



重庆农村商业银行
CHONGQING RURAL COMMERCIAL BANK

2017

CORPORATE SOCIAL
RESPONSIBILITY REPORT

Stock Code: 3618



Declaration

Report Scope

This report covers Chongqing Rural Commercial Bank Co., Ltd. (hereinafter referred to as the “Bank” or “CQRC Bank”) and its subsidiaries.

Cycle of report release

This report is the seventh annual Corporate Social Responsibility Report in a row of the Bank, with the reporting period ranging from January 1, 2017 to December 31, 2017. Part of the contents maybe beyond the aforesaid period.

Principle of report preparation

This report was prepared with reference to the *Environmental, Social and Governance Reporting Guide* (ESG) released by the Stock Exchange of Hong Kong, *Sustainability Reporting Guidelines* (G4) and Financial Services Sector Supplementary Guidelines by the Global Reporting Initiative (GRI). Meanwhile, the report satisfies the preparation guideline as required in *Opinions Concerning Enhancing the Social Responsibility of Banking and Financial Institutions* released by China Banking Regulatory Commission and *Guidelines for Corporate Social Responsibility of Chinese Banking and Financial Institutions* by China Banking Association.

Data in the report

Part of the financial data herein comes from the 2017 Annual Financial Report. As of December 31, 2017, the Annual Financial Report had been audited by the PricewaterhouseCoopers Zhong Tian LLP (special general partnership). In case of discrepancy between data of the Social Responsibility Report and the 2017 Annual Financial Report, the latter shall prevail. Other data, which is mainly associated with the year 2017, mainly stems from the statistics of internal system of the Bank and all branches. Some of the data exceeding the above scope. The currency amount referred in this report is denominated in RMB, unless otherwise stated.

Report assurance method

PricewaterhouseCoopers Zhong Tian LLP (special general partnership) authenticates the report and issues the independent report thereupon in accordance with *International Standard on Assurance Engagements 3000 (Revised Edition): Engagements Other than Audits or Reviews of Historical Financial Information*.

Forms of report release

This report is released in printing (adopting environment-friendly paper) edition and electronic edition. The latter is available on the website of the Stock Exchange of Hong Kong (www.hkexnews.hk) and the Bank (www.cqrcb.com).

The report is published in both Chinese and English. Should there be any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

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CQRC Bank
CHONGQING RURAL COMMERCIAL BANK

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Message from the Chairman

2017 was a crucial year for the implementation of the “three-transformation” strategy and Five-Year development plan. The Bank has always been seeking development in reform, seizing opportunities brought by innovation and continuing to deepen the development strategy of “characteristic operation, meticulous management and cultivation of good corporate culture”. Besides, the Bank remained true to its original aspiration and kept its mission firmly in mind by making determined efforts to accomplish its historical mission of “Excellent Services to Customers, Maximum Returns to Shareholders, Real Success for Our People, and Great Contribution to Community”. The Bank proactively performed its corporate economic, environmental and social responsibilities, striving to make contributions to national development and realization of the Chinese Dream, further forging its brand as a responsible commercial bank.

Services to national strategies in pursuit of responsibility value: The Bank made active efforts to serve national and regional strategies of great importance and strengthened the support for the “Belt and Road Initiatives” and the development of the Yangtze River Economic Zone to promote inclusive economic growth. The Bank serviced the development of real economy, supported the innovation of technology enterprises and expanded the coverage of financial services for small and micro businesses by providing customized financial services, boosting joint efforts and improving service quality. The Bank implemented and made greater efforts to targeted poverty alleviation, and promoted agriculture, farmer and rural area (hereinafter referred to as “Sannong”) financial services in support of the rural revitalization strategy. Closely following the trend of development of Internet finance, the Bank expanded the service scope of mobile finance, improved channels for electronic transactions and promoted service efficiency.

Perseverance in green development to promote ecological civilization: To support the national plan and goal for energy conservation and emission reduction, the Bank actively developed the strategy of green development that provided financial guarantee for sustainable development by promoting green credits, integrating high-quality resources and favoring emerging and green industries. Adhering to green operation, the Bank practiced the idea of energy saving and emission reduction in the course of its daily operation by means of improving utilization efficiency of resources, refining management systems and processes, carrying out publicity and education on environmental protection, strengthening equipment management and replacing power supply of high energy consumption with river water source, thus effectively promoting the sustainable development between economy and environment. To promote the development of ecological civilization, the Bank devoted itself to the cause of green public welfare, provided great support for industries committed to energy conservation and environmental protection, and advocated the idea of low-carbon and environmental protection.

Improvement of people’s livelihood to build a harmonious society: Upholding the principle of “taking root in local areas and serving the public”, the Bank has always aligned its development with local people’s livelihood and devoted itself to the vision of building of a harmonious society. The Bank launched credit products for poverty alleviation like “Poverty Alleviation Loan” and gradually established a multidimensional responsibility system for financial poverty alleviation. The Bank continued to carry out publicity activities including the “Month for Financial Knowledge” and “Popularity of Financial Knowledge to Households” to disseminate financial knowledge and implement inclusive finance. To improve social well-being, the Bank organized various public welfare and voluntary activities. The Bank attached great importance to staff training, carried out comprehensive trainings at all levels, and strengthened employees’ awareness of social responsibility, aimed at comprehensive improvement of corporate culture and mutual development of employees, the Bank and the society.

Setting sail against strong winds and working hard to press ahead for remarkable achievements. In 2018, upholding to the vision of building itself into a commercial bank of value and creativity, the Bank will continue to stick to its core value of “Integrity, Cooperation, Innovation and Development”, actively act upon the spirit of the 19th National Congress of the Communist Party of China, forge ahead with determination and confidence to further promote coordinated development of economy, environment and society and jointly build a brighter future.

Chongqing Rural Commercial Bank Co. Ltd
Liu Jianzhong, Chairman

Message from the President

Over the year, under the leadership of the Board of Directors, the Bank adhered to its mission of “Customer services, Return for Shareholders, Achievements of Employees, and Social Contribution” by further promoting the “three-transformation” strategy, improving internal management and enhancing risk prevention. With prudent attitude and pragmatic work style, the Bank took comprehensive and innovative measures to promote business development, making outstanding achievements in all respects and effective contribution to local economy and the sustainable development.

Enhancement of responsibility management and promotion of responsibility integration: In 2017, in response to the national and local call for fulfillment of corporate social responsibilities and pursuant to the *Opinions Concerning Enhancing the Social Responsibility of Banking and Financial Institutions* released by China Banking Regulatory Commission, the *Guidelines for Corporate Social Responsibility of Chinese Banking and Financial Institutions* by China Banking Association, and the *Environmental, Social and Governance Reporting Guide* (ESG) released by the Stock Exchange of Hong Kong Limited, the Bank continued to ensure efficient, joint and orderly assumption of social responsibility and actively released the Corporate Social Responsibility Report, improving its corporate image as a responsible corporate citizen.

Services to the real economy and fulfillment of economic responsibility: In response to the national strategy, in 2017, the Bank made greater efforts to serve the real economy and further pushed forward the “Belt and Road Initiatives” and the development of the Yangtze River Economic Zone by means of supporting emerging strategic industries. The Bank increased financial support for targeted poverty alleviation and promoted the development of green industries. The Bank continued to improve its abilities to serve small and micro businesses, developed new business modes and expanded the service channels for mobile finance. The Bank made unceasing efforts to improve its risk management system, fully strengthened Party self-governance, improved Party conduct and moral integrity, and effectively combated corruption to ensure the order in the financial sector and steady improvement of business performance and asset quality. By the end of the year, the Bank’s total assets exceeded RMB 900 billion, balances of deposits reached RMB 572.2 billion, balances of loans represented RMB 338.3 billion, the non-performing loan ratio stood within 1% and the capital adequacy ratio remained at 13.03%.

Adherence to the idea of green development and facilitation of green finance: Over the last year, in response to the national call for forging a green financial sector, the Bank offered substantial support to green and low-carbon economy projects, worked out plans for promotion of green credits, set up special statistics systems, and improved the business acceptance processes, which made their services more accessible to industries engaged in energy conservation, environmental protection, cleaning production and utilization of clean energy. In addition, the Bank proactively promoted the idea of saving water, electricity, energy and paper to create a low-carbon and environmentally friendly workplace, playing its part in establishing and improving a green, low-carbon and circular economic system. By the end of 2017, balances of green credit loans amounted to RMB 11,425 million, which made significant contributions to harmonious development of economy and environment.

Improvement in service quality and protection of customers’ rights and interests: Keeping firmly in mind the overall goal of promoting transformation and improving efficiency of business operations, the Bank focused on promoting transformation and innovation of banking business, seized opportunities brought about by new policies, took initiative to identify customers’ demands, and actively enhanced cooperation between the upper and lower levels and among all lines of business, sparing no effort to improve customers’ service experience and its comprehensive service capabilities. The Bank carried out financial knowledge publicity activities to strengthen the protection of customers’ rights and interests, and ensured smooth channel for complaints to effectively maintain customers’ legitimate rights and interests. The Bank attached importance to popularization and education of

financial knowledge, which helped customers to obtain an understanding of their legitimate rights and interests and to enhance their awareness of responsibilities and risks coming along with financial consumption. This year has seen 5,218 publicity campaigns themed on financial knowledge, on which 500,000 copies of materials were given out to 487,859 participants.

Priority on people’s livelihood and public services and establishment of a harmonious corporate: We deem employees as our valuable assets that play an important part in achieving sustained development. We are committed to sharing mutual development with employees, providing them with a safe, healthy and harmonious working environment, establishing platforms for training and learning and shaping smooth channels for occupational development. Over the year, we carried out 1,834 offline trainings with 110,000 participants. At the same time, the Bank played an active part in public services including supporting and helping the poor, promoting the mutual development of the enterprise and the local community. By the end of 2017, the Bank has donated a total amount of RMB 5,211,100 to public welfare undertakings, which encouraged 3,119 employees to take part as volunteers and benefited 24,329 persons in need.

2018 will be a year of great significance for the implementation of the 13th Five-Year Plan and a crucial year for making further progress in the supply-side structural reform. The Bank will give a vigorous boost to implement the “three-transformation” strategy, proactively promote reform and innovation, step up strategic transformation and maintain stable operation. We will fulfill our economic, environmental and social responsibilities to serve the national strategies and make greater contributions to sustainable social development.

Chongqing Rural Commercial Bank Co. Ltd
Xie Wenhui, President

Profile

- ◆ Introduction
- ◆ Three-transformation Strategy
- ◆ Corporate Governance
- ◆ Risk Prevention
- ◆ Responsibility Management



Introduction

Chongqing Rural Commercial Bank Co., Ltd. (hereinafter referred to as the “Bank” or “CQRC Bank”) was formerly known as Chongqing Rural Credit Cooperative which was established in 1951, having a history of more than 60 years. In 2003, Chongqing was put on the list of the first batch of pilot provinces and cities regarding China’ s rural credit cooperative reform. In 2008, the rural commercial bank with the unified legal person in the city was established. The Bank was listed on the main board in Hong Kong (H shares) in 2010. In the same year, the Bank set up three village and township banks, namely Jiangsu Zhangjiagang, Sichuan Dazhu and Yunnan Dali. In 2012, the nonlocal Qujing Branch opened its doors for business, and the establishment of village and township banks in droves was accelerated in Yunnan, Guangxi, Fujian, etc., indicating a solid step towards trans-regional operation. In 2014, the financial leasing company was established, making great strides in diversified development.

As of the end of 2017, Chongqing Rural Commercial Bank owned 5 branches, 37 sub-branches and 1,777 outlets, as well as 1 financial leasing company and 12 village and township banks, and about 16,000 employees. The asset size reached RMB 905.8 billion taking lead in the national rural commercial system; the balance of deposits amounted to RMB 572.2 billion, coming out top of the banking sector in Chongqing in terms of total deposits and increment; the balance of loans amounted to RMB 338.3 billion, the non-performing loan ratio of the Bank stayed within 1%, the capital adequacy ratio of the Bank stood at 13.03%, and it enjoyed steady improvement in operation performance and asset quality. The Bank ranked 138 among “Top 500 Most Valuable Banking Brands 2018” released by Brand Finance, a British brand evaluation agency, and 21st among banks in China.



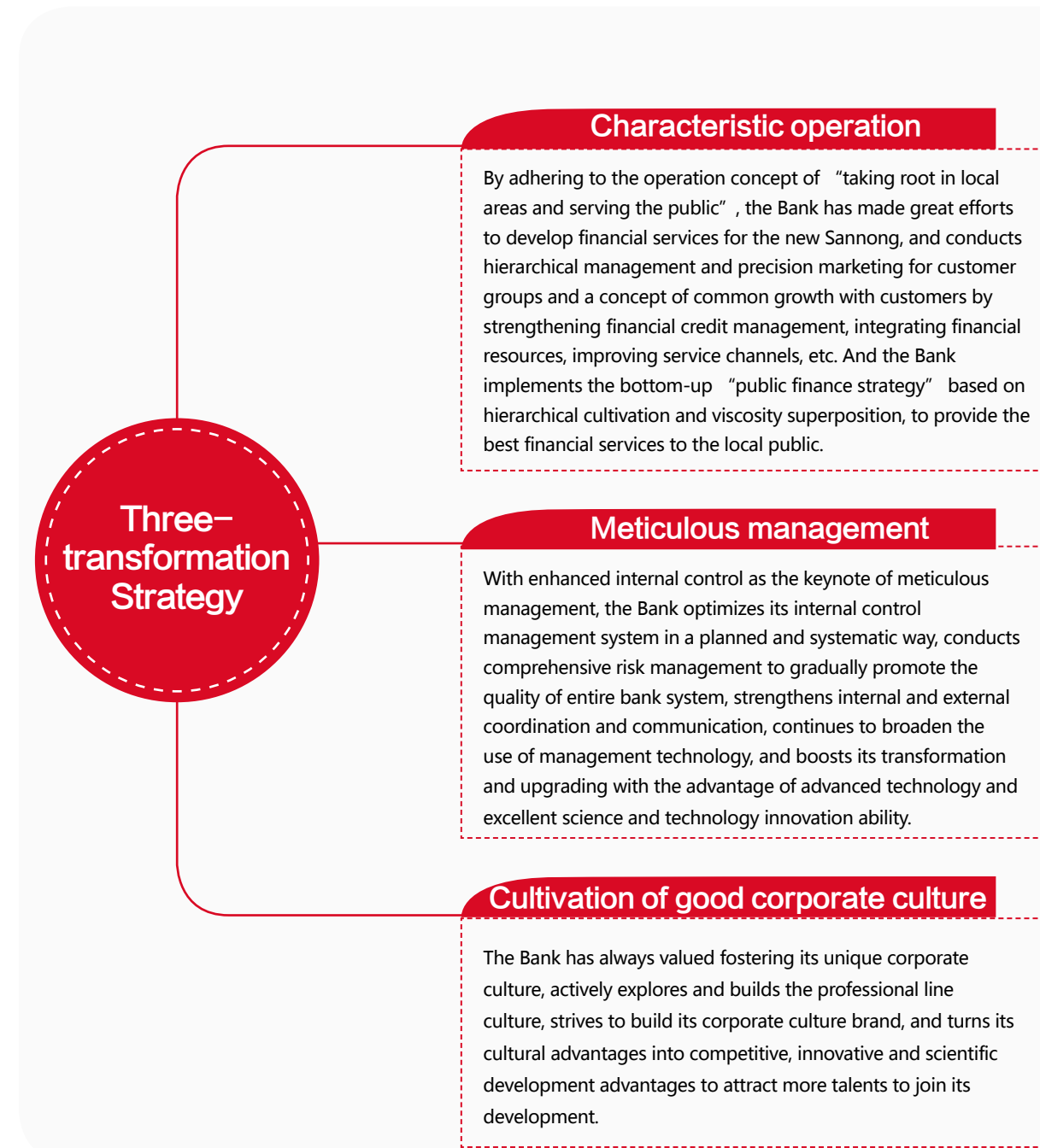
1.Qujing Branch (Qujing, Yunnan)

- 2.Zhangjiagang Village and Township Bank (Zhangjiagang,Jiangsu)
- 3.Dazhu Village and Township Bank(Dazhou ,Sichuan)
- 4.Dali Village and Township Bank(Dali,Yunnan)
- 5.Xiangyun Village and Township Bank(Dali,Yunnan)
- 6.Luzhai Village and Township Bank(Liuzhou ,Guangxi)
- 7.Heqing Village and Township Bank(Dali ,Yunnan)
- 8.Fu'an Village and Township Bank(Ningde ,Fujian)
- 9.Shaxian Village and Township Bank(Sanming City, Fujian)
- 10.Shangri-La Village and Township Bank(Diqing,Yunnan)
- 11.Pingtang Village and Township Bank (Fuzhou ,Fujian)
- 12.Shishi Village and Township Bank(Quanzhou,Fujian)
- 13.Xishan Village and Township Bank (Kunming ,Yunnan)



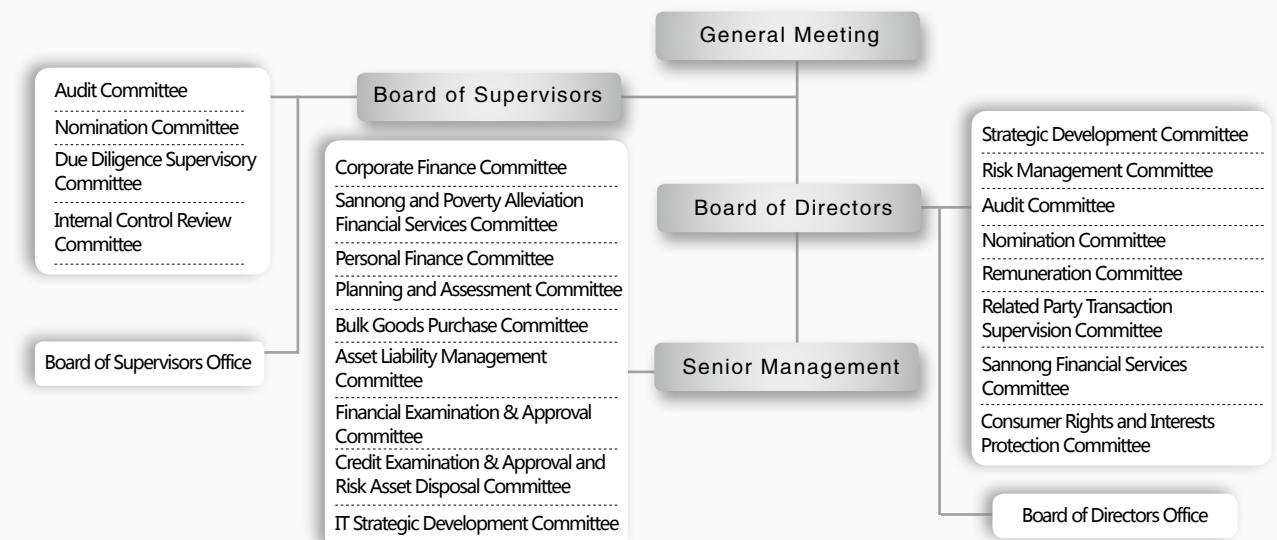
Three-transformation Strategy

The Bank has kept the "Operating Specialization, Meticulous Management and Cultivation of Excellent Corporate Culture" as its long-term strategy, which has driven in promoting sustainable development. Characteristic operation involves building core competitive advantages in a market-oriented way according to its own features. Meticulous management refers to the establishment of a process bank with scientific framework and powerful management. Cultivation of good corporate culture means to create a happy and harmonious home for the common development of the Bank and the employees. The three dimensions have their own stresses, complement with each other, cover every single aspect of operation and management and try to make this bank a commercial bank with good value and creativity.



