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CORPORATE SOCIAL
RESPONSIBILITY REPORT **2020**

**STATE DEVELOPMENT &
INVESTMENT CORP.,LTD.**



**BETTER INVESTMENT
BETTER FUTURE**

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Salt field of SDIC Xinjiang Luobupo Potash Co.

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MESSAGE FROM THE CHAIRMAN



The year 2020 was crucial for securing a decisive victory in building a moderately prosperous society in all respects and winning the battle against poverty. It was the final year of implementing the 13th Five-Year Plan, and also marked the beginning of SDIC in drawing new blueprint, starting new journey, and pursuing new dream. In this extraordinary year, SDIC took initiative to respond to the complicated and severe international and domestic situations, acted proactively, tackled challenges, and overcome difficulties, achieving both growth in operating revenue and profits, which amounted to 153.1 billion RMB yuan and 22.1 billion RMB yuan respectively, reaching a new historical record. Standing at this critical juncture in history, SDIC has planned the future development with high standards, formed the “1331” overall vision, and formulated the development plan for the 14th Five-Year Plan period, striving to create a “new SDIC” and build SDIC into a world-class capital investment and operating company.

A handwritten signature in black ink, consisting of stylized Chinese characters.

Chairman State Development & Investment Corp., Ltd.

Keep eyes on the long run and focus on responsibility fulfilment. In fulfilling the glorious mission entrusted by the Central Government, we have profoundly realized that the sustainable development of a company not only relies on the profit growth, but also the pursuit of value beyond profits. As one of the first batch of enterprises included in the pilot program of State-owned capital investment and operating companies, SDIC, over the years, has persisted in bringing into play the leading and driving role of State-owned capital, insisted on serving national development, strived to create a better life, and used responsible investment to give back to society, to contribute to the country and to respond to the times. At SDIC, the responsible investment has been converted into strong responsibility consciousness internally and unremitting responsibility fulfilment externally.

Invest in value, insist on reform and innovation, and serve national development. We have promoted the supply-side structural reform and the mixed-ownership reform in a deeply-going way, vigorously advanced the building of a strong headquarters, conducted overall arrangement between development and safety, helping SDIC achieve long-term, and stable progress in building itself into a world-class enterprise. In 2020, SDIC, as always, served national development, insisted on strategic investment, value investment, and responsible investment, and effectively promoted the steady development of the three major strategic business units of basic industry, strategic emerging industry, and financial services & other services; insisted on serving the regional coordinated development strategy, and promoted the business presence in key areas including Beijing-Tianjin-Hebei Region, Xiongan New Area, Yangtze River Economic Belt, Guangdong-Hong Kong-Macao Greater Bay Area, and Hainan Free Trade Port; insisted on serving the Belt and Road Initiative, and made in-depth efforts to develop businesses in the countries and regions along the Belt and Road. A coordinated development center for international business of SDIC has been established, and the global depository receipt (GDR) of SDIC Power Holding Co. under the Shanghai-London Stock Connect mechanism has been successfully issued.

Invest in the future, insist on technology empowerment, and launch green journey for “new SDIC.” We have vigorously persisted in investing science and technology R&D, established long-term mechanism for science and technology innovation, and accelerated the cultivation and development of the strategic emerging industry covering new materials, pharmaceutical and health, advanced manufacturing, and new infrastructure. By the end of the 13th Five-Year Plan period, the cumulative investment in R&D has reached 3.365 billion RMB yuan, and the number of cumulative authorized patents has amounted to 1,163 pieces, up 102 percent from the 12th Five-Year Plan period. We have insisted on low-carbon development, gradually constructed green and low-carbon industry system, and strived to be the first to achieve the goal of carbon neutrality. We have constantly increased investment in and boosted the development of clean energy, optimized green business layout both in China and abroad, taken effective measures to save energy and reduce emission and carbon, and made special efforts to develop green finance.

Invest in inclusion, insist on diversified and inclusive investment, and create greater social value. We have been committed to making more people to enjoy equal treatment, without discrimination, vigorously promoted inclusive finance and inclusive elderly care, and used diversified financial services to meet the development demands of real economy, making more extensive social groups to enjoy healthy life and happy elderly life. We

have, as always, breathed the same breath as the country, dedicated ourselves to the commitment of developing the country with industries, adhered to the belief of “No one would be left behind on the way to poverty alleviation” to fight against poverty, and carried forward the spirit of unity to support the international and domestic efforts in fighting COVID-19 pandemic. All of the four paired poverty alleviation counties assisted by SDIC have been lifted out of poverty in 2020, and SDIC has been awarded “Good” for four years in a row in the performance evaluation conducted by the Leading Group Office of Poverty Alleviation and Development of the State Council for the poverty alleviation work of central units.

Invest in people, insist on working with excellent partners, and draw blueprint for sustainable development. We have enhanced efforts to cultivate talented people, protected the rights and interests of employees, strengthened employee care, built a high-quality talent team featuring loyalty and spirit of responsibility and dedication, effectively improved the sense of happiness, sense of gain, and sense of security; enhanced communications and exchanges with the ministries and commissions, local governments, scientific research institutions, and enterprises, firmly grasped the opportunities for strategic cooperation, constantly expanded cooperation field, promoted the implementation of projects, and maintained the corporate image that always honors the commitments. In 2020, SDIC performed well in ensuring stability in employment, financial operations, foreign trade, foreign investment, domestic investment, and expectations, as well as security in job, basic living needs, operations of market entities, food and energy security, stable industrial and supply chains, and the normal functioning of primary-level governments, effectively promoted the special actions of fighting the pandemic, stabilizing employment, and creating job opportunities, and organized and conducted the National Employment Campaign, which helped various enterprises publish over one million job postings.

Embrace change and open up the future. The year 2021 marks the start of the 14th Five-Year Plan, and is also the inaugural year of the building of a “new SDIC.” We will, as always, keep the strategic focus, tackling risks and challenges, grasp major opportunities, and insist on the underlying principles of making progress while maintaining stability. With pursuing high-quality development as the general aim, and harnessing reform and innovation as the key source of momentum, we will deepen pilot reform, optimize business layout, enhance Party building, and give play to the guiding and driving role of the State-owned capital investment and operating company, making due contributions to the improvement of people’s livelihood and well-being.

RESPONSIBLE

INVESTMENT

RESPONSIBLE INVESTMENT: IDEA

In 2016, the United Nations took the lead to launch the Principles for Responsible Investment (PRI), which includes six major investment principles relating to environment, society, and governance (ESG concept). As one of the first batch of enterprises included in the pilot program of State-owned capital investment and operating companies, SDIC has actively abided by the United Nations Principles for Responsible Investment and other initiatives, fully combined ESG theory with ESG investing, comprehensively integrated environmental, social and governance factors into investment decisions, carried out responsible investment while conducting businesses, and promoted the integration and progress of responsible investment from the aspects of, among others, principle, model, portfolio, and capability, striving to create the greatest economic, social and environmental value.

Since entering the new era, SDIC has effectively carried out the new development idea, integrated into the new development pattern, insisted on deepening supply-side structural reform in line with the requirements of high-quality development, and implemented the mission of the State-owned capital investment and operating company in serving national development, optimizing the layout of State-owned capital, and enhancing industry competitiveness, and built the "new SDIC" featuring flexible mechanism, optimized structure, good benefits, and strong capabilities in accordance with the "1331" overall vision.

Cooling tower ladder of Tianjin SDIC
Jinneng Electric Power Co.

RESPONSIBLE INVESTMENT: SYSTEM

RESPONSIBLE INVESTMENT: PRINCIPLE



Principle of social responsibility integration

SDIC constantly enhances the top-down design for social responsibility work, gradually integrates social responsibility idea into the full-process closed-loop investment system covering development planning, investment decision-making, project implementation, post-investment management, and performance appraisal and evaluation, develops a series of quantitative indicators by introducing social responsibility factors to form lean guidance, and continuously optimize various links and processes, so as to achieve all-around and full-process integration.



Principle of green investment

SDIC insists on green, low-carbon, and sustainable development, transfers part of the equity of thermal power plants, increases investment in clean energy including hydropower, wind power, PV power, and biomass energy, and promotes the optimization of basic energy structure; further establishes business presence in the field of environmental protection, and utilizes green financial tools to ensure the new investment projects are environmentally-friendly, climate responsive and socially inclusive.



Strategy-driven and benefit-oriented principle

According to the adjustment of industry policies and changes of operating environment, SDIC, centering on the overall strategic objective and development planning, makes special efforts to promote supply-side structural reform, adjusts structure, optimizes layout, conducts innovation-driven development, concentrates resources on cultivating projects with high strategic matching, great development potential, core technologies and good return on investment, seeks exit from the enterprises with poor profitability, inefficient asset operation and weak value creation, and phases out non-performing and inefficient assets and backward production capability.



Principle of limitation, correlation and diversification

SDIC strictly abides by the requirements of "focus on main responsibilities and businesses" put forward by the Central Government for central State-owned enterprises (SOEs), and vigorously develops the three major strategic business units of basic industry, strategic emerging industry, and financial services & other services. According to the principle of limitation, correlation and diversification, and comprehensively considering the factors of business expansion, regional influence, risk management and control, industry chain integration, cost control, and value creation, SDIC enhances investment in the leading enterprises that have obvious technical advantages, could utilize the advantages of the Company, have clear profit-making model and meet the requirements of the Company's investment return in segmented sectors.



Principle of risk control

SDIC uses diversified risk management methods, techniques, and tools to conduct effective control and management on various risks involving in investment, and strives to achieve the overall investment objectives. Strictly abiding by the requirements of the Negative List of Investment Projects of State Development & Investment Corp., Ltd., SDIC has established the "prohibition category" and "special supervision category" to enhance classified supervision on investment, and clearly stated the red line and bottom line requirements for investment, so as to effectively prevent investment risks.

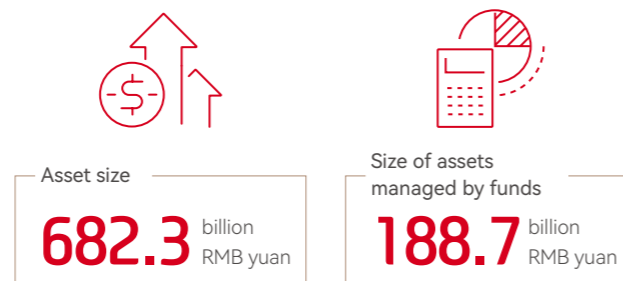
RESPONSIBLE INVESTMENT: MODEL



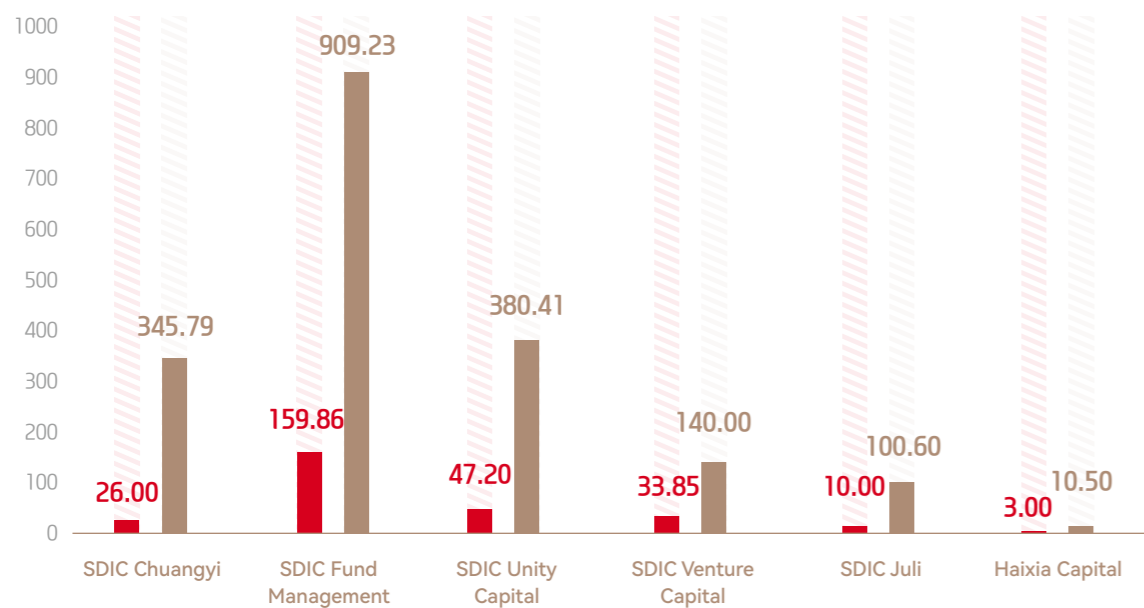
"Direct investment + fund investment" model

SDIC has conducted innovation in investment model, cultivated and developed strategic emerging industry through direct investment and fund investment, and effectively leveraged the guiding and driving role of State-owned capital. In the future, SDIC will continue to promote the "dual driving forces" of direct investment and fund investment, give play to the role of perception, probe and incubation of the funds, try the best to achieve breakthroughs in joint investment, and establish the new mechanism for the cultivation and development of strategic emerging industry, injecting a new impetus for serving national development.

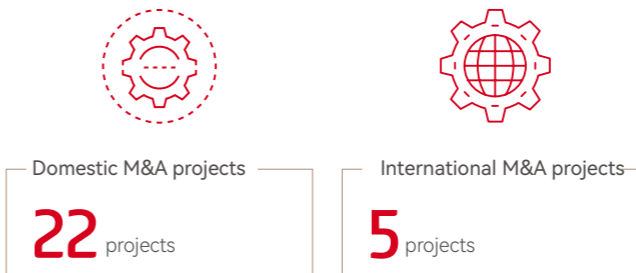
Asset size and size of assets managed by funds of SDIC in 2020



Size of assets managed by six funds of SDIC by the end of 2020 (Unit: RMB100m)



M&A projects of SDIC during the 13th Five-Year Plan period



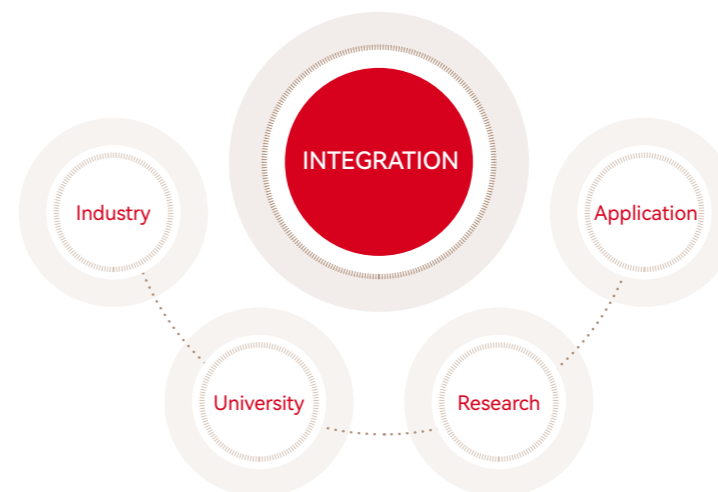
During the 13th Five-Year Plan period, SDIC completed 27 M&A projects both at home and abroad including, among others, China Water Environment Group, Xi'an Golden Mountain Ceramic Composites Co., Hefei Bolin Advanced Materials Co., and Red Rock Power Limited (UK), among which 9 projects were completed in 2020.

"M&A + greenfield investment" model

Focusing on both the internal investment such as greenfield investment and the external development such as M&A, SDIC has formed the business layout featuring complementarity of cyclical and non-cyclical Industries, as well as collaboration between real economy and finance, and established the mutually-supporting business structure, constantly improving industry competitiveness.

"Industry-university-research-application collaboration" model

SDIC has constantly deepened the industry-university-research-application collaboration, actively explored in-depth cooperation with colleges and universities, scientific research institutions, associated enterprises along the upstream and downstream of supply chain in the aspects of, among others, cutting-edge technology reserve, commercialization of science and technology achievements, and cultivation of innovative people, strived to make breakthroughs in resolving bottlenecks in major technologies, and vigorously built leading enterprises along the supply chain and the source of technologies. SDIC has signed strategic cooperation agreements with, among others, Songshan Lake Materials Laboratory (SLAB) and Northwestern Polytechnical University successively; strived to tap the potentials of the external scientific and technological resources, and given full play to the integrated advantages of the Company in the aspects of industry cultivation, capital operation, differentiated management and control, and so on, jointly building an ecosystem for the cultivation and development of emerging industry with partners.



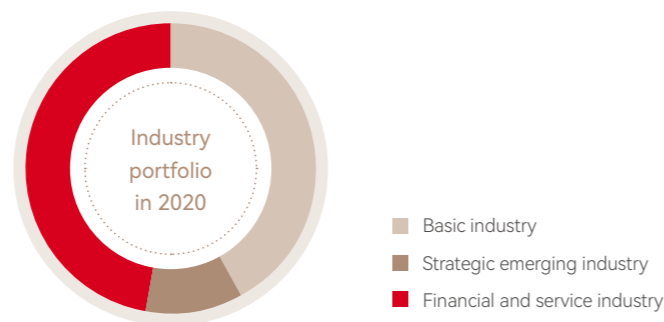
RESPONSIBLE INVESTMENT: PORTFOLIO



Industry portfolio

Focusing on the functional positioning of State-owned capital investment and operating companies, and insisting on serving national development as the mission and enhancing industry competitiveness as the orientation, SDIC has persisted in optimizing basic industry, specializing strategic emerging industry, and refining financial and service industry, given play to the guiding role of the State-owned capital investment and operating company, improved industry structure, and enhanced risk resistance capacity, so as to achieve sound development.

Industry portfolio by proportion of asset size



	2020	2019	2018
Basic industry	42%	44%	48%
Strategic emerging industry	11%	12%	10%
Financial and service industry	47%	44%	42%

Basic industry

Focus on developing the electric power-dominated energy industry, the port, the railway and the oil and gas pipeline-dominated transportation industry, and the potash fertilizer-dominated strategic and scarce mineral resource development business.

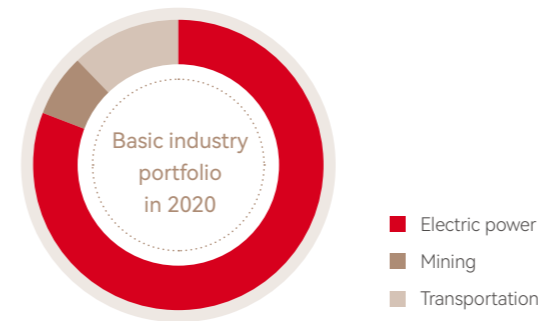
Strategic emerging industry

Focus on developing advanced manufacturing, new materials, bioenergy, health and elderly care, pharmaceutical and medical care, inspection and testing, smart technology, ecology and environmental protection, engineering design, and so on.

Financial and service industry

Focus on developing securities, funds, trust, guarantee, futures, and other financial businesses, and properly conduct asset management, human resources, international trade, consulting, property management, and so on.

Basic industry portfolio by proportion of asset size



	2020	2019	2018
Electric power	81%	80%	79%
Mining	7%	7%	6%
Transportation	12%	13%	15%

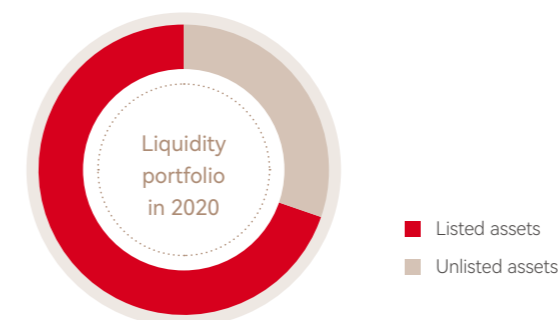
Number of controlling and non-controlling investment projects by the end of 2020



Equity portfolio

Centering on the overall strategic objective and development planning, SDIC has established diversified equity structure by conducting various kinds of equity investment including wholly owned investment, controlling investment and non-controlling investment, and implementing modern corporate governance, and concentrated resources on cultivating projects with high strategic matching, great development potential, core technologies and good return on investment.

Liquidity portfolio by proportion of asset size



	2020	2019	2018
Listed assets	69.7%	68.2%	68.2%
Unlisted assets	30.3%	31.8%	31.8%

Liquidity portfolio

SDIC has allocated reasonable assets in short-term projects and medium to long-term projects, among which the short-term projects aim at maintaining the asset liquidity and reducing the risk of cash shortage, while the medium and long-term projects aim at ensuring the return on investment or the right of control. SDIC has constantly optimized asset structure, and persistently improved quality and efficiency.

Regional portfolio

Insisting on the new development idea, SDIC has effectively implemented the national strategy on regional development, actively responded to the Belt and Road Initiative, vigorously developed the business in domestic and international markets, and constantly optimizing regional layout. Currently, the key investment areas of SDIC are mainly focused on the domestic market.

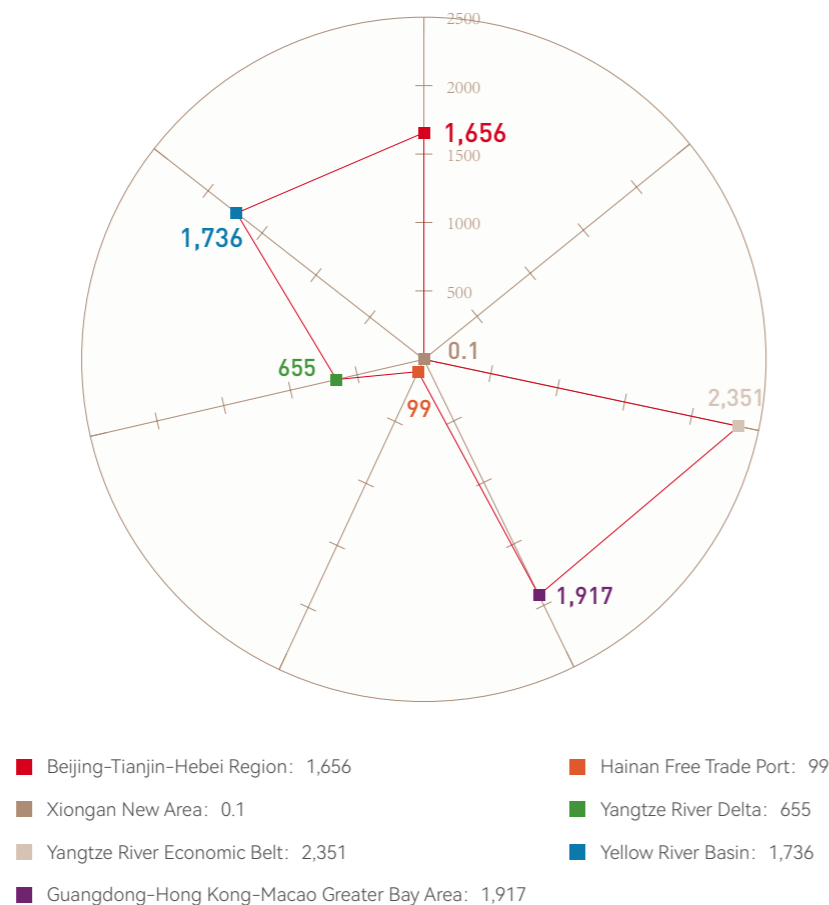
International and domestic portfolio by proportion of business income



	2020	2019	2018
International	16.6%	14.1%	13.9%
Domestic	83.4%	85.9%	86.1%

SDIC has taken initiative to serve the national strategy on regional development, and insisted on leveraging the guiding and driving role of State-owned capital in the aspects of, among others, the coordinated development of Beijing-Tianjin-Hebei Region, the development of Yangtze River Economic Belt, the integrated development of Yangtze River Delta, the construction of Xiongan New Area, the construction of Hainan Free Trade Port, the development of Guangdong-Hong Kong-Macao Greater Bay Area, and the ecological protection and high-quality development of the Yellow River Basin.

Total investment assets by major area in China in 2020 (Unit: RMB100m)



Major projects in China (Part)

West China

- Yalong River Hydropower Development Company, Ltd.
- SDIC Xinjiang Luobupo Potash Co., Ltd.
- SDIC Qinzhou Port Co., Ltd.
- SDIC Baiyin Wind Power Co., Ltd.
- Guizhou-based Nanming River Project of China Water Environment Group

East China

- Tianjin SDIC Jinneng Electric Power Co., Ltd.
- SDIC Caofeidian Port Co., Ltd.
- YAPP Automotive Systems Co., Ltd.
- Essence Securities Co., Ltd.
- Shanghai Hongkou Rainbow Bay Seniors Home
- Shandong Special Equipment Inspection and Testing Group
- China Water Environment Group
- Beijing Tongyizhong New Material Technology Corporation

Central China

- SDIC Jincheng Metallurgy Co., Ltd.
- SDIC Anhui Urban Recycling Resources Co., Ltd.
- Hefei Bolin Advanced Materials Co., Ltd.

Northeast China

- SDIC Bioenergy Tieling Co., Ltd.
- SDIC Biotech Jilin Co., Ltd.
- SDIC Bioenergy Hailun Co., Ltd.

Major projects in foreign countries (Part)

Asia

- Shahjalal Fertilizer Factory, Bangladesh
- CSOT India Module Project
- Waste-to-Energy Power Project in Bangkok, Thailand
- Tialoc Group
- Arab Potash Company, Jordan

Europe

- Beatrice Offshore Wind Project
- YAPP Germany R&D Center
- Zhonglu (Europe) sp. z o.o.

