
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Everbright Securities Company Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was affected for transmission to the purchaser or transferee.

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光大證券股份有限公司

Everbright Securities Company Limited

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

(Stock Code: 6178)

- (1) 2023 Report of the Board of Directors**
- (2) 2023 Report of the Supervisory Committee**
- (3) Independent Directors' Annual Work Report for 2023**
- (4) 2023 Annual Report and its Summary**
- (5) 2023 Annual Profit Distribution Plan**
- (6) Report on Performance Appraisal and Remuneration of the Directors of the Company for 2023**
- (7) Report on Performance Appraisal and Remuneration of the Supervisors of the Company for 2023**
- (8) Resolution on the Cap of Proprietary Trading Businesses Scale of the Company in 2024**
- (9) Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2024**
- (10) Resolution on the Appointment of the External Auditors for 2024**
- (11) Resolution on the Amendments to the Articles of Association**
- (12) Resolutions on the General Mandate to Issue Onshore and Offshore Debt Financing Instruments to the Company**
- (13) Resolution on the Election of Non-independent Directors of the Seventh Session of the Board of Directors of the Company**
- (14) Resolutions on the Election of Independent Non-executive Directors of the Seventh Session of the Board of Directors of the Company**
- (15) Resolutions on the Election of Supervisors of the Seventh Session of the Supervisory Committee of the Company**
- (16) Report on Performance of Duty, Performance Appraisal and Remuneration of the Senior Management of the Company for 2023 (Non-voting Matter)**
- and**
- (17) Notice of AGM**

The 2023 annual general meeting ("AGM") of Everbright Securities Company Limited (the "Company") will be held at 2:30 p.m. on Tuesday, May 28, 2024 at Jing'an International Plaza, No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC. A notice convening the AGM is set out on pages 9 to 16 of this circular.

Whether or not you are able to attend the AGM, you are advised to read the notice of the AGM and to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable. For H shareholders, the proxy form or any other authorization documents should be returned to the Company's H share registrar, Computershare Hong Kong Investor Services Limited, in person or by post no later than 24 hours before the time appointed for convening the AGM (i.e. before 2:30 p.m. on Monday, May 27, 2024) or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting at the AGM or at any adjourned meeting in person if you so wish.

April 29, 2024

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	5
Notice of AGM	9
Appendix I Businesses of the AGM	AI-1
Annex A 2023 Report of the Board of Directors	A-1
Annex B 2023 Report of the Supervisory Committee	B-1
Annex C Independent Directors' Annual Work Report for 2023	C-1
Annex D Report on Performance Appraisal and Remuneration of the Directors of the Company for 2023	D-1
Annex E Report on Performance Appraisal and Remuneration of the Supervisors of the Company for 2023	E-1
Annex F Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2024	F-1
Annex G Basic Information of the External Auditors Proposed to Be Appointed	G-1
Annex H Comparison Table of the Amendments to the Articles of Association	H-1
Annex I Resolutions on the General Mandate to Issue Onshore and Offshore Debt Financing Instruments to the Company	I-1
Annex J Biographies of the Candidates for Non-independent Directors	J-1
Annex K Biographies of the Candidates for Independent Non-executive Directors	K-1
Annex L Biographies of the Candidates for Supervisors	L-1
Annex M Report on Performance of Duty, Performance Appraisal and Remuneration of the Senior Management of the Company for 2023	M-1

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“A Share(s)”	domestic shares of the Company, with a nominal value of RMB1.00 each, which are listed on the SSE and traded in RMB
“Articles of Association”	the articles of association of the Company
“Asset securitization”, “ABS”	financing through issuance of tradable securities backed by specific asset portfolios or cash flows
“Board” or “Board of Directors”	the board of Directors of the Company
“China” or “PRC”	the People’s Republic of China excluding, for the purpose of this circular, Hong Kong, Macau and Taiwan
“Company Law”	the Company Law of the People’s Republic of China
“Company” or “our Company” or “Everbright Securities”	Everbright Securities Company Limited (光大證券股份有限公司)
“connected transaction(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules currently in effect and as amended from time to time
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“EBSI”	Everbright Securities International Holdings Limited (光大證券國際控股有限公司), a wholly-owned subsidiary of the Company
“ETF”	exchange-traded fund
“Everbright Asset Management”	Shanghai Everbright Securities Asset Management Co., Ltd. (上海光大證券資產管理有限公司), a wholly-owned subsidiary of the Company

DEFINITIONS

“Everbright Capital”	Everbright Capital Investment Co., Ltd. (光大資本投資有限公司), a wholly-owned subsidiary of the Company
“Everbright Development”	Everbright Development Investment Co., Ltd. (光大發展投資有限公司), a wholly-owned subsidiary of the Company
“Everbright Fortune”	Everbright Fortune Investment Co., Ltd. (光大富尊投資有限公司), a wholly-owned subsidiary of the Company
“Everbright Futures”	Everbright Futures Co., Ltd. (光大期貨有限公司), a wholly-owned subsidiary of the Company
“Everbright Group”	China Everbright Group Ltd. (中國光大集團股份公司), the largest shareholder of the Company
“Everbright Leasing”	Everbright Fortune Financial Leasing Co., Ltd. (光大幸福融資租賃有限公司), a majority-owned subsidiary of the Company
“Everbright Limited”	China Everbright Limited (中國光大控股有限公司), the second largest shareholder of the Company
“Everbright Pramerica”	Everbright Pramerica Fund Management Co., Ltd. (光大保德信基金管理有限公司), a majority-owned subsidiary of the Company
“FOF”	fund of funds, a fund that invests exclusively in other securities investment funds
“Group”, “our Group”	the Company and its subsidiaries
“H Shares”	foreign shares of the Company, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“HKD” or “Hong Kong dollars” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“IPO”	initial public offering
“maintenance margin ratio”	the ratio of all the collateral from the clients of margin financing and securities lending business (including the amount of cash and the market value of securities held in margin securities account) to the margin balance of clients (the sum of the amount of margin loans purchased, the latest market value of securities lent and any accrued interest and fees)
“margin financing and securities lending”	provision of collateral by investors to securities firms to borrow funds for securities purchases (margin financing) or to borrow and sell securities (securities lending)
“MOM”	manager of managers, an asset management investment tool
“PB”	prime brokerage
“PBOC”	People’s Bank of China, the central bank of the PRC
“REITs”	real estate investment trusts
“related party transaction(s)”	has the meaning ascribed to it under the SSE Listing Rules currently in effect and as amended from time to time, unless otherwise stated
“Renminbi” or “RMB”	RMB, the lawful currency of the PRC. Amounts are in RMB unless otherwise indicated in this circular
“Reporting Period”	the year of 2023 (January 1, 2023 to December 31, 2023)
“SAFE”	State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
“Sci-tech Innovation Board”	the science and technology innovation board launched by the Shanghai Stock Exchange
“Securities Law”	the Securities Law of the People’s Republic of China
“SFC”	the Securities and Futures Commission of Hong Kong

DEFINITIONS

“SSE”	Shanghai Stock Exchange
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company

LETTER FROM THE BOARD



光大證券股份有限公司

Everbright Securities Company Limited

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

(Stock Code: 6178)

Mr. Zhao Ling (<i>Chairman, Executive Director</i>)	<i>Registered office and principal place of business in the PRC:</i> No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC
Mr. Liu Qiuming (<i>Executive Director, President</i>)	
Mr. Song Bingfang (<i>Non-executive Director</i>)	
Mr. Yin Yanwu (<i>Non-executive Director</i>)	
Mr. Chan Ming Kin (<i>Non-executive Director</i>)	
Mr. Xie Song (<i>Non-executive Director</i>)	<i>Place of business in Hong Kong:</i> 12/F, Everbright Centre, 108 Gloucester Road, Wan Chai, Hong Kong
Mr. Wang Yong (<i>Independent Non-executive Director</i>)	
Mr. Po Wai Kwong (<i>Independent Non-executive Director</i>)	
Mr. Ren Yongping (<i>Independent Non-executive Director</i>)	
Mr. Yin Junming (<i>Independent Non-executive Director</i>)	
Mr. Liu Yunhong (<i>Independent Non-executive Director</i>)	

April 29, 2024

To the Shareholders

Dear Sir or Madam,

- (1) 2023 Report of the Board of Directors
- (2) 2023 Report of the Supervisory Committee
- (3) Independent Directors' Annual Work Report for 2023
- (4) 2023 Annual Report and its Summary
- (5) 2023 Annual Profit Distribution Plan
- (6) Report on Performance Appraisal and Remuneration of the Directors of the Company for 2023
- (7) Report on Performance Appraisal and Remuneration of the Supervisors of the Company for 2023
- (8) Resolution on the Cap of Proprietary Trading Businesses Scale of the Company in 2024
- (9) Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2024
- (10) Resolution on the Appointment of the External Auditor for 2024
- (11) Resolution on the Amendments to the Articles of Association
- (12) Resolutions on the General Mandate to Issue Onshore and Offshore Debt Financing Instruments to the Company
- (13) Resolution on the Election of Non-independent Directors of the Seventh Session of the Board of Directors of the Company
- (14) Resolutions on the Election of Independent Non-executive Directors of the Seventh Session of the Board of Directors of the Company
- (15) Resolutions on the Election of Supervisors of the Seventh Session of the Supervisory Committee of the Company
- (16) Report on Performance of Duty, Performance Appraisal and Remuneration of the Senior Management of the Company for 2023 (Non-voting Matter)
and
- (17) Notice of AGM

LETTER FROM THE BOARD

I. INTRODUCTION

On behalf of the Board, I would like to invite you to attend the AGM to be held at 2:30 p.m. on Tuesday, May 28, 2024 at Jing'an International Plaza, No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC. The purpose of this circular is to give you notice of the AGM and to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM.

II. BUSINESSES TO BE CONSIDERED AT THE AGM

Details of the businesses to be considered at the AGM are set out on pages AI-1 to AI-10 of this circular.

The resolutions to be presented as ordinary resolutions for consideration and approval at the AGM are: (1) 2023 Report of the Board of Directors; (2) 2023 Report of the Supervisory Committee; (3) Independent Directors' Annual Work Report for 2023; (4) 2023 Annual Report and its Summary; (5) 2023 Annual Profit Distribution Plan; (6) Report on Performance Appraisal and Remuneration of the Directors of the Company for 2023; (7) Report on Performance Appraisal and Remuneration of the Supervisors of the Company for 2023; (8) Resolution on the Cap of Proprietary Trading Businesses Scale of the Company in 2024; (9) Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2024; (10) Resolution on the Appointment of the External Auditors for 2024; (13) Resolutions on the Election of Non-independent Directors of the Seventh Session of the Board of Directors of the Company; (14) Resolutions on the Election of Independent Non-executive Directors of the Seventh Session of the Board of Directors of the Company; and (15) Resolutions on the Election of Supervisors of the Seventh Session of the Supervisory Committee of the Company.

The resolutions to be presented as special resolutions for consideration and approval at the AGM are: (11) Resolution on the Amendments to the Articles of Association; and (12) Resolutions on the General Mandate to Issue Onshore and Offshore Debt Financing Instruments to the Company.

In order to enable you to have a further understanding of the resolutions to be presented at the AGM and obtain sufficient and necessary information to make decisions, we have provided detailed information to shareholders in Appendix I to this circular, including the information and explanation of the resolutions to be adopted at the AGM.

Report on Performance of Duty, Performance Appraisal and Remuneration of the Senior Management of the Company for 2023 will be presented at the AGM, but no shareholders' approval is required. To provide detailed information to shareholders, the aforementioned report is set out in Annex M to this circular, for the inspection by the shareholders.

LETTER FROM THE BOARD

III. THE AGM

The AGM will be held at 2:30 p.m. on Tuesday, May 28, 2024 at Jing'an International Plaza, No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC, to consider and, if thought fit, approve the resolutions mentioned above. The notice of AGM is set out on pages 9 to 16 of this circular.

A form of proxy for use at the AGM is enclosed. The form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.ebscn.com). Whether or not you are able to attend the AGM, you are advised to read the notice of the AGM and to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable. For H shareholders, the proxy form or any other authorization documents should be returned to the Company's H share registrar, Computershare Hong Kong Investor Services Limited, in person or by post no later than 24 hours before the time appointed for convening the AGM (i.e. before 2:30 p.m. on Monday, May 27, 2024) or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting at the AGM or at any adjourned meeting in person if you so wish.

Computershare Hong Kong Investor Services Limited, the Company's H share registrar, is located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (Telephone: (852) 2862 8555).

IV. CUMULATIVE VOTING

According to the Articles of Association, the resolutions on the election of non-independent Directors and independent non-executive Directors of the seventh session of the Board of Directors and Supervisors of the Company (namely Resolutions 13, 14 and 15) will be elected through cumulative voting. The number of total votes that a shareholder can exercise is decided by the following factors: (i) the number of shares held by such shareholder; and (ii) the number of non-independent Directors, independent non-executive Directors and Supervisors to be elected. For every share held by a shareholder who participates in the voting, the shareholder will have the same number of voting rights which equals to the number of non-independent Directors, independent non-executive Directors and Supervisors to be elected. A shareholder may give all his or her votes to one candidate or divide his or her votes among several candidates. Non-independent Directors, independent non-executive Directors and Supervisors are elected at the AGM based on the total number of votes he or she receives.

V. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, any vote by shareholders at a general meeting must be taken by poll. Therefore, the resolutions to be proposed at the AGM will be voted by poll. Results of the poll voting will be posted on the website of the Shanghai Stock Exchange at www.sse.com.cn and on the HKExnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk upon the conclusion of the AGM.

LETTER FROM THE BOARD

VI. RECOMMENDATION

The Board considers that all the aforesaid resolutions are in the best interests of the Company and the shareholders as a whole and accordingly recommends you to vote in favor of such resolutions to be proposed at the AGM.

Yours faithfully,
By order of the Board
Everbright Securities Company Limited
Zhao Ling
Chairman

Shanghai, the PRC

NOTICE OF AGM

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光大證券股份有限公司

Everbright Securities Company Limited

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

(Stock Code: 6178)

NOTICE OF 2023 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2023 annual general meeting (the “AGM”) of Everbright Securities Company Limited (the “Company”) will be held at 2:30 p.m. on Tuesday, May 28, 2024 at Jing’an International Plaza, No. 1508 Xinzha Road, Jing’an District, Shanghai, the PRC, to consider and, if thought fit, approve the following resolutions.

ORDINARY RESOLUTIONS

1. To consider and approve the 2023 Report of the Board of Directors.
2. To consider and approve the 2023 Report of the Supervisory Committee.
3. To consider and approve the Independent Directors’ Annual Work Report for 2023.
4. To consider and approve the 2023 Annual Report and its Summary.
5. To consider and approve the 2023 Annual Profit Distribution Plan.
6. To consider and approve the Report on Performance Appraisal and Remuneration of the Directors of the Company for 2023.
7. To consider and approve the Report on Performance Appraisal and Remuneration of the Supervisors of the Company for 2023.
8. To consider and approve the Resolution on the Cap of Proprietary Trading Businesses Scale of the Company in 2024.
9. To consider and approve the Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2024.
10. To consider and approve the Resolution on the Appointment of External Auditors for 2024.

NOTICE OF AGM

SPECIAL RESOLUTIONS

11. To consider and approve the Resolution on the Amendments to the Articles of Association.
12. To consider and approve the Resolutions on the General Mandate to Issue Onshore and Offshore Debt Financing Instruments to the Company, including:
 - 12.1 Issuer
 - 12.2 Type of Debt Financing Instruments
 - 12.3 Size of Issuance
 - 12.4 Method of Issuance
 - 12.5 Term of Debt Financing Instruments
 - 12.6 Interest Rates of Debt Financing Instruments
 - 12.7 Guarantees and Other Credit Enhancement Arrangements
 - 12.8 Use of Proceeds
 - 12.9 Issue Price
 - 12.10 Target Subscribers and Arrangements for Placement to the Shareholders of the Company
 - 12.11 Listing of the Debt Financing Instruments
 - 12.12 Measures for Guaranteeing Debt Repayment of the Debt Financing Instruments
 - 12.13 Authorised Matters Relating to the Issuance of the Onshore and Offshore Debt Financing Instruments of the Company
 - 12.14 Validity Period of the Resolution

NOTICE OF AGM

ORDINARY RESOLUTIONS

13. To consider and approve the Resolutions on the Election of Non-independent Directors of the Seventh Session of the Board of Directors of the Company.
 - 13.1 To consider and approve the Resolution on the Election of Mr. Zhao Ling as an Executive Director of the Seventh Session of the Board of Directors of the Company
 - 13.2 To consider and approve the Resolution on the Election of Mr. Liu Qiuming as an Executive Director of the Seventh Session of the Board of Directors of the Company
 - 13.3 To consider and approve the Resolution on the Election of Ms. Ma Rentao as a Non-executive Director of the Seventh Session of the Board of Directors of the Company
 - 13.4 To consider and approve the Resolution on the Election of Mr. Lian Yalin as a Non-executive Director of the Seventh Session of the Board of Directors of the Company
 - 13.5 To consider and approve the Resolution on the Election of Ms. Wang Yun as a Non-executive Director of the Seventh Session of the Board of Directors of the Company
 - 13.6 To consider and approve the Resolution on the Election of Mr. Yin Yanwu as a Non-executive Director of the Seventh Session of the Board of Directors of the Company
 - 13.7 To consider and approve the Resolution on the Election of Mr. Xie Song as a Non-executive Director of the Seventh Session of the Board of Directors of the Company
 - 13.8 To consider and approve the Resolution on the Election of Mr. Qin Xiaozheng as a Non-executive Director of the Seventh Session of the Board of Directors of the Company
14. To consider and approve the Resolutions on the Election of Independent Non-executive Directors of the Seventh Session of the Board of Directors of the Company.
 - 14.1 To consider and approve the Resolution on the Election of Mr. Ren Yongping as an Independent Non-executive Director of the Seventh Session of the Board of Directors of the Company

NOTICE OF AGM

- 14.2 To consider and approve the Resolution on the Election of Mr. Yin Junming as an Independent Non-executive Director of the Seventh Session of the Board of Directors of the Company
- 14.3 To consider and approve the Resolution on the Election of Mr. Lau Ying Pan as an Independent Non-executive Director of the Seventh Session of the Board of Directors of the Company
- 14.4 To consider and approve the Resolution on the Election of Ms. Chen Xuanjuan as an Independent Non-executive Director of the Seventh Session of the Board of Directors of the Company
- 14.5 To consider and approve the Resolution on the Election of Mr. Lv Suiqi as an Independent Non-executive Director of the Seventh Session of the Board of Directors of the Company
15. To consider and approve the Resolutions on the Election of Supervisors of the Seventh Session of the Supervisory Committee of the Company.
 - 15.1 To consider and approve the Resolution on the Election of Mr. Liang Yi as a Supervisor of the Seventh Session of the Supervisory Committee of the Company
 - 15.2 To consider and approve the Resolution on the Election of Mr. Zhou Huajian as a Supervisor of the Seventh Session of the Supervisory Committee of the Company
 - 15.3 To consider and approve the Resolution on the Election of Mr. Ye Shengli as a Supervisor of the Seventh Session of the Supervisory Committee of the Company
 - 15.4 To consider and approve the Resolution on the Election of Mr. Lin Maoliang as a Supervisor of the Seventh Session of the Supervisory Committee of the Company
 - 15.5 To consider and approve the Resolution on the Election of Mr. Li Ruoshan as a Supervisor of the Seventh Session of the Supervisory Committee of the Company
 - 15.6 To consider and approve the Resolution on the Election of Mr. Liu Yunhong as a Supervisor of the Seventh Session of the Supervisory Committee of the Company

NOTICE OF AGM

TO HEAR THE RELEVANT REPORT

16. To hear the Report on Performance of Duty, Performance Appraisal and Remuneration of the Senior Management of the Company for 2023.

By order of the Board
Everbright Securities Company Limited
Zhao Ling
Chairman

Shanghai, the PRC
April 29, 2024

As at the date of this notice, the board of directors of the Company comprises Mr. Zhao Ling (Chairman, Executive Director), Mr. Liu Qiuming (Executive Director, President), Mr. Song Bingfang (Non-executive Director), Mr. Yin Yanwu (Non-executive Director), Mr. Chan Ming Kin (Non-executive Director), Mr. Xie Song (Non-executive Director), Mr. Wang Yong (Independent Non-executive Director), Mr. Po Wai Kwong (Independent Non-executive Director), Mr. Ren Yongping (Independent Non-executive Director), Mr. Yin Junming (Independent Non-executive Director) and Mr. Liu Yunhong (Independent Non-executive Director).

NOTICE OF AGM

Notes:

1. Eligibility for Attending the AGM and Closure of Register of Members for H Shares

The H share register of members of the Company will be closed for the purpose of determining H shareholders' entitlement to attend the AGM from Tuesday, May 21, 2024 to Tuesday, May 28, 2024 (both days inclusive), during which period no transfer of H shares will be registered. H shareholders whose names appear on the H share register of members of the Company at the close of business on Tuesday, May 21, 2024 are entitled to attend and vote at the AGM. In order to attend the AGM, H shareholders should ensure that share certificates, accompanied with transfer documents, are lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, May 20, 2024 to complete registration.

The Company will announce separately on the Shanghai Stock Exchange for details of A shareholders' eligibility for attending the AGM.

2. Proxy

- (1) Any shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote at the meeting on his or her behalf. A proxy need not be a shareholder.
- (2) The instrument appointing a proxy must be in writing by the appointer or his attorney duly authorized in writing, or if the appointer is a legal entity, either under seal of the legal entity or signed by a director or a duly authorized attorney.

To be valid, for H shareholders, the form of proxy or other documents of authorization must be delivered to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 24 hours before the time fixed for the AGM (i.e. at 2:30 p.m. on Monday, May 27, 2024). The form of proxy for use at the AGM will be published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.ebscn.com).

Completion and return of the form of proxy will not preclude the shareholders from attending and voting at the AGM or at any adjourned meeting in person if they so wish.

3. Registration Procedures for Attending the AGM

A shareholder or his/her proxy should produce proof of identity when attending the AGM. If a shareholder is a legal person, its legal representative or other person authorized by the board of directors or other decision-making body of such shareholder may attend the AGM by producing a copy of the resolution of the board of directors or other decision-making body of such shareholder appointing such person to attend the meeting.

4. Voting by Poll

According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the chairman of the AGM will exercise his power under the articles of association of the Company to demand a poll in relation to all the resolutions to be proposed at the AGM. Results of the poll voting will be posted on the website of the Shanghai Stock Exchange at www.sse.com.cn and on the HKExnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk upon the conclusion of the AGM.

5. Cumulative Voting

According to the articles of association of the Company, the aforesaid non-independent directors, independent non-executive directors and supervisors (namely Resolutions 13, 14 and 15) will be elected through cumulative voting. The number of total votes that a shareholder can exercise is decided by the following factors: (i) the number of shares held by such shareholder; and (ii) the number of non-independent directors, independent non-executive directors and supervisors to be elected. For every share held by a shareholder who participates in the voting, the shareholder will have the same number of voting rights which equals to the number of non-independent directors, independent non-executive directors and supervisors to be elected. A shareholder may give all his or her votes to one candidate or divide his or her votes among several candidates. Non-independent directors, independent non-executive directors and supervisors are elected at the AGM based on the total number of votes he or she receives.

NOTICE OF AGM

6. Distribution of Final Dividend of H Shares

The board of directors the Company (the “**Board**”) has proposed to pay the final cash dividend of RMB2.803 (tax inclusive) for every 10 shares for the year ended December 31, 2023 to all A shareholders and H shareholders, which is expected to be RMB1,292,403,775.21 (tax inclusive) in total, with a total share capital of 4,610,787,639 A shares and H shares as at December 31, 2023. Cash dividend is denominated and declared in RMB, and paid to A shareholders in RMB and to H shareholders in Hong Kong dollars. The actual distribution amount in Hong Kong dollars would be calculated at the rate of average benchmark exchange rate of RMB against Hong Kong dollars published by the People’s Bank of China for one week (including the date of the AGM) prior to the AGM of the Company. If the Resolution on the 2023 Annual Profit Distribution Plan of the Company is approved at the AGM, the cash dividend will be distributed by the Company within two months from the date of the AGM.

The Company will publish separate announcements on the record date and book closure period for the payment of the dividends to the H shareholders, as well as the record date and the date for the payment of the dividends to A shareholders.

7. Tax Matters

Pursuant to the Notice of the PRC State Administration of Taxation on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348), the dividend and bonus income received by the overseas resident individual shareholders from the stocks issued by domestic non-foreign invested enterprises in Hong Kong is subject to the payment of individual income tax according to the items of “interests, dividend and bonus income”, which shall be withheld by the withholding agents according to the relevant laws. The overseas resident individual shareholders who hold the stocks issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between the countries where they are residents and China or the tax arrangements between Mainland China and Hong Kong (Macau). The tax rate for dividends under the relevant tax agreements and tax arrangements is generally 10%, and for the purpose of simplifying tax administration, domestic non-foreign invested enterprises issuing shares in Hong Kong may, when distributing dividend, generally withhold individual income tax at the rate of 10%, and are not obligated to file an application. If the tax rate for dividend is not equal to 10%, the following provisions shall apply: (1) for citizens from countries under tax agreements to be entitled to tax rates lower than 10%, the withholding agents will file applications on their behalf to seek entitlement of the relevant agreed preferential treatments, and upon approval by the tax authorities, over withheld tax amounts will be refunded; (2) for citizens from countries under tax agreements to be entitled to tax rates higher than 10% but lower than 20%, the withholding agents will withhold the individual income tax at the agreed-upon effective tax rate when distributing dividend (bonus), and are not obligated to file an application; (3) for citizens from countries without tax agreements or are under other situations, the withholding agents will withhold the individual income tax at a tax rate of 20% when distributing dividend. Pursuant to the Notice of the State Administration of Taxation on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to Holders of H Shares Which Are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897), a PRC resident enterprise, when distributing dividends for 2008 and for the years afterwards to holders of H Shares who are overseas non-resident enterprises, shall be subject to the enterprise income tax withheld at a uniform rate of 10%.

Withholding of income tax on H shareholders of Hong Kong Stock Connect

In accordance with the relevant provisions of the Notification on Relevant Tax Policies for Pilot Operation of Transaction Interconnection Mechanism of Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81), which has been implemented since November 17, 2014:

- For the dividend income obtained by mainland individual investors from investment in H Shares of the Company through HK-Shanghai Stock Connect, the Company shall withhold the income tax as per the 20% tax rate. For the dividend income obtained by mainland securities investment funds from investment in H Shares of the Company through HK-Shanghai Stock Connect, the income tax shall be levied in accordance with the above provisions; and
- For the dividend income obtained by mainland enterprise investors from investment in H Shares of the Company through HK-Shanghai Stock Connect, the income tax on the mainland enterprises shall not be withheld by the Company, and the tax payable shall be declared and paid by the mainland enterprises.

NOTICE OF AGM

In accordance with the Notification on Relevant Tax Policies for Pilot Operation of Transaction Interconnection Mechanism of Shenzhen and Hong Kong Stock Markets (Cai Shui [2016] No. 127) put into force on December 5, 2016:

- For the dividend income obtained by mainland individual investors from investment in H Shares of the Company through HK-Shenzhen Stock Connect, the Company shall withhold the income tax as per the 20% tax rate. For the dividend income obtained by mainland securities investment funds from investment in H Shares of the Company through HK-Shenzhen Stock Connect, the income tax shall be levied in accordance with the above provisions; and
- For the dividend income obtained by mainland enterprise investors from investment in H Shares of the Company through HK-Shenzhen Stock Connect, the income tax on the mainland enterprises shall not be withheld by the Company, and the tax payable shall be declared and paid by the mainland enterprises.

If the H shareholders of the Company have any questions regarding the above arrangements, they may consult their tax advisers on the tax implications in Mainland China, Hong Kong and other countries (regions) from owning and disposing of the H Shares of the Company.

8. Arrangements for Adverse Weather and Other Force Majeure

The AGM may be adjourned to a later date and/or time or cancelled (at the discretion of the Company) if it is not practicable to convene the AGM due to adverse weather and other special reasons such as force majeure. The Company will publish an announcement on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.ebscn.com) to explain the postponement or cancellation of the AGM (provided that the failure of the Company to publish the announcement in time for any reason shall not affect the decision of the Company to postpone or cancel the convening of the AGM). Shareholders may also contact the H share registrar or the Company's Board office for enquiries.

9. Others

- (1) For joint shareholders, a vote by a preferred joint shareholder, whether in person or by a proxy, is to be accepted as representing the remaining joint shareholders if the joint shareholders present in person or by proxy are more than one. In regard thereof, the priority of the shareholders shall be determined by the rankings of the relevant joint shareholders in the register of members of the Company in relation to the relevant Shares.
- (2) Except for the arrangements for the Company to conduct online voting for A shareholders during the designated time on the day of the AGM in accordance with the relevant provisions of Shanghai Stock Exchange and the articles of association of the Company, as well as the Rules of Procedure for General Meetings, the AGM shall be a physical meeting (on-site meeting) at which H shareholders of the Company are required to attend in person or by proxy as required by Note 2 to this notice. The duration of the AGM is expected not to exceed half a day. All shareholders who attend the AGM shall arrange for their own transportation and accommodation at their own expenses.
- (3) The address of Computershare Hong Kong Investor Services Limited is at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (Telephone: (852) 2862 8555, Fax: (852) 2865 0990).
- (4) The location of the Company's Board office is at No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC (Postcode: 200040, Telephone: (86) 21 2216 9914, Fax: (86) 21 2216 9964).

ORDINARY RESOLUTIONS**1. To consider and approve the 2023 Report of the Board of Directors**

Pursuant to the provisions of the Company Law and the Articles of Association, considering and approving the 2023 Report of the Board of Directors is the authority of the general meeting of the Company. Pursuant to the Rules for Shareholders' General Meeting of Listed Companies issued by the CSRC, the Board of Directors shall report to the shareholders on its work over the past year at the AGM.

The 2023 Report of the Board of Directors of Everbright Securities Company Limited was considered and approved by the Board of Directors on March 27, 2024, and is hereby presented to the AGM for consideration and approval.

Please refer to Annex A to this circular for the details of the above 2023 Report of the Board of Directors.

2. To consider and approve the 2023 Report of the Supervisory Committee

Pursuant to the relevant regulations and the requirements in the Articles of Association, considering and approving the 2023 Report of the Supervisory Committee is the authority of the general meeting of the Company. Pursuant to the Rules for Shareholders' General Meeting of Listed Companies issued by the CSRC, the Supervisory Committee shall report to the shareholders on its work over the past year at the AGM.

The 2023 Report of the Supervisory Committee of Everbright Securities Company Limited was considered and approved by the Supervisory Committee on March 26, 2024, and is hereby presented to the AGM for consideration and approval.

Please refer to Annex B to this circular for the details of the above 2023 Report of the Supervisory Committee.

3. To consider and approve the Independent Directors' Annual Work Report for 2023

The above resolution was considered and approved by the Board of Directors on March 27, 2024, and is hereby presented to the AGM for consideration and approval. Please refer to Annex C to this circular for the details of the above resolution.

4. To consider and approve the 2023 Annual Report and its Summary

The 2023 Annual Report was considered and approved by the Board of Directors on March 27, 2024, and is hereby presented to the AGM for consideration and approval. The 2023 Annual Report has been published on the HKExnews website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Shanghai Stock Exchange (www.sse.com.cn).

