



甘肅銀行股份有限公司

BANK OF GANSU CO., LTD.

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

Stock code: 2139



2018

BANK OF GANSU CO., LTD.

Environmental, Social and Governance Report

Bank of Gansu Co., Ltd. is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking/deposit-taking business in Hong Kong.

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Report Statement



About the Report

The *Bank of Gansu Co., Ltd. 2018 Environmental, Social and Governance Report* (the “**Report**” or the “**ESG Report**”) is the second Environmental, Social and Governance Report issued by Bank of Gansu Co., Ltd. (“**Bank of Gansu**” or the “**Bank**”). The Report is prepared to respond to the Bank stakeholders’ concerns on the Bank’s environmental, social and governance performances. For a comprehensive view of the Bank of Gansu’s environmental, social and governance performances, please refer to *the Corporate Governance Report of the 2018 Annual Report* of the Bank on page 126 to 156 for more information related to the governance.

Scope of the Report

Unless otherwise stated, the scope of the Report covers businesses in Bank of Gansu’s head office, 12 branches and 189 sub-branches. The reporting period is from 1 January 2018 to 31 December 2018 (the “**Reporting Period**”).

Standards for the Report

The Report is prepared in accordance with the Appendix 27, *Guidelines for Environmental, Social and Governance Report* (the “**Guidelines**”) in the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* issued by the Stock Exchange of Hong Kong Limited (the “**HKEx**”). The Report complies with the “comply or explain” provisions, adheres to reporting principles of materiality, quantitative, balance and consistency, and includes key performance indicators in regard to Bank of Gansu’s environmental, social and governance topics. Unless otherwise stated, the currency in the ESG Report is RMB.

Form of Publication

The Report is published in both Traditional Chinese and English. For discrepancy, the Traditional Chinese version prevails. The electronic version report is published on the Bank of Gansu website (www.gsbankchina.com) and HKEx website (www.hkexnews.hk).

Contact Information

Bank of Gansu attaches great importance to readers’ comments and suggestions to the Report and the company. For any enquiry regarding to the Report, or any other comments and suggestions, please feel free to contact through the following ways:

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Chairman's Statement



With the increasing concern in social responsibility from the international and Chinese societies, responsible finance has become an important theme in the present era. Meanwhile, the listed companies' corporate governance, environmental impact, social contribution and other non-financial performances are driving the society's attention. Bank of Gansu fully understands the importance of environmental, social and governance and proactively takes actions to integrate social responsibility management, improves environmental, social and governance information disclosure and publishes reports as per the required timeline. The gradual enhancements in information disclosure on environmental, social and governance are expected to prevent environmental and social risks and drive sustainable development in the capital market. Thoroughly implementing the scientific development guidance and to achieve the national sustainable development strategic development, we believe a good environmental, social and governance management is the prerequisite of sustainability development.

Firstly, put into effect of new development, resulting in a better association in economy, nature and society. The concept of new development includes innovative development, coordinate development, green development, open development and shared development. The focus on environmental and social performances is the grip of the new development concepts.

Secondly, support in policy reformation, promoting quality development. Since the Chinese economy has shifted from "high-speed" to "high-quality", it is essential to maintain a sustainable and healthy economy, which environmental, social and governance management has been used as a tool for the Chinese's high-quality development and overcoming the three tough battles.

Thirdly, support a healthy capital market development, facilitating the real economy to benefit from financial services and enhancing the capability to support economic transformation. Listed companies are the cornerstone of the capital market. The quality of the listed companies and behavioral patterns have largely decided the industry and economy development. The establishment of environmental, social and governance evaluation can better utilize market mechanism and guides listed companies to adopt best practices in environmental, social and governance management. It also regulates listing companies to behave and promote in an innovative, green and coordinative manner for a healthy capital market development and better execution in serving real capital economy and supporting economic transformation.

