Contents and effectiveness of major poverty alleviation work
Beijing Branch	It donated electric heaters to Chengzi Village, Ledu District, and donated school supplies, toys and other items to students in Wuying Yuanzhuang School in Qin'an County, Gansu Province.
Hebei Branch	It supported the construction of public service facilities in Zhaojiayao Village and Tuyagou Village of Zhangjiakou City to improve the living environment of villagers.
Shanxi Branch	It supported the poverty alleviation of Shangfujiazhai Village in Yanggao County, cooperated with all parties to raise RMB775,000 to help the village, improved the appearance of the village, performed well irrigation projects, built thousands of acres of organic dry farming project, and provided supplementary medical insurance for villagers and procured agricultural and sideline products for them. Party members and cadres pairing poverty alleviation covered all households in the village throughout the year.
Inner Mongolia Branch	It formed a helping pair with Shangdu County, cared for the poor families recorded on the file of the government, households enjoying the minimum living guarantee, single-parent families, and left-behind children and donated school uniforms, books, football and supporting training equipment, diabolo and other supplies for general primary school students.
Anhui Branch	It organized employees to carry out charity fundraising activities, and the funds raised were used to set up a poverty alleviation supermarket in Liwei Village, Mengcheng County, and helped Liwei Village Primary School to improve teaching conditions.
Jiangxi Branch	It supported the village road hardening project in Yongxin County to shorten the distance villagers going from the village to the county by 20 kilometers; it installed 100 solar lights on village roads to facilitate villagers' night trips; it funded poor students who are admitted to the university.
Henan Branch	Through employees' donation activities, the company assisted Fan County, a national poverty-stricken county, to overcome poverty, and received the banner of "Helping the People to Eliminate Poverty, Together with the People in the Beach Area (助力脱贫攻坚, 情系滩区人民)" from the local government.
Hunan Branch	It helped to establish the Yayu Village Camellia Tea Cooperative and Black Pig Breeding Cooperative in Baojing County, built infrastructures such as villager service center, Xiahe wharf, running water cistern, three links roads, and village roads, and relocated 66 households. The poverty alleviation working group of the Branch was awarded the Special Award for the annual assessment of poverty alleviation in Baojing County.
Shenzhen Branch	It donated poverty alleviation funds and donated laptops and printers to Yuantian Village, Zijin County.
Guangxi Branch	It continued to carry out industrial assistance to Ai'mian Village in Rong'an County. The village's collective economy has an annual income of more than RMB50,000. The cement hardening road reached various villages, and the quality of life of villagers was significantly improved.
Hainan Branch	Taking betel nut planting and free-range chicken breeding as the starting point, the Branch helped poor households in Nanxuan Village, Wanquan Town, Qionghai to purchase good-quality betel nut trees and build chicken coops to broaden income channels for poor households.
Chongqing Branch	It supported the development of aquaculture in Tianyuan Township, Wuxi County, generating economic benefits of more than RMB1.7 million and enabling 43 farmers to have an average income increase of RMB40,000; it donated RMB60,000 to support the teaching activities of Central Primary School in Ping'an Township, Fengjie County.