5. To consider and approve the 2023 Annual Profit Distribution Plan

Pursuant to the 2023 Annual Profit Distribution Plan of the Company considered and approved by the Board of Directors on March 27, 2024, the 2023 Annual Profit Distribution Plan of the Company is as follows:

In the year of 2023, the Company recorded audited consolidated net profit attributable to shareholders of the listed company of RMB4,271,152,276.46 and consolidated net profit attributable to holders of ordinary shares of the parent company after deducting interest incurred for perpetual bonds of RMB3,881,602,276.46. Taking into account the interests of the shareholders and the operation and development needs of the Company, the 2023 Annual Profit Distribution Plan of the Company is proposed as follows: for the share capital of A Shares and H Shares of 4,610,787,639 shares in total as at December 31, 2023, based on the audited financial data, a cash dividend of RMB2.803 (tax inclusive) for every 10 shares, amounting to RMB1,292,403,775.21 in total, will be distributed to all A shareholders and H shareholders. Cash dividend is denominated and declared in RMB, and paid to A shareholders in RMB and to H shareholders in HKD. The actual distribution amount in HKD would be calculated based on the average benchmark exchange rate of RMB against HKD published by People's Bank of China for one week (including the date of the AGM) prior to the 2023 AGM of the Company.

According to the above profit distribution plan, the total amount of cash dividends proposed to be distributed by the Company accounts for 30.26% of consolidated net profit attributable to shareholders of the listed company and 33.30% of consolidated net profit attributable to holders of ordinary shares of the listed company, which complies with the requirements of the Self-regulatory Guideline No. 1 for Listed Companies and the Articles of Association.

The above 2023 Annual Profit Distribution Plan was considered and approved by the Board of Directors on March 27, 2024, and is hereby presented to the AGM for consideration and approval. If the final dividend of 2023 is approved by the shareholders at the AGM, the Company's final dividend for the year ended December 31, 2023 will be paid in cash within two months from the date of the AGM.

The Company will publish separate announcements on the record date and book closure period for the payment of the dividends in respect of its H Shares, and the record date and the specific date for the payment of the dividends in respect of its A Shares.

6. To consider and approve the Report on Performance Appraisal and Remuneration of the Directors of the Company for 2023

According to the Rules for Governance of Securities Companies, the board of directors of securities companies shall provide special description in respect of the performance appraisal and remuneration of directors to the general meeting. Please refer to Annex D to this circular for the details of the Report on Performance Appraisal and Remuneration of the Directors of the Company for 2023. It is hereby presented to the AGM for consideration and approval.

7. To consider and approve the Report on Performance Appraisal and Remuneration of the Supervisors of the Company for 2023

According to the Rules for Governance of Securities Companies, the supervisory committee of securities companies shall provide special description in respect of the performance appraisal and remuneration of supervisors to the general meeting. Please refer to Annex E to this circular for the details of the Report on Performance Appraisal and Remuneration of the Supervisors of the Company for 2023. It is hereby presented to the AGM for consideration and approval.

8. To consider and approve the Resolution on the Cap of Proprietary Trading Businesses Scale of the Company in 2024

Proprietary investment is one of the main businesses of the Company. According to Article 6 of the Provisions on Strengthening the Supervision of Listed Securities Companies (2020 Revision, CSRC Announcement [2020] No. 62) issued by the CSRC, “if any major external investment of a listed securities company, including proprietary securities trading, exceeds a certain amount which may require timely disclosure and approval at the shareholders’ general meeting, the total amount of proprietary investment of the listed securities company may be deliberated and disclosed by the shareholders’ general meeting each year. In case of any change in the course of proprietary investment, the shareholders’ general meeting may, in compliance with the articles of association, authorize the board of directors to vote and make an announcement thereon”. The Company has made an analysis on the scale of proprietary investment for 2024, based on the proprietary investment business development in 2023 and its business plan and prediction on the market condition for 2024:

I. The maximum investment scale for proprietary trading of equity securities and derivatives in 2024 is 50% of the net capital (no more than 100% of the net capital under the regulatory requirements).

The “equity securities and derivatives” include: stocks, depository receipts, equity funds, stock index futures, equity swaps, equity options, etc. Investment scale measurement is subject to regulatory standards, among which, the investment portfolio that has effectively hedged

risks is calculated at 5% of the total size of investment. The size of investment is the sum of the absolute values of long positions and the absolute values of short positions. In case of any change in regulatory measurement standard, the measurement standard shall be aligned with the latest regulatory standard.

II. The maximum investment scale for proprietary trading of non-equity securities and derivatives in 2024 is 300% of the net capital (no more than 500% of the net capital under the regulatory requirements).

The “non-equity securities and derivatives” include: bonds, non-equity funds, treasury bond futures, bond forwards, interest rate swaps, foreign exchange derivatives, targeted, collective and trust products, spot commodities and derivatives, non-equity options, credit derivatives, etc. Investment scale measurement is subject to regulatory standards, among which, the investment portfolio that has effectively hedged risks is calculated at 1% of the total size of investment. The size of investment is the sum of the absolute values of long positions and the absolute values of short positions. In case of any change in regulatory measurement standard, the measurement standard shall be aligned with the latest regulatory standard.

The above resolution was considered and approved by the Board of Directors on April 29, 2024, and is hereby presented to the AGM for consideration and approval.

9. To consider and approve the Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2024

The above resolution was considered and approved by the Board of Directors on March 27, 2024 and is hereby presented to the AGM for consideration and approval. Please refer to Annex F to this circular for the details of the above resolution.

10. To consider and approve the Resolution on the Appointment of External Auditors for 2024

Reference is made to the announcement of the Company dated March 27, 2024. As Ernst & Young Hua Ming LLP and Ernst & Young have been providing audit services to the Company for a number of consecutive years, upon completion of the audit work for the year 2023, in order to ensure the independence and objectivity of the Company’s auditors, the Company intends to change the accounting firms for the year 2024 according to the relevant provisions of the Administrative Measures for State-owned Financial Enterprises to Select and Appoint Accounting Firms (《國有金融企業選聘會計師事務所管理辦法》) issued by the Ministry of Finance of the People’s Republic of China and the actual situation of the Company. The Company has communicated with the original accounting firms regarding the change of accounting firms, and the original accounting firms have no objections to such change.

It is hereby proposed that KPMG Huazhen LLP (“**KPMG Huazhen**”) and KPMG (“**KPMG HK**”) be appointed as the external auditors of the Company for 2024. The audit and other professional services to be provided by KPMG for the year 2024 mainly include, among other things: auditing of the financial statements and notes thereto and internal control of the Company for the year 2024, reviewing of the interim financial statements and notes thereto of the Company for the year 2024, special auditing of the calculation sheets of net capital, calculation sheets of risk capital reserve, calculation sheets of the total on-balance-sheet and off-balance-sheet asset, calculation sheets of liquidity coverage rate, calculation sheets of net stable funding rate and statements of risk control indicators monitoring for the year 2024, special auditing of the consolidated balance sheets, consolidated income statements, consolidated calculation sheets of net capital, consolidated statements of risk control indicators monitoring and consolidated calculation sheets of risk capital reserve, issuing letters of comfort for related party transactions, and auditing of environmental, social and governance reports and annual reports of certain of majority-owned subsidiaries.

It is proposed that shareholders consider and approve (1) the appointment of KPMG Huazhen as the PRC external auditor of the Company for the year 2024 to be responsible for providing relevant domestic audit services in accordance with the PRC Accounting Standards for Business Enterprises and other requirements; (2) the appointment of KPMG HK as the overseas external auditor of the Company for the year 2024 to be responsible for providing relevant overseas audit and review services in accordance with the International Financial Reporting Standards; and (3) the Company’s domestic and overseas audit and review fees of RMB3.8 million in aggregate for the year 2024, and authorizing the management of the Company to enter into contracts related to the appointment of accounting firms.

The above resolution was considered and approved by the Board of Directors on March 27, 2024 and is hereby presented to the AGM for consideration and approval. Please refer to Annex G to this circular for the basic information of the external auditors proposed to be appointed in the above resolution.

SPECIAL RESOLUTIONS

11. To consider and approve the Resolution on the Amendments to the Articles of Association

Reference is made to the announcement of the Company dated April 29, 2024. The Resolution on the Amendments to the Articles of Association was considered and approved by the Board of Directors on April 29, 2024 and is hereby presented to the shareholders for consideration: (1) to consent to the amendments to the Articles of Association; and (2) to agree to authorize the Board of Directors and allows the Board of Directors to delegate such authority to the management: to handle the specific matters in relation to the amendments to the Articles of Association at its sole discretion under the framework and principles as approved by the general meeting, including but not limited to making non-substantive amendments to the wording of the Articles of Association based on the opinions of the CSRC and the administration for market regulation; provided, however, that any substantive amendment shall be submitted to the general meeting for consideration. Please refer to Annex H to this circular for the details of the comparison table of the amendments to the Articles of Association in the above resolution.

12. To consider and approve the Resolutions on the General Mandate to Issue Onshore and Offshore Debt Financing Instruments to the Company

The above resolutions were considered and approved by the Board of Directors on March 27, 2024 and are hereby presented to the AGM for consideration and approval. Please refer to Annex I to this circular for the details of the above resolutions.

ORDINARY RESOLUTIONS (BY WAY OF CUMULATIVE VOTING)**13. To consider and approve the Resolutions on the Election of Non-independent Directors of the Seventh Session of the Board of Directors of the Company**

The term of the sixth session of the Board of Directors of the Company has expired according to the Articles of Association. As considered and approved by the Board of Directors, the following persons are proposed as the candidates for the non-independent Directors of the seventh session of the Board of Directors of the Company:

- Mr. Zhao Ling (executive Director)
- Mr. Liu Qiuming (executive Director)
- Ms. Ma Rentao (non-executive Director)
- Mr. Lian Yalin (non-executive Director)
- Ms. Wang Yun (non-executive Director)
- Mr. Yin Yanwu (non-executive Director)
- Mr. Xie Song (non-executive Director)
- Mr. Qin Xiaozheng (non-executive Director)

The biographies of the above candidates are set out in Annex J to this circular. The Articles of Association provides that the Board shall comprise 13 members. The aforesaid eight candidates for the non-independent Directors to be considered and approved by the AGM shall form the seventh session of the Board of the Company together with the five candidates for independent non-executive Directors elected at the AGM. The term of the sixth session of the Board has expired on December 14, 2023, and the relevant Directors shall continue to perform their duties until the new Directors being elected at the AGM.

If appointed, each of the aforementioned proposed Directors will enter into Director's service agreements with the Company, with their term of office commencing on the date when the resolutions on their respective appointments as Directors are approved at the AGM and ending on the expiry of the term of the seventh session of the Board, and they shall be eligible

for re-election and re-appointment upon the expiry of the term. The remuneration of the executive Directors is determined by the remuneration system of the Company, and is closely linked to each individual's position and the performance. The non-executive Directors do not receive remuneration from the Company.

To the best knowledge of the Directors and save as disclosed in this circular, each of the aforementioned proposed Directors did not hold any directorship in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; and they do not have any relationship with any Director, Supervisor, senior management or substantial or controlling shareholder of the Company and their respective subsidiaries nor do they hold any position with the Company or any of its subsidiaries. None of the aforementioned proposed Directors has any interest in any shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) of Hong Kong as at the date of this circular.

Save as disclosed in this circular, each of the aforementioned proposed Directors has confirmed that there is no information that is required to be disclosed pursuant to the requirements set out in Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules, nor is there any matter that needs to be brought to the attention of the Shareholders. They have also confirmed that they have not been subject to any penalty by the CSRC or other related departments or punishment by any stock exchanges.

The Board hereby proposed the resolutions on the election of Mr. Zhao Ling, Mr. Liu Qiuming, Ms. Ma Rentao, Mr. Lian Yalin, Ms. Wang Yun, Mr. Yin Yanwu, Mr. Xie Song and Mr. Qin Xiaozheng as the non-independent Directors of the seventh session of the Board at the AGM for consideration and approval.

14. To consider and approve the Resolutions on the Election of Independent Non-executive Directors of the Seventh Session of the Board of Directors of the Company

The term of the sixth session of the Board of Directors of the Company has expired according to the Articles of Association. As considered and approved by the Board of Directors, the following persons are proposed as the candidates for the independent non-executive Directors of the seventh session of the Board of Directors of the Company:

- Mr. Ren Yongping (independent non-executive Director)
- Mr. Yin Junming (independent non-executive Director)
- Mr. Lau Ying Pan (independent non-executive Director)
- Ms. Chen Xuanjuan (independent non-executive Director)
- Mr. Lv Suiqi (independent non-executive Director)

The Board considers that all said candidates for independent non-executive Directors have a basic knowledge of the operation of listed companies, are familiar with relevant laws, administrative regulations, rules and other regulatory documents, and have years of working experience in the areas of economy, accounting, finance and management or other working experience required for performing independent non-executive Directors' duties. In addition, each candidate for independent non-executive Directors has (i) confirmed his/her independence in accordance with Rule 3.13 of the Hong Kong Listing Rules; (ii) confirmed he/she has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person (as such term is defined in the Hong Kong Listing Rules) of the Company; and (iii) confirmed there are no other factors that may affect his/her independence at the time of his/her nomination as an independent non-executive Director. The Board also considers that each candidate for independent non-executive Director is in line with the independence guidelines set out in Rule 3.13 of the Hong Kong Listing Rules and is independent in accordance with the terms of the guidelines.

The biographies of the above candidates are set out in Annex K to this circular. The Articles of Association provides that the Board shall comprise 13 members. The aforesaid five proposed candidates for independent non-executive Directors to be considered and approved by the AGM shall form the seventh session of the Board of the Company together with the eight candidates for non-independent Directors to be elected at the AGM. The term of the sixth session of the Board has expired on December 14, 2023, and the relevant Directors shall continue to perform their duties until the new Directors being elected at the AGM.

If appointed, each of the aforementioned proposed Directors will enter into Director's service agreements with the Company, with their term of office commencing on the date when the resolutions on their respective appointments as Directors are approved at the AGM and ending on the expiry of the term of the seventh session of the Board, and they shall be eligible for re-election and re-appointment upon the expiry of the term. The annual allowance (before tax) of the independent non-executive Directors is determined with reference to that of other listed companies in the same industry and the actual circumstances of the Company, which is RMB240,000 per person.

To the best knowledge of the Directors and save as disclosed in this circular, each of the aforementioned proposed independent non-executive Directors did not hold any directorship in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; and they do not have any relationship with any Director, Supervisor, senior management or substantial or controlling shareholder of the Company and their respective subsidiaries nor do they hold any position with the Company or any of its subsidiaries. None of the aforementioned proposed independent non-executive Directors has any interest in any shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) of Hong Kong as at the date of this circular.

Save as disclosed in this circular, each of the aforementioned proposed independent non-executive Directors has confirmed that there is no information that is required to be disclosed pursuant to the requirements set out in Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules, nor is there any matter that needs to be brought to the attention of the Shareholders. They have also confirmed that they have not been subject to any penalty by the CSRC or other related departments or punishment by any stock exchanges.

The Board hereby proposed the resolutions on the election of Mr. Ren Yongping, Mr. Yin Junming, Mr. Lau Ying Pan, Ms. Chen Xuanjuan and Mr. Lv Suiqi as the independent non-executive Directors of the seventh session of the Board of Directors at the AGM for consideration and approval.

15. To consider and approve the Resolutions on the Election of Supervisors of the Seventh Session of the Supervisory Committee of the Company

The term of the sixth session of the Supervisory Committee of the Company has expired according to the Articles of Association. The resolutions on the nomination of Mr. Liang Yi, Mr. Zhou Huajian, Mr. Ye Shengli, Mr. Lin Maoliang, Mr. Li Ruoshan (external Supervisor) and Mr. Liu Yunhong (external Supervisor) as candidates for the Supervisors of the seventh session of the Supervisory Committee were considered and approved at the meeting of the Supervisory Committee.

The biographies of the candidates of the Supervisors are set out in Annex L to this circular. The Articles of Association provides that the Supervisory Committee shall comprise nine members. The aforesaid six proposed candidates for Supervisors to be considered and approved by the AGM shall form the seventh session of the Supervisory Committee of the Company together with the three employee Supervisors elected by the meeting of employee representatives of the Company. The term of the sixth session of the Supervisory Committee has expired on December 14, 2023, and the relevant Supervisors shall continue to perform their duties until the new Supervisors being elected at the AGM.

If appointed, each of the aforementioned proposed Supervisors will enter into service agreements with the Company, with their term of office commencing on the date when the resolutions on their respective appointments as Supervisors are approved at the AGM and ending on the expiry of the term of the seventh session of the Supervisory Committee, and they shall be eligible for re-election and re-appointment upon expiry of the term. The remuneration of the Chairman of the Supervisory Committee is determined in accordance with the remuneration system of the Company. The remuneration of the employee Supervisors is determined in accordance with the remuneration system of the Company, which is closely linked to the position and performance of the individual. The annual allowance (before tax) of the external Supervisors is determined with reference to that of other listed companies in the same industry and the actual circumstances of the Company, which is RMB200,000 per person. Apart from the Chairman of the Supervisory Committee, employee Supervisors and external Supervisors, other Supervisors do not receive remuneration from the Company.

To the best knowledge of the Directors and save as disclosed in this circular, each of the aforementioned proposed Supervisors did not hold any directorship in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; and they do not have any relationship with any Director, Supervisor, senior management or substantial or controlling shareholder of the Company or their respective subsidiaries nor do they hold any position with the Company or any of its subsidiaries. None of the aforementioned proposed Supervisors has any interest in any shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) of Hong Kong as at the date of this circular.

Save as disclosed in this circular, each of the aforementioned proposed Supervisors has confirmed that there is no information that is required to be disclosed pursuant to the requirements set out in Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules nor is there any matter that needs to be brought to the attention of the Shareholders. They have also confirmed that they have not been subject to any penalty by the CSRC or other related departments or punishment by any stock exchanges.

The resolutions on the election of Mr. Liang Yi, Mr. Zhou Huajian, Mr. Ye Shengli, Mr. Lin Maoliang, Mr. Li Ruoshan (external Supervisor) and Mr. Liu Yunhong (external Supervisor) as the Supervisors of the seventh session of the Supervisory Committee of the Company are hereby proposed at the AGM for consideration and approval.

**2023 REPORT OF THE BOARD OF DIRECTORS OF
EVERBRIGHT SECURITIES COMPANY LIMITED¹**

In 2023, under the strong leadership of the Party Committee and the Board, the Company fully followed the guiding principles of the 20th CPC National Congress, centered on serving the real economy and major national strategies, insisted on high-quality development, focused on its principal responsibilities and businesses, adhered to the balanced development strategy, accelerated the institutional and structural reform, and continuously reinforced the foundation for risk control. The business structure has been gradually optimized and the operating results shown steady growth. Throughout the year, the Company recorded revenue of RMB10.031 billion, representing a year-on-year decrease of 6.94%, and net profit attributable to shareholders of the parent company of RMB4.271 billion, representing a year-on-year increase of 33.93%.

I. SUPPORTING INNOVATION-ORIENTED DEVELOPMENT AND EFFICIENTLY CARRYING OUT KEY TASKS

During the Reporting Period, the Board of Directors has promoted the following key tasks in an orderly manner:

(I) Refining the system to insist on the political and popular nature of its financial work

The Board of Directors of the Company deeply learned and implemented the spirit of the Central Financial Work Conference, took the Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era as the guidelines, implemented the guiding principles of the 20th CPC National Congress in all respects, implemented the new development concept in an entire, accurate and all-round manner, and deeply grasped the political and popular nature of financial work. Firstly, the descriptions of the Party building in the Articles of Association were improved pursuant to the Constitution of the Communist Party of China and the Regulations on the Work of Grassroots Organizations of State-owned Enterprises of the Chinese Communist Party (for trial implementation), which specifies that the research and discussion of the CPC committee of the Company is the pre-procedure for the decision-making of the Board of Directors and the management, so as to reinforce the foundation for "root" and "soul" of state-owned enterprises and implement the political nature of financial work. Secondly, the systems for independent directors, secretary to the Board, investor relations, information disclosure, insider information management, external guarantees, and related party transactions were amended pursuant to the latest regulatory requirements, to further promote the standardized operation of the listed company, improve the quality of the listed company, further protect the legitimate rights and interests of minority shareholders, and implement the people orientation towards financial work.

¹ The financial data in this report were prepared in accordance with the PRC Accounting Standards for Business Enterprises.

(II) Optimizing the mechanism to implement the requirements for the reform of independent directors

The independent director system of listed companies serves as an important part of the modern enterprise system with Chinese characteristics and an important layer of the governance structure of listed companies. In order to thoroughly implement the spirit of the Opinions on the Reform of the Independent Director System of Listed Companies and implement the requirements of the CSRC and the CSRC Shanghai Office, the Board of Directors required the Company to promote the implementation of the reform of the independent Director system of the Company in various aspects such as establishing rules and regulations, ensuring the performance of duties, and organizing training on the reform. Firstly, the Board of Directors guided the amendments to the Working Rules for Independent Directors of the Company and the formulation of the Working Rules of the Special Meeting of Independent Directors of the Company, optimizing the working mechanism of the independent Directors of the Company in various aspects such as role positioning, methods of duty performance, and job management, and convening a special meeting of the independent Directors of the Company for the first time; secondly, the Board of Directors required regular circulation of the “Directors and Supervisors Newsletter” to the independent Directors of the Company every month to inform them of the governance developments, operating conditions, business developments of the Company, etc., and sending of the “Assistants for Performing Duties of Everbright Securities (《光證履職小助手》)” from time to time to convey the laws, regulations and regulatory cases of securities companies and listed companies; thirdly, the Board of Directors organized a total of 29 Directors, Supervisors and senior management members to participate in special training on the reform of the independent director system.

(III) Strengthening the staffing to enhance the operation and management capabilities

The Board of Directors of the Company attaches great importance to strengthening the staffing of the Board of Directors and the management. During the Reporting Period, as considered and approved by the Board of Directors and the general meeting, Mr. Xie Song was elected as a Director of the Company. In order to further improve the quality of the operation and management of the Company, the Board of Directors of the Company engaged two senior management members during the Reporting Period, which further optimized the staffing of the management. As considered and approved by the twentieth meeting of the sixth session of the Board of Directors, the Company appointed Mr. Wang Pei as the business director of the Company, and as considered and approved by the twenty-sixth meeting of the sixth session of the Board of Directors, the Company appointed Mr. Fu Jianping as the Vice President of the Company. Such appointment of the two senior management members would facilitate to further strengthen the building of the management team of the Company and further enhance the governance and management capabilities of the management team.

In 2023, the Board of Directors was preparing for the re-election. During the Reporting Period, the Board of Directors of the Company was in the process of selecting members for the next session of the Board in accordance with the Measures for the Supervision and Administration of the Directors, Supervisors, Senior Executives and Practitioners of Securities

and Fund Business Institutions, the Measures for the Administration of Independent Directors of Listed Companies and other relevant laws and regulations. In assessing director candidates for the new session of the Board of Directors, the Company considered the diversity of the Board of Directors in a number of aspects, including but not limited to gender, age, culture and educational background, nationality, professional experience, skills, knowledge and length of service in accordance with the Policy on Diversity of Directors of the Company formulated in 2016 when the Company's H Shares were listed and the Hong Kong Listing Rules, the Corporate Governance Code and the Corporate Governance Guide for Boards and Directors issued by the Hong Kong Stock Exchange.

II. PROMOTING REFORM OF THE BUSINESS IN AN ORDERLY MANNER TO ACHIEVE BALANCED DEVELOPMENT OF ALL BUSINESSES OF THE COMPANY

1. Wealth management business segment

(1) Retail business

In 2023, the Company focused on the development logic of “customer-asset-revenue” for the retail business, adhered to the “customer-centric” philosophy and actively practiced the political and popular nature of its financial work. Based on the development positioning as a “guardian” of residents’ wealth, the Company continued to refine its professional service capabilities and improve the value creation capability, making deep and solid progress in wealth transformation and achieving improvement in business result amid stability. It further improved the investment advisory service system. The scale of the securities investment advisory business and the fund investment advisory business expanded significantly as compared with that of last year and the influence of Sunshine Investment Consulting and Golden Sunshine Manager, two major investment advisory brands of the Company, was further expanded. The institutional brokerage service was increasingly diversified and achieved certain breakthroughs with the focus on algorithmic transactions in terms of trading services. As of the end of the third quarter of 2023, the ranking in terms of net revenue from proxy sale of financial products improved by 2 places. The Company won many prizes in the 6th New Fortune Best Investment Advisor Selection. It was awarded the “New Fortune Best Investment Advisor Team” for five consecutive times, the “Outstanding Organization Award” for four consecutive times and the “New Fortune Best Performance of Investment Advisor Team” for the first time. The Company was awarded the 2nd “Golden Advisory Award for New Fund Investment Advisor” and the “Golden Advisory Award for Promotion of Fund Investment Advisory” by Xinhua Finance.

As of the end of December 2023, the total number of customers of the Company reached 5,860,000, representing an increase of 9% from the end of last year; and customers’ total assets reached RMB1.3 trillion, representing a decrease of 3% from the end of last year. In 2023, the proxy sale of financial products services of the Company totaled RMB33.385 billion, representing a year-on-year increase of 26%. It continued to

develop the buyer's investment advisory business and achieved outstanding customer experience and service value. As of the end of 2023, the size of contracted customers' assets for the securities investment advisory business was RMB50.4 billion, representing an increase of 35% from the beginning of the year. According to statistics from the Asset Management Association of China, as of the end of December 2023, the total scale of the stock + hybrid mutual funds of the Company was RMB24 billion and the total scale of mutual funds in the non-monetary market was RMB26.7 billion.

(2) *Margin financing and securities lending business*

In 2023, with the customer demand as the center, the Company's margin financing and securities lending business actively expanded service models and product innovation, continuously optimized the risk management mechanism, promoted the improvement of asset quality and continuously improved professional services to meet the multi-layered and differentiated business demands of customers. As of the end of 2023, the Company's margin financing and securities lending balance was RMB34.345 billion, representing an increase of 0.58% from the end of 2022. The maintenance margin ratio of the Company's margin financing and securities lending business was 242.90%.

(3) *Stock pledge business*

In 2023, the Company's stock pledge business conducted steady operation and continued to strengthen business access and risk control. As of the end of 2023, the Company's stock pledge balance was RMB2.775 billion, of which, the balance of the Company's own funds was RMB1.007 billion, representing a decrease of RMB91 million from the end of 2022. The weighted average performance guarantee ratio of the Company's stock pledge self-funded projects to be performed was 262.99%.

(4) *Futures brokerage business*

The Company mainly develops futures brokerage business through its wholly-owned subsidiary, Everbright Futures. In 2023, Everbright Futures established the service team for three categories of customers, developed the business collaboration mechanism, continuously strengthened the support platform of the headquarters, deeply explored in rural revitalization and serving the real economy and promoted reform and development. In 2023, Everbright Futures achieved an average daily margin of RMB34.27 billion, with a market share of 1.79% in trading volume. The trading volume of Everbright Futures represented 1.12%, 1.46%, 2.49%, 2.55%, 0.99% and 0.67%, respectively, of the total trading volume of China Financial Futures Exchange, Shanghai Futures Exchange, Dalian Commodity Exchange, Zhengzhou Commodity Exchange, the Energy Center and Guangzhou Futures Exchange. In the year, the cumulative stock options trading volume of Everbright Futures represented 1.48% of the total trading volume of stock options on the SSE, ranking 7th among the 32 futures companies engaged in stock options business in terms of the trading volume in December 2023. Everbright Futures contributed to the promotion of rural revitalization and provided support to 55,000 agricultural households

through the “insurance + futures” program and the value of agricultural products involved was RMB2.3 billion. In 2023, Everbright Futures was awarded the “Golden Prize for Outstanding Members”, the “Best Futures Companies in China” and other awards by various futures exchanges and authoritative media in the industry.

(5) Overseas wealth management and brokerage business

The Company develops overseas wealth management and brokerage business mainly through its Hong Kong subsidiary. As of the end of December 2023, the Hong Kong subsidiary’s brokerage business had a total of 141,000 customers, with the asset scale of custodian customers of HK\$54.3 billion and more than 3,200 wealth management products. In 2023, the Hong Kong subsidiary was awarded the “Prize for Outstanding Securities Companies” by the Bloomberg Businessweek (Chinese Version) and the “Best Hong Kong Securities Company in the FinanceAsia Awards 2023” by FinanceAsia.

2. Corporate financing business segment

(1) Equity financing business

In 2023, the Company fulfilled the responsibilities and undertakings as a central enterprise on the equity financing business. With serving the real economy as the core, it displayed professional advantages, focused on serving strategic emerging industries, further penetrated the development in the main area and conducted in-depth research on industries. It actively explored “specialized and sophisticated enterprises that produce new and unique products”, continuously explored market demand, deepened financial empowerment and optimized customer services to vigorously support the development of the real economy. The Company was awarded the “2023 Junding Prize for IPO Sales Investment Bank in China Securities industry” by the Securities Times.

In 2023, the Company recorded total equity underwriting amount of RMB5.411 billion (including private placement on the NEEQ), of which IPO financing scale was RMB4.363 billion. The Company completed 10 equity underwriting projects for which it acted as the lead underwriter, including 6 IPO projects with 1 IPO project on the Sci-tech Innovation Board. As of the end of December 2023, the Company had 9 equity projects under review and 5 projects for the Sci-tech Innovation Board in the pipeline.

(2) Debt financing business

In 2023, for debt financing business, the Company actively responded to national strategies and promoted the underwriting and issuance of featured bonds represented by green bonds, rural revitalization bonds and technological innovation bonds, further contributing its strength to financing of the real economy and demonstrating the undertakings of a central financial enterprise. The Company completed the issuance of the ABS on green vehicle loans with the largest scale in a single tranche in the market, the first PPN on rural revitalization of municipal transportation enterprises in China, the first

“local industrial bonds with credit enhancement” in China, the first “Frequent Issuance Program” by “frequent issuers” in the Chinese interbank market in Hebei, the PPP-ABS without credit enhancement with the largest scale in China and the first PPP-ABS in Northwest China. It completed the issuance of the BYD Dynasty 23 ABS, the PPP on Xi’an Happy Forest Belt ABS, Jizhong Energy Technology Innovation Notes and other benchmark projects and was selected as outstanding practice cases of corporate ESG in serving the real economy in 2023. Meanwhile, the Company actively innovated and deeply tapped into the asset securitization business. The Company was awarded the “Best Underwriter for Corporate ABS” by Wind and the “Award for Annual Outstanding Institutions at the 9th China Asset Securitization Forum” by the China Asset Securitization Forum.

In 2023, the number of underwriting projects for bonds was 1,439, representing a year-on-year increase of 9.68%. The underwriting amount was RMB440.777 billion, with a market share of 3.30%, ranking 7th in the industry. Among them, the underwriting amount of interbank products was RMB88.198 billion, ranking 4th in the industry; the underwriting amount of asset securitization business was RMB42.678 billion, ranking 9th in the industry.

Table 1: The underwriting amount, number and ranking of issued projects of major types of bonds of the Company

Type of bonds	Underwriting amount <i>(RMB100 million)</i>	Number of issued projects	Industry ranking
Interbank products (including medium-term notes, short-term financing bonds and private placement notes)	881.98	234	4
Corporate bonds	422.03	143	25
Asset securitization	426.78	244	9
Non-policy financial bonds	668.03	66	12
Local government bonds	1,993.79	747	7
Others	14.05	5	36

(3) *Overseas investment banking business*

The Company conducts its overseas investment banking business mainly through its Hong Kong subsidiary. In 2023, the Hong Kong subsidiary completed 18 equity projects and 7 debt projects, including 14 overseas financing projects of domestic enterprises. In terms of the number of underwriting projects of IPOs, the Hong Kong subsidiary ranked

13th in the entire market. As for serving the real economy, it completed a total of 9 projects, covering the manufacturing industry, strategic emerging industries, green industries, emerging infrastructure construction and other sectors.