In the China's financial industry, especially the banking industry, companies are experiencing a rapid development on environmental, social and governance information disclosure. Accordingly, the Bank has strengthened its environmental, social and governance management and information disclosure to pursue advancements in sustainable development in five dimensions:

Firstly, it is used to provide worthwhile information to investors for value judgment, leading the capital market to "green" and exert the influence of the green investment on the formation of the green financial system.

Secondly, it could continuously improve corporate governance and prudently manage environmental and social impacts in business operation. This is helpful to the Bank in the long term to consolidate its operation and sustainable development foundation.

Thirdly, the continuous enhancement in the environmental, social and governance management level of the Bank is useful to drive improvements on the green financial system and promotions of the green financial market.

Fourthly, it could fulfill the requirements of government and regulatory authorities by disclosing the Bank's environmental, social and governance performance systematically.

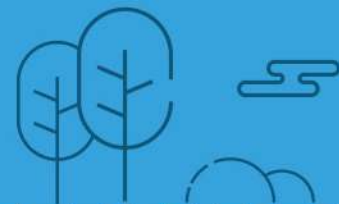
Fifthly, with the comprehensive environmental, social and governance management and an effective environmental, social and governance reporting scheme, the Bank could establish a responsible brand image and a higher reputation.

For Bank of Gansu, the publication of environmental, social and governance report is more than information disclosure, but a commitment to sustainable development. The Bank highly focuses on this and has integrated the environmental, social and governance development into daily operation, comprehensively improving the orderly development of the Bank's efforts to maintain its sustainable development, enhancing the Bank's environmental, social and governance performance, and awarding stakeholders with satisfactory returns.



Company Overview

Company Profile
Sustainable Strategy
Honors in 2018
Stakeholder Engagement



Company Profile

Bank of Gansu was established under the approval of the former China Banking Regulatory Commission, through the merging and acquisition of the Baiyin City Commercial Bank, the Pingliang City Commercial Bank and other parties. It is the only provincial commercial bank with corporate shareholding system in the Gansu Province that is directly managed by the Gansu Province government. By the end of the Reporting Period, the Bank operations cover 14 cities and counties in the Gansu Province, forming a business web centered in Lanzhou stretching into other cities and counties.

In 2018, the Bank used its stable development as the foundation, emphasized on risk control and moved forward with the leadership of reformative innovation. Availing itself on the fresh foothold of being listed on the Hong Kong Stock Exchange, the Bank made persistent efforts to improve its corporate governance, strengthen its asset management and enhance its profitability. The Bank recorded a total operating income of RMB8,872.2million in 2018, representing an increase of 10.2% as compared with 2017. The net profit increased by 2.3% as compared with 2017 and reached RMB3,439.6 million in 2018.