Corporate Governance

The Bank established an institutional system with the *Articles of Association* at its core and the *Rules and Procedures of the Shareholders' Meeting*, the *Rules and Procedures of Board of Directors Meetings*, the *Rules and Procedures of Board of Supervisors* and other working rules for special committees as pillars, shaping a governance framework that meets requirements of the Bank as a modern commercial bank. At the same time, the Bank set up a governance structure comprising the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors and senior management. Thanks to the four mutually supervised components that performed their respective duties, governance and operation of the Bank were increasingly improved.



Main Advances of Corporate Governance:

General Meeting

4 times
34 proposals

Including 1 annual General Meeting, 1 Domestic Shares Class Meeting, 1 H Shares Class Meeting, 1 extraordinary General Meeting, 34 proposals deliberated

Board of Directors

23 times
100 proposals

Including 23 board meetings, 100 proposals deliberated
45 Special Committee of board meetings, 82 proposals deliberated

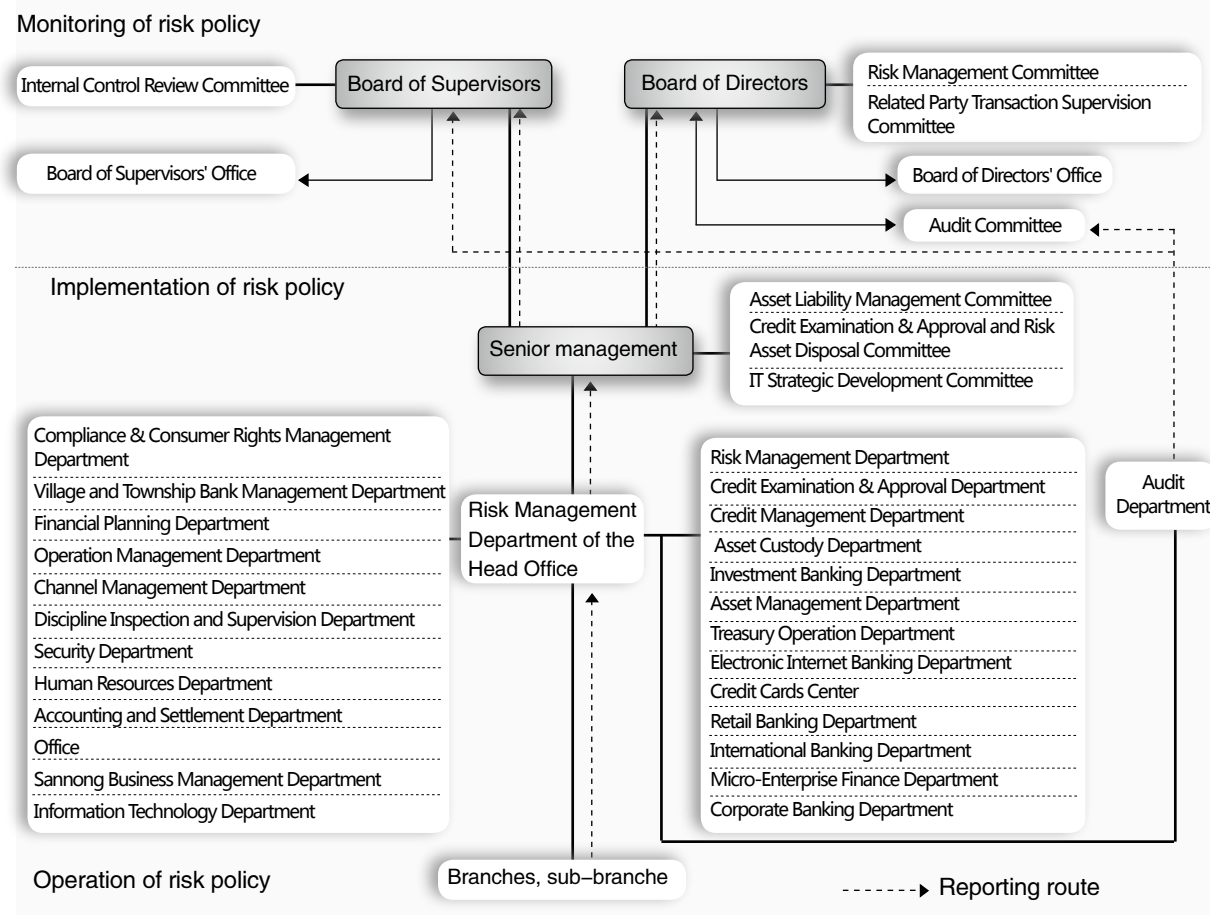
In 2017, the Bank formulated the *Contingency Plan for Pledge of Share Rights* and accordingly revised the *Articles of Association*, the *Rules and Procedures of the Shareholders' Meeting*, the *Rules and Procedures of Board of Directors Meetings*, the *Detailed Rules of Work of the Risk Management Committee* and the *Detailed Rules of Work of the Audit Committee* in accordance with relevant regulatory requirements and the actual conditions of the Bank. Regulations including those concerning "Party Committee" were included into the *Articles of Association*, and were reviewed and approved by Chongqing Office of China Banking Regulatory Commission on 14 November 2017. The *Working Charter* has now been issued and circulated across the whole bank and disclosed on the Bank's official website, clarifying the statutory status of the Party organization in the Bank's corporate governance structure.

Risk Prevention

Risk Management

In 2017, pursuant to the New Basel Capital Accord and comprehensive risk management, the Bank continued to improve risk management policies, system and process, preliminarily established the risk limit system, refined the emergency management mechanism of capital and liquidity risks, completed authorization management, promoted further use of risk measurement technology, enhanced the information technology risk management, popularized the application of the risk measurement technique and continuously enhanced technology level. The bank stuck to the bottom line of risks, proactively prevented and controlled credit risks of key fields and industries. Meanwhile, the Bank gradually improved the compliance system, strengthened compliance risk management, and established a compliance management system that covers all lines and levels. It strived to cultivate employee awareness of compliance and conducted unified and qualified training for new employees, carry out compliance related trainings. During the reporting period, the Bank has adequate capital, stable quality of assets, good liquidity, effective internal control, and continuously enhanced risk management level. As of the end of 2017, the capital ratio of the Bank stood at 13.03%, up 0.33 percentage point on a year-on-year basis, the provision coverage stood at 431.24%, the non-performing loan balance is 3.301 billion and the non-performing loan ratio stood at 0.98%.

Organization Structure of Risk Management



In 2017, China Chengxin International Credit Rating Co. Ltd. maintained the Bank's AAA credit rating and stable outlook. The debt rating of Tier 2 Capital debentures issued by the Bank in 2014 and 2016 respectively remained at AA+.

Progress of Risk Management

Complete foundation of institution

- Revise the basic risk management system of the Bank
- Release capital and liquidity contingency plans
- Complete revision of the market risk system
- Improve relevant system about risk classification and write-off of bad debts

Establish a quota system

- Integrate relevant risk management indicators of the Bank to initially establish a quota system
- Conduct regular monitoring analysis to implement the implementation of quotas

Promote system construction

- Initially launch a risk data mart system to create a risk data integration platform
- Preliminary establish a risk-weighted asset system
- Optimize non-retail internal rating and liquidity risk management systems
- Gradually complete the development of retail internal assessment and automated credit system

Improve meticulous management

- In terms of capital management, systematically conduct internal capital adequacy assessment procedures and refine risk-weighted asset management measures
- In terms of liquidity risk management, improve monitoring mechanisms, increase monitoring frequency, optimize monitoring time, and deploy business term structure in advance

Deepen the use of risk technology

- Promote internal rating applications of quota management, automatic credit extension, risk reporting, calculation of impairment allowances, and stress testing to support business development and internal management

Anti-corruption

The Bank strengthened discipline, supervision and examination with all-around efforts, continuously improved its internal control system, and actively carried out anti-corruption education to strengthen employees' awareness of honesty and self-discipline, thereby effectively preventing financial crimes. In 2017, the Bank carried out 340 warning education activities, organized 724 special campaigns on rectification and supervision of work style, carried out 87 trainings themed on anti-corruption, signed 85 *Letters of Responsibility for Party Building and Construction of the Party Conduct and a Clean Government*, and revised and improved regulations including the *Measures for Employees' Violation of Rules and Regulations*, the *Measures for Accountability of Management*, *Regulations on Prohibition of Employees' Involvement in Gambling and Second Occupation*, and established a "three-in-one" reporting channel comprising network, calls and letters.

At the same time, in order to strengthen conduct management of employees and improve the ability to prevent criminal cases, the Bank formulated and issued a series of policies including the *Administrative Measures for Prevention and Control of Criminal Cases*, *Methods for Risk Investigation of Criminal Cases*, and the *Rules for Implementation of Risk Investigation of Criminal Cases*, established and improved the responsibility system for case prevention, comprehensively rectified the problems found during the inspection and supervision, and took a tough stance on punishment of non-compliance. In addition, the Bank launched the "Year of Consolidating Conduct Management of Employees" in 2017 to strengthen employee conduct investigations, and called for signing of written commitments throughout the Bank, which require employees to do their own parts by strictly observing rules and regulations, and further constrain their behavior.

Case A lecture on anti-corruption knowledge

On the 6th and 18th of July 2017, Shizhu Sub-branch and Yongchuan Sub-branch invited the leaders of commission for discipline inspection at the district and county level to give lectures on anti-corruption knowledge, which improved the ideological understanding of all party members to be honest, self-disciplined and legally compliant; strengthened moral beliefs of resisting corruption and resisting unhealthy trends; enhanced sense of responsibility and urgency in building clean government.



Case Visiting anti-corruption education bases

On the 13th and 25th of October 2017, the business department of the head office organized all the staff in two batches to visit the Anti-corruption Education Base in Chongqing, and visited the four exhibition areas of "corruption and anti-corruption", "the Chinese Communist Party's anti-corruption process", "diligent and demeanor style" and "preceding knowledge". The staff listened to the vivid explanations given by the commentators of education bases, and the advising others by using their own experience of the prisoners, profoundly felt the heavy price of breaking laws and disciplines, strengthened their ideals and convictions, and built an ideological line of defense against corruption.



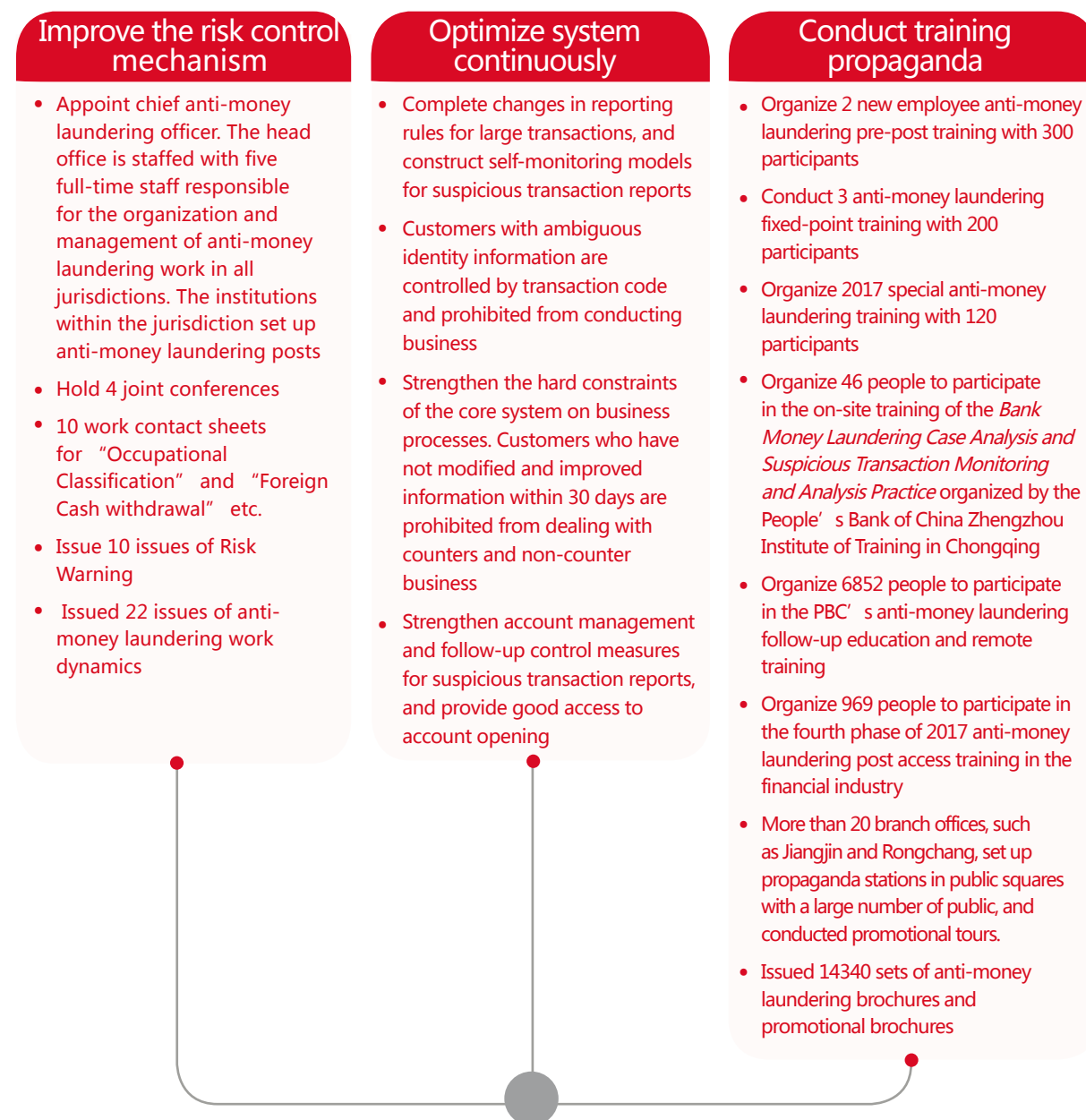
Case Watching anti-corruption education film

In September 2017, the Fuling Sub-Branch organized employees to watch the anti-corruption education film "Inspection The Sword" and warned the majority of cadres and employees to keep a clear head and consciously resist corruption by typical cases. At any time and under any circumstance, they were always tense the string of self-disciplined and repress the private for the public.



Anti-money Laundering

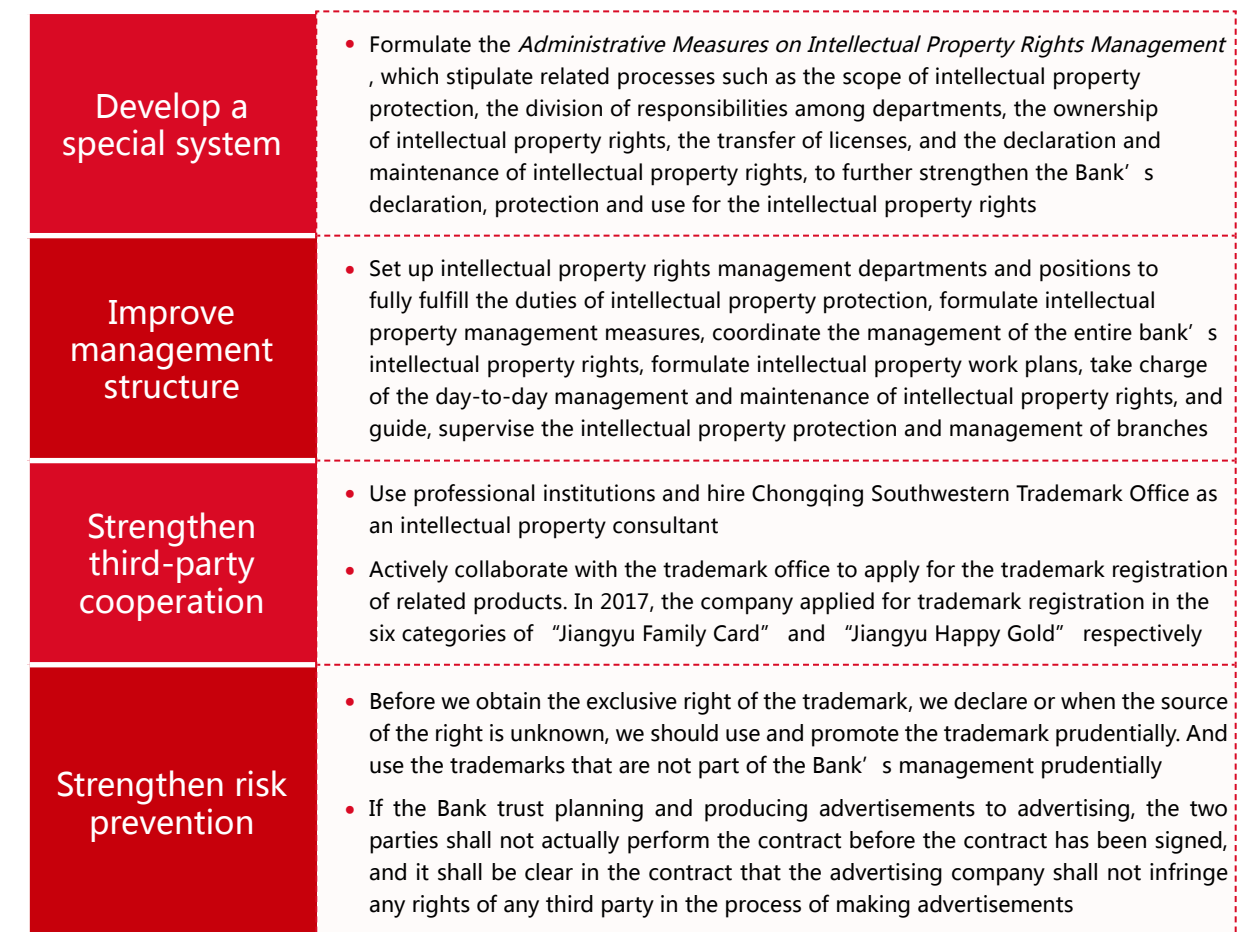
In 2017, the Bank attached great importance to anti-money laundering. In order to implement the “Order No. 3” issued by the People's Bank of China, the Bank established the *Administrative Measures for Assessment of Possibilities of Using Products and Businesses for Money Laundering* and revised and improved the *Management Measures for Reporting of Large-sum Transactions and Suspicious Transactions*. The Bank continued to improve its internal control system and anti-money laundering systems and made great efforts to build task groups in charge of anti-money laundering, increased propaganda and training on anti-money laundering, strictly fulfilled anti-money laundering responsibilities and obligations, strived to raise the level of anti-money laundering compliance management and risk control, and effectively prevented and combated money laundering. Amid the current increasingly complex and challenging anti-money laundering situation domestically and internationally, the Bank continued to focus on anti-money laundering management in international operations to prevent money laundering risks.



Brand Protection

In 2017, the Bank strictly complied with the *Advertising Law of the People's Republic of China* and other relevant national and local laws and regulations, released the guidance on standardized publicity for the whole bank, earnestly implemented the international conventions and the laws and regulations of China concerning advertising, and timely applied for patents for advertisements and labels of products and businesses, and updated relevant management systems. Under the framework of the *Administrative Measures for Publicity*, the Bank established 7 individual management systems covering brand management, advertisement placement, press publicity, public opinion management, and reputation risk management, etc. and issued a range of documents including the *Notice on Management of Standardization of Outdoor Publicizing Platforms* to further promote the Bank's standardized and unified brand visual image, boost the overall joint efforts in publicity, and continue to forge a sound brand image.

