

CCB Principal Asset Management joins UN PRI to promote responsible ESG investment

CCB Principal Asset Management (the “Company”) has recently joined the United Nations-supported Principles for Responsible Investment (“UN PRI” or the “Principles”) as one of the public fund managers who have signed the Principles and promise to comply with the six Principles for Responsible Investment.

Launched in 2006 by former UN Secretary General Kofi Annan, UN PRI is the most influential responsible investment organization in the world, with more than 4,000 signatories including asset owners, asset managers and service providers. UN PRI aims to help investors understand the impact of Environment, Social and Governance (ESG) factors on their investment value, and to support signatory institutions in integrating these factors into investment strategies, decisions and active ownership to promote the sustainable development of the global financial system.

Under the guidance of the six principles of UN PRI, CCB Principal Asset Management will build a unique ESG investment and research system, set up ESG investment strategies, constantly strengthen its ESG risk management, improve its ESG system construction, train the ESG talent team, and fully integrate ESG into the Company’s investment management process. CCB Principal Asset Management intends to develop ESG-related products, identify investment opportunities that will have a positive effect on the environment and society in the long term, and enhance sustainable long-term return on investments. The Company will also aim to establish a solid communication mechanism with

stakeholders, advocate green and low-carbon investment concepts, effectively meet customers' ESG investment needs, and guide invested enterprises to improve their ESG performance.

The Company has issued a number of products related to ESG themes, such as Social Responsibility, Environmental Protection Industry, CCTV 50, Hubei Local Debt and New Energy. In particular, the investment performance of the New Energy Industry Fund has been hitting new highs since its establishment last June. As of 8 July, the Fund has offered a yield of 134.63%, which has drawn attention from the market. The size has grown to nearly RMB 3 billion from RMB 330 million when it was first issued. It effectively achieves a win-win situation for the Company, customers and the environment, and strikes a balance between social and economic benefits, in a strong demonstration of the value and significance ESG investment can bring to the sustainable and healthy development of businesses, markets, society and the environment.

At the same time, CCB Principal Asset Management will include ESG and the goal of emission peak and carbon neutrality into its corporate culture, deeply integrating it into the Company's core values, mission, vision and internal "Spirit of the Sycamore" strategy, to further enrich the Company's cultural connotations. The Company plans to carry out a series of ESG and double-carbon related activities, while further strengthening its consideration of ESG in its own operation and management. Internally the Company will also disseminate and popularize knowledge related to climate, environment, energy conservation and emission reduction, advocate the concept of a green office and low-carbon lifestyle, create a green and low-carbon office

culture, and promote a strong atmosphere of energy conservation and emission reduction within the Company.

The Company plans to build its green finance development framework system in three years, integrate it into the ESG investment ecosystem at home and abroad, and bring capital, customers and listed companies together for sustainable development through green, low-carbon and zero-carbon concepts, so as to promote the green and low-carbon development of the industry. By providing clients with sustainable investment returns through ESG investment, building a sustainable development platform for employees, and delivering sustainable returns on capital to shareholders, CCB Principal Asset Management will contribute to sustainable value creation for society, and build a domestically leading responsible investor brand.