

China Everbright Limited

Responsible Investment Guidelines

I. Definition of Responsible Investment

Responsible investment is an investment strategy and practice to incorporate environmental, social and governance (ESG) factors in investment decisions and active ownership. It helps reduce risks, boost returns, address investor needs, and drive the sustainable development of businesses and the society.

II. Commitment to Responsible Investment

China Everbright Limited (“CEL” or the “Company”) undertakes to integrate ESG factors into its investment decisions, become an active owner, improve the sustainability of investees, and actively work with international and domestic institutions for responsible investment to promote the industry’s recognition of the principles of responsible investment.

III. Scope of Application

This *Guidelines* applies to all CEL-managed asset classes. Relevant CEL personnel are required to consider ESG-related factors during research and analysis, investment decision-making, and risk control. ESG considerations apply to the entire investment cycle. Each functional department should offer support to CEL’s responsible investment practices.

IV. Management System

CEL has built a management framework to ensure the implementation of responsible investment:

Board of Directors

The Board of the Company assumes ultimate responsibility for leading and supervising the implementation and performance of responsible investment. An Environmental, Social and Governance Committee (“ESG Committee”) has been established under the Board, which also appoints or dismisses its members. The Board is responsible for formulating the Terms of Reference to delegate certain powers on ESG issues to the ESG Committee, periodically hearing the reports of the ESG

Committee, and issuing Board statements on the Company's management of ESG issues in accordance with relevant regulations.

ESG Committee

The ESG Committee is responsible for formulating CEL's policies and strategies for responsible investment, leading the implementation of responsible investment practices, setting responsible investment goals, overseeing CEL's performance and outcomes in fulfilling responsible investment commitments, and periodically reporting responsible investment-related matters to the Board.

[Special ESG Project Team]

CEL has set up a [Special ESG Project Team] to organize the implementation of responsible investment policies developed by the ESG Committee and related resolutions, create work plans according to responsible investment goals, and coordinate the responsible investment activities of various departments. The [Special ESG Project Team] is required to periodically compile CEL's progress on responsible investment programs, report their results to the ESG Committee, organize the study of responsible investment policies and market trends, and propose strategic and policy adjustments and improvements to the ESG Committee. The [Special ESG Project Team] assigns dedicated personnel to ESG-related matters such as conducting ESG analysis and implementing active ownership.

Other departments

Investment teams and researchers are responsible for implementing the CEL's responsible investment policies and undertaking responsible investment tasks relevant to their job functions.

CEL will advise or help each fund team to formulate independent ESG policies for the corresponding fund based on fund characteristics and investor needs, and to reflect such policies in the investment strategy, operating manual, and risk management framework of the fund. CEL will also advise each fund to establish a corresponding ESG program disclosure and reporting system, and encourage and help each fund team to apply responsible investment principles to investment practices.

V. Implementation of Responsible Investment

Based on a step-by-step plan, CEL has been incorporating responsible investment principles into its investment research system, active ownership program, development of responsible investment-themed products, and capacity building, to promote their integration into Company strategies and investment processes.

Integration into the investment research system

CEL has progressively incorporated ESG analysis and considerations into its existing investment analysis process. Taking the creation of an internal ESG analysis system as a priority, substantive analysis of ESG issues and their potential impact on stakeholders and relevance to investment have become part of the Company's investment research system.

CEL has included ESG data and information in the investment process to comprehensively consider the potential impact and risks of ESG factors on investees.

Active ownership

Through direct communication with investees, CEL helps improve their sustainability performance and exercises active ownership. In such communications, CEL not only conveys the values and standards of responsible investment, but also encourages and helps the investee to make ESG improvements. In accordance with the Securities and Futures Commission's *Principles of Responsible Ownership* and other relevant guidelines, CEL engages in the corporate governance of investees as an active owner by exercising shareholder rights.

Responsible investment-themed products

CEL practices responsible investment philosophies and policies by developing low-carbon smart funds, green/low-carbon funds, and other responsible investment-themed products and integrating ESG factors into their investment methods and investment processes.

CEL will inform customers of the ideas behind responsible investment products and create sustainable investment returns and societal benefits for them.

Capacity building

CEL values capacity building for responsible investment. The [Human Resources Department] and the [Special ESG Project Team] organize regular training and meetings on responsible investment, supplemented by invited talks given by specialized firms, so as to raise employees' awareness of responsible investment, enhance their mastery of responsible investment methods, and promote the implementation of responsible investment practices.

VI. Cooperation

CEL actively collaborates with institutions that advocate responsible investment principles and strives to drive an industry-wide effort for responsible investment. By

working with leading organizations in the field of responsible investment, CEL has been exploring the application of responsible investment strategies, compiling responsible investment practices, and putting the results of its research into practice. Furthermore, CEL takes an active part in seminars, conferences, and forums on responsible investment. Extensive collaboration helps broaden CEL's perspectives on responsible investment, promotes exchanges, and enhances CEL's research and implementation capabilities in responsible investment.