While standardizing advertising, the Bank focused on the protection of intellectual property rights and maintained the corporate brand from multiple perspectives. The Bank have always focused on “implementing the strategy of intellectual property and bolstering innovation-driven development” and actively promoted the cultural construction of intellectual property rights with the idea of “respecting knowledge, advocating innovation, acting with integrity and abiding by laws” at its core, and created a favorable atmosphere for public opinions on intellectual property. Strictly following the *Copyright Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Patent Law of the People's Republic of China*, the Bank took concrete measures for intellectual property protection to further improve the intellectual property protection mechanism, effectively ensuring the sustained and sound development of businesses.



Supplier Management

The Bank adhered to the principle of centralized procurement and revised and issued policies including the *Measures for Procurement Management of Chongqing Rural Commercial Bank*, the *Detailed Rules of Work for the Committee on Procurement of Commodities in Chongqing Rural Commercial Bank*, and the *Measures of Chongqing Rural Commercial Bank for Supplier Management*, the *Rules for Implementation of Management of Assessment Experts in Chongqing Rural Commercial Bank* in 2017, ensuring open and fair centralized procurement. Adhering to the principle of “putting personnel management and business operations under institutional checks”, the Bank revised and issued the *Collection of Laws And Regulations on Procurement of Commodities (2017)* and the *Operation Manual of Procurement Management in Chongqing Rural Commercial Bank*, and implemented the process management of the supply chain including access assessment, organization and implementation of procurement, acceptance of supply services, supplier assessment, and post-service evaluation of suppliers, so as to ensure that each link of the supply chain is rule- and evidence-based.

In 2017, the Bank established a supplier base, which included suppliers by means of internal recommendation and open solicitation, and classified them by types of projects. The Bank implemented dynamic management of the supplier base by taking timely measures for suppliers who were punished by relevant government departments for poor management of environmental and social risks, and for those undermined the Bank's interests and image, focusing on identifying suppliers that operate in industries of “high pollution, high energy consumption, and overcapacity”, and checking for records of serious offence or negative information in business activities over the last three years. The Bank formulated standards for post-service evaluation of suppliers upon procurement to evaluate their supply and service capabilities in accordance with various quantitative indicators. At the same time, the Bank linked the evaluation results with business payment to urge suppliers to improve service quality and abilities through effective means such as deferred payment, reduced payment, business talks, and inclusion in blacklists. In 2017, the coverage rate of the Bank's examination of suppliers in centralized procurement reached 100%.

Responsibility Management

The Bank has always taken social responsibility as its own responsibility, listened to opinions and suggestions from various parties, fulfilled economic, environmental and social responsibilities and worked closely with stakeholders to act as a responsible enterprise. Adhering to the sustainable outlook on development, the Bank played its part in energy conservation and emission reduction, green credit, and environmental protection and strengthened responsibility management.

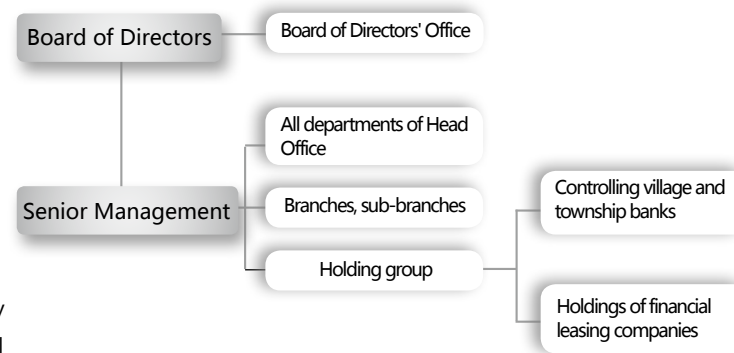
Responsibility Culture

In addition to sustainable development, the Bank valued its social responsibility as an enterprise. The Bank promoted construction of corporate culture, implemented an enterprise spirit of “practicality and advancement”, shaped an “energetic and rigorous” work style, and shouldered the mission of “Customer services, Return for Shareholders, Achievements of Employees, and Social Contribution”. The Bank took the initiative to assume social responsibilities and strived to become a commercial bank with good value and creativity.



Responsibility System

The Bank continued to perfect the social responsibility organization system led by the Board of Directors, charged by senior management, arranged by the Board of Directors' Office, along with the coordination among all departments, branch and sub-branch offices, village and township banks and holdings of financial leasing companies, carried out social responsibility work effectively and orderly, took the initiative to assume social responsibility, constantly strengthened the responsibility management, and enhanced the ability of sustainable development.



Responsibility Integration

In line with the standards of the *Environmental, Social and Governance Reporting Guide* (ESG) released by the Stock Exchange of Hong Kong and by referring to preparation guidelines on *Opinions Concerning Enhancing the Social Responsibility of Banking and Financial Institutions* released by China Banking Regulatory Commission, *Corporate Social Responsibility of Chinese Banking and Financial Institutions* by China Banking Association and *Sustainability Reporting Guidelines* (G4) and Financial Services Sector Supplementary Guidelines by the Global Reporting Initiative (GRI), the Bank established the ESG index system, based on the “Triple Bottom Line Theory” of economy, environment and society. In this way, the work and highlights of the Bank in 2017 were sorted out regarding governance and communication, and economic, social and environmental responsibilities. Meanwhile, to implement the index system, the Bank provided special training and further ensured efficient, joint and orderly assumption of social responsibility.

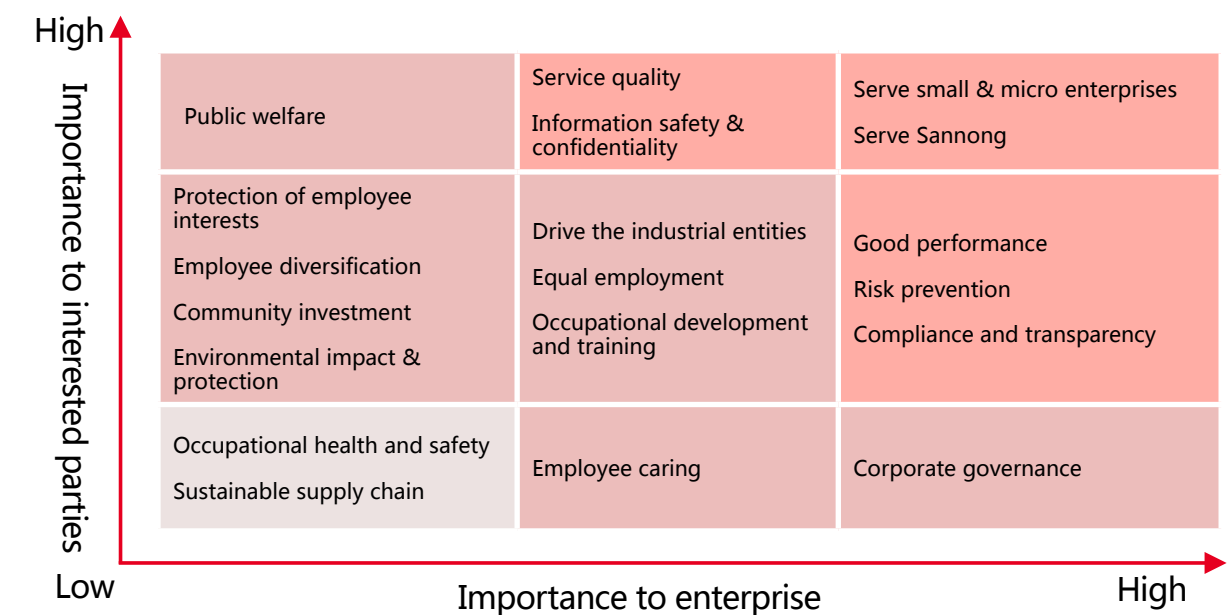
Items	Contents	
Governance and communication	<ul style="list-style-type: none"> Organization conditions 	<ul style="list-style-type: none"> Communication with interested parties
Economy	<ul style="list-style-type: none"> Indirect economic impacts Product responsibility 	<ul style="list-style-type: none"> Supply chain management Anti-corruption and anti-money laundering
Environment	<ul style="list-style-type: none"> Emissions Environmental and natural resources impacts 	<ul style="list-style-type: none"> Resources utilization
Society	<ul style="list-style-type: none"> Employment 	<ul style="list-style-type: none"> Public services in community

2017 Social Responsibility Major Progress

Month	Major Progress
February	Participated in the compilation of social responsibility report for 2016 for Chongqing Banking Association
March	Participated in the compilation of social responsibility report for 2016 for China Banking Association
May	The bank was honored “Financial Institution with the Greatest Social Responsibility 2016” , “Best Social Responsibility Manager Award 2016” and “Special Social Responsibility Contribution Outlet Award 2016” by the China Banking Association.
June	Released the Bank’s corporate social responsibility report for 2016
July	The bank was honored “Financial Institution with the Greatest Social Responsibility 2016” , “Social Responsibility public welfare and Love Award 2016” , “Social Responsibility Targeted Poverty Alleviation Award 2016” and “Special Social Responsibility Contribution Award 2016” by the Chongqing Banking Association.
November	Arranged special training on social responsibility
As at the end of December	Published over 20 articles related to social responsibility with the help of the media

Materiality Analysis

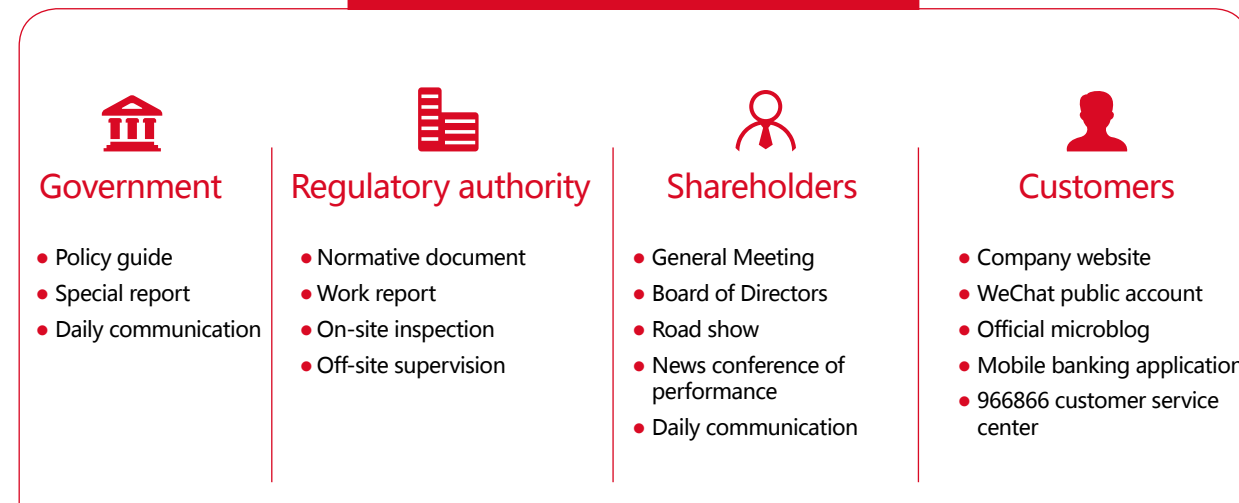
Pursuant to the *Environmental, Social and Governance Reporting Guide* (ESG) released by the Stock Exchange of Hong Kong and by referring to the *Sustainability Reporting Guidelines* (G4) by the Global Reporting Initiative, the Bank was benchmarked against the leading domestic and overseas enterprises and sorted out, classified, screened and ranked topics reflecting major impacts on institutional economy, environment and society and of material impact on stakeholders’ review and decision-making, so as to strive to comprehensively disclose the relevant information on operation management.



Attention analysis matrix of major stakeholders and the bank on environmental, social and governance contents

Communication with Stakeholders

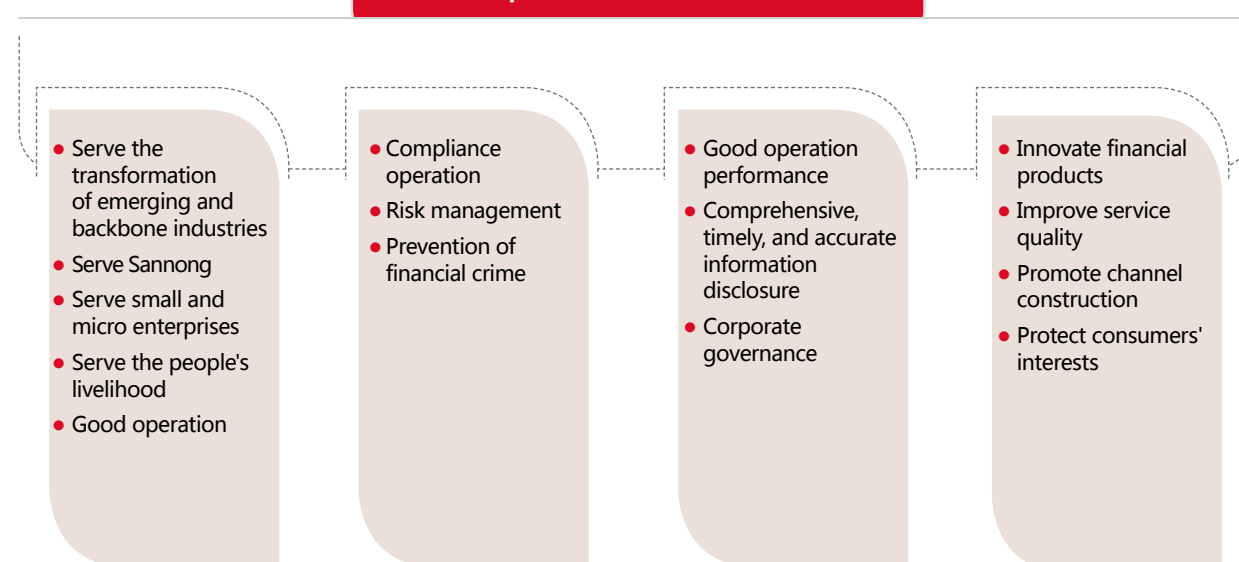
Communication Mechanism



Appeals of interested parties

- | | | | |
|---|--|--|--|
| <ul style="list-style-type: none"> • Implement national economic policies • Serve Sannong, promote the overall planning for city and county • Increasing job opportunities • Steady growth of tax revenue | <ul style="list-style-type: none"> • Stable and daily compliance operation • Effective risk prevention • Stable, orderly financial system | <ul style="list-style-type: none"> • Continuous and reasonable investment return • Comprehensive, timely, and accurate information disclosure • Good corporate governance | <ul style="list-style-type: none"> • Diverse products • Diverse service channels • Increasing service quality • Effective protection of consumers' interests |
|---|--|--|--|

Response of the Bank



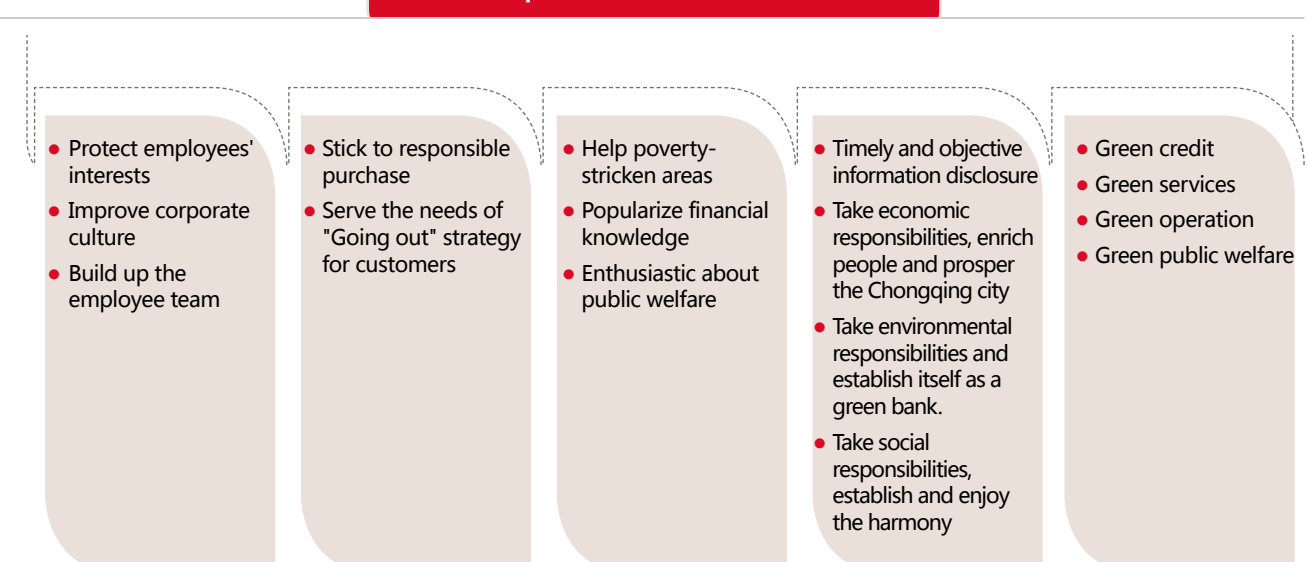
Communication Mechanism



Appeals of interested parties

- | | | | | |
|--|--|---|--|---|
| <ul style="list-style-type: none"> • Reasonable remuneration and welfare • Satisfactory working conditions • Excellent career development | <ul style="list-style-type: none"> • Fair cooperation opportunity • Fulfil obligations in good faith • Stable win-win situation | <ul style="list-style-type: none"> • Common community development • Harmonious community relationship | <ul style="list-style-type: none"> • Open, transparent information disclosure • Take responsibilities comprehensively and effectively as a corporate citizen | <ul style="list-style-type: none"> • Green financial services • Continuous reduction in energy consumption and carbon emission • Active protection for the environment |
|--|--|---|--|---|

Response of the Bank



Major Honours

2017.10

- **China Banking Regulatory Commission(Rural finance department)**
It was rated as the first bid Bank of the 3rd Rural Commercial Bank in 2017 to 2018, and was awarded the first place of the big and medium-sized city benchmarking bank.
- **Chinese Rural Finance Magazine**
Annual Progress Award of Communication work 2017
- **The People's bank of China Chongqing Operations Office**
Annual outstanding unit of propaganda and communication work 2017



2017.09



- No. 404 among "Top 500 Enterprises in China" ; No. 150 among "Top 500 Enterprises in China's Service Industry" in 2017



- Honored board 2017 Overall efficiency list of vanguard list of Small-sized and Medium banks



2017.06



- The 2016 Award of Jinniu financial management bank



- The Chongqing Rural Commercial Bank was honored "Financial Institution with the Greatest Social Responsibility 2016", Chongqing Rural Commercial Bank Nanchuan sub-branch president Weibin Chen, Wushan sub-branch president Lianjie Zhang were honored "Best Social Responsibility Manager Award 2016" and Chongqing Rural Commercial Bank Chengkou sub-branch, Chongqing Rural Commercial Bank Shizhu sub-branch were honored "Special Social Responsibility Contribution Outlet Award 2016"



2017.04



- The high-speed rail banks service of Chongqing Rural Commercial Bank was honored The Most Attractive Case Award of The 3rd Gold Case



2018.02



- The 152nd in the top 500 global brands, 25 places higher than last year, ranked 21st among the finalist Chinese-funded enterprises.
- 2017 Top 100 Enterprises in Chongqing and 2017 Top 100 Service Enterprises in Chongqing
- **Chongqing Economic Times**
The 2017 Jinding award "annual public favorite mobile phone bank", "annual expenditure small and micro businesses development contribution outstanding bank" "annual service real economy outstanding contribution financial institution"
- The 2017 Jin Ding Award "The People's Favorite Mobile Banking", "The annual contribution bank of small & micro businesses development outstanding " "The annual service entity economy outstanding contribution financial institution"
- The 2017 Chongqing city promotion force and the eleventh China (Chongqing) financial management rating list with the most social responsibility banks; the best Internet financial innovation service bank; the best rural financial service bank.