Africa

- OMO2 and OMO3 Sugar Factory Projects in Ethiopia

America

- YAPP USA Automotive Systems, Inc.

RESPONSIBLE INVESTMENT: CAPABILITY

SDIC attaches great importance to enhancing the capacity of responsible investment, and has implemented the responsible investment, which takes the Comprehensive Enhancement of Four Capabilities of the "1331" overall vision as the orientation, in a targeted and meticulous manner.

COMPREHENSIVE ENHANCEMENT OF FOUR CAPABILITIES












COMMUNICATION WITH STAKEHOLDERS

SDIC attaches great importance to the communication with stakeholders, and has conducted in-depth research on the demands and expectations of stakeholders, and then turned their pursuits into corporate social responsibility objectives and actions; established multi-level and all-around communication channels for the government, partners, customers, employees, creditors, community and other stakeholders, introduced the responsible investment idea and responsibility fulfillment updates for stakeholders, and taken initiative to respond to their concerns. Firmly centering on the social responsibility brand of "Whole Heartedness Initiative," SDIC has made unremitting efforts to jointly promote the social responsibility practices with stakeholders.

DIVERSIFIED COMMUNICATION CHANNELS



STAKEHOLDER CONCERNS AND COMMUNICATION MECHANISM

Stakeholders	 SASAC of the State Council	 Central Government, ministries and commissions, and local governments	 Partners	 Customers	 Creditors	 Invested enterprises	 Employees	 Social organizations	 Community and the public
Expectations to SDIC	<ul style="list-style-type: none"> Achieve preservation and increment of State-owned assets Regulate operations and management Enhance corporate competitiveness 	<ul style="list-style-type: none"> Promote national economic development and social progress Abide by relevant laws and regulations Fulfill corporate social responsibility 	<ul style="list-style-type: none"> Reciprocity and mutual benefit Shared development 	<ul style="list-style-type: none"> Offer regulated and efficient services Meet customer needs 	<ul style="list-style-type: none"> Conduct sound operation Pursue long-term value Emphasize risk management 	<ul style="list-style-type: none"> Provide guidance and support Clarify responsibility Promote innovation Management, coordination and service 	<ul style="list-style-type: none"> Put people first Conduct business by relying on employees Pay attention to employee training Provide competitive benefit package Promote sustainable and healthy development of the company 	<ul style="list-style-type: none"> Support and participate in social groups Organize activities Abide by articles of association 	<ul style="list-style-type: none"> Disclose information in a timely and accurate manner Participate in community activities Jointly build a harmonious society
Communication mechanism and approaches	<ul style="list-style-type: none"> Operating performance appraisal and supervision Work conference Work reporting 	<ul style="list-style-type: none"> Signing of cooperation agreement Work conference Day-to-day communication 	<ul style="list-style-type: none"> Signing of cooperation agreement Contract performance High-level meeting Day-to-day communication 	<ul style="list-style-type: none"> Products and services Interviews and seminars Questionnaire survey 	<ul style="list-style-type: none"> Regular communication Information disclosure 	<ul style="list-style-type: none"> Set operation indicators Operating performance appraisal Meetings and seminars Investigation and research, and discussion Day-to-day management 	<ul style="list-style-type: none"> Workers' congress, seminars, trainings Suggestions and feedback Decision-making participation Work communication 	<ul style="list-style-type: none"> Participate in activities Provide necessary assistance 	<ul style="list-style-type: none"> Information disclosure Press conference Exchanges and communications



High Energy Photon Source (HEPS) project consulted and designed by China Electronics Engineering Design Institute (CEEDI)



INVESTING

IN VALUE



VALUE IS ABOUT ACHIEVING GROWTH

We insist on strategic investment, value investment, and responsible investment, promote sound development of operating performance, persist in innovation-driven development, advance and deepen reform, enhance risk management and control, constantly create long-term return on investment, and embrace sustainable development.

The operating revenue of SDIC reached

153.1 billion RMB yuan in 2020

The total profits of SDIC reached

22.1 billion RMB yuan in 2020

The asset size of SDIC reached

682.3 billion RMB yuan in 2020

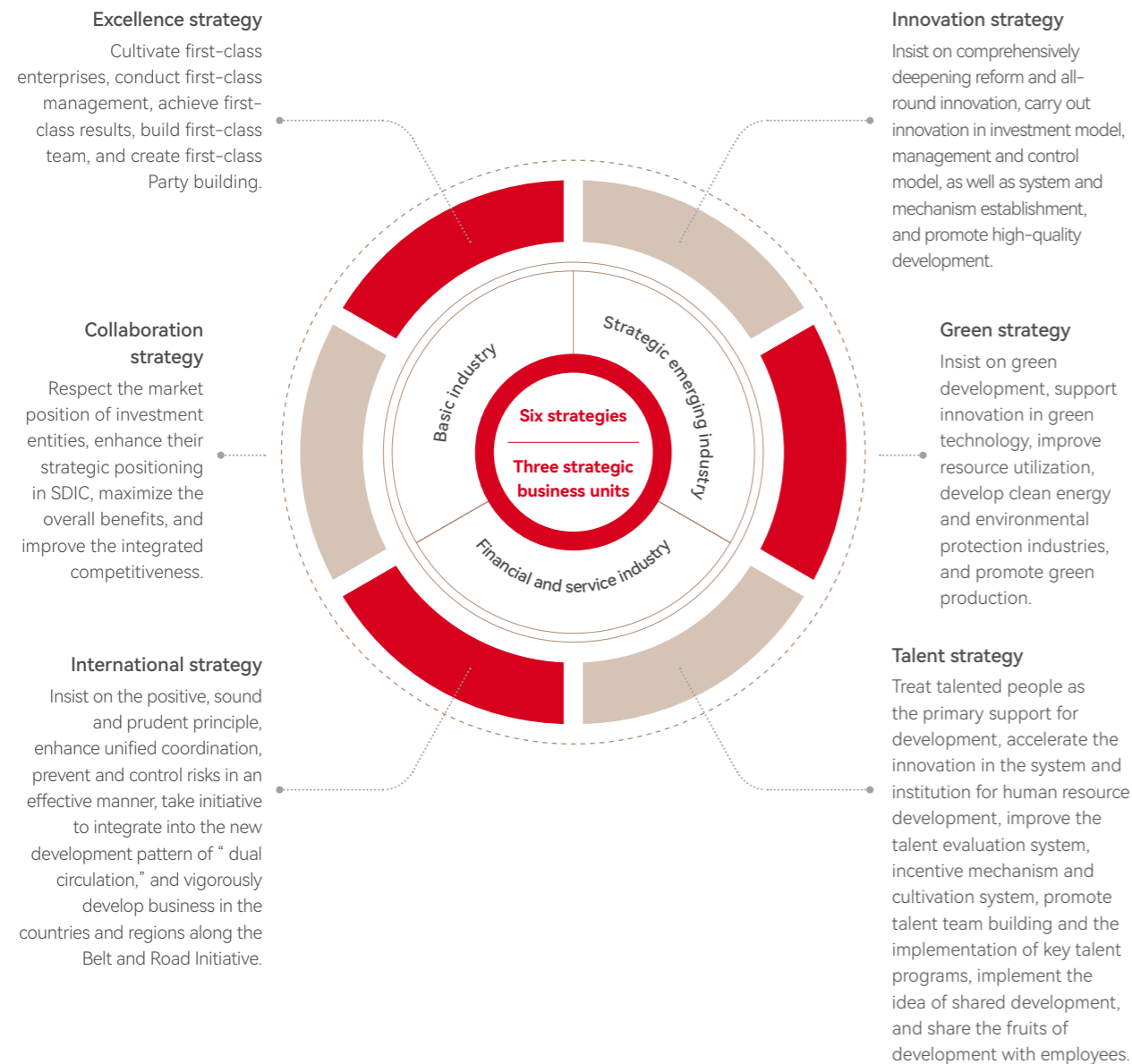
Beatrice Offshore Wind Project in UK



BUSINESS STRATEGY AND LAYOUT

CORPORATE STRATEGY

SDIC has grasped the new connotations of the important period of strategic opportunity for development, adhered to systematic thinking, implemented the mission of the State-owned capital investment and operating company in serving national development, optimizing the layout of State-owned capital, and enhancing industry competitiveness. SDIC has insisted on new development idea and market-oriented, law-based, and internationalized direction, vigorously developed the business in domestic and international markets, with high-quality development as overarching principle, reform and innovation as fundamental driving force, and risk prevention as effective guarantee. SDIC has strived to implement the excellence strategy, innovation strategy, collaboration strategy, green strategy, international strategy, and talent strategy, and actively promoted the construction of a "new SDIC" featuring flexible mechanism, optimized structure, good benefits, and strong capabilities.



CONSTANT PERFORMANCE GROWTH

Key performance indicators of 2020

Total profit
22.1 billion RMB yuan

Net profit
17.7 billion RMB yuan

Percent from 2019 Up
10

Percent from 2019 Up
9.8

Operating performance growth of SDIC during the 13th Five-Year Plan period

9%
Compound annual growth rate of net assets

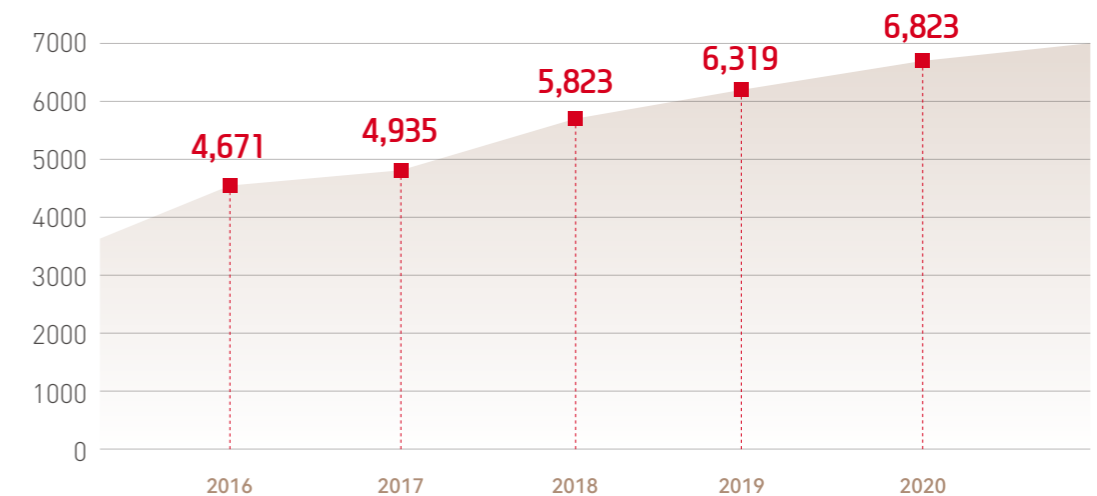
> 8.6%
Return on net assets

6%
Compound annual growth rate of total profit

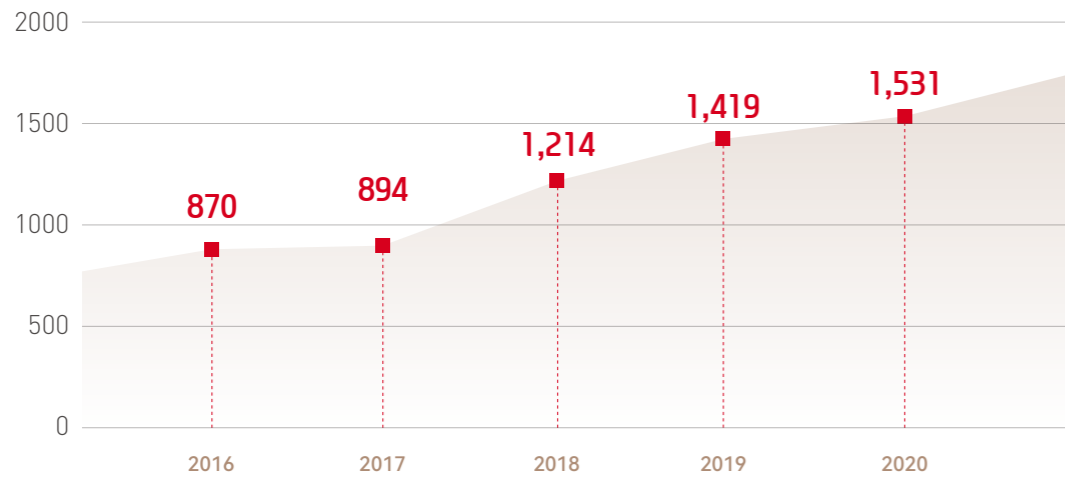
> 12%
Return on capital

During the 13th Five-Year Plan period, special efforts have been made by SDIC to respond to major challenges and risks, as well as the severe situations, and the operating performance has been gradually improved: the amount of total assets has been increased from 467.1 billion RMB yuan to 682.3 billion RMB yuan; the comprehensive strength has been improved to a new level; the economic, political and social responsibilities have been effectively fulfilled; and all of the goals and tasks during the 13th Five-Year Plan period have been successfully completed.

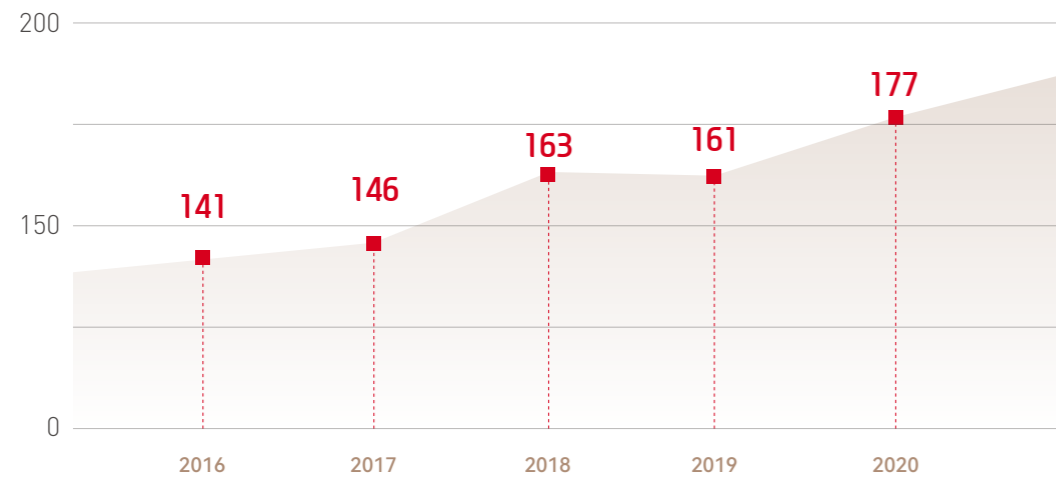
Total assets of SDIC during the 13th Five-Year Plan period (Unit: RMB100m)



Total operating revenue of SDIC during the 13th Five-Year Plan period (Unit: RMB100m)



Net profit of SDIC during the 13th Five-Year Plan period (Unit: RMB100m)



Key production indicators of SDIC during the 13th Five-Year Plan period



Installed power generating capacity

31,827 MW

SDIC boosted the development of clean energy and the installed capability witnessed steady growth.

Generating capacity

717 billion kWh

The cumulative power generation of SDIC Power Holding Co. reached 717 billion kWh, and SDIC spared no effort to guarantee electric power supply.



Port throughput capacity

234 million tons

Centering on China's energy transportation demands, SDIC accelerated the construction of the energy logistics network with its own characteristics.

Port throughput

764 million tons

The cumulative port throughput of SDIC Traffic Holding Co. reached 764 million tons, and SDIC spared no effort to guarantee national energy security.



Production capacity of potassium sulfate:

1.6 million tons per year

SDIC increased investment in potash fertilizer production technology development, and the production capability of potassium sulfate witnessed steady growth.

Production output of potassium sulfate

8.07 million tons

The cumulative production of high-quality potassium sulfate fertilizer by SDIC Xinjiang Luobupo Potash Co. reached to 8.07 million tons, which effectively guaranteed national food security.



Production capability of automotive fuel tanks

18.6 million tanks per year

SDIC strived to achieve scientific breakthroughs for automotive fuel tanks, and the production capacity witnessed steady growth.

Production of automotive fuel tanks

46.73 million tanks

The cumulative production of automotive fuel tanks by YAPP Automotive Systems Co. reached 46.73 million, and the output took the first place in China and the third in the world.



Production capacity of fruit juice

190,000 tons per year

The production capacity of fruit juice of SDIC reached 190,000 tons per year, and the product export rate amounted to 90 percent.

Production of fruit juice

720,000 tons

The cumulative production of fruit juice by SDIC Zhonglu Fruit Juice Co. reached 720,000 tons.

BUSINESS LAYOUT

Key business progress in 2020

Basic industry

Electric power

- SDIC Power successfully issued its global depository receipt (GDR) under the Shanghai-London Stock Connect mechanism, which pushed the international business to a new level.
- SDIC Power completed eight M&A projects successively in domestic market, and the installed capacity increased by nearly one million kW; acquired the Överturingen onshore wind farm project in Sweden in international market.
- SDIC Power completed the equity transfer of six thermal power enterprises, achieving further optimization of the layout of thermal power business and major strategic adjustment of production capacity structure.

Exploitation of mineral resources

- SDIC Xinjiang Luobupo Potash Co. was recognized as a demonstration enterprise of the Special Action on Deepening Market-Oriented Reform and Enhancing Independent Innovation Capability of 100 Science and Technology Enterprises, and awarded the title of "Meritorious Enterprise in China's Sylvite and Potash Fertilizer Industry."
- The "Innovative Practice for Continuous Copper and Gold Smelting Technology with Bottom Blowing and All-Hot State Three-link Furnace" project conducted by SDIC Jincheng Metallurgy Co. won the first prize of China Nonferrous Metals Industry Science and Technology Award.

Communications

- SDIC Communications signed strategic cooperation agreements with local governments to jointly develop 15 intended projects including 100,000-ton grain and oil berth and Putian land port.

Strategic emerging industry

- China Gaoxin Investment successfully acquired Xi'an Golden Mountain Ceramic Composites Co., accelerating the cultivation of the leading new materials enterprise.
- The fuel ethanol products of SDIC Biotech achieved full coverage of terminal facilities of downstream oil enterprises.
- SDIC Health promoted light-asset institutional elderly care service projects, and increased over 800 beds for elderly care services.
- SDIC Inspection and Testing Certification acquired Shandong Special Equipment Inspection and Testing Group, and set up a quality infrastructure research institute in Xiongan New Area to help promote high-quality construction there.
- To integrate advantageous resources, SDIC Intelligence and China Electronics Engineering Design Institute jointly established SDIC Smart

- City & Strategic Emerging Industry Innovation Research Institute.
- China National Complete Plant Import and Export Group successfully implemented the project of applying and promoting the in situ ecological management technology system.
- China Electronics Engineering Design Institute was recognized as a demonstration enterprise of the Special Action on Deepening Market-Oriented Reform and Enhancing Independent Innovation Capability of 100 Science and Technology Enterprises, and signed the general contract project of Visionox (Guangzhou) 6th Gen Flexible AMOLED Production Line.
- The first-round investment by SDIC Chuangyi Industry Fund Management Co. was fully completed, which guided and leveraged a total of 280 billion RMB yuan of social capital into poverty-stricken areas.

Financial and service industry

- The first-round investment for advanced manufacturing by SDIC Fund Management Co. was basically completed, which leveraged a total of RMB117.6 billion of social capital into this sector.
- The Major Special Fund, Beijing-Tianjin-Hebei Fund, and Shenzhen Fund managed by SDIC Venture Capital Management completed the fund-raising and investment tasks; all of the three funds have fully entered the post-investment and exit period.

- SDIC Engineering Inspection and Testing Co. won the bid of the third party inspection and testing project for the largest integrated urban transportation hub in Yunnan Province.
- SDIC Ecological Environment Investment Development Co. won the bid of the PPP project of Maqiao Renewable Resource Utilization in Minhang District, Shanghai Municipality.
- China High-Speed Railway Technology Co. acquired the operation right of Tianjin Metro Line 2.

Financial and service industry

- SDIC Capital completed the capital increase of 8 billion RMB yuan for Essence Securities and 1.8 billion RMB yuan for SDIC Taikang Trust Co.
- SDIC Finance conducted centralized management on the RMB600 million of capital fund of RMB-denominated foreign investment for the first time for China Water Environment Group.
- SDIC Asset Management, as a transferee, acquired the income right of special assets of China National Investment and Guaranty Corporation with RMB2 billion, coordinating with the latter to conduct business.
- China National Investment Consulting signed 19 new management consulting contracts, up 593 percent year-on-year.
- SDIC Human Resources Service established a human resources company in Hainan to help boost development of the province.
- SDIC Property Management established an intelligent building management platform on a pilot basis, conducting integrated, closed-loop management on the operation and maintenance of equipment.

- China SDIC International Trade successfully completed the procurement tasks at the 3rd China International Import Expo; it signed intended procurement agreements with 15 countries, totaling nearly USD700 million.
- Rongshi International Holding issued dollar-denominated bonds of USD300 million in Hong Kong Special Administrative Region, recording the lowest coupon rate among the dollar-denominated bonds issued by SOEs with the same term-to-maturity and the same rating.
- Essence Securities provided financing services for over 50 enterprises with a total of nearly RMB70 billion, and offered RMB12.5 billion to a variety of enterprises by means of pledge of stock rights and others.
- China National Investment and Guaranty Corporation established a science and technology financing guarantee company to help alleviate the difficulties faced by enterprises in accessing financing.



Construction site of the core-wall for earth-rockfill dam at Yalong River Lianghekou Hydropower Station

CASE

CASE

SDIC Trade serves as a vanguard, endeavors to play a key role in Hainan Free Trade Port

As one of the trade companies which entered Hainan Province early during the initial stage of Hainan Free Trade Port planning, China SDIC International Trade Co. (SDIC Trade) has contributed beneficial attempts in international business expansion, financial service innovation, and offshore trade pilot projects for the Port. Both the People's Government of Hainan Province and Haikou Municipal People's Government have highly recognized these attempts.

With the advantages brought by free trade port and bonded area, China SDIC International Trade Hainan Co. (SDIC Trade Hainan) has established a trade management system with combination of import business, domestic trade, and transit trade, covering trading of various commodities such as wool, cotton, copper concentrate, chemicals, and corn with several countries and regions in North America, Latin America, and Southeast Asia. SDIC Trade Hainan has been continuously expanding business related to cereal & feed, textile raw materials to realize dual development of domestic trade and international trade; and to rapidly boost the growth of local trade business in Hainan Province. In 2020, SDIC Trade Hainan achieved operating revenue of RMB7.505 billion, among which USD388 million came from international trade. At the end of September in 2020, SDIC Trade Hainan set up a subsidiary in Yangpu Economic Development Zone and achieved operating revenue of RMB1.043 billion that year.

Among the first batch of enterprises registering Hainan Free Trade Account (FT account), SDIC Trade Hainan took the lead in conducting international trade business through FT account with Bank of China Hainan Branch. By the end of 2019, SDIC Trade Hainan had ranked No.1 in business line and business area under FT account within Hainan. It also had the highest FT account activity in the province with L/C (letter of credit) settlement business accounted for 70 percent of trading account. SDIC Trade Hainan has developed offshore trade with Agricultural Bank of China Hainan Branch and China Construction Bank Hainan Branch; and has completed financial service innovation cooperation on offshore financing and offshore inter-bank financing through Agricultural Bank of China Hainan Branch, thus to further serve the position of Hainan as a free trade port.

7.505 billion

In 2020, SDIC Trade Hainan achieved operating revenue of



China SDIC International Trade Co. built a grain logistics chain system to guarantee food security



Överturingen onshore wind farm project in Sweden

CASE

SDIC Power acquires Sweden-based Överturingen onshore wind farm project

On December 16, 2020, SDIC Power successfully completed the share acquisition of Swedish Överturingen onshore wind power project. It will jointly own and manage this project with Nordic asset management company CapMan Infra at a 50: 50 proportion of share.