Total Operating Income

RMB **8,872.2** million

Increase by 10.2% as compared with 2017

Net Profit

RMB **3,439.6** million

Increase by 2.3% as compared with 2017

Sustainable Strategy

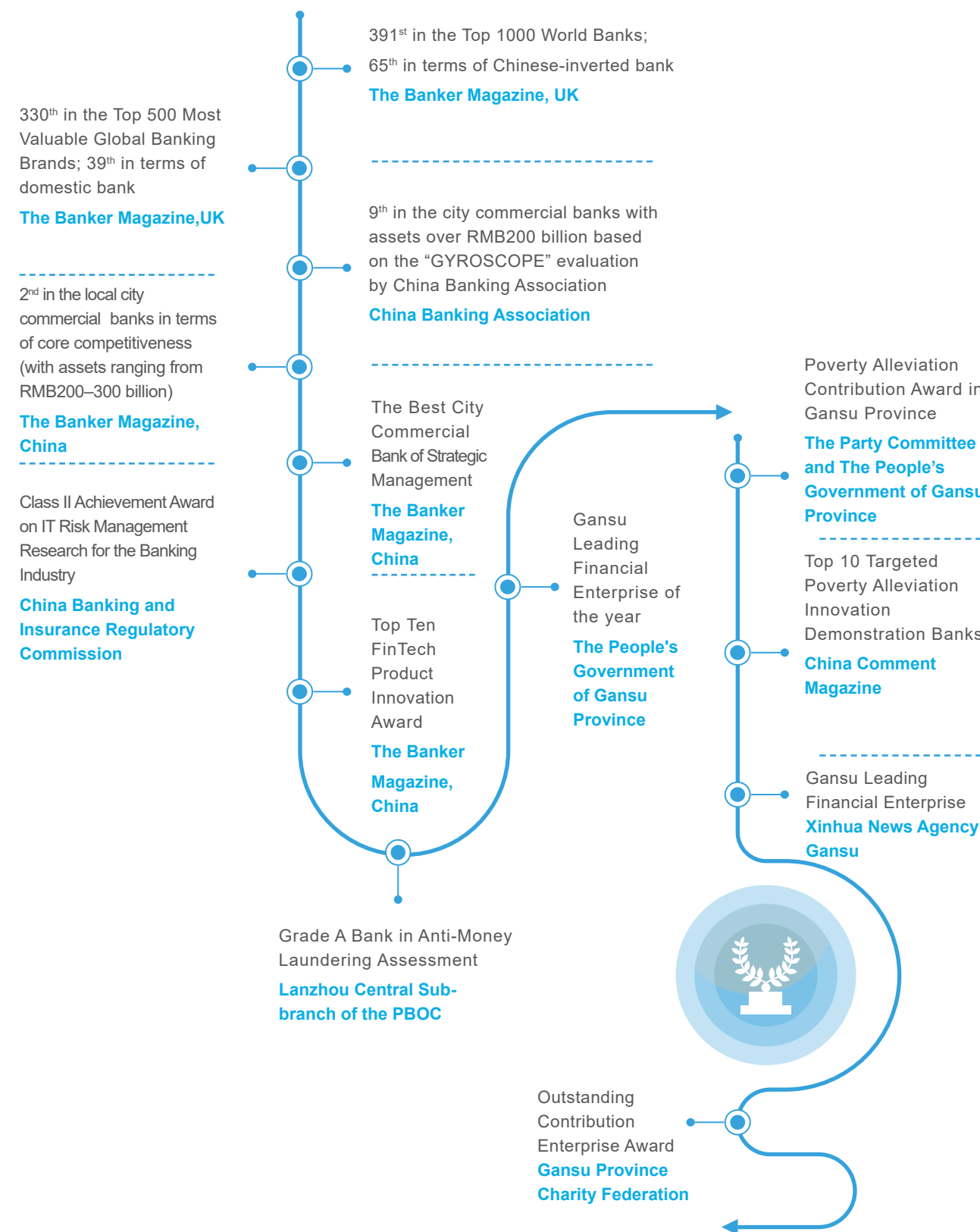
Superseding the *Strategic Development Planning of Bank of Gansu (2016-2018)* (《甘肅銀行發展戰略規劃(2016-2018)》), the Bank has established the *Strategic Development Planning of Bank of Gansu (2018-2020)* (《甘肅銀行發展戰略規劃(2018-2020)》) on the basis of analysis on the macro-economic and provincial and regional scenarios. The new strategy clearly defines the future development indicators, key competitive strategies and critical tasks and initiatives.

The Bank's vision is to become a first-class listed commercial bank. To this end, the Bank adheres to the principles of customer-oriented, sustainable development, risk prevention, and drives business growth through capability enhancement and serving the real economy as its mission, making steady progress with continuous improvement, prioritizing benefits and setting off on a path that leads to "Differentiated, comprehensive, refined and international" developments.