(4) *Financial leasing business*

The Company conducts its financial leasing business mainly through Everbright Leasing, a majority-owned subsidiary of the Company. In 2023, Everbright Leasing recorded an investment of RMB460 million in financial leasing business.

3. Institutional customer business segment

(1) *Institutional trading business*

In 2023, the Company continuously explored comprehensive institutional businesses with investment research as the principal business and trading, fundraising and other derivative services as ancillary businesses. For the research business, through the optimization of customer hierarchy, the combination of traditional and customized services, the complementary online and offline services and the reasonable input of resources, the Company facilitated and consolidated the cooperation with core customers on mutual funds and insurance asset management, etc., expanded the coverage of cooperation with bank wealth management, private funds and other customers and strived to build service brand of Everbright. For trading services, the Company continuously optimized customer experience and improved value-added services. For sales, fundraising and other derivative businesses, the Company deepened internal coordination, enhanced the comprehensive service capability, expanded sources of revenue and reinforced customer stickiness. In 2023, its investment research commission from insurance asset management companies achieved a year-on-year increase of 9% and established cooperative relationship with 106 new institutional customers.

(2) *Prime brokerage business*

In 2023, for commercial banks and wealth management subsidiaries, private equity institutions and trust and other financial institutions, the Company provided one-stop integrated financial services underpinned by trading system, investment research, fundraising, capital intermediary and FOF/MOM investment and extended with other services to create the prime brokerage service brand. As of the end of 2023, the Company had introduced a total of 6,483 PB products, representing an increase of 27.57% as compared with the end of 2022. There were 4,020 existing PB products, representing an increase of 43.67% as compared with the end of 2022.

(3) *Asset custody and outsourcing business*

In 2023, for asset custody and outsourcing business, the Company closely followed regulatory dynamics and conducted compliant and innovative development. It constantly displayed the coordinated advantages and the role of institutional business in attracting business, expanded the coverage of customer groups and service margins and further improved its business risk control, security assurance, operational capabilities and professional standards. As of the end of 2023, the scale of mutual and private fund custody amounted to RMB67.1 billion, representing an increase of 10.57% as compared with the beginning of the year. The scale of private equity product outsourcing amounted to RMB128.9 billion, representing an increase of 25.92% as compared with the beginning of the year.

(4) *Investment research business*

In 2023, for investment research business, the Company conducted policy analysis and economic research and judgment with the focus on the economic situation and market hotspots and frequently conveyed the voice of Everbright for the high-quality development and steady advancing of the capital market. It accelerated in building a professional research team to better serve customers and the market through distinctive and in-depth research. The Company held 2 big online strategy meetings for investors and 851 phone meetings, published 5,790 research reports in total, conducted 26,905 roadshows and reverse roadshows and 934 inspections. As of the end of 2023, the Company researched and followed 789 A-share listed companies and 174 overseas listed companies, with an increasing market influence. The investment research business of the Company was awarded 11 prizes, including the “Institute with Most Attention” and the “Institute with Best ESG Research”, at the selection of the 11th Wind “Gold Analysts” in 2023 and ranked 4th in the Best Overseas Research Market Institute selected by the New Fortune and 5th in the Golden Kylin Best Analysts selected by Sina Finance.

(5) *Financial innovation business*

In 2023, with the diversification of subjects for the OTC derivatives business, the Company actively explored hedge instruments for various OTC derivatives, constantly developed the DMA derivative investment capability, established the FOF investment system and strengthened brand construction for structural products, achieving progress in business expansion, channel construction, customer size and innovative businesses. It maintained a stable market with increases in DMA market shares, achieved year-on-year increase in the scale of existing income swap and recorded positive income for the OTC option business in the whole year. It fully displayed the synergistic effects of OTC derivatives business and well satisfied investors’ risk management demand. During the Reporting Period, for the exchange derivatives market maker business, the Company newly obtained the qualifications as the lead market maker for the E Fund STAR 50ETF options and China AMC STAR 50ETF options on the SSE and the SZSE, won the Silver Prize for Outstanding Market Makers for Index Options in 2022 by the China Financial

Futures Exchange and obtained the annual class-A comprehensive appraisal on lead market makers for stock options in 2022 by the Shanghai Stock Exchange. It completed the obligations of market makers for exchange options, continuously added new service categories for the businesses as a fund liquidity service provider, expanded the business scale and carried out the market making business in an orderly manner.

(6) Overseas institutional trading business

The Company conducts its overseas institutional trading business mainly through its Hong Kong subsidiary. In 2023, the overseas institutional trading business continued to enhance promotion and synergy, provided customers around the world with global transaction execution services and professional investment suggestions and realized synergy with wealth management business through mutual empowerment to build a business ecosystem.

4. Investment trading business segment

(1) Proprietary equity investment business

In 2023, the Company operated its proprietary equity investment business based on the target and orientation on absolute returns. The Company continued to optimize the investment research methodology and promoted the optimization of business models, investment strategies and asset structure. Benefiting from the multi-asset and multi-strategy layout, the overall asset portfolio recorded positive revenue under the complicated and harsh market environment with the performance for the whole year outperforming last year.

(2) Proprietary fixed income investment business

Since 2023, for the proprietary fixed income investment business, the Company further consolidated the investment research foundations, improved investment frameworks, diversified investment strategies, steadily increased the allocation of high-quality bonds and increasingly expanded the scale. The Company actively participated in ESG themed investments to practice the green development concept, support scientific and technological innovation and serve the real economy.

In 2023, the performance of the proprietary fixed income investment business improved significantly year on year. The Company optimized the portfolio structure on the basis of strict risk control. The Company mainly held high-grade and quality credit bonds and increased the holding of interest rate bonds when appropriate. It appropriately adjusted the position structure based on market changes to balance benefits and risks.

5. Asset management business segment

(1) Asset management business

The Company mainly conducts asset management business through its wholly-owned subsidiary, Everbright Asset Management. In 2023, Everbright Asset Management followed the development trend of the industry, actively promoted the application for the qualification as mutual fund managers and facilitated the preparation work for the public offering transformation in an orderly manner.

With the focus on the essence of asset management and based on customers' wealth management demand, Everbright Asset Management actively carried out diversified product layout. Meanwhile, it concentrated on improving its own investment research capability, continuously improved investment methodology and strived to improve the customers' sense of fulfillment. In 2023, Everbright Asset Management continuously maintained its product advantage in "fixed income +" sectors and was awarded the Golden Tripod Award for the Best Asset Management Team with Fixed Income in the securities industry in 2023. In the selection of the "Golden Bull Prize for the Securities Industry" in 2023 organized by the China Securities Journal, the products of Everbright Asset Management were awarded five Golden Bull prizes, covering fixed income, equity and FOF products.

As of the end of December 2023, the total AUM of Everbright Asset Management was RMB300.291 billion, representing a decrease of 17.82% from the beginning of the year, among which, by product type, the AUM of collective wealth management was RMB187.796 billion, the AUM of single wealth management was RMB102.026 billion, and the AUM of special wealth management was RMB10.469 billion. In 2023, Everbright Asset Management recorded a net income of RMB631 million from the asset management business. According to the data of the Asset Management Association of China, in the fourth quarter of 2023, the monthly average AUM of the private equity asset management business of Everbright Asset Management was RMB267.822 billion, ranking fifth in the industry.

(2) Funds management business

The Company mainly conducts funds management business through its majority-owned subsidiary, Everbright Pramerica. In 2023, Everbright Pramerica continued to strengthen cooperation with distribution channels and issued three new funds: Special New Mixed Securities Investment Fund (專精特新混合型證券投資基金), Ruiyang Pure Bond Securities Investment Fund (睿陽純債債券型證券投資基金) and Mixed Securities Investment Fund with the Theme of Digital Economy (數字經濟主題混合型證券投資基金). Everbright Pramerica continuously promoted the establishment of the investment research system, strived to improve the breadth and depth of research support for investment and create excellent products. As of the end of 2023, Everbright Pramerica managed 71 mutual funds, 26 products for special accounts under management, and 26

products of its asset management subsidiaries. The total AUM of Everbright Pramerica amounted to RMB99.9 billion, with the AUM of mutual funds amounting to RMB81.2 billion, and the AUM of mutual funds excluding money market funds amounting to RMB63.8 billion.

(3) *Overseas asset management business*

The Company conducts its overseas asset management business mainly through its Hong Kong subsidiary. In 2023, the Hong Kong subsidiary recorded investment performance of mutual fund products under its management higher than market indexes in the same period with an AUM of approximately HK\$1.336 billion. Among the products under its management, “Everbright Income Focus Fund” recorded performance significantly higher than market indexes in the same period and was continuously awarded the five-star rating (the highest) on five-year funds by Morningstar, Inc., an authoritative fund rating agency.

6. *Equity investment business segment*

(1) *Private fund investment and financing business*

The Company mainly conducts private fund investment and financing business through its wholly-owned subsidiaries, Everbright Capital and Everbright Development. In 2023, for direct investment projects and existing fund business, Everbright Capital continued to take measures to rectify such business according to the regulatory requirements, strengthened post-investment management of the existing investment projects, and properly facilitated risks solving and addressing. Everbright Development continued to improve the internal management system to ensure the smooth operation of existing products, and continued to explore new energy fund business models and Pre-REITs business models.

(2) *Alternative investment business*

The Company mainly conducts alternative investment business through its wholly-owned subsidiary, Everbright Fortune. Everbright Fortune actively followed market situation and orderly proceeded relevant business on follow-up investment in the Sci-tech Innovation Board and the ChiNext Board and direct equity investment to achieve steady business development. Everbright Fortune strengthened the construction of professional post-investment management team and made efforts to the post-investment management of the existing projects to ensure the safe and orderly withdrawal from projects. It actively attended the strategic placing of the Company on the Sci-tech Innovation Board. As of the end of 2023, it has completed follow-up investment in 11 companies on the Sci-tech Innovation Board.

III. STRENGTHENING COMPLIANCE AND RISK CONTROL MANAGEMENT TO OPTIMIZE THE INTERNAL CONTROL SYSTEM

(I) Strengthening internal control and improving comprehensive risk management

The Company attached significant importance to risk management and is committed to building a comprehensive risk management system aligned with the Company's strategic goals. During the Reporting Period, the Company continued to strengthen the comprehensive risk consolidated management and the Group's control, optimize the risk management organizational structure, improve the risk management system and mechanism, strengthen professional risk management and forward-looking control, increase efforts in the promotion of risk management culture and concept, expand the risk management team, improve the risk management information systematization level, and promote the continuous improvement of the Company's comprehensive risk management system.

(II) Strictly adhering to the bottom line of compliance operation and enhancing compliance management

The Company continued to strengthen its investment in compliance management system: (1) the Company further enhanced technology empowerment in compliance management, leveraged the advantages of the compliance system to improve the compliance monitoring and compliance personnel management functions and effectively improve the efficiency of daily compliance management work; (2) the Company upgraded the customer transaction behavior ex-ante risk control system and optimized the monitoring indicators according to the new regulatory requirements and practices, to provide effective control methods for the management of abnormal customer transaction behaviors and reduce the risk of abnormal customer transactions; (3) the Company continued to improve the information isolation wall system, anti-money laundering system, sensitive person monitoring system, and investment banking conflict of interest review system; and (4) the Company gave full play to the effectiveness of the Company's legal and regulatory database, allowing employees to have access to laws and regulations and regulatory penalty cases at any time, enhancing the awareness of compliant business development.

IV. IMPROVING CORPORATE GOVERNANCE SYSTEM AND MECHANISM TO LEVEL UP DAILY OPERATION OF THE BOARD OF DIRECTORS

(I) Convening general meetings and implementing the proposals and the profit distribution

In accordance with the laws and regulations and the Articles of Association, the Board of Directors of the Company has conscientiously discharged the duties to convene the general meetings, strictly implemented the proposals and actively carried out the cash dividend policy. During the Reporting Period, one annual general meeting and two extraordinary general meetings were convened, at which thirteen proposals had been considered and approved. The proposals approved by the general meetings had been strictly implemented and related work

had been steadily carried out according to the requirements of the general meetings by the Company. While the Company is committed to growth and development, the Company continuously implements the steady profit distribution policy, taking into account both the Company's long-term interests and the overall interests of all shareholders.

(II) Discharging of duties and training of the Board of Directors and the Special Committees under the Board

In accordance with the relevant provisions of the Articles of Association and the rules of procedure of the committees, the special committees under the Board have conscientiously discharged their duties and given full play to their professional advantages to strongly support the decision-making of the Board of Directors. During the Reporting Period, the Board of Directors held thirteen meetings in total, including ten meetings held both on-site and through telecommunication methods and three meetings through telecommunication methods, at which more than forty proposals were considered, fully playing the role of standardized and efficient consideration and scientific decision-making in major events of the Company. The special committees under the Board of the Company had convened twenty-three meetings in total, including eight meetings of the Remuneration, Nomination and Credentials Committee, ten meetings of the Audit and Related Party Transaction Control Committee, four meetings of the Risk Management Committee and one meeting of the Strategy and Sustainable Development Committee.

During the Reporting Period, certain Directors of the Company participated in, among others, the special series training on corporate governance provided by the China Association for Public Companies, the special training on the "Analysis of the Registration-based IPO Reform Policy of Listed Companies" jointly organized by the CSRC Shanghai Office and the China Association for Public Companies and the 2023 training session for directors, supervisors and senior executives of listed companies under the jurisdiction of Shanghai and the special training on the reform of the independent director system organized by the Listed Companies Association of Shanghai.

(III) Information disclosure and investor relationship management

The Board of Directors attaches great importance to information disclosure and urges the Company to disclose information comprehensively and normatively to ensure the authenticity, accuracy and completeness. During the Reporting Period, the Company prepared and released the 2022 Annual Report, the 2023 First Quarterly Report, the 2023 Interim Report, and the 2023 Third Quarterly Report, and 61 interim reports in total. The Company also attaches great importance to investor relationship management. During the Reporting Period, the Company conducted more than 20 multi-dimensional in-depth exchanges with domestic and foreign core analysts and various investors, and attended over ten investment strategy conferences held by securities firms. The Company also positively interacts with investors by responding to investors about issues of common concern through e-interactive platform of the SSE, telephone and e-mail. The Company successfully held the 2022 annual results briefing and the 2023 interim results briefing through live streaming on the platforms such as SSE Roadshow Center

and Roadshow China. The total number of viewers on all platforms exceeded 47,000. The Company won the “Best Practice Award for the 2022 Annual Report Results Briefings” by China Association of Public Companies. Based on efficient and good shareholder relations, the Company won the “Best Shareholder Relations Award” at “The 7th China IR Excellence Awards” by the Roadshow China.

(IV) Remuneration of Directors and Senior Management

The remuneration of the independent Directors of the Company is determined by the general meeting with reference to the average level adopted by the listed companies in the same industry and the actual situation of the Company. Except for the executive Directors, other Directors have not been paid by the Company. The compensation of the Company’s senior management is determined by the Board of Directors. According to the relevant requirements of the Rules for Governance of Securities Companies, over 40% of the annual performance-based remuneration of the senior management of securities companies should be paid in a deferred manner with a term of not less than three years. The Company has not implemented non-cash compensation program, such as equity or options, etc.

V. DISCHARGING OF DUTIES BY THE DIRECTORS IN 2023

All Directors of the Company possess high professionalism in corporate strategy, operation and management, financing, accounting, laws, human resources and risk control, etc., and strictly abide by the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Hong Kong Listing Rules and the Articles of Association and other relevant provisions to discharge their statutory duties honestly and diligently in accordance with the laws and regulations. During the Reporting Period, all the Directors had attended the meetings of the Board of Directors and the meetings of the special committees under the Board in accordance with the regulations, fully considered and seriously voted on the matters within responsibilities of the Board of Directors, and effectively safeguarded the legitimate rights and interests of the Company and all shareholders. During the Reporting Period, the Directors of the Company discharged their duties as follows:

Name of Director	Whether or not he/she is an independent Director	Number of Board meetings required to be attended during the year	Attendance at Board meetings				Whether or not he/she failed to attend the meeting in person for two consecutive times	Attendance at general meetings
			Attendance in person	Attendance through telecommunication methods	Attendance by proxy	Absence		
Zhao Ling	No	13	13	3	0	0	No	3
Liu Qiuming	No	13	13	4	0	0	No	3
Song Bingfang	No	13	13	10	0	0	No	3
Yin Yanwu	No	13	13	6	0	0	No	3
Chan Ming Kin	No	13	13	4	0	0	No	3
Xie Song	No	7	7	7	0	0	No	2
Wang Yong	Yes	13	13	5	0	0	No	3
Po Wai Kwong	Yes	13	13	4	0	0	No	3
Ren Yongping	Yes	13	13	3	0	0	No	3
Yin Junming	Yes	13	13	4	0	0	No	3
Liu Yunhong	Yes	13	13	5	0	0	No	3

Note 1: The appointment of Mr. Xie Song as a Director became effective from June 29, 2023. During the Reporting Period, Mr. Xie Song was required to attend 7 Board meetings and actually attended 7 Board meetings.

Note 2: Mr. Fu Jianping resigned on June 30, 2023. During the Reporting Period, Mr. Fu Jianping was required to attend 6 Board meetings and actually attended 6 Board meetings.

Note 3: Mr. Tian Wei resigned on April 20, 2023. During the Reporting Period, Mr. Tian Wei was required to attend 4 Board meetings and actually attended 4 Board meetings.

Note 4: Mr. Yu Mingxiong resigned on April 7, 2023. During the Reporting Period, Mr. Yu Mingxiong was required to attend 4 Board meetings and actually attended 4 Board meetings.

Note 5: The Board of the Company received a letter of resignation from Mr. Liu Yunhong, an independent Director, on November 24, 2023. Mr. Liu Yunhong resigned as an independent Director of the Company. As the resignation of Mr. Liu Yunhong would result in the number of independent Directors of the Company not meeting the relevant provisions of the Measures for the Administration of Independent Directors of Listed Companies and the Articles of Association, Mr. Liu Yunhong shall continue to perform his duties as an independent Director until a new independent Director is elected at the general meeting of the Company.

**2023 REPORT OF THE SUPERVISORY COMMITTEE OF
EVERBRIGHT SECURITIES COMPANY LIMITED**

In 2023, in strict compliance with the relevant laws and regulations such as the Company Law and the Securities Law as well as the relevant provisions and requirements of the Articles of Association and the Rules of Procedures for the Supervisory Committee, the Supervisory Committee of the Company fulfilled its duties carefully and diligently according to law, supervised the Company's legal and compliant operation, financial condition, and the performance of duties by the Board of Directors and the management of the Company, and completed the various routine and key work of the Supervisory Committee in 2023, promoting the Company's standardized and healthy development, and effectively safeguarding the legitimate rights and interests of the Company, all shareholders and employees.

I. MAIN WORK OF THE SUPERVISORY COMMITTEE IN 2023

1. Convening meetings of the Supervisory Committee and its professional committees in accordance with laws and regulations

During the Reporting Period, the Supervisory Committee held six meetings by way of on-site (video) and telecommunication methods.

Before attending the meetings of the Supervisory Committee, the Supervisors carefully reviewed the meeting materials, and fully discussed and considered the proposals. The Supervisors failing to attend on-site obtained detailed understanding and made in-depth analysis of meeting materials and proposal background and fulfilled the duty of Supervisors by way of telecommunication voting. During the Reporting Period, the current Supervisors of the Company discharged their duties as follows:

Table 1: Discharging of duties by the current Supervisors

Name	Number of meetings of Supervisory Committee required to be attended	Attendance	Attendance	Attendance	Absence
		in person (by way of video)	through telecommunication methods	by proxy	
Liang Yi	6	5	1	0	0
Wu Chunsheng	6	4	2	0	0
Huang Xiaoguang	6	5	1	0	0
Zhu Wuxiang	6	5	1	0	0

Name	Number of meetings of Supervisory Committee required to be attended	Attendance		Attendance	
		in person (by way of video)	through telecommunication methods	by proxy	Absence
Cheng Fengchao	6	5	1	0	0
Huang Qin	6	4	2	0	0
Li Xianzhi	6	5	1	0	0
Lin Jingmin	6	5	1	0	0

Note: The Supervisory Committee of the Company received a letter of resignation from Mr. Wang Hongyang on May 12, 2023. Due to his work adjustment, Mr. Wang Hongyang resigned as a Supervisor of the Company and a member of the Risk and Financial Supervisory Committee under the Supervisory Committee.

During the Reporting Period, the Supervisory Committee reviewed and listened to 29 proposals, including 16 voting proposals and 13 non-voting proposals, details of which are set out as follows:

Table 2: Meetings of the Supervisory Committee convened in 2023

Date	Meeting	Resolutions	Voting result
March 29, 2023	Seventeenth meeting of the sixth session of the Supervisory Committee	To listen to the report on the operations of the Company for 2022 To consider the Resolution in respect of the Annual Report and its Summary of the Company for 2022 To consider the Resolution in respect of the 2022 Profit Distribution Plan of the Company To consider the Resolution in respect of the Work Report of the Supervisory Committee of the Company in 2022 To consider the Resolution in respect of the Work Plan of the Supervisory Committee of the Company in 2023 To consider the Resolution in respect of the Social Responsibility/ESG Report of the Company in 2022 To consider the Resolution in respect of the Risk Assessment Report of the Company in 2022	For: 9 votes, Against: 0 vote, Abstain: 0 vote. For: 9 votes, Against: 0 vote, Abstain: 0 vote.

Date	Meeting	Resolutions	Voting result
		To consider the Resolution in Respect of the Evaluation Report of Internal Control of the Company in 2022	For: 9 votes, Against: 0 vote, Abstain: 0 vote.
		To review the Resolution in Respect of the Audit Report of Internal Control of the Company in 2022	
		To consider the Resolution in Respect of the Compliance Work Report of the Company in 2022	For: 9 votes, Against: 0 vote, Abstain: 0 vote.
		To listen to the report on anti-money laundering work of the Company for 2022	
		To listen to the Resolution in Respect of the Report on Integrity Management of the Company for 2022	
		To consider the Resolution in Respect of the Performance Evaluation Results of the Directors of the Company in 2022	For: 9 votes, Against: 0 vote, Abstain: 0 vote.
		To listen to the report on performance evaluation and remuneration of the Supervisors of the Company for 2022	
		To listen to the report on audit work and audit rectification of the Company in 2022	
April 26, 2023	Eighteenth meeting of the sixth session of the Supervisory Committee	To listen to the report on the operations of the Company for the first quarter of 2023	
		To consider the Resolution in Respect of First Quarterly Report of the Company for 2023	For: 9 votes, Against: 0 vote, Abstain: 0 vote.
		To listen to the internal audit report of the Company for the first quarter of 2023	
July 18, 2023	Nineteenth meeting of the sixth session of the Supervisory Committee	To consider the Resolution in Respect of Amendment to the Management Measures on Reputational Risk and Public Opinion Work of Everbright Securities Company Limited	For: 8 votes, Against: 0 vote, Abstain: 0 vote.

Date	Meeting	Resolutions	Voting result
August 23, 2023	Twentieth meeting of the sixth session of the Supervisory Committee	<p>To listen to the report on the operations of the Company for the first half of 2023</p> <p>To consider the Resolution in Respect of the Interim Report and its Summary of the Company for 2023</p> <p>To consider the Resolution in Respect of the Risk Assessment Report of the Company in the First Half of 2023</p> <p>To consider the Resolution on the Risk Control Indicators of the Company for the First Half of 2023</p> <p>To listen to the report on internal audit work and audit rectification of the Company in the first half of 2023</p> <p>To listen to the report from the auditor</p>	<p>For: 8 votes, Against: 0 vote, Abstain: 0 vote.</p> <p>For: 8 votes, Against: 0 vote, Abstain: 0 vote.</p> <p>For: 8 votes, Against: 0 vote, Abstain: 0 vote.</p>
October 25, 2023	Twenty-first meeting of the sixth session of the Supervisory Committee	<p>To listen to the report on the operations of the Company for the first three quarters of 2023</p> <p>To consider the Resolution in Respect of Third Quarterly Report of the Company for 2023</p> <p>To listen to the internal audit report of the Company for the first three quarters of 2023</p>	<p>For: 8 votes, Against: 0 vote, Abstain: 0 vote.</p>
December 27, 2023	Twenty-second meeting of the sixth session of the Supervisory Committee	<p>To consider the Resolution in Respect of the Appraisal Results of and Remuneration Proposal for the Chairman of the Supervisory Committee of the Company in 2022</p>	<p>For: 7 votes, Against: 0 vote, Abstain: 0 vote. (Mr. Liang Yi, the Chairman of the Supervisory Committee, abstained from voting)</p>

In 2023, the Company held one meeting of the Corporate Governance Supervisory Committee and three meetings of the Risk and Financial Supervisory Committee, at which resolutions including the Resolution in Respect of Performance Evaluation Results of Directors of the Company in 2022 and the Resolution in respect of the Annual Report and its Summary of the Company for 2022 were considered, and the relevant reports from auditors were actively received, giving full play to the duties and functions of special committees under the Supervisory Committee, and assisting the Supervisory Committee to better perform duties.

2. Attending the meetings of the Board of Directors and the general meetings, and performing the supervisory function in accordance with laws

During the Reporting Period, the members of the Supervisory Committee of the Company attended three general meetings, thirteen meetings of the Board of Directors and its special committees, and supervised the meeting procedures and decision-making process in accordance with laws. The members of the Supervisory Committee carefully reviewed the relevant meeting documents and put forward opinions and suggestions on the Company's strategy development and implementation, operation and business development, financial situation, compliance work, risk management, team building and institutional arrangements.

3. Strengthening the self-building of the Supervisory Committee, and enhancing and refining the primary responsibilities of supervision

In order to further optimize and improve the management system and mechanism of the Supervisory Committee of the Company, focus on the supervision responsibilities and key points of supervision, further promote the supervision over key areas such as finance, risk, internal control and strategies, and make practical and solid efforts in daily supervision of the Supervisory Committee, it established and improved the joint meeting of internal supervision and the mechanism of information sharing and results sharing, which fully integrated the internal supervision forces of the Company, giving full play to the joint force of supervision. During the year, a total of two working meetings of the Chairman of the Supervisory Committee were held, the details of which are as follows:

On August 25, Liang Yi, the Chairman of the Supervisory Committee, presided over the first working meeting of the Chairman of the Supervisory Committee in 2023, at which it specifically conducted research on the analysis of the case of the Guangdong branch receiving several regulatory letters and follow-up rectification measures.

On December 22, Liang Yi, the Chairman of the Supervisory Committee, presided over the second working meeting of the Chairman of the Supervisory Committee in 2023, at which it specifically listened to and conducted research on the mitigation of existing risks, the rectification of the private equity fund business of the Company, the achievement of the indicators in the operation account and expense management of the Company in the previous eleven months, and the attendees put forward professional opinions and suggestions.

4. Optimizing the information communication mechanism and performing better in implementing the supervisory function

In order to strengthen the Supervisory Committee of the Company to keep abreast of and grasp the relevant information of the regulators, market, industry and the Company, and enhance the ability to perform its duties, the office of the Supervisory Committee of the Company produces the Briefings of the Supervisory Committee every quarter to keep the Supervisors informed the analysis on the new regulatory developments, the new market environment, the new industry dynamics and the conditions of the Company. During the year, a total of two issues of the Briefings of the Supervisory Committee were produced, the contents of which cover the convening of the general meeting and the meetings of the Board of Directors of the Company, the operating conditions of the Company, compliance and risk control management, etc., which built an effective information exchange bridge, ensured that the supervisors have a timely and accurate understanding of the Company's information, and strengthened the implementation of supervisory functions.

5. Further implementing the supervision and evaluation system, and carrying out in-depth and practical supervision work

During the year, in order to continue to further implement the requirements of the Supervision and Evaluation System of the Supervisor Committee of China Everbright Group (Trial) of the Group, further enhance its effort, breadth and depth in the supervisory work of the Supervisor Committee and improve the quality and efficiency of supervision, the Supervisor Committee scrutinized and reviewed the supervision work based on "one positioning, three systems and five mechanisms" on a quarterly basis. The Supervisor Committee conducted research and analysis on the Company's overall operation supervision, monitoring of core indicators and supervision on key issues, and prepared research and analysis reports on a quarterly basis and submitted them to the Group to further define the responsibilities of the Supervisor Committee, deepen the content of supervision, improve the supervision mechanism and promote the high-quality development of supervision work of the Supervisor Committee.

6. Strengthening supervision in key areas and carrying out supervision work in an all-round way

(1) Supervision on strategy

During the Reporting Period, by attending the meetings of the Board of Directors and Directors' communication meetings, the Supervisory Committee of the Company had a comprehensive understanding of the strategies of the Company, focused on the formulation and implementation of the medium- and long-term strategic plans of the Company, proposed professional opinions on the formulation of strategic targets and strategic implementation plans of the Company, and effectively supervised the fulfillment of strategic targets and the implementation of strategies, so as to effectively play the leading role of strategies in the development of enterprises.

(2) *Supervision on finance*

During the Reporting Period, the Supervisory Committee oversaw the re-appointment of the external auditors, and actively supervised and participated in the face-to-face communication meetings between the Audit Committee under the Board of Directors and the accounting firm before the accounting firm audited the annual financial report and raised explicit requirements on the work quality of the accounting firm, and communicated in detail with the accountants who engaged in annual audit and reviewed the implementation of the annual audit work and the final audit results.

The Chairman of the Supervisory Committee of the Company attended the meetings on operation analysis and strategic benchmarking on a regular basis to listen to the fulfillment of core indicators and the overall operation of the Company; in addition, the Chairman of the Supervisory Committee of the Company is responsible for liaison with the internal audit department of the Company, regularly listens to the internal audit work, raises relevant requirements and opinions and provides overall guidance on the internal audit work. On December 22, the Chairman of the Supervisory Committee of the Company presided over the second working meeting of the Chairman of the Supervisory Committee of the Company in 2023, at which it listened to the special report on the achievement of the indicators in the operation account and expense management of the Company in the previous eleven months, and put forward corresponding suggestions and requirements on the Company's financial management.

(3) *Supervision on risk and internal control*

During the Reporting Period, the Supervisory Committee of the Company paid special attention to the establishment and improvement of the comprehensive risk management and governance structure, and the internal control management structure of the Company, constantly followed up the implementation of rectification of internal control defects, paid timely attention to the advice of regulatory authorities and main risks discovered by external audit departments during the inspections. The Supervisory Committee held regular meetings to review the Company's annual internal control evaluation report, compliance work report and risk assessment report, paid special attention to key risk area including liquidity risk, credit risk, market risk and reputational risk, and evaluated relevant work and put forward suggestions for improvement. The Supervisors of the Company also attended the meetings of the Board of Directors and the Risk Management Committee under the Board of Directors to effectively supervise the performance of duties by the Board of Directors and senior management on liquidation risk management, credit risk management, public opinion management and other key risk management.

In addition, the second working meeting of the Chairman of the Supervisory Committee was held on December 22, at which it listened to the special report on the mitigation of existing risks and the rectification of the private equity fund business of the Company, and put forward suggestions and requirements in respect of the Company's related risk mitigation work.

7. Actively conducting internal and external research and investigation and putting forward management recommendations

In order to further understand the Company's various businesses and provide constructive suggestions for the Company's decision-making, the Supervisory Committee actively strengthened its efforts in internal and external research and investigation.

In April, the Supervisory Committee of the Company carried out special research and investigation on the internal control of the investment banking business, and listened to the reports from the relevant departments on the internal control of the Company's investment banking business, during which it comprehensively and systematically understood the current situation of the industry and the market and the internal control management of the Company's investment banking business, ascertained the current development status of the Company's investment banking business, identified potential risk points, and put forward the targeted rectification suggestions and requirements.