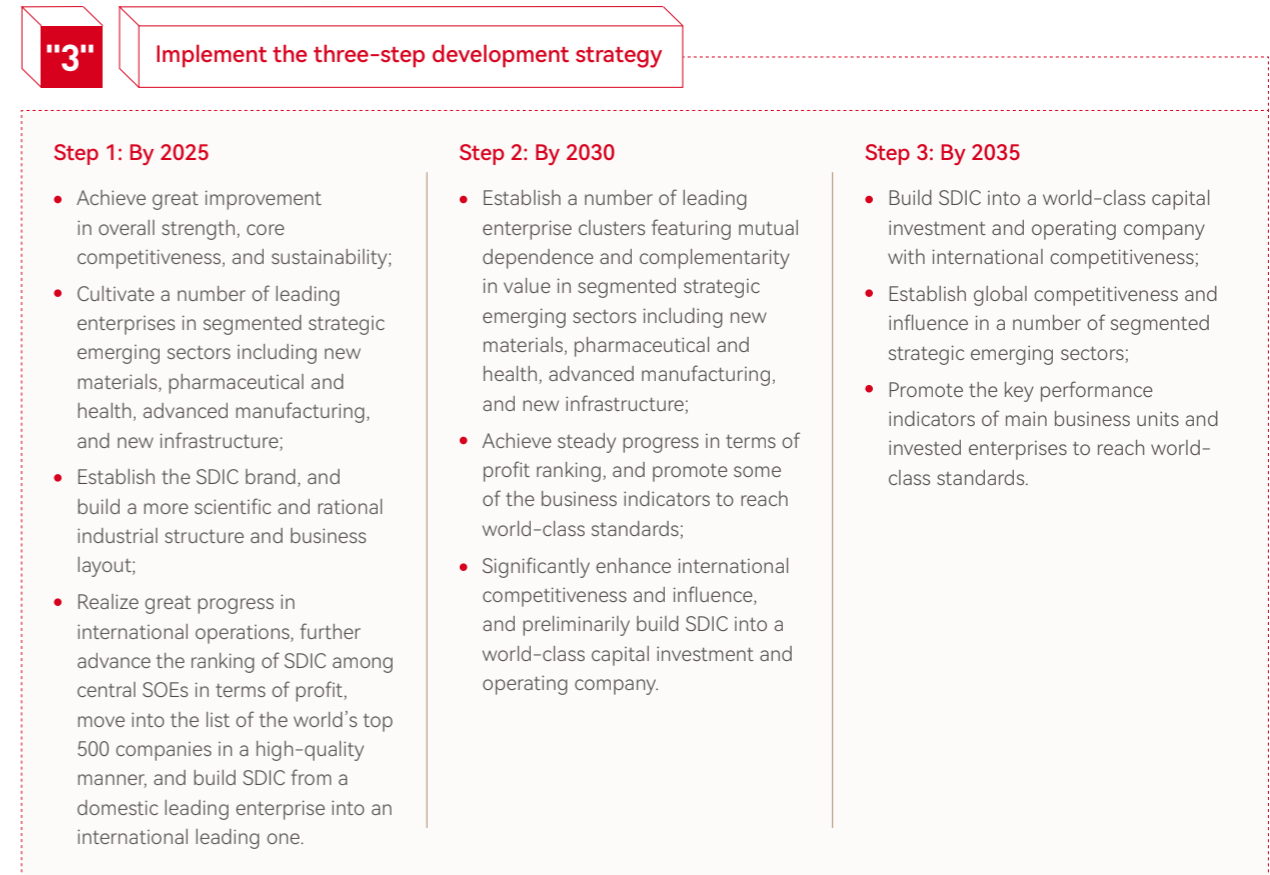
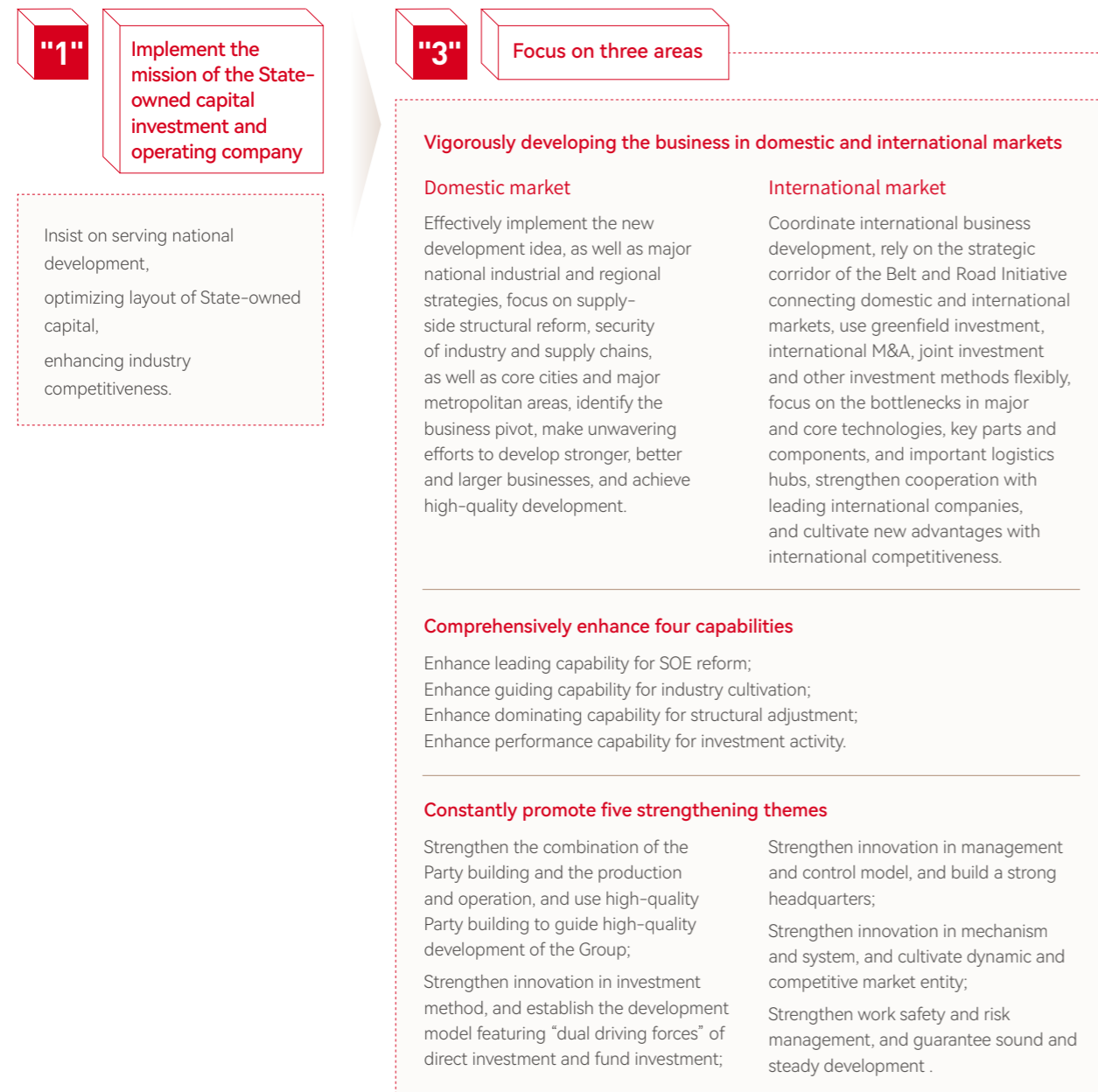
Överturingen project locates in the central part of Sweden. Its installed capacity reaches 240.8MW and has been officially put into commercial operation since December 15, 2020. This project is equipped with 56 units of Siemens Gamesa 4.3MW wind turbine generators which are onshore wind generation units with the highest unit capacity installed in Alpine-cold region worldwide; and are also onshore wind turbine generators with the highest unit capacity ever used by China-invested enterprises in overseas investment projects so far.

This acquisition is the first cross-border transaction conducted by British Red Rock Power's team which belongs to SDIC Power. From initiation to delivery, the whole transaction lasted for more than one year. Due to the restriction caused by the pandemic situation in Britain, Red Rock Power's team could not continue site work while cross-border travelling was forbidden in 2020. All work had to be done online. Red Rock Power's team took quick actions without delay to change strategy and ensured real-time information synchronization among China, Britain, and Sweden by weekly reporting and video conferencing. The project team finally overcame the challenges one after another brought by jet lag, COVID-19 pandemic, and international market change; and smoothly had the project implemented. The successful delivery of this project marks SDIC Power's official entry in Nordic onshore wind power market and the further expansion of SDIC Power's strategic layout in European renewable energy power generation industry. It is also the first investment project outside Britain completed by the collaboration between SDIC Power's headquarters and British Red Rock Power. Red Rock Power's team has fully played an important role as bridgehead of SDIC Power's European investment platform.

DEVELOPMENT PLANNING

Standing at the key juncture of the concluding year of the 13th Five-Year Plan and the beginning year of the 14th Five-Year Plan, SDIC has formulated its 14th Five-Year Plan in a high-quality manner, planned the future corporate development in a high-standard way, and clearly expounded the development path during the 14th Five-Year Plan period and in the period to come. According to the "1331" overall vision, SDIC will accelerate the establishment of a business layout featuring complementarity of cyclical and non-cyclical industries, as well as the collaboration between real economy and finance, promote the "dual driving forces" of direct investment and fund investment, and advance the construction of a "new SDIC" featuring flexible mechanism, optimized structure, good benefits, and strong capabilities, striving to build itself into a world-class capital investment and operating company.

"1331" Overall Vision





INNOVATION-DRIVEN DEVELOPMENT

Innovation is the primary driving force for development. It is also the most important quality of business management. Over the years, SDIC has, as always, insisted on innovation-driven development, invested in innovation activities and science and technology R&D persistently and in a deeply-going way, given full play to the guiding role of investment, constantly conducted innovation in investment method, and accelerated the cultivation of strategic emerging industry such as new infrastructure, pharmaceutical and health, new materials and advanced manufacturing by means of direct investment and fund investment, striving to promote the implementation of innovation-driven development strategy.

INVESTMENT IN INNOVATION

In 2020, SDIC increased investment in science and technology R&D; the investment in R&D reached 1.299 billion RMB yuan, up 23.13 percent from a year earlier, and the number of authorized patents amounted to 449. By the end of the 13th Five-Year Plan period, the cumulative R&D expenses of SDIC has reached RMB3.365 billion, and the number of authorized patents has amounted to 1,163. By March 2021, SDIC Fund Management, SDIC Venture Capital Management, SDIC Unity Capital and other fund management firms under SDIC have managed a total of 32 funds, and the asset size has reached about RMB190 billion. Those funds have invested in nearly 600 projects, and formed good investment ecosystems in several fields including new materials, pharmaceutical and health, advanced manufacturing, and new infrastructure.



Investment in R&D

1.299 billion RMB yuan

Investment in R&D in 2020

3.365 billion RMB yuan

Investment in R&D by the end of the 13th Five-Year Plan period



Number of authorized patents

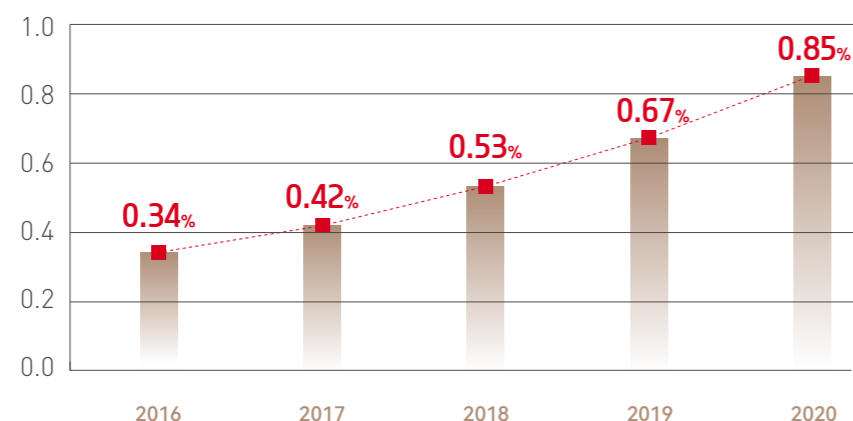
449

Patents authorized in 2020

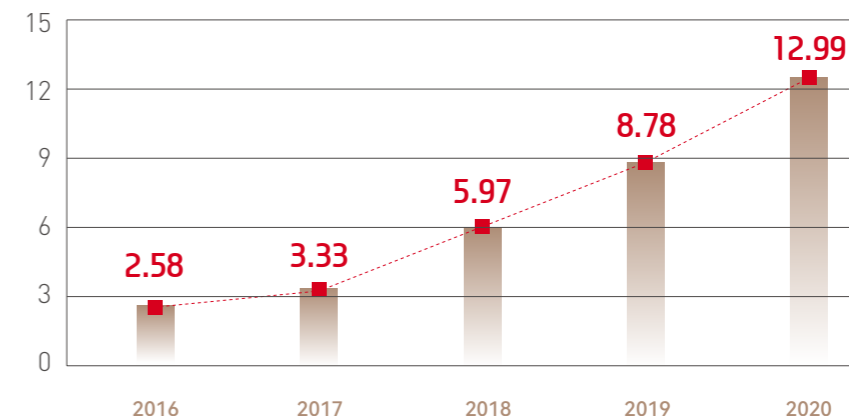
2,557

Cumulative patents in force during the 13th Five-Year Plan period

Proportion of R&D expenses of SDIC during the 13th Five-Year Plan period



R&D expenses of SDIC during the 13th Five-Year Plan period (Unit: RMB100m)



Directly held investment and fund investment in 2020 (Part)



Biomedicine

Precise diagnosis

SDIC Fund Management Co. and SDIC China Merchants Investment Management Co. invested in Hipro Biotechnology, an innovative enterprise focusing on microfluidic in vitro diagnosis technologies, aiming at developing business in the field of precise diagnosis.

Tumor therapy

SDIC Unity Capital Co. invested in Lepu Biopharma, aiming at accelerating the business establishment of tumor immunotherapy.

SDIC Venture Capital Management invested in Beijing Immunochina Pharmaceuticals, aiming at accelerating the R&D of new product pipeline for tumor treatment.

R&D of new medicines

SDIC Fund Management Co. and SDIC China Merchants Investment Management Co. jointly led the investment in LianBio, a China-based transfer platform for global innovative drugs and medicines, aiming at introducing innovative drugs and scientific therapies.

SDIC Venture Capital Management led the investment in SAFE Pharmaceutical, a one-stop contract research organization (CRO) platform for innovative drugs and medicines, aiming at promoting the R&D of innovative drugs and medicines, as well as the rapid transformation of scientific achievements.

SDIC Venture Capital Management Co. led the investment in Series B financing of Beijing VDJBio, aiming at accelerating the new drug development based on the human B cell antibody evolution platform.

SDIC Venture Capital Management Co. led the investment in Suzhou Abogen Biosciences, aiming at accelerating the development of China's first messenger RNA (mRNA) COVID-19 vaccine.



Messenger RNA (mRNA) COVID-19 vaccine samples developed by Suzhou Abogen Biosciences



New materials

China SDIC Gaoxin Industrial Investment Corp. successfully acquired Xi'an Golden Mountain Ceramic Composites Co., aiming at accelerating the cultivation of leading enterprises in new materials industry.

SDIC Unity Capital Co. invested in Polly Polymer, a leading platform in 3D printing field, aiming at promoting the enterprise to make

breakthroughs in resolving bottlenecks in ultra-high-speed 3D printing.

SDIC Unity Capital Co. invested in Boya Advanced Materials, a leading enterprise in scintillation crystal field, aiming at promoting the localization of core materials for high-end medical equipment.



Semiconductor

SDIC Fund Management Co. and SDIC China Merchants Investment Management Co. conducted strategic investment in BYD Semiconductor, aiming at supporting the independent R&D of electric vehicle chips.

SDIC Venture Capital Management Co. led the investment in Series A financing of

Synlight Crystal, aiming at developing the 3rd generation semiconductor substrate products.

SDIC Venture Capital Management Co. invested in Hwatsing Technology, aiming at helping build a leading enterprise in the field of chemical mechanical polishing equipment for semiconductors.



Smart and new energy vehicle

SDIC Fund Management and SDIC China Merchants Investment Management Co. conducted strategic investment in SVOLT Energy, aiming at helping the smart and new energy vehicle industry achieve open and shared development.

SDIC Fund Management Co. and SDIC China Merchants Investment Management Co. invested in JOYNEXT, aiming at helping build a leading industry chain enterprise in smart vehicle sector.



Optics

SDIC Fund Management and SDIC China Merchants Investment Management Co. invested in AAC Optics, aiming at further developing optical business.



AI

SDIC Unity Capital invested in Marknum Technology, a big data security solution provider, aiming at helping the enterprise develop AI technology.



Communication technology

SDIC Unity Capital Co. invested in Satpro M&C Tech, a leading satellite communication equipment provider, aiming at helping the enterprise achieve seamless global broadband connectivity.

Hwatsing Technology Co., an invested company by SDIC Venture Capital Management Co.



INNOVATION ACHIEVEMENTS

Focusing on the requirements of modernization construction such as transforming China into a leading world manufacturing power, quality power, Internet power, and digital power, SDIC has accelerated the cultivation and business deployment of strategic emerging industry, spared no effort to solve the "last kilometer" problem in conducting science and technology innovation and achievement transformation, and fostered a number of leading enterprises with sophisticated technologies that can effectively support national development, so as to inject new impetus into innovation-driven development.



Authorized patents

1,163

Number of cumulative authorized patents obtained by SDIC during the 13th Five-Year Plan period

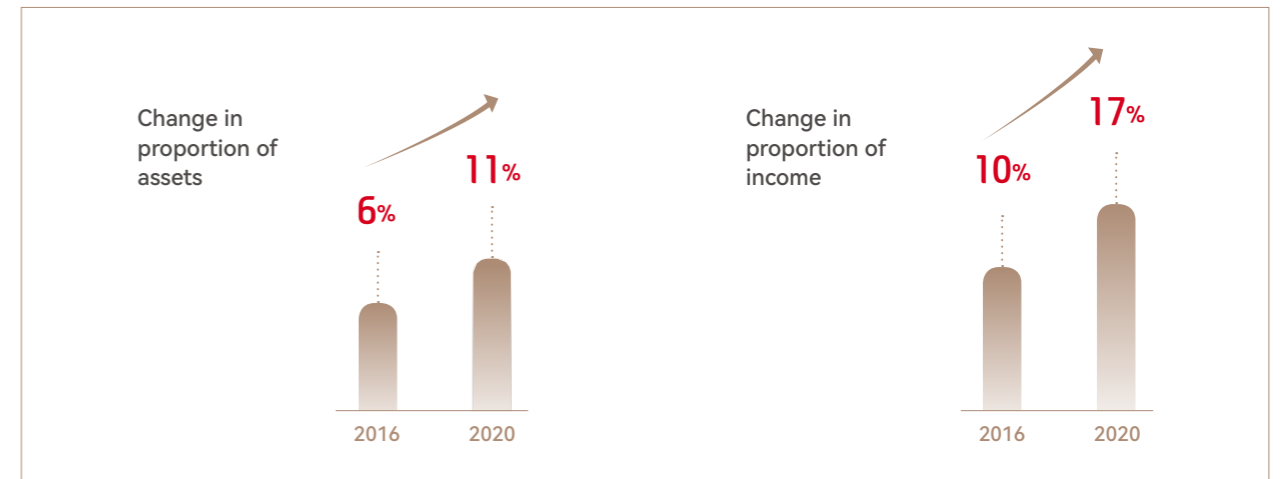


Help companies go public

50^c

By March 2021, 50 companies invested by the fund management firms under SDIC have been listed on the Science and Technology Innovation Board of Shanghai Stock Exchange

Proportion of strategic emerging industry of SDIC during the 13th Five-Year Plan period



Segway-Ninebot, a smart mobility company invested by SDIC Fund Management Co. and SDIC China Merchants Investment Management Co., was listed on the Science and Technology Innovation Board of Shanghai Stock Exchange, becoming the first VIE+CDR share* among Chinese listed companies

(*Note: The Variable Interest Entity (VIE) refers to the separation of a listed company registered overseas and its entity operating in China. The listed company is an overseas company, and the overseas company controls the domestic business entity through agreement. A Chinese Depositary Receipt (CDR) is a type of certificate issued by a custodian bank that represents a portion of equity in a company listed overseas (including Hong Kong). CDRs allow domestic investors to hold and trade shares in companies that are listed overseas. RMB shall be used as the settlement currency for CDRs.)

CASE

CASE | YAPP wins title of "Single Champion Product" in manufacturing industry

The Ministry of Industry and Information Technology and China Federation of Industrial Economics released the 5th Batch of National Single Champion Enterprises (Products) List in Manufacturing Industry and the 2nd Batch of National Single Champion Enterprises (Products) List in Manufacturing Industry after re-check in December 2020. YAPP Automotive Systems Co. (YAPP) won the title of Single Champion Product in Manufacturing Industry for its automotive plastic fuel tank that is one of the 95 products which received such honor nationwide. YAPP is also the first enterprise in China SDIC Gaoxin Industrial Investment Corp. (SDIC Gaoxin) to receive this honor.

The title of National Single Champion Product in Manufacturing Industry represents the highest development level and the strongest market strength in the segmented industry. Whichever company receiving this honor must be the lead among manufacturing enterprises and a pacemaker in Chinese manufacturing. This title requires the product to dominate global market share, to have international leading production technology, to achieve high product quality, and to maintain key performance indicators at an advanced level among all similar products in the world.

Since its establishment in 1988, YAPP has concentrated on the research and development of automotive fuel system. Its independent developed two-piece new fuel tank technology YNTF[®] has broken the monopoly formed by overseas technologies, and has filled domestic technical gap. This technology has supported YAPP to continuously maintain its market position as No.1 in China and No.3 in the globe for years. At this moment, YAPP is still in on its way to unceasingly pursue further expansion in more segmented sectors of auto parts. It has put more investment in science and technology R&D to improve enterprise competitive advantage and make bigger contributions to the vigorous development of the industry.



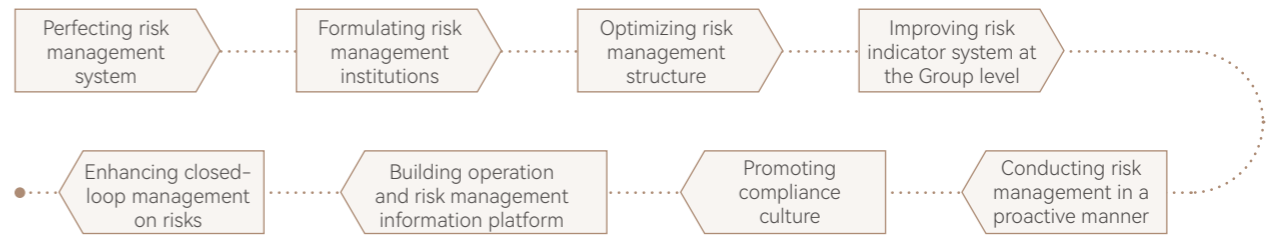
YAPP Automotive Systems Co.



RISK MANAGEMENT AND CONTROL

ENHANCING RISK PREVENTION AND CONTROL CAPABILITY

SDIC has always maintained the bottom line mentality, and tried the best to serve as a vanguard in terms of risk management among central SOEs. Through perfecting risk management system, formulating risk management institutions, optimizing risk management organizational structure, improving risk indicator system at the Group level, conducting risk management in a proactive manner, vigorously promoting compliance culture, building comprehensive and well-arranged operations and risk management information platform, enhancing closed-loop management on risks, and ensuring the close connection of risk identification, risk assessment, risk measurement, risk monitoring, and risk reporting, SDIC has effectively prevented and controlled various kinds of risks, and firmly kept hold of the bottom line for risks.



PREVENTING FINANCIAL RISKS

SDIC has attached great importance to promoting the identification, assessment, continuous follow-up, supervision and inspection of financial risks, conducted business in accordance with the law and in a compliance manner, strengthened audit supervision and management, to ensure the financial risks are preventable and controllable. In 2020, SDIC comprehensively enhanced the management on financial derivatives business, internal control and funds management, revised measures on financial derivatives business, and promoted the implementation of centralized management on commodity futures hedging business of non-financial enterprises; took the lead to carry out bond risk inspection, which gradually covered the whole financial business of the Group, and established regular reporting mechanism; organized and conducted the 2019 internal control evaluation and audit work, updated the internal control manual and assessment standards; issued relevant regulations on the prevention of funds fraud risks, and further enhanced management on funds payment system.

CASE

CASE | SDIC Essence Futures strengthens comprehensive risk management, prevents systemic financial risk

Holding to the principle of risk prevention, SDIC Essence Futures conducts project examination and approval, in-process monitoring, and post-project summarization, and establishes a limit management system that takes risk limits as management and control indicators. The system includes measurable indicators such as the maximum allowable loss of investment and the degree of loss in extreme cases, and requires comprehensive risk management to prevent market risk, credit risk, liquidity risk and operation risk, so as to guarantee the business operation of the company is compliant, sound, safe and profitable. By 2020, SDIC Essence Futures has been awarded the Class A Grade AA rating in the classified evaluation of futures companies by China Securities Regulatory Commission (CSRC) for five years in a row.

PREVENTING AND CONTROLLING LEGAL AND COMPLIANCE RISKS

Facing the unprecedented complicated environment both in domestic and international markets, SDIC has always adhered to the idea of integrating the law into business operation and creating value, conducted reform and development in strict accordance with law, systematically sorted out and checked legal and compliance risks, established and perfected compliance management system, strengthened the defense line for legal and compliance operation in an all-around way, and effectively prevented and controlled legal and compliance risks, so as to provide a solid guarantee for the successful completion of various tasks of the Group's 13th Five-Year Plan.

Major measures for preventing and controlling legal and compliance risks in 2020

Guarantee central tasks

Made major reform decisions in strict accordance with the law, and formulated the Legal Practice Guide for Mixed-Ownership Reform and other several legal practice research results;

Made major special initiatives in strict accordance with the law, and provided professional support and solutions for investment, fundraising, management and exit;

Formulated anti-monopoly and business partner management systems and guidelines, and implemented the requirements of fair competition across the Group.

Prevent day-to-day legal risks

Conducted a series of work to improve the management of contract and the articles of association, formulated the Guiding Opinions on Strengthening Contract Management, optimized the standard contract database and supporting guidelines of the Group;

Conducted annual legal risk inspections, and carried out pilot promotion of legal management system of the Group;

Sorted out legal risks in the financial sector and then formed special research reports;

The legal review rate of business contracts of SDIC reached 100 percent in 2020.