Name of Branch Contents and effectiveness of major poverty alleviation work

Name of Branch	Contents and effectiveness of major poverty alleviation work
Sichuan Branch	It donated RMB200,000 to the Education Assistance and Poverty Alleviation Fund of Seda County to support the education of children of poor households recorded on the file of government.
Guizhou Branch	It helped to develop the cherry industry in Yonghe Village, Zhenning County. The cherry output value of the whole village reached RMB8 million in 2019, and the villagers' income increased significantly. Yonghe Village was successfully lifted out of poverty and included in the "model village" for rural revitalization in Guizhou.
Yunnan Branch	It increased support for konjac planting and beef cattle breeding projects in Zhaowu Village, Luquan County, and helped the village to form a sustainable, stable, high-value, and profitable income-increasing industry.
Gansu Branch	It issued a subsidy to students in Lazi Village, Diebu County who had been admitted to high schools, colleges or universities and students in the central elementary school of Lazikou Town. The Branch also helped the collective beekeeping cooperatives in Balu Village to expand the breeding scale, thereby increasing the income of poor households.
Qinghai Branch	It cooperated with Ledu's designated poverty alleviation cadres and the first secretary of the village, carried out paired assistance with poor households in Chengzi Village, Chengtai Township, and regularly organized helpers to visit the people in need.
Xinjiang Branch	It promoted the construction of the poverty alleviation project in Bulunkou Village, Akto County, built a new 3,000 M ² village-level tourism industry stores supporting parking lot, started the construction of solar street lights, plastic basketball courts, villagers' big stage and other infrastructure, carried out a series of donation activities and ethnic unity activities to continuously consolidate the results of poverty alleviation.

Subsidiaries' poverty alleviation work



NCB: It donated to build Yangping Nanyang Commercial Bank School in Yongsheng County, Yunnan Province, Nanyang Commercial Bank Temurtei Kindergarten, set up scholarships and bursaries, carried out donations, donated teaching and living supplies, improved school facilities and supported basic education in poor areas, so it won "Best Public Welfare Poverty Contribution Award (最佳公益扶贫贡献奖)" of China Banking Association.



Cinda Securities: It helped Baise Mining Group to issue RMB200 million of special corporate bonds for poverty alleviation, supported the targeted poverty alleviation project of the national poverty-stricken county Debao County, and helped increase local employment. It participated in the poverty alleviation work in Bijie, Guizhou, Qinghai mutual aid project, Ledu, Qinghai, and Yu County, Hebei.



Jingu Trust: It set up "2019 Great Love from Cinda (2019信达大爱)" No. 1 and No. 2 charitable trusts, with a total size of RMB8.24 million, and the funding scope covered poverty alleviation and education. The trust brand has been in operation for 3 years, and a total of 5 charitable trusts have been established. The amount of the single donation has increased from RMB300,000 to RMB4.33 million, and the total amount of donations has reached RMB12.91 million. The scope of funding has been expanded from a single poor village to more than ten poor districts and counties across the country.



Cinda Real Estate: Its affiliated property company took advantage of the community resources to participate in the "community strength" poverty alleviation through consumption activities initiated by the China Property Management Association and sold 194 agricultural products for a total of 31,500 cattys. Anhui Cinda Jianyin Property won the "Contribution Award for Poverty Alleviation through Consumption (消费扶贫企业贡献奖)" by China Community Poverty Alleviation Alliance.



Cinda Capital: It invested in a animal husbandry company and recommend that the company invested RMB150 million to support an integrated chicken raising project with a breeding capacity of 35 million chicken. It adopted the model of "leading enterprise + village community + farmers" to help the poor. After the project was put into operation, it has contributed RMB1 billion in output value to Ziyun Miao and Buyei Autonomous County, a national severely poverty-stricken county and provided more than 300 jobs, driving 1,000 poor families and 3,000 poor people out of poverty to become rich. In 2019, the company was selected into the "Sixth Batch of National Key Leading Enterprises in Agricultural Industrialization (《第六批农业产业化国家重点龙头企业名单》)".

Caring community

Supporting education

Heilongjiang Branch donated to the Youth Development Foundation for the Hope Project Library to support the implementation of the local Hope Project. Shenzhen Branch went to Linbu Primary School to carry out “Colorful Classroom” teaching activities. Cinda Hong Kong donated RMB300,000 to the China Youth Foundation to help children of poor families of migrant workers receive formal vocational education. The company welcomed the Youth Affairs Committee of the Kwai Tsing District, Hong Kong to organize a delegation of young student financial institutions, and held an “insight into the workplace” exchange and sharing session to help young students understand the financial industry and think about their future employment directions. Sanya Horizon, a subsidiary of Cinda Investment, continued to provide teaching, office, accommodation, canteens, and sports venues, as well as providing teaching services for Sanya’s centennial vocational schools. Zhongrun Development granted financial aid to 15 left-behind children from 8 families in Yonghe Village, Guizhou. Cinda Real Estate Anhui Company organized charity sales and charity book donation activities, purchased charity lunches for more than 1,800 poor children, and donated more than 200 books.