8. Strengthening business communication and training, and improving Supervisors' ability to perform duties

In order to further improve the skills of Supervisors in performing duties and strengthen the self-building of the Supervisory Committee, the Supervisory Committee of the Company actively arranged and urged Supervisors to attend relevant trainings organized by the regulatory authorities, the law firms and other institutions.

In January, some Supervisors participated in the 2022 Training Session for Directors, Supervisors and Senior Executives of Listed Companies under the Jurisdiction of Shanghai to strengthen professional learning and improve their skills in performing duties.

In October, some Supervisors participated in the Special Training on the Reform of the Independent Directorship System to keep abreast of the new regulatory developments and better implement the function of supervision over the Directors' performance of duties.

II. SUPERVISORY COMMITTEE'S OPINIONS ON RELATED MATTERS OF THE COMPANY

By attending the meetings of Board of Directors and the general meetings of shareholders, as well as on-site researches of the Company, the Supervisory Committee listened to the Company's operation report and special reports, fully understood the Company's operations, financial status, risk management and business development conditions, focused on the compliant operation of the Company, major decision-making and major operation activities, and on the basis of this, issued the following opinions:

1. During the Reporting Period, the annual financial report of the Company for the year of 2022 was audited by Ernst & Young Hua Ming LLP, who issued a standard unqualified audit report. The Supervisory Committee was of the opinion that the financial report truly, accurately and completely reflected the financial position and operating results of the Company.

2. During the Reporting Period, the Company operated strictly in accordance with relevant laws and regulations. The decision-making process was lawful and valid, and without prejudice against the interests of the Company and its shareholders.
3. During the Reporting Period, the Company's related party transactions were carried out fairly in accordance with the law, without prejudice to the interests of the Company.
4. During the Reporting Period, the Company's related policies including the Measures of Managing Information Disclosure and the Insider Registration System were implemented effectively. Relevant information was disclosed actually, accurately, timely and comprehensively, so that the fair principle of information disclosure was safeguarded, protecting the legitimate rights and interests of investors.
5. During the Reporting Period, the Supervisory Committee of the Company supervised the implementation of the resolutions of the general meetings of shareholders. The Supervisory Committee was of the opinion that the Board of Directors could earnestly carry out the relevant resolutions of the general meetings of shareholders, without prejudice to the interests of shareholders.
6. During the Reporting Period, the Supervisory Committee considered and approved the Company's 2022 annual report prepared by the Board of Directors, and was of the opinion that the preparation and audit procedures of 2022 annual report and its summary by the Board of Directors of the Company were in compliance with laws, administrative regulations and the provisions of the CSRC, and the contents of the report reflects the actual situation of the Company truly, accurately and comprehensively. During the Reporting Period, the Supervisory Committee considered and heard, among others, the Evaluation Report of Internal Control of the Company in 2022, the Audit Report of Internal Control of the Company in 2022, the Compliance Work Report of the Company in 2022, the Risk Assessment Report of the Company in 2022, and the Report on Audit Work and Audit Rectification of the Company in 2022.

INDEPENDENT DIRECTOR'S WORK REPORT (WANG YONG)

As an independent Director of the Board of Directors of Everbright Securities Company Limited, I have diligently and faithfully fulfilled my duties and obligations, exercised my powers, and protected the legitimate rights and interests of the Company and relevant stakeholders, especially minority shareholders, in strict compliance with laws and regulations such as the Company Law, the Code of Corporate Governance for Listed Companies, the Rules for Governance of Securities Companies, the Measures for the Administration of Independent Directors of Listed Companies, etc., as well as the Company's internal rules such as the Articles of Association and the Working Rules for Independent Directors of the Company, etc.

On the basis of deep understanding of the operation of the Company, I have participated in the major decisions of the Board of Directors independently and objectively and made efforts to improve the corporate governance and drive the sustainable and sound development of the Company.

In accordance with relevant laws and regulations of the CSRC, I hereby report my work in 2023 as follows:

I. BASIC INFORMATION

I, Wang Yong, hold a doctor's degree in Business Administration from the School of Economics and Management of Tsinghua University, is currently an independent Director of the Company, a member (chairman) of the Risk Management Committee, a member of the Strategy and Sustainable Development Committee under the Board of Directors, the director of the Executive Committee of the China Enterprise Development and M&A Research Center, the director of the Business Scholars Program and Cooperative Development Office of the School of Economics and Management, Tsinghua University, an independent director of Rici Healthcare Holdings Limited (瑞慈醫療服務控股有限公司, a company listed on the Hong Kong Stock Exchange, stock code: 1526), and an independent director of Yunnan Copper Co., Ltd. (雲南銅業股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 000878). He served as the project director of the Institute of Mechanical and Electrical, the deputy manager of the Mechanical and Electrical Equipment Plant, the manager of Water and Power Equipment Model Plant of China Institute of Water Resources and Hydropower Research (中國水利水電科學院), the deputy general manager of SRIT NETech Co., Ltd. (國研網絡數據科技有限公司), an independent director of Shenzhen Clou Electronics Co., Ltd. (深圳市科陸電子科技股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 002121) and Shenzhen Ocean's King Lighting Science & Technology Co., Ltd. (深圳市海洋王照明科技股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 002724). During the Reporting Period, there were no circumstances affecting my independence.

II. ANNUAL WORK PERFORMANCE

(I) Attendance at the meetings

1. Attendance at Board meetings and the general meetings

In 2023, the Company held a total of 13 Board meetings and three general meetings. My attendance of Board meetings and general meetings is as follows:

Name	Number of Board meetings required to be attended	Attendance in person at Board meetings	Attendance		Absence from the Board meetings	Attendance at general meetings
			through telecommunication methods at Board meetings	Attendance by proxy at Board meetings		
Wang Yong	13	13	5	0	0	3

2. Attendance at meetings of special committees under the Board of Directors and special meetings of independent Directors

In 2023, the Company held 4 meetings of the Risk Management Committee, 1 meeting of the Strategy and Sustainable Development Committee and 1 special meeting of the independent Directors. My attendance of meetings of special committees under the Board of Directors and special meetings of independent Directors is as follows:

Name	Risk Management Committee	Strategy and Sustainable Development Committee	Special meeting of the independent Directors
Wang Yong	4/4	1/1	1/1

Note: The data shown in the table above refers to “the number of actual attendance/the number of meetings required attendance”.

As an independent Director, I actively participated in the meetings of the Board of Directors and its special committees and special meeting of the independent Directors, conscientiously performed my duties, gave full play to my professional advantages and provided professional support for the decision-making at the meetings.

(II) Voting and relevant resolutions

During the Reporting Period, I sufficiently reviewed the issues being considered at the meetings of the Board of Directors, special committees meetings and special meetings of independent Directors during the term of office. I carried out serious studies on each proposal before the meetings, and carried out pre-meeting communication and exchange of opinions in respect of nearly 30 issues such as the 2022 Annual Report of the Company and its summary, the annual profit distribution plan of the Company for the year 2022 and the capital increase to a wholly-owned subsidiary, EBSI in 2023. I actively participated in the discussion during each meeting, provided professional recommendations based on my own professional background and experience, and exercised my voting rights independently, objectively and prudently. Overall, all votes were casted in favour of relevant proposals, and there were no votes casted against or abstention from voting on the proposals. The convening and holding of the relevant meetings of the Company complied with legal procedures, and the relevant proposals were not detrimental to the interests of any shareholder, especially minority shareholders. The relevant resolutions of the Board of Directors have been disclosed in the Company's previous announcements.

(III) Record of training

During the Reporting Period, I actively participated in the training organized by various regulators, self-regulatory organizations and the Company, continued to strengthen the study of securities laws, regulations and rules, and continuously improved my ability to perform my duties, including the series of courses on the "Performance Learning Platform for Independent Directors" provided by the Shanghai Stock Exchange, the relevant trainings on anti-money laundering and financial treatment organized by Deloitte and Ernst & Young, and the special training on investment information declaration of directors and supervisors.

(IV) Communication with the management

During the Reporting Period, in addition to attending the meetings of the Board of Directors and its special committees, and special meetings of the independent Directors to review and discuss the major decisions of the Company, I also fully understood the operation and management of the Company in the following ways: firstly, I acquired relevant information on the Company's operation and management, business developments, industry development status, regulatory trends, information disclosure, investor relationship management, etc. through the "Morning News" distributed daily, the "Directors and Supervisors Newsletter" distributed on a monthly basis and the "Board Assistants for Directors and Supervisors" distributed by the Company from time to time; secondly, I kept daily contact with the Company's management and the Office of Board of Directors by telephone and e-mail, etc. to timely communicate with the Company with regard to my concerns; thirdly, according to the requirements of the Company's Directors, the Company's management took the initiative to give special reports on the Directors' issues of concern at the meetings of the Board of Directors. During the Reporting Period, I constantly optimized the communication and exchange mechanism with the management through various methods such as list of tasks and notice letter of resolutions, provided guidance in the operation and management of the Company, and urged the management to seriously and faithfully implement the opinions and suggestions of the Directors.

The above initiatives have enhanced the transparency of the Company's operation and management, and a scientific and effective mechanism for sound communication between the Company's management and the Board of Directors has been established, which is conducive for independent Directors to understand the Company's operation and management and the Board of Directors' scientific decision-making as well as protect the legitimate rights and interests of minority shareholders.

(V) Communication with the accounting firm

During the Reporting Period, I closely monitored the financial and business conditions of the Company, adequately communicated with the accounting firm in respect of the Company's 2022 financial statements, internal control and other key issues of concern, and put forward suggestions on the business development of the Company.

(VI) Communication with minority shareholders

I actively participated in the general meetings of the Company, and the Company established and announced a designated email address of independent Directors to effectively strengthen communication with minority shareholders and further protect the legitimate rights and interests of minority shareholders.

III. MAJOR CONCERNS

(I) Related party transactions

Before the holding of the twenty-third meeting of the sixth session of the Board of Directors of the Company, I expressed my opinions on the implementation of the related party (connected) transactions of the Company in 2022, and believed that the related party (connected) transactions of the Company in 2022 were entered into in the Company's ordinary and usual course of business, on normal commercial terms or better and according to the agreements regulating such related party (connected) transactions and the terms that were fair and reasonable and in the interests of the Company's shareholders as a whole. I also made prior approval on the Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2023 and expressed my opinions thereon, and concluded that the procedures of which the Board of Directors of the Company considered relevant issues had complied with the laws and were in compliance with the provisions of the Company Law, the Securities Law and other relevant laws and regulations as well as the Articles of Association. The expected ordinary related party (connected) transactions in 2023 were entered into at an objective and fair consideration, on fair and reasonable terms, in the interests of the Company, and without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders.

Before the holding of the twenty-first meeting of the sixth session of the Board of Directors of the Company, I made prior approval on the Resolution on the Lease of Office Premises by Hong Kong Subsidiary and expressed my opinions thereon, and concluded that the procedures of which the Board of Directors of the Company considered the Resolution on the Lease of Office Premises by Hong Kong Subsidiary had complied with the laws and were in compliance with the provisions of the Company Law, the Securities Law and other relevant laws and regulations as well as the Articles of Association. The Resolution on the Lease of Office Premises by Hong Kong Subsidiary was entered into at an objective and fair consideration, on fair and reasonable terms, in the interests of the Company, and without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders.

(II) External guarantees and capital occupation

Before the convening of the twenty-third meeting of the sixth session of the Board of Directors, I conducted investigations and studies on the external guarantees of the Company as of December 31, 2022 and expressed independent opinions. During the Reporting Period, the Company has provided the following guarantees: net capital guarantee for a wholly-owned subsidiary Everbright Asset Management, and guarantee for the overseas loan of a wholly-owned subsidiary EBSI. As of December 31, 2022, the balance of such guarantees was approximately RMB4.927 billion. The guarantees of the Company's majority-owned subsidiaries mainly include: the loan guarantees, financing guarantees and business guarantees provided by the Company's wholly-owned subsidiary EBSI and its subsidiaries for their subsidiaries to facilitate their business operation. As of December 31, 2022, the balance of such guarantees was approximately RMB1.411 billion.

The above guarantees were in compliance with the requirements of relevant laws and regulations and the relevant requirements of Chapter III of the Regulatory Guidelines for Listed Companies No. 8 – Regulatory Requirements for Capital Transactions and External Guarantees of Listed Companies, and without prejudice to the legal rights of the Company and other shareholders. During the Reporting Period, the Company did not provide any guarantees to the controlling shareholders, de facto controller and their related parties, and without prejudice to the legitimate rights and interests of the Company and all shareholders.

(III) Use of proceeds

In 2023, the Company issued five tranches of public offering corporate bonds, raising RMB12.6 billion; and three tranches of public offering short-term corporate bonds, raising RMB7.5 billion. The utilization of the aforesaid proceeds was consistent with the purposes specified in the prospectus, the plans for the utilization and other stipulations.

(IV) Nomination and remuneration of Directors and senior management

The thirty-second meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Evaluation and Remuneration Plan for Directors and Senior Management of the Company for the Year 2022. I believed that the review and voting procedures met the relevant requirements of the laws and regulations and the Articles of Association, and without prejudice to the legitimate interests of the Company and shareholders.

The twentieth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Appointment of the Business Director of the Company. I believed that Mr. Wang Pei met the conditions for serving as a senior management member of listed companies and securities companies, and was capable of meeting the requirements for the responsibilities as the business director of the Company, and his nomination and appointment procedures met the relevant requirements of the laws and regulations and the Articles of Association.

The twenty-fifth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Nomination of Mr. Xie Song as a Non-executive Director Candidate of the Company. I believed that the nomination and recommendation procedures of Mr. Xie Song met the relevant requirements of the Company Law and the Articles of Association. He met the conditions for serving as a director of listed companies and securities companies and he had the professional competence required to be a director of the Company and was capable of meeting the requirements for the responsibilities of the position.

The twenty-sixth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Appointment of the Vice President of the Company. I believed that the nomination and appointment procedures of Mr. Fu Jianping met the relevant requirements of the laws and regulations and the Articles of Association. He met the conditions for serving as a senior management member of listed companies and securities companies, and was capable of meeting the requirements for the responsibilities as a vice president of the Company.

(V) Preliminary financial data and annual report

On February 15, 2023, according to the relevant rules of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Company disclosed its announcement on preliminary financial data for the year of 2022. On March 31, 2023, the Company disclosed its annual report for 2022. The Company's main financial data and indicators for 2022 contained in the Company's announcement on preliminary financial data were not significantly different from the Company's audited financial data in the final accounts.

(VI) Appointment or replacement of accounting firm

Before the holding of the twenty-seventh meeting of the six session of the Board of Directors of the Company, I verified and reviewed the relevant information on the re-appointment of Ernst & Young Hua Ming LLP and Ernst & Young as the Company's external auditors in 2023 and expressed independent opinions based on the principle of objectivity and impartiality. I believed that Ernst & Young Hua Ming LLP and Ernst & Young have auditing experience and capabilities in serving listed companies for years and can satisfy the relevant domestic and overseas auditing services of the Company in 2023. They can independently audit the financial conditions of the Company.

(VII) Cash dividends and other investor returns

The twenty-third meeting of the six session of the Board of Directors of the Company and the 2022 annual general meeting considered and approved the Annual Profit Distribution Plan for the Year 2022 and distributed RMB2.10 (tax inclusive) for every 10 Shares to all shareholders of A Shares and H Shares with cash dividends at a total of RMB968,265,404.19.

I believed that the Company's Annual Profit Distribution Plan for the Year 2022 was in line with the Company's actual situation and complied with the requirements on cash dividend as set out in the Guidelines No. 1 for the Self-regulation of Listed Companies on the Shanghai Stock Exchange – Standardised Operation and the Articles of Association, without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders. The procedures and results of the voting by the Company's Board of Directors on the Annual Profit Distribution Plan of the Company for the Year 2022 were in compliance with the relevant provisions of the Company Law, other relevant laws, regulations, normative documents and the Articles of Association.

(VIII) Performance of the undertakings of the Company and shareholders

China Everbright Group Ltd., being the Company's controlling shareholder, made a non-competition undertaking in favor of Everbright Securities during the preparation of the listing of Everbright Securities A Shares on the Shanghai Stock Exchange and the listing of H Shares on the Hong Kong Stock Exchange.

I reviewed the written confirmation letter issued by China Everbright Group Ltd. and its compliance with and implementation of the non-competition undertaking, and believed that Everbright Group, wholly-owned subsidiaries normally operated by Everbright Group and companies effectively controlled by Everbright Group have complied with the non-competition undertaking during the financial year from January 1, 2022 to December 31, 2022.

(IX) Implementation of information disclosure

During the Reporting Period, the Company fulfilled the obligation of information disclosure according to the principles of “openness, fairness and impartiality”. The Company disclosed 61 interim announcements, and 4 regular reports throughout the year.

As an independent Director, I paid close attention to the implementation of the Company's information disclosure, and from the perspective of protecting the interests of investors, conducted prior auditing of the Company's major issues and issued corresponding independent opinions.

(X) Implementation of internal control

I have carefully reviewed the Evaluation Report of Internal Control of the Company for the Year 2022 and believed that the Company has fully implemented internal control systems in 2022, further amended and improved all internal management systems during the Reporting Report to consistently improve the internal control system. During the Reporting Period, the Company fully implemented the decisions and arrangements of the CPC Central Committee and the State Council, comprehensively and strictly promoted the implementation of central inspection and rectification work, continued to improve the construction of the internal control system, and faithfully fulfilled the responsibilities of entities and supervisors in internal control to ensure the regulated and stable operation of the internal control mechanism.

(XI) Changes to accounting policies

During the Reporting Period, the Company made changes to the accounting policies in accordance with the Interpretation of Accounting Standards for Business Enterprises No. 16 issued by the Ministry of Finance of the People's Republic of China, which would not have any material impact on the financial condition, operating results and cash flow of the Company. For details, please refer to the Company's announcement Lin No. 2023-042.

(XII) The operation of the Board of Directors and its special committees

During the Reporting Period, as an independent Director, I actively participated in the meetings of the Board of Directors and its special committees. The convening and holding of the meetings of the Board of Directors were in compliance with legal procedures and regulatory requirements. The voting results were lawful and valid and have been effectively enforced; the operating procedures of special committees under the Board of Directors were lawful, compliant and effective.

(XIII) Other matters that Independent Directors consider should be improved by the Company

Nil.

IV. OVERALL APPRAISAL AND RECOMMENDATIONS

In 2023, with an honest, diligent and conscientious attitude, I carefully reviewed the meeting documents of the Board of Directors, expressed independent opinions, paid attention to the Company's information disclosure and financial market environment, and maintained close communication with the Company, achieving my goal of being honest, diligent and conscientious.

In 2024, I will continue to perform my duties independently, strengthen my communication and collaboration with the Company in all aspects, jointly protect the scientific and efficient performance of the functions of the Board of Directors, strive to contribute more to corporate governance, business development, internal control and risk management, and earnestly safeguard the Company's overall interests and the legitimate rights and interests of minority shareholders.

Independent Director: Wang Yong

INDEPENDENT DIRECTOR'S WORK REPORT (PO WAI KWONG)

As an independent Director of the Board of Directors of Everbright Securities Company Limited, I have diligently and faithfully fulfilled my duties and obligations, exercised my powers, and protected the legitimate rights and interests of the Company and relevant stakeholders, especially minority shareholders, in strict compliance with laws and regulations such as the Company Law, the Code of Corporate Governance for Listed Companies, the Rules for Governance of Securities Companies, the Measures for the Administration of Independent Directors of Listed Companies, etc., as well as the Company's internal rules such as the Articles of Association and the Working Rules for Independent Directors of the Company, etc.

On the basis of deep understanding of the operation of the Company, I have participated in the major decisions of the Board of Directors independently and objectively and made efforts to improve the corporate governance and drive the sustainable and sound development of the Company.

In accordance with relevant laws and regulations of the CSRC, I hereby report my work in 2023 as follows:

I. BASIC INFORMATION

I, Po Wai Kwong, hold a master's degree in Business Administration from Chinese University of Hong Kong, is currently an independent Director of the Company, a member of the Audit and Related Party Transaction Control Committee and a member of the Risk Management Committee under the Board of Directors, an independent director of CSC Financial Co., Ltd. (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, respectively, Shanghai Stock Exchange stock code: 601066, Hong Kong Stock Exchange stock code: 6066), an independent director of Citibank (Hong Kong) Limited and a member of the Advisory Committee of the Hang Seng Index in Hong Kong. He previously served as the executive director of the Hong Kong Insurance Authority, senior director of the Securities and Futures Commission (SFC) and director of the agency supervision division of the SFC, chairman of the No. 3 committee of supervision of market agencies of the International Organization of Securities Commissions and a member of the International Advisory Council of the CSRC. During the Reporting Period, there were no circumstances affecting my independence.

II. ANNUAL WORK PERFORMANCE

(I) Attendance at the meetings

1. Attendance at Board meetings and the general meetings

In 2023, the Company held a total of 13 Board meetings and three general meetings. My attendance of Board meetings and general meetings is as follows:

Name	Number of Board meetings required to be attended	Attendance in person at Board meetings	Attendance		Absence from the Board meetings	Attendance at general meetings
			through telecommunication methods at Board meetings	Attendance by proxy at Board meetings		
Po Wai Kwong	13	13	4	0	0	3

2. Attendance at meetings of special committees under the Board of Directors and special meetings of independent Directors

In 2023, the Company held 10 meetings of the Audit and Related Party Transaction Control Committee, 4 meetings of the Risk Management Committee and 1 special meeting of the independent Directors. My attendance of meetings of special committees under the Board of Directors and special meetings of independent Directors is as follows:

Name	Audit and Related Party Transaction Control Committee	Risk Management Committee	Special meeting of the independent Directors
	Po Wai Kwong	10/10	4/4

Note: The data shown in the table above refers to “the number of actual attendance/the number of meetings required attendance”.

As an independent Director, I actively participated in the meetings of the Board of Directors and its special committees and special meeting of the independent Directors, conscientiously performed my duties, gave full play to my professional advantages and provided professional support for the decision-making at the meetings.

(II) Voting and relevant resolutions

During the Reporting Period, I sufficiently reviewed the issues being considered at the meetings of the Board of Directors, special committees meetings and special meetings of independent Directors during the term of office. I carried out serious studies on each proposal before the meetings, and carried out pre-meeting communication and exchange of opinions in respect of over 30 issues such as the 2022 Annual Report of the Company and its summary, the annual profit distribution plan of the Company for the year 2022 and the capital increase to a wholly-owned subsidiary, EBSI in 2023. I actively participated in the discussion during each meeting, provided professional recommendations based on my own professional background and experience, and exercised my voting rights independently, objectively and prudently. Overall, all votes were casted in favour of relevant proposals, and there were no votes casted against or abstention from voting on the proposals. The convening and holding of the relevant meetings of the Company complied with legal procedures, and the relevant proposals were not detrimental to the interests of any shareholder, especially minority shareholders. The relevant resolutions of the Board of Directors have been disclosed in the Company's previous announcements.

(III) Record of training

During the Reporting Period, I actively participated in the training organized by various regulators, self-regulatory organizations and the Company, continued to strengthen the study of securities laws, regulations and rules, and continuously improved my ability to perform my duties, including the special series training on corporate governance provided by the China Association for Public Companies, the special training on the "Analysis of the Registration-based IPO Reform Policy of Listed Companies" jointly organized by the CSRC Shanghai Office and the China Association for Public Companies, the series of courses on the "Performance Learning Platform for Independent Directors" provided by the Shanghai Stock Exchange, the follow-up training for independent directors of listed companies organized by the Shanghai Stock Exchange, the relevant trainings on anti-money laundering and financial treatment organized by Deloitte and Ernst & Young, and the special training on investment information declaration of directors and supervisors.

(IV) Communication with the management

During the Reporting Period, in addition to attending the meetings of the Board of Directors and its special committees, and special meetings of the independent Directors to review and discuss the major decisions of the Company, I also fully understood the operation and management of the Company in the following ways: firstly, I acquired relevant information on the Company's operation and management, business developments, industry development status, regulatory trends, information disclosure, investor relationship management, etc. through the "Morning News" distributed daily, the "Directors and Supervisors Newsletter" distributed on a monthly basis and the "Board Assistants for Directors and Supervisors" distributed by the Company from time to time; secondly, I kept daily contact with the Company's management and the Office of Board of Directors by telephone and e-mail, etc. to

timely communicate with the Company with regard to my concerns; thirdly, according to the requirements of the Company's Directors, the Company's management took the initiative to give special reports on the Directors' issues of concern at the meetings of the Board of Directors. During the Reporting Period, I constantly optimized the communication and exchange mechanism with the management through various methods such as list of tasks and notice letter of resolutions, provided guidance in the operation and management of the Company, and urged the management to seriously and faithfully implement the opinions and suggestions of the Directors.

The above initiatives have enhanced the transparency of the Company's operation and management, and a scientific and effective mechanism for sound communication between the Company's management and the Board of Directors has been established, which is conducive for independent Directors to understand the Company's operation and management and the Board of Directors' scientific decision-making as well as protect the legitimate rights and interests of minority shareholders.

(V) Communication with the accounting firm

During the Reporting Period, I closely monitored the financial and business conditions of the Company, adequately communicated with the accounting firm in respect of the Company's 2022 financial statements, internal control and other key issues of concern, and put forward suggestions on the business development of the Company.

(VI) Communication with minority shareholders

I actively participated in the general meetings of the Company, and the Company established and announced a designated email address of independent Directors to effectively strengthen communication with minority shareholders and further protect the legitimate rights and interests of minority shareholders.

III. MAJOR CONCERNS

(I) Related party transactions

Before the holding of the twenty-third meeting of the sixth session of the Board of Directors of the Company, I expressed my opinions on the implementation of the related party (connected) transactions of the Company in 2022, and believed that the related party (connected) transactions of the Company in 2022 were entered into in the Company's ordinary and usual course of business, on normal commercial terms or better and according to the agreements regulating such related party (connected) transactions and the terms that were fair and reasonable and in the interests of the Company's shareholders as a whole. I also made prior approval on the Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2023 and expressed my opinions thereon, and concluded that the procedures of which the Board of Directors of the Company considered relevant issues had complied with the laws and were in compliance with the provisions of the Company Law, the Securities Law

and other relevant laws and regulations as well as the Articles of Association. The expected ordinary related party (connected) transactions in 2023 were entered into at an objective and fair consideration, on fair and reasonable terms, in the interests of the Company, and without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders.

Before the holding of the twenty-first meeting of the sixth session of the Board of Directors of the Company, I made prior approval on the Resolution on the Lease of Office Premises by Hong Kong Subsidiary and expressed my opinions thereon, and concluded that the procedures of which the Board of Directors of the Company considered the Resolution on the Lease of Office Premises by Hong Kong Subsidiary had complied with the laws and were in compliance with the provisions of the Company Law, the Securities Law and other relevant laws and regulations as well as the Articles of Association. The Resolution on the Lease of Office Premises by Hong Kong Subsidiary was entered into at an objective and fair consideration, on fair and reasonable terms, in the interests of the Company, and without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders.

(II) External guarantees and capital occupation

Before the holding of the twenty-third meeting of the sixth session of the Board of Directors, I conducted investigations and studies on the external guarantees of the Company as of December 31, 2022 and expressed independent opinions. During the Reporting Period, the Company has provided the following guarantees: net capital guarantee for a wholly-owned subsidiary Everbright Asset Management, and guarantee for the overseas loan of a wholly-owned subsidiary EBSI. As of December 31, 2022, the balance of such guarantees was approximately RMB4.927 billion. The guarantees of the Company's majority-owned subsidiaries mainly include: the loan guarantees, financing guarantees and business guarantees provided by the Company's wholly-owned subsidiary EBSI and its subsidiaries for their subsidiaries to facilitate their business operation. As of December 31, 2022, the balance of such guarantees was approximately RMB1.411 billion.

The above guarantees were in compliance with the requirements of relevant laws and regulations and the relevant requirements of Chapter III of the Regulatory Guidelines for Listed Companies No. 8 – Regulatory Requirements for Capital Transactions and External Guarantees of Listed Companies, and without prejudice to the legal rights of the Company and other shareholders. During the Reporting Period, the Company did not provide any guarantees to the controlling shareholders, de facto controller and their related parties, and without prejudice to the legitimate rights and interests of the Company and all shareholders.

(III) Use of proceeds

In 2023, the Company issued five tranches of public offering corporate bonds, raising RMB12.6 billion; and three tranches of public offering short-term corporate bonds, raising RMB7.5 billion. The utilization of the aforesaid proceeds was consistent with the purposes specified in the prospectus, the plans for the utilization and other stipulations.

(IV) Nomination and remuneration of Directors and senior management

The thirty-second meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Evaluation and Remuneration Plan for Directors and Senior Management of the Company for the Year 2022. I believed that the review and voting procedures met the relevant requirements of the laws and regulations and the Articles of Association, and without prejudice to the legitimate interests of the Company and shareholders.

The twentieth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Appointment of the Business Director of the Company. I believed that Mr. Wang Pei met the conditions for serving as a senior management member of listed companies and securities companies, and was capable of meeting the requirements for the responsibilities as the business director of the Company, and his nomination and appointment procedures met the relevant requirements of the laws and regulations and the Articles of Association.

The twenty-fifth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Nomination of Mr. Xie Song as a Non-executive Director Candidate of the Company. I believed that the nomination and recommendation procedures of Mr. Xie Song met the relevant requirements of the Company Law and the Articles of Association. He met the conditions for serving as a director of listed companies and securities companies and he had the professional competence required to be a director of the Company and was capable of meeting the requirements for the responsibilities of the position.

The twenty-sixth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Appointment of the Vice President of the Company. I believed that the nomination and appointment procedures of Mr. Fu Jianping met the relevant requirements of the laws and regulations and the Articles of Association. He met the conditions for serving as a senior management member of listed companies and securities companies, and was capable of meeting the requirements for the responsibilities as a vice president of the Company.

(V) Preliminary financial data and annual report

On February 15, 2023, according to the relevant rules of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Company disclosed its announcement on preliminary financial data for the year of 2022. On March 31, 2023, the Company disclosed its annual report for 2022. The Company's main financial data and indicators for 2022 contained in the Company's announcement on preliminary financial data were not significantly different from the Company's audited financial data in the final accounts.

(VI) Appointment or replacement of accounting firm

Before the holding of the twenty-seventh meeting of the six session of the Board of Directors of the Company, I verified and reviewed the relevant information on the re-appointment of Ernst & Young Hua Ming LLP and Ernst & Young as the Company's external auditors in 2023 and expressed independent opinions based on the principle of objectivity and impartiality. I believed that Ernst & Young Hua Ming LLP and Ernst & Young have auditing experience and capabilities in serving listed companies for years and can satisfy the relevant domestic and overseas auditing services of the Company in 2023. They can independently audit the financial conditions of the Company.

(VII) Cash dividends and other investor returns

The twenty-third meeting of the six session of the Board of Directors of the Company and the 2022 annual general meeting considered and approved the Annual Profit Distribution Plan for the Year 2022 and distributed RMB2.10 (tax inclusive) for every 10 Shares to all shareholders of A Shares and H Shares with cash dividends at a total of RMB968,265,404.19.

I believed that the Company's Annual Profit Distribution Plan for the Year 2022 was in line with the Company's actual situation and complied with the requirements on cash dividend as set out in the Guidelines No. 1 for the Self-regulation of Listed Companies on the Shanghai Stock Exchange – Standardised Operation and the Articles of Association, without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders. The procedures and results of the voting by the Company's Board of Directors on the Annual Profit Distribution Plan of the Company for the Year 2022 were in compliance with the relevant provisions of the Company Law, other relevant laws, regulations, normative documents and the Articles of Association.