Prevent and control legal risks relating to the pandemic

Conducted special research inspections on the legal risks of pandemic prevention and control to some Beijing-based enterprises;

Conducted risk examination and weekly (monthly) scheduling at all level of the Group;

Strengthened legal guarantee for pandemic prevention and control; completed five research papers, released four letters of suggestions, and shared 2,107 documents and interpretations, which effectively helped resuming of work and production.

Handle legal disputes and cases actively and properly

Printed and issued the Guide on the Handling of Legal Disputes, and improved the case handling ability of legal specialists;

Strengthened supervision over the handling of major cases, and five cases under supervision won the lawsuit;

A total of 410 million RMB yuan of economic loss was avoided and recovered through case handling.

Strengthen legal protection for trademarks

Formulated a three-year plan for trademark legal protection, and further improved the trademark legal protection system of the Group;

Actively promoted the layout of trademark registration both at home and abroad;

Constantly conducted day-to-day monitoring of trademarks and brand names and formed monthly analysis report;

Actively maintained legal rights concerning trademarks and brand names by using trademark opposition proceedings, declaring invalidation of a trademark, applying trademark three-year non-use cancellation, making complaints and other legal actions.

Strengthen compliance risk prevention and control

Focused on the four aspects of organizational structure, institutionalization, operation, and guarantee of compliance system, the compliance management committee of the Group formulated and revised seven compliance regulations and compliance obligation list, established compliance risk identification, assessment, response and reporting mechanisms, released the new version of Compliance Manual, fully promoted the idea of staying on the right track to achieve sound development and maintaining sustainable development with innovation, carried out compliance training throughout the Group, enhanced compliance assessment, built compliance management system, and promoted employees to create a culture of integrity and compliance;

Formulated the Group's Compliance Management System Construction Plan, the Group held kick-off meeting to mobilize and arrange compliance work, printed and issued the Guidelines for the Construction of Compliance Management System for Subsidiaries, which clarified the requirements for the system of subsidiaries.

PREVENTING AND CONTROLLING SAFETY RISKS

Facing the severe challenges of the COVID-19 pandemic and various natural disasters in 2020, SDIC has risen to difficulties, effectively implemented the yearly safety work plans, conducted work safety activities with the "Hazardous Chemical Safety Management Improvement Year" as the mainline, strengthened the regular safety supervision over the pandemic, and carried out the three-year special campaign on work safety in an in-depth manner, guaranteeing the overall stability of the Group's work safety.

Work safety improvement of SDIC during the 13th Five-Year Plan period



Specific measures on the prevention of safety risks in 2020 (Part)



Enhance work safety management and control during the pandemic

- Organized 42 enterprises to conduct self-inspection on work safety; organized 11 enterprises in Guangxi, Hainan and other regions to conduct cross-inspection on work safety; and, reexamination will be conducted by the Group once the pandemic is alleviated.



Effectively promote targeted safety rectification work

- Conducted survey of hazardous chemicals, established management records, and sorted out the basic situations of hazardous processes, major hazard sources and production raw materials.



Persistently enhance safety supervision and regulation

- Conducted supervision on 30 enterprises in 2020; 187 hidden dangers were found and 121 suggestions were put forward; subsidiaries of various kinds were urged to strengthen special inspections on work safety.



Further strengthen work safety at the frontline

- Formulated and implemented the Measures for Rewarding Work Safety; established and perfected the positive incentive mechanism of the Group.

INVESTING

IN THE FUTURE



FUTURE IS ABOUT PROTECTING THE EARTH

We use the power of science and technology to embrace the great opportunities of the times. Construct the ecosystems in which Mother Nature and green development come first to meet the severe challenges raised by climate change, and contribute to a better future on the journey of building a “new SDIC.”

The investment in R&D of SDIC reached

1.299 billion RMB yuan in 2020

As of the end of 2020, the proportion of clean energy in installed capacity had reached

62.67%

The comprehensive energy consumption of SDIC in 2020 decreased by

23.68% year-on-year



INNOVATION IN SCIENCE AND TECHNOLOGY

ACHIEVEMENTS IN SCIENCE AND TECHNOLOGY INNOVATION

During the 13th Five-Year Plan period, SDIC insisted on promoting development through innovation in science and technology, focused on recruiting and cultivating scientific research personnel, established and perfected innovation and R&D platforms, and spared no effort to support the R&D and application of science and technology. The Company has achieved fruitful innovation results in science and technology. With all funds well managed, a number of transformations of major scientific and technological achievements, and several projects achieved key breakthroughs, SDIC is highly recognized by the country, the industry and the society. In 2020, the investment in R&D of SDIC reached 1.299 billion RMB yuan.

Achievements in science and technology innovation of SDIC during the 13th Five-Year Plan period (Part)



Increasing number of technology-based enterprises

40 enterprises

- SDIC has accelerated the pace of transformation and acquired a number of high-tech enterprises such as Jincheng Metallurgy Co., China High-Speed Railway Technology Co., China Water Environment Group, Hefei Bolin Advanced Materials Co., and Xi'an Golden Mountain Ceramic Composites Co. By the end of 2020, the Company has 40 high-tech enterprises in total.



Breakthroughs in innovation platform construction

3 platforms

- SDIC has newly established three national innovation platforms, including two State-level quality inspection centers and one national intellectual property demonstration enterprise;
- China Electronics Engineering Design Institute (CEEDI) has been recognized as the National Quality Supervision and Inspection Center for Electronic Engineering Building and Environmental Performance and the National Quality Supervision and Inspection Center for Senior Care Intelligent Systems and Equipment, being a groundbreaking achievement for the group in the construction of state-level quality inspection centers.



Fruitful achievements in science and technology

5 awards

- SDIC won five national science and technological awards, including three State Scientific and Technological Progress Awards and two China Patent Awards.



Constantly growing team of high-level sci-tech personnel

30 high-level personnel

- By the end of 2020, the Company has one academician of the Chinese Academy of Engineering, 25 experts with the State Council Special Allowance, 16 leading researchers in national science and technology award-winning projects, and four national candidates for the Hundred, Thousand, and Ten Thousand Talent Project (some experts have multiple talent honors).



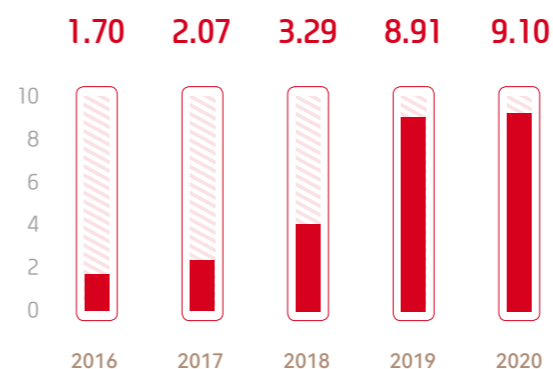
Increasing number and quality of intellectual properties

2,557 pieces

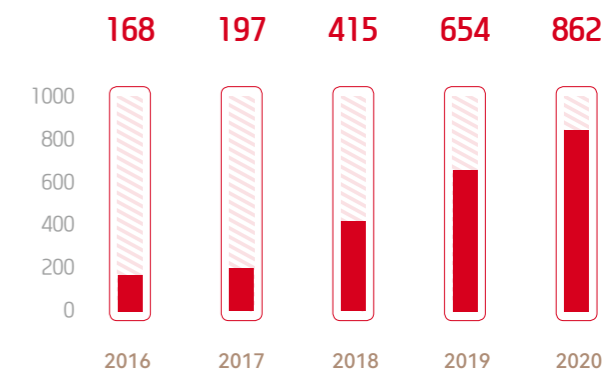
- SDIC has obtained 1,163 authorized patents in total, an increase of 102 percent comparing with that during the 12th Five-year period, among which the number of patents for invention was 332 pieces;
- Own 2,557 patents in force, including 862 patents for invention and 41 overseas patents;
- Possess one national intellectual property rights pilot unit, and nine provincial intellectual property rights pilot units.

Science and technology innovation indicators of SDIC during the 13th Five-Year Plan period

Proportion of R&D personnel (%)



Number of patents in force (piece)



Major achievements of SDIC in science and technology innovation in 2020 (Part)



The "Environmental Simulation Test Vibration Isolation System" of China Electronics Engineering Design Institute (CEEDI) was recognized as the First Zhongguancun Trial and Demonstration Project of Major Technical Equipment.



SDIC Xiaosanxia Smart Warehouse Management System won the First Prize of 2020 Innovation Achievement of Information Technology Application in the Electric Power Industry.



The results of Customer-Value-Driven Coal Terminal Intelligent Production System Research of SDIC Caofeidian has been acknowledged as international advanced level by China Water Transportation Construction Association.



CNCT19 Cell Injection, a product with indigenous intellectual property rights by an invested enterprise of SDIC Fund Management Co. and SDIC China Merchants Investment Management Co., was granted Breakthrough Therapeutic Drug by the Center for Drug Evaluation of National Medical Products Administration.



The new generation of enterprise cybersecurity framework launched by QI-ANXIN Technology Group Inc., SDIC Venture Capital Management Co.'s invested enterprise, was awarded the World Leading Internet Technology Achievement.



China Water Environment Group's project, the Technology and Application of In-depth Biological Denitrification for Wastewater Treatment, won the Second Prize of the 2020 National Technology Invention Award.



The underground WWTP in Nanxiang, Jiading District, Shanghai Municipality

CASE

CASE

SDIC Unity Capital's invested company SATPRO helps realize China's in-flight high-speed networking

In April 2020, the National Development and Reform Commission clearly defined the range of new infrastructures and included satellite Internet into the category. In July, 2020, China's first high-speed Internet airplane QW9771 flight from Qingdao Airlines completed its first flight and realized high-speed networking over 100 megabytes at an altitude of 10,000 meters. The onboard satellite antenna system is provided by SATPRO M&C Tech Co., a mobile broadband satellite communication equipment manufacturer invested by SDIC Unity Capital Co. QW9771's first flight fully shows Chinese solution for autonomous and controllable high-altitude high-speed Internet access. It represents the arrival of China's in-flight high-speed Internet era and an important leap achieved in China's civil avionics industry.



China's first high-speed satellite internet-enabled airplane

INNOVATION AND EXPLORATION IN SCIENCE AND TECHNOLOGY

SDIC has always persisted in the exploration of technology breakthroughs to empower the development of new industries. In 2020, SDIC formulated and issued the Measures of SDIC on Improving Science and Technology Innovation Capability; established the Research and Cultivation Center for Emerging Industries and coordinated internal and external research forces to make breakthroughs in major fields of new materials, pharmaceutical and health, advanced manufacturing, new infrastructure, and so on; and reached a cooperation with Songshan Lake Materials Laboratory (SLAB) in building a "research-industry-capital integration" development mode. In addition, China Electronics Engineering Design Institute (CEEDI)'s research on Off-Grid Wind/Light/Hydrogen Fuel Cell DC Interconnection and Stability Control Technology has been successfully granted as the National Key R&D Project status, being a further breakthrough of the group in the field of integrated clean utilization of renewable energy and hydrogen energy; SDIC Intelligence Co., CEEDI set up the SDIC Smart City Innovation Institute to accelerate the development of digital economy, relentlessly exploring in important emerging industries.

CASE

CASE SDIC joins hands with SLAB to contribute to the development of new materials

In August 2020, SDIC signed a strategic cooperation agreement with Songshan Lake Materials Laboratory (SLAB) in the exploration of the cooperation model of integrated development of scientific research, industry and capital in investment introduction, technology and management consultancy to help invested enterprises grow bigger and stronger through SDIC's capital power. In November, the 1st China Songshan Lake New Materials Forum was held, aiming to build a "research-capital-industry" dialogue platform, realize the efficient connection among scientific research, capital and industry, promote the sharing of forward-looking research results in the new materials industry, and actively improve the transformation of science and technology achievements.



SDIC and SLAB participated in the signing ceremony for the establishment of a new materials venture capital fund

CASE

CASE Yalong Hydro constructs extremely-deep underground laboratory, helps boost national basic scientific research

Yalong River Hydropower Development Co. (Yalong Hydro) continues to promote national basic scientific research through industry-university-research cooperation. It joins hands with Tsinghua University to build China's first and the world deepest underground laboratory China Jinping Underground Laboratory. Yalong Hydro has taken the lead among large-scale state-owned enterprises in supporting national basic scientific research.

On December 20th, 2020, The construction of national major scientific and technological infrastructure, "Extremely-Deep Underground Physical Experimental Facility with Extremely-Low Radiation Background" (Jinping Large Facility), was commenced at Yalong Jinping Hydropower Station, signaling the construction of China Jinping Underground Laboratory (Phase II) has entered a new stage. Jinping Large Facility is the first extremely-deep underground laboratory infrastructure in China; also the world's first large-scale construction of comprehensive experimental facility with the extreme conditions of extremely-low radiation background. The total project investment reaches 1.19 billion RMB yuan. Once the construction is completed, China Jinping Underground Laboratory will have internationally advanced monitoring and testing capabilities for extremely-low radiation environment, and world-class user service ability. It will also own internationally leading comprehensive conditions for deep-earth physical experiment. Based on such capabilities, China Jinping Underground Laboratory is expected to become the center of global deep-earth physical experiments.



Groundbreaking ceremony for the construction of "Extremely-Deep Underground Physical Experimental Facility with Extremely-Low Radiation Background"



EMISSION PEAK & CARBON NEUTRALITY

Under the guidance of the national goal of achieving emission peak and carbon neutrality, SDIC adheres to the principle of "emission reduction for existing projects and emission control for future projects" to deeply promote energy-saving and emission reduction in industrial projects. It strictly implements the "energy-saving environmentally-friendly new energy strategy," vigorously develops clean energy, actively deploys environmentally-friendly industries, continuously deepens pollution treatment, actively pushes forward green production and green finance, in order to establish a sound ecological and environmental protection management system, and promote the low-carbon green development of the Group.

With the clarified national goal of achieving emission peak and carbon neutrality, SDIC quickly launched a comprehensive review of the group's carbon emissions and completed the investigation, verification and statistical analysis of power enterprises' historical emissions from 2013 to 2020. In 2020, the Group's coal-fired units (excluding self-provided power plants) emitted 853g/kWh of carbon dioxide per unit, and overall (including other clean energy generators), the emission was 306g/kWh per unit, perfectly reaching the relevant national planning target.

Carbon emissions of SDIC in 2020



About **49.64** million tons
Total carbon emissions of SDIC in 2020



About **49.48** million tons, **99.7** percent
Proportion of the carbon emissions of SDIC Power Holding Co., SDIC Mining Investment Co. and SDIC Biotech Investment Co.



China Water Environment Group made progress in treating water environment of Erhai Lake in Dali, Yunnan Province

Emission peak & carbon neutrality of SDIC

Plans

Adhere to the principle of "emission reduction for existing projects and emission control for future projects" to deeply promote energy conservation and emission reduction in industrial projects with focus on key areas and industries, vigorously promote clean production and energy-saving transformation, take active part in national carbon emissions trading, and continuously improve energy efficiency;

Continuously adjust the industrial structure, vigorously develop new energy sources such as wind power and PV power, and build a low-carbon industrial system led by clean energy, advanced manufacturing and strategic emerging industries;

Vigorously develop green finance, give full play to the leading role of State-owned capital, and increase investment in green and low-carbon projects such as energy storage and utilization, hydrogen production and carbon capture, sequestration and utilization.

Objectives

To achieve emission peak by 2030 by gradually building a low-energy consumption, low-pollution, low-emission, green and low-carbon industrial system led by clean energy, advanced manufacturing and strategic emerging industries in coordination with the 14th Five-Year Plan and the Long-Range Objectives Through the Year 2035; and to help achieve carbon neutrality by 2060 supported by carbon fixation technologies such as forest adsorption and carbon capture, sequestration and utilization.

Actions

Formulated the 14th Five-Year Plan of SDIC for Resource Conservation and Ecological Environmental Protection and made active efforts to push forward the construction of green manufacturing system to guide relevant enterprises to green development in product design, manufacturing, packaging, transportation, utilization and end-of-life disposal. Organized and carried out applications for special projects in the field of green manufacturing, expecting that no less than five enterprises will be evaluated as national green manufacturing enterprises by the end of 2025;

Had seven enterprises included in national carbon emissions trading in 2019-2020 and planned to add three new electricity-related enterprises before 2022;

SDIC Power has initially established the "1+4" carbon resource management model, including carbon emission organization, data management, carbon asset management, carbon trading management and Chinese Certified Emission Reduction (CCER) project management.

RENEWABLE ENERGY

The renewable energy, which is widely distributed, inexhaustible and of great potential, is the first choice of the countries in the world in tackling climate change. SDIC has constantly promoted the layout of green industries, accelerated the development of renewable energy sources with low energy consumption and low emissions, resolutely withdrawn from inefficient thermal power, vigorously developed biomass energy, hydropower, wind power, PV power, and constructed the low-carbon industry system dominated by clean energy, advanced manufacturing, and strategic emerging industries, so as to realize the continuous optimization of energy mix. As of the end of 2020, the proportion of clean energy in installed capacity was 62.67 percent, and the proportion of generating units with an installed capacity of one million kilowatts to thermal power generating units was 67.5 percent.

Proportion of clean energy in installed capacity



62.67%

Proportion of generating units with an installed capacity of one million kilowatts to thermal power generating units







67.5%

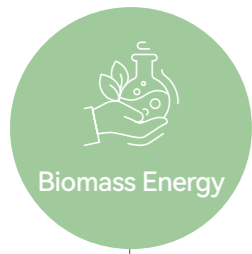


Honors & Awards

SDIC Power Holding Co. won the Green Economy Mark of London Stock Exchange, becoming the second Chinese company listed on the London Stock Exchange to receive the mark.

Renewable energy in installed capacity of SDIC in 2020 (Unit: 10,000 kW)

Energy Type	Holding installed capacity	Newly acquired installed capacity
Wind power 	213.95	70.95
PV power 	103.2	31.4
Hydropower 	1,677.5	1.5
Total 	1,994.65	103.85



Biomass Energy



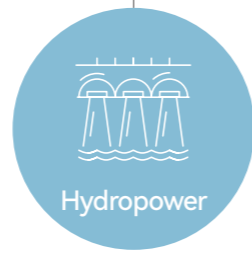
Main facility of SDIC Bioenergy Hailun Co.'s fuel ethanol project with an annual output of 300,000 tons, which now is under construction

With the advantages and characteristics of zero carbon and negative carbon, biomass energy is one of the green and low-carbon energy sources to help achieve the goals of emission peak and carbon neutrality. SDIC has focused on promoting the industrial layout of fuel ethanol projects and establishing business presence in waste-to-energy sector in domestic and international markets, and vigorously developed bioenergy business. In 2020, the production capacity of fuel ethanol of the Company ranked the first in China.

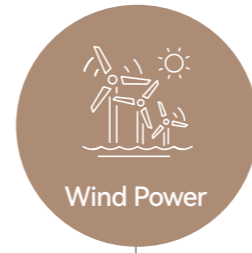
As an environmentally-friendly energy, hydropower is clean and produces no emissions. It can be used for electricity peak-cut and peak-shift, and is one of the best power sources to achieve the goals of emission peak and carbon neutrality. In 2020, SDIC increased investment in Yalong River hydropower project, and actively promoted the building of the "Yalong River Wind Power, Solar Power and Hydropower Complementary Clean Energy Base." The Kara project in the middle reaches of the Yalong River was approved for construction; the construction of Lianghekou and Yangfanggou projects was implemented smoothly during the COVID-19 pandemic, laying a solid foundation for the commencement of generating units.



Concrete pouring completed in construction of Yangfanggou hydropower station along the Yalong River



Hydropower



Wind Power

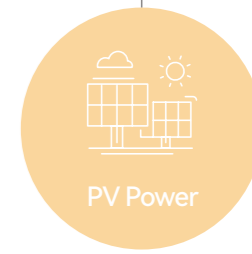


Ninghe wind power project in Tianjin

Wind power is natural, clean, and produces no emissions. In the past decade, wind power has become one of the most important driving forces for the rapid growth of renewable energy as the cost of wind power has been greatly reduced and the whole industry chain has been innovated. In 2020, SDIC constantly and vigorously optimized the layout of wind power industry both in China and abroad. In domestic market, SDIC successfully acquired Dechang Wind Power Development Co., and the projects including Jingxia 5B (100MW), Pubei II (100MW) in Guangxi, Zhongning Enhe (50MW) in Ningxia, Gonghe (50MW) in Qinghai, Ninghe in Tianjin (50MW) were successfully put into production and realized grid-connection. SDIC also increased investment in enterprises with innovative wind power generation technologies. In international market, SDIC completed the share acquisition of Swedish Överturingen onshore wind power project, further expanding the strategic layout of the Group in renewable energy sector in Europe.



24MWp PV power project of Guyuan Guanghui New Energy Power Generation Co.



PV Power

Under the dual driving forces of policy guidance and market demand in years, the PV power industry has become a brand-new name card for China's industrial economic development and an important engine for China's energy reform. SDIC has firmly grasped the opportunities to promote the layout of PV power projects, and accelerated the transition to clean and low-carbon energy under the new development pattern of "dual circulation." In 2020, SDIC successfully acquired the 120MWp project in Xiangshui of Jiangsu and 50MWp project in Jingbian of Shaanxi.

ENERGY-SAVING EMISSION REDUCTION AND LOW-CARBON DEVELOPMENT

SDIC has established and perfected the ecological and environmental management systems, increased business presence in green and environmental protection industries, cultivated and vigorously developed energy-saving and environmental protection industries, constantly strengthened green production, increased investment in R&D on energy-saving and environmental protection technologies, publicized and implemented environmental protection ideas, and promoted energy-saving, emission reduction, and low-carbon development, helping foster a new pattern of modernization in which man and nature live in harmony. In 2020, SDIC conducted 45 science and technology projects relating to energy-saving and environmental protection.



Strengthen management system

- Strengthen the unified leadership of ecological and environmental protection work, established the leading group on resource conservation and ecological and environmental protection headed by the Chairman;
- Continuously improve the "1+N" system of resource conservation and ecological and environmental protection;
- Guide the invested enterprises to develop green products and implement eco-design;
- Be problem-oriented in the three-year special rectification action concerning hazardous waste and other issues, completing on-site investigation and expert consultation for 30 enterprises;
- Hold on to the investigation and management of hidden hazards in environmental protection and continuously improve the Group's energy efficiency and pollution prevention and treatment with no environmental pollution incidents throughout the year;
- Carry out comprehensive ecological and environmental protection risk control campaign and strengthen ecological and environmental protection review on proposed investment and M&A projects to identify the potential risks through analysis and research.

- China Electronics Engineering Design Institute (CEEDI) compiled and released the first national pollutant discharge standard for the electronics industry in China, providing a basis for the classification and control of water pollutant discharge for domestic enterprises in the electronics industry.
- SDIC Baiyin Wind Power Co. carried out four low-carbon activities including "lights off for three hours" in the practice of green office.



Make business presence in environmentally-friendly industries

- Increase resource integration to build China National Complete Plant Import and Export Group (COMPLANT) into a platform of investment, construction and operation of environmentally-friendly industries and promote the development in the sector.

- SDIC Ecological Environment Investment Development Co. won the bid of Maqiao project in Shanghai, making a breakthrough in the field of resource utilization of construction waste.
- China Water Environment Group's "high-quality underground WWTPs" with independent intellectual property right can be found across 19 provinces and municipalities in China, and the scale ranks first in the world, the company increased the utilization of recycled water through green innovation.



Insist on green production

- Actively promote the construction of the green manufacturing system with breakthroughs being made in green manufacturing systems as SDIC Bioenergy Tieling Co. and YAPP Kaifeng Co. were acknowledged as "Green Factories" by the Ministry of Industry and Information Technology, Hefei Bolin Advanced Materials Co. was recognized as a Demonstration Enterprise for Green Design;
- Completed the transformation task of ultra-low emission of coal generators in the central and eastern regions of China ahead of schedule, and reduced the total amount of pollutant emissions year by year;
- Actively participate in water environment management and improve the scale and capacity of wastewater treatment and disposal;
- Formulated the Implementation Plan of the Three-Year Special Rectification Action concerning Hazardous Waste to strengthen the pollution control regarding general industrial solid waste.

- SDIC Jincheng Metallurgy Co. obtained the ISO 14001 Environmental Management System Certification.
- The flue-gas condensation in SDIC Beijing Electric Power Co. brings about a yearly particulate matter emission reduction of 107 tons and an alternative source for industrial water of 790,000 tons.



Advocate green idea

- Organized various events online and offline on the themes of the 2020 National Energy Conservation Publicity Week and Low Carbon Day;
- Carried out training and exchanges on environmental protection via various forms such as benchmarking exchanges and video training.

Environmental protection achievements of SDIC in 2020

The comprehensive energy consumption was **10.4617** million tons of standard coal

down **23.68** percent year-on-year

The coal consumption for power supply was **298.23** grams standard coal/kWh

down **3.9** grams standard coal/kWh year-on-year

The NOx emissions were **8,214.35** tons

down **26.55** percent year-on-year

The comprehensive energy consumption per RMB10,000 output value (comparable prices) was **1.45** tons of standard coal/RMB10,000

down **21.23** percent year-on-year

The sulfur dioxide emissions were **3,660.93** tons

down **43.33** percent year-on-year

The COD emissions were **311.74** tons

down **17.08** percent year-on-year



GREEN FINANCE

The global ecological environment is facing severe challenges. Developing low-carbon economy to realize green growth has become the world trend. Many countries around the world have focused on developing green finance. SDIC has taken green finance as an important part of developing green and environmentally-friendly economy, followed the Green Finance Structure of State Development & Investment Co., Ltd., and given full play to the guiding role of investment, continuously increased the investment in the field of green and environmental protection, tried the best to serve national and international vision, and shared the benefits of green finance with the people around the world.