2018.01



- 2017 Best Function of Direct Sales Bank
- **The seventh China Mobile Financial Summit Forum**
Best Product Word of Mouth Award
- **The Radio and Television Group of Chongqing**
2017 Chongqing Financial Media Awards
-- Targeted Poverty Alleviation Classic Case
-- Annual Awarded of Public Welfare Support
-- Annual Brand Influence of Bank
- **中国融资**
2017 China Finance Award
--The Best Investor Relationship
--The Best Invest Value
- **Chongqing news channel**
Honored "Finance Attribution Award 2017" and "Most Popular Service Bank 2017" rated by the "Minxin Bank"



2017.11

- **China Banking Association**
No. 21 among "Top 100 Chinses Banks" (ranked by Core first level net capital)



2017.10

- **Chongqing Finance Academy**
The 2nd Prize of Advance Group of Communication 2017
- **China Banking Association**



- The customer service center of our bank has won four awards in the 3rd China banking industry's "looking for good voice" business skills competition, which is awarded as "elegant star", "smart star", "best intelligent team" and "best style team"

- **Alleviation Enterprise**
The 2017 Golden Penguin Financial Award and the 2017 Best Mobile Finance of the Year, Chongqing Rural Commercial Bank's "Tian Tian Jin" and Happiness Bayu Series Wealth Management Products won the Most Popular 2017 Banking Wealth Management Products for Chongqing Citizens Financial awards
- The 2017 Excellence Unit of National Banking Financial Information Registration Work

Bolstering Economic Development to Help Enrich the People and Revitalize Chongqing

- ◆ Response to National Strategies
- ◆ Contribution for Economic Transformation
- ◆ Promotion of Sannong Development
- ◆ Serving the Growth of Small and Micro Businesses
- ◆ Serving the Purpose of Guaranteeing People's Livelihood



In 2017, the Bank actively implemented the national macro-control policies and the guidance on credit positioning. Amid the local economic conditions, the Bank responded to national strategies by improving international business capabilities, assisting local economic development, bolstering industrial transformation and upgrading, and focusing on supporting emerging strategic and green industries. In addition, the Bank intensified the injection of funds into real-economy enterprises and made services more accessible to Sannong and small and micro businesses to serve the people's livelihood, performed social responsibilities, and made contributions to building a moderately prosperous society in all respects.

Response to National Strategies

In 2017, the Bank played an active role in promoting the national strategies of the "Belt and Road Initiative" and Yangtze River Economic Belt, worked with industries based on mutual benefit and jointly served the development of regional open economy system by enhanced application of comprehensive financial services and support for key projects of innovative demonstration with a high starting point and high level.



Support for Key Strategies

Under the policy for facilitating payments and settlements in the FTA, the Bank provided enterprises with financial settlement services such as bulk payments of foreign exchange and centralized operations of foreign exchange funds through system upgrade and improvement, and carried out special marketing activities for cross-border settlements denominated in RMB to promote trading with countries along the "Belt and Road". In 2017, the cross-border settlement amount denominated in RMB between the customers of the Bank and the countries along the "Belt and Road" exceeded RMB 100 million, and their trade receipts and payments exceeded USD 600 million.

Bearing the mission of serving the local economy, the Bank gave full play to the financial services' merits of "financing", "talents attraction" and "investment promotion", increased effective credit input, and focused on supporting the construction of interconnected transport, logistics, and information hubs, the multimodal transport system comprising "railway, road, water and air transport", and a shipping exchange and settlement center in upper reaches of the Yangtze River. With the national-level logistics hub platform of "three bases and three ports" at its core, the Bank supported the construction of an interconnected logistics center along Yangtze River Economic Belt and an international logistics hub in western China, boosted the construction of a number of key projects including the Chongqing-Sinkiang-Europe International Railway, the Western Logistics Park and the Guoyuan Port. By the end of 2017, agriculture-related loan balance was RMB 12,736 million, an increase of 10.35% or RMB 1,195 million over the beginning of the year.

Case Support the construction of Chongqing Guoyuan Port

Chongqing Guoyuan Port is a landmark project for the construction of a shipping center in the upstream of the Yangtze River in Chongqing, and it is also an "seamless connection" and important fulcrum for the national strategy of "the Belt and Road" and "Yangtze River Economic Belt" in Chongqing. The Bank has always been dedicated to supporting its construction. As of the end of 2017, The Bank supported a total of RMB 3.1 billion in credit extension for the construction of Guoyuan Port. Credit extension tailored to customers includes working capital loans, fixed assets loan, bank acceptance bills, letters of credit and cross-border financing, which had better meet the diverse financial services of Guoyuan Port related companies



Support for the "Going Global" Strategy

In 2017, the Bank improved foreign financial services in a comprehensive way, in an attempt to render services with top quality and high efficiency for enterprises to develop their foreign trades through products like settlement of accounts and trade financing. In the meantime, it also expanded interbank cooperation channels and provided financing services for enterprises in Chongqing based on its products of offshore financing against domestic guarantee. As at the end of 2017, the Bank has provided financing of more than RMB 1.6 billion for export enterprises.

Case Support domestic enterprises to go abroad

Chongqing Bosai Mining (Group) Co., Ltd. is a multinational company focusing on the reserve and development of global bauxite resources, the production of aluminum-based products, and involves in coal, iron and other fields. It is one of the earliest and most successful example of Chongqing and even China's "Going Global" development. In 2017, the Bank provided a financing of US\$26.5 million to Saite Minerals (Asia) Co., Ltd., an offshore affiliate of the company, by offshore financing against domestic guarantee, to purchase mineral products produced by the Bosai Minerals Group (Guyana) Inc., which supported the Group's overseas business development.



Case Shapingba sub-branch assists “Qin Ma” to go abroad

Chongqing Qinma Catering Management Co., Ltd. established in 2005, formerly named Chongqing Qinma Catering Culture Co., Ltd. In the situation that the domestic hot pot market is relatively saturated, Qin Ma hot pot decided to transform and upgrade, but due to capital



restrictions, it cannot be further developed. After understanding this difficulty, the Bank carried out effective loan support for Qinma Catering Management Co., Ltd. and has issued a total of RMB 28 million in loans. With the support of the Bank, Qinma Catering Management Co., Ltd. quickly developed into a national restaurant chains and successively expanded its storefront into overseas. Up to now, it has 156 direct sales and joint stores, and more than 500 franchise stores in China. Its stores are located in more than 30 provinces and cities across the country, and already have 7 branches stores overseas. The brand “Qin Ma” has now grown into a “Chinese famous hot pot”. It is unique among many well-known hot pot brands in Chongqing and enjoys a reputation for its pure Chongqing features at domestic and abroad.

International Banking Innovation

The Bank continued to enrich financial services and products, actively broadened the business development ideas, promoted the derivatives innovation and flexibly conducted various new businesses.

Self-operated foreign exchange swap	<ul style="list-style-type: none"> Complete the development of systems for inter-bank foreign exchange swaps and the establishment of derivative product systems Implement Self-operated foreign exchange swap business to realize the risk-free circulation of domestic and foreign currencies
Forfeiting	<ul style="list-style-type: none"> Land domestic license forfeiting trading business Expand inter-bank products and increase interest income channels
RMB structured deposit	<ul style="list-style-type: none"> Complete development and system construction of RMB structured deposit product Implement RMB structured deposits business to provide more deposit and wealth management options for large-scale customers such as state-owned enterprises and listed companies
Valet Forex Future	<ul style="list-style-type: none"> Complete the system development and system construction of the valet foreign exchange forward future and provide the company's customers with a lock-in exchange rate risk after going online
Domestic letter of credit business	<ul style="list-style-type: none"> Complete formulation of <i>Administrative Measures on Domestic L/C Trade Financing Business</i> Handle Domestic Credit for Forfeiting Self-Sustained Business for 2 Companies

Case Innovate the domestic letter of credit business

The bank, provided a domestic letter of credit for the buyer, Chongqing Yumaotong Trade Supply Chain Management Co., Ltd., the sellers, Chongqing Smarte Technology Co., Ltd. issued the goods, submitted the order and obtained bank acceptance, and applied for a forfeiting under the Bank's domestic letter of credit. The bank provided Chongqing Smarte Technology Co., Ltd. RMB 10 million of financing to facilitate the company's domestic trade and improve the company's cash flow efficiency at the same time, making the bank's service chain extends to the upstream and downstream customers.

Contribution for Economic Transformation

The Bank continued to push ahead the development of emerging operations, held matchmaking meetings of financing, and established the platform of investment-connected loans in 2017 to support the industry development through financing services. At the same time, it took a variety of measures to adjust and optimize the industrial credit structure, with a view to supporting industrial transformation and upgrading. It also took the initiative in coordinating the transformation and upgrading of the real economy, supported the optimized development of real economy on various aspects, and created more superior resources to serve these purposes. As at the end of 2017, the Bank had a loan balance of RMB 338.3 billion, an increase of 12.6%. Among those, the balance of loans supporting 2,195 industrial enterprises was RMB 77,903 million, accounting for 25.19% of the total loan balance, and RMB 20,443 million for supporting 357 high-tech enterprises, accounting for 26.24%.

supporting high-tech enterprises By 2017 **357** HouseholdLoan balance is
20.443 Billionsupporting industrial enterprises By 2017 **2195** HouseholdLoan balance is
77.903 Billion

Support for Emerging Strategic Industries

The Bank actively guided the credit funds flowing into emerging strategic industries and drove forward the local industrial structure adjustment and upgrading in 2017. As at the end of 2017, the Bank has supported 1,018 enterprises in “6+1” pillar industries with a total loan of RMB 52.28 billion, and 68 enterprises in emerging strategic industries with a total loan of RMB 9.2 billion.

Case Boosting the establishment of Xiantao International Big Data Valley

Xiantao data Valley Cci Capital Ltd. (referred to as XTB Valley) is one of the top ten strategic emerging industry project in Chongqing. It was approved by the Chongqing Municipal Government to start construction in April 2014, and was basically completed by the end of 2017. XTB Valley is a big data industrial park in China that was born to adapt to the rapid rise of global big data and intelligent hardware industry and build an internationally competitive innovation ecosystem. The Bank combined with the actual situation of XTB Valley and provided it with a scientific and reasonable financial service plan. The two parties reached a cooperation intention, and the company obtained RMB 1.3 billion in credit approval from the Bank for the first phase of infrastructure construction in XTB Valley Park. With the support of the Bank, the first phase of infrastructure has been completed. The design will lay the foundation for the construction of the entire park and will help attract investment for the park. In the follow-up cooperation, the Bank will pay attention to the financing needs of the settled enterprises, especially small and medium-sized enterprises, provide financial support for the enterprises in the park at the appropriate time, and provide all-round financial solutions for the sustainable development of the park.

**Support for the Transformation of Green Industries**

Under the guidance of green credit policies, the Bank promoted the transformation of green industries in 2017 through reasonably allocating credit resources and vigorously supporting the development of energy saving & environmental protection projects, circular economy and low-carbon economy.

Case Chongqing Liangping District Talcite Ecological Agriculture Co., Ltd.

The company Talcite Ecological Agriculture Co., Ltd. was established in 2011 in Chongqing Liangping District. Its predecessor was the Jingui coal mine with a history of more than 30 years. At present, the company is mainly engaged in business operations such as comprehensive agricultural development, sightseeing (ecological) tourism, "Intangible Cultural Heritage" cultural exhibitions, and agricultural technology consulting services. In accordance with the requirements of the National Agricultural Comprehensive Development High Standard Farmland Demonstration Project, the construction of land leveling, soil improvement, high-quality seedling planting, field power transmission and distribution, drying fields, and warehouses have been widely implemented in the Liangping Jindai and Daguan and other places, thus making the local land shape, the drain connect, the road link, and drought irrigating when drought, draining when flood, which has basically achieved pastoralization. The area has successfully transformed from the former coal industry with the black economy as its main theme to the tourism economy with the theme of green mountains and green water. With the support of the bank's credit funds, the company's various businesses were well developed, reviving the mountains and rivers, realizing the integration and development of the primary, secondary and tertiary industries, achieving high economic returns, and attracting the employment of rural surplus laborers and stimulating local villagers to become rich, which achieves a win-win situation with social benefits.



Assistance in the Development of Real Economy

Upholding the idea of “taking root in local areas and serving the public” , the Bank continued to support the development of real economy in 2017. With an attempt to satisfy diversified financing needs of the real economy, it further optimized its structure of assets and liabilities to enhance its capability in serving the real economy.

Case Assisting Solid Enterprise Development

Chongqing Zhicheng Machinery Co., Ltd. is a manufacturing-oriented entity supported by the Bank and has long time served the Fortune 500 companies. Since the Bank began to grant RMB 5 million to the company in 2004, after nearly 14 years of cooperation, Chongqing Zhicheng Machinery Co., Ltd. has developed into a well-known brand in the field of cylinder heads for motorcycle engines, with a domestic market share of over 50% and a global market share of over 30%.



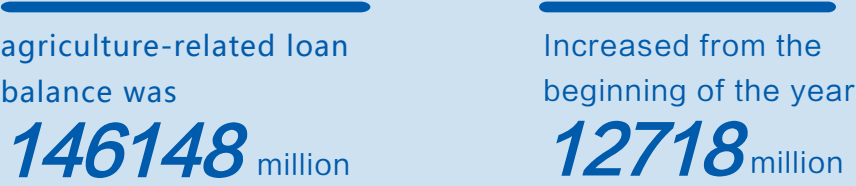
Promotion of Sannong Development

The Bank actively acted upon the guiding principles from the 19th National Congress of the Communist Party of China to fully support the implementation of rural revitalization strategy, accelerate the innovation of financial products and services in rural areas, and promote the development of agricultural industrialization through the support for “leading enterprise + cooperative + farmer” or “leading enterprise + farmer” . Based on policies guiding financial support for Sannong and poverty alleviation, the Bank increased the financial support for the industries targeted for poverty alleviation. Additionally, it conducted in-depth surveys on the overall planning and use of government-owned funds serving the purpose of Sannong and poverty alleviation, and followed up the marketing deposit accounts and enterprise-support programs, promoting the development of agriculture, rural areas and farmers in a comprehensive way.

Increase of Credit Supply for

Index name	2017	2016	2015
Number of outlets supporting “Three Agriculture”	1464	1461	1460

In 2017, aiming to support the increase in agricultural efficiency, farmers’ income and rural sustainability, the Bank practiced the new concept of development in a proactive manner, and determined the financial service priorities based on the main task of agricultural supply-side structural reform. With a focus on the new industries, new types of operation and new entities in Sannong market, it continuously directed financial resources to Sannong in a timely manner, and gave priority to supporting programs aimed at building beautiful countryside, developing rural tourism and infrastructure projects for the purpose of improving people's livelihood. In close connection with the development of modern agricultural industrial system in Chongqing, the Bank highlighted “five priorities” in the credit supply system, namely, giving priority to supporting the construction of high-standard farmland, recreational agriculture and rural tourism, the chain operation of upstream and downstream enterprises in agricultural industry and agricultural technology innovation. As at the end of 2017, agriculture-related loan balance was RMB 146,148 million, an increase of RMB 12,718 million over the beginning of the year.



Improvement of the Service Quality for Sannong

The Bank combined Sannong business management with efforts for product innovation, construction of service mechanism, conduction of business research and inspection & supervision, to extend the service coverage, explore more customized services, and improve service quality.

Highlighted strategic guidance

Set up Sannong Financial Service Committee under the Board of Directors and the Financial Service Committee of Sannong and Poverty Alleviation under management, and held conferences on bank-wide implementation of financial services of Sannong on a regular basis.

Improved professional management

Set up the Sannong Business Management Department in the functional departments, set up the Agricultural Industrialization Center and the Farmer Financial Service Center in the Head Office and the Retail Banking Department and thus improved the meticulous management of Sannong business.

Enhanced professional services

Geared 31 branches and sub-branches outside the downtown area towards the specific needs of Sannong business and set up specialized institutions or departments for direct marketing of farmers and agricultural-related enterprise loans, thus established a specialized and comprehensive financial service mode for Sannong.

Strengthened performance assessment

Adopted preferential policies on credit and differentiated performance assessment concerning Sannong business and provided services with improved initiative and enthusiasm to think more of drawdown payment, business processing time and credit line in terms of Sannong-related customers.

Promotion of the Development of Sannong related Business

The Bank always adheres to the policy of "restructuring without changing the development direction, changing name without changing the nature of business" and constantly strengthens the support for Sannong related industries with financial services, to promote the integration and development of primary industries, secondary industries and tertiary industries in rural areas. As at the end of 2017, the Bank has issued 832 loans to 478 leading enterprises, with a loan balance of RMB 8,374 million, among which 78 loans were for 17 enterprises at state-level, with a loan balance of RMB 1,706 million; 469 loans for 272 enterprises at city-level with a balance of RMB 4,160 million; 285 loans for 189 enterprises at county-level with a balance of RMB 2,508 million.

Case The Fengdu Sub-branch supports Hengdu beef cattle industry development

The Fengdu Sub-branch promoted the full-scale rise of the beef cattle industry in Fengdu through actively coordinated actions, tailored products, and optimized service systems, which promoted the economic development of Fengdu County. Since signing the *Strategic Cooperation Agreement on the Joint Promotion of Beef Cattle Industrial Development in Fengdu County*, the Bank has granted RMB 500 million letter of credit to the beef cattle industry project in three years. From April 2009 to November 2017, the Bank cumulatively provided RMB 1452.8 million of beef cattle loans to Hengdu Group, which helped the company to overcome the short-term shortage of funds and significantly promoted the development of beef cattle industry.



Case Nanchuan Sub-Branch devotes its efforts to bamboo farmers and tea farmers

Nanchuan Sub-branch, as a financial institution serving Sannong, invested more than RMB 10 million to bamboo shoot purchaser as floating capital, and supported the development of more than ten Bamboo farmers in Jinshan town and Toudu town. This measure has enabled the bamboo farmers in Nanchuan district to develop from middlemen with no shop to marketing departments which have their own bamboo shoots and local specialties in Jinshan. In terms of supporting tea farmers, the Nanchuan Sub-Branch has cumulatively granted loans to Chongqing Qianfeng Tea Co., Ltd. for more than RMB 50 million since 2006. The company's tea brand "Jin Fo Yu Cui" has successively won the international gold award, the most popular product for consumers, and the ten most famous teas in Chongqing.



Case Bishan Sub-Branch boosts grape growers to increase income

A grape grower, Zhu Sangui is an ordinary farmer in Tuanjie Village Zhengxing Town Bishan District. In the early years, he contracted a land and planted grapes in his village. Due to the long-term implementation of open-air cultivation, the quality and yield of grapes cannot reached its expectations. In July 2017, the Bishan Sub-branch launched a rural “primary, secondary and tertiary” industrial integration credit product and publicized it through financial information to the countryside. After receiving the information, the customer applied for a loan from the branch and successfully obtained a 200,000 rural “primary, secondary and tertiary” industrial integration loan. After customers received credit support from the Bank, they started to build sheds, improve drip irrigation facilities, successfully increased grape production, and achieved gratifying results.



Case Jiangjin sub-branch actively support the rural economy with innovation of loans and credit extension

The Jiangjin Sub-branch has grasped the opportunity for the pilot development of the integration of primary, secondary and tertiary industries in rural areas, innovatively introduced credit products, and strengthened cooperation between banks and the government to strengthen publicity and marketing. The branch collected a total of 468 intentional customer information items for the integration of primary, secondary and tertiary industries in the rural areas, amounting to RMB 268.12 million. Among them, 220 customers have passed credit extension approval; the credit amount reached RMB 69.25 million. At present, the loan has been successfully distributed 180 households, the amount of the loan has reached RMB 57.05 million. The loan supported the development of agro-industry with a distinctive industrial chain in the region, and promoted the transformation of local agricultural development methods, assisted in the construction of a modern agricultural industrial system, and effectively realized the increase of farmers' income.