(VIII) Performance of the undertakings of the Company and shareholders

China Everbright Group Ltd., being the Company's controlling shareholder, has made a non-competition undertaking in favor of Everbright Securities during the preparation of the listing of Everbright Securities A Shares on the Shanghai Stock Exchange and the listing of H Shares on the Hong Kong Stock Exchange.

I reviewed the written confirmation letter issued by China Everbright Group Ltd. and its compliance with and implementation of the non-competition undertaking, and believed that Everbright Group, wholly-owned subsidiaries normally operated by Everbright Group and companies effectively controlled by Everbright Group have complied with the non-competition undertaking during the financial year from January 1, 2022 to December 31, 2022.

(IX) Implementation of information disclosure

During the Reporting Period, the Company fulfilled the obligation of information disclosure according to the principles of “openness, fairness and impartiality”. The Company disclosed 61 interim announcements, and 4 regular reports throughout the year.

As an independent Director, I paid close attention to the implementation of the Company’s information disclosure, and from the perspective of protecting the interests of investors, conducted prior auditing of the Company’s major issues and issued corresponding independent opinions.

(X) Implementation of internal control

I have carefully reviewed the Evaluation Report of Internal Control of the Company for the Year 2022 and believed that the Company has fully implemented internal control systems in 2022, further amended and improved all internal management systems during the Reporting Period to consistently improve the internal control system. During the Reporting Period, the Company fully implemented the decisions and arrangements of the CPC Central Committee and the State Council, comprehensively and strictly promoted the implementation of central inspection and rectification work, continued to improve the construction of the internal control system, and faithfully fulfilled the responsibilities of entities and supervisors in internal control to ensure the regulated and stable operation of the internal control mechanism.

(XI) Changes to accounting policies

During the Reporting Period, the Company made changes to the accounting policies in accordance with the Interpretation of Accounting Standards for Business Enterprises No. 16 issued by the Ministry of Finance of the People’s Republic of China, which would not have any material impact on the financial condition, operating results and cash flow of the Company. For details, please refer to the Company’s announcement Lin No. 2023-042.

(XII) The operation of the Board of Directors and its special committees

During the Reporting Period, as an independent Director, I actively participated in the meetings of the Board of Directors and its special committees. The convening and holding of the meetings of the Board of Directors were in compliance with legal procedures and regulatory requirements. The voting results were lawful and valid and have been effectively enforced; the operating procedures of special committees under the Board of Directors were lawful, compliant and effective.

(XIII) Other matters that Independent Directors consider should be improved by the Company

Nil.

IV. OVERALL APPRAISAL AND RECOMMENDATIONS

In 2023, with an honest, diligent and conscientious attitude, I carefully reviewed the meeting documents of the Board of Directors, expressed independent opinions, paid attention to the Company's information disclosure and financial market environment, and maintained close communication with the Company, achieving my goal of being honest, diligent and conscientious.

In 2024, I will continue to perform my duties independently, strengthen my communication and collaboration with the Company in all aspects, jointly protect the scientific and efficient performance of the functions of the Board of Directors, strive to contribute more to corporate governance, business development, internal control and risk management, and earnestly safeguard the Company's overall interests and the legitimate rights and interests of minority shareholders.

Independent Director: Po Wai Kwong

INDEPENDENT DIRECTOR' S WORK REPORT (REN YONGPING)

As an independent Director of the Board of Directors of Everbright Securities Company Limited, I have diligently and faithfully fulfilled my duties and obligations, exercised my powers, and protected the legitimate rights and interests of the Company and relevant stakeholders, especially minority shareholders, in strict compliance with laws and regulations such as the Company Law, the Code of Corporate Governance for Listed Companies, the Rules for Governance of Securities Companies, the Measures for the Administration of Independent Directors of Listed Companies, etc., as well as the Company's internal rules such as the Articles of Association and the Working Rules for Independent Directors of the Company, etc.

On the basis of deep understanding of the operation of the Company, I have participated in the major decisions of the Board of Directors independently and objectively and made efforts to improve the corporate governance and drive the sustainable and sound development of the Company.

In accordance with relevant laws and regulations of the CSRC, I hereby report my work in 2023 as follows:

I. BASIC INFORMATION

I, Ren Yongping, hold a doctor's degree in Accounting from Xiamen University, is currently an independent Director of the Company, a member (chairman) of the Remuneration, Nomination and Credentials Committee, a member of the Audit and Related Party Transaction Control Committee under the Board of Directors, an accounting professor and doctoral supervisor of management school of Shanghai University, academic director of MBA Center of Shanghai University and an independent director of Jiangsu Yangnong Chemical Co., Ltd. (江蘇揚農化工股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600486), Jiangsu Rijiu Optoelectronics Jointstock Co., Ltd. (a company listed on the Shenzhen Stock Exchange, stock code: 003015) and Chuangzhi Technology (Jiangsu) Co., Ltd. (an unlisted company). He previously served as vice dean of management school and secretary of Party Committee of Shanghai University, lecturer, associate professor and professor of Jiangsu University, a director of Xingyuan Environment Technology Co., Ltd. (興源環境科技股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 300266), and an independent director of Tengda Construction Group Co., Ltd. (騰達建設集團股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600512), Kama Co., Ltd. (恒天凱馬股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 900953), Kehua Holdings Co., Ltd. (科華控股股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 603161), Jiangsu Hengshun Vinegar Industry Co., Ltd. (江蘇恒順醋業股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600305), Shanghai Jinjiang International Travel Co., Ltd. (上海錦江國際旅遊股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 900929) and other companies. During the Reporting Period, there were no circumstances affecting my independence.

II. ANNUAL WORK PERFORMANCE

(I) Attendance at the meetings

1. Attendance at Board meetings and the general meetings

In 2023, the Company held a total of 13 Board meetings and three general meetings. My attendance of Board meetings and general meetings is as follows:

Name	Number of Board meetings required to be attended	Attendance in person at Board meetings	Attendance		Absence from the Board meetings	Attendance at general meetings
			through telecommunication methods at Board meetings	Attendance by proxy at Board meetings		
Ren Yongping	13	13	3	0	0	3

2. Attendance at meetings of special committees under the Board of Directors and special meetings of independent Directors

In 2023, the Company held 8 meetings of the Remuneration, Nomination and Credentials Committee, 10 meetings of the Audit and Related Party Transaction Control Committee and 1 special meeting of the independent Directors. My attendance of meetings of special committees under the Board of Directors and special meetings of independent Directors is as follows:

Name	Remuneration, Nomination and Credentials Committee	Audit and Related Party Transaction Control Committee	Special meeting of the independent Directors
Ren Yongping	8/8	10/10	1/1

Note: The data shown in the table above refers to “the number of actual attendance/the number of meetings required attendance”.

As an independent Director, I actively participated in the meetings of the Board of Directors and its special committees and special meeting of the independent Directors, conscientiously performed my duties, gave full play to my professional advantages and provided professional support for the decision-making at the meetings.

(II) Voting and relevant resolutions

During the Reporting Period, I sufficiently reviewed the issues being considered at the meetings of the Board of Directors, special committees meetings and special meetings of independent Directors during the term of office. I carried out serious studies on each proposal before the meetings, and carried out pre-meeting communication and exchange of opinions in respect of over 30 issues such as the 2022 Annual Report of the Company and its summary, the annual profit distribution plan of the Company for the year 2022 and the capital increase to a wholly-owned subsidiary, EBSI in 2023. I actively participated in the discussion during each meeting, provided professional recommendations based on my own professional background and experience, and exercised my voting rights independently, objectively and prudently. Overall, all votes were casted in favour of relevant proposals, and there were no votes casted against or abstention from voting on the proposals. The convening and holding of the relevant meetings of the Company complied with legal procedures, and the relevant proposals were not detrimental to the interests of any shareholder, especially minority shareholders. The relevant resolutions of the Board of Directors have been disclosed in the Company's previous announcements.

(III) Record of training

During the Reporting Period, I actively participated in the training organized by various regulators, self-regulatory organizations and the Company, continued to strengthen the study of securities laws, regulations and rules, and continuously improved my ability to perform my duties, including the special series training on investor relations management provided by the China Association for Public Companies, the special training on the analysis of registration-based IPO reform policy of proposed listed companies provided by the China Association for Public Companies, the series of courses on the "Performance Learning Platform for Independent Directors" provided by the Shanghai Stock Exchange, the follow-up training for independent directors of listed companies organized by the Shenzhen Stock Exchange, the relevant trainings on anti-money laundering and financial treatment organized by Deloitte and Ernst & Young, and the special training on investment information declaration of directors and supervisors.

(IV) Communication with the management

During the Reporting Period, in addition to attending the meetings of the Board of Directors and its special committees, and special meetings of the independent Directors to review and discuss the major decisions of the Company, I also fully understood the operation and management of the Company in the following ways: firstly, I acquired relevant information on the Company's operation and management, business developments, industry development status, regulatory trends, information disclosure, investor relationship management, etc. through the "Morning News" distributed daily, the "Directors and Supervisors Newsletter" distributed on a monthly basis and the "Board Assistants for Directors and Supervisors" distributed by the Company from time to time; secondly, I kept daily contact with the Company's management and the Office of Board of Directors by telephone and e-mail, etc. to

timely communicate with the Company with regard to my concerns; thirdly, according to the requirements of the Company's Directors, the Company's management took the initiative to give special reports on the Directors' issues of concern at the meetings of the Board of Directors. During the Reporting Period, I constantly optimized the communication and exchange mechanism with the management through various methods such as list of tasks and notice letter of resolutions, provided guidance in the operation and management of the Company, and urged the management to seriously and faithfully implement the opinions and suggestions of the Directors.

The above initiatives have enhanced the transparency of the Company's operation and management, and a scientific and effective mechanism for sound communication between the Company's management and the Board of Directors has been established, which is conducive for independent Directors to understand the Company's operation and management and the Board of Directors' scientific decision-making as well as protect the legitimate rights and interests of minority shareholders.

(V) Communication with the accounting firm

During the Reporting Period, I closely monitored the financial and business conditions of the Company, adequately communicated with the accounting firm in respect of the Company's 2022 financial statements, internal control and other key issues of concern, and put forward suggestions on the business development of the Company.

(VI) Communication with minority shareholders

I actively participated in the general meetings of the Company, and the Company established and announced a designated email address of independent Directors to effectively strengthen communication with minority shareholders and further protect the legitimate rights and interests of minority shareholders.

III. MAJOR CONCERNS

(I) Related party transactions

Before the holding of the twenty-third meeting of the sixth session of the Board of Directors of the Company, I expressed my opinions on the implementation of the related party (connected) transactions of the Company in 2022, and believed that the related party (connected) transactions of the Company in 2022 were entered into in the Company's ordinary and usual course of business, on normal commercial terms or better and according to the agreements regulating such related party (connected) transactions and the terms that were fair and reasonable and in the interests of the Company's shareholders as a whole. I also made prior approval on the Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2023 and expressed my opinions thereon, and concluded that the procedures of which the Board of Directors of the Company considered relevant issues had complied with the laws and were in compliance with the provisions of the Company Law, the Securities Law

and other relevant laws and regulations as well as the Articles of Association. The expected ordinary related party (connected) transactions in 2023 were entered into at an objective and fair consideration, on fair and reasonable terms, in the interests of the Company, and without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders.

Before the holding of the twenty-first meeting of the sixth session of the Board of Directors of the Company, I made prior approval on the Resolution on the Lease of Office Premises by Hong Kong Subsidiary and expressed my opinions thereon, and concluded that the procedures of which the Board of Directors of the Company considered the Resolution on the Lease of Office Premises by Hong Kong Subsidiary had complied with the laws and were in compliance with the provisions of the Company Law, the Securities Law and other relevant laws and regulations as well as the Articles of Association. The Resolution on the Lease of Office Premises by Hong Kong Subsidiary was entered into at an objective and fair consideration, on fair and reasonable terms, in the interests of the Company, and without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders.

(II) External guarantees and capital occupation

Before the holding of the twenty-third meeting of the sixth session of the Board of Directors, I conducted investigations and studies on the external guarantees of the Company as of December 31, 2022 and expressed independent opinions. During the Reporting Period, the Company has provided the following guarantees: net capital guarantee for a wholly-owned subsidiary Everbright Asset Management, and guarantee for the overseas loan of a wholly-owned subsidiary EBSI. As of December 31, 2022, the balance of such guarantees was approximately RMB4.927 billion. The guarantees of the Company's majority-owned subsidiaries mainly include: the loan guarantees, financing guarantees and business guarantees provided by the Company's wholly-owned subsidiary EBSI and its subsidiaries for their subsidiaries to facilitate their business operation. As of December 31, 2022, the balance of such guarantees was approximately RMB1.411 billion.

The above guarantees were in compliance with the requirements of relevant laws and regulations and the relevant requirements of Chapter III of the Regulatory Guidelines for Listed Companies No. 8 – Regulatory Requirements for Capital Transactions and External Guarantees of Listed Companies, and without prejudice to the legal rights of the Company and other shareholders. During the Reporting Period, the Company did not provide any guarantees to the controlling shareholders, de facto controller and their related parties, and without prejudice to the legitimate rights and interests of the Company and all shareholders.

(III) Use of proceeds

In 2023, the Company issued five tranches of public offering corporate bonds, raising RMB12.6 billion; and three tranches of public offering short-term corporate bonds, raising RMB7.5 billion. The utilization of the aforesaid proceeds was consistent with the purposes specified in the prospectus, the plans for the utilization and other stipulations.

(IV) Nomination and remuneration of Directors and senior management

The thirty-second meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Evaluation and Remuneration Plan for Directors and Senior Management of the Company for the Year 2022. I believed that the review and voting procedures met the relevant requirements of the laws and regulations and the Articles of Association, and without prejudice to the legitimate interests of the Company and shareholders.

The twentieth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Appointment of the Business Director of the Company. I believed that Mr. Wang Pei met the conditions for serving as a senior management member of listed companies and securities companies, and was capable of meeting the requirements for the responsibilities as the business director of the Company, and his nomination and appointment procedures met the relevant requirements of the laws and regulations and the Articles of Association.

The twenty-fifth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Nomination of Mr. Xie Song as a Non-executive Director Candidate of the Company. I believed that the nomination and recommendation procedures of Mr. Xie Song met the relevant requirements of the Company Law and the Articles of Association. He met the conditions for serving as a director of listed companies and securities companies and he had the professional competence required to be a director of the Company and was capable of meeting the requirements for the responsibilities of the position.

The twenty-sixth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Appointment of the Vice President of the Company. I believed that the nomination and appointment procedures of Mr. Fu Jianping met the relevant requirements of the laws and regulations and the Articles of Association. He met the conditions for serving as a senior management member of listed companies and securities companies, and was capable of meeting the requirements for the responsibilities as a vice president of the Company.

(V) Preliminary financial data and annual report

On February 15, 2023, according to the relevant rules of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Company disclosed its announcement on preliminary financial data for the year of 2022. On March 31, 2023, the Company disclosed its annual report for 2022. The Company's main financial data and indicators for 2022 contained in the Company's announcement on preliminary financial data were not significantly different from the Company's audited financial data in the final accounts.

(VI) Appointment or replacement of accounting firm

Before the holding of the twenty-seventh meeting of the six session of the Board of Directors of the Company, I verified and reviewed the relevant information on the re-appointment of Ernst & Young Hua Ming LLP and Ernst & Young as the Company's external auditors in 2023 and expressed independent opinions based on the principle of objectivity and impartiality. I believed that Ernst & Young Hua Ming LLP and Ernst & Young have auditing experience and capabilities in serving listed companies for years and can satisfy the relevant domestic and overseas auditing services of the Company in 2023. They can independently audit the financial conditions of the Company.

(VII) Cash dividends and other investor returns

The twenty-third meeting of the six session of the Board of Directors of the Company and the 2022 annual general meeting considered and approved the Annual Profit Distribution Plan for the Year 2022 and distributed RMB2.10 (tax inclusive) for every 10 Shares to all shareholders of A Shares and H Shares with cash dividends at a total of RMB968,265,404.19.

I believed that the Company's Annual Profit Distribution Plan for the Year 2022 was in line with the Company's actual situation and complied with the requirements on cash dividend as set out in the Guidelines No. 1 for the Self-regulation of Listed Companies on the Shanghai Stock Exchange – Standardised Operation and the Articles of Association, without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders. The procedures and results of the voting by the Company's Board of Directors on the Annual Profit Distribution Plan of the Company for the Year 2022 were in compliance with the relevant provisions of the Company Law, other relevant laws, regulations, normative documents and the Articles of Association.

(VIII) Performance of the undertakings of the Company and shareholders

China Everbright Group Ltd., being the Company's controlling shareholder, has made a non-competition undertaking in favor of Everbright Securities during the preparation of the listing of Everbright Securities A Shares on the Shanghai Stock Exchange and the listing of H Shares on the Hong Kong Stock Exchange.

I reviewed the written confirmation letter issued by China Everbright Group Ltd. and its compliance with and implementation of the non-competition undertaking, and believed that Everbright Group, wholly-owned subsidiaries normally operated by Everbright Group and companies effectively controlled by Everbright Group have complied with the non-competition undertaking during the financial year from January 1, 2022 to December 31, 2022.

(IX) Implementation of information disclosure

During the Reporting Period, the Company fulfilled the obligation of information disclosure according to the principles of “openness, fairness and impartiality”. The Company disclosed 61 interim announcements, and 4 regular reports throughout the year.

As an independent Director, I paid close attention to the implementation of the Company’s information disclosure, and from the perspective of protecting the interests of investors, conducted prior auditing of the Company’s major issues and issued corresponding independent opinions.

(X) Implementation of internal control

I have carefully reviewed the Evaluation Report of Internal Control of the Company for the Year 2022 and believed that the Company has fully implemented internal control systems in 2022, further amended and improved all internal management systems during the Reporting Period to consistently improve the internal control system. During the Reporting Period, the Company fully implemented the decisions and arrangements of the CPC Central Committee and the State Council, comprehensively and strictly promoted the implementation of central inspection and rectification work, continued to improve the construction of the internal control system, and faithfully fulfilled the responsibilities of entities and supervisors in internal control to ensure the regulated and stable operation of the internal control mechanism.

(XI) Changes to accounting policies

During the Reporting Period, the Company made changes to the accounting policies in accordance with the Interpretation of Accounting Standards for Business Enterprises No. 16 issued by the Ministry of Finance of the People’s Republic of China, which would not have any material impact on the financial condition, operating results and cash flow of the Company. For details, please refer to the Company’s announcement Lin No. 2023-042.

(XII) The operation of the Board of Directors and its special committees

During the Reporting Period, as an independent Director, I actively participated in the meetings of the Board of Directors and its special committees. The convening and holding of the meetings of the Board of Directors were in compliance with legal procedures and regulatory requirements. The voting results were lawful and valid and have been effectively enforced; the operating procedures of special committees under the Board of Directors were lawful, compliant and effective.

(XIII) Other matters that Independent Directors consider should be improved by the Company

Nil.

IV. OVERALL APPRAISAL AND RECOMMENDATIONS

In 2023, with an honest, diligent and conscientious attitude, I carefully reviewed the meeting documents of the Board of Directors, expressed independent opinions, paid attention to the Company's information disclosure and financial market environment, and maintained close communication with the Company, achieving my goal of being honest, diligent and conscientious.

In 2024, I will continue to perform my duties independently, strengthen my communication and collaboration with the Company in all aspects, jointly protect the scientific and efficient performance of the functions of the Board of Directors, strive to contribute more to corporate governance, business development, internal control and risk management, and earnestly safeguard the Company's overall interests and the legitimate rights and interests of minority shareholders.

Independent Director: Ren Yongping

INDEPENDENT DIRECTOR' S WORK REPORT (YIN JUNMING)

As an independent Director of the Board of Directors of Everbright Securities Company Limited, I have diligently and faithfully fulfilled my duties and obligations, exercised my powers, and protected the legitimate rights and interests of the Company and relevant stakeholders, especially minority shareholders, in strict compliance with laws and regulations such as the Company Law, the Code of Corporate Governance for Listed Companies, the Rules for Governance of Securities Companies, the Measures for the Administration of Independent Directors of Listed Companies, etc., as well as the Company's internal rules such as the Articles of Association and the Working Rules for Independent Directors of the Company, etc.

On the basis of deep understanding of the operation of the Company, I have participated in the major decisions of the Board of Directors independently and objectively and made efforts to improve the corporate governance and drive the sustainable and sound development of the Company.

In accordance with relevant laws and regulations of the CSRC, I hereby report my work in 2023 as follows:

I. BASIC INFORMATION

I, Yin Junming, hold a doctor's degree in Management (Accounting) from Xi'an Jiaotong University, is currently an independent Director of the Company, a member of the Remuneration, Nomination and Credentials Committee, a member (chairman) of the Audit and Related Party Transaction Control Committee under the Board of Directors, an accounting professor of the school of business of Nanjing University of Information Science & Technology and an independent director of Shuangdeng Group Co., Ltd. and Anhui Shenjian New Materials Co., Ltd. (安徽神劍新材料股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 002361). He was a dean, the secretary of the Party committee and an accounting professor of the accounting school of Nanjing Audit University, an associate professor at the Sias International College of Zhengzhou University, an accountant in the Locomotive Depot of Nanchang Railway Bureau and an independent director of Jiangsu Canlon Building Materials Co., Ltd. (江蘇凱倫建材股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 300715) and Suning Universal Co., Ltd. (蘇寧環球股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 000718). During the Reporting Period, there were no circumstances affecting my independence.

II. ANNUAL WORK PERFORMANCE

(I) Attendance at the meetings

1. Attendance at Board meetings and the general meetings

In 2023, the Company held a total of 13 Board meetings and three general meetings. My attendance of Board meetings and general meetings is as follows:

Name	Number of Board meetings required to be attended	Attendance in person at Board meetings	Attendance		Absence from the Board meetings	Attendance at general meetings
			through telecommunication methods at Board meetings	Attendance by proxy at Board meetings		
Yin Junming	13	13	4	0	0	3

2. Attendance at meetings of special committees under the Board of Directors and special meetings of independent Directors

In 2023, the Company held 8 meetings of the Remuneration, Nomination and Credentials Committee, 10 meetings of the Audit and Related Party Transaction Control Committee and 1 special meeting of the independent Directors. My attendance of meetings of special committees under the Board of Directors and special meetings of independent Directors is as follows:

Name	Remuneration, Nomination and Credentials Committee	Audit and Related Party Transaction Control Committee	Special meeting of the independent Directors

Note: The data shown in the table above refers to “the number of actual attendance/the number of meetings required attendance”.

As an independent Director, I actively participated in the meetings of the Board of Directors and its special committees and special meeting of the independent Directors, conscientiously performed my duties, gave full play to my professional advantages and provided professional support for the decision-making at the meetings.

(II) Voting and relevant resolutions

During the Reporting Period, I sufficiently reviewed the issues being considered at the meetings of the Board of Directors, special committees meetings and special meetings of independent Directors during the term of office. I carried out serious studies on each proposal before the meetings, and carried out pre-meeting communication and exchange of opinions in respect of over 30 issues such as the 2022 Annual Report of the Company and its summary, the annual profit distribution plan of the Company for the year 2022 and the capital increase to a wholly-owned subsidiary, EBSI in 2023. I actively participated in the discussion during each meeting, provided professional recommendations based on my own professional background and experience, and exercised my voting rights independently, objectively and prudently. Overall, all votes were casted in favour of relevant proposals, and there were no votes casted against or abstention from voting on the proposals. The convening and holding of the relevant meetings of the Company complied with legal procedures, and the relevant proposals were not detrimental to the interests of any shareholder, especially minority shareholders. The relevant resolutions of the Board of Directors have been disclosed in the Company's previous announcements.

(III) Record of training

During the Reporting Period, I actively participated in the training organized by various regulators, self-regulatory organizations and the Company, continued to strengthen the study of securities laws, regulations and rules, and continuously improved my ability to perform my duties, including the special training on the "Analysis of the Registration-based IPO Reform Policy of Listed Companies" jointly organized by the CSRC Shanghai Office and the China Association for Public Companies, the series of courses on the "Performance Learning Platform for Independent Directors" provided by the Shanghai Stock Exchange, the follow-up training for independent directors of listed companies organized by the Shanghai Stock Exchange, the relevant trainings on anti-money laundering and financial treatment organized by Deloitte and Ernst & Young, and the special training on investment information declaration of directors and supervisors.

(IV) Communication with the management

During the Reporting Period, in addition to attending the meetings of the Board of Directors and its special committees, and special meetings of the independent Directors to review and discuss the major decisions of the Company, I also fully understood the operation and management of the Company in the following ways: firstly, I acquired relevant information on the Company's operation and management, business developments, industry development status, regulatory trends, information disclosure, investor relationship management, etc. through the "Morning News" distributed daily, the "Directors and Supervisors Newsletter" distributed on a monthly basis and the "Board Assistants for Directors and Supervisors" distributed by the Company from time to time; secondly, I kept daily contact with the Company's management and the Office of Board of Directors by telephone and e-mail, etc. to timely communicate with the Company with regard to my concerns; thirdly, according to the

requirements of the Company's Directors, the Company's management took the initiative to give special reports on the Directors' issues of concern at the meetings of the Board of Directors. During the Reporting Period, I constantly optimized the communication and exchange mechanism with the management through various methods such as list of tasks and notice letter of resolutions, provided guidance in the operation and management of the Company, and urged the management to seriously and faithfully implement the opinions and suggestions of the Directors.

The above initiatives have enhanced the transparency of the Company's operation and management, and a scientific and effective mechanism for sound communication between the Company's management and the Board of Directors has been established, which is conducive for independent Directors to understand the Company's operation and management and the Board of Directors' scientific decision-making as well as protect the legitimate rights and interests of minority shareholders.

(V) Communication with the accounting firm

During the Reporting Period, I closely monitored the financial and business conditions of the Company, adequately communicated with the accounting firm in respect of the Company's 2022 financial statements, internal control and other key issues of concern, and put forward suggestions on the business development of the Company.

(VI) Communication with minority shareholders

I actively participated in the general meetings of the Company, and the Company established and announced a designated email address of independent Directors to effectively strengthen communication with minority shareholders and further protect the legitimate rights and interests of minority shareholders.

III. MAJOR CONCERNS

(I) Related party transactions

Before the holding of the twenty-third meeting of the sixth session of the Board of Directors of the Company, I expressed my opinions on the implementation of the related party (connected) transactions of the Company in 2022, and believed that the related party (connected) transactions of the Company in 2022 were entered into in the Company's ordinary and usual course of business, on normal commercial terms or better and according to the agreements regulating such related party (connected) transactions and the terms that were fair and reasonable and in the interests of the Company's shareholders as a whole. I also made prior approval on the Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2023 and expressed my opinions thereon, and concluded that the procedures of which the Board of Directors of the Company considered relevant issues had complied with the laws and were in compliance with the provisions of the Company Law, the Securities Law and other relevant laws and regulations as well as the Articles of Association. The expected

ordinary related party (connected) transactions in 2023 were entered into at an objective and fair consideration, on fair and reasonable terms, in the interests of the Company, and without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders.

Before the holding of the twenty-first meeting of the sixth session of the Board of Directors of the Company, I made prior approval on the Resolution on the Lease of Office Premises by Hong Kong Subsidiary and expressed my opinions thereon, and concluded that the procedures of which the Board of Directors of the Company considered the Resolution on the Lease of Office Premises by Hong Kong Subsidiary had complied with the laws and were in compliance with the provisions of the Company Law, the Securities Law and other relevant laws and regulations as well as the Articles of Association. The Resolution on the Lease of Office Premises by Hong Kong Subsidiary was entered into at an objective and fair consideration, on fair and reasonable terms, in the interests of the Company, and without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders.

(II) External guarantees and capital occupation

Before the holding of the twenty-third meeting of the sixth session of the Board of Directors, I conducted investigations and studies on the external guarantees of the Company as of December 31, 2022 and expressed independent opinions. During the Reporting Period, the Company has provided the following guarantees: net capital guarantee for a wholly-owned subsidiary Everbright Asset Management, and guarantee for the overseas loan of a wholly-owned subsidiary EBSI. As of December 31, 2022, the balance of such guarantees was approximately RMB4.927 billion. The guarantees of the Company's majority-owned subsidiaries mainly include: the loan guarantees, financing guarantees and business guarantees provided by the Company's wholly-owned subsidiary EBSI and its subsidiaries for their subsidiaries to facilitate their business operation. As of December 31, 2022, the balance of such guarantees was approximately RMB1.411 billion.

The above guarantees were in compliance with the requirements of relevant laws and regulations and the relevant requirements of Chapter III of the Regulatory Guidelines for Listed Companies No. 8 – Regulatory Requirements for Capital Transactions and External Guarantees of Listed Companies, and without prejudice to the legal rights of the Company and other shareholders. During the Reporting Period, the Company did not provide any guarantees to the controlling shareholders, de facto controller and their related parties, and without prejudice to the legitimate rights and interests of the Company and all shareholders.

(III) Use of proceeds

In 2023, the Company issued five tranches of public offering corporate bonds, raising RMB12.6 billion; and three tranches of public offering short-term corporate bonds, raising RMB7.5 billion. The utilization of the aforesaid proceeds was consistent with the purposes specified in the prospectus, the plans for the utilization and other stipulations.

(IV) Nomination and remuneration of Directors and senior management

The thirty-second meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Evaluation and Remuneration Plan for Directors and Senior Management of the Company for the Year 2022. I believed that the review and voting procedures met the relevant requirements of the laws and regulations and the Articles of Association, and without prejudice to the legitimate interests of the Company and shareholders.

The twentieth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Appointment of the Business Director of the Company. I believed that Mr. Wang Pei met the conditions for serving as a senior management member of listed companies and securities companies, and was capable of meeting the requirements for the responsibilities as the business director of the Company, and his nomination and appointment procedures met the relevant requirements of the laws and regulations and the Articles of Association.

The twenty-fifth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Nomination of Mr. Xie Song as a Non-executive Director Candidate of the Company. I believed that the nomination and recommendation procedures of Mr. Xie Song met the relevant requirements of the Company Law and the Articles of Association. He met the conditions for serving as a director of listed companies and securities companies and he had the professional competence required to be a director of the Company and was capable of meeting the requirements for the responsibilities of the position.

The twenty-sixth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Appointment of the Vice President of the Company. I believed that the nomination and appointment procedures of Mr. Fu Jianping met the relevant requirements of the laws and regulations and the Articles of Association. He met the conditions for serving as a senior management member of listed companies and securities companies, and was capable of meeting the requirements for the responsibilities as a vice president of the Company.

(V) Preliminary financial data and annual report

On February 15, 2023, according to the relevant rules of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Company disclosed its announcement on preliminary financial data for the year of 2022. On March 31, 2023, the Company disclosed its annual report for 2022. The Company's main financial data and indicators for 2022 contained in the Company's announcement on preliminary financial data were not significantly different from the Company's audited financial data in the final accounts.

(VI) Appointment or replacement of accounting firm

Before the holding of the twenty-seventh meeting of the six session of the Board of Directors of the Company, I verified and reviewed the relevant information on the re-appointment of Ernst & Young Hua Ming LLP and Ernst & Young as the Company's external auditors in 2023 and expressed independent opinions based on the principle of objectivity and impartiality. I believed that Ernst & Young Hua Ming LLP and Ernst & Young have auditing experience and capabilities in serving listed companies for years and can satisfy the relevant domestic and overseas auditing services of the Company in 2023. They can independently audit the financial conditions of the Company.

(VII) Cash dividends and other investor returns

The twenty-third meeting of the six session of the Board of Directors of the Company and the 2022 annual general meeting considered and approved the Annual Profit Distribution Plan for the Year 2022 and distributed RMB2.10 (tax inclusive) for every 10 Shares to all shareholders of A Shares and H Shares with cash dividends at a total of RMB968,265,404.19.