In 2020, SDIC established a green finance taskforce to enhance guidance and support to green development. On May 19, 2020, SDIC released the 2019 Green Finance Report of State Development & Investment Co., Ltd. for the first time, fully demonstrating the Company's overall layout of green finance and green economy. As the joint principal underwriter, Essence Securities Co., a subsidiary of SDIC Capital Co., participated in the declaration and issue of Huadian Fuxin Energy Co.'s public offering of 2020 green renewable corporation bonds. The first tranche is the first batch of green renewable corporation bonds among the top 5 power generation groups in Chin.



Honors & Awards

On February 18, 2020, SDIC won the 2019 Quasi-sovereign Best Green Bond Award of The Asset.

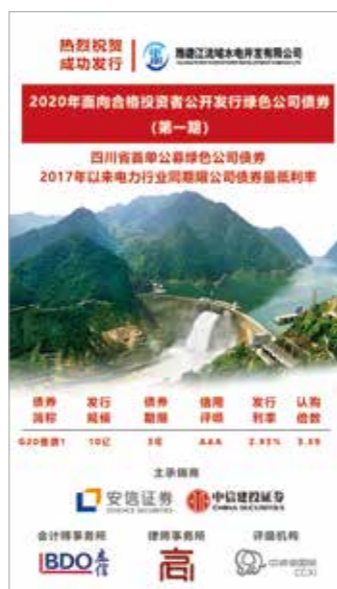
On November 21, 2020, China National Investment and Guaranty Corporation won the 2020 Global Green Finance Innovation Award of the International Finance Forum (IFF).

CASE

CASE

Essence Securities takes the lead in underwriting Yalong Hydro's green bonds

In January, 2020, Yalong River Hydro's public offering of green corporation bonds for qualified investors was principally underwritten by Essence Securities and got approved by China Securities Regulatory Commission (CSRC). In April, Essence Securities completed the first tranche of 1 billion RMB yuan of green corporation bonds with a coupon rate of 2.93 percent. This offering was the first public offering of green corporation bonds in Sichuan Province. It had the lowest corporation bond issue rate of the same maturity in power industry since 2017. The second tranche of 1 billion RMB yuan of green corporation bonds was completed in September. All the funds raised from these two tranches have been used to promote green business and enterprise debt structure optimization, helping boost the steady implementation of strategic target of green industry.



Poster of Yalong Hydro's public offering of green corporation bonds

The second tranche of 1 billion RMB yuan of green corporation bonds was completed in September

CASE

Financial support for the blue sky

According to the circular released by the Ministry of Ecology and Environment, the proportion of days in Beijing with good air quality from January to November in 2020 was 73.1 percent, showing an 8.7 percent increase on a year-on-year basis. The frequent appearance of Beijing blue comes from energy consumption pattern evolution and environmental governance while the underlying reason goes to capital investment.

As explorer and innovator for the project, China National Investment and Guaranty Corporation has officially carried out "Air Pollution Control in Beijing-Tianjin-Hebei Region" loaned by Asian Development Bank (ADB) since October, 2017. It vigorously searches for scientific and technological innovation enterprises which accord with the strategic direction of national energy transition but fail to reach the risk control requirements set by traditional financing institutions; and provide financial support for such enterprises to go through development period, and mobilize more domestic capital to invest in air quality improvement and greenhouse gas reduction. The second phase of ADB Project was formally approved in December, 2020. In the context of hitting peak emissions before 2030 and carbon neutrality by 2060, ADB Project will continue focusing on clean energy and exploring multipath solutions.



Phase I of ADB Project

- Officially implemented in October, 2017.
- The loan period is 15 years with total amount of 458 million euro.
- By the end of 2020, 53 subprojects in total had been approved and 41 subprojects had been implemented with support from ADB Project. A full coverage of project objective areas and target domains had been achieved in which 39 subprojects used the loan with amount of 2.329 billion RMB yuan and two subprojects received guarantee support with amount of 584 million RMB yuan.



Phase II of ADB Project

- Formally approved in December, 2020.
- The planned investment is about 551 million euro of which 127 million euro will come from Asian Development Bank.
- Continue to focus on Beijing-Tianjin-Hebei Region and the surrounding areas. Yangtze River delta region is newly added to coordinate and develop atmospheric pollution control.
- Clean air bond is newly added to help realize the carbon dioxide emission peak target.
- It is expected to carry out project construction of waste energy utilization, green transport, energy conservation and emission reduction, and follow-up governance on coal-to-electricity and coal-to-gas in rural areas.



Through quasi-commercialized operation of ADB's policy funds, China National Investment and Guaranty Corporation has established a green investment and financing platform to make full use of benefits obtained from ADB Project; and to compensate for project operating cost and potential losses. While achieving the air pollution control effect, the company has built a long-lasting mechanism to realize the goal of sustainable development.

—Duan Xiumei, Head of the ADB Project Business Center





BIODIVERSITY PROTECTION

According to the estimate made by the United Nations Environment Programme, there are one million species of animals and plants facing extinction all over the world. It has become a global consensus to protect biodiversity and restrain the loss of biodiversity. SDIC insists on paying equal attention to development and conservation. It strives to reduce the influence on local biodiversity left by its business operation, and has organized a scientific team to improve protection, breeding and cultivation for species, aiming to maintain integrity and balance of the ecosystem.

SDIC Initiative

Raise all things on the earth by the way of nature

Yudai River in Tongzhou District of Beijing

An underground WWTP has been constructed and put into operation. Ecological diversity in the drainage basin has been improved with several bird species inhabiting, including wild ducks. Species of fish and aquatic plants have been restored to more than **40**.

Yalong River in Sichuan

Four stations for fish breeding and release have been built in Yalong River basin since 2011. A total of more than **11** million endemic fish of several species in the upper reaches of Yangtze River have been bred and released from the drainage basin so far.



Fish breeding and release activity organized by Yalong Hydro

Nanming River in Guiyang

Since the comprehensive treatment started from 2012, aquatic biodiversity has been significantly improved with species over **10**, fish species reached **29**, phytoplankton species reached **58**, and those of benthonic animals reached **33**.



Endangered wild waterfowl over Nanming River

Erhai Lake in Yunnan

SDIC has conducted water environment treatment around Erhai Lake and water quality has been improved. Sea cauliflowers, seen as "water quality indicator," are now reappearing in the bluish waves of the lake.



Sea cauliflowers in Erhai Lake, Yunnan Province

Baiyangdian Lake in Hebei

SDIC conducted campaigns of Development of Local Microbial Agents for the Healthy Water Environment in Baiyangdian Lake and "Baiyangdian Lake In-situ Ecological Remediation Demonstrated by Local Microorganisms". The campaign has obtained partial results and provided technical support for the ecological remediation and conservation of Baiyangdian Lake water environment. The work passed the acceptance check in November 2020. Technical service contracts about microbial agents have been signed with units concerned of Power Construction Corporation of China and China Communications Construction Co. which provide local microbial agents from Baiyangdian Lake for the ecological governance of Xiongan New Area.

CASE



Yalong Hydro adheres to the environmental protection idea of overall panning with harmonious development. It takes good care of the ecological environment in Yalong River basin to maintain the coexistence between river basin development and natural conservation. Blue sky, white cloud, green water, and birds flying high over the green hills, always accompany the clean energy development of Yalong River through the four seasons each year.

Zhang Xiangyang, an employee from Yalong Jinping Hydropower Station, keeps a record of the birds' by camera. Before the station was built, Zhang took the most pictures of the constructors' hardworking, the green hills and clear waters. After water storage was done in Jinping Level 1 Hydropower Station, Zhang found it more and more frequent to see monkeys show up in crowds at the roadside. What surprised Zhang more was the increasing appearance of birds flying in the bushes while birds were never seen there before. From the beginning of 2013 till now, the species of birds photographed by Zhang's camera have increased from 30 types to more than 100 types.



Aegithalos concinnus

INVESTING

IN INCLUSIVENESS



INCLUSIVENESS IS ABOUT TREATING EACH OTHER IN PARITY

We stick to diversified and inclusive investment, allowing all groups to enjoy rights of the same quality and equal sharing, helping to gradually narrow the gap between rich and poor, among regions and between urban and rural areas, protecting vulnerable groups, and strengthening the capacity of small and medium-sized enterprises and individuals. These are the important guidelines we have long adhered to in the fulfillment of duties.

By 2020, SDIC has invested a total of

11.5 billion RMB yuan
of various poverty alleviation funds

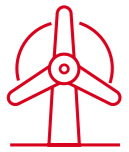
By 2020, the total size of SDIC's
poverty alleviation funds has reached

34.7 billion RMB yuan

It is expected to pool

280 billion RMB yuan of social capital

Salt field of SDIC Xinjiang Luobupo Potash Co.



INCLUSIVE FINANCE

Under impact of the pandemic has aggravated the difficulties faced by small and micro enterprises, SDIC has resolutely implemented the requirements of the Central Government on financial services for the real economy, and focused on solving the problems and high cost of financing for small and micro enterprises and for agriculture, rural areas and farmers, so as to inject more financial resources and relieve their difficulties.

CASE



In order to improve the efficiency of the letter of guarantee and reduce the burden of small and micro enterprises, China National Investment and Guaranty Corporation (I&G) is committed to promoting the replacement of cash deposits with electronic letters of guarantee. From April to May 2020, I&G completed the integration between the Xinyijia e-guaranty platform and the three public resource trading centers in Guangzhou, Shenzhen and Zhuhai respectively and issued the first electronic letter of guarantee, officially launching the business in the Greater Bay Area. The electronic letter of guarantee with the higher bidding efficiency, reduces the transaction cost, and provides strong support for micro, small and medium-sized enterprises. As of the end of October, the total number of small and medium-sized enterprises served by the Xinyijia e-guaranty platform exceeded 5,000 and the total size of guaranty exceeded RMB4 billion. On the 3rd China Inclusive Finance Innovation and Development Summit, "Xinyijia" e-guaranty was awarded the "Exemplary Case of China Inclusive Finance in Fighting Pandemic" for its outstanding performance in the real-time online resumption of work of bidding enterprises.

At the same time, I&G has been actively promoting diversified innovations in inclusive finance. In April, I&G established a technology financing guarantee company, which explores the application of new technologies such as big data and cloud computing to the construction of "technology-powered guarantee" credit enhancement model that combines online and offline operation to improve the scope and efficiency of financing guarantee support for micro, small and medium-sized enterprises to meet their financing needs and reduce the financing costs. The amount of new guarantees reached RMB19.2 billion in 2020, up 119 percent year-on-year. In October, I&G launched its online financial business platform "I&G e-Finance", covering electronic letter of guarantee, electronic bill, inclusive finance, green finance, and so on, which has further enriched the financial services to meet the needs of micro, small and medium-sized enterprises in business growth.

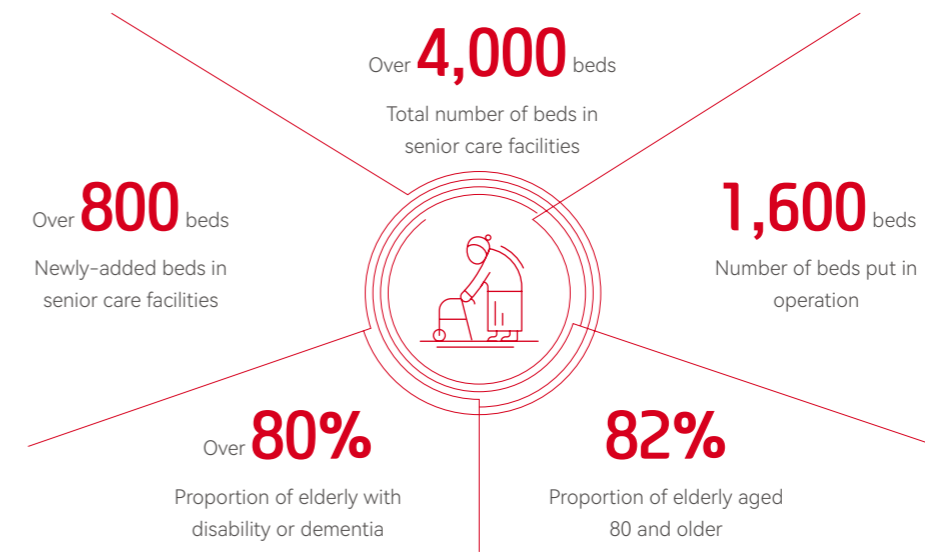


Launch ceremony of I & G Technology Financing Guarantee Co., a new brand of inclusive finance



INCLUSIVE ELDERLY CARE

As ageing and change of family structure growing in China, the demand for senior care service continues to be unleashed. SDIC enhances efforts to respond to the Outline of the Healthy China 2030 Plan, and actively expands the market by operating senior care projects in Beijing, Guangdong, Shanghai, Jiangsu, and Guizhou to provide high-quality senior care services integrating nursing care, medical care, rehabilitation and quality longevity for the elder group, including the disabled, the semi-disabled, people with dementia, and the old elder, to allow senior citizens to enjoy quality time in their twilight years with dignity and happiness, help numerous families solve worries and improve social stability. In 2020, SDIC added more than 800 beds in senior care facilities, making the total number of beds exceed 4,000, of which 1,600 has been put in operation; among the residents of the facilities, more than 80 percent are the elderly with disability or dementia and 82 percent aged 80 and older.



CASE



Shanghai Hongkou Rainbow Bay Seniors Home is the largest public-owned-private-run nursing home with 860 beds in downtown Shanghai, jointly operated by SDIC Health Industry Investment Co. and a private enterprise, Kangle Nianhua Senior Service Co. It is a typical inclusive nursing home, to which the elderly who are permanent residents at Hongkou District and assessed as Level 4 or above by Shanghai long-term nursing insurance can be admitted at a discounted rate.

In 2020, Rainbow Bay Seniors Home actively promoted the nursing home program and day care service to bring high-quality inclusive senior care services to more seniors and families. In 2020, it carried out more than 50 large-scale activities such as the New Year's party and the Senior Sports Carnival, and more than 400 routine activities to enhance the sense of value and happiness of seniors. As one of the first institutionalized senior welfare bases and the only pilot institution of time banking in Shanghai, Rainbow Bay Seniors Home has set up a high-quality volunteer team to serve the elder's daily life and to allow the elderly to live a worthy and enjoyable life in the Senior Home.



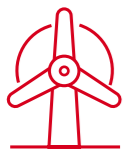
Shanghai Hongkou Rainbow Bay Seniors Home

CASE Attentive care for elderly with dementia – Guangzhou SDIC Health Jiaqi Senior Apartment

Located in the center of Guangzhou’s inner ring, Guangzhou SDIC Health Jiaqi Senior Apartment is surrounded by six 3A hospitals, several well-known specialty hospitals and seven ecological forest and water parks within a radius of 1.6 kilometers, providing healthy and cozy environment and supporting facilities for the elderly. As a partnership with a leading Japanese senior care company, the apartment advocates the concept of Independence Support to maintain the dignity of the elderly. In 2020, the apartment established a special section for dementia and officially launched the “Dementia Prevention Center”, which is dedicated to promoting the level of care for seniors with dementia together with all sectors of society. At the same time, the apartment has carried out dementia prevention and treatment in subtle ways, such as activities of “little reporters” and “pet doctors,” which are widely welcomed by the elderly.



Little reporter visited the elderly

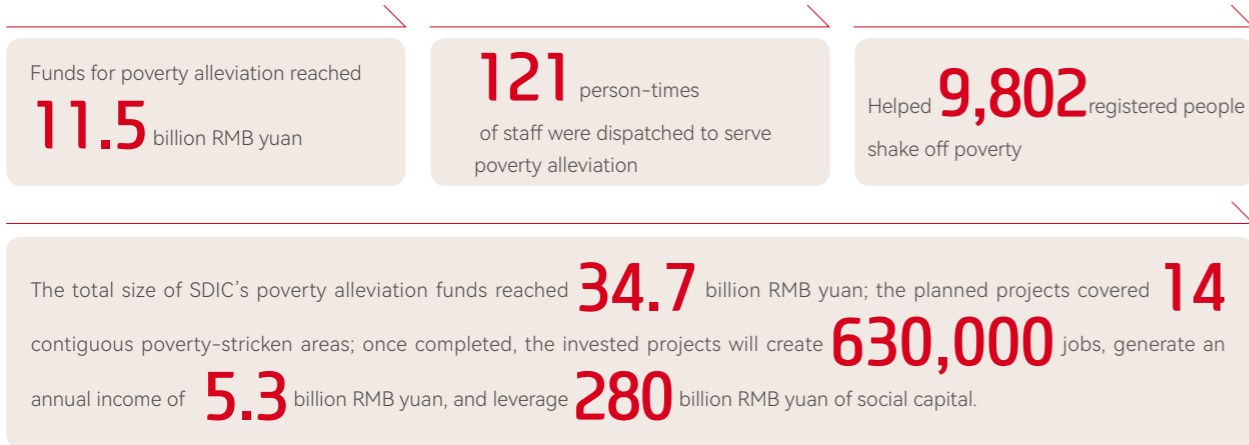


ACTIONS FOR POVERTY REDUCTION

POVERTY ALLEVIATION ACHIEVEMENTS AND PRACTICES

Since its establishment in 1995, SDIC has successively completed the task of poverty alleviation in nine counties in four provinces including Guizhou and Gansu. The Company gave full play to its experience and advantages in capital investment, increased personnel and capital investment, continuously innovated ways of assistance, and thus formed a sustainable model with SDIC’s characteristics. In March 2020, Luodian and Pingtang counties in Guizhou Province and Ningxian and Heshui counties in Gansu Province, all shook off poverty and officially quit the sequence of State-level poverty-stricken counties. In the assessment paired poverty alleviation by the Leading Group Office of Poverty Alleviation and Development of the State Council, SDIC has been rated “Good” for four consecutive years.

Poverty alleviation achievements of SDIC (as of the end of 2020)

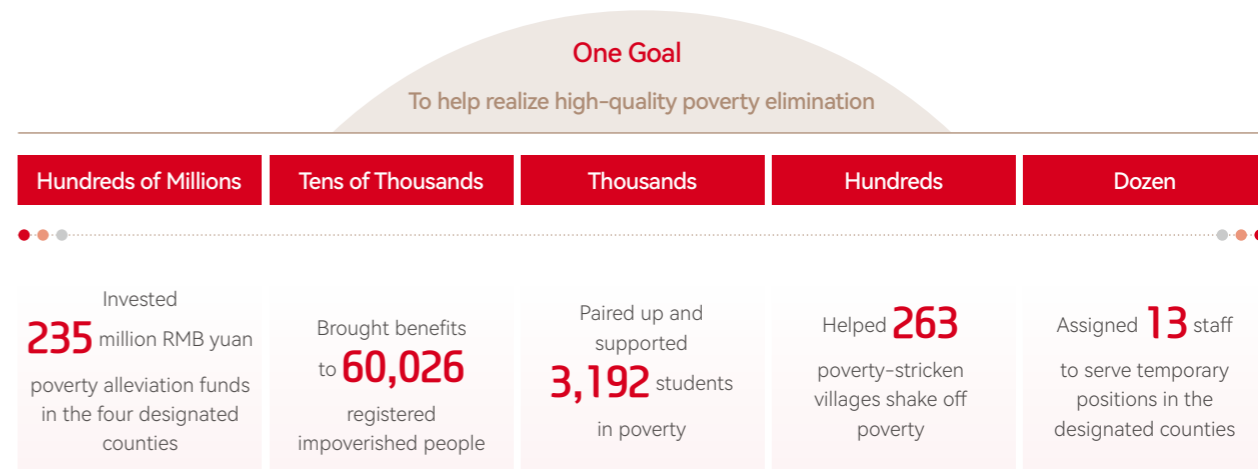


SUSTAINABLE POVERTY ALLEVIATION MODEL

SDIC explored and formed a sustainable poverty alleviation model based on “one goal, two paths, three elements and four-wheel drive,” and built a long-term poverty alleviation mechanism to fight against poverty.

One goal

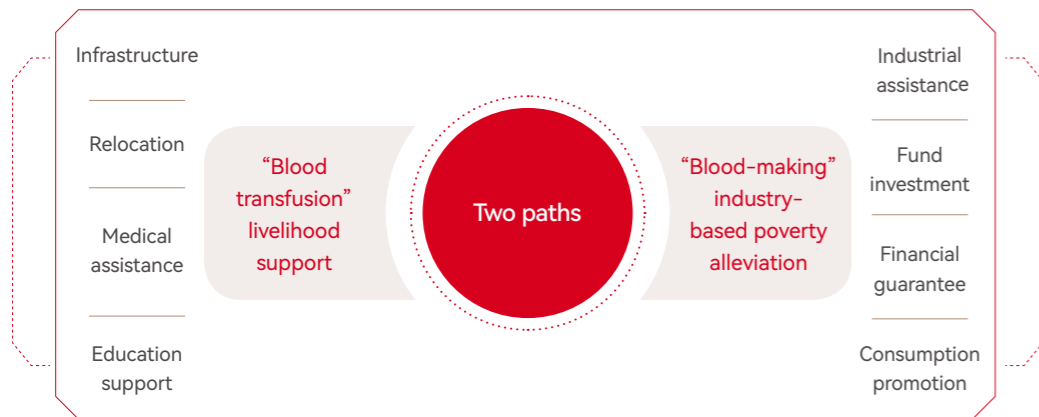
In accordance with the general objective of Rural poor people are free from worries over food and clothing and have access to compulsory education, basic medical services and safe housing, SDIC formulated and implemented the Work Plan of State Development & Investment Corporation on Poverty Alleviation (2016-2020), which proposed a plan summarized by five figures, that is, “hundreds of millions, tens of thousands, thousands, hundreds, and dozen,” in order to help the four t designated counties get rid of poverty on schedule and with high quality and achieve the goal of building a moderately prosperous society in sync with the whole country.



Yajiang-Xinlong Highway constructed by Yalong River Hydroin Ganzi Tibetan Autonomous Prefecture, Sichuan Province

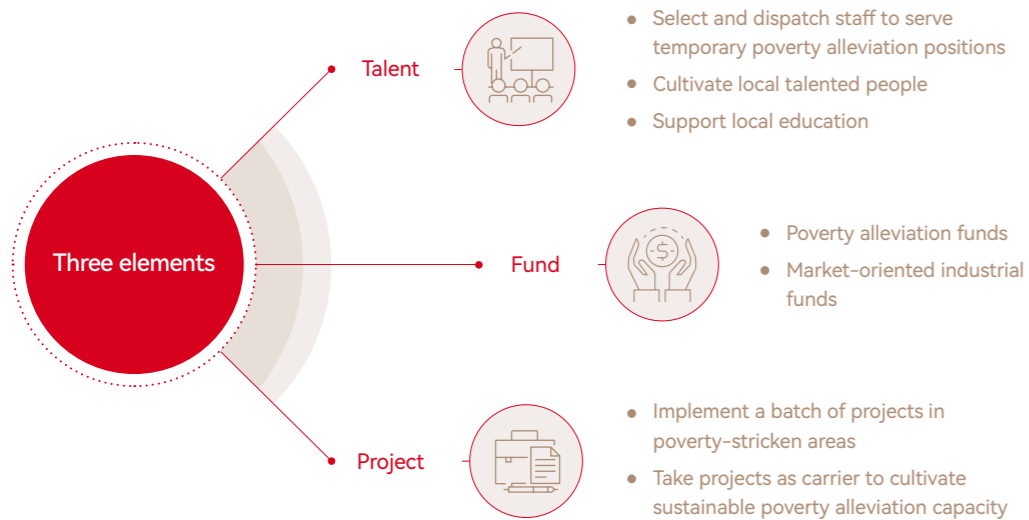
Two paths

SDIC insisted on the combination of blood transfusion livelihood support and blood-making industry-based poverty alleviation. On the one hand, the Company implemented livelihood projects to solve the most urgent problems of the impoverished group, and helped poor areas to make up for shortcomings in drinking water, housing, roads, medical care, education and other issues related to the people's well-being; on the other hand, the Company focused on industry exploration and cultivation to activate the endogenous force of the impoverished area to establish a stable and long-term mechanism for poverty elimination.



Three elements

SDIC adhered to the poverty alleviation model incorporating the three elements of "talent + fund + project." It had talent support initiatives including selecting staff to serve temporary positions in poor areas, excavating and cultivating local talented people, and providing financial support for local education; meanwhile, through poverty alleviation funds and market-oriented operation, and industrial investment, SDIC carried out direct investment and actively introduced leading enterprises, high-quality projects and capitals to revitalize the poor areas and strengthen sustainable poverty elimination.