Case Beibei sub-branch supports development of chongqing jingyi agricultural Co., Ltd.

Jing Yi Agricultural Corporation was established in 2012 and is located in Hutou Village, Xiema Township, Beibei District. It is a leading enterprise for comprehensive agricultural development in Chongqing. In 2017, Jing Yi Co., Ltd. planed to implement a high-standard farmland construction project in Beibei District with innovative investment and financing modes. The total investment of the project is RMB 7.5 million, and the company can only raise funds by RMB 1.5 million itself, which is a shortfall of RMB 6 million in funds. As the company lacks collateral, failed to obtain bank loans, the Bank' s Beibei Sub-branch contacted Jing Yi Company at the first time and actively contacted Chongqing Xingnong Financial Guarantee Group Co., Ltd. to provide guarantees for Jing Yi Agricultural Co., Ltd. and issued RMB 5 million of fixed loans to it, effectively solved the capital shortage problem of the project of Jing Yi Co.. At present, the project is progressing smoothly. After the project is completed, it will promote the level of agricultural industrialization in the region and increase the added value of the agricultural industry.



Serving the Growth of Small and Micro Businesses

Indicators	2017	2016	2015
The loan balance of small and micro businesses (RMB billion)	105.544	93.434	82.744
Loan balance of small and micro businesses accounts for the proportion of total loan balance (%)	33.74	33.11	32.51
The amount of small and micro businesses customers (households)	108656	103166	102880

In 2017, the Bank thoroughly implemented the “three-transformation” strategy to innovate products and services, optimize business process and build new marketing platform. In addition, it also enhanced the coordination between the Head Office and branches, and improved the construction of branches to constantly improve their financial capabilities to serve small and micro businesses, thus fully capable of satisfying demands of the market and customers.



Construction of Sub-branches for Small and Micro Businesses

The Bank gave play to the “pilot program” of exclusive sub-branches for small and micro businesses and continued to strengthen the operation guidance in 2017. In order to regulate the management of exclusive sub-branches, it summarized the experience of operating and managing the exclusive sub-branches in recent years to enhance their compliance. Accordingly, the Bank developed the platform for learning and exchange, and reinforced business trainings for branches and sub-branches to improve their service capacities. As at the end of 2017, the number of exclusive financial services sub-branches of small and micro businesses had reached 14, the number of collaborate financial services sub-branches of small & micro businesses had reached 75, the loan balance of such exclusive sub-branches across the Bank amounted to RMB 8.331 billion, the number of customers of the exclusive sub-branches of small and micro businesses was 5,135.

Perfection in Products and Services

The Bank continued to enhance its efforts on featured and differentiated innovation and made significant progress in terms of products, processes and services in 2017.

Provided customized services	<ul style="list-style-type: none">• Approved 29 plans for customized financial services from 23 branches and sub-branches in new ways including mortgage equity withdrawal loans for the manufacturing industry and usufruct-pledged loans for the small hydropower industry.• Introduced “Zenghaodai” , a series of new credit products exclusive for small and micro businesses.
Revised product systems	<ul style="list-style-type: none">• Revised administrative measures for credit business in terms of small and micro businesses, and systems for products, including credit enhancement loans, personal loans, order loan, invoice financing, and Shuiyi loan (low interest rate).
Strengthened technological innovation	<ul style="list-style-type: none">• Developed functions for personal business loans less than RMB 500,000 allowing automatic renewal at maturity and self-service drawdown and repayment.• Developed functions allowing selection of fixed due dates for new mortgage loans and real-time automatic repayment upon funds deposited into the accounts of customers with overdue loans.

Marketing Enhancement

In 2017, the Bank strengthened the cooperation of bank-government and bank-financing guarantee to build the marketing platform to facilitate the development of small and micro businesses, and actively enhanced the coordination between the upper and lower levels and among all lines of business to integrate upstream and downstream customers into the credit planning. Furthermore, it took measures to expand the base of small and micro businesses, made breakthroughs in the combination of traditional loans with structured financing, and further increased the coverage of accounts receivable financing for small and micro businesses.



Effectively supported the innovation and development of technology enterprises	Took the initiative to launch trials of extending knowledge-value-based credit loans to technology enterprises in Chongqing hi-tech industry development zone in a joint effort with Chongqing Science and Technology Commission and the Administrative Committee of Chongqing Hi-Tech Industry Development Zone.
Actively responded to the national rural vitalization strategy	Boosted concerted efforts with agriculture guarantee companies to issue loans for integration and development of the primary, secondary and tertiary industries in rural areas in active support of the national rural vitalization strategy.
Maintained the market share of start-up guarantee loans	Supervised and urged branches and sub-branches to apply to local district- and county-level governments for implementation of policies on interest subsidies and to seize the market share of loans to be issued over the year in collaboration with Chongqing Provincial Human Resources and Social Security Department and small and micro guarantee companies.
Actively supported the development of infrastructure in rural areas	Issued rural road construction loans in support of building rural roads in administrative villages and the project of building roads to every village in collaboration with Chongqing Transport Commission and Chongqing Transportation Financing Guarantee Company.
Expanded cooperation areas between the Bank and the government	Worked together with the local governments to guide branches and sub-branches in Wanzhou, Wansheng, Xiushan, Fengdu, Fuling and Changshou on credit enhancement loans.

Case

Jingjin sub-branch solved the financing difficult of the enterprise with tax-ease loan low interest rate

Chongqing HANSHICROCK Food Co., Ltd. was established in 2002 and has its own brand ("WAGANG", "HANSHICROCK") and series products. "WAGANG" trademark was rated as Chongqing famous brand; its products have been rated as high-quality products and won many other domestic honors. In order to seize the opportunity to seize the market, the company must put new products on-line production, urgently need to increase funds to buy raw materials, but suffered from no collateral; the company was difficult to increase capital.

After understanding the situation, the Jiangjin Sub-branch found that the company is in line with the new loan variety actively promoted by the Bank - tax-ease loan. According to the certificate of taxation grade B obtained by Hanshi Waken Co. in April 2017, the company issued a loan to the company in accordance with the company's cash flow analysis to grasp its ability to repay the company and its willingness to repay. After the loan was issued, the company successfully implemented new products.



Case Jiulongpo sub-branch helped small & micro businesses achieve leapfrog development

Chongqing Le-Mark Ceramic Technology Co., Ltd. was established on November 27, 2003. The company's main products are high-temperature, corrosion-resistant full-ceramic heating element research, development and production, and has a number of domestic and foreign invention patents. At present, the company has taken cooperation orders from the world's top 500 companies such as Hillco and Woodstream Group of the United States. However, due to the large initial investment and long development cycle, it has advanced a lot of research and development expenses. Moreover, the company's owner is a Canadian-Chinese and has not purchased real estate in China, so it lacks collateral and has narrow financing channels. After conducting on-the-spot investigations, the Bank found that the product has huge market potential and strong market competitiveness. The Bank actively intervened to connect with the Municipal Science and Technology Commission and Jiulongpo Hi-tech Zone. While the company did not provide any collateral guarantee, it issued a RMB 2.4 million credit worth of scientific and technological enterprise-valued credit for the company, thus solved its "extremely urgent". In addition, the loan with the amount of RMB 2.4 million implements the benchmark interest rate, thus helped the company to save nearly RMB 70,000 in financing costs. After obtaining this loan, the company's sales revenue increased by 5 million in 2 months, and its new contract orders amounted to more than RMB 50 million. It is expected that the sales revenue will be able to break through from RMB 30 million in 2017 to RMB 60 million. Thanks to the timely loans, the company has achieved leaps and bounds.



Serving the Purpose of Guaranteeing People's Livelihood

In 2017, the Bank gave priorities to loans for industries relating to people's livelihood, such as hospitals, schools and utilities, took actions upon national industrial policies to actively provide support for industries like consumption, medical care, education, healthcare, elderly care, infrastructure, and continued to expand the base of qualified customers to lay a solid foundation for future business development. At the end of December 2017, the balance of loans to the people's livelihood of the Bank was RMB 35.411 billion, an increase of RMB 4.286 billion over the beginning of the year, an increase of 13.77%.

Support for the Development of Medical Services

In 2017, the Bank targeted its financial service primarily at public hospitals with brand advantage and standardized management, and offered appropriate support to private hospitals with certain brand effect and strong expertise. Additionally, it enhanced the support for medical customers in all regions through measures like lowering interest rate, simplifying procedures, speeding up the approval process and providing "fast track" for medical customers by means of "bank-hospital pass". At the end of 2017, the balance of loans to the medical and health industry of the Bank was RMB 4.051 billion, an increase of RMB 981 million over the beginning of the year, an increase of 31.95%.

Case Extended credit to The GENER Hospital to provide better medical conditions

The Third Affiliated Hospital of CQMU (GENER Hospital) is located at the prime location of "Chongqing City's first opening to the outside world - Yubei District" and serves as a regional medical center serving more than 1.8 million people. The hospital is a non-profit, new mixed ownership hospital jointly established by Chongqing Medical University and Chongqing GENER Medical Equipment Co., Ltd. In December 2017, for the third affiliated hospital of CQMU, which had just been opened for one year, the Bank successfully extended credit to the hospital with RMB 300 million in only two weeks, and solved the problem of hospital financing in a timely and effective manner. The Bank's investment in credit funds has effectively solved the problem of liquidity in the hospital, enabling it to expand its medical service capabilities as soon as possible, satisfying the growing demand of people for medical services and helping its rapid development.



Support for the Development of Culture and Education Industries

The Bank insisted on the general credit policy of “proactive support for privileged customers with reinforced management” to extend more credit loans to public universities/colleges and professional training institutions with financial strength, strong expertise and sound ability to continue as a going concern, and actively support and strengthen the efforts on the marketing for education-related customers. As of the end of 2017, the balance of loans supporting education stood at RMB 3.279 billion, and the balance of loans supporting culture industry stood at RMB 2.218 billion.

Case Support the construction of the Yangtze Normal University

Founded in 1931, the Yangtze Normal University is a direct full-time institution of higher learning under the Education Commission of Chongqing Municipality and shoulders the dual tasks of basic education, economic and social development in Chongqing. In order to maintain a good development trend, the college has formulated a short-term and medium-term development plan, and will build a new campus as the school's top priority. At present, the Bank has established a relatively stable cooperative relationship with the Yangtze Normal University and actively supports the development of high-quality universities.

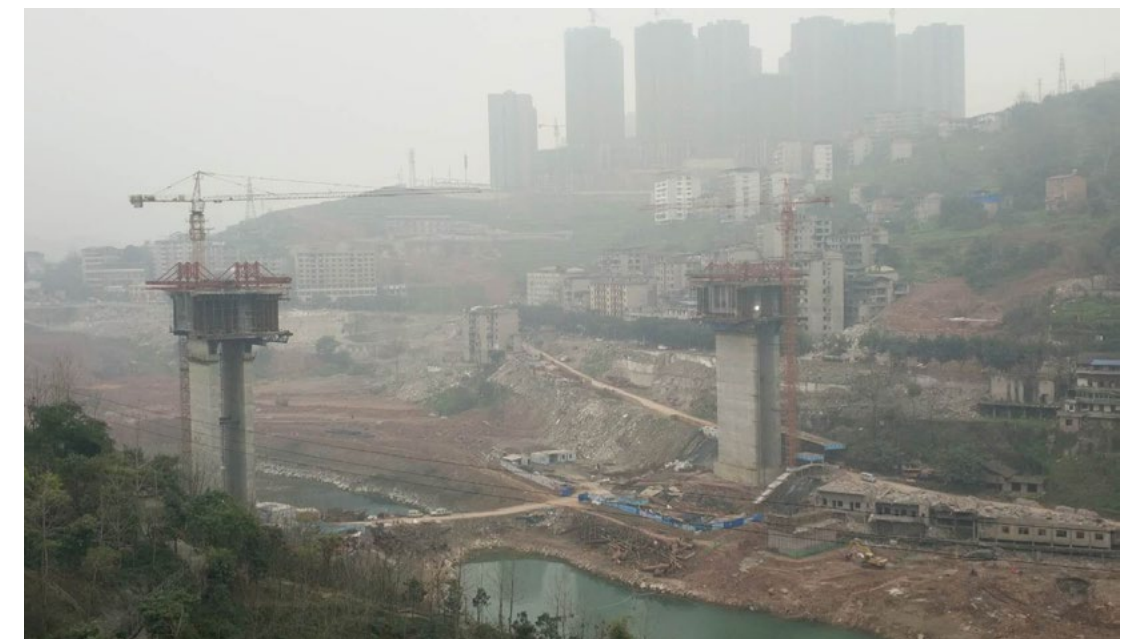


Support for Affordable Housing Projects

The Bank adopted the credit policy of “active involvement and prioritized support” for affordable housing projects to provide various financing products like working capital loans, fixed asset loans, factoring, bonds and structured financing. As of the end of 2017, the balance of loan for Bank's guaranteed housing was RMB 495 million, of which, the balance of loan for the shanty-town reconstruction was RMB 400 million, and the balance of loan for public rental housing (including low-rent housing) was RMB 95 million.

Case Support urban infrastructure

In April 2017, the bank entrusted Chongqing Tongwang Investment Development Co., Ltd. with a credit of RMB 900 million in the “MINGYUXI Zhongxian Shantytown Renovation Phase I” project. Currently, it has accumulatively used RMB 400 million for a loan term of 10 years. The construction content of this project include: total 36,000 square meters of renovation of old houses; 5,603 meters of new urban roads; one new bridge and 40,000 square meters of new resettlement houses. At present, the renovation of the project crisis room has been completed, the municipal road construction involved in the project is in progress, the resettlement houses have been completed, and the project is proceeding smoothly as expected.



Support for the Construction of Social Security System

The Bank acts as the sole agent of social endowment insurance of urban and rural residents in Chongqing and is committed to promoting the establishment of urban and rural social security system covering all areas of the city. In October 2017, in response to the requirement of improving public service system put forward at the 19th National Congress of the Communist Party of China, the Bank successfully launched the mobile POS for paying urban and rural cooperative medical insurance contributions, APP of Chongqing Rural Commercial Bank and “online” payment channel of WeChat banking service, which was in line with the mainstream trend of “internet + social security” and effectively addressed the risk of manual operation on the contributions of urban and rural cooperative medical insurance. Wanzhou District was selected as the pilot area for these newly-developed functions. Thus, the Bank had become the first bank in Chongqing that realized online payment of urban and rural cooperative medical insurance contributions.

Taking Environmental Responsibilities and Promoting Green Development

- ◆ Green Credit
- ◆ Green Public Services
- ◆ Green Operation



Green Credit

In 2017, keeping up with the national green development strategy, the Bank issued the *Guidelines on Developing Green Credit* to actively practice the concept of green operation, establish incentive mechanism for green credit through guiding the resource allocation, open green channel of credit extension to green credit projects, and address the excess capacity with financial leverage. In terms of environment, the Bank sought to establish long-acting mechanism for environmental protection to promote green transformation, accelerated the innovation of green financial products, and advocated exploring high-quality projects bank-wide in industries relating to environmental protection, energy-saving and emission reduction and clean energy, thus promoting harmonious and sustainable development of economy and environment in a practical way. As of the end of 2017, the loan balance of green-credit policy is 11.425 billion, the increase loan is 0.888 billion.

Opened green channels

- Formulated the *Guidance on Credit Positioning for 2017* to differentiate credit projects with priority, and projects that should be carefully examined or that should be streamlined or withdrawn from.
- Implemented differentiated and dynamic policies on credit extension for green credit projects based on the principle of releasing loans to some projects while limiting others.
- Relaxed limits on credit extension of green credit projects that met our basic entry criteria and opened green examination and approval channels for them.

Reduced financing costs

- Adopted preferential policies on interest rates for green credit projects.
- Adjusted interest rates for qualified customers based on the fluctuating marketing environment.

Optimized credit structure

- Positively positioned the environmental protection industry and encouraged aggressive expansion of credit market in the industry.
- Promoted healthy adjustment to the bank-wide credit structure.
- Used a range of financing methods in a comprehensive manner to fully support the development of leading enterprises.

Imposed stringent restrictions on industries with "High Pollution, High Energy Consumption, and Overcapacity"

Imposed stringent restrictions on loan increment and existing loans, and effectively controlled the loan scale for industries with "High Pollution, High Energy Consumption, and Overcapacity" in response to the domestic supply-side structural reform.

Prevented environment risks

Strictly enforced the "one-vote-down system" in terms of environmental standards, included the compliance with environmental protection laws and regulations into one of the essential conditions for loan approval, and uncompromisingly denied access of projects failed to meet environmental requirements.

Case Support companies dealing with polluted water

Chongqing Environmental Protection Investment Co., Ltd. is an integrated enterprise designated by the Chongqing Municipal Government that is responsible for the "investment, construction, management, and transportation" township polluted water treatment facilities in the city. The plan involved 1584 township sewage treatment facilities, covered 1,558 villages and towns, dealt with 1.26 million tons per day and invested RMB 11.2 billion. The construction and operation of the company's projects play a strong driving role in environmental protection and improvement of townships. When the company was established in 2015, the bank actively cooperated with it on an agreement, and actively tracked the company's establishment and project implement. In 2017, according to the capital requirements, the bank gave the company RMB 500 million credit to meet its daily operating expenses.



Case Kaizhou Sub-branch supported green finance

ZihaiYuntian Herb Garden of Kaizhou District DaYakou Agricultural Development Co., Ltd. is located at the junction of Kaizhou and Wanzhou - Changsha Town, Jianshan Village. It is close to Tiefeng Mountain Dayakou National Forest Park. It has beautiful natural scenery and beautiful ecological environment. It is a municipal-level demonstration sites for leisure agriculture and rural tourism including agro-planting, processing, specialty catering, entertainment, camping, wedding photography, and leisure and health promotion. It was successfully promoted to a 3A scenic spot in 2016. In September 2017, the Kaizhou Sub-branch issued a loan of RMB 7 million to Dayakou Agricultural Development Co., Ltd. for the standard farmland construction project for the construction of farmland, and plans to build 1750 mu of high-standard farmland, mainly including the repair and maintain of water conservancy, roads, agriculture, and forestry. After the completion of the project, the main products are three major categories: tourism and tourism services, vanilla bonsai, and vanilla essential oils. The construction of high-standard farmland projects can better improve the living conditions in the project area and restore the ecological environment as well. At the same time, the agricultural structure adjustment and optimization can be further promoted, and the characteristic benefit agriculture can further develop.



Case Support the development of energy-saving service companies

BlueHorizon is a national energy service company dedicated to high-tech and software. The core technology of the products has obtained 24 national patents, 5 national software copyrights, and provided energy-saving service for more than 500 large-scale projects. The bank has cooperated with the company for 3 years. In 2017, the bank approved a loan of RMB 12.5 million to support its development through the “Zhubao Loan + Bianjie Loan”.



Green Public Services

In 2017, the Bank continuously took an active part in environmental activities, promoted green public services, took part in such activities as tree planting, volunteer sweeping, fulfilled the social responsibilities of the corporate and improved the social image of the bank with practical actions of cleaning homeland and protecting the ecological environment.

Case The “green planting” item activity of Wanzhou Sub-branch

To fulfill the social responsibility of the corporate, motivate the employees’ enthusiasm of taking part in the ecological environment and constructing a wonderful homeland, the Wanzhou Sub-branch organized more than 30 party members to a tree planting activity in the local community.