Caring for vulnerable groups

Zhejiang Branch continued to donate to the Charity Federation of Xiacheng District in Hangzhou to help local charities. It went to Shenze Elementary School in Pan’an County, Jinhua, to carry out pairing care and help activities, and bring student bonuses and school supplies for pairing students. Youth volunteers from Fujian Branch carried out a charity activity on the theme of “secret garden at their fingertips (指尖上的秘密花园)” to help visually impaired teenagers complete potted landscape and help children grow up healthily. Guangdong Branch went to the Guangzhou Children’s Welfare Institute to carry out sympathy activities, painting and playing games together with children to convey their love to the children. Happy Life Guangdong Branch went to Guangzhou Shipyard Nursing Home (广船养老院) to send anti-decubitus mattresses to 11 elderly people of no family or with family difficulties, to solve the problem that they cannot take care of themselves and stay in bed for a long time, but cannot purchase anti-ulcer supplies because of financial difficulties. Cinda Capital sponsored the performance of Yanzhao Disabled Arts Troupe (燕赵残疾人艺术团) in Tianjin, participated in student aid activities of the Meishan Charity Foundation (梅山慈善基金), and was awarded the five-star “Charity Star (慈善之星)” by Qingtian County Charity Federation (青田县慈善总会). Cinda International organized employees to go to Wan Chai Methodist Centre for the Seniors to celebrate the Mid-Autumn Festival with 80 elderly people through playing games, singing and other forms.

Fighting new coronaviruses

Strengthening epidemic prevention and control

In late 2019, new coronavirus broke out in Wuhan suddenly. During the Spring Festival of 2020, China Cinda resolutely implemented the decision-making and deployment of the Party Central Committee and the State Council and the relevant requirements of the China Banking Regulatory Commission put the health and safety of employees and customers first, strengthened arrangements, and organized the company’s system at all levels to start epidemic prevention and control. The Company and its subsidiaries donated RMB5 million to the Hubei Charity Federation, and the Company’s party members donated more than RMB800,000 to contribute to the epidemic prevention and control work in the epidemic area. At the same time, the Company allocated special funds for the preventing and controlling work of grassroots unions and put great efforts in employees’ epidemic prevention work, so as to ensure the supply of protective materials and keep the physical and mental health of employees. Under the premise of conducting epidemic prevention and control, the Company guided its operating units to strengthen support to physical enterprises and contribute to the fight against epidemic prevention and control.

Helping to fight the epidemic

China Cinda and its branches and subsidiaries, while doing their own epidemic prevention and control, were based on the main business of distressed assets and provided various professional services to continuously increase financial support for epidemic-resistant pharmaceutical materials companies and actively organized and participated in various relevant parties' efforts to fight the epidemic, fully demonstrating the responsibility of state-owned financial companies listed in Hong Kong.

