



Message from the Chairwoman of the Board of Supervisors

In 2020, with the aim of building a first-class global banking group and meeting the objectives of the “Year of Enhanced Implementation”, the Board of Supervisors stimulated vitality, made agile response and achieved breakthroughs in key areas, in compliance with relevant laws and regulations, regulatory requirements and the Articles of Association of the Bank. It proactively assessed external trends and changes, diligently supervised the Bank’s duty performance, financial management, risk management and internal control in a more forward-looking, insightful and professional manner, and effectively played a effective and constructive supervisory role within the corporate governance system, thus continuously contributing to the high-quality development of the Bank.

In 2020, the Board of Supervisors performed its supervisory duties in strict accordance with the applicable laws and regulations, and constantly enhanced its supervision efficiency. It engaged in regular supervision and annual evaluation of the duty performance of the Board of Directors, the Senior Management and its members in an orderly manner, so as to promote their legally prescribed duty performance. It continued to strengthen strategic and financial supervision. It followed and evaluated the implementation progress of the Bank’s development strategies under the new circumstances, and provided insights and suggestions for the preparation of the Bank’s strategies for the 14th Five-Year Plan period. Based on routine financial supervision, it reviewed, supervised and gave supervisory opinions on the preparation, audit and disclosure of regular reports. It proactively analysed the significant impact of COVID-19 on the internal and external operating environments of the banking industry, studied the new problems and new challenges the Bank faced in terms of risk management and internal control with worst-case scenarios in mind, and followed up on the progress of key tasks in risk management and internal control. Moreover, the Board of Supervisors sent regular letters of supervisory recommendation to the Board of Directors and the Senior Management, outlined its concerns, and issued risk alerts on COVID-19 and other related risk events. It strengthened supervision in specific fields and issued supervision and evaluation opinions on key supervisory matters as required by regulators. It carried out special surveys on matters related to the Bank’s development strategies, operation and management, risk management and internal control, and offered targeted and practical suggestions to the Board of Directors and the Senior Management. Furthermore, it proactively leveraged on supervision synergy by insisting the cooperation between directors and supervisors as well as reinforcing its coordination with the second and third lines of defence and the comprehensive management departments. It made optimal use of internal and external audit findings, broadening its supervision horizons and improving its supervision efficiency.

In 2020, the Board of Supervisors further strengthened self-improvement. It hosted a special seminar to study

its work priorities and methods, focusing on the Bank’s central tasks and on problems encountered during supervision, so as to improve its efficiency. In addition, special training courses were delivered for supervisors to enhance their competence and duty performance ability. All members of the Board of Supervisors performed their supervisory duties faithfully and diligently, and provided professional, well-considered and independent suggestions. The Board of Directors and the Senior Management attached great importance and gave strong support to the work of the Board of Supervisors, carefully studied the suggestions and recommendations of the Board of Supervisors in its letters of supervisory recommendation and special survey reports, pushed forward rectification, and regularly updated the Board of Supervisors on rectification progress. As a result, the constructive supervisory role of the Board of Supervisors, through which supervision promotes improvement and development, was brought into full play. The effective interaction among the Board of Directors, the Board of Supervisors and the Senior Management boosted the continuous enhancement of the Bank’s corporate governance.

In January 2021, Mr. WANG Xiquan tendered his resignation as Chairman of the Board of Supervisors, Shareholder Representative Supervisor and Chairman of the Duty Performance and Due Diligence Supervision Committee due to reason of age. During the past four years of his tenure, Mr. WANG Xiquan fulfilled his responsibilities faithfully and diligently, and made important contributions to the Bank in improving the corporate governance of the Bank and operation of the Board of Supervisors, strengthening supervision of duty performance, financial matters, risk management and internal control, and promoting the sustainable and healthy development of the Bank. On behalf of the Board of Supervisors, I would like to express our sincere gratitude to Mr. WANG Xiquan.

In 2021, under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and focusing on the Bank’s work arrangements and keeping the big picture in mind, the Board of Supervisors will perform its supervision duties as required by laws and regulations as well as the Articles of Association of the Bank, strictly ensure corporate governance compliance, improve its supervision methods and conduct the supervision of duty performance, financial management, risk management and internal control in a more forward-looking, timely and professional manner, so as to give full play to its supervisory role.



ZHANG Keqiu

Chairwoman of the Board of Supervisors
30 March 2021