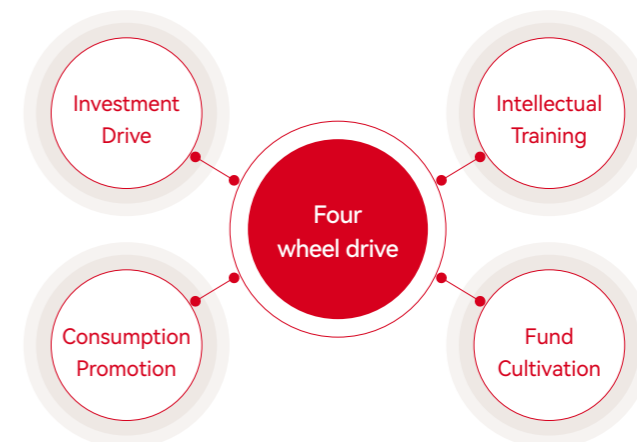


Four-wheel drive

From the critical restrictions on the economic and social development of the poor areas, SDIC insisted on the combination of "blood transfusion" and "blood making" and adjusted measures to specific local conditions. Through a series of initiatives such as investment drive, fund cultivation, consumption promotion and intellectual training, targeted poverty alleviation work was promoted with high quality, benefiting the people in the poor areas.

To drive and cultivate local industries through project investment to enhance the blood-making function of poor areas.

To establish long-term mechanism of targeted poverty alleviation in production, circulation, and consumption through consumption promotion.



To hold on to intellectual training persistently and rigorously so as to alleviate poverty by urging changes in mind and stimulate the endogenous force of self-reliance in poverty elimination.

To form the poverty alleviation industrial fund management model and build seven platforms in market-oriented and innovative ways.



SDIC Chairman Bai Tao (second from right), SDIC Board member Qian Meng (first from right), and their delegation conducted a field visit to a targeted poverty alleviation country in Guizhou Province

Innovative practices of targeted poverty alleviation of SDIC in 2020



Poverty alleviation management

- Promoted the poverty reduction plan with high quality, strengthened the implementation and supervision of poverty alleviation projects, and consolidated and expanded the results to revitalize the countryside.
- Issued the Measures of Further Providing Incentives and Care for Staff Serving Temporary Poverty Alleviation Positions to improve the poverty alleviation mechanism.



Industrial assistance

- Carried out assistance to major industries, that is, livestock farming, crop farming, and processing industry, in the four targeted counties, and implemented 10 industry-based poverty alleviation projects in 2020, benefiting 2,063 registered impoverished people.



Fund-based poverty alleviation

- Initiated and cultivated the Ankang Areas (Science & Technology) Industrial Development Fund to promote the local industrialization of technology industry resources and technology innovation projects.
- Invested in leading companies including Shijiazhuang Junlebao Dairy Co., BGI Group, Guangxi Yangxiang Co. through Central SOEs Industrial Investment Fund for Poor Areas to promote income increase of farmers and support targeted poverty alleviation.



Consumption promotion

- SDIC operated store on the "Central SOE Poverty Alleviation through Consumption" e-commerce platform to promote the connection between production and marketing of agricultural products in the poverty-stricken counties.
- SDIC Youth League Committee's program, "Follow Me to the Front Line," conducted live streaming sales on Bilibili.



Poverty alleviation publicity

- Released the SDIC Poverty Alleviation White Paper (1995-2020), which summarized and commended exemplary models and deeds in poverty alleviation.
- Held the Fostering New Dreams public welfare micro-forum to share stories of poverty alleviation and public welfare.
- Published the book Practice and Exploration of Industrial Fund Poverty Alleviation compiled by SDIC Chuangyi Industry Fund Management.
- Opened SDIC Chuangyi Serial Public Lectures on Poverty Reduction through Tik Tok live streaming platform.



Release conference of SDIC Poverty Alleviation White Paper (1995-2020) & Poverty Alleviation Commending Conference



SDIC Poverty Alleviation White Paper (1995-2020)



Song Yongliang (first from left) from SDIC Communications was awarded the honorary title of National Excellent Individual for Poverty Alleviation



SDIC Chuangyi Industry Fund Management won the title of National Excellent Group for Poverty Alleviation

MOVING ON TO RURAL REVITALIZATION STRATEGY

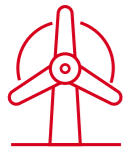
In order to consolidate and expand the results of poverty reduction, and to echo with the work of rural revitalization, SDIC has continued to make painstaking efforts in industrial assistance. In 2020, on the basis of strengthening the industrial development platform, SDIC formed the poverty alleviation industrial fund management mode and innovated seven industry-based poverty alleviation platforms to stimulate the endogenous force and sustainability of industrial development, contributing to the rural prosperity, ecological livability, rural culture and civilization, effective governance and well-off life.

CASE

CASE SDIC Chuangyi promotes poverty alleviation through cultural tourism to accelerate rural revitalization

As rural revitalization becomes the theme of the times, poverty alleviation through tourism, as a new engine for targeted poverty alleviation, has received wide attention from society. For a long time, SDIC Chuangyi has also been playing a leading role in rural poverty alleviation through cultural tourism. In recent years, the Central SOEs Industrial Investment Fund for Poor Area managed by SDIC Chuangyi Industry Fund Management Co. has invested in cultural tourism projects such as Guangxi Detian Waterfall and Qinghai Chaka Salt Lake. The projects has directly and indirectly created jobs for the local impoverished population and provided a sustainable source of tax revenue growth. At the same time, the scenic spot projects have collaborated with surrounding scenic spots, utilizing tourism to drive the integrated development of primary, secondary and tertiary industries in the rural area, form a tourism consumption chain, promote the transformation of local industries, stimulate the income increase of the local people, and accelerate the pace of rural revitalization.

By the end of 2020, the Detian project has generated 62.95 million RMB yuan of taxes a year; Chaka Salt Lake has quickly brought changes for the local area and seen the 10 villages and towns around Chaka town all get rid of poverty.



FIGHTING COVID-19

In 2020, the COVID-19 pandemic engulfed society and economy, SDIC made all out efforts to promote pandemic prevention and control in a coordinated way in accordance with the general principle of strengthening confidence, working in solidarity, adopting a science-based approach, and taking targeted measures. The Company fully implemented the work plan of "focus on the key points, coordinated consideration, guidance by categories, and implementation by zones" to promote the resumption of work and production in a solid and orderly manner and contribute to fight against the pandemic.

Actions in pandemic fight of SDIC in 2020



SDIC Biotech rushed to the rescue of Wuhan with donations of alcohol disinfectant



After resumption of work and production of SDIC Oil & Gas Terminal Yangpu, the first 300,000-ton oil tanker was performing loading and discharge tasks



Shijiazhuang Junlebao Dairy Co., an invested enterprise of SDIC Chuangyi Industry Fund Management, was donating dairy products to the Chinese Red Cross Foundation



The debut of the automated mobile cabin lab developed by Novogene Co., an invested enterprise of SDIC Fund Management and SDIC China Merchants Investment Management Co.

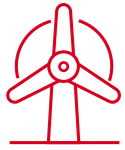
CASE



At the beginning of 2020, the war to prevent and control COVID-19 broke out in China. As urban sewage system is one of the final gathering places and habitats of various bacteria and viruses, the wastewater plant is of great significance as a basic unit of city operations. All the employees of China Water Environment Hubei Ezhou Water Treatment Plant stood firm at their posts to protect the water safety of the area. Faced with the ravages of the pandemic, the staff did not flinch and carried out the work of sewage pumping, laboratory analysis, dosing and disinfection, and carbonization treatment in an orderly manner. With courage and sense of responsibility, the sewage treatment staff ensured the normal operation of the city and interpreted "ordinary perseverance."



An employee from Ezhou Water Treatment Plant was at work



CONTRIBUTING TO COMMUNITY

SDIC employees practice the spirit of volunteer services, that is, dedication, love, mutual assistance and progress, promote the implementation of public welfare projects, and take responsibility to benefit the people's livelihood and give back to society in our volunteer services such as activities for the elderly and teenagers and donation appeals. At the same time, we join hands with multiple forces, take full advantage of the characteristics of the invested enterprises, and give full play to the public welfare activities to let the sun shine on more disadvantaged groups. Since 2019, SDIC has carried out more than 60 volunteer activities, with a total service time of over 350 hours.

Public welfare activities of SDIC in 2020

Respect and care for the elderly

- The "Little Lark" volunteer reading group of the SDIC Youth Volunteer Association visited the elderly regularly and read aloud for them with love and care, and was awarded the 2020 Beijing Lei Feng Volunteer Service Station.
- SDIC Property Management Co. has made volunteer activities at Dewai Home for the Elderly a routine activity, paid regular visits to the elderly and brought care and blessings to them during traditional Chinese festivals such as Dragon Boat Festival and Mid-Autumn Festival.
- SDIC Taikang Trust Co. carried out paired volunteer services at Shanghai Hongkou Rainbow Bay Seniors Home. Volunteers talked with the elderly and sent well-prepared goods to them.

Care for teenagers

- Yalong River Hydropower Development Co. carried out the Children's Day volunteer activity in the entire basin in cooperation with Sichuan Volunteer Service Foundation, donating 6,189 sets of student kits that include 30 kinds of goods such as school supplies, daily necessities, and extracurricular books to Jinhe Primary School and other seven primary schools surrounding the hydropower plants in the basin.
- SDIC Caofeidian Port Co. held the "Same Love under the Same Blue Sky" book donation activity, donating extracurricular books to children in poverty-stricken mountainous areas in Gansu Province.
- SDIC Fund Management Co. and SDIC China Merchants Investment Management Co. donated puffer jackets to students of Lujia Primary School in Jiuxian Town, Ningxian County, Gansu Province, and launched the "Ophthalmology for Targeted Poverty Alleviation" public welfare project together with He Eye Specialist Hospital.

Donations with love

- SDIC joined hands with Babo, an invested project of SDIC Chuangyi Industry Fund Management Co., in launching the "Fostering New Dream - Care for Her" public welfare activity and donated health and hygiene products (worth of 500,000 RMB yuan) to women in poverty.
- China SDIC International Trade Co. held the "Walk for Love" charity walk, and donated over 5.04 million steps, equivalent to about 3,500 kilometers, in only two weeks, successfully raising funds for "A Little Dictionary Classroom" charity project of China Charities Aid Foundation for Children and successfully completing the first phase of the online step donation.

CASE

CASE "Great Love like Water Sets Sail for Your Dream" - 19 years of dedication by Yalong Hydro

Yalong River Hydro's volunteer service project, aims to help children and teenagers from poor ethnic areas in their study, life, and growth, and supports the development of education in ethnic areas. For 19 years since the establishment of the project, more than 1,000 volunteers from Yalong Hydro have persisted in volunteer services and continuously cared for the children and teenagers from the poor ethnic areas, conveying love through dedication and mutual assistance. The project has raised a total of more than 1.3 million RMB yuan, set up pairs with



Volunteers from Yalong River Hydro played games with students at the company-built Jinping Hope School

more than 1,000 poor students, created public welfare classroom, and carried out activities such as book donations and teaching demonstrations. Volunteers have lightened up the dreams of children from the mountains and promoted the advancement of poverty elimination in the ethnic area. In August 2020, the project was awarded the "National Best Volunteer Service Project" at the teleconference on promoting Lei Feng volunteer service held by the Publicity Department of the CPC Central Committee and the Office of the Central Guidance Commission on Building Spiritual Civilization.

CASE Caring for her is to care for the future

On November 26, 2020, SDIC joined hands with Babo, an invested-in enterprise of SDIC Chuangyi Industry Fund Management Co., in launching the "Fostering New Dream - Care for Her" public welfare donation activity for the health of women in poverty, donating feminine hygiene products to seven counties in Liangshan Prefecture, including Zhaojue, Yuexi, Butuo, Puge, Jinyang, Meigu, and Xide. The first batch of donations reached 7,000 boxes.

In addition, SDIC's young volunteers drove nearly 12 hours to schools in Liangshan and carried out the interactive activity of "Painting Dreams Together" using the boxes of donation goods as drawing boards. They also prepared an elaborately compiled pocket book on health knowledge for girls to share and spread the concept and knowledge of women's health. Together with Babo, SDIC helped the girls in the poor area to face adolescence with ease, maintain good health and hygiene in their growth, and step towards a better future.



Donations to "Fostering New Dream - Care for Her"

A photograph of three industrial workers in a power plant. They are wearing hard hats and safety harnesses. In the background, there is a large, glowing furnace or boiler with bright orange and yellow light and some steam or smoke. The workers are positioned around a metal structure, possibly a conveyor belt or part of the machinery. The overall scene is dimly lit, with the primary light source being the furnace.

INVESTING

IN PEOPLE



**PEOPLE IS ABOUT US
BEING MORE CLOSELY CONNECTED**

We advocate the common values of all mankind, that is, peace, development, fairness, justice, democracy and freedom, persistently discover and cultivate outstanding talented people, constantly seek and join up with extraordinary partners, and seek together the prospect of open, innovative, inclusive and mutually beneficial development.

In 2020, SDIC recruited nearly
1,000 college graduates

In 2020, SDIC's National Employment Campaign
involved **12,000** employers
including central SOEs, SOEs, industry
associations and well-known private enterprises

The total number of jobs released
by the National Employment
Campaign exceeded **1** million

Production line at Fukang Thermal Power Co. under SDIC Biotech Investment Co.



EMPLOYEE CARE

PROTECTING RIGHTS AND INTERESTS OF EMPLOYEES

SDIC adheres to the concept of equality in employment, constantly improves the employee compensation and benefits system, and builds a multi-level employee rights and interests protection mechanism. The Company continues to strengthen democratic management, safeguard the legal rights of employees to participate in management and supervision, and open up channels for employees to express reasonable demands.

Equal employment	Insist on fair and equitable treatment of employees of different nationalities, races, genders, religious beliefs and cultural backgrounds;	Prohibit the use of child labor and forced labor;
	Strictly abide by all national labor regulations and implement a whole-staff-coverage labor contract system;	Establish information confidentiality management and file management systems to protect employees' personal information and privacy.
Benefits	Pay social insurance and housing provident fund for employees in accordance with national regulations, continuously promote the enterprise annuity system to realize value preservation and appreciation of annuities, and build a multi-level security system;	Adhere to the market-oriented direction and promote the optimization of the salary distribution mechanism of subsidiaries and invested-in enterprises to further stimulate the vitality of managers and talented people.
	Continuously promote democratic management in the basic form of workers' congress, constantly improving and standardizing the workers' congress system by setting up institutions, standards, and procedures for the work of the workers' congress.	The Company held two sessions of workers' congress to actively collect staff proposals and one informal meeting of staff representatives to guarantee the staff's rights to know, to participate, to supervise, and to express.
Democratic management		

	2020	2019	2018
Number of newly-recruited employees (person)	7,429	8,868	7,220
Number of newly-employed college and technical school graduates (person)	1,051	901	1,082
Number of resettled veterans (person)	36	6	15
Number of member companies joining the annuity plan (Nos)	51	47	46
Ratio of member companies joining the annuity plan to the total member companies (%)	59.72	61.84	60.53
Number of employees joining the annuity system (person)	30,233	24,087	23,500
Ratio of employees joining the annuity system to the number of employees in the Group (%)	62	49	53
Annuity size (RMB100m)	41.81	29.97	24.65
Annuity earning (RMB100m)	4.33	2.27	0.74
Annuity investment return rate (%)	12.51	8.8	3.26

ENRICHING LIFE OF EMPLOYEES

To ensure employees to live a colorful life, SDIC has organized various cultural and art activities, such as the Women's Day activity for female employees, Spring Festival Gala, "SDIC in My Eyes" employees' photography exhibition, as well as sports and fitness activities including basketball, table tennis, tennis, badminton, Latin dance, yoga, and workout, which have greatly enriched the spare time of employees and effectively enhanced their sense of happiness, sense of gain and sense of security.



SDIC Chairman and Secretary of the Leading Party Members' Group Bai Tao (left) and SDIC President and Deputy Secretary of the Leading Party Members' Group Shi Hongxiang (right) jointly launch the "SDIC in My Eyes" employees' photography exhibition



1st "Essence Securities Cup" Table Tennis Competition of SDIC

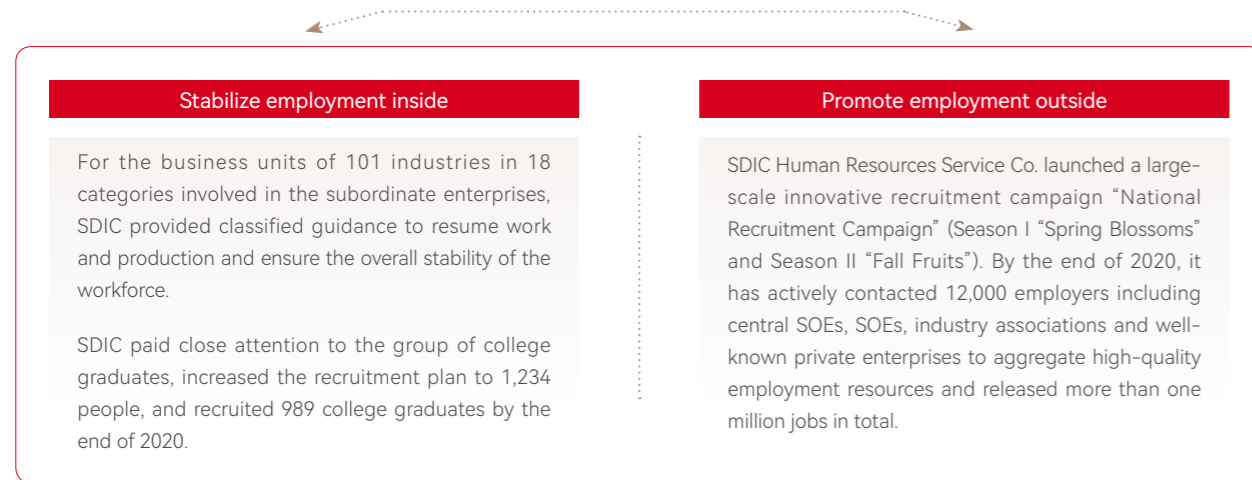
MORE CARE FOR EMPLOYEES

In 2020, SDIC organized medical checkup 2,084 person times, distributed more than 60,000 pieces of medicine, and provided employees with attentive services such as medical consultation, hospital registration assistance, and hospital companion. We have signed contracts with two green medical channel service providers to help employees solve their urgent medical needs. We carried out the "Happiness +" employee care activity to provide timely psychological counseling for employees and organized health lectures to promote knowledge of health. Besides, the group paid comfort visits to employees for 88 person times, giving cash gift of totally 269,500 RMB yuan and showing true care for employees in difficulty.



EMPLOYMENT PROMOTION

SDIC has effectively promoted the special action of “fighting the pandemic, stabilizing job market, and expanding employment”, held on to the resumption of work and production, and promoted social employment, sincerely practicing “employment matters the most in people’s livelihood.”



Xinwen Lianbo (Evening News Bulletin): National Employment Campaign Season II launched

CASE

CASE SDIC Human Resources Service promotes employment in Xiongan New Area

Xiongan Human Resources Service Co., operated by SDIC Human Resources Service Co., actively responded to the COVID-19 pandemic and did a good job in introducing, training and developing talented people for Xiongan New Area. The company launched the “Spring Breeze” online job fair, the private enterprise recruitment month, student enrollment meetings of colleges and universities in the Beijing-Tianjin-Hebei region, and the “Timely Rain” career fair and gathered nearly 60,000 job opportunities and enrollment information from 400 employers and 88 vocational schools, providing a non-for-profit employment and entrepreneurship information exchange platform for the new area. It built a high-end talent introduction platform, participated in the compilation of 2020 Urgent Talent Shortage Catalogue for Xiongan New Area, which was a key talent project of the Ministry of Human Resources and Social Security. It organized and implemented 21 recruitment projects, and introduced nearly 300 mid- and high-end talented people. It set up the “Human Resources Sharing Center” in the new area, undertook 20 outsourced projects, including the Audit Center of Xiongan Group, professional and basic services for Xiongan Railway Station, Xiongan New Area Forest Fire Brigade and environmental protection, and dispatched more than 500 employees to the Xiongan New Area Party Work Committee & Administration Committee and Huaneng Xiongan Branch.



PARTNERS

SDIC constantly strengthens communications with relevant national ministries and commissions, local governments, research institutions and various enterprises to expand cooperation areas, achieve complementary advantages and create a mutually beneficial and win-win future with partners.

SDIC’s partners in 2020 (Part)

National ministries and commissions

Strengthened contact with the National Development and Reform Commission, the Ministry of Science and Technology, and the Ministry of Industry and Information Technology to promote strategic cooperation.

Local governments

Signed strategic cooperation framework agreements with, among others, Guangxi, Henan, Jilin, and Guangdong to deepen mutually beneficial cooperation.

Enterprises

Signed strategic cooperation agreements with, among others, the People’s Insurance Company (Group) of China, China Export and Credit Insurance Corporation, China Development Bank, Industrial and Commercial Bank of China, China Everbright Group, and China Grain Reserve Group to strengthen cooperation and exchange.

Research institutes

Carried out deep cooperation and exchange with Songshan Lake Materials Laboratory and Tsinghua University.



SDIC signed strategic cooperation agreement with People’s Insurance Company (Group) of China



Production workshop at Insight Lifetech, a national high-tech enterprise

FROM THE HEART

Targeting clinical pain points and making investments to save tens of millions of patients



“

As an investor in the biomedical field, we share the same belief and always bear in mind why we started – to be excellent investors who can also ‘save’ millions of patients.

—The biomedical team of SDIC Unity Capital

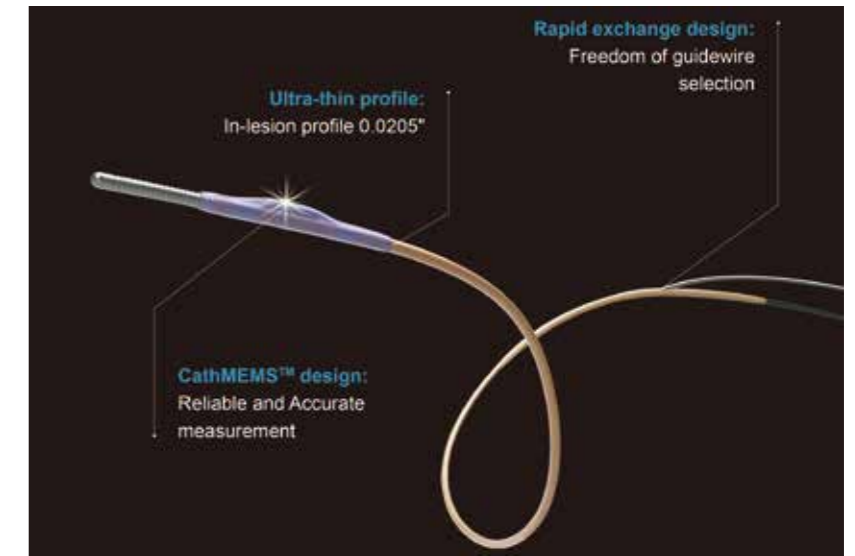
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According to the Annual Report on Cardiovascular Health and Diseases in China (2019) released in September 2020, the number of people with cardiovascular disease in China was 330 million, among whom the number of people with coronary artery disease was 11 million and still growing.

Percutaneous Coronary Intervention (PCI), a major treatment option for coronary artery disease, has been popularized rather rapidly in China. The number of PCI cases in China has ranked first in the world. At the 24th China Cardiovascular Intervention Forum in April 2021, Professor Huo Yong from First Hospital Peking University, who is also the President of the World Association of Chinese Cardiologists and President of the Asian Society of Cardiology, suggested that both “additions” and “subtractions” should be considered in the treatment. In the case of patients with stable angina and coronary artery disease, “subtraction” should be adopted to achieve effective risk stratification, standardized medication and precise PCI.

In fact, in a multicenter study, after evaluating 5,875 patients from four cardiac centers in China who have stable coronary artery disease and 50% or greater stenosis of at least one coronary artery, it has been found that 20% of PCI treatments were inappropriate and 16 percent of patients in need of revascularization received medical therapy.

Currently, both domestic and international guidelines recommend the use of



Product of Insight Lifetech –TruePhysio® Rapid Exchange FFR Microcatheter

Fractional Flow Reserve (FFR) to guide PCI decisions, but the use of FFR in China is still less than 1%. This unmet clinical need was identified by the SDIC Unity Capital’s biomedical team after in-depth research. Before 2019, only two foreign companies provided FFR measurement products in the Chinese market, the prices of which were also rather high.

How to make breakthroughs in the domestic medical device industry to help doctors choose more suitable treatment for patients and promote China’s coronary artery disease treatment into the era of precision intervention has become an urgent problem to be solved.

Seeking domestic production

Currently in China, most PCI decisions are still based on traditional X-ray coronary angiography. The FAME trial (Fractional Flow Reserve versus Angiography for Multivessel Evaluation), a large foreign clinical study, showed that, compared to coronary angiography-guided PCI treatment, FFR-guided PCI not only decreased major clinical events such as death and myocardial infarction by more than 30 percent, but also reduced overall treatment costs.

“For coronary interventions, especially for relatively stable patients, the degree of coronary stenosis in the anatomical sense

alone is far from enough for decision-making,” Huo Yong said. Coronary angiography sometimes does not fully and accurately reflect whether stenotic lesions within the coronary arteries are actually causing functional myocardial ischemia, and may overestimates or underestimates the severity of the lesion. In contrast, FFR directly measures the ratio of the maximum blood flow in the myocardial region supplied by coronary arteries to that in the same region under normal conditions, which objectively reflects the degree of vascular stenosis from a hydrodynamic perspective. The RIPCORD study published in 2014 showed that in patients with stable chest pain, after determining treatment plans based on coronary angiography, re-examination using FFR for functional evaluation of the lesion would require change of treatment plan in one-fourth of the patients.