I believed that the Company's Annual Profit Distribution Plan for the Year 2022 was in line with the Company's actual situation and complied with the requirements on cash dividend as set out in the Guidelines No. 1 for the Self-regulation of Listed Companies on the Shanghai Stock Exchange – Standardised Operation and the Articles of Association, without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders. The procedures and results of the voting by the Company's Board of Directors on the Annual Profit Distribution Plan of the Company for the Year 2022 were in compliance with the relevant provisions of the Company Law, other relevant laws, regulations, normative documents and the Articles of Association.

(VIII) Performance of the undertakings of the Company and shareholders

China Everbright Group Ltd., being the Company's controlling shareholder, has made a non-competition undertaking in favor of Everbright Securities during the preparation of the listing of Everbright Securities A Shares on the Shanghai Stock Exchange and the listing of H Shares on the Hong Kong Stock Exchange.

I reviewed the written confirmation letter issued by China Everbright Group Ltd. and its compliance with and implementation of the non-competition undertaking, and believed that Everbright Group, wholly-owned subsidiaries normally operated by Everbright Group and companies effectively controlled by Everbright Group have complied with the non-competition undertaking during the financial year from January 1, 2022 to December 31, 2022.

(IX) Implementation of information disclosure

During the Reporting Period, the Company fulfilled the obligation of information disclosure according to the principles of “openness, fairness and impartiality”. The Company disclosed 61 interim announcements, and 4 regular reports throughout the year.

As an independent Director, I paid close attention to the implementation of the Company's information disclosure, and from the perspective of protecting the interests of investors, conducted prior auditing of the Company's major issues and issued corresponding independent opinions.

(X) Implementation of internal control

I have carefully reviewed the Evaluation Report of Internal Control of the Company for the Year 2022 and believed that the Company has fully implemented internal control systems in 2022, further amended and improved all internal management systems during the Reporting Report to consistently improve the internal control system. During the Reporting Period, the Company fully implemented the decisions and arrangements of the CPC Central Committee and the State Council, comprehensively and strictly promoted the implementation of central inspection and rectification work, continued to improve the construction of the internal control system, and faithfully fulfilled the responsibilities of entities and supervisors in internal control to ensure the regulated and stable operation of the internal control mechanism.

(XI) Changes to accounting policies

During the Reporting Period, the Company made changes to the accounting policies in accordance with the Interpretation of Accounting Standards for Business Enterprises No. 16 issued by the Ministry of Finance of the People's Republic of China, which would not have any material impact on the financial condition, operating results and cash flow of the Company. For details, please refer to the Company's announcement Lin No. 2023-042.

(XII) The operation of the Board of Directors and its special committees

During the Reporting Period, as an independent Director, I actively participated in the meetings of the Board of Directors and its special committees. The convening and holding of the meetings of the Board of Directors were in compliance with legal procedures and regulatory requirements. The voting results were lawful and valid and have been effectively enforced; the operating procedures of special committees under the Board of Directors were lawful, compliant and effective.

(XIII) Other matters that Independent Directors consider should be improved by the Company

Nil.

IV. OVERALL APPRAISAL AND RECOMMENDATIONS

In 2023, with an honest, diligent and conscientious attitude, I carefully reviewed the meeting documents of the Board of Directors, expressed independent opinions, paid attention to the Company's information disclosure and financial market environment, and maintained close communication with the Company, achieving my goal of being honest, diligent and conscientious.

In 2024, I will continue to perform my duties independently, strengthen my communication and collaboration with the Company in all aspects, jointly protect the scientific and efficient performance of the functions of the Board of Directors, strive to contribute more to corporate governance, business development, internal control and risk management, and earnestly safeguard the Company's overall interests and the legitimate rights and interests of minority shareholders.

Independent Director: Yin Junming

INDEPENDENT DIRECTOR'S WORK REPORT (LIU YUNHONG)

As an independent Director of the Board of Directors of Everbright Securities Company Limited, I have diligently and faithfully fulfilled my duties and obligations, exercised my powers, and protected the legitimate rights and interests of the Company and relevant stakeholders, especially minority shareholders, in strict compliance with laws and regulations such as the Company Law, the Code of Corporate Governance for Listed Companies, the Rules for Governance of Securities Companies, the Measures for the Administration of Independent Directors of Listed Companies, etc., as well as the Company's internal rules such as the Articles of Association and the Working Rules for Independent Directors of the Company, etc.

On the basis of deep understanding of the operation of the Company, I have participated in the major decisions of the Board of Directors independently and objectively and made efforts to improve the corporate governance and drive the sustainable and sound development of the Company.

In accordance with relevant laws and regulations of the CSRC, I hereby report my work in 2023 as follows:

I. BASIC INFORMATION

I, Liu Yunhong, hold a doctor's degree in Civil and Commercial Laws from Renmin University of China, is currently an independent Director of the Company, a member of the Remuneration, Nomination and Credentials Committee, a member of the Risk Management Committee under the Board of Directors, the head of Foresea Life Insurance Co., Ltd. (Shanghai) Research Institute, the deputy head of the Institute of International M&A and Investment of Renmin University of China, an independent director of Shanghai Rural Commercial Bank Co., Ltd. (上海農村商業銀行股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 601825), Shanghai Electric Group Company Limited (上海電氣集團股份有限公司, a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601727, Hong Kong Stock Exchange stock code: 2727), Sinolink Securities Co., Ltd. (國金證券股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600109) and BOCOM International Trust Co., Ltd. (交銀國際信託有限公司, an unlisted company), an adjunct professor and a tutor of doctoral and postgraduate students of Renmin University of China and East China University of Political Science and Law. Mr. Liu has served as the head of the Legal and Compliance Division of Guotai Asset Management Co., Ltd., the general manager of Investment Banking Department of Aerospace Securities Co., Ltd. and the general manager of the Investment Banking Department and an assistant to the president of Hwabao Securities Co. Ltd. During the Reporting Period, there were no circumstances affecting my independence.

I have submitted my letter of resignation to the Board of Directors of the Company on November 24, 2023, and resigned as an independent Director of the Company and a member of the Remuneration, Nomination and Credentials Committee and the Risk Management Committee under the Board of Directors. As my resignation will result in the number of independent Directors of the Company not meeting the relevant provisions of the Measures for the Administration of Independent Directors of Listed Companies and the Articles of Association, I will continue to perform my duties as an independent Director until a new independent Director is elected at the general meeting of the Company.

II. ANNUAL WORK PERFORMANCE

(I) Attendance at the meetings

1. Attendance at Board meetings and the general meetings

In 2023, the Company held a total of 13 Board meetings and three general meetings. My attendance of Board meetings and general meetings is as follows:

Name	Number of Board meetings required to be attended	Attendance in person at Board meetings	Attendance		Absence from the Board meetings	Attendance at general meetings
			through telecommunication methods at Board meetings	Attendance by proxy at Board meetings		
Liu Yunhong	13	13	5	0	0	3

2. Attendance at meetings of special committees under the Board of Directors and special meetings of independent Directors

In 2023, the Company held 8 meetings of the Remuneration, Nomination and Credentials Committee, 4 meetings of the Risk Management Committee and 1 special meeting of the independent Directors. My attendance of meetings of special committees under the Board of Directors and special meetings of independent Directors is as follows:

Name	Remuneration, Nomination and Credentials Committee	Risk Management Committee	Special meeting of the independent Directors
Liu Yunhong	8/8	4/4	1/1

Note: The data shown in the table above refers to “the number of actual attendance/the number of meetings required attendance”.

As an independent Director, I actively participated in the meetings of the Board of Directors and its special committees and special meeting of the independent Directors, conscientiously performed my duties, gave full play to my professional advantages and provided professional support for the decision-making at the meetings.

(II) Voting and relevant resolutions

During the Reporting Period, I sufficiently reviewed the issues being considered at the meetings of the Board of Directors, special committees meetings and special meetings of independent Directors during the term of office. I carried out serious studies on each proposal before the meetings. I actively participated in the discussion during each meeting, provided professional recommendations based on my own professional background and experience, and exercised my voting rights independently, objectively and prudently. Overall, all votes were casted in favour of relevant proposals, and there were no votes casted against or abstention from voting on the proposals. The convening and holding of the relevant meetings of the Company complied with legal procedures, and the relevant proposals were not detrimental to the interests of any shareholder, especially minority shareholders. The relevant resolutions of the Board of Directors have been disclosed in the Company's previous announcements.

(III) Record of training

During the Reporting Period, I actively participated in the training organized by various regulators, self-regulatory organizations and the Company, continued to strengthen the study of securities laws, regulations and rules, and continuously improved my ability to perform my duties, including the training on the "Performance Learning Platform for Independent Directors" provided by the Shanghai Stock Exchange, the follow-up training for independent directors of listed companies organized by the Shanghai Stock Exchange, the relevant trainings on anti-money laundering and financial treatment organized by Deloitte and Ernst & Young, and the special training on investment information declaration of directors and supervisors.

(IV) Communication with the management

During the Reporting Period, in addition to attending the meetings of the Board of Directors and its special committees, and special meetings of the independent Directors to review and discuss the major decisions of the Company, I also fully understood the operation and management of the Company in the following ways: firstly, I acquired relevant information on the Company's operation and management, business developments, industry development status, regulatory trends, information disclosure, investor relationship management, etc. through the "Morning News" distributed daily, the "Directors and Supervisors Newsletter" distributed on a monthly basis and the "Board Assistants for Directors and Supervisors" distributed by the Company from time to time; secondly, I kept daily contact with the Company's management and the Office of Board of Directors by telephone and e-mail, etc. to timely communicate with the Company with regard to my concerns; thirdly, according to the requirements of the Company's Directors, the Company's management took the initiative to give special reports on the Directors' issues of concern at the meetings of the Board of Directors. During the Reporting Period, I constantly optimized the communication and exchange mechanism with the management through various methods such as list of tasks and notice letter of resolutions, provided guidance in the operation and management of the Company, and urged the management to seriously and faithfully implement the opinions and suggestions of the Directors.

The above initiatives have enhanced the transparency of the Company's operation and management, and a scientific and effective mechanism for sound communication between the Company's management and the Board of Directors has been established, which is conducive for independent Directors to understand the Company's operation and management and the Board of Directors' scientific decision-making as well as protect the legitimate rights and interests of minority shareholders.

(V) Communication with the accounting firm

During the Reporting Period, I closely monitored the financial and business conditions of the Company, adequately communicated with the accounting firm in respect of the Company's 2022 financial statements, internal control and other key issues of concern, and put forward suggestions on the business development of the Company.

(VI) Communication with minority shareholders

I actively participated in the general meetings and results briefings of the Company, and the Company established and announced a designated email address of independent Directors to effectively strengthen communication with minority shareholders and further protect the legitimate rights and interests of minority shareholders.

III. MAJOR CONCERNS

(I) Related party transactions

Before the holding of the twenty-third meeting of the sixth session of the Board of Directors of the Company, I expressed my opinions on the implementation of the related party (connected) transactions of the Company in 2022, and believed that the related party (connected) transactions of the Company in 2022 were entered into in the Company's ordinary and usual course of business, on normal commercial terms or better and according to the agreements regulating such related party (connected) transactions and the terms that were fair and reasonable and in the interests of the Company's shareholders as a whole. I also made prior approval on the Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2023 and expressed my opinions thereon, and concluded that the procedures of which the Board of Directors of the Company considered relevant issues had complied with the laws and were in compliance with the provisions of the Company Law, the Securities Law and other relevant laws and regulations as well as the Articles of Association. The expected ordinary related party (connected) transactions in 2023 were entered into at an objective and fair consideration, on fair and reasonable terms, in the interests of the Company, and without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders.

Before the holding of the twenty-first meeting of the sixth session of the Board of Directors of the Company, I made prior approval on the Resolution on the Lease of Office Premises by Hong Kong Subsidiary and expressed my opinions thereon, and concluded that the procedures of which the Board of Directors of the Company considered the Resolution on the Lease of Office Premises by Hong Kong Subsidiary had complied with the laws and were in compliance with the provisions of the Company Law, the Securities Law and other relevant laws and regulations as well as the Articles of Association. The Resolution on the Lease of Office Premises by Hong Kong Subsidiary was entered into at an objective and fair consideration, on fair and reasonable terms, in the interests of the Company, and without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders.

(II) External guarantees and capital occupation

Before the holding of the twenty-third meeting of the sixth session of the Board of Directors, I conducted investigations and studies on the external guarantees of the Company as of December 31, 2022 and expressed independent opinions. During the Reporting Period, the Company has provided the following guarantees: net capital guarantee for a wholly-owned subsidiary Everbright Asset Management, and guarantee for the overseas loan of a wholly-owned subsidiary EBSI. As of December 31, 2022, the balance of such guarantees was approximately RMB4.927 billion. The guarantees of the Company's majority-owned subsidiaries mainly include: the loan guarantees, financing guarantees and business guarantees provided by the Company's wholly-owned subsidiary EBSI and its subsidiaries for their subsidiaries to facilitate their business operation. As of December 31, 2022, the balance of such guarantees was approximately RMB1.411 billion.

The above guarantees were in compliance with the requirements of relevant laws and regulations and the relevant requirements of Chapter III of the Regulatory Guidelines for Listed Companies No. 8 – Regulatory Requirements for Capital Transactions and External Guarantees of Listed Companies, and without prejudice to the legal rights of the Company and other shareholders. During the Reporting Period, the Company did not provide any guarantees to the controlling shareholders, de facto controller and their related parties, and without prejudice to the legitimate rights and interests of the Company and all shareholders.

(III) Use of proceeds

In 2023, the Company issued five tranches of public offering corporate bonds, raising RMB12.6 billion; and three tranches of public offering short-term corporate bonds, raising RMB7.5 billion. The utilization of the aforesaid proceeds was consistent with the purposes specified in the prospectus, the plans for the utilization and other stipulations.

(IV) Nomination and remuneration of Directors and senior management

The thirty-second meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Evaluation and Remuneration Plan for Directors and Senior Management of the Company for the Year 2022. I believed that the review and voting procedures met the relevant requirements of the laws and regulations and the Articles of Association, and without prejudice to the legitimate interests of the Company and shareholders.

The twentieth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Appointment of the Business Director of the Company. I believed that Mr. Wang Pei met the conditions for serving as a senior management member of listed companies and securities companies, and was capable of meeting the requirements for the responsibilities as the business director of the Company, and his nomination and appointment procedures met the relevant requirements of the laws and regulations and the Articles of Association.

The twenty-fifth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Nomination of Mr. Xie Song as a Non-executive Director Candidate of the Company. I believed that the nomination and recommendation procedures of Mr. Xie Song met the relevant requirements of the Company Law and the Articles of Association. He met the conditions for serving as a director of listed companies and securities companies and he had the professional competence required to be a director of the Company and was capable of meeting the requirements for the responsibilities of the position.

The twenty-sixth meeting of the sixth session of the Board of Directors of the Company considered and approved the Resolution on the Appointment of the Vice President of the Company. I believed that the nomination and appointment procedures of Mr. Fu Jianping met the relevant requirements of the laws and regulations and the Articles of Association. He met the conditions for serving as a senior management member of listed companies and securities companies, and was capable of meeting the requirements for the responsibilities as a vice president of the Company.

(V) Preliminary financial data and annual report

On February 15, 2023, according to the relevant rules of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Company disclosed its announcement on preliminary financial data for the year of 2022. On March 31, 2023, the Company disclosed its annual report for 2022. The Company's main financial data and indicators for 2022 contained in the Company's announcement on preliminary financial data were not significantly different from the Company's audited financial data in the final accounts.

(VI) Appointment or replacement of accounting firm

Before the holding of the twenty-seventh meeting of the six session of the Board of Directors of the Company, I verified and reviewed the relevant information on the re-appointment of Ernst & Young Hua Ming LLP and Ernst & Young as the Company's external auditors in 2023 and expressed independent opinions based on the principle of objectivity and impartiality. I believed that Ernst & Young Hua Ming LLP and Ernst & Young have auditing experience and capabilities in serving listed companies for years and can satisfy the relevant domestic and overseas auditing services of the Company in 2023. They can independently audit the financial conditions of the Company.

(VII) Cash dividends and other investor returns

The twenty-third meeting of the six session of the Board of Directors of the Company and the 2022 annual general meeting considered and approved the Annual Profit Distribution Plan for the Year 2022 and distributed RMB2.10 (tax inclusive) for every 10 Shares to all shareholders of A Shares and H Shares with cash dividends at a total of RMB968,265,404.19.

I believed that the Company's Annual Profit Distribution Plan for the Year 2022 was in line with the Company's actual situation and complied with the requirements on cash dividend as set out in the Guidelines No. 1 for the Self-regulation of Listed Companies on the Shanghai Stock Exchange – Standardised Operation and the Articles of Association, without prejudice to the interests of the Company and other shareholders, especially minority shareholders and non-related shareholders. The procedures and results of the voting by the Company's Board of Directors on the Annual Profit Distribution Plan of the Company for the Year 2022 were in compliance with the relevant provisions of the Company Law, other relevant laws, regulations, normative documents and the Articles of Association.

(VIII) Performance of the undertakings of the Company and shareholders

China Everbright Group Ltd., being the Company's controlling shareholder, has made a non-competition undertaking in favor of Everbright Securities during the preparation of the listing of Everbright Securities A Shares on the Shanghai Stock Exchange and the listing of H Shares on the Hong Kong Stock Exchange.

I reviewed the written confirmation letter issued by China Everbright Group Ltd. and its compliance with and implementation of the non-competition undertaking, and believed that Everbright Group, wholly-owned subsidiaries normally operated by Everbright Group and companies effectively controlled by Everbright Group have complied with the non-competition undertaking during the financial year from January 1, 2022 to December 31, 2022.

(IX) Implementation of information disclosure

During the Reporting Period, the Company fulfilled the obligation of information disclosure according to the principles of “openness, fairness and impartiality”. The Company disclosed 61 interim announcements, and 4 regular reports throughout the year.

As an independent Director, I paid close attention to the implementation of the Company's information disclosure, and from the perspective of protecting the interests of investors, conducted prior auditing of the Company's major issues and issued corresponding independent opinions.

(X) Implementation of internal control

I have carefully reviewed the Evaluation Report of Internal Control of the Company for the Year 2022 and believed that the Company has fully implemented internal control systems in 2022, further amended and improved all internal management systems during the Reporting Report to consistently improve the internal control system. During the Reporting Period, the Company fully implemented the decisions and arrangements of the CPC Central Committee and the State Council, comprehensively and strictly promoted the implementation of central inspection and rectification work, continued to improve the construction of the internal control system, and faithfully fulfilled the responsibilities of entities and supervisors in internal control to ensure the regulated and stable operation of the internal control mechanism.

(XI) Changes to accounting policies

During the Reporting Period, the Company made changes to the accounting policies in accordance with the Interpretation of Accounting Standards for Business Enterprises No. 16 issued by the Ministry of Finance of the People's Republic of China, which would not have any material impact on the financial condition, operating results and cash flow of the Company. For details, please refer to the Company's announcement Lin No. 2023-042.

(XII) The operation of the Board of Directors and its special committees

During the Reporting Period, as an independent Director, I actively participated in the meetings of the Board of Directors and its special committees. The convening and holding of the meetings of the Board of Directors were in compliance with legal procedures and regulatory requirements. The voting results were lawful and valid and have been effectively enforced; the operating procedures of special committees under the Board of Directors were lawful, compliant and effective.

(XIII) Other matters that Independent Directors consider should be improved by the Company

Nil.

IV. OVERALL APPRAISAL AND RECOMMENDATIONS

In 2023, with an honest, diligent and conscientious attitude, I carefully reviewed the meeting documents of the Board of Directors, expressed independent opinions, paid attention to the Company's information disclosure and financial market environment, and maintained close communication with the Company, achieving my goal of being honest, diligent and conscientious.

In 2024, I will continue to perform my duties independently, strengthen my communication and collaboration with the Company in all aspects, jointly protect the scientific and efficient performance of the functions of the Board of Directors, strive to contribute more to corporate governance, business development, internal control and risk management, and earnestly safeguard the Company's overall interests and the legitimate rights and interests of minority shareholders.

Independent Director: Liu Yunhong

**REPORT ON PERFORMANCE APPRAISAL AND REMUNERATION OF
THE DIRECTORS OF THE COMPANY FOR 2023**

Dear Shareholders,

According to the Rules for Governance of Securities Companies, the board of directors of securities companies shall provide special description in respect of the performance appraisal and remuneration of directors to the general meeting. The performance appraisal and remuneration of the Directors of the Company in 2023 is reported as follows:

I. PERFORMANCE APPRAISAL OF DIRECTORS

In 2023, the Company held a total of thirteen meetings of the Board of Directors, eight meetings of the Remuneration, Nomination and Credentials Committee, ten meetings of the Audit and Related Party Transaction Control Committee, four meetings of the Risk Management Committee, and one meeting of the Strategy and Sustainable Development Committee. All the Directors of the Company had complied with the laws and regulations, the Listing Rules, the Articles of Association and other relevant provisions to perform their duties with care and diligence, and had sufficiently reviewed and discussed the issues being considered at the meetings of the Board of Directors and meetings of special committees during the term of office. They carefully studied each proposal before the meetings, and actively participated in the discussion during each meeting, provided professional recommendations based on their own professional background and experience, and exercised voting rights independently, objectively and prudently. The Supervisory Committee of the Company had evaluated the performance of the Directors according to the Plan for Performance Evaluation of Directors of the Company (Trial).

II. REMUNERATION OF DIRECTORS DURING THE REPORTING PERIOD

As approved at the 2020 annual general meeting of the Company, the remuneration of independent Directors of the Company was adjusted to RMB240,000/person/year (before tax) from the independent Directors of the sixth session of the Board of Directors taking office. Apart from chairman of the Board of Directors and the executive Directors, the equity Directors did not receive remuneration from the Company.

For details of the total pre-tax remuneration received by the Directors from the Company during the Reporting Period, please refer to the 2023 Annual Report of Everbright Securities Company Limited disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) and the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk).

**REPORT ON PERFORMANCE APPRAISAL AND REMUNERATION
OF THE SUPERVISORS OF THE COMPANY FOR 2023**

Dear Shareholders,

According to the Rules for Governance of Securities Companies, the supervisory committee of securities companies shall provide special description in respect of the performance appraisal and remuneration of supervisors to the general meeting. The performance appraisal and remuneration of the Supervisors of the Company in 2023 is reported as follows:

I. PERFORMANCE APPRAISAL OF SUPERVISORS

In 2023, the Company held a total of six meetings of the Supervisory Committee, three meetings of the Risk and Financial Supervisory Committee and one meeting of the Corporate Governance Supervisory Committee. All the Supervisors of the Company upheld the leadership of the Party, supervised the daily operations and financial conditions, management on risks and internal control, and duty performance of Directors and senior management of the Company in strict accordance with the relevant laws and regulations, and put forward opinions and suggestions on the Company's strategy development and implementation, operation and business development, financial situation, compliance work, risk management, team building and institutional arrangements, which ensured the Company's lawful operations and compliance.

II. REMUNERATION OF SUPERVISORS DURING THE REPORTING PERIOD

As approved at the 2020 annual general meeting of the Company, the remuneration of external Supervisors of the Company was adjusted to RMB200,000/person/year (before tax) from the external Supervisors of the sixth session of Supervisory Committee taking office. Apart from chairman of the Supervisory Committee and the employee Supervisors, the equity Supervisors did not receive remuneration from the Company.

For details of the total pre-tax remuneration received by the Supervisors from the Company during the Reporting Period, please refer to the 2023 Annual Report of Everbright Securities Company Limited disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) and the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk).

**THE EXPECTED ORDINARY RELATED PARTY (CONNECTED)
TRANSACTIONS OF THE COMPANY IN 2024**

As approved by the CSRC, the Company is engaged in securities business, including the trading of securities and other financial products and brokerage services, the counterparties and service targets of which also include the related parties of the Company. In order to perform well in the related party transaction management and information disclosure, the Company has estimated the ordinary related party (connected) transactions for the year of 2024 based on the needs of daily operation and business development of the Company and its subsidiaries, pursuant to the relevant laws, regulations and rules such as the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Hong Kong Listing Rules and the rules for the management of related party transactions of the Company.

**I. IMPLEMENTATION OF ORDINARY RELATED PARTY (CONNECTED)
TRANSACTIONS FOR THE YEAR OF 2023**

The 23rd meeting of the sixth session of the Board of Directors of the Company and the 2022 annual general meeting of the Company considered and approved the Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2023. In 2023, the Company conducted transactions strictly within the scope of the ordinary related party transactions determined in the Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2023.

As considered and approved by the eighth meeting of the sixth session of the Board of Directors and the first extraordinary general meeting of the Company in 2021, the Company signed the Trading of Securities and Financial Products and Services Framework Agreement, the Property Leasing Framework Agreement and the Non-financial Miscellaneous Services Framework Agreement with Everbright Group to arrange the possible ordinary related party transactions between the Company and Everbright Group and its subsidiaries and associates (the “**Members of Everbright Group**”) from the year of 2022 to 2024, and disclosed the contents and annual caps of the above agreements. In 2023, the Company conducted transactions strictly in the amount within the annual caps.

The above ordinary related party (connected) transactions are conducted according to the market prices based on a fair and reasonable pricing standard, without prejudice against the interests of its non-related shareholders. The transactions will not have adverse effect to the independence of the Company. The independent non-executive Directors of the Company have confirmed to the Board of Directors that they had reviewed the above ordinary related party (connected) transactions, and held the opinion that such transactions:

- (1) were entered into in the Group’s ordinary and usual course of business;
- (2) were entered into on normal commercial terms or better; and
- (3) were entered into according to the agreements regulating such related party (connected) transactions on terms that are fair and reasonable and in the interests of the Company’s shareholders as a whole.

**ANNEX F RESOLUTION ON THE EXPECTED ORDINARY RELATED PARTY
(CONNECTED) TRANSACTIONS OF THE COMPANY IN 2024**

The details of the ordinary related party (connected) transactions between the Company and Everbright Group and its members for 2023 are as follows:

1. Property leasing

Nature of the transaction	Category of the transaction	Expected amount in 2023 (RMB10,000)	Actual amount in 2023 (RMB10,000)	Percentage of amount of similar transactions
Property leasing	Rental income	800	364.71	25.94%
business	Rental expense	13,400	3,167.74	8.85%

Based on the ordinary leasing business practices, the Company and Everbright Group entered into the Property Leasing Framework Agreement setting forth methods to calculate rental income and expense. According to the latest interpretation of the Hong Kong Stock Exchange on Rule 14A.31 and Rule 14A.53 of the Hong Kong Listing Rules and the latest requirements of the accounting standards, the annual rental expense caps of leases with a term of not more than one year under the Property Leasing Framework Agreement shall be the rental paid and the annual rental expense caps of leases with a term of over one year shall be the total amount of the right-of-use assets. The total cap for 2023 was expected to be RMB184,000,000. According to the above rules, the actual executed amount in 2023 was RMB117,920,600.

2. Trading of securities and financial products

Nature of the transaction	Category of the transaction	Expected amount in 2023 (RMB100 million)	Actual amount in 2023 (RMB100 million)
Trading of securities and financial products	Total cash inflows generated from the trading of securities and financial products	6,700	827.08
	Total cash outflows generated from the trading of securities and financial products	6,700	1,093.76

**ANNEX F RESOLUTION ON THE EXPECTED ORDINARY RELATED PARTY
(CONNECTED) TRANSACTIONS OF THE COMPANY IN 2024**

3. Securities and financial services

Nature of the transaction	Category of the transaction	Expected amount in 2023 (RMB10,000)	Actual amount in 2023 (RMB10,000)	Percentage of amount of similar transactions
Securities and financial services	Income: providing securities and financial services	137,400	34,250.55	3.78%
	Expense: receiving securities and financial services	101,900	13,758.91	3.91%

4. Non-financial miscellaneous services

Nature of the transaction	Category of the transaction	Expected amount in 2023 (RMB10,000)	Actual amount in 2023 (RMB10,000)	Percentage of amount of similar transactions
Non-financial miscellaneous services	Income: providing non-financial miscellaneous services	500	1.89	0.12%
	Expense: receiving non-financial miscellaneous services	10,400	2,400.42	17.71%

**ANNEX F RESOLUTION ON THE EXPECTED ORDINARY RELATED PARTY
(CONNECTED) TRANSACTIONS OF THE COMPANY IN 2024**

The relevant services or products among the Company, related corporations and related natural persons conducted on the basis of consistent standards and the pricing of relevant transactions was based on market prices and was reasonable and fair. In 2023, the income and expense generated by the Company from the provision of security and financial services to the related natural persons amounted to approximately RMB123,800 and RMB4,400, respectively. In 2023, the income and expense attributable to the securities and financial services transactions between the Company and other related corporations amounted to RMB13,000 and RMB3,768,500, respectively, the details of the transactions under the item of securities and financial products are as follows:

No.	Related party	Category of the transaction	Expected amount in 2023 (RMB100 million)	Actual amount in 2023 (RMB100 million)
1	CSC Financial Co., Ltd.	Total cash inflows generated from the trading of securities and financial products	Calculated at the actual generated amount due to the uncertainties of the occurrence and the scale of the businesses.	9.79
		Total cash outflows generated from the trading of securities and financial products		13.67
2	Shenwan Hongyuan Securities Co., Ltd.	Total cash inflows generated from the trading of securities and financial products		0.16
		Total cash outflows generated from the trading of securities and financial products		3.56
3	China International Capital Corporation Limited	Total cash inflows generated from the trading of securities and financial products		18.95
		Total cash outflows generated from the trading of securities and financial products		23.51

**ANNEX F RESOLUTION ON THE EXPECTED ORDINARY RELATED PARTY
(CONNECTED) TRANSACTIONS OF THE COMPANY IN 2024**

No.	Related party	Category of the transaction	Expected amount in 2023 (RMB100 million)	Actual amount in 2023 (RMB100 million)
4	PICC Property and Casualty Company Limited	Total cash inflows generated from the trading of securities and financial products		0.70
		Total cash outflows generated from the trading of securities and financial products		1.06
5	Everbright Prestige Capital Asset Management Co., Ltd.	Total cash inflows generated from the trading of securities and financial products		0.02
		Total cash outflows generated from the trading of securities and financial products		-

II. EXPECTED ORDINARY RELATED PARTY (CONNECTED) TRANSACTIONS FOR THE YEAR OF 2024

Referring to the related party (connected) transactions in recent years, the Company has estimated the ordinary related party (connected) transactions for the year of 2024 based on the needs of business development of the Company in the year of 2024. Details are as follows:

(I) Expected related party (connected) transactions with the Members of Everbright Group

1. Property leasing

Nature of the transaction	Category of the transaction	Expected amount (RMB10,000)
Property leasing business	Rental income	920
	Rental expense	15,000

Based on the ordinary leasing business practices, the Company and Everbright Group entered into the Property Leasing Framework Agreement setting forth methods to calculate rental income and expense. According to the latest interpretation of the Hong Kong Stock Exchange on Rule 14A.31 and Rule 14A.53 of the Hong Kong Listing Rules, and the latest accounting standards, the annual rental expense caps of leases with a term of not more than one year under the Property Leasing Framework Agreement shall be the rental paid and the annual rental expense caps of leases with a term of over one year shall be the total amount of the right-of-use assets. The total cap for 2024 is expected to be RMB207,000,000.