Green Operation

In strict accordance with relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Law of the People's Republic of China on Conserving Energy*, the Bank continued to lay emphasis on energy-saving and emission reduction in 2017, and increased the input in environmental protection year by year. In proactive response to the national policy on developing low-carbon economy and upholding the concept of low-carbon and environmentally friendly operation, the Bank strived to realize green operation through standardizing routine business, and insisted on reducing energy consumption and waste emission with practical actions like enhancing employees’ awareness of environmental protection through trainings and increasing the publicity of green development and environmental protection.

Energy conservation and emission reduction

- Installed waste gas treatment equipment in canteens.
- Replaced lightings in public corridors with those featured by lighting control in daylight and infrared induction at night.
- Equipped special screens for teleconferences in the conference centers to cut unnecessary consumption on business travel.
- Promoted paperless voting to reduce the quantity of paper used.
- Replaced power supply of high energy consumption with river water source in the Head Office Building.
- Implemented the smart printing system that linked accounts and passwords of employees to avoid waste of paper.
- Turned off electric equipment after work and lights before leave.
- Posted power and water conservation marks to strengthen energy saving consciousness.

Green reconstruction

- Reduced waste of materials by choosing reasonable plans for local reconstruction or overall decoration.
- Improved “hard environment” at outlets to build green outlets by focusing on environmental protection and exerting stringent control on environmental pollution.
- Employed specialized companies to detect and improve the quality of indoor air.
- Ceased noisy operations during the statutory period.

Waste management

- Managed non-hazardous waste following the principle of reducing quantity, recycling, hazard-free treatment and comprehensive utilization and in a way that the property management company played the leading role, owners got actively involved, suppliers assumed relevant responsibilities and the specialized company collected waste on a daily basis.
- Managed hazardous waste by specially-assigned persons and recycled by qualified third parties employed.

Case The project on Jiang shui yuan heat pump cooling and heating centralized

The CBD area of Jiangbei City is the only intersection of two rivers in Chongqing. Its geographical location is superior and natural conditions are excellent, which makes it positioned as an advanced business center area and financial center. In order to create an urban area that saves energy and resources, reduces emissions, and environment friendly, the project makes full use of the natural resources and adopts a regional energy service system. The cooling plan in summer uses the form of “electric cooling + Jiang shui yuan heat pump + ice storage”, and the heating plan in winter adopts the form of Jiang shui yuan heat pump. The project has set up No. 1 and No. 2 energy stations in three phases with a total investment of RMB 1.4 billion. It can provide air-conditioning cooling and heating sources for public buildings totaled approximately 4 million square meters in Area A and B of Jiangbei City. At present, this system is the largest regional energy system using Jiang shui yuan heat pump in China. In summer, the temperature of cold water can be divided into two parts. One is from 8:00 to 23:00, and water supply is at 3.5°C/backwater is at 13°C, the other is from 23:00 to 8:00 the next day, water supply is at 5.5°C/backwater is at 13°C. In winter, temperature of heating hot water is at 42 °C /backwater is at 35 °C.

2017 Environmental Indicators

Environmental Performance

Unless otherwise stated, the statistical basis of environmental performance herein covered the head office and central downtown sub-branches of Chongqing Rural Commercial Bank Co., Ltd. , the remaining institutions will join the statistical scope in due course.

1. Emission Data1

Indicator	Performance
Sulfur dioxide (tons) ²	0.003
Nitrogen oxides (tons) ³	0.11
Total Greenhouse Gas Emissions (tons) ⁴ (Category 1 and Category 2)	20377.91
Per capita GHG emissions (tons/person) (Category 1 and Category 2)	4.72
Greenhouse gas emissions per square meter of floor area (tons/m2) (Category 1 and Category 2)	0.07
Direct emissions (Tons) (Category 1)	705.28
Official vehicle consumption ⁵	397.12
Facility diesel ⁶	0.86
Natural gas	307.30
Indirect GHG emissions (Tons) (Category 2)	19672.63
Procured electricity	19672.63
Total hazardous wastes (tons) ⁷	8.18
Total hazardous wastes per capita (tons/person)	0.002
Total hazardous wastes per square meter of floor area (tons/m2)	0.00003
Total non-hazardous wastes (tons) ⁸	559.19
Non-hazardous wastes per capita (tons/person)	0.13
Non-hazardous wastes per square meter of floor area (tons/m2)	0.002

Notes:

1. Since the emission data and energy and resource consumption data in the equipment room cannot be measured separately, the Bank’ s greenhouse gas emission intensity per capita and floor area per square meter, intensity of hazardous waste emissions, emission intensity of non-hazardous waste, energy consumption intensity and daily water consumption intensity include office area and computer room.
2. The sulfur dioxide emissions come from official vehicle fuel consumption, and the data of sulfur dioxide emissions is calculated according to the *Technical Guidelines for the Preparation of Air Pollutant Emission Inventory for On-Road Motor Vehicles* (Trial) issued by the Ministry of Environmental Protection of China.
3. The nitrogen oxide emissions come from official vehicle fuel consumption, and the data of nitrogen oxide emissions is calculated according to the *Technical Guidelines for the Preparation of Air Pollutant Emission Inventory for On-Road Motor Vehicles* (Trial) issued by the Ministry of Environmental Protection of China.
4. The GHG inventory includes carbon dioxide, methane and nitrous oxide, which are mainly derived from purchased electricity and fuel, and GHG are presented in CO2 equivalent, and are calculated based on the *2015 China Regional Power Grid Baseline Emission Factors and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories* issued by the Intergovernmental Panel on Climate Change (IPCC).

5. Official vehicle consumption includes Official vehicle consumption gasoline and Official vehicle consumption diesel.

6.Facility diesel refers to diesel used by backup generators.

7.The hazardous wastes involved during the operating are submitted to qualified professional companies for disposal, which mainly include waste lead-acid batteries, printing equipment waste ink cartridges, waste toner cartridges and waste toner. In 2017, no waste lead-acid batteries were produced.

8.The non-hazardous wastes as referred to in this report are sent to the recycler for disposal, which mainly include discarded office waste and discarded office paper. Among them, the office wastes of the central downtown sub-branches of Chongqing City are uniformly handled by the office area property, and cannot be measured separately. We have estimated it based on the *First National Survey of Pollution Sources Handbook of Urban Living Source Sewage Coefficients* issued by the State Council.

2. Energy Consumption Data

Indicator	Performance
Total energy consumption (MWh) ¹	33425.34
Total per capita energy consumption (MWh/person)	7.74
Energy consumption per square meter floor area (MWh/m2)	0.12
Direct energy consumption (MWh)	3196.95
Official vehicle fuel consumption	1622.10
Facility diesel	3.26
Natural gas	1571.59
Indirect energy consumption (MWh)	30228.39
Procured electricity	30228.39
Procured electricity power consumption of the Head Office (MWh)	11287.24
Daily water consumption (tons) ³	189397.53
Daily water consumption of the Head Office ⁴ (tons)	47285
Indirect energy consumption (MWh)	43.86
Water consumption per square meter of floor area(tons/m2)	0.69

Notes:

1. The energy consumption data in this report is based on the electricity consumption and relevant conversion factors as provided in the *General Principles for Integrated Energy Consumption Calculation (GB/T 2589-2008)* issued by the General Administration of Quality Supervision, Inspection and Quarantine of the People’ s Republic of China and the Standardization Administration of the People’ s Republic of China, mainly include electricity, natural gas, official vehicle fuel consumption and facility diesel.
2. Procured electricity power consumption of the Head Office includes the procured electricity power consumption of Chongqing Rural Commercial Bank Tower, Tongchuang office area, Erlang office area, and Shuixing office area.
3. Daily water consumption include tap water and reclaimed water.
4. Daily water consumption of the Head Office includes the daily water consumption of Chongqing Rural Commercial Bank Tower, Tongchuang office area, Erlang office area, and Shuixing office area.
5. The data of packing materials does not apply to the bank.

Fulfill Social Responsibility and Achieve Harmonious and Win-win Situation

- ◆ Customer Services
- ◆ Employee Growth
- ◆ Responsibility for the Community



Customer Services

The Bank adhered to its mission of “Customer Services” , focused on customer, expanded the business channel, revised financial service function, guaranteed financial service quality, strengthened the information protection, protected the rights and interests of consumers, and took an all-round service improvement in the financial service level.

Improve Service Channels

To service customers better, the Bank expanded service channels in all-around way, optimized service procedures, improved service concept, innovated service means, and strived to meet the financial needs of customers at all levels, created a more intimate service environment for customers.

Full coverage of physical outlets

Established 1,777 physical business outlets in all villages and towns and 38 districts and counties in Chongqing, with 1,462 outlets located in counties, aimed at making basic financial services more accessible to residents living in the counties.

Establishment of new outlets for regular services

Set up another 126 outlets for regular services in villages and towns in 2017 based on the economic development foundation and needs of financial services in rural areas, and thus saved manpower of more than 100 staff.

Establishment of “Financial Self-service Stations” in rural areas

Set up 564 rural “Financial Self-service Stations” in remote towns and realized the full coverage of rural finance services.

Purchase of mobile banking service vehicles

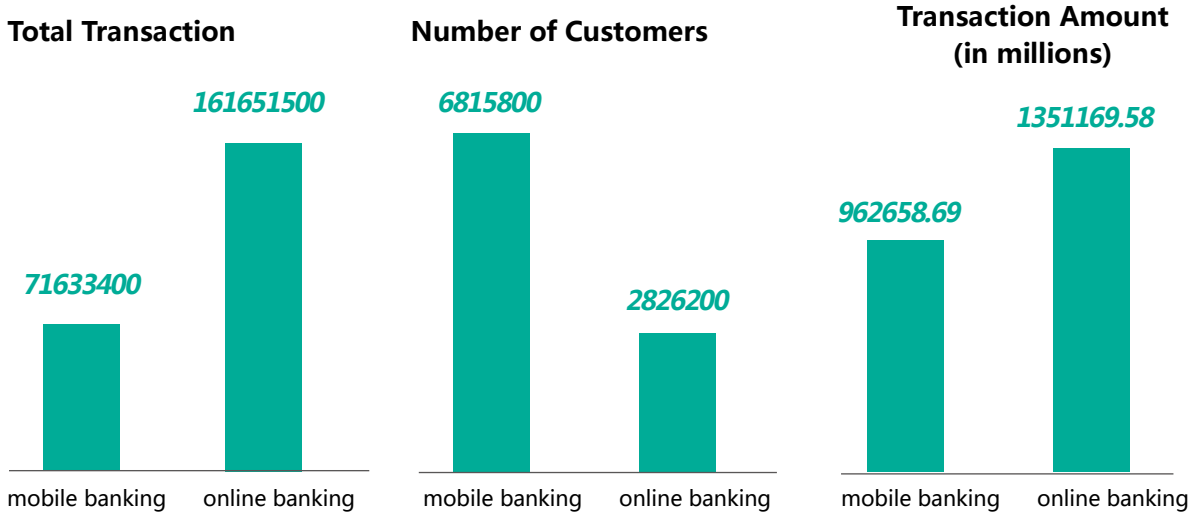
Purchased 3 mobile banking service vehicles to provide mobile finance services in counties, thus effectively extended the service radius of business outlets and improved the Bank’s corporate image among the public.

Improved development of self-service machines

Possessed 4989 self-service machines, including 4,030 self-service machines for cash business and 959 self-inquiry terminals by the end of 2017, with the proportion of machines to outlets reaching 2.81: 1.

The Bank has gradually developed an electronic internet banking system with omni-channel and full-function, which integrated services like corporate internet banking, corporate mobile banking, enterprise capital management, direct bank-business connection, personal online banking, personal mobile banking, “Jiangyuer” internet banking, “Jiangyuhui” consumption service platform and WeChat banking. It gave full play to the advantages of solid electronic internet banking to build the internet banking platform, and increased the use of the Bank's e-banking products by customers through enriching e-banking products and improving the function of e-banking. In 2017, the electronic channel account transactions substitution rate of the Bank hit 90.12%, representing an increase of 2.45% on a year-on-year basis.

Mobile banking	<ul style="list-style-type: none">Pursue innovation and development, and successively implement convenient services including the mobile phone card encrypted message authentication, integral online consumption, no bank card withdrawals, traffic fines, ETC online payment, car insurance online payment, oil card inquiry and activation, road rescue, outlet appointment and hospital registration.Realize the UnionPay QR code payment and person-to-person payment
WeChat banking	<ul style="list-style-type: none">Implement enterprise WeChat bank to provide convenient services and information acquisition channel by functions including WeChat bank and enterprise reconciliation, billing inquiry, to-do notification, business guidance, and etc.
Online banking	<ul style="list-style-type: none">Enterprise online banking has successfully promoted the direct connection between the public resource trading center and the large customers in district and county, and further promoted the comprehensive service level of enterprise customers.Personal online banking actively promotes the customer experience, strengthens the security of online banking, and constantly enrich product functions to meet the multi-level and diversified financial service needs of customers.Continuously strengthen the risk control of online payment business, deepen cooperation with third-party payment institutions, and improve the level of risk control of fast payment.The WeChat withdrawal function has been opened through the Nongxinyin channel, which has improved the experience of customer card and is conducive to the absorption of deposits.
Internet Finance Platform	<ul style="list-style-type: none">Continuously optimize the “jiangyuhui” platform, launch the “jiangyuhui” interface version 3.0, and improve the user experience.Through official website and mobile phone network bank channel, Jiangyuer online bank provides financial services such as Jiang Yu fund-of-funds products, fund products, intelligent deposit products, life expends, the loan application.
Mobile Integrated Terminal	<ul style="list-style-type: none">Start the Mobile Integrated Terminal platform 3A services phase ii project construction, and increase online financial product risk assessment, intermediary business withhold signing, “Jiang Yuhui” user application, financial product subscription, personal consumption loans, mortgages, car loans, and other functions.





Improved Service Quality

The Bank successively formulated a series of standards and regulations including the *Operating Instruction on Compliant Handling for Customer Service Centers*, the *Operating Instruction on Compliant Handling for Business Outlets*, the *Administrative Measures for Publicity and Education of Financial Expertise* and the *Rules for Implementation of Complaints Analysis*, allowing further standardized management for protection of consumers' rights and interests and improvement of service quality. Relevant service departments in the Bank were required to:

- Positively handle complaints fed back by regulators. Timely follow up complaints fed back by Chongqing-based Business Administration Department of the People's Bank of China, Chongqing Office of China Banking Regulatory Commission and Chongqing Banking Industry Consumer Complaint and Dispute Mediation Center to make sure that every single complaint is properly addressed.
- Handle customer complaints directly received by the Bank's customer service center. Timely handle complex and significant complaints that are difficult to settle and received by the Bank's customer service center in collaboration with appropriated lines of business, departments, branches and sub-branches; thoroughly analyze the bank-wide complaints using the complaint tracking and management system based on the analysis by the customer service center and apply the analysis results to improve internal control and manage compliance risks.

Over the year

the Bank handled complaints in total

5065

with the customer satisfaction reaching

99.70%

Guarantee of Business Outlet Security

In strict compliance with the *Security Requirements for Bank Commercial Premises* (GA38-2015), the Bank attached great importance to the construction of emergency management system, issued and implemented emergency management systems like the *Administrative Measures for Emergency Response* and the *Overall Response Plan for Emergencies*. In addition, safety trainings and fire drills were conducted to improve employees' ability of handling emergencies and further enhance their awareness of safety and security.

Protection of Customers' Rights and Interests

In 2017, the Bank continued to guide customers to make rational investment and consumption, actively made innovation on information security and inclusive financial systems, and implemented relevant work of protecting consumers' rights and interests.

Regarding the security of customer information, the Bank has developed and put into use the disaster recovery mode of "Three Data Centers Built in Two Locations". Under the guidance of relevant laws and regulations and regulatory authorities, it improved its consumer information security systems by formulating the *Administrative Measures for Protection of Customers' Rights and Interests*, the *Administrative Measures for Data Security* and the *Administrative Measures for Protection of Personal Financial Information*, for which specified measures to protect the security of consumers' information and ensured the information security in a technical way. Its "Demonstration Project of Security Dynamic Monitoring on Commercial Banks' E-banking / Mobile Financial Systems" won the third prize of Scientific and Technological Progress Award by the People's Bank of China in 2016.

In terms of strengthening product innovation management, the Bank practiced the "customer-oriented" service concept and developed systems regulating product innovation, such as the *Administrative Measures for Product Innovation* and the *Rules for Implementation of Product Innovation in New Business*. Besides, it also sorted out product innovation process and enhanced the sense of responsibility and risk awareness to ensure innovated products satisfy the market demands and meet regulatory requirements at the same time.



Hierarchical dynamic management and proactive risk assessment	Formulated the <i>Administrative Measures for Financial Products</i> and the <i>Administrative Measures for Sale of Financial Products</i> to assess risks and complexity of financial products and services and implement hierarchical dynamic management, and took the initiative to assess the risk resistance of customers.
Specific risk alarms and standardized sale of products	Developed the <i>Administrative Measures for Video and Audio Recording in Sales Sections</i> to specify key transaction information and relevant risk alarms of products.
Improved management of advertisement and stringent control on approval	Established a framework for advertisement to raise standards for advertisement approval and improve the review process. Took risk control measures during the whole process to avoid misleading customers.

Work measures for protection of customers' rights and interests

Robust system for protection of customers' rights and interests	Preliminarily established an organizational structure for protection of customers' rights and interests, which comprised the decision-making system, the supervisory system and the executive system.
Improved rules and regulations for protection of customers' rights and interests	Successively formulated a range of rules and regulations including the <i>Administrative Measures for Protection of Customers' Rights and Interests</i> , the <i>Operating Instruction on Compliant Handling for Customer Service Centers</i> and the <i>Administrative Measures for Publicity and Education of Financial Expertise</i> .
Making solid efforts to pursue "audio and video recording" in sales sections	Formulated and issued the <i>Standard Manual for Construction of Business Outlets of Chongqing Rural Commercial Bank - Application Specification for Financial Sections</i> , the <i>Standard Manual for Construction of Business Outlets of Chongqing Rural Commercial Bank - Application Specification for Audio and Video Recording Signs in Sales Sections</i> and the <i>Service Specification for Audio and Video Recording in Sales Sections of Chongqing Rural Commercial Bank</i> , selected optimal audio and video equipment and suppliers and achieved full coverage of audio and video recording in sales sections of outlets providing financial services and agency sale.
Boosted efforts to disclose information	Drafted and revised the marketing language for insurance, funds and other products with the professional consultancy employed, supplemented and completed information disclosed on the inquiry platform and posted evident signs reading conspicuous characters on specified positions in the sales sections to remind customers of the query path to product information.
Improved trainings on protection of customers' rights and interests	Set up internal training plans to make coordinated efforts to protect customers' rights and interests and employed the Bank's legal adviser to further carried out thematic trainings on the <i>Law of the People's Republic of China on the Protection of Consumer Rights and Interests</i> and the <i>Advertising Law of the People's Republic of China</i> for the purpose of disseminating legal knowledge in this regard.
Optimized performance assessment concerning protection of customers' rights and interests	Drew up work plans for protection of customers' rights and interests and improved the internal business performance assessment system aligned with the importance of protecting rights and interests of customers in banking industry.

Case Organizing Contract Review and Consumer Protection training

The bank focuses on enhancing the professional skills of legal compliance personnel, improving the quality of contract review, and preventing legal risks in contract signing, performance and management. In addition, the bank continues to strengthen the protection of consumers' rights and interests, while trying to avoid the false publicity and negative consequences that may appear in the advertising campaign. On October 26, 2017, the bank invited the lawyer of Zhonghao law firm, Ms. Li shasha, to conduct the training of the



"Contract review practice and the modification highlights of advertising law" for the relevant personnel. More than 100 people from all departments of the head office and main cities branch attended the on-site training. About 1000 people including the heads of the branches and village banks, the leaders and office personnel of the functional department, and the director of the primary division have attended video training. The bank will further collection of grass-roots staff opinion or the suggestion, to continue a targeted for legal theoretical knowledge and practical training, and constantly improve the compliance management consciousness, so as to guard against legal risks.