The 2014 ESC/EACTS Guidelines on Myocardial Revascularization and the Chinese Guidelines on Percutaneous Coronary Intervention (2016) have both recommended FFR as a Class I, Level A method. FFR has become the “gold standard” for the diagnosis of coronary ischemia. The proportion of FFR application in developed countries has been constantly increasing, nearly 30% in the United States and over 10% in many developed countries in Europe. In China, the application of FFR is still to be popularized.

Insight Lifetech

In 2018 when people were not yet paying much attention to the field, the SDIC Unity Capital's biomedical team keenly caught a hint of market trends about precision intervention for coronary artery disease. Benefiting more patients and giving them better prognosis at smaller costs are their general direction when investing in innovative medical devices.

Bearing this direction in mind, the investment team expanded the scope of search and soon discovered Insight Lifetech. "Not every product that has been proven abroad will work in China. Therefore, domestic companies should pay extra attention when it comes to 'import substitution,' and simple copying will not do." An investment manager involved in the project said. "There should be high unmet clinical need on the one hand and easiness for clinical application on the other to popularize a product."

This is exactly what Insight Lifetech is doing. The team followed it closely for a period of time and then officially paid onsite visit for due diligence in mid-2019. Now, the team members still have a deep impression. The company established at

the end of 2015 is very young, but we are very optimistic about their team's innovation and R&D capability. The co-founders include both scientists with overseas education background and accumulated years of research experience in related fields, and senior R&D engineers and marketing managers in the industry. The R&D team accounted for a half of the total. What's more, by that time they had already obtained some very favorable clinical data.

If all goes well, Insight Lifetech will develop independently the first FFR direct measurement system in China. Compared to existing products abroad, Insight Lifetech's product has stable and accurate readings. It employs pressure microcatheters instead of common pressure guidewires thus being able to retract more steadily during pressure measurement and also easier to pass through complex lesion areas, making it more convenient, safe and fast for doctors. These advantages have already been recognized by clinicians and boosted the confidence of the SDIC Unity Capital's team.

Forging ahead together

In March 2020, SDIC Unity Capital officially joined hands with Insight Lifetech.

"To be honest, it takes us great resolution to invest in this project. After all, the market is still in the incubation period, and the product has not been officially licensed." The team members clearly remember the repeated arguments, discussions and self-questioning before the investment. "We indeed identified unmet needs after in-depth research and determined that the market may see an inflection point. It was the right field and the right timing to invest."

After completing the investment, SDIC Unity Capital and Insight Lifetech stick firmly together and make continuous efforts in independent R&D to build innovative medical device product lines around precision interventional diagnosis and treatment of coronary artery disease and create a platform-based company. SDIC has not only assisted the company in sorting out the industry competition pattern, setting up R&D schedules, accelerating the product registration process, and improving the business layout by seeking marketing channels, but also

actively introduced investment institutions to assist the company in completing the new round of financing.

In September of the same year, VivoCardio®, the first FFR direct measurement system in China, and TruePhysio®, the first MEMS-sensor-based rapid-exchange FFR pressure microcatheter in the world, were awarded the registration certificates of Class III medical devices by the National Medical Products Administration (NMPA). The NMPA commented that the products "being internationally leading and the first of its kind in China fill the gaps of domestic products ... fill the gap in the field of the 'gold standard' FFR measurement technology in China."

Another product under development, Intravascular Ultrasound (IVUS), is supported by the National Key R&D Program Digital Diagnostic Equipment R&D. With higher resolution, faster imaging, intelligent image alignment and segmentation, it can provide doctors with high-quality intravascular images more quickly and conveniently, which is expected to achieve precise coronary interventions while reducing operation time, radiation dose and patients' risk of ischemia.

So far, Insight Lifetech has applied for more than 120 patents in total. In addition to promoting product development, Insight Lifetech has also mastered the material design and precision processing capabilities for micro/nano devices with focus on high-frequency ultrasonic transducers and MEMS packaging. It has established a platform for precision interventional catheter technology based on ultra-fine braiding, multi-layer polymer composite material molding and processing, and so on. It has built a platform for the development of high-performance medical electronics software and hardware technology centering round high-speed medical electronics design and intelligent signal and image processing, laying down a solid foundation for further expansion into other fields of active intervention.

"Rooted in innovative product development and technology platform construction, Insight Lifetech has also developed itself into an efficient and transparent self-empowering learning and growth-oriented organization. It has laid a solid foundation for the company to delve deep into the field of three types of active interventional



Song Liang, Founder and Chairman of Insight Lifetech, shared industry insights and R&D progress at a forum held by SDIC Unity Capital

and implantable medical devices which have the highest technology barriers and the most complex industrial chain." Dr. Song Liang, Founder and Chairman of the Board, said, "I hope Insight Lifetech can contribute to the promotion of globally competitive high-end products and brands designed and made in China."

By the end of 2020, Insight Lifetech had completed another round of financing worth of a several hundred million of RMB yuan. SDIC Unity Capital increased its holdings.

Making investments to save hundreds of millions of patients

Like investment hunters targeting clinical pain points, SDIC's biomedical team has been searching for projects and products with promising growth prospects, which meet national conditions, and market demand with more benefits to more patients in a more targeted, rational and value-oriented manner. In addition to

(SDIC Unity Capital is a government-guided fund and industrial fund management institution under SDIC. SDIC Unity Capital is an investor of Insight Lifetech.)

“

The SUPREME clinical trial has shown that the FFR measurements by TruePhysio pressure microcatheters are highly consistent with those by pressure guidewires. With a lower incidence of significant drift, the former reduces secondary measurements and improves the efficiency of the procedure. At the same time, it is time-saving and convenient, reducing the time of angiography environment exposure for the patient and the operator.

—Prof. Li Chenguang,
Zhongshan Hospital affiliated
to Fudan University

”



SDIC Unity Capital's biomedical team were discussing the project progress



TO GUARD FULL-HEARTEDLY

We are on the same planet



“

All creatures should share this planet with human beings. A species, once lost, will never come back again. What's more, what other consequences or effects of this lost link in the ecological chain are hard to imagine and beyond our control. The good thing is that today we are aware of this and a lot of conservation work has been set in motion.

—Deng Longjun, *Euchiloglanis* research team member

”



Yalong River Jinping-Guandi Fish Breeding and Release Station

What could a fish farming be like in the riverside at an altitude of more than 1,000 meters? Deng Longjun from the *Euchiloglanis* research team of Yalong River Jinping-Guandi Fish Breeding and Release Station has something to say.

He has joined Yalong Hydro for 12 years since 2009. Speaking of fish farming in the mountains and forest for more than a decade, does he feel bored at all?

He laughed and said that *Euchiloglanis* fish farming can be said to be painful but joyful.

In order to maintain biodiversity and protect fish resources, Yalong Hydro has built and put into operation the Yalong River Jinping-Guandi Fish Breeding and Release Station as early as in 2011.

“By building the Yalong River Jinping-Guandi Fish Breeding and Release Station, we hope to release the fry to natural waters through artificial breeding and protect the fish resources in the Yalong River basin in a more direct and effective way.” Deng Longjun said.

Euchiloglanis research team was set up!

“They are one year old!” In mid-April, 2020, artificially bred baby *Euchiloglanis* celebrated their first birthday. The baby fishes have grown to 8-10 centimeters long with robust body shape, which means Yalongjiang Company has basically mastered the key technology of *Euchiloglanis* breeding.

Over the years, the industry had been trying to overcome the bottleneck of *Euchiloglanis* domestication and breeding technology, but not been able to make a breakthrough, which had attracted

much attention in the aquatic industry but still remained unsolved.

“*Euchiloglanis* is a typical fish species in the Qinghai-Tibet Plateau. In 2012, Yalong Hydro commissioned a scientific research team to formally launch the study on *Euchiloglanis* domestication and breeding. It did not make substantial progress due to the lack of resources and the great difficulty of domestication and breeding. In 2017, when the company had made breakthroughs in short-term breeding of some released fishes, the question of the medium- and long-term breeding of released fish such as *Euchiloglanis* with high research value once again appeared in front of us. The company's own *Euchiloglanis* research team was born under such circumstances.” Deng Longjun explained.



Euchiloglanis research team members

“Build a new home for *Euchiloglanis*”

The goal is clear, but various difficulties still lie in the process of domesticating *Euchiloglanis*, such as how to simulate its habitat and how to make it adapt to the artificial breeding environment. These problems should be solved by the research team.

“*Euchiloglanis* are mainly distributed in the upper reaches of the Yangtze River. However, they are hard to find in recent years due to a combination of environmental changes, water pollution and overfishing. ‘When a thing is scarce, it is precious.’ This in turn has raised the market price of *Euchiloglanis*, which now sells for more than 1,000 RMB yuan per 500 grams, so its scarcity makes the fishing even more rampant. Seeing that the number of *Euchiloglanis* continues to decline, we must conduct the research as soon as possible.” Deng Longjun stressed.

The first thing the team did was to search for parent fishes. In order to bring every small fish from river rapidly to the laboratory tank, breeders went to great lengths to travel along the Yalong River system and tried various ways before they finally collected the first batch of more than 20 parent fishes. However, there was no literature on the research on the domestication and breeding of *Euchiloglanis*, so they had to feel their way forward, but no matter how carefully raised, the wild *Euchiloglanis* parent fishes all died soon.

“We felt that all our work was in vain.” The breeders held back their disappointment and immediately began to sum up their experience. After consulting a lot of literature on close relatives of *Euchiloglanis*, they speculated that *Euchiloglanis* was a fish with some obsession about cleanliness and was extremely demanding of the water environment. Changes of habitats will induce strong stress to the fish and weaken its immune system, making it vulnerable to parasites and other diseases.

“According to the information we had at the time, the longest time people could domesticate *Euchiloglanis* was half a year, because it was very difficult to artificially simulate their growth environment in the fast-flowing water and solve the feeding problem.” Deng Longjun said.

Left with no other solutions, the team decided to build a comfortable new home for *Euchiloglanis*. To implement this new idea, the breeders spent nearly one year building ecological aquaculture pond simulating the natural environment. Compared with regular fish aquaculture pond, the ecology simulation pond is provided with fast water flow, gravel, good water quality, and high oxygen saturation. Even the water in the pond comes from the Yalong River.

After moving to the new home, the survival rate of wild *Euchiloglanis* parent fishes greatly increased and some of them even laid eggs, which made the breeders very excited. However, new problems soon emerged, for example the newly hatched

baby fishes turned a blind eye to the feed and didn’t eat at all for a long period of time. After further research, it is found that *Euchiloglanis* is born with an active nature. Even in the case of eating, they’d like to prey on their own instead of being given regular feed.

Finding proper feed was no big deal for the breeders. They soon found nutritious brine shrimps for the fastidious eaters. They hatched the brine shrimps through a special device and then filtered out the shells which are almost invisible to the naked eye but can harm the intestines of the small fish. They solve the feeding problems of baby *Euchiloglanis* finally.

As artificial feeding with biological feed went well, the breeders’ confidence was greatly boosted. After numerous experiments, in April 2019, they finally bred and hatched baby *Euchiloglanis* through induced spawning technique. “The age of sexual maturity of *Euchiloglanis* is four or five years old. Our artificially bred *Euchiloglanis* survived for a maximum of 14 months and grew to about 10 centimeters long, which, though still at the fry stage, has already set a record for the longest survival time.” Deng Longjun stressed. With livable environment, suitable food, and breeding techniques, wild *Euchiloglanis* parent fishes have finally escaped from the threat of death.



Ecology simulation pond for the *Euchiloglanis*



2020 fish breeding and release activity organized by Yalong Hydro

Contributing Yalong Hydro’s green power to the Protection of the Yangtze River

During the Spring Festival in 2020, with the outbreak of COVID-19 pandemic, Yalong Hydro immediately took measures for isolation. “There were only two people on duty during the Spring Festival. Due to the pandemic outbreak, they must undertake all the breeding work of the fish breeding and release station during the isolation period.”

The research on *Euchiloglanis* was also affected by the pandemic. “In 2020, the research was almost at a standstill. The breeding technology of *Euchiloglanis* has not yet matured, and subsequent research will focus on gradual improvement of the survival rate of domesticated and artificially bred *Euchiloglanis* as well as gonadal development and maturity under domestication conditions. They are the keys to determine the maturity of the domestication and breeding technology and require long-term and continuous research and verification.” Deng Longjun emphasized, “In addition, in terms of fry breeding, although we have solved the problems of feeding, living environment and disease prevention and control in the current phase, there is still considerable room for improvement.”

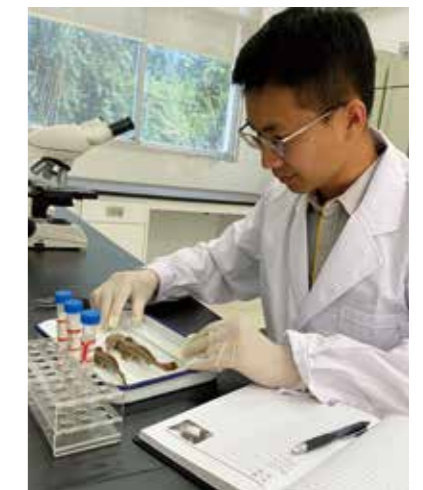
Fry survival is a precondition for large-scale artificial breeding and release and to form a benign cycle from fry rearing, gonadal development and maturity to artificial breeding. “Since the establishment of the station, the annual investment in

research has been more than 9 million RMB yuan, and so far, we have made breakthroughs in the breeding technology of seven fish species and realized release to natural waters. The breeding technology breakthrough cycle for each species is usually 3-5 years or slightly longer. In comparison, the research on *Euchiloglanis* is much more difficult, and we expect to take another 5-10 years or even longer in the future before the real maturity of *Euchiloglanis* breeding technology.” Deng Longjun said.

The research team is not alone. Since the initiation of the research on *Euchiloglanis*, the breeders have received support and guidance from academicians and experts from the Institute of Hydrobiology of the Chinese Academy of Sciences, the Yangtze River Fisheries Research Institute of the Chinese Academy of Fisheries Sciences, the Fisheries Institute of Sichuan Academy of Agricultural Sciences, Sichuan University and Sichuan Agricultural University through various exchange activities.

By October, 2020, Yalong Hydro has released 13 million fry to the Yalong River and effectively protected the fish resources and biodiversity of the Yalong River basin.

In the future, Yalong Hydro will continue the research on domestication technologies of endangered fish species in the Yalong River, including *Euchiloglanis*, and constantly improve the artificial breeding technology to protect wild fish resources and biodiversity, contributing the green power of Yalong Hydro to the protection of the Yangtze River.



Scientific researchers were conducting research on *Euchiloglanis*

(SDIC is an investor of Yalong Hydro and Yalong Jinping-Guandi Fish Breeding and Release Station.)



Event site of the “Fostering New Dream – Care for Her” public welfare activity

TRUEHEARTED DEDICATION

Sowing goodwill for sustainable poverty alleviation



“
Youth

—Poem recited on the
donation event by Zhaojue Ethnic
Middle School in Liangshan Yi
Autonomous Prefecture, Sichuan

Those who have it
often don't understand how
precious it is;
those who have lost it
then miss it so much.
Youth is blazing, joyous,
or confused;
youth is struggling, emotional,
and compiled by all the dreams.

”

On November 27th, 2020, in the playground of Zhaojue Ethnic Middle School in Liangshan Yi Autonomous Prefecture, Sichuan Province, a group of female students received special gifts from volunteers. They are not school bags, textbooks, or clothes, but feminine hygiene products, which they needed more than anything else.

What was going on was a public welfare donation event for the health of women in poverty, “Fostering New Dream – Care for her” jointly initiated by SDIC and Babo, which is a brand of Sichuan Huanlong New Material Co., and an investment project of SDIC Chuangyi. With donations of feminine hygiene products to seven counties including Zhaojue in Liangshan Prefecture, the last places to eliminate poverty in Sichuan province. The activity aimed to help local women out of period poverty.



“Fostering New Dream – Care for Her” public welfare activity

A gathering for “goodness”

To fight poverty and revitalize the countryside, SDIC and Babo jointly launched this “Fostering New Dream - Care for Her” public welfare activity. Volunteers went to the poor mountainous area and donated hygiene products for local female students. All the hygiene products were manufactured and provided by Babo. The first batch of 7,000 boxes were donated to seven counties in Liangshan Prefecture, including Zhaojue, Yuexi, Butuo, Puge, Jinyang, Meigu, and Xide, which were the last places to eliminate poverty in Sichuan province.

On November 27th, the first day back to school after the New Year of the Yi ethnic group, volunteers from SDIC and Babo drove for nearly 12 hours from Meishan, Sichuan, to bring hygiene products to Liangshan Zhaojue Ethnic Middle School, communicate with female students face to face and spread the concept and knowledge of women’s health. In order

to give the girls as much practical advice as possible, the volunteers prepared a pocket book of health knowledge and designed a “whispering” class and an interactive activity called “Painting Dreams Together” to explain adolescent mental and physical health knowledge in easy-to-understand languages and encourage them to use colorful paintings to depict their dreams. In the chorus of the ethnic Yi ballad “ap jie lop” (meaning “don’t be afraid”), female students opened their hearts and found courage to pursue their dreams. “My aspiration is about poetry, dreams, and a journey throughout the world. As long as we are willing to work hard, I believe aspirations will blossom into many beautiful flowers.” A female student created a painting titled “Dream” for her aspiration.

It was not only a good deed of collaboration between SDIC and Babo, but also a positive action of SDIC to connect



Production workshop at Babo

more internal and external resources and social forces in the cause of poverty alleviation and public welfare. Moreover, it was a conscious commitment of SDIC to a better life and social responsibility. "SDIC cares a lot about the personal development and practical difficulties of women, children, and adolescent groups in Liangshan. We hope to build a bridge of love through public welfare activities and open a window of dream to accompany and care for the healthy growth of young women." Li Liying, deputy director of the Party-Masses Affairs Department of SDIC, said.

This was the first donation event jointly initiated by SDIC and Babo after the two "joined hands."

"Joining hands"

It was the day before this event that SDIC and Babo just "joined hands". Babo announced the completion of a new round of strategic financing. The leading investor in this round was SDIC Chuangyi.

SDIC Chuangyi, the poverty alleviation industrial investment fund management company under SDIC, has been committed to promoting industrial development in poor areas through market-oriented operation to enhance the "blood-making" function and endogenous momentum of poor areas, and has been exploring the sustainable model of industry-based poverty alleviation.

Speaking of the cooperation with Babo, Feng Yue, the director of the investment team of SDIC Chuangyi, said it was closely related with the investment orientation of SDIC Chuangyi. "We are determined to drive the economic development of poverty-stricken areas and help poor households out of poverty and increase income through the development of industries." Feng Yue said, "And our criteria for selecting investment objectives is that the enterprise must have a close interest connection with the poverty-stricken area and strong market competitiveness, so that we can build, solidify and strengthen this connection with the poverty-stricken areas through investment."

Babo exactly meets the description.

Babo is the No.1 brand in the field of unbleached paper in China. The traditional wood paper making process requires bleaching and the addition of several environmentally unfriendly additives. With imported raw wood materials are basically. Babo advocates the harmonious coexistence of man and nature and befriends bamboo. It takes the lead in developing and mastering the breakthrough technology of bamboo fiber refining and its application. Upholding the concept of green factory, they have realized 100 percent standard emission during the production process from collecting natural bamboo seeds to manufacturing the unbleached paper and then to recycling, realizing a carbon footprint of each kilogram of unbleached household paper (2.54kgCO₂e) 31 percent lower than that of bleached paper. They also implement both wastewater treatment and waste product recovery, reapplying recyclable resources in production and life to achieve sustainable development.

More importantly, Babo has a natural connection with those areas. "The raw material of Babo is bamboo which comes from the mountainous areas of Sichuan." Once on a micro public welfare forum, Feng Yue shared a story about Mr. Zhang,

a bamboo farmer from a poor area in Sichuan, who grows and harvests bamboo in the upstream of Babo's industry chain and can get a stable net income of 20,000 RMB yuan per year. "Behind the 1.5 billion RMB yuan sales revenue of Babo, there are more than 30,000 bamboo farmers like Mr. Zhang." Through technology empowerment, Babo vigorously develops bamboo industry and has driven 10,000 mu bamboo plantation and bamboo farmers' employment and income increase in the upstream of the industry chain. According to statistics, Babo has provided nearly 30 thousand jobs for people in the poverty-stricken areas.



Feng Yue, director of the investment team of SDIC Chuangyi conducted an investigation and research tour to Babo

Investing in the future

In addition to Babo, after years of investment practice, the poverty alleviation industrial investment fund managed by SDIC has accumulated rich investment experience in the fields of consumption, agriculture and health. It has invested in a number of enterprises with close interest connection with poor areas as well as extraordinary market competitiveness, such as Junlebao Dairy, Mu Yuan Foods, Yihai Kerry, Ecolovo Food, Guotai Liquor, He Eye Specialist Hospital, and so on. So far, SDIC's poverty alleviation industrial investment fund has invested in 140 projects with a total of 28 billion RMB yuan, leading and activating 230 billion RMB yuan of social

capital to invest in 320 poverty-stricken counties in 27 provinces (municipalities and autonomous regions) across China. When all the projects reach full capacity, they will solve employment for 500,000 people in poor areas, providing 4 billion RMB yuan of income for the employed population and 2.8 billion RMB yuan of tax revenue for the local governments every year.

Talking about how to make continuous contribute to rural revitalization in the future, Feng Yue believes that it is actually a kind of higher-quality poverty eradication. Only continuous blood making through industrial development can promote incentive. "We want to be the dream maker

for dream makers," Feng Yue said, "because every entrepreneur we invest in is a dream maker, and every enterprise we invest in is also a dream factory, who gives millions of people like Mr. Zhang a chance to realize their dreams through diligence and hard work. Our role is to support the dreams of dream makers and be the dream maker for dream makers."

(SDIC Chuangyi is a wholly-owned enterprise of SDIC and an investor of the Babo brand.)



Group photo of SDIC youth volunteers and students of Zhaojue Ethnic Middle School in Liangshan Prefecture, Sichuan Province



CONNECTED BY LOVE

Joining hands to get through the pandemic



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Despite different nationalities and different languages, our hearts are getting closer and closer.

—Shen Yi, General Manager of Investment Department I, SDIC Mining Investment

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Anti-pandemic materials and medical supplies were provided for APC

In the beginning of 2020, the sudden outbreak of COVID-19 ravaged China and disrupted the pace of people's life. Faced with the pandemic, China took decisive and scientific measures to successfully control the spread of the pandemic. Just when everyone thought the pandemic was about to be over, the disease spread rapidly abroad. Arab Potash Company (hereinafter referred to as APC), located in Jordan, was soon enveloped in the pandemic.

An 8,000-km far away partner

APC is the eighth largest potash producer in the world and the only company engaged in potash development in Jordan. As a major producer of potash, APC holds a 100-year concession (1958-2058) by the Government of Jordan that grants exclusive rights to the business of Dead Sea's minerals. They extract and manufacture potash from the Dead Sea and sell to Jordan and other countries and regions including China, India, and Indonesia.

Over the years, APC has been actively fulfilling its corporate social responsibility in the fields of safety production, sustainable community development and environmental protection. Every year, the company contributes 10 percent of its net profit to support community and national development, which is well recognized by the government and loved by the people of Jordan. It has also attracted the attention of international investors, including SDIC Mining Investment, a Chinese company thousands of miles away.

As a wholly-owned subsidiary of SDIC, SDIC Mining Investment is committed to building a whole industrial chain of chemical fertilizers with a focus on potash and phosphate, aiming at fully promoting the high-quality development of agriculture and ensuring the food security in China. "China faces serious shortage of potassium resources and relies on imports for 50 percent of the supply. It can be said that potash fertilizer concerns the food rations of the 1.4 billion population, so we have been looking for investment and development opportunities in high-quality potash resources overseas." Shen Yi, General Manager of Investment Department I of SDIC Mining Investment, said, "APC is located at the southern end of the Dead Sea with unique, favorable, and nearly inexhaustible resource conditions. Even if the Dead Sea dries up, potash can still be extracted. At the same time, APC's responsible corporate image fits quite well with our investment philosophy."

Opportunity is always for those who are prepared. In 2017, SDIC Mining Investment obtained the information about the proposed sale of about 28 percent of APC's shares by a Canadian company Nutrien, and successfully completed the acquisition in October 2018.

It became the largest shareholder of APC and thus made another pair of good partners from China and Jordan.

A friend in need is a friend indeed

The battle against the pandemic in 2020 bore witness for the wonderful partnership between SDIC Mining Investment and APC.

At the end of January, 2020, the pandemic broke out in China. Mr. Jamal Al Sarayrah, Chairman of APC, sent a letter to SDIC Mining Investment to express care immediately. After learning about the shortage of anti-pandemic materials such as masks and protective clothing in China, Mr. Jamal coordinated for the temporary medical equipment procurement permission from the Jordanian Ministry of Health. Despite of the short supply of the relative materials in Jordan, they managed to get 34,000 pieces of N95 masks, 1,800 sets of medical protective clothing, 1,000 pairs of medical goggles from multiple channels and delivered to China at the end of February 2020. This batch of materials like timely rain, provided warm and strong support for effective personal protection and resumption of work.