On March 13, China Cinda successfully issued the Cinda Xinrun 2020 Phase 1 Assets-Backed Securities Special Plan (ABS for the prevention and control of the epidemic) in the Shanghai Stock Exchange, with an initial issuance of RMB9.992 billion, to strongly support the epidemic prevention and control. An enterprise supported by the Company became one of the companies obtaining the approval for the production of the New coronavirus nucleic acid detection kit product; a pharmaceutical company supported by the Company provided a large number of medical protective supplies to Wuhan and other places in a timely manner and received a greeting call from the central leadership. Beijing Branch rescued a supply and marketing cooperative headquarter, a key supply unit of epidemic prevention materials, supported it to ensure the supply of epidemic prevention materials in Beijing, and provided a large number of epidemic prevention materials for Hubei epidemic area. Henan Branch timely completed the second phase of funding for the distressed debts assets acquisition and restructuring project of an energy and chemical group to solve the group's financial difficulties and provided strong support for the group to undertake the major tasks of epidemic prevention materials production in Henan Province. While strengthening its employees and their families' efforts to prevent and control the epidemic, Hubei Branch organized young employees to join the "Great Love of Wuhan (大爱武汉)" volunteer alliance to coordinate the transportation and allocation of donated materials in the severely affected areas. Liaoning Branch donated masks for anti-epidemic to the Epidemic Prevention and Control Headquarters in Hunnan District, Shenyang and Liaoning Provincial Charity Federation in time to support local epidemic prevention work. Branches of Xinjiang, Qinghai, Hunan, Hainan, Jiangxi, Yunnan and other places have also strengthened epidemic prevention and control at places where pairing poverty alleviation work is conducted, organized and conducted poverty alleviation work, promoted the implementation of poverty alleviation projects, helped poor households affected by the epidemic to solve problems, protected the lives of the poor and provided help for related personnel to go out to work.

NCB extended a total of HK\$30 million of credit to anti-epidemic medical supplies enterprises, and provided low-cost trade financing to key medical protective supplies suppliers in Hubei to ensure that the anti-epidemic enterprises resumed production and production. Cinda Leasing extended rents of over RMB60 million for six airlines to help them complete the mission of transporting anti-epidemic medical staff, compatriots stranded abroad, epidemic prevention and control supplies, and charter flights for workers to resume work. Project companies supported by Cinda International provided 3,000 tons of high-quality silicon-manganese alloys for the construction of Wuhan Huoshenshan Hospital and Leishenshan Hospital and Ezhou Xiaotangshan Hospital. Cinda Hong Kong's employees purchased N95 masks and donated them to the Hong Kong Dental Association in the name of the company, which were distributed to frontline anti-epidemic medical staff by the Association. Cinda Real Estate set up 14 party member vanguards to cooperate with staff responsible for 130 projects under its property management in the community and serve nearly 100,000 households to prevent and control the epidemic; it supported the operation of commercial supermarket under property management and opened online stores to ensure the supply of goods; it disinfected the community, provided living supplies and cleared the trash for the community. Cinda Investment's subsidiary Oriental Jianguo Hotel in Wuhan was requisitioned by the Hubei Epidemic Prevention Department as an accommodation for anti-epidemic medical teams and made every effort to provide the service for the stationed medical teams.

Supporting the production and operation of enterprises

China Cinda continued to strengthen its business research and issued the Notice on Business Management and Expansion under COVID-19 (《关于新冠肺炎疫情下业务管理及拓展相关事项的通知》) in a timely manner and instructed various units to use different policies for different customers so as to strive to resolve financial risks, and provide powerful financial support for enterprises to resume production and operations.

China Cinda's headquarters and branches have established communication mechanisms with financial institutions such as banks to provide professional support to resolve regional risks. They strengthened cooperation with online platforms, strengthened "non-contact service channels" online asset investment promotion, and improved the efficiency of online disposal of distressed assets. Zhejiang Branch stepped up efforts to conduct the acquisition of asset packages by banks, maintain customer relationship, build market pipelines, and conduct asset disposal and marketing, and, through online investment promotion, increase the disposal of distressed assets. The 13 asset disposal projects launched after the outbreak of COVID-19 involved debts with the principal of RMB1.203 billion, and 5 projects have been concluded, effectively resolving financial risks. With regard to the difficulties encountered by some project enterprises due to the impact of the epidemic, payment and agreement signing and other arrangements would be made after verification to help enterprises overcome the difficulties. A securities company in Wuhan is a fully licensed national comprehensive listed securities company. In 2019, in order to make up for the net capital consumed in the acquisition of other securities companies, the company submitted a plan for placing shares to the regulatory authority and obtained approval. Due to the impact of the epidemic during the share issue, the company's related work was greatly restricted. Facing the severe epidemic situation and the urgent needs of the company, Hubei Branch overcame many difficulties, coordinated and assisted the securities company to complete all the procedures for placement of shares, and made a positive contribution to supporting the operation and development of financial enterprises in the affected areas. Some SMEs in Sichuan were hit hard by the epidemic and were facing a crisis of survival. Sichuan Branch effectively played its role in serving the real economy and providing crisis relief, and provided support to 8 SMEs to help them resume operation and production to overcome the difficulties.