Case "Financial Consumer Rights Day on March 15th" promotion campaign

At the advent of "World Consumer Rights Day" on March 15th, multiple branches of the bank promoted the knowledge of financial consumer rights and interests to the surrounding residents through various forms, and explained risk identification to the public, which were the bank's social responsibility as a local financial institution.



Since the starting of "Financial Consumer Rights Day on March 15th", Zhongxian Sub-branch has organized 183 persons from 60 offices to carry out 61 sessions of "Financial Consumer Rights Day on March 15th". And more than 20,000 copies of promotion materials were distributed, and more than 5,500 people studied how to prevent financial risks. In the activity, employees of the branch went into places and markets where the elderly were concentrated, and popularized the new ways to recognize and prevent financial fraud to public.

Case Promote financial knowledge and enhance information security awareness

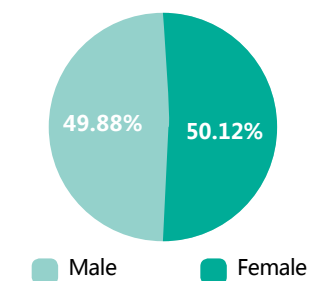
Chongqing Rural Commercial Bank actively responded to requirements and guidance for information security from regulatory departments. In 2017, by means of a variety of visiting schools and communities, and promoting to customers in different ways, the bank helped clients form a good habit of using financial services and improved their information security awareness through promoting.



Employee Growth

The Bank always practices the strategy of "arming our bank with talents", actively explores new mechanisms and new measures for human resource allocation, incentives and constraints in new economic situation, and delivers efforts on reform & innovation, structural optimization and quality promotion, in an attempt to encourage employees to grow and develop together with the Bank. As of the end of 2017, the number of employees across the Bank is 15,892, including male employees 7,927 and female employees 7,965.

Proportion of male and female employees



Employees' Rights and Interests

Building harmonious employment relationship

The Bank firmly follows the *Labor Law of the People's Republic of China* to fulfil its salary payment obligation and safeguard employees' rights to get paid for their labor delivered, implement provisions on working hours, public holidays and paid annual leave to ensure employees' rights to take rest and holidays. In addition, the Bank seriously implements the *Social Insurance Law of the People's Republic of China* to make contributions of social insurance for employees, and provides welfare like supplementary medical insurance and physical examination, to ensure employees enjoy their rights to be covered by social insurance.

Managing employees by laws and regulations

The Bank strictly observes the *Labor Contract Law of the People's Republic of China* and other relevant laws and regulations to manage the conclusion, performance, modification, dissolution and termination of labor contracts. Besides, it has established sound rules and regulations for remuneration, leave and attendance management and revised administrative measures for remuneration, welfare, job rotation and compulsory vacation to ensure its practices are in line with rules and regulations.

Treating employees fairly and impartially

The Bank keeps broadening its vision on introducing talents, develops mechanisms to attract and educate talents, treats all employees and candidates equally, without regard to gender, race, religion or any other discrimination, and has no child labor or forced labor.

Employee Development

Optimized organizational structure	Stepped up adjustment to organizational structure to establish an integrated management system consisting of the Department of Finance, financial service lines for small and micro businesses, the Department of Retail Finance, and the Department of Financial Market in the Head Office, as well as risk control departments, comprehensive management departments, support departments and controlling entities, providing a sound platform for employee development.
Optimized structure of the talent team	Carried out hierarchical system reform. Intensified efforts to select and cultivate talents, promoted a selecting principle focusing on performance, contribution and capability of candidates, and explored ways of establishing a mechanism for rational flow of talents to counters and marketing positions for the purpose of optimizing staff structure.
Optimized position system	Continued to expand career development channel by classifying positions into 4 sequences including management, professional technical, service handling and operation positions, with the non-management sequences further divided into 15 categories and 17 internal ranks.
Optimized training system	Established the three-dimensional training system of "online + offline" and "head office + lines of business + branch offices" to effectively protect employees' rights of occupational training, with 110000 participants in 1,834 offline trainings over the year.

Case Build a "mobile school" to enrich learning platform

The mobile learning platform (M-learning) developed by the bank is an application that integrates online courses, face-to-face classes, examinations and interactive communications. It has a lot of functions, such as micro-course learning, business studying, financial encyclopedia knowledge, information reading, results testing, information releasing, questionnaire survey, topic discussion, examinations, training, organizing and so on. The learning platform won praise from employees and was evaluated as "Chongqing Rural Commercial Bank's own mobile school".



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Caring for Employees

The Bank regards employees as its most valuable assets, and earnestly implements the system of Congress of Workers and Staff to fully guarantee employees' rights and interests and promote corporate democratic management. It cares for the physical and mental health of employees and organizes regular physical check-ups for employees. It cares for employees' work and life and build the platform to realize their values. It cares for the growth of young employees, pays great efforts to guide their ideological thoughts on caring people's livelihood and contributing to the society, promoting their growth with the development of the Bank.

Case Series of activities in the Youth Day

The four sub-branches of Dianjiang, Fengdu, Shizhu and Zhongxian jointly organized a lot of activities, such as series of activities in the Youth Day, covering "Adolescent hopes and Rural Commercial dreams" Theme Salon, "Release youth and passion" Carnival and, Firework Party, "Youth on the Way, Mini Marathon" and "Running in May, Passion Campaign" and so on. More than 220 young employees and specially invited guests were present, which fully reflected the rich cultural atmosphere and vibrant spirit of the bank.



To enrich cultural life of employees, the bank extensively carried out various cultural and sports activities, competitions of financial knowledge skills, interest groups of union, fun games and other activities, which greatly enriches the employees' amateur life, helped them relax the mind and body, reduced pressure, and refreshed spirits.

Case The art performance of employees in Spring Festival

The Bank organized the art performance of employees in Spring Festival. All the performances are based on the vivid stories about lives of employees.



The Bank persists in daily maintenance of "six basic facilities" at the grass-roots branch offices, deepens the standardized construction of transition apartments at remote outlets and strengthens the daily management of these transition apartments. Additionally, it establishes the system of party members keeping in touch with employees, maintains a smooth channel for employees to report their interest demands, and continues to pay visits to employees in difficulties, party members in difficulties and old party members. During the Spring Festival of 2017, the Bank accumulatively raised RMB 1.59 million for caring activities, among which RMB 265,000 was party membership dues and RMB 1.10 million was funds of Labor Union. Totally, the Bank purchased and delivered 1,796 pieces of materials worth RMB 270,000 for caring activities, achieving the effect of "showing care for an individual, sending warm regards to a family and thus setting a good example for a region".

Case Shizhu Sub-branch hold the "Retreated and retired staffs" Discussion

Shizhu Sub-branch paid visits to retreated and retired staffs, invited them back to the company to be introduced the achievements of the bank's reform and development, shared the reform gains with them and discussed the future development of the bank.



Responsibility for the Community

In active response to the call of central and local governments, the Bank upheld the principle of serving the society, paying back to the society and serving public needs of communities; popularized financial knowledge in a proactive way; implemented targeted poverty alleviation; played a positive role in social welfare activities and practiced the core values of socialism.

Practice of Targeted Poverty Alleviation

In combination with relevant policies of micro credit for poverty alleviation, the Bank developed and launched poverty alleviation products like "Poverty Alleviation Loan" to support the development of registered poor households in poverty stricken areas, and insisted on "five-separation principles" to ensure financial resources for poverty alleviation were in place. As of the end of 2017, the number of the poverty alleviation microfinance the Bank has issued is RMB 814 million, representing an increase of RMB 736 million over the beginning of the year.

Establishment of special poverty-relief institutions	<ul style="list-style-type: none">Established a leading group for targeted poverty alleviation, set up implementation plans and unveiled an overall framework for the way of targeted poverty alleviation, namely a tripartite structure including specific projects, the industry and the society.Set up the "Financial Service Committee of Sannong and Poverty Alleviation" under the senior management to provide policy support, product support and process support for targeted poverty alleviation and guide branches and sub-branches in poverty-stricken districts and counties to formulate financial poverty alleviation plans featured by "One County, One Policy", aimed at promoting a multi-dimensional financial poverty alleviation system.
Separated assessment incentive	<ul style="list-style-type: none">Formulated special assessment plans for financial support for poverty alleviation and agriculture;Calculated and paid performance-related payments to branches and sub-branches in poverty-stricken districts and counties that issued loans in support of poverty alleviation and agriculture based on a certain proportion of the loan interest income;Supplied a certain amount of funds to complete basic information of poverty alleviation and develop new products for poverty alleviation respectively;Calculated and paid performance-related payments to branches and sub-branches in poverty-stricken districts and counties that issued petty loans at a benchmark interest rate for poverty alleviation based on a certain proportion of the loan interest income, so as to encourage branches and sub-branches in poverty-stricken districts and counties to make contributions to targeted poverty alleviation.
Specially-developed credit plans	<ul style="list-style-type: none">Formulated special credit plans for poverty alleviation to promote industrial poverty alleviation of registered poor households in poverty-stricken districts and counties;Gave priority to micro-credit loans for poverty alleviation under the window guidance on loan scales from People's Bank of China.
Development of special poverty-relief products	<ul style="list-style-type: none">Launched "Poverty Alleviation Loan" in combination with the needs of micro-credits for poverty alleviation;17 out of 18 poverty-stricken districts and counties have signed cooperation agreements on poverty alleviation with the Bank.
Expansion of work scope of poverty alleviation	<ul style="list-style-type: none">Focused on projects supporting rural water conservancy, hydroelectric and infrastructure construction in poverty-stricken areas;Favored rural tourism industry in impoverished areas;Provided more support to the poverty alleviation programs that relocated residents living in ecologically fragile alpine areas;Applied preferential policies to business startups, employment and re-employment of poor households;Favored competitive industries including the tobacco industry, the Chinese herbal medicines industry and the citrus planting industry.

Case Petty loans supported financial poverty alleviation

Sheng Tingquan, who lived in Liuheba Group, Xujia Village, Huolu Town, had a family of five. The family was in difficulty due to the illness and worked in agriculture. He was hardworking and had talent in business. In the first half of 2017, he planted 40 acres of tobacco. In May 2017, Huolu office of Wulong Sub-branch went to the village to promote the poverty alleviation microfinance, and Sheng Tingquan applied for the loan of RMB 50,000 on 14 June 2017. The interest of loans was paid from local finance, which reduced the loan cost, increased liquidity of fund and had effect on acceleration of poverty alleviation. In addition, Sheng Tingquan increased planting projects with the loan and had planted 60 mus of vegetables. In 2017, the net income was expected to be nearly RMB 130,000.



The picture shows the cultivation of alpine vegetables



The picture shows grilled tobacco leaves

Case Wulong Sub-branch made efforts to develop financial poverty alleviation

Li Yongjiang, living in Yinchang Village, Jiangkou Town, had a family of 5 people including 3 children, who were poverty due to paying tuition. The couple was hardworking and worked in cultivation. When Huangcao office of Wulong Sub-branch went to the village to promote the poverty alleviation microfinance in May, the couple decided to apply for it to increase the scale of cultivation. They borrowed RMB 50,000 on 8 May 2017 to buy a batch of chicks, the amount of broilers and hens they purchased reached nearly 1,000. Due to supplement of the fund, Li Yongjiang purchased fodder and expanded the chicken house in time. In August, more than 300 chicken were sold to the Fairy Town Restaurant, which increased the income more than RMB 50,000, and the annual net income was about RMB 80,000.

**Case** Wanzhou Sub-branch promoted targeted poverty reduction

In order to make a good job targeted poverty reduction in Fulong Village and other towns in Wuling Town, Wanzhou Sub-branch arranged people who are in responsible to pay visits to villagers, and promoted policies face to face, understood detailed situation and solved problems. Relying on featured credit products, the bank increased financial support for poverty reduction, urged on the transformation and upgrading of rural industrial structure, and did a good job of poverty alleviation through multiple dimensions including policies, emotions, and financial assistance, which got highly recognition from the helping town (township), village group and object.



During the poverty alleviation work of Fulong Village, Wuling Town, Wanzhou Sub-branch gave different guidance on different families, promoted spirits of serving the masses and working hard, and provided assistance to 209 disadvantaged people. The Bank issued 7 copies of the poverty alleviation microfinance loans amounting to RMB 280,000, actively promoted cooperation with Chongqing Agricultural Guaranty Co. and deeply studied "primary, secondary and tertiary industrial" integrated development loan program in countryside. The bank has reserved 19 "primary, secondary and tertiary" integrated loan projects adding up to RMB 3.5 million.

Case Changshou Sub-branch made efforts to develop financial poverty alleviation

Changshou Sub-branch enhanced the sense of responsibility, mission and urgency of financial poverty alleviation work, strictly implemented policies, steadily promoted issuance and management of poverty alleviation on microfinance which was the work focus, and at the same time, made focus on poverty assistance. Seven branch secretaries helped nine disadvantaged families in Longhe Town. They visited these



families every season to find causes of the difficulties and provide proper assistance. The bank brought 400 chicken along with chicken feed to the nine families to help them make fortune, and sent quilt worth 42,000 yuan to 70 students of Lewen Primary School in remote area to help students get through the winter.

Case Chengkou Sub-branch supported disadvantaged families to make fortune

When Chengkou Sub-branch learned that there were four disadvantaged families wishing to build Bayu homestay to increase their income, the bank firstly issued loans used for homestay in order to make “demonstration effect” of “blood transfusion + hematopoietic” financial poverty alleviation. After getting the loan, Liu Qishuang couple’s Xiaaosu Bayu homestay soon opened and the business was booming. The net income of the first year exceeded RMB 30,000, which changed the situation in which the family had difficulties in making ends meet.

**Case** Innovate Personal Student Loans

With Sinosafe Property Insurance Co., Ltd. and Shenzhen QianhaiJingRui Financial Services Co., the bank jointly developed a personal student loan product that is substantially different from the current campus loan products, and with a lower threshold to meet the student’s funding needs for education, the loan period is as long as 10 years. There is no need to repay any principal during the period from school to graduation, which will reduce the repayment pressure. The product has ensured the rights of university students to equally receive education and had good social benefits. As of December 31, 2017, 363 students had been supported, 1,301 copies of loans had been issued and the amount of loans was RMB 2,771,600 with a loan balance of RMB 2669500. With the development of the business, the scale of the project will continue to expand.

Promote Financial Knowledge

The Bank actively organized outlets and employees to continuously conduct the campaigns “Popularity of Financial Knowledge to Households” through various ways, including setting up promotion points, delivering publicity at outlets, villages, workplaces, communities, gathering places of migrant workers and campuses, oriented towards workplaces, markets, communities, villages, towns, and gathering places of workers in an effort to let community masses have access to financial knowledge, popularized financial education, helped them understand the legitimate rights and interests of its own and strengthen the responsibility consciousness of financial consumption risk. As of the end of 2017, the Bank had held a total of 5,218 sessions of the publicity of financial knowledge with 487,859 person-times involved, and distributed 500,000 copies of publicity materials.

Case The activity of “Financial knowledge promotion month”

To promote the spirit of the Notice on organizing ‘Financial knowledge promotion month’ and ‘Popularize financial knowledge to public’ for 2017 (Rural and Commercial Bank Compliance Management Email in Chongqing[2017] No. 60), the Bank has invested a lot of person and material, widely promoted the activity and actively organized the activity of “Financial knowledge promotion month”, hoping to increase the importance that the whole society attached to the protection of the legitimate rights and interests of consumers and consumers’ understanding of financial products and service. The bank selected more than 300 preachers and established over 100 financial knowledge promotion groups. In the activity, the bank organized 1,855 promotion activities of “Financial knowledge promotion month”. More than 6,500 employees were involved, 823,830 promotion materials were distributed, 42,521,368 text messages were sent, and two WeChat essays were clicked more than 2,000 times. About 300,000 consumers participated in the activity, 438,750 public service advertisements were broadcast, media coverage was reported seven times, and 78 reports were submitted to regulatory authorities and relevant governments.



Case Promoted financial knowledge to schools

To implement the *Guiding Opinions on Completely Doing a Good Job in Poverty Alleviation and Development of Financial Service* (Yinfa [2014] No. 65), One first-level volunteer and 11 second-level volunteers from Pengshui Sub-branch actively participated in the "Jinhui Project" which aimed at promoting financial knowledge in the county. The first-level volunteers organized an activity to promote financial knowledge in the theme of "Spread Jinhui Love in school and assistant youth talents" in the Pengshui First Middle School. More than 300 teachers and over 1,000 student representatives attended the event and the volunteer which brought an interesting financial promotion course for students.



Taking Part in Public Services

The Bank took an active part in public services and charitable activities, organized all employees to participate in various voluntary activities like "in-pair" assistance, helping the aged and the disabled, financial donations and voluntary blood donations, and advocated caring for people's livelihood and contributing to the society with concrete actions.

As of the end of December 2017, the annual public charity of the bank totaled RMB 5,211,100. The public charity project covered 24,329 person-times, the volunteers added up 3,119 and the activity duration was 2,924 hours.

Case "Warm hearted ways to the hometown" voluntary action of the Spring Festival travel

By the Spring Festival of 2017, the bank had consecutively organized four times of "Warm hearted ways to the hometown" voluntary action. More than 400 employees joined in the volunteer team and went to bus stations and train stations to provide helpful services to passengers during the peak period of the Spring Festival. Over twenty thousand buses were served and about 700 thousand pocket-books with useful information were handed out. 30,000 motion sickness stickers and around 800 thousand bottles of mineral water were provided to the passengers freely and over one million passengers were benefited.

Dazu Sub-branch actively responded to the call of the head office. During the 10-day voluntary action, volunteers stayed at the Longtousi Bus Station, Chenjiaping Bus Station, Caiyuanba Bus Station, Chengyuan High Speed Rail Dazu South Station and two major bus stations in the district to provide on-site guidance, vehicle consulting, baggage handling, distribution of free emergency articles and propagation about finance and law for the passengers. A total of 36,000 bottles of mineral water, 1,250 motion sickness stickers, 55,000 packages of snacks and 10,600 brochures were distributed. The volunteers serviced 1,448 buses and 47,300 passengers so that returning travelers feel the warmth from the bank of hometown.



Case Care about differently abled group

In 2017, during the “Warm hearted ways to the hometown” voluntary action, six blind passengers were noticed at the Chenjiaping Bus Station by volunteers from the Tongnan Sub-branch. The volunteers immediately came forward and asked their terminal, finding that they would all take the car from Anyue to their home. However, when they took out the ticket, the volunteers found that only five people bought the same bus and another one had to get on the next bus alone, which was difficult for blind person. As a result, the volunteers found a passenger who wished to exchange a ticket with the single one and finally six blind people could go home on the same bus.

**Case** Wuxi Sub-branch organized employee to help developing villages

Wuxi Sub-branch specially dispatched a “poverty alleviation agent” who is responsible for spreading current policies to villagers, improving the contact between villages and the Party and collecting useful information to solve difficulties. Wuxi Sub-branch tried best to implement the employee pairing. In addition, responsible people were divided into four groups and every group had one leader who were in charge of paying visits to disadvantaged families, strengthening communication with them and effectively solving the problems. At present, the branch has helped four developing villages including the most serious one and 143 disadvantaged villagers.

**Case** The Qujing Sub-branch established poverty alleviation library

Qujing Sub-branch has always insisted on increasing the investment in teaching facilities, donating computers, printers, books, cultural and sports equipment and other teaching equipment for developing villages and improving educational and learning conditions. At the same time, the branch also provided finance assistance and daily necessities to developing and organized social people to set up libraries of schools in “Guabaobang” village. These actions may improve children’s education in order to be lifted out of poverty.

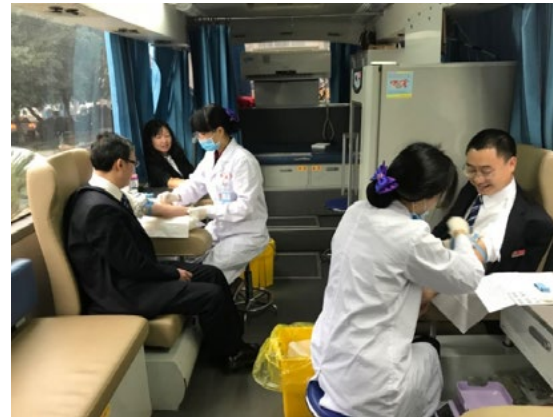
**Case** Peiling Sub-branch organized “The future starts from education” education support activity

On June 20th, 2017, Peiling Sub-branch organized education support activity and brought books and computers for disadvantaged students of a primary school in Shiling Town, Fuling District, Shihe Township, aiming at bringing hope and warmth for them, encouraging them to study hard and make efforts to change their fate with knowledge. By using the donated computers, teachers and students could watch online course of best teachers from all around the country, effectively compensated for the lack of good teachers, and promoted the equalization and fairness of educational resource.



Case Organize blood donation

Qijiang Sub-branch organized a Party day activity with the theme of “Carry out the 19th National Congress of CPC and donate blood and love” and encouraged party members to actively commit to providing public services.

**Case Tongnan Sub-branch organized “Intelligent education support” activity**

In order to improve educational level of primary schools in the poor mountain area and bring concern and hope for the children there, on April 24th, 2017, Tongnan Sub-branch organized the second “Intelligent education support” charitable activity in theme of “Connect hearts and hands and create a better future”, went into primary schools in Chengtong Village, Xinsheng Town, Longnan District and Tongba Town Yongkang Jinshan Village and donated “Internet and education” intelligent classrooms, basketballs, footballs, badminton and table tennis to these two schools. In addition, Tongnan Sub-branch built a close relationship with these two schools in public welfare and finance for providing more help and service for schools within their power.

**Case Rongchang Sub-branch paid visits to hard environmental sanitation workers**

Rongchang Sub-branch actively cooperated with District Council and conducted two activities to send warm activities to the poor sanitation workers, paid two visits to poor sanitation workers’ families and expressed sympathy for 36 disadvantaged families and gave them goods and materials worthing over RMB 10,000, including RMB 3,788 donated by employee volunteers. These activities showed solicitude for environmental sanitation workers, brought warmth to the community and indirectly beautified the community.



Outlook

2018 is a crucial year for the implementation of the “three-transformation” strategy, the deepening of internal reform and the promotion of transformation and development. The Bank will continue its mission of “Excellent Services to Customers, Maximum Returns to Shareholders, Real Success for Our People, and Great Contribution to Community” . Taking transformation, coordination, risk control and innovation as the dominated keynote, and specialization, process and fine management as the direction, the Bank will make great efforts to establish specialized team and improve fine management, attach importance to the quality and efficiency of development, and strive to deliver more contribution to the development of local economy.

Responsibility Management

The Bank will integrate the assumption of social responsibility into the operation and management process to continuously push ahead the performance of social responsibility and fine management. Furthermore, it will strictly implement the management systems to regulate socially responsible practices, conduct trainings on social responsibility to cultivate employees’ sense of responsibility, and improve the level of risk management to enhance the competence for responsibility, thus establishing a good corporate image.

Economy

Committed to making contribution to the stable development of the economy, the Bank will work hard to adapt itself to the new trend of economic development through promoting internal reform, following the latest development of financial technology and launching innovative products, and better serve the society and improve people’ s livelihood through actively implementing the rural vitalization strategy, increasing financial supply for Sannong industries and strengthening the support for medium-sized, small & micro businesses.

Environment

In response to the national policies on energy-saving and emission reduction, the Bank will actively promote the low-carbon operation and development, and provide great support for industries serving energy conservation and environmental protection. In addition, it will conduct green credit, green consumption and green service in a more comprehensive manner, advocate green and energy-saving office, and devote to the cause of green public welfare, playing its part in establishing and improving green, low-carbon and circular economic system.

Society

The Bank will fully understand customers’ demands to provide them with high-quality services and maintain good relations accordingly, and build harmonious corporate culture through enhancing team building, providing a variety of trainings and opportunities and attaching importance to young talent reserve. Besides, it will persist in honest operation, perform social services and play an active part in public welfare undertakings, making its contribution to the harmonious development of the society.



Key Performance Table

Performance Indicators	2015	2016	2017
Total assets (RMB, billion)	716.805	803.158	905.778
Net profit (RMB, billion)	7.228	8.001	9.008
Shareholders' equity (RMB, billion)	48.288	54.190	65.246
Average return on assets (%)	1.08	1.05	1.05
Total amount of loans and advances (RMB, billion)	268.586	300.421	338.347
Non-performing loan ratio (%)	0.98	0.96	0.98
Provision coverage (%)	420.03	428.37	431.24
Capital adequacy ratio (%)	12.09	12.7	13.03
Loan balance of green credit (RMB, billion)	8.454	10.537	11.425
Agriculture-related loan balance (RMB, billion)	122.924	133.43	146.148
Loan balance of small and micro businesses (RMB, billion)	82.744	93.434	105.544
Total number of employees	16182	16245	15892
Proportion of female employees (%)	50.7	49.51	50.12
Number of various training sessions	1837	1695	1834.00
Customer satisfaction (%)	—	99.62	99.70
Number of handled customer complaints	—	4543	5065
Number of outlets	1773	1777	1777
Number of outlets located in counties	1459	1462	1462
Number of self-service machines	4456	4796	4989
Electronic channel account transactions substitution rate	—	87.67	90.12
Number of sessions of financial knowledge publicity	6970	7278	5218

Independent practitioner's assurance report

2018/SH-0175

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English Translation for Reference Only

Independent practitioner' s assurance report

To the Board of Directors of Chongqing Rural Commercial Bank Co., Ltd.

We have been engaged to perform a limited assurance engagement on the selected 2017 key data in the 2017 Corporate Social Responsibility Report ("CSR report") of Chongqing Rural Commercial Bank Co., Ltd ("the Bank").

Key Data

We carried out limited assurance procedures on the following key data of the Bank' s 2017 CSR report:

- Loan balance of green credit
- Agriculture-related loan balance
- Loan balance of small and micro businesses
- Total number of employees
- Proportion of female employees
- Number of various training sessions
- Customer satisfaction
- Number of handled customer complaints
- Number of outlets
- Number of outlets located in counties
- Number of self-service machines
- Procured electricity power consumption of the Head Office
- Daily water consumption of the Head Office
- Electronic channel account transactions substitution rate
- Number of sessions of financial knowledge publicity

Our assurance was with respect to the selected key data of 2017 CSR report only and we have not performed any procedures with respect to any other elements included in the 2017 CSR report or information in 2016 and earlier periods.

2018/SH-0175

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Criteria

The criteria of the preparation of the key data in the Bank's 2017 CSR report are listed in the basis of reporting of the key data (the "basis of reporting") after this assurance report.

Responsibilities of the Board of Directors

The Board of Directors of the Bank is responsible for the preparation of the selected key data in the 2017 CSR report. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the selected key data in the 2017 CSR report that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence and other ethical requirement of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

It is our responsibility to express a conclusion on the key data in the 2017 CSR report based on limited assurance engagement.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" . This standard requires that we plan and perform our work to form the conclusion.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion on any matter that would materially affect the key data in the 2017 CSR report. Our work involves assessing the risks of material

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misstatement in key data in the 2017 CSR report whether due to fraud or error, and responding to the assessed risks. The extent of procedures selected depends on our judgment and assessment of the engagement risk. Within the scope of our work, we have only performed the following procedures in the Head Office and the Business Department of the Head Office of the Bank. We did not perform assurance work in other branches. The procedures we performed comprised:

- 1) Interviews with management and personnel in the departments involved in providing information in relation to the selected key data for inclusion in the CSR report;
- 2) Analytical procedure;
- 3) Sampling of selected key data in the CSR report;
- 4) Recalculation;
- 5) Other procedures deemed necessary.

Inherent Limitation

We remind the users to note that, the absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the selected key data in the 2017 CSR report are not prepared, in all material respects, in accordance with the basis of reporting.

Restriction on Use

Our report has been prepared for and only for the board of directors of the Bank and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report.

PricewaterhouseCoopers Zhong Tian LLP

Shanghai, China

May 10, 2018

Appendix: Basis of Reporting of Key Data

Loan balance of green credit: Refer to the loan balance of Green agricultural development project, Green forestry development project, Industrial energy-saving, water-saving and environmental protection project, Nature Conservation, Ecological Restoration and Disaster Prevention and Control Project, Resource-cycling project, Waste treatment and prevention project, Renewable and clean energy project, urban and rural water project, energy-saving and green architecture project, green traffic project, energy-saving and environmental protection project, and overseas projects with international practices or standards of Chongqing Rural Commercial Bank Co., Ltd. (including all branches, sub-branches, excluding village and township banks).

Agriculture-related loan balance : Refer to the balance of various agriculture-related loans denominated in RMB & foreign currencies of Chongqing Rural Commercial Bank Co., Ltd. (including all branches, sub-branches, excluding village and township banks), including the balance of farmer’ s loans, balance of rural business & various organization loans, balance of urban business & various organization loans and balance of non-farming personal loans of agriculture, forestry, animal husbandry & fishery.

Loan balance of small and micro businesses : Refer to the balance of loans offered to small & micro businesses of Chongqing Rural Commercial Bank Co., Ltd. (including all branches, sub-branches, excluding village and township banks) calculated based on the size of China Banking Regulatory Commission, including the loan balance of small businesses, loan balance of micro businesses, operating loan balance of individual businesses and main operating loan balance of small & micro businesses.

Total number of employees: Refer to the total number of employees signing a full-time labor contract with Chongqing Rural Commercial Bank Co., Ltd, including on-the-job employees, probationary employees, long-term sick leave and industrial injury employees, excluding dispatching employees.

Proportion of female employees: Refer to the proportion of female employees signing a full-time labor contract with Chongqing Rural Commercial Bank Co., Ltd. to the total number of employees.

Number of various training sessions: Refer to the total number of various offline trainings organized by Chongqing Rural Commercial Bank Co., Ltd.

Customer satisfaction: Refer to the proportion of the customer’ s satisfaction with the customer service call handling situation of Chongqing rural commercial bank co., LTD.

Number of handled customer complaints: Refer to the number of customer complaints received and handled by Chongqing rural commercial bank co., ltd. through the service hotline.

Number of outlets : Refer to the number of outlets (with their financial licenses in favor of Chongqing Rural Commercial Bank Co., Ltd.) which have been in official operation, including Qujing Branch and its sub-branches, excluding the business outlets of all village and township banks and community sub-branches held by the Group.

Number of outlets located in counties : Refer to the total number of outlets of Chongqing rural commercial bank co., ltd, which have obtained financial license and located outside the main urban area of the Chongqing municipality.

Number of self-service machines: Refer to the total number of operating ATMs, self-service cash recycling systems (CRSs) and self-inquiry terminals in all branch offices (excluding village and township banks) of Chongqing Rural Commercial Bank Co., Ltd.

Procured electricity power consumption of the Head Office: Refer to total electricity power consumption of the Head Office of Chongqing rural commercial bank co., ltd, **including** the procured electricity power consumption of Chongqing Rural Commercial Bank Tower, Tongchuang office area, Erlang office area, and Shuixing office area.

Daily water consumption of the Head Office : Refer to total water consumption of the Head office Chongqing rural commercial bank co., ltd, including the daily water consumption of Chongqing Rural Commercial Bank Tower, Tongchuang office area, Erlang office area, and Shuixing office area.

Electronic channel account transactions substitution rate: Refer to the ratio of the number of electronic channel accounting transactions to the total number of transactions of Chongqing rural commercial bank co., ltd.

Number of sessions of financial knowledge publicity: Refer to the total number of sessions of financial knowledge publicity in a whole year held by Chongqing Rural Commercial Bank Co., Ltd.

ESG Index

levels	Contents	Disclosure Location
A1 Emissions	General disclosure Relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste, etc.: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. Note: Air emissions include NOx, SOx and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	Green operation
	The types of emissions and respective emissions data.	2017Environmental Indicators
	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2017 Environmental Indicators
	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2017 Environmental Indicators
	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2017Environmental Indicators
	Description of measures to mitigate emissions and results achieved.	Green operation
	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Green operation
A2 Use of resources	General disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Green operation
	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	2017 Environmental Indicators
	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	2017 Environmental Indicators
	Description of energy use efficiency initiatives and results achieved.	Green operation
	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Green operation
	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable

levels	Contents	Disclosure Location
A3 The environment and natural resources	General disclosure Policies on minimizing the issuer's significant impact on the environment and natural resources.	Green public services Green Credit
	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green public services Green Credit
B1 Employment	General disclosure Relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) the policies, and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Employee Growth
B2 Health and safety	General disclosure Relating to providing a safe working environment and protecting employees from occupational hazards: (a) the policies, and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Caring for employees
B3 Development and training	General disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Employee development
B4 Labor standards	General disclosure Relating to preventing child and forced labor: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Employees' Rights and Interests
B5 Management of supply chain	General disclosure Policies on managing environmental and social risks of the supply chain.	Risk Prevention
B6 Product responsibility	General disclosure Relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Customer Services
B7 Anti-corruption	General disclosure Relating to bribery, extortion, fraud and money laundering: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Risk Prevention
B8 Community investment	General disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Responsibility for the Community

GRI Index

No.	Contents	Disclosure Location
Strategy and analysis		
G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization' s strategy for addressing sustainability.	Message from the Chairman
G4-2	Description of significant impacts, risks and opportunities	Message from the Chairman and Message from the President
Organizational profile		
G4-3	Report the name of the organization	Introduction, Declaration
G4-4	Report the primary brands, products and/or services	Introduction, Customer Services, Serving the Growth of Small and Micro Businesses
G4-5	Report the location of the organization' s headquarters	Introduction, Declaration
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	Introduction
G4-7	Report the nature of ownership and legal form	Introduction, Declaration
G4-8	Report the markets served	Introduction, Key Data
G4-9	Report the scale of the organization	Introduction
G4-13	Report any significant changes during the reporting period regarding the organization' s size, structure, ownership, or its supply chain.	Introduction, Corporate Governance
Identified material aspects and boundaries		
G4-17	a. List all entities included in the organization's consolidated financial statements or equivalent documents b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report	Introduction, Declaration
Interested party engagement		
G4-24	Provide a list of interested party groups engaged by the organization	Responsibility management
G4-26	Report the organization's approach to interested party engagement, including frequency of engagement by type and by interested party group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Responsibility management

No.	Contents	Disclosure Location
G4-27	Report key topics and concerns that have been raised through interested party engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the interested party groups that raised each of the key topics and concerns.	Responsibility management
Report profile		
G4-28	Reporting period for information provided	Declaration
G4-30	Reporting cycle	Declaration
G4-31	Provide the contact point for questions regarding the report or its contents	Declaration, Feedback Table from Readers
G4-32	Report the 'in accordance' option the organization has chosen and the GRI Content Index for the chosen option; report the reference to the External Assurance Report, if the report has been externally assured.	Declaration, GRI index
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report	Independent practitioner's assurance report
Governance		
G4-34	Report the governance structure of the organization, including committees of the highest governance body.	Corporate governance
G4-35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	Corporate governance
G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to interested parties.	Corporate governance
G4-45	Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks and opportunities; report whether interested party consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks and opportunities.	Corporate governance
Economic performance		
G4-EC1	Direct economic value generated and distributed by the organization	Key Data Bolstering Economic Development to Help Enrich the People and Revitalize Chongqing Taking environmental responsibility and promoting green development Fulfill Social Responsibility and Achieve Harmonious and Win-win Situation

No.	Contents	Disclosure Location
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Taking environmental responsibility and promoting green development
G4-EC7	Development and impact of infrastructure investments and services supported	Bolstering Economic Development to Help Enrich the People and Revitalize Chongqing Taking environmental responsibility and promoting green development Fulfill Social Responsibility and Achieve Harmonious and Win-win Situation
G4-EC8	Significant indirect economic impacts, including the extent of impacts	Taking environmental responsibility and promoting green development Fulfill Social Responsibility and Achieve Harmonious and Win-win Situation
Environmental performance		
G4-EN7	Reductions in energy requirements of products and services	Green operation, Customer Services
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Green Credit
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	Green operation
G4-EN31	Total environmental protection expenditures and investments by type	Green Credit
Social performance		
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	Employee Growth
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Employee Growth
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Employee Development
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Employee Development
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Employee Growth
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	Employee Growth
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Employee Development



No.	Contents	Disclosure Location
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Responsibility for the Community
G4-SO4	Communication and training on anti-corruption policies and procedures	Risk Prevention
G4-SO6	Total value of political contributions by country and recipient/beneficiary	Responsibility for the Community
G4-PR5	Results of surveys measuring customer satisfaction	Customer Services
Supplementary index of financial industry		
G4-FS1	Specific environmental and social policies applied to business activities	Bolstering Economic Development to Help Enrich the People and Revitalize Chongqing Taking environmental responsibility and promoting green development Fulfill Social Responsibility and Achieve Harmonious and Win-win Situation
G4-FS2	Procedures for assessment and monitoring of environmental and social risks during operations	Risk Prevention
G4-FS3	Monitoring clients' implementation of and compliance with environmental and social requirements	Risk Prevention
G4-FS4	Capacity and procedures for improvement of employees' implementation of environmental and social policies	Employee Growth
G4-FS5	Interactions with customers, investors and partners regarding environmental, social risks and opportunities	Responsibility management
G4-FS6	Business percentage by region, scale and industry	Customer Services
G4-FS7	Value of products and services designed to deliver social benefits (broken down by purpose)	Fulfill Social Responsibility and Achieve Harmonious and Win-win Situation
G4-FS8	Value of product and service designed to meet environmental needs (broken down by purpose)	Taking environmental responsibility and promoting green development
G4-FS10	Number and percentage of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social factors.	Green credit
G4-FS13	Entry points in sparsely-populated or economically underdeveloped areas listed according to type	Customer Services
G4-FS14	Actions to improve financial services for disadvantaged people	Responsibility for the Community
G4-FS15	Policies for the fair design and sale of financial products and services	Customer Services
G4-FS16	According to beneficiary, actions to improve the education of financial knowledge	Responsibility for the Community



Feedback Table from Readers

Thank you for reading the 2017 Corporate Social Responsibility Report of the Bank. To provide more valuable information for you and other stakeholders and improve the capacity and level of the Bank’ s assumption of corporate social responsibilities, your insights into the report are always welcomed and you can contact us via the following:

Tel: 023-61110853 E-mail: cqrcb@cqrcb.com

Address: No. 36, Jinshamen Road, Jiangbei District, Chongqing, 400023, China

1. Which type of interested party do you belong to? _____

- A. Government B. Regulatory body C. Shareholder D. Customer E. Employee
F. Supplier and partner G. Community H. The public and media

2. Do you think the report fully satisfies your expectations of the Bank? _____

A Yes B No, which expectations are not satisfied in the report in your opinion?

3. Do you think the Bank well responds to your expectations? _____

A Yes B No, which of your expectations do you think are not well responded to?

4. Do you think the contents and format design of the report make it easy to read? _____

A Excellent B Good C Average D Poor

5. What are your opinions of and suggestions for the Bank’ s assumption of social responsibility and the report itself?

Thank you again for your participation!



The report is printed on recycling paper

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