In mid-March 2020, the first round of pandemic broke out in Jordan. The government immediately locked down. SDIC Mining Investment paid close attention and sent a letter to APC immediately, and offered to provide anti-pandemic materials to APC. "At that time, SDIC Mining Investment asked the employees to work from home. Every Monday we held video conferences with APC to share our experience in pandemic

prevention and control. APC combined our experience with the actual situation in Jordan, and gave feedback to us without reservation." Shen Yi recalled.

The outbreak of the pandemic shut down Jordanian companies extensively and brought the economy and society into recession, but APC chose to continue production and rise to the occasion. The employees strictly implemented pandemic prevention measures, ensured social distancing in operations, and achieved zero work stoppage in the whole plant. In the first half of 2020, the company produced 1.305 million tons of potash and sold 1.283 million tons of potash, even breaking several production and sales records of APC, bringing a ray of light to the gloomy Jordanian society and economy. "APC's persistent production and stable operation are of great significance to the Jordanian economy. They have also effectively safeguarded shareholders' rights and interests and helped to guarantee the farm supplies of China." Shen Yi emphasized.

In addition to production and operation, APC, as always, took the responsibility as a large national enterprise and actively helped the Jordanian Ministry of Health and hospitals around the community for pandemic prevention and control. In mid-March 2020, after learning that the Ministry of Health was facing financial difficulties for pandemic prevention and control, APC

immediately considered making donations. "As the major shareholder, after receiving APC's donation request, SDIC Mining Investment quickly made a quick decision to support the APC Board of Directors in their decision to donate three million Jordanian dinars (about 30 million RMB yuan)." Shen Yi recalled.

In late April 2020, when the Central Bank of Jordan opened the "Himmat Watan" account to receive donations, APC again donated 20 million Jordanian dinars (about 200 million RMB yuan). This large donation was a great help to the Jordanian people who were suffering from the pandemic and economic hardship.



Jamal Al Sarayrah, Chairman of APC, made a statement to a mainstream media in Jordan, expressing thanks to SDIC Mining Investment for supporting Jordan's fight against the pandemic



Donated materials for Jordan

"Our hearts are getting closer and closer"

In addition to experience sharing and financial assistance, SDIC Mining Investment also actively assisted APC in procuring anti-pandemic materials. In late March 2020, SDIC Mining Investment immediately made a decision to donate anti-pandemic materials to the Jordanian Ministry of Health. "At that time, the lockdown of Wuhan had not yet ended. The anti-pandemic supplies were in great demand. To prepare anti-pandemic supplies for Jordan, we could only transfer the materials from warehouses around the country with difficulties such as detours, tight transportation capacity and long transit time." Liang Dong, an investment manager of SDIC Mining Investment who is proficient in Arabic, said, "We kept coordinating warehouses and transportation from all over the country. The process was very tortuous."

From warehouses coordination and materials collection to customs declaration and inspection and chartered carrier transport, SDIC Mining Investment had been pushing forward the process with high quality and efficiency. The persons directly in charge were devoted to the degree of even forgetting to eat and sleep and finally successfully gathered nearly 200,000 pieces of anti-pandemic materials including N95 masks, medical protective clothing, medical goggles and protective masks. On April 21st, 2020, a Jordanian chartered plane landed at Shenzhen Airport in China. On the second day, the anti-pandemic materials arrived in Amman, capital of Jordan.

The donation received an unprecedented response in Jordan. It was covered by mainstream news media such as Jordan News Agency (Petra), Ad-Dustour, Alrai, and Jordan Times. On April 26, 2020, the People's Daily Overseas Edition also reported the donations.

APC's remarkable donation for pandemic control was praised by the King of Jordan and was awarded the King's First Class Medal of Excellence, the highest honor in Jordan, on July 31st, 2020. "This is the highest honor in the Hashemite Kingdom of Jordan, and SDIC Mining Investment also feel deeply honored for them." Shen Yi added.

In September 2020, the second wave of the pandemic hit Jordan and the country was put under strict control. The situation took a sharp turn for the worse. Jordan's medical system was overstretched and the situation was extremely serious. Without any hesitation, SDIC Mining Investment once again prepared anti-pandemic materials. "Given that there were confirmed cases at Dubai Airport, an important transit point for flights from China to Jordan, we quickly decided to transit via Turkey to ensure the safe and smooth arrival of the second donation of supplies. If the route had not been changed in time, the supplies would probably have been stranded in Dubai with no guarantee for the time of arrival in Jordan at all." Liang Dong said.

In one relay race of love after another, the friendship between SDIC Mining Investment and APC continues to deepen to new levels. "Because of the time difference with Jordan, we often received calls from APC after work, sometimes at midnight, or five or six o'clock in the morning. During the year, we often communicated to discuss matters like occasional board meeting motions and anti-pandemic material support, and many times it felt like we were talking to friends from far away." Shen Yi said emotionally, "Despite different nationalities and different languages, our hearts are getting closer and closer."



Jamal Al Sarayrah, Chairman of APC, and Maen F. Nsour, President and CEO of APC, were showing the medal

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We appreciate the help of SDIC Mining Investment. Timely delivery of relief materials effectively alleviated the situation of short supply in Jordan, fully reflecting the profound friendship between China and Jordan who help each other and stand side by side through thick and thin.

—Mr. Jamal Al Sarayrah,
Chairman of APC

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Since the outbreak of the COVID-19 pandemic, China and Jordan have stood by each other and joined hands to fight the pandemic. We see the profound friendship between the two peoples, the value of the China-Jordan strategic partnership and China's actions to support the Jordanian side in the fight against the pandemic.

—Chen Chuandong,
Chinese Ambassador to
Jordan

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(SDIC Mining Investment is a professional industrial investment company specializing in non-coal mining and related industries under SDIC. SDIC Mining Investment is an investor and the largest shareholder of the Arab Potash Company (APC).)



ABOUT US

CORPORATE PROFILE

Established in 1995, State Development & Investment Corp., Ltd. (SDIC) is the earliest integrated investment holding company in China. As of the end of 2020, SDIC, with a registered capital of 33.8 billion RMB yuan, had 682.3 billion RMB yuan of total assets and about 50,000 employees. In 2020, the total operating revenue and total profit of SDIC were 153.1 billion RMB yuan and 22.1 billion RMB yuan respectively.

Since its establishment, SDIC has always insisted on serving national development, optimized the layout of state-owned capital, improved its competitiveness and given play to the guiding and driving role of state-owned capital in major industries and key fields so as to achieve the maintenance and appreciation of state-owned capital. Thanks to many years of exploration and restructuring, SDIC has formed three business units both in China and abroad, namely infrastructure-related industries, emerging industries with strategic significance and financing service & other services. As for the infrastructure-related industries, SDIC focuses on power-dominated energy industry, port, railway, oil and gas pipeline-dominated transportation industry, and potash fertilizer-dominated strategic and scarce mineral resource business. As for the emerging industries with strategic significance, SDIC focuses on advanced manufacturing, new materials, bioenergy, health & elderly care, pharmaceutical & medical care, inspection & testing, smart technology, ecology and environmental protection, engineering design through majority equity holding and fund investment. As for the financial service & other services, SDIC focuses on securities, funds, trust, guarantee, futures, and other financial businesses, as well as other services such as asset management, human resources, international trade, consulting, property management etc.

SDIC practices the parent-subsidary management system. The Group has 10 functional departments, one institution, the discipline inspection committee of SDIC, the office of the Committee on State-owned Investment Companies of the Investment Association of China. It has 19 wholly-owned or majority holding subsidiaries, 152 tier-3 enterprises, which SDIC wholly owns or controls, among which nine are publicly listed companies, namely SDIC Power Holding Co. (600886.SH), SDIC Capital Co. (600061.SH), China National Complete Plant Import & Export Corp. (000151.SZ), SDIC Zhonglu Fruit Juice Co. (600962.SH), YAPP Automotive Systems Co. (603013.SH), China High-Speed Railway Technology Co. (000008.SZ), Xiamen Meiya Pico Information Co. (300188.SZ), Hua Lien International Holding Co. (00969.HK), and Zhongxin Fruit and Juice Limited (5EG.SGX). These companies have forged an influential SDIC brand in the capital market.

CORPORATE GOVERNANCE

MANAGEMENT TEAM

Bai Tao	Chairman	Wang Haibo	Board member, President
Li Ruge	Chief Financial Officer	Du Wenmin	Vice President
Yang Xiaohui	Vice President	Hu Changyuan	Chief of Discipline Inspection Team
Zhong Guodong	Vice President	Li Cheng Danzeng Nima	Vice President

CORPORATE MANAGEMENT

SDIC insists on regulate Board of Directors, which is composed of eight directors, including five outside directors and three non-outside directors, of whom one is employee director. The Board is the highest decision-making body, and the Chairman is the legal representative of the Company. Since its establishment, SDIC practices the parent-subsidary management system, and implements the three-tier management structure consisting of the Group, the subsidiaries, and the invested-in enterprises.

Group

Strategic decision-making: To strengthen research on policy and industry, as well as regional research, provide strategic leadership, and fulfill the industrial mission of a state-owned investment company.

Resource allocation: To focus on investment return and financial resource allocation, refine the HR mechanism, and coordinate human resources allocation.

Capital operation: To coordinate asset operation and capital operation, enhance capability building for M&A, and promote reasonable flow of capital.

Supervision and evaluation: To coordinate business operations, manage the enterprise according to law, and guarantee effective connection of external supervision and internal operation; coordinate the supervision staff, give play to the resultant force of supervision and the accountability system; optimize appraisal, evaluation, and incentive mechanisms, and strive for maintenance and appreciation of state-owned capital.

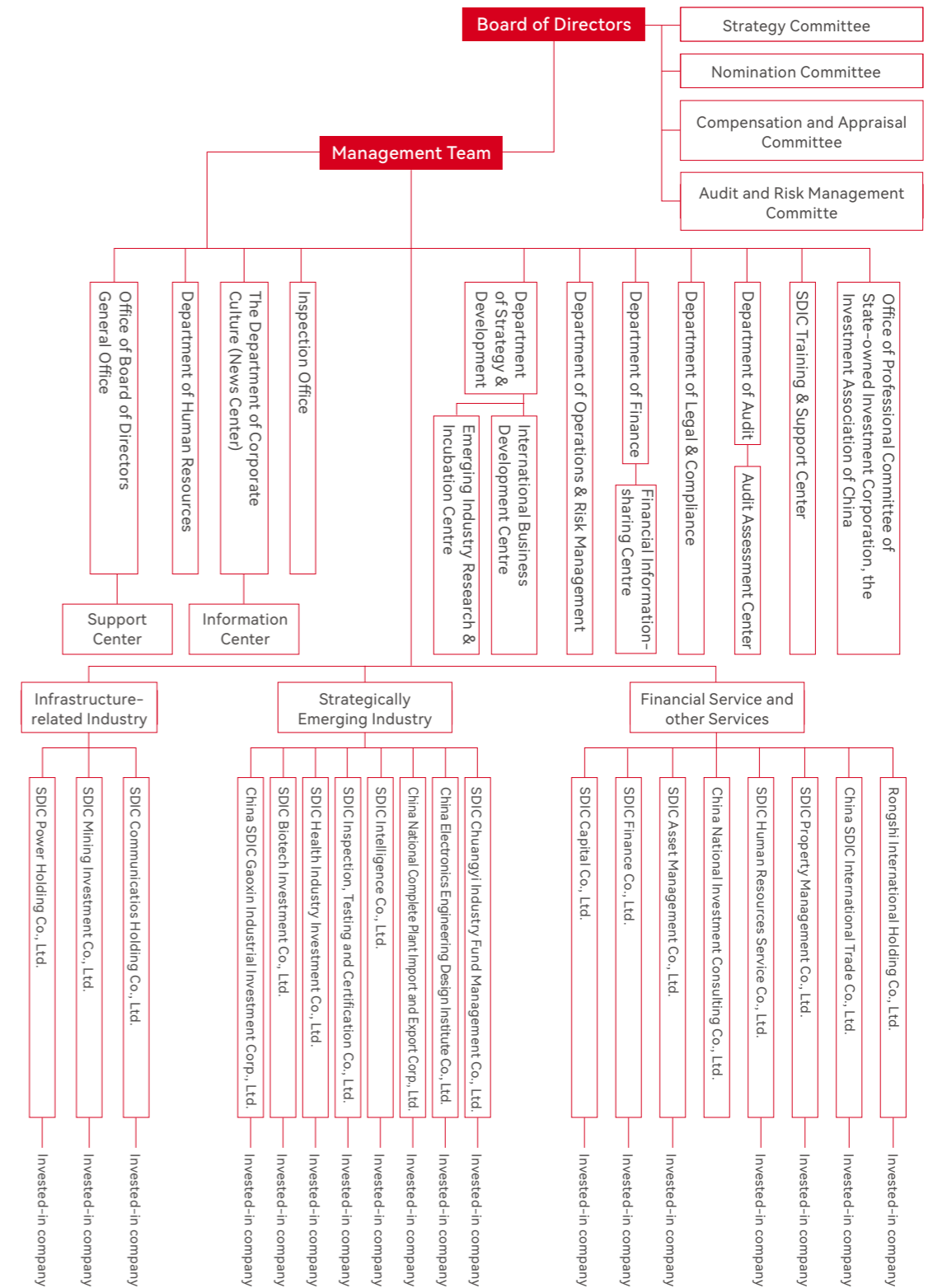
Subsidiaries

As professional operation and management platforms, the subsidiaries of SDIC are responsible for the operation and management of invested-in enterprises, their investment opportunities and business development for performance.

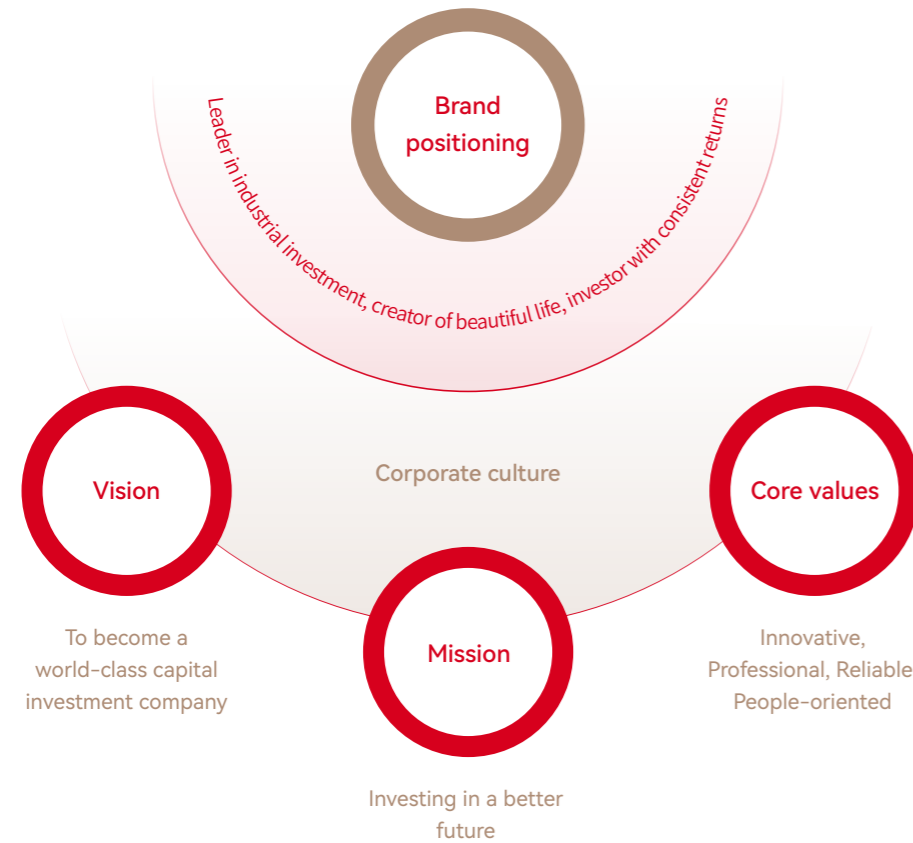
Invested-in enterprises

As business operation units, the invested-in enterprises are responsible for the direct operation and management of specific businesses. They are the profit centers of SDIC. All enterprises have established regulate corporate governance. The board members and supervisors of the invested-in enterprises are designated/appointed or removed by SDIC in accordance with the Company Law. SDIC also conducts performance assessment and supervision for the management of invested-in enterprises from the three aspects of economy, society and environment.

ORGANIZATION STRUCTURE



CORPORATE BRANDS + CORPORATE CULTURE



Adhering to the mission of Investing in a better future, SDIC has implemented the core values of being innovative, professional, reliable, people-oriented. It has expanded the connotation and denotation of SDIC brand, by enhancing its characteristics and spirit, increasing its vitality and influence, aiming at establishing a responsible brand image to meet the expectations of stakeholders. SDIC will, as always, spare no effort to realize the vision of becoming a world-class capital investment company.

SDIC has explored the cultural gene of its brand by making a documentary Gene of SDIC, and refined the cultural connotations. It gave its employees the opportunity to choose 10 most important and inspiring events of SDIC. It organized a story-telling competition on role models in employees, aiming at enhancing the cohesion and sense of belonging of employees. To enrich media-based communication channels, and improve the accuracy and influence of brand, it told SDIC stories through charity forum, micro-video, could-based broadcast exhibition and other innovative and vivid approaches.

In 2020, the application filed by SDIC for the trademark registration under the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks was approved, which marked a new breakthrough in the legal protection of registered trademarks abroad. It was of great importance for the brand influence of SDIC in overseas market, the internationalization of the SDIC brands, greater business presence in the international market.

FUTURE PROSPECTS

Embrace change and open up the future. The year 2021 is of particular importance to China as it pursues the modernization drive. It is the start of the 14th Five-Year Plan, and the inaugural year of the building a new SDIC. Centering on the implementation of the “1331” overall vision, SDIC will strive for the mission of the state-owned capital investment company. It will take high-quality development as overarching principle, reform and innovation as fundamental driving force, and risk prevention as effective guarantee. It will develop its business in domestic and international markets and give full play to the platform role as a pilot of state-owned capital investment companies. It will fully enhance the leading capability for SOE reform, the guiding capability for industrial cultivation, the dominating capability for restructuring, and the performance capability for investment activity. It will make unremitting efforts to build itself into a world-class capital investment company with international competitiveness and to make a new SDIC featuring flexible mechanism, optimized structure, good benefits, and strong capabilities.



APPENDIX

KEY PERFORMANCE INDICATORS

Economic performance

Indicator	2018	2019	2020
Total assets (RMB100m)	5,822.83	6,318.55	6,822.70
Owner's equity (RMB100m)	1,848.74	1,950.28	2,180.78
Total operating revenue (RMB100m)	1,213.80	1,419.46	1,530.79
Total profit (RMB100m)	193.38	200.81	220.98
Total tax payment (RMB100m)	100.03	113.82	121.91
Economic value added (RMB100m)	61.3	43.8	51.8
Rate of maintenance and appreciation of State-owned assets (%)	103.88	109.48	111.46
Profit of electric power sector (RMB100m)	97.29	103.17	117.10
Profit of transportation sector (RMB100m)	21.61	7.47	0.88
Profit of financial and service sector (RMB100m)	53.92	62.01	68.97
Operating revenue of international business (RMB100m)	167.42	224.71	254.69
Investment in capital construction (RMB100m)	113	121	115
Holding installed capacity of electric power business (10,000 kW)	3,408	3,079	3,183
Annual power generation of electric power sector (100m kWh)	1,517	1,619	1,482
Handling capacity completed of transportation sector (100m tons)	2.4	1.4	1.3
Investment in science and technology activities (RMB100m)	7.4	14.9	15.8
Number of authorized patents (piece)	110	321	449
Number of patents for invention (piece)	17	101	148

Environmental performance

Indicator	2018	2019	2020
Investment in energy-saving and emission reduction (RMB10,000)	97,820.40	84,880.57	109,587.47
Total investment in environmental protection (RMB100m)	-	-	8.97
Investment in environmental facilities according to "Three Simultaneities" requirements (RMB10,000)	58,888.74	34,812.28	42,017.53
Investment in technological upgrading projects for energy-saving (RMB10,000)	24,181.00	9,207.11	28,516.33
Investment in technological upgrading projects for pollution treatment (RMB100m)	1.48	4.09	1.38
Total energy consumption (10,000 tons of standard coal)	1,174	1,375	1,046

Indicator	2018	2019	2020
Comprehensive energy consumption per RMB10,000 output value (tons of standard coal/RMB10,000, comparable prices)	2.12	1.85	1.45
Year-on-year change in comprehensive energy consumption per RMB10,000 output value (%)	+13.75	-12.92	-21.23
Proportion of non-fossil energy (%)	-	-	62.3
Proportion of holding clean energy in installed capacity of electric power business (%)	54	62	62
Coal consumption of coal-fired units (gram standard coal/kWh)	302.22	302.13	298.23
Equivalent to standard coal saved (10,000 tons)	30	0.65	20
Equivalent to carbon dioxide emissions reduced (10,000 tons)	81	1.74	54
Installation rate of flue gas desulfurization devices for coal-fired units (%)	100	100	100
Installation rate of flue gas denitration devices for coal-fired units (%)	100	100	100
Sulfur dioxide emissions (10,000 tons)	0.54	0.65	0.37
COD emissions (ton)	125	376	312
NOx emissions (10,000 tons)	0.91	1.12	0.82
Annual fresh water consumption (10,000 tons)	-	-	4,857
Fresh water consumption per unit of industry value added (ton/RMB10,000)	-	-	6.29

Society performance

Indicator	2018	2019	2020
Total number of employees (person)	44,932	49,659	48,535
Number of male employees (person)	34,580	35,541	34,732
Number of female employees (person)	10,352	14,118	13,803
Proportion of female managers (%) ^①	-	-	32
Signing rate of labor contracts (%)	100	100	100
Turnover of employees (%) ^②	-	-	1.38
Investment in work safety (RMB100m)	3.28	3.06	3.64
Number of employees participating in work safety trainings (person-time)	24,506	25,632	27,356
Number of ordinary work safety accidents (Nos.)	-	1	1
Number of death toll resulted from work safety accidents (person)	0	1	1
Total external donations (RMB10,000)	6,401	7,640	7,139
Investment in fixed-point poverty alleviation (RMB10,000)	3,609	5,359	8,993
Aid to Xinjiang and Tibet (RMB10,000)	1,117.6	433.1	440.0
Personnel dispatched for poverty alleviation (person)	45	52	70
Number of financially assisted poor students (person)	1,184	6,169	2,160

Note: ① and ② are from the statistical data of SDIC in 2020.

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REPORT INTRODUCTION

This report is the 13th corporate social responsibility report issued by the State Development & Investment Corp., Ltd. (also referred to as "SDIC," "the Company," "the Group," or "We"), which systematically discloses the performance of SDIC in the aspects of, among others, economy, society and environment. The report covers the period from January 1st, 2020 to December 31st, 2020. Some contents may exceed the above-mentioned period.

Reference Standards

United Nations Sustainable Development Goals (SDGs)

Guide to Social Responsibility: ISO 26000 of the International Organization for Standardization (ISO)

Sustainability Reporting Standards of the Global Reporting Initiative (GRI)

Guiding Opinions on Better Performing Social Responsibilities of State-owned Enterprises of the State-owned Assets Supervision and Administration Commission of the State Council

Chinese CSR Preparation Guide (CASS-CSR 4.0) of the Chinese Academy of Social Sciences (CASS)

Information Sources

The information and data used in this report come from the Company's official documents and statistical reports. All the financial data in the report is in RMB unless otherwise stated.

Report Rating

The SDIC Corporate Social Responsibility Report has been rated as a Five-Star report by the Chinese Expert Committee on CSR Report Rating for four consecutive years. The 2020 Corporate Social Responsibility Report of State Development & Investment Corp., Ltd. is rated as a Five-Star Plus report.

Further Reading

For more CSR information of SDIC or download the electronic version of this report, please visit the official website at:

www.sdic.com.cn.



2020 CSR Report of SDIC

Report Matrix



2020



2019

2018

2017



2016

2015

2014



2013

2012

2011



2010

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2008

SUGGESTIONS AND FEEDBACK

Dear readers:

Thank you very much for reading this report. For continuously improving the corporate social responsibility reporting work, we are looking forward to your opinions and suggestions. Please help us fill the following feedback form, and feel free to contact us by the following ways:

Mailing Address:

State Development & Investment Corp., Ltd.

Building A, International Investment Plaza, 6-6 Fuchengmen North Street, Xicheng District, Beijing, China (100034)

Your Information

Name:

Tel.:

Company/Organization:

Email:

Multiple Choice Questions (Please mark "√" in the appropriate position)

Option	Very good	Good	Fair	Poor	Very poor
1. Does this report fully and accurately reflect the major impacts of SDIC on economy, society and environment?					
2. Does this report respond to the issues and disclose the information concerned by stakeholders?					
3. Does this report disclose clear, accurate and complete information, indicators, and data?					
4. What is your opinion on the readability of this report, i.e., the logics, content design, wording, and layout design?					

Open-Ended Questions

1. What is the most satisfying part of this report?
2. What kinds of information do you think is not disclosed in this report?
3. What are your suggestions for our future corporate social responsibility reports?

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STAMP

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