China Cinda's subsidiaries supported various enterprises to conduct their production and operation during the outbreak of COVID-19 through providing special financial services. NCB handled 50 deferred repayments for customers with difficulty to repay loans, reducing the pressure on corporates to repay loans; it waived customers' "fast transfer" fees for transfers of 1,310 transactions totaling HK\$257 million; and it extended the "Support Measures for SMEs" preferential treatment, and did not blindly draw down loans, cut off loans, or suppress loans. Cinda Securities put the raised funds into the market as soon as possible, actively maintained market stability, and guided investors to make rational investments and adhere to long-term value investments; it promoted the rescue of listed companies and focused on solving corporates' difficulties of liquidity due to pledge of shares. Jingu Trust adopted online service, completed 9 product offerings in 4 projects, handled video signing for 47 customers, and completed the period distribution and settlement of 29 projects. Happy Life expanded the coverage of insurance to cover COVID-19 for free for 25,000 insured persons in more than 60 companies that meet the relevant conditions. For policies in a specific period, the grace period has been extended from 60 days to 90 days, and normal insurance claims have been made for customers who have insurance during the grace period. For customers who pay rent overdue due to the impact of the epidemic, Cinda Leasing postponed collecting rents from them, did not register their credits, reduced overdue interest and default interest for them as appropriate. 23 non-core enterprises of a group had difficulties to handle asset mortgage and pledge procedures in a timely manner for their restructuring and investment projects. In respond to these difficulties of the enterprises, Zhongrun Development extended their asset mortgage and pledge periods to 90 working days. Cinda Capital strengthened the investigation of an environmental governance project, promoted the relevant municipal government to issue the Implementation Plan for the Implementation of the Special Work on the Balance of Farmland Occupation and Supplementation (《推进生态文明建设落实耕地占补平衡专项工作实施方案》), and coordinated the relevant enterprises to prepare for the resumption of the project. Cinda International assisted 2 companies in successfully listing, issued overseas bonds for a group, and arranged overseas financing for 3 group companies.

Appendix

Social recognition



Best Social Responsibility Practice Case Award issued by
China Banking Association

Excellent Case of Private Financial Services and
SMEs (金融服务民营及中小企业优秀案例) of
**China Banking Association and China Association
of Small and Medium Enterprises**

Best Corporate Governance of Listed Company and
**Most Socially Responsible Listed Company of the
China Securities Golden Bauhinia Award**

Social Responsibility Annual Case Award of
China Financial Annual Brand Case Competition

China Top 100 Listed Companies Award and the
**China Ethical Enterprise Award (中国道德企业奖)
of the China Business Top 100**

China Financing Award-Best Listed Company Award
(中国融资大奖最佳上市公司)

Cross-references to the Environmental, Social and Governance Reporting Guideline issued by the Hong Kong Stock Exchange

	Index	Remarks
Environmental		
A1 Emissions	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to exhaust gas and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Adopted
	A1.1 The types of emissions and respective emissions data	Adopted
	A1.2 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Adopted
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Adopted
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Adopted
	A1.5 Description of measures to mitigate emissions and results achieved	Adopted
	A1.6 Description of how hazardous and non-hazardous wastes are handled, measures to mitigate output and results achieved	Adopted
A2 Use of Resources	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials	Adopted
	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Adopted
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Adopted
	A2.3 Description of energy use efficiency initiatives and results achieved	Adopted
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Adopted
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not applicable
A3 The Environment and Natural Resources	General Disclosure: Policies on minimising the issuer's significant impact on the environment and natural resources	Adopted
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Adopted
Society		
B1 Employment	General disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Adopted
	B1.1 Total workforce by gender, employment type, age group and geographical region	Adopted
	B1.2 Employee turnover rate by gender, age group and geographical region	To be adopted in the future