**ANNEX F RESOLUTION ON THE EXPECTED ORDINARY RELATED PARTY
(CONNECTED) TRANSACTIONS OF THE COMPANY IN 2024**

2. *Trading of securities and financial products*

Nature of the transaction	Category of the transaction	Expected amount (RMB100 million)
Trading of securities and financial products	Total cash inflows generated from the trading of securities and financial products	8,040
	Total cash outflows generated from the trading of securities and financial products	8,040

3. *Securities and financial services*

Nature of the transaction	Category of the transaction	Expected amount (RMB10,000)
Securities and financial services	Income: providing securities and financial services	171,800
	Expense: receiving securities and financial services	127,400

4. *Non-financial miscellaneous services*

Nature of the transaction	Category of the transaction	Expected amount (RMB10,000)
Non-financial miscellaneous services	Income: providing non- financial miscellaneous services	500
	Expense: receiving non- financial miscellaneous services	11,900

(II) Expected related party (connected) transactions with other related parties

1. *Other related parties defined by the Rules Governing the Listing of Stocks on Shanghai Stock Exchange*

Except for the members of Everbright Group, according to the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, other related parties of the Company include: (1) related natural persons, including directors, supervisors and senior management of Everbright Group and the Company and their close family members; (2) enterprises directly or indirectly controlled or whose directors (excluding the independent directors for both parties) or senior management have been served by the above related natural persons, except for Everbright Group and its affiliated enterprises as well as the Company and its majority-owned subsidiaries or other entities controlled by them; (3) legal persons, other organizations or natural persons who are or will be in one of the above circumstances in the past 12 months or within 12 months after relevant agreements or arrangements come into effect.

In the daily operation of the Company, the above related natural persons have received the securities and financial services provided by the Company or subscribed for securities and financial products issued by the Company in accordance with laws and regulations and the requirements of regulatory authorities. Due to the uncertainties of the occurrence and the scale of the businesses, they are accounted at the actual generated amount.

The expected related party transactions between the Company and the above related corporations are as follows:

(1) *Property leasing*

Nature of the transaction	Category of the transaction	Expected amount
Property leasing business	Rental income	Calculated at the actual generated amount due to the uncertainties of the occurrence and the scale of the businesses
	Rental expense	

**ANNEX F RESOLUTION ON THE EXPECTED ORDINARY RELATED PARTY
(CONNECTED) TRANSACTIONS OF THE COMPANY IN 2024**

(2) *Trading of securities and financial products*

Nature of the transaction	Category of the transaction	Expected amount
Trading of securities and financial products	Total cash inflows generated from the trading of securities and financial products	Calculated at the actual generated amount due to the uncertainties of the occurrence and the scale of the businesses
	Total cash outflows generated from the trading of securities and financial products	

(3) *Securities and financial services*

Nature of the transaction	Category of the transaction	Expected amount
Securities and financial services	Income: providing securities and financial services	Calculated at the actual generated amount due to the uncertainties of the occurrence and the scale of the businesses
	Expense: receiving securities and financial services	

(4) *Non-financial miscellaneous services*

Nature of the transaction	Category of the transaction	Expected amount
Non-financial miscellaneous services	Income: providing non-financial miscellaneous services	Calculated at the actual generated amount due to the uncertainties of the occurrence and the scale of the businesses
	Expense: receiving non-financial miscellaneous services	

2. *Other connected persons as defined by the Hong Kong Listing Rules*

Except for the members of Everbright Group, according to the Company's calculation and the relevant requirements of the Hong Kong Listing Rules, the connected transactions between the Company and other connected persons defined under the Hong Kong Listing Rules are expected to be fully or partly exempted from complying with the reporting, announcement, annual review and independent shareholders' approval requirements under the Hong Kong Listing Rules in respect of connected transactions. For the transactions, the Company will separately measure the actual amount of each transaction, and comply with the reporting, announcement, annual review and/or independent shareholders' approval requirements under the Hong Kong Listing Rules, according to the measurement results.

III. OVERVIEW OF THE RELATED PARTIES AND THE RELATED RELATIONSHIP

1. Members of Everbright Group

As of the end of 2023, Everbright Group held directly and indirectly through its affiliated company, China Everbright Limited (中國光大控股有限公司) ("**Everbright Limited**"), 45.88% of equity of the Company.

Everbright Group was established in Beijing in 1990, with registered capital of RMB78,134,503,680, and mainly engaged in financial businesses investment and management, including banking, securities, insurance, funds, trust, futures, leasing, bullion trading; asset management; and investment and management of non-financial businesses. (A market entity shall choose the business to be engaged in and carry out such business activities according to law; business activities for which approval is required can be carried out after obtaining the approvals from relevant authorities; no business activity which is prohibited or restricted by the industrial policies of the State and the municipality shall be carried out.)

Incorporated in 1972 in Hong Kong, Everbright Limited is a Hong Kong listed company with management and investment of private equity funds as its core business, and is mainly engaged in fund management and proprietary fund investment. Everbright Group is the company's largest shareholder, holding indirectly 49.74% of its shares.

China Everbright Bank Company Limited, established in 1992, is a nationwide joint stock commercial bank listed both on the Shanghai Stock Exchange (stock code: 601818) and the Hong Kong Stock Exchange (stock code: 6818). Its business scope includes: taking public deposits; granting short-term, mid-term and long-term loans; providing domestic and foreign settlement services; providing note discounting services; issuing financial debentures; acting as agent for issuing, cashing and underwriting government bonds; dealing in government bonds; carrying out inter-bank lending; conducting and acting as agent for foreign exchange trading; providing service and guarantee on letter of credit; acting as agent for collection and payment

**ANNEX F RESOLUTION ON THE EXPECTED ORDINARY RELATED PARTY
(CONNECTED) TRANSACTIONS OF THE COMPANY IN 2024**

of money and for insurance; providing safe-deposit box service; and other businesses approved by the People's Bank of China and the State Administration of Foreign Exchange. (An enterprise shall choose the business to be engaged in and carry out such business activities according to law; business activities for which approval is required can be carried out after obtaining the approvals from relevant authorities; no business activity which is prohibited or restricted by the industrial policies of the municipality shall be carried out.)

Other subsidiaries of Everbright Group that have significant business dealings with the Company mainly include Everbright Xinglong Trust Co., Ltd., China Everbright Real Estate Co., Ltd., Sun Life Everbright Life Insurance Co., Ltd., etc.

2. Other related parties defined by the Rules Governing the Listing of Stocks on Shanghai Stock Exchange

Except for the members of Everbright Group, according to the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, other related parties of the Company include: (1) related natural persons, including directors, supervisors and senior management of Everbright Group and the Company and their close family members; (2) enterprises directly or indirectly controlled or whose directors (excluding the independent directors for both parties) or senior management have been served by the above related natural persons, except for Everbright Group and its affiliated enterprises as well as the Company and its majority-owned subsidiaries or other entities controlled by them; (3) legal persons, other organizations or natural persons who are or will be in one of the above circumstances in the past 12 months or within 12 months after relevant agreements or arrangements come into effect.

**IV. THE MAIN CONTENTS AND PRICING POLICY OF RELATED PARTY
(CONNECTED) TRANSACTIONS**

1. Property leasing business

Property leasing business mainly includes the mutual use of the properties of the Company and the related parties for the purpose of business operating. By reference to the prevailing market rent applicable to the place where the leased property is located, the rent is negotiated by both parties on a fair and reasonable basis.

2. Trading of securities and financial products

Trading of securities and financial products includes trading of various securities and financial products permitted by regulatory authorities, of which the market rates are generally transparent and standardized in the market. The commission and charges charged for the above products or trading shall be determined, after arm's length negotiation based on the prevailing market rates or the market rates generally applicable to independent counterparties in similar products or trading types.

3. Securities and financial services

Securities and financial services transactions include various securities and financial services permitted by regulatory authorities mutually offered by the Company and the related parties, including but not limited to investment banking, brokerage, asset management, deposit taking and loan granting, proxy sale of financial products and insurance and other services, of which the service price is determined after arm's length negotiation in accordance with market price standard, industry practice, the deposit and lending rates approved and published by the People's Bank of China and the price offered by third parties.

4. Non-financial miscellaneous services

Non-financial miscellaneous services transactions include information technology and Internet network services, conference services, title sponsor services, network maintenance, printing and publication, books and audio/video products, renovation, training, health care, corporate travel management, advertising and promotion, property management, consultancy services, labor outsourcing related services, advertising space leasing, logistics, warehousing and other non-financial miscellaneous services. The transaction price of each of the above non-financial miscellaneous services shall be determined, in accordance with relevant laws and regulations and general business transaction terms, after arm's length negotiation based on conditions not less favorable than conditions on which such services are obtained from or provided to third parties.

**V. EFFECTS OF THE ORDINARY RELATED PARTY (CONNECTED)
TRANSACTIONS ON THE COMPANY**

The ordinary related party transactions of the Company are conducted in the ordinary course of business, which are beneficial to the business development of the Company and its comprehensive competitiveness. The relevant transactions are priced at reasonable and fair market prices without prejudice against the interests of the Company nor its non-related shareholders. The relevant transactions will not have adverse impact on the independence of the Company.

ANNEX G BASIC INFORMATION OF THE EXTERNAL AUDITORS PROPOSED TO BE APPOINTED

BASIC INFORMATION OF THE EXTERNAL AUDITORS PROPOSED TO BE APPOINTED

(I) INFORMATION ABOUT THE FIRMS

1. KPMG Huazhen LLP (Special General Partnership)

(1) *Basic information*

Established on August 18, 1992 in Beijing, KPMG Huazhen Accounting Firm (畢馬威華振會計師事務所) was converted into a special general partnership upon approval from the Ministry of Finance on July 5, 2012 and renamed as KPMG Huazhen LLP (Special General Partnership). It obtained the industrial and commercial business license on July 10, 2012 and officially started operation since August 1, 2012.

KPMG Huazhen is headquartered in Beijing with the registered address of 8th Floor, Office Tower E2, Oriental Plaza, 1 East Chang An Avenue, Dongcheng District, Beijing. The chief partner of KPMG Huazhen is Jacky Zou (鄒俊), Chinese, qualified as a Chinese certified public accountant. As at December 31, 2023, KPMG Huazhen had 234 partners and 1,121 certified public accountants, including over 260 certified public accountants that have signed audit reports in the securities services business.

With the practising certificate of accounting firm approved by the Ministry of Finance and the approval from the Ministry of Finance and the CSRC, KPMG Huazhen is permitted to engage in the audit business of H-share enterprises. KPMG Huazhen is an accounting firm with qualifications related to securities and futures businesses formerly approved by the Ministry of Finance and the CSRC. It has completed filing to the Ministry of Finance and the CSRC for engagement in the securities service business in accordance with relevant regulations. KPMG Huazhen has been engaged in the securities service business for years with rich experience in the securities service business.

The total audited revenue from business of KPMG Huazhen for 2022 exceeded RMB4.1 billion, of which the revenue from audit business exceeded RMB3.9 billion (including the revenue from domestic statutory securities service business of over RMB900 million, the revenue from other securities service business of over RMB1.0 billion and the total revenue from securities service business of over RMB1.9 billion).

KPMG Huazhen audited annual reports for 80 listed companies in 2022 and received a total fee of RMB490 million for auditing financial statements of listed companies. Such listed companies were mainly engaged in industries including manufacturing, finance, information transmission, software and information technology services, production and supply of electricity, heat, gas and water, transportation, warehousing and post, mining, real estate, scientific research and technology services, wholesale and retail, leasing and business services, water conservancy, environmental and common facilities management, and culture, sports and entertainment. KPMG Huazhen provided audit services to 17 listed companies in the same industry of the Company in 2022.

ANNEX G BASIC INFORMATION OF THE EXTERNAL AUDITORS PROPOSED TO BE APPOINTED

(2) Investor protection capability

The cumulative compensation limit of occupational insurance purchased and the occupational risk fund accrued by KPMG Huazhen exceeded RMB200 million in total, which is in line with relevant requirements of laws and regulations. In the past three years, KPMG Huazhen had been subject to civil liability due to civil litigation related to its practice were as follows: In 2023, a civil litigation case related to bonds was concluded, and a final judgment was made that KPMG Huazhen was liable for damages in the proportion of 2%-3% (approximately RMB2.7 million), and the case amount has been fully settled.

(3) Integrity record

In the past three years, KPMG Huazhen and its employees had not been subject to any criminal punishment, administrative punishment, or any self-regulatory measures and disciplinary sanctions of self-regulatory organizations such as stock exchanges and industry associations due to its practice. KPMG Huazhen has been subject to one administrative supervisory measure of issuing a warning letter, involving four employees. In accordance with relevant laws and regulations, the aforementioned administrative supervisory measure was not an administrative punishment and would not affect KPMG Huazhen's ability to continue to undertake or conduct securities service business and other business.

2. KPMG

KPMG is a partnership firm established under the laws of Hong Kong, and is wholly owned by its partners. Since 1945, KPMG HK has been providing audit, tax, advisory and other professional services in Hong Kong, and it provides audit services to a wide range of Hong Kong listed companies, which include banking, insurance, securities and other financial institutions. Since its inception, KPMG HK has been one of the member firms of the KPMG global organisation of independent member firms affiliated with KPMG International.

Since 2019, KPMG HK has been registered as a public interest entity auditor under the Accounting and Financial Reporting Council Ordinance of Hong Kong. In addition, KPMG HK has obtained a provisional license to conduct audit business in Mainland China upon approval from the Ministry of Finance of the People's Republic of China, and has been registered with the US PCAOB and the Japanese Financial Services Agency as an accounting firm to conduct relevant audit business.

The registered address of KPMG HK is 8th Floor, Prince's Building, 10 Chater Road, Central, Hong Kong. In December 2023, KPMG HK had a total of over 2,000 employees. KPMG HK maintains occupational insurance annually in accordance with relevant laws and regulations.

ANNEX G BASIC INFORMATION OF THE EXTERNAL AUDITORS PROPOSED TO BE APPOINTED

Relevant regulatory authorities in Hong Kong conduct independent inspections on KPMG HK annually. No matters that would have a significant impact on the audit business were found in the practice quality inspection over the past three years.

(II) INFORMATION ABOUT THE ENGAGEMENT

1. Basic information

The basic information of engagement partner, signatory certified public accountants and engagement quality control reviewer of KPMG Huazhen and KPMG HK who are responsible for the audit engagement for the Company's 2024 financial statement is as follows:

Mr. Huang Xiaoyi (黃小熠), the proposed engagement partner and signatory certified public accountant of this engagement, was accredited as Chinese Certified Public Accountant in 2007. Mr. Huang Xiaoyi has been practicing at KPMG Huazhen since 2003 and started to engage in the auditing of listed companies in 2004, and has been providing auditing services for the Company since 2024. Over the past three years, Mr. Huang Xiaoyi has signed or reviewed 5 audit reports of listed companies.

Ms. Abby Wang (王國蓓), the proposed signatory certified public accountant of this engagement, was accredited as Chinese Certified Public Accountant in 1998. Ms. Abby Wang started to engage in the auditing of listed companies in 1996 and has been practicing at KPMG Huazhen since 2004, and has been providing audit services for the Company since 2024. Over the past three years, Ms. Abby Wang has signed or reviewed 12 audit reports of listed companies.

Mr. Thomas Chan (陳少東), the proposed quality control reviewer of this engagement, was accredited as Hong Kong Certified Public Accountant in 1997. Mr. Thomas Chan has been practicing at KPMG HK since 1993 and started to engage in the auditing of listed companies in 1995, and has been providing audit services for the Company since 2024. Over the past three years, Mr. Thomas Chan has signed or reviewed more than 10 audit reports of listed companies.

Mr. Eric Pang (彭成初), the proposed signatory certified public accountant for the international standards-based audit report of this engagement, was accredited as Hong Kong Certified Public Accountant in 1995. Mr. Eric Pang has been practicing at KPMG HK since 1992 and started to engage in the auditing of listed companies in 1995, and has been providing audit services for the Company since 2024. Over the past three years, Mr. Eric Pang has signed or reviewed 10 audit reports of listed companies.

**ANNEX G BASIC INFORMATION OF THE EXTERNAL AUDITORS
PROPOSED TO BE APPOINTED**

2. Integrity record

In the past three years, none of the engagement partner, signatory certified public accountants and engagement quality control reviewer have been subject to any criminal punishment, administrative punishment, or any administrative supervision measures from the CSRC and its agencies, or any self-regulatory measures and disciplinary sanctions of self-regulatory organizations such as stock exchanges and industry associations due to their practice.

3. Independence

KPMG Huazhen, KPMG HK, and the engagement partner, signatory certified public accountants and engagement quality control reviewer have maintained their independence as required by the code of professional ethics.

COMPARISON TABLE OF THE AMENDMENTS TO THE ARTICLES OF
ASSOCIATION

No.	Before amendment	After amendment	Basis of amendments
1	New article	<p><u>Article 13 The Board of Directors of the Company is responsible for formulating corruption-free practice management goal and overall requirements, and taking the responsibility for the effectiveness of corruption-free practice management.</u></p> <p><u>The objective and overall requirements of corruption-free practice management of the Company are, by establishing a scientific, efficient and practicable corruption-free practice management system, to enhance effective identification, assessment and prevention and control of corruption risks, make corrections timely when the issues are found and impose serious punishments against persons-in-charge according to rules and regulations.</u></p>	To add the objective and overall requirements of professional integrity administration.

No.	Before amendment	After amendment	Basis of amendments
2	Article 124 When the Company's shares held by the largest shareholder of the Company has reached 30% or more or when any shareholder of the Company and its affiliates has held more than 50% of the equity in the Company, the cumulative voting method shall be used to appoint directors and supervisors.	<p>Article 125 When the Company's shares held by the largest shareholder of the Company has reached 30% or more or when any shareholder of the Company and its affiliates has held more than 50% of the equity in the Company, the cumulative voting method shall be used to appoint directors and supervisors.</p> <p><u>When two or more independent directors to be elected at the general shareholders' meeting of the Company, the cumulative voting method shall be adopted. The votes casted by minority shareholders shall be counted separately and disclosed.</u></p>	Amended based on the Measures for the Administration of Independent Directors of Listed Companies

No.	Before amendment	After amendment	Basis of amendments
3	<p>Article 142 An independent director of the Company shall meet the following conditions:</p> <p>(i) being of honesty, integrity and good behaviour;</p> <p>(ii) being familiar with securities laws, administrative regulations, rules and other regulatory documents and having the operation and management ability necessary for performing the duties;</p> <p>(iii) meeting such years of work experience requirements in securities, finance, economy, law and accounting as provided for by the CSRC;</p> <p>(iv) meeting such education requirements as provided for by the CSRC;</p> <p>(v) having the ability and time necessary to perform the duties;</p> <p>(vi) other conditions as provided for by the law, administrative regulations, department regulations and the provisions of these Articles of Association.</p> <p>There shall be no affiliation, conflict of interest or any possible situations that may affect any independent judgement between an independent director and the Company.</p>	<p>Article 143 An independent director of the Company shall meet the following <u>shall satisfy the conditions as follows:</u></p> <p><u>(i) being qualified to be a directors of the listed companies or securities companies in accordance with laws, administrative regulations and other relevant provisions;</u></p> <p><u>(ii) meeting the independence requirement as required by the CSRC, the SSE and the Hong Kong Stock Exchange;</u></p> <p><u>(iii) having basic knowledge on the operation of listed companies and being familiar with relevant laws, regulations and rules;</u></p> <p><u>(iv) having over five years of work experience in law, accounting or economics and other necessary experience for performing the duties of an independent director;</u></p> <p><u>(v) having good personal moral character and no major breach of integrity or other adverse records;</u></p> <p><u>(vi) other conditions as provided for by the laws, administrative regulations, CSRC regulations, business rules of the SSE and the Hong Kong Stock Exchange and these Articles of Association.</u></p> <p>(i) being of honesty, integrity and good behaviour;</p>	<p>Amended based on the Measures for the Administration of Independent Directors of Listed Companies</p>

No.	Before amendment	After amendment	Basis of amendments
		<p>(ii) being familiar with securities laws, administrative regulations, rules and other regulatory documents and having the operation and management ability necessary for performing the duties;</p> <p>(iii) meeting such years of work experience requirements in securities, finance, economy, law and accounting as provided for by the CSRC;</p> <p>(iv) meeting such education requirements as provided for by the CSRC;</p> <p>(v) having the ability and time necessary to perform the duties;</p> <p>(vi) other conditions as provided for by the law, administrative regulations, department regulations and the provisions of these Articles of Association.</p> <p>There shall be no affiliation, conflict of interest or any possible situations that may affect any independent judgement between an independent director and the Company.</p>	

No.	Before amendment	After amendment	Basis of amendments
4	Article 153 An independent director shall carry out his duties in accordance with the relevant requirements of the law, administrative regulations, department regulations and the listing rules of the place where the Company shares are listed.	<p>Article 154 A n independent director shall carry out his duties in accordance with the relevant requirements of the law, administrative regulations, department regulations and the listing rules of the place where the Company shares are listed.</p> <p><u>Independent directors shall perform the following duties:</u></p> <p><u>(i) participating in the decision-making of the Board of Directors and expressing explicit opinions on the matters considered;</u></p> <p><u>(ii) supervising the matters on potential material conflicts of interest between the Company and controlling shareholders, actual controller, directors and senior management as set out in Article 156, Article 181 and Article 182 of these Articles of Association, urging the the Board of Directors to make decisions in the interests of the Company as a whole, and protecting the lawful rights and interests of minority shareholders;</u></p> <p><u>(iii) providing professional and objective advice on the operation and development of the Company and improving the decision-making of the Board of Directors;</u></p> <p><u>(iv) performing other duties prescribed by laws, administrative regulations, provisions of the CSRC, listing rules of the place where the Company's shares are listed and these Articles of Association.</u></p>	Amended based on the Measures for the Administration of Independent Directors of Listed Companies

No.	Before amendment	After amendment	Basis of amendments
5	New article	<p><u>Article 155 An independent director may exercise the following special powers:</u></p> <p><u>(i) engaging intermediaries independently to conduct audit, consultation or verification on specific matters of the Company;</u></p> <p><u>(ii) proposing to the Board of Directors to convene an extraordinary shareholders' meeting;</u></p> <p><u>(iii) proposing to convene Board meetings;</u></p> <p><u>(iv) soliciting shareholders' rights from share holders publicly in accordance with laws;</u></p> <p><u>(v) expressing independent opinions on matters that may prejudice the rights and interests of the Company or minority shareholders;</u></p> <p><u>(vi) powers prescribed by laws, administrative regulations, provisions of the CSRC and these Articles of Association.</u></p> <p><u>Independent directors shall seek the consent of a majority of all independent directors before exercising the powers under items (1) to (3) of the preceding paragraph.</u></p> <p><u>The Company shall make disclosure in a timely manner if an independent director exercises the power specified in paragraph 1 of this article. If the aforesaid power cannot be performed normally, the Company shall disclose the specific circumstances and reasons therefor.</u></p>	Amended based on the Measures for the Administration of Independent Directors of Listed Companies

No.	Before amendment	After amendment	Basis of amendments
6	New article	<p><u>Article 156 The following matters shall be submitted to the Board of Directors for consideration after approval by a majority of all independent directors of the Company:</u></p> <p><u>(i) related party transactions that should be disclosed;</u></p> <p><u>(ii) the Company and the related parties' plan to change or waive the undertaking;</u></p> <p><u>(iii) the decisions made and measures taken by the Board of Directors of the acquired company regarding the acquisition;</u></p> <p><u>(iv) other matters stipulated by laws, administrative regulations, provisions of the CSRC and these Articles of Association.</u></p>	Amended based on the Measures for the Administration of Independent Directors of Listed Companies

No.	Before amendment	After amendment	Basis of amendments
7	<p>Article 176 The Company shall have a Risk Management Committee, an Audit and Related Party Transactions Control Committee, a Remuneration, Nomination and Qualification Review Committee, and a Strategy and Sustainable Development Committee under the Board of Directors according to the Company Law and the relevant regulations of the CSRC, with a view to strengthening the decision-making function of the Board of Directors, so as to ensure the Board of Directors shall effectively monitor the management and perfect the corporate governance structure of the Company. The members of a special committee shall consist of directors and the independent directors shall represent more than half of the number of members of the Audit and Related Party Transactions Control Committee and the Remuneration, Nomination and Qualification Review Committee. An independent director shall act as the convener. The establishment of any special committees under the Board of Directors shall be approved at a general shareholders' meeting by resolution.</p>	<p>Article 179 The Company shall have a Risk Management Committee, an Audit and Related Party Transactions Control Committee, a Remuneration, Nomination and Qualification Review Committee, and a Strategy and Sustainable Development Committee under the Board of Directors according to the Company Law and the relevant regulations of the CSRC, with a view to strengthening the decision-making function of the Board of Directors, so as to ensure the Board of Directors shall effectively monitor the management and perfect the corporate governance structure of the Company. The establishment of any special committees under the Board of Directors shall be approved at a general shareholders' meeting by resolution.</p> <p>The members of a special committee shall consist of directors. and † The independent directors shall represent more than half of <u>a majority of</u> the number of members of the Audit and Related Party Transactions Control Committee and the Remuneration, Nomination and Qualification Review Committee. An independent director shall act as the convener. An independent director who is an accounting professional shall act as the convener of the Audit and Related Party Transactions Control Committee, all members <u>of which shall be directors who are not the officers of the Company</u> shall be non-executive directors, with <u>a majority of</u> independent directors and at least one independent director being an accounting professional who has worked in accounting for more than 5 years.</p>	<p>Amended based on the Measures for the Administration of Independent Directors of Listed Companies</p>

No.	Before amendment	After amendment	Basis of amendments
8	<p>Article 178 The Audit and Related Party Transactions Control Committee shall have the powers and duties as follows:</p> <p>(i) to propose to engage or replace external auditors and monitor and evaluate external audit work;</p> <p>(ii) to monitor and evaluate the internal audit work of the Company;</p> <p>(iii) to be responsible for coordination between the internal auditors and external auditors;</p> <p>(iv) to review the financial information of the Company and its disclosure; to monitor annual audit work and make a judgement as to the truthfulness, accuracy and completeness of the financial report and information subsequent to such audit and submit the same to the Board of Directors for consideration;</p> <p>(v) to monitor and evaluate the internal control of the Company;</p> <p>(vi) to review and give opinions on the basic management system of the related party transactions, monitor the daily management of the related party transactions and review any material related party transactions;</p> <p>(vii) to be responsible for other matters authorized by laws and regulations, the Articles of Association and the Board of Directors.</p>	<p>Article 181 The Audit and Related Party Transactions Control Committee shall have the powers and duties as follows <u>shall be responsible for reviewing the Company's financial information and its disclosure, and supervising and evaluating internal and external auditing work and internal control. The following matters shall be submitted to the Board of Directors for consideration with the approval of more than half of all members of the Committee:</u></p> <p><u>(i) disclosure of financial information in the financial accounting report and periodic report, as well as the internal control and evaluation report;</u></p> <p><u>(ii) appointment or dismissal of the accounting firm performing audit of the Company;</u></p> <p><u>(iii) appointment or dismissal of the chief financial officer or officer in charge of finance of the Company;</u></p> <p><u>(iv) change of accounting policies, accounting estimates or correction of material accounting errors for reasons other than changes in accounting standards;</u></p> <p><u>(v) other matters as stipulated by laws, administrative regulations, provisions of the CSRC, listing rules of the place where the Company's shares are listed and these Articles of Association.</u></p>	<p>Amended based on the Measures for the Administration of Independent Directors of Listed Companies</p>

No.	Before amendment	After amendment	Basis of amendments
	<p>All members of the Audit and Related Party Transactions Control Committee shall be non-executive directors, with at least one independent director being an accounting professional who have worked as an accountant for more than 5 years. An independent director who is an accounting professional shall act as the convener of the Audit and Related Party Transactions Control Committee.</p>	<p><u>Save for the above, the Audit and Related Party Transactions Control Committee shall exercise the following powers:</u></p> <p>(i) to propose to engage or replace external auditors and monitor and evaluate external audit work;</p> <p>(ii) to monitor and evaluate the internal audit work of the Company;</p> <p>(iii) to be responsible for coordination between the internal auditors and external auditors;</p> <p>(iv) to review the financial information of the Company and its disclosure; to monitor annual audit work and make a judgement as to the truthfulness, accuracy and completeness of the financial report and information subsequent to such audit and submit the same to the Board of Directors for consideration;</p> <p>(v) to monitor and evaluate the internal control of the Company;</p> <p>(vi) to review and give opinions on the basic management system of the related party transactions, monitor the daily management of the related party transactions and review any material related party transactions;</p> <p>(vii) to be responsible for other matters authorized by laws and regulations, the Articles of Association and the Board of Directors.</p> <p>All members of the Audit and Related Party Transactions Control Committee shall be non-executive directors, with at least one independent director being an accounting professional who have worked as an accountant for more than 5 years. An independent director who is an accounting professional shall act as the convener of the Audit and Related Party Transactions Control Committee.</p>	

No.	Before amendment	After amendment	Basis of amendments
9	<p>Article 179 The Remuneration, Nomination and Qualification Review Committee shall have such main powers and duties as follows:</p> <p>(i) to prepare any remuneration plan or scheme in accordance with the main scope, responsibility, importance of the management posts of a director, the President and other officer and the remuneration level for the similar posts of other related enterprises;</p> <p>(ii) a remuneration plan or scheme shall include but not be limited to performance evaluation criteria, procedures and main evaluation system, and the main plans and systems rewards and punishments, etc;</p> <p>(iii) to review the performance of any directors (non-independent directors), the President and other officers of the Company and make annual appraisals of such performance;</p> <p>(iv) to be responsible to monitor the implementation of the remuneration system of the Company;</p> <p>(v) to make suggestions in respect of the scale and constitution of the Board of Directors according to the business activities, asset scale and equity structure of the Company;</p> <p>(vi) to research for the candidates for directors and other officers;</p> <p>(vii) to search for candidates for qualified directors and other officers;</p>	<p>Article 182 The Remuneration, Nomination and Qualification Review Committee shall have such main powers and duties as follows <u>be responsible for developing the standards and procedures for the selection of directors and senior management, selecting and reviewing the candidates for directors and senior management and their qualifications, setting appraisal standards for directors and senior management and evaluating them against such standards, formulating and reviewing the remuneration policies and proposals for directors and senior management, and making recommendations to the Board of Directors on:</u></p> <p><u>(i) the nomination, appointment, and removal of directors;</u></p> <p><u>(ii) the appointment or dismissal of senior management;</u></p> <p><u>(iii) the remuneration of directors and senior management;</u></p> <p><u>(iv) developing or changing share incentive schemes and employee stock ownership plans, and conditions for incentive participants to be granted with and exercise interests;</u></p> <p><u>(v) the arrangement by directors and senior management of stock ownership plans for subsidiaries to be spun off;</u></p>	<p>Amended based on the Measures for the Administration of Independent Directors of Listed Companies</p>

No.	Before amendment	After amendment	Basis of amendments
	<p>(viii) to screen any candidates for directors, the President and other officers and make suggestions;</p> <p>(ix) to screen and make suggestions with respect to any officers to be appointed by the Board of Directors;</p> <p>(x) to review and make suggestions at least once a year with respect to the structure, number and constitution of the Board of Directors (including skills, knowledge and experience);</p> <p>(xi) other matters authorized by the Board of Directors.</p>	<p><u>(vi) other matters as required by laws, administrative regulations, provisions of the CSRC, the listing rules of the place where the Company's shares are listed and these Articles of Associations.</u></p> <p><u>In addition to the matters as set forth above, the Remuneration, Nomination and Qualification Review Committee shall perform the following duties:</u></p> <p>(i) to prepare any remuneration plan or scheme in accordance with the main scope, responsibility, importance of the management posts of a director, the President and other officer and the remuneration level for the similar posts of other related enterprises; (ii). A remuneration plan or scheme shall include but not be limited to performance evaluation criteria, procedures and main evaluation system, and the main plans and systems for rewards and punishments, etc;</p> <p>(ii) to review the performance of any directors (non-independent directors), the President and other officers of the Company and make annual appraisals of such performance;</p> <p>(iii) to be responsible to monitor the implementation of the remuneration system of the Company;</p>	