To achieve the aforesaid goals, the Bank plans to:



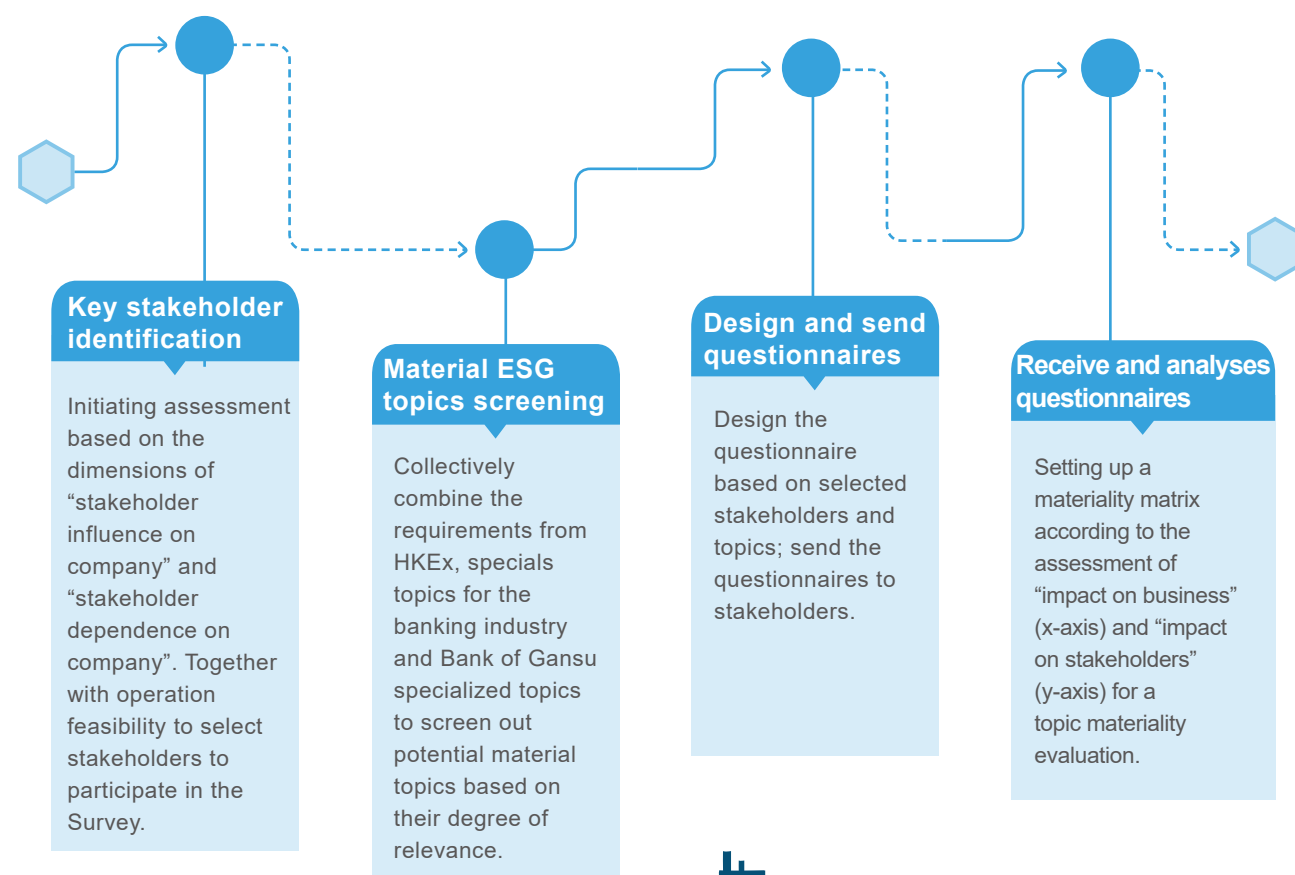
Honors in 2018



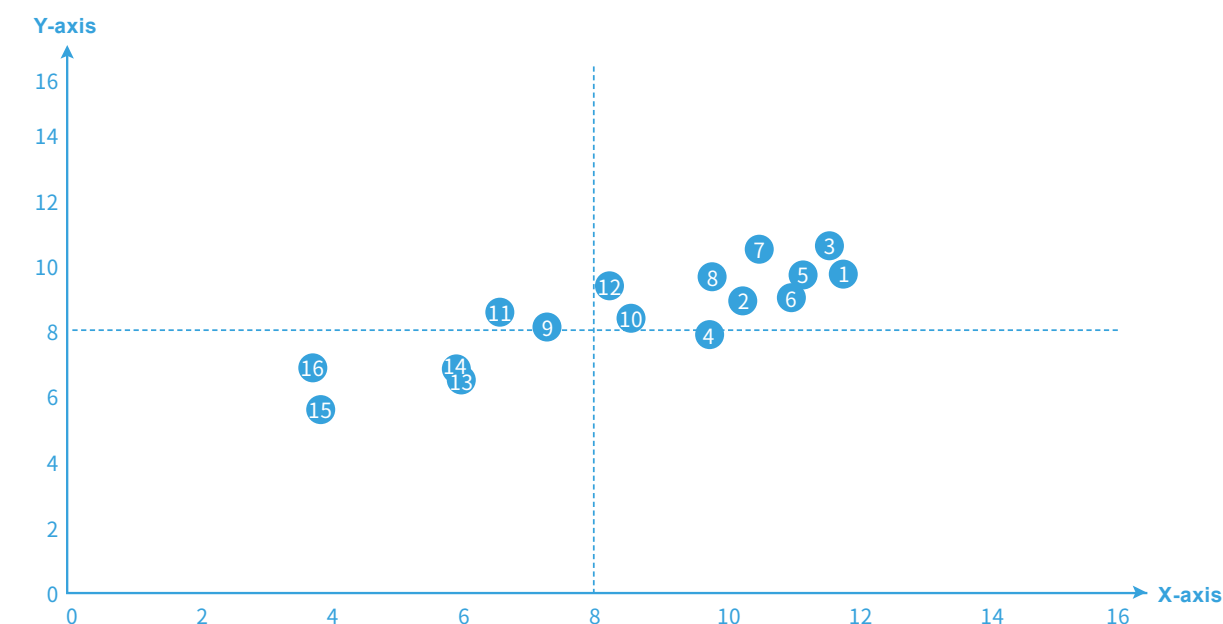
Stakeholder Engagement

A better understanding of stakeholders' needs and expectations is useful to advance sustainable development and to respond to their requests. Key stakeholders of the Bank include shareholders, customers, management staff, employees, government and regulatory agencies, suppliers and communities, etc. Considering the importance of their concerns, the Bank conducted the 2018 Bank of Gansu Materiality Questionnaire Survey (the "Survey"). It had successfully invited its board of directors, shareholders, management staff, employees, customers, suppliers, etc. to participate in the Survey. There were a total of 2,421 valid questionnaires received at its end.

Main steps of the Survey



There were 16 environmental and social topics included in the questionnaire this year. The Bank developed a materiality matrix based on the outcome, and used it to identify materiality topics that are significant to Bank of Gansu, and a focused disclosure would be made in the Report.