Index		Remarks
	General disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Adopted
B2 Health and Safety	B2.1 Number and rate of work-related fatalities	To be adopted in the future
	B2.2 Lost days due to work injury	To be adopted in the future
	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored	Adopted
B3 Development and Training	General disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Adopted
	B3.1 The percentage of employees trained by employee category (e.g. senior management, middle management)	Adopted
	B3.2 The average training hours completed per employee by employee category	Adopted
B4 Labour Standards	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour	Adopted
	B4.1 Description of measures to review employment practices to avoid child and forced labour	Adopted
	B4.2 Description of steps taken to eliminate such violations when discovered	Adopted
B5 Supply Chain Management	General Disclosure: Policies on managing environmental and social risks of the supply chain	Adopted
	B5.1 Number of suppliers by geographical region	To be adopted in the future
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Adopted
B6 Product Responsibility	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Adopted
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable
	B6.2 Number of products and service related complaints received and how they are dealt with	Adopted
	B6.3 Description of practices relating to observing and protecting intellectual property rights	Not applicable
	B6.4 Description of quality assurance process and recall procedures	Not applicable
	B6.5 Description of consumer data protection and privacy policy as well as the relevant execution and supervision measures	Adopted
B7 Anti-corruption	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Adopted
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	To be adopted in the future
	B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Adopted
B8 Community Investment	General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Adopted
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Adopted
	B8.2 Resources contributed (e.g. money or time) to the focus area	Adopted

Explanation on the preparation of this report

Reporting Scope:

The time scope is from January 1, 2019 to December 31, 2019 (the work on the prevention and control of new coronaviruses has been extended to March 15, 2020). The content of this report covers the headquarters of China Cinda and its branches and subsidiaries.

Basis of Preparation:

The report is prepared pursuant to the Opinions on Strengthening Social Responsibilities of Banking Financial Institutions (《关于加强银行业金融机构社会责任的意见》) promulgated by the China Banking Regulatory Commission, the Guidelines on Corporate Social Responsibilities of Banking Financial Institutions (《中国银行业金融机构企业社会责任指引》) promulgated by the China Banking Association and the Environmental, Social and Governance Reporting Guideline issued by the Hong Kong Stock Exchange, with reference to the Guide of Report on Sustainable Development (G4) issued by the Global Reporting Initiative.

Process of Preparation:

The report is prepared based on China Cinda's performance of social responsibilities. The basic process is: collection of materials → preparation and modification → consideration and approval by the senior management → disclosure. The content and data disclosed in this report have been approved by the Board of Directors of the Company.

Source of Data:

The key financial data are derived from 2019 Annual Report of China Cinda Asset Management Co., Ltd. which has been audited by Ernst & Young Hua Ming LLP, and other data are from the Company's internal system or data collected by the staff. The denomination currency is "Renminbi" in this report.

Publication Forms:

The report is published in two forms, namely printed hardcopy and online edition. The online edition is available for inspection on the website of China Cinda <http://www.cinda.com.cn/> and official website of the Hong Kong Stock Exchange.

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Feedback form for readers

Dear Readers:

Thank you for your support of our social responsibility work. To provide you and other stakeholders with more professional and valuable corporate social responsibility information and further enhance the quality of the Social Responsibility Report of China Cinda, your responses to the questions in this feedback form will be greatly appreciated.

1. Are you satisfied with this Report? Please give your comments.
2. Do you think that the information concerning our social responsibility fulfilment has been completely disclosed?
3. Has the information you are looking forward to understand been fully disclosed in this report?
4. What are your suggestions for improving this Report?

Your information

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達於行

中國信達資產管理股份有限公司
China Cinda Asset Management Co., LTD.

(在中華人民共和國註冊成立的股份有限公司)

(A joint stock company incorporated in
the People's Republic of China with limited liability)

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