No.	Before amendment	After amendment	Basis of amendments
		<p>(iv) to <u>review and make suggestions at least once a year with respect to the structure, size and composition of the Board of Directors (including skills, knowledge and experience)</u> make suggestions in respect of the scale and constitution of the Board of Directors according to the business activities, asset scale and equity structure of the Company;</p> <p>(vi) to research for the candidates for directors and other officers;</p> <p>(vii) to search for candidates for qualified directors and other officers;</p> <p>(viii) to screen any candidates for directors, the President and other officers and make suggestions;</p> <p>(ix) to screen and make suggestions with respect to any officers to be appointed by the Board of Directors;</p> <p>(x) to review and make suggestions at least once a year with respect to the structure, number and constitution of the Board of Directors (including skills, knowledge and experience);</p> <p>(v) other matters authorized by the Board of Directors.</p>	

No.	Before amendment	After amendment	Basis of amendments
10	New article	<p><u>Article 184 The Company shall hold a meeting attended by all independent directors (the “Special Meeting of Independent Directors”) on a regular or irregular basis. Matters listed in items (1) to (3) of the paragraph 1 of Article 155, and Article 156 of these Articles of Associations shall be considered at the Special Meeting of Independent Directors.</u></p> <p><u>The Special Meeting of Independent Directors may study and discuss other matters of the Company if necessary.</u></p> <p><u>The Special Meeting of Independent Directors shall be convened and presided over by an independent director jointly elected by a majority of the independent directors; in the event that the convener fails to or is unable to perform his/her duties, two or more independent directors may convene and elect a representative to preside over the meeting on their own.</u></p> <p><u>The Company shall facilitate and support the convening of the Special Meeting of Independent Directors.</u></p>	Amended based on the Measures for the Administration of Independent Directors of Listed Companies

No.	Before amendment	After amendment	Basis of amendments
11	<p>Article 214</p> <p>In addition to the requirements as set forth above, none of the following persons may hold the position of independent directors of the Company:</p> <p>(i) any persons working in the Company and its affiliates and their immediate family and other main relatives;</p> <p>(ii) any persons working in any following institutions and their immediate family and other main relatives: any units which hold or control more than 5% of the equity interest in the Company, the top 5 shareholders unit of the Company or any institutions that have business relations with the Company or are interested in the Company;</p> <p>(iii) the natural persons who hold or control more than 1% of the equity interest in the Company, the natural person shareholders among the top 10 shareholders of the Company or the natural persons who more than 5% of the equity interest in the Company and the immediate families of such persons;</p> <p>(iv) any persons who provide financial, law and consulting services to the Company and their immediate families;</p> <p>(v) any persons who meets the conditions listed in any of the four paragraphs above in the recent one year;</p>	<p>Article 218</p> <p>In addition to the requirements as set forth above, <u>independent directors must maintain their independence, and</u> none of the following persons may hold the position of independent directors of the Company:</p> <p><u>(i) any person who holds a position in the Company and its subsidiaries, or his/her spouse, parents, children, or major social relations;</u></p> <p><u>(ii) any individual shareholder who directly or indirectly holds 1% or more of the issued shares of the Company or who ranks among the top 10 shareholders of the Company, or his/her spouse, parents, or children;</u></p> <p><u>(iii) any person who holds a position in a shareholder entity that directly or indirectly holds 5% or more of the issued shares of the Company or that ranks among the top 5 shareholders of the Company, or his/her spouse, parents, or children;</u></p>	<p>Amended based on the Measures for the Administration of Independent Directors of Listed Companies</p>

No.	Before amendment	After amendment	Basis of amendments
	<p>(vi) any persons holding any position other than independent directors in any other securities companies;</p> <p>(vii) any other persons who are identified by the CSRC not to hold the position of independent directors.</p> <p>The Company shall remove an independent director if any conditions as set forth occur with respect to such independent director during his office term.</p> <p>... ..</p>	<p><u>(iv) any person who holds a position in a subsidiary of the controlling shareholder or actual controller of the Company, or his/her spouse, parents, or children;</u></p> <p><u>(v) any person who has significant business transactions with the Company, its controlling shareholder, actual controller, or any of their respective subsidiaries, or any person who holds a position in an entity that has significant business transactions with the Company or its controlling shareholder or actual controller;</u></p> <p><u>(vi) any person who provides financial, legal, consulting, sponsorship, or other services to the Company, its controlling shareholder, actual controller, or any of their respective subsidiaries, including but not limited to all members of the project team, reviewers at all levels, persons who sign the reports, partners, directors, senior management, and the primary persons in charge of the intermediaries that provide services;</u></p> <p><u>(vii) any person who falls under any of the circumstances set forth in items (i) to (vi) in the last 12 months;</u></p> <p><u>(viii) any other person who is not independent as prescribed by laws, administrative regulations, the CSRC, the Shanghai Stock Exchange and Hong Kong Stock Exchange and these Articles of Association.</u></p>	

No.	Before amendment	After amendment	Basis of amendments
		<p><u>In addition to the requirements as set forth above, independent directors shall not serve as independent directors of the Company if they do not satisfy the conditions and requirements under the Measures for the Supervision and Administration of the Directors, Supervisors, Senior Executives and Practitioners of Securities and Fund Business Institutions.</u></p> <p><u>Any person may serve as an independent director in a maximum of two securities and fund business institutions. Where laws and regulations and the CSRC provide otherwise, such provisions shall prevail.</u></p> <p><u>The subsidiaries of the controlling shareholder or actual controller of the Company as mentioned in items (iv) to (vi) shall not include an enterprise controlled by the same state-owned assets management institution with the Company and does not constitute any related party relationship according to the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange.</u></p>	

No.	Before amendment	After amendment	Basis of amendments
		<p><u>For the purposes of this article, the term “major social relations” refer to siblings, spouses of siblings, parents of spouses, siblings of spouses, spouses of children, parents of spouses of children, etc. The term “holds a position” refers to serving as a director, supervisor, senior management or other staff position.</u></p> <p><u>For the purposes of this article, the term “significant business transactions” refer to matters that are required to be submitted to the general shareholders’ meeting for consideration in accordance with the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange or these Articles of Association, or other major matters determined by the Shanghai Stock Exchange.</u></p> <p>(i) any persons working in the Company and its affiliates and their immediate family and other main relatives;</p> <p>(ii) any persons working in any following institutions and their immediate family and other main relatives: any units which hold or control more than 5% of the equity interest in the Company; the top 5 shareholders unit of the Company or any institutions that have business relations with the Company or are interested in the Company;</p>	

No.	Before amendment	After amendment	Basis of amendments
		<p>(iii) the natural persons who hold or control more than 1% of the equity interest in the Company; the natural person shareholders among the top 10 shareholders of the Company or the natural persons who more than 5% of the equity interest in the Company and the immediate families of such persons;</p> <p>(iv) any persons who provide financial, law and consulting services to the Company and their immediate families;</p> <p>(v) any persons who meets the conditions listed in any of the four paragraphs above in the recent one year;</p> <p>(vi) any persons holding any position other than independent directors in any other securities companies;</p> <p>(vii) any other persons who are identified by the CSRC not to hold the position of independent directors.</p> <p>The Company shall remove an independent director if any conditions as set forth occur with respect to such independent director during his office term.</p>	

No.	Before amendment	After amendment	Basis of amendments
		<p><u>Before the expiration of the term of office of an independent director, the Company may terminate his/her duties through statutory procedures. In case of early dismissal of an independent director, the Company shall promptly disclose the specific reasons and grounds therefor. If the independent director has any objections thereto, the Company shall disclose them in a timely manner.</u></p> <p><u>If an independent director fails to comply with the qualification or independence requirements, he/she shall immediately cease to perform his/her duties and resign from his/her office. If he/she does not tender resignation, the Board of Directors shall immediately remove him/her from his/her position in accordance with the provisions after it knows or should have known of the circumstances.</u></p>	

No.	Before amendment	After amendment	Basis of amendments
		<p><u>In the event that an independent director resigns from or is dismissed from his/her duties as a result of the circumstances set forth in the preceding paragraph, resulting in the proportion of independent directors on the Board of Directors or its special committees not complying with the provisions of the laws, these Articles of Association or the listing rules of the place where the Company's shares are listed, or a shortage of accounting professionals among the independent directors, the Company shall complete the by-election of such independent director within sixty days from the date of the occurrence of the foregoing facts.</u></p> <p>... ..</p>	

ANNEX I RESOLUTIONS ON THE GENERAL MANDATE TO ISSUE ONSHORE AND OFFSHORE DEBT FINANCING INSTRUMENTS TO THE COMPANY

The onshore and offshore debt financing instruments mentioned above shall not contain any share conversion provisions, and shall not linked to the Shares of the Company and any other equity derivatives.

The types and ranking of payment of the Company's onshore and offshore debt financing instruments shall be determined in accordance with relevant regulations and market conditions at the time of issuance.

III. SIZE OF ISSUANCE

The total balance of the onshore and offshore debt financing instruments shall not be more than RMB130 billion (including RMB130 billion, calculated at the outstanding balance after the issuance; if issued in foreign currencies, converted on the basis of the central parity rate announced by the People's Bank of China on the date of issuance), of which, the balance of capital supplemental bonds¹ shall not be more than RMB25 billion (including RMB25 billion) and in compliance with relevant requirements under relevant laws and regulations governing the maximum amount of onshore and offshore debt financing instruments to be issued. The Company's management shall determine the size of all types of onshore and offshore debt financing instruments with different validity periods based on market conditions and the capital demands of the Company.

IV. METHOD OF ISSUANCE

The onshore debt financing instruments shall be reviewed and approved by or filed with the CSRC and other regulatory authorities or relevant departments in accordance with relevant provisions. The onshore debt financing instruments shall be issued publicly on a one-off issuance, multiple issuance or multi-tranche issuance basis to ordinary or professional investors or non-publicly to professional investors in accordance with relevant provisions of the CSRC. The offshore debt financing instruments shall be issued publicly or privately on a one-off issuance, multiple issuance or multi-tranche issuance basis outside of the PRC.

V. TERM OF DEBT FINANCING INSTRUMENTS

The term of the onshore and offshore debt financing instruments shall not be longer than 10 years (including 10 years), and may be a type of instrument with a single term or a hybrid of instruments with multiple terms. The issuance of perpetual subordinated bonds, renewable bonds and other types without fixed terms shall not be subject to the above term. The composition of specific validity periods and the size of types with different validity periods shall be presented to a general meeting to authorize the Board and approve the Board to delegate the authorization to the Company's management to determine based on relevant provisions and the market conditions at the time of issuance.

¹ refer to debt financing instruments such as subordinated bonds, perpetual subordinated bonds and other bonds to supplement the net capitals of the Company.

agreement and other legal documents, etc., and disclosing the relevant information in accordance with the relevant laws, regulations and the listing and transfer rules of the securities markets on which the Company's securities are listed (including without limitation, the preliminary and final offering memoranda of the debt financing instruments, and all announcements and circulars in relation to the issuance of onshore and offshore debt financing instruments, etc.);

- (3) all relevant matters relating to the establishment of direct or indirect wholly-owned or majority-controlled overseas subsidiary(ies) shall be dealt in accordance with relevant provisions in connection with the issuance of the offshore debt financing instruments, including but not limited to approval, filing and registration procedures inside and outside the PRC;
- (4) selecting and engaging trustee manager(s) and settlement manager(s) for the issuance of onshore and offshore debt financing instruments, signing the trustee management agreement(s) and settlement management agreement(s) and (if applicable) formulating rules for meetings of the holders of the debt financing instruments;
- (5) determining and undertaking relevant matters in relation to the application, approval, filing, registration, listing or transfer, redemption, custody and settlement (if applicable) of issuance of onshore and offshore debt financing instruments to relevant regulatory authorities and self-regulatory organizations of securities industry, including without limitation, preparing, revising and submitting relevant application and filing materials relating to the issuance, listing or transfer of onshore and offshore debt financing instruments and application and filing materials in respect of credit enhancement agreements such as (counter-) guarantee, letter of support or keepwell deed to be provided by the Company, the wholly-owned subsidiary(ies) of the Company and/or third parties, in accordance with the requirements of relevant regulatory authorities and self-regulatory organizations of securities industry, and signing the relevant application and filing documents and other legal documents; and handling matters in relation to the reporting, issuance, establishment, filing as well as listing and transfer for each tranche of special assets-backed plans;
- (6) making relevant adjustments to matters relating to the issuance of onshore and offshore debt financing instruments in accordance with the advice of the relevant regulatory authorities, changes in their policies or the changes in market conditions, or determining whether to continue with all or part of the work in respect of the issuance of onshore and offshore debt financing instruments in accordance with the actual conditions, unless re-approval by the shareholders at the general meeting is otherwise required pursuant to relevant laws, regulations and the Articles of Association;
- (7) dealing with other specific matters in connection with the issuance and listing of the onshore and offshore debt financing instruments.

Mr. Zhao Ling (趙陵), born in 1972, has obtained a doctor's degree in management from the Graduate School of the Chinese Academy of Social Science. He currently serves as the chairman and executive Director of the Company. He had served as a staff member of the treasury department, a deputy director of trading office, the director of the investment and trading division, an assistant to the general manager, a deputy general manager, an executive deputy general manager (in charge of operations), the general manager, the general manager of the financial market department, chief business officer, a member of the CPC Committee, deputy president and secretary to the board of directors of China Everbright Bank Company Limited (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601818, Hong Kong Stock Exchange stock code: 6818). He had also held directorship at Sun Life Everbright Asset Management Co., Ltd., CEB International Investment Corporation Limited and China Everbright Bank (Europe) S.A., respectively.

Mr. Liu Qiuming (劉秋明), born in 1976, has obtained a master's degree from Shanghai University of Finance and Economics and an EMBA degree from China Europe International Business School. He currently serves as an executive Director and the president of the Company. He previously served as the head of the institutional customer business of Shenyin & Wanguo Securities Co., Ltd., the managing director of UBS Securities Co., Limited (瑞銀証券有限責任公司), an executive member of Ping An Insurance (Group) Company of China, Ltd. (中國平安保險(集團)股份有限公司, a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601318, Hong Kong Stock Exchange stock code: 2318), the vice president of Ping An Securities Co., Ltd. (平安證券有限責任公司), the chairman of the board and president of CMIG Capital Company Limited (中民投資本管理有限公司) and other positions.

Ms. Ma Rentao (馬韜韜), born in 1978, has obtained a doctor's degree in economics from the Research Institute of the People's Bank of China. She currently serves as the vice general manager of the investment and restructuring department of China Everbright Group Ltd. (中國光大集團股份公司). She previously served as the deputy business manager of treasury department, the deputy head and senior manager of the new product development management team of the investment banking business department, an assistant to the general manager and the deputy general manager of the strategic customer and investment banking department of China Everbright Bank Company Limited (中國光大銀行股份有限公司, a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601818, Hong Kong Stock Exchange stock code: 6818), an assistant to the general manager of the investment and restructuring department of China Everbright Group Ltd. and other positions.

Mr. Lian Yalin (連涯鄰), born in 1974, has obtained a master's degree in economics from Renmin University of China. He currently serves as an assistant to the general manager of the finance management department of China Everbright Group Ltd. He previously served as the senior deputy manager of the accounting and settlement department, the senior manager of the planning and finance department, the head of the accounting management division of the finance and accounting department of China Everbright Bank Company Limited (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601818, Hong Kong Stock Exchange stock code: 6818), the head of the financial management division of the financial management department of China Everbright Group Ltd. and other positions.

Ms. Wang Yun (王雲), born in 1968, graduated from the Accounting Department of the Central Institute of Finance and Economics (now known as the Central University of Finance and Economics) majoring in foreign financial accounting in 1991 and obtained a master's degree in business administration from the University of De Montfort in 2006. She is currently a non-practicing member of the Chinese Institute of Certified Public Accountants and holds the qualification of a senior accountant in China. She is currently an executive director and vice president of China Everbright Limited (中國光大控股有限公司, a company listed on the Hong Kong Stock Exchange, stock code: 165), a non-executive director and the chairman of the strategy committee of China Aircraft Leasing Group Holdings Limited (中國飛機租賃集團控股有限公司, a company listed on the Hong Kong Stock Exchange, stock code: 1848), the chairman of the board of directors of China Asset Leasing Company Limited (中飛租融資租賃有限公司), the chairman of the board of directors of Ying Li International Real Estate Limited (英利國際置業股份有限公司, a company listed on the Singapore Exchange, stock code: 5DM), the chairman of the finance and accounting committee of the Hong Kong Chinese Enterprises Association and other positions. She previously served as the senior deputy manager of the audit department and the head of the insurance and non-financial audit division, the deputy general manager of the audit department and the senior manager of the industrial and other audit division of China Everbright Group Ltd. (中國光大集團股份公司), a director and the general manager of the financial management department of China Everbright Holdings Company Limited (中國光大集團有限公司), a non-executive director of Everbright Grand China Assets Limited (光大永年有限公司, a company listed on the Hong Kong Stock Exchange, stock code: 3699), and the chief representative of the Macau representative office of China Everbright Group Ltd. and other positions.

Mr. Yin Yanwu (尹岩武), born in 1974, graduated from the Georgia Institute of Technology in the United States with a master's degree of science. He is currently a non-executive Director of the Company, a member of the Party Committee, an executive director, the vice president and a member of the management decision committee of China Everbright Limited (a company listed on the Hong Kong Stock Exchange, stock code: 165), the chairman and legal representative of Shanghai Everbright Investment Management Co., Ltd. (上海光控動態投資管理有限公司), the chairman of the board of directors of China Everbright Asset Management (Shanghai) Co. Ltd. (光控資產管理(上海)有限公司), and a director of China Everbright Assets Management Limited (中國光大資產管理有限公司). He previously served as a member of the executive committee and business director of China Galaxy

Securities Co., Ltd. (中國銀河證券股份有限公司) (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601881, Hong Kong Stock Exchange stock code: 6881), the chairman, director of the executive committee and director of the investment decision committee of Galaxy Jinhui Securities Assets Management Co., Ltd. (銀河金匯證券資產管理有限公司) and other positions.

Mr. Xie Song (謝松), born in 1971, has obtained a bachelor's degree in management engineering from East China Shipbuilding Institute (華東船舶工業學院). He is currently a non-executive Director of the Company, the general manager of the finance department and the financial and special assets management department of China State Construction Engineering Corporation Limited (中國建築股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 601668), the secretary of the Party Committee and the chairman of China Construction Capital Holdings Limited (中建資本控股有限公司), a director of CSCEC Capital (Hong Kong) Limited (中建資本(香港)有限公司), vice chairman and a director of Central SOEs Industrial Investment Fund for Rural Industries Co., Ltd. (中央企業鄉村產業投資基金股份有限公司) and the vice president of Construction Accounting Society of China. He previously served as the head of the finance department of Installation Company (Suzhou Branch) under China Construction Eighth Engineering Division Corporation Limited (中建八局安裝公司), the manager of the capital department, a deputy manager of the financing and investment management department, a deputy chief accountant, the chief accountant, and a director of China Construction Eighth Engineering Division Corporation Limited (中國建築第八工程局有限公司), the chief accountant of China Construction Libya Branch (中建利比亞分公司), and a deputy general manager of the capital department of China State Construction Engineering Corporation Limited.

Mr. Qin Xiaozheng (秦小徵), born in 1982, has obtained a master's degree in public administration from Beihang University. He currently serves as the director of the Party-mass personnel department and the Party committee inspection office of CSSC Finance Company Limited (中船財務有限責任公司) and the general manager of China Shipbuilding Capital Limited (中國船舶資本有限公司). He previously served as the deputy manager of the investment management department, the manager/general manager of the audit department of CSSC Finance Company Limited and other positions.

Mr. Ren Yongping (任永平), born in 1963, has obtained a doctor's degree in accounting from Xiamen University and is a non-practicing member of the Chinese Institute of Certified Public Accountants. He is currently an independent non-executive Director of the Company, an accounting professor and doctoral supervisor of management school of Shanghai University, academic director of MBA Center of Shanghai University and an independent director of Jiangsu Yangnong Chemical Co., Ltd. (江蘇揚農化工股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600486), Jiangsu Rijiu Optoelectronics Jointstock Co., Ltd. (江蘇日久光電股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 003015) and Chuangzhi Technology (Jiangsu) Co., Ltd. (創志科技(江蘇)股份有限公司) (unlisted company). He previously served as vice dean of management school and secretary of Party Committee of Shanghai University, lecturer, associate professor and professor of Jiangsu University, a director of Xingyuan Environment Technology Co., Ltd. (興源環境科技股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 300266), and an independent director of Tengda Construction Group Co., Ltd. (騰達建設集團股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600512), Kama Co., Ltd. (恒天凱馬股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 900953), Kehua Holdings Co., Ltd. (科華控股股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 603161), Jiangsu Hengshun Vinegar Industry Co., Ltd (江蘇恒順醋業股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600305), Shanghai Jin Jiang International Travel Co., Ltd. (上海錦江國際旅遊股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 900929) and other companies.

Mr. Yin Junming (殷俊明), born in 1972, has obtained a doctor's degree in management from Xi'an Jiaotong University. He is a postdoctoral fellow of business administration from Nanjing University, and a non-practising member of the Chinese Institute of Certified Public Accountants. He is currently an independent non-executive Director of the Company, and an accounting professor of the school of business of Nanjing University of Information Science & Technology and an independent director of Shuangdeng Group Co., Ltd. (雙登集團股份有限公司), Anhui Shenjian New Materials Co., Ltd. (安徽神劍新材料股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 002361) and Jiangsu Rugao Rural Commercial Bank Co., Ltd. (江蘇如皋農村商業銀行股份有限公司, a company listed on the National Equities Exchange and Quotations, stock code: 871728). He was a dean, the secretary of the Party committee and an accounting professor of the accounting school of Nanjing Audit University, an associate professor at the Sias International College of Zhengzhou University, an accountant in the aircraft section of Nanchang Railway Bureau and an independent director of Jiangsu Canlon Building Materials Co., Ltd. (江蘇凱倫建材股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 300715), Suning Universal Co., Ltd. (蘇寧環球股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 000718) and other positions.

Mr. Lau Ying Pan (劉應彬), born in 1963, has obtained a master of social work degree from The University of Hong Kong. He is currently a director (non-executive) of the Stewards and a director (non-executive) of China Baptist Theological Seminary. He previously served as a division head, an assistant to the chief executive, an executive director, a senior executive director, the deputy chief executive, the special adviser to the chief executive of the Hong Kong Monetary Authority, the chief executive officer of HKMC Annuity Limited, the chief executive officer of the Stewards and other positions.

Ms. Chen Xuanjuan (陳選娟), born in 1974, has obtained a Ph.D. (business administration) degree from the University of Rhode Island in the United States. She is currently a professor of finance and vice dean at the School of Finance of Shanghai University of Finance and Economics, the executive dean of Dishui Lake Advanced Finance Institute of Shanghai University of Finance and Economics, and a director and executive director of the China Modern Financial Society under the Industrial and Commercial Bank of China. She previously served as a lecturer of accounting at Renmin University of China, an assistant professor of finance at the University of North Carolina at Wilmington in the United States, an assistant professor and an associate professor of finance at Kansas State University, a visiting scholar of finance at Columbia University in the United States, and an associate professor at the School of Finance of Shanghai University of Finance and Economics and other positions.

Mr. Lv Suiqi (呂隨啟), born in 1964, has obtained a doctor's degree in economics from Peking University. He is currently an associate professor at the Department of Finance, School of Economics, Peking University. He previously served as a teaching assistant and a lecturer at the School of Economics of Peking University, a visiting scholar at Tilburg University in the Netherlands, a visiting scholar at Brandeis University in the United States, and an independent director of Zhengzhou Coal & Power Co., Ltd. (鄭州煤電股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600121), First Capital Securities Co., Ltd. (第一創業證券股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 002797), Hongde Fund Management Co., Ltd. (泓德基金管理有限公司), Wanda Film Holding Co., Ltd. (萬達電影股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 002739), Henan Rebecca Hair Products Co., Ltd. (河南瑞貝卡髮製品股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600439) and Henan Huangguo Grain Industry Co., Ltd. (河南黃國糧業股份有限公司, a company listed on the National Equities Exchange and Quotations, stock code: 831357) and other positions.

Mr. Liang Yi (梁毅), born in 1966, graduated from Renmin University of China with a master's degree in law. He is currently the Chairman of the Supervisory Committee of the Company. Since joining China Everbright Group Ltd. in 2000, he had successively served as a deputy director of the legal division under the legal department, the director of the legal division, an assistant to the director of the legal department, a deputy director of the legal department, a deputy general manager of the risk management and internal control and compliance department/legal department, a senior specialist at the risk management and internal control department/legal department and a member of the headquarters disciplinary committee.

Mr. Zhou Huajian (周華建), born in 1977, graduated from Renmin University of China and Shanghai Jiao Tong University with a bachelor's degree in economics and a master's degree in business administration. He is currently an expert of the audit department/audit center of China Everbright Group Ltd. He previously served as the deputy section chief of the audit division of Qingdao Branch, a senior auditor of the audit I division of the audit department of the head office and the senior supervision manager of the office of the supervisory committee of Bank of Communications Co., Ltd. (交通銀行股份有限公司, a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601328, Hong Kong Stock Exchange stock code: 3328).

Mr. Ye Shengli (葉勝利), born in 1982, graduated from Renmin University of China with a master's degree in economics. He is currently the director and head of the risk management and legal compliance department of China Everbright Limited (a company listed on the Hong Kong Stock Exchange, stock code: 165). He previously served as the deputy general manager and general manager of the risk management department of Hengtai Securities Co., Ltd. (恒泰證券股份有限公司, a company listed on the Hong Kong Stock Exchange, stock code: 1476), the general manager of the risk management department, a member of the executive committee and the chief risk officer of Galaxy Jinhui Securities Assets Management Co., Ltd. (銀河金匯證券資產管理有限公司).

Mr. Lin Maoliang (林茂亮), born in 1971, graduated from Guangdong Business College (廣東商學院) and Sun Yat-sen University with a bachelor's degree in economics and a master's degree in law. He is currently the deputy general manager of Guangdong Hengjian International Investment Co., Ltd. (廣東恒健國際投資有限公司), a director of East Group Co., Ltd. (易事特集團股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 300376) and a director of Dirui Industrial Co., Ltd. (迪瑞醫療科技股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 300396). He has successively served as the deputy director of the risk control and legal department of Guangdong Hengjian Investment Holding Co., Ltd. (廣東恒健投資控股有限公司), the deputy general manager of Guangdong Hengtaian Investment Co., Ltd. (廣東恒泰安投資有限公司), and a director and deputy general manager of Guangdong Agricultural Supply Side Structural Reform Funds Management Co., Ltd. (廣東省農業供給側結構性改革基金管理有限公司).

Mr. Li Ruoshan (李若山), born in 1949, graduated from Xiamen University with a doctor's degree in accounting. He is currently a professor and a doctoral supervisor of the Department of Accounting of the School of Management of Fudan University, the chairman of the third session of the independent directors professional committee of the China Association for Public Companies, an independent director of Spring Airlines Co., Ltd. (春秋航空股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 601021) and Shanghai Conglin Environmental Protection Technology Co., Ltd. (上海叢麟環保科技股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 688370), and a director of China MCC20 Group Corp., Ltd. (中國二十冶集團有限公司), ProMab Biotechnologies, Inc. (湖南遠泰生物技術有限公司), Huchuang Medical Technology (Shanghai) Co., Ltd. (滬創醫療科技(上海)有限公司) and Shanghai Shineton investment co., Ltd. (上海祥騰投資有限公司). He previously served as the deputy director of the Department of Accounting of the School of Economics and the vice dean of the School of Economics of Xiamen University, and the director of the Department of Finance of the School of Management and the vice dean of the School of Management of Fudan University.

Mr. Liu Yunhong (劉運宏), born in 1976, graduated from Renmin University of China. He is a postdoctoral fellow in law and economics. He is currently the head of Foresea Life Insurance Co., Ltd. (Shanghai) Research Institute (前海人壽保險股份有限公司(上海)研究所), the deputy head of the Institute of International M&A and Investment of Renmin University of China (中國人民大學國際併購與投資研究所), an independent director of Shanghai Rural Commercial Bank Co., Ltd. (上海農村商業銀行股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 601825), Shanghai Electric Group Company Limited (上海電氣集團股份有限公司, a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601727, Hong Kong Stock Exchange stock code: 2727), Sinolink Securities Co., Ltd. (國金證券股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600109) and BOCOM International Trust Co., Ltd. (交銀國際信託有限公司), an adjunct professor and a doctor and tutor of postgraduates of Renmin University of China and East China University of Political Science and Law. Mr. Liu has served as the head of the Legal and Compliance Division of Guotai Asset Management Co., Ltd. (國泰基金管理有限公司), the general manager of Investment Banking Department of Aerospace Securities Co., Ltd. (航天證券有限責任公司) and the general manager of the Investment Banking Department and an assistant to the president of Hwabao Securities Co. Ltd. (華寶證券有限責任公司).

**REPORT ON PERFORMANCE OF DUTY, PERFORMANCE APPRAISAL AND
REMUNERATION OF THE SENIOR MANAGEMENT OF THE COMPANY FOR
2023**

Dear Shareholders,

According to the Rules for Governance of Securities Companies, the Board of Directors shall provide special description in respect of the performance of duty, performance appraisal and remuneration of senior management to the general meeting. The performance of duty, performance appraisal and remuneration of the senior management of the Company in 2023 is reported as follows:

I. PERFORMANCE OF DUTY OF THE SENIOR MANAGEMENT

In 2023, the senior management of the Company, in accordance with internal and external regulatory requirements, conscientiously implemented various resolutions of general meetings, the Board of Directors and the Supervisory Committee, and performed their duties with care, prudence and diligence. The senior management actively advanced the implementation of strategies and business development of the Company, and earnestly fulfilled their obligations of faith and diligence to protect legal rights and interests of customers, employees and shareholders.

The senior management of the Company continued to participate in political learning and training on duty performance, took the lead in learning and implementing the guiding principles of the 20th CPC National Congress and the spirit of the Central Financial Work Conference, etc., and continuously improved their ability of duty performance, management and governance through various types of trainings on politics, profession, policy and regulation and corporate governance such as special training on brokerage and investment banking business, professional talents training on compliance and risk control and financial management and training held by securities fund industry association.

**II. PERFORMANCE APPRAISAL OF THE SENIOR MANAGEMENT DURING THE
REPORTING PERIOD**

In 2023, the thirty-second meeting of the sixth session of the Board of Directors of the Company carried out an assessment and evaluation on senior management of the Company in accordance with the Articles of Association, the 2022 Evaluation Plan on the Senior Management of the Company and other relevant requirements of the senior management assessment and evaluation, and taking into account several factors including the Company's operating conditions for the year 2022, job assignment of individual senior management, individual comprehensive evaluation and special assessment on compliance.

**III. REMUNERATION OF THE SENIOR MANAGEMENT DURING THE
REPORTING PERIOD**

The remuneration of the senior management is determined according to the Articles of Association and the Administrative Measures for the Remuneration of Senior Management of the Company (Trial). The remunerations of the senior management are subject to consideration and approval by the Remuneration, Nomination and Credentials Committee under the Board of Directors and the Board of Directors, and independent Directors are required to express independent opinions in this regard. Performance-based remuneration shall be paid according to the relevant requirements of the Rules for Governance of Securities Companies and the Company. Payment of more than 40% of annual performance-based remuneration for the senior management of the Company shall be deferred for a period of at least three years.

For details of the total pre-tax remuneration received by the senior management of the Company from the Company during the Reporting Period, please refer to the 2023 Annual Report of Everbright Securities Company Limited disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) and the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk).