

Sustainable Investment Policy

Since its establishment, China Investment Corporation (CIC) has consistently positioned itself as a responsible investor. Based on peers' approaches and its own practice, CIC has formulated the following Sustainable Investment Policy.

Philosophy

Sustainable investing takes into account environmental, social, & governance (ESG) factors to deliver both investment returns and sustainability performance.

Guided by the new development philosophy, CIC's commitment to sustainable investment will contribute to the long-term development of the global economy, as well as to the prevention and mitigation of systemic risks.

Principles

As a responsible sovereign wealth fund, CIC has adopted the following principles in its investment process:

- **Integrating ESG factors:** to utilize sustainable investment considerations throughout the lifecycle of investments;
- **Investing sustainably:** to identify suitable ESG metrics based on international best practices, as well as developments in both China and recipient countries/regions;
- **Promoting employee engagement:** to raise employees' awareness and understanding of ESG factors.

Implementation

To seek common prosperity and enhance value from the global perspective, CIC will implement sustainable investing through the following levers:

- **Explore thematic investment opportunities.** In the public market, we launched a thematic equity mandate, and invested in ESG indices and active managers. In the private market, we set the future direction for sustainable investment, and will continue to explore related opportunities with a focus on climate change.
- **Incorporate ESG factors into investment process.** We weave ESG factors into investment activities, from project screening and due diligence, through evaluation and contracting, and on to post-investment portfolio management and deal exit.
- **Dynamically optimize the negative list.** We review and update the negative list periodically as appropriate, guided by bottom-line thinking.
- **Collaborate with various stakeholders.** We communicate with peers and relevant organizations to promote sustainable investment in China, and leverage our strengths as a sovereign wealth fund to mobilize mainstream finance to support the transition towards a sustainable global economy.