Ranking	Topics	NO.	Impact on business	Impact on stakeholder
1	Service Quality	3	11.595	10.5625
2	Employees' training and development	1	11.81	9.7175
3	Employees' health and safety	7	10.525	10.445
4	Advanced financial technology	5	11.195	9.705
5	Serving "Three rural issues and SME"	6	11.015	9.0175
6	Green finance	8	9.805	9.64
7	Employment management	2	10.275	8.9225
8	Anti-corruption/ bribery/ fraud/ money laundering	12	8.22	9.3775
9	Use of resources	10	8.575	8.37
10	Customer complaint management	4	9.755	7.8625
11	Supply chain management	9	7.285	8.1
12	Social welfare	11	6.555	8.52
13	Advertisement and promotion	14	5.9	6.795
14	Environmental protections	13	5.98	6.495
15	Child labor and forced labor	16	3.71	6.885
16	Pollutant emission	15	3.825	5.59

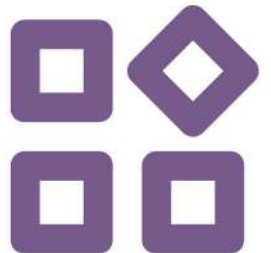


Strengthen Corporate Governance

Risk Control

Corruption Prevention and Management

Supply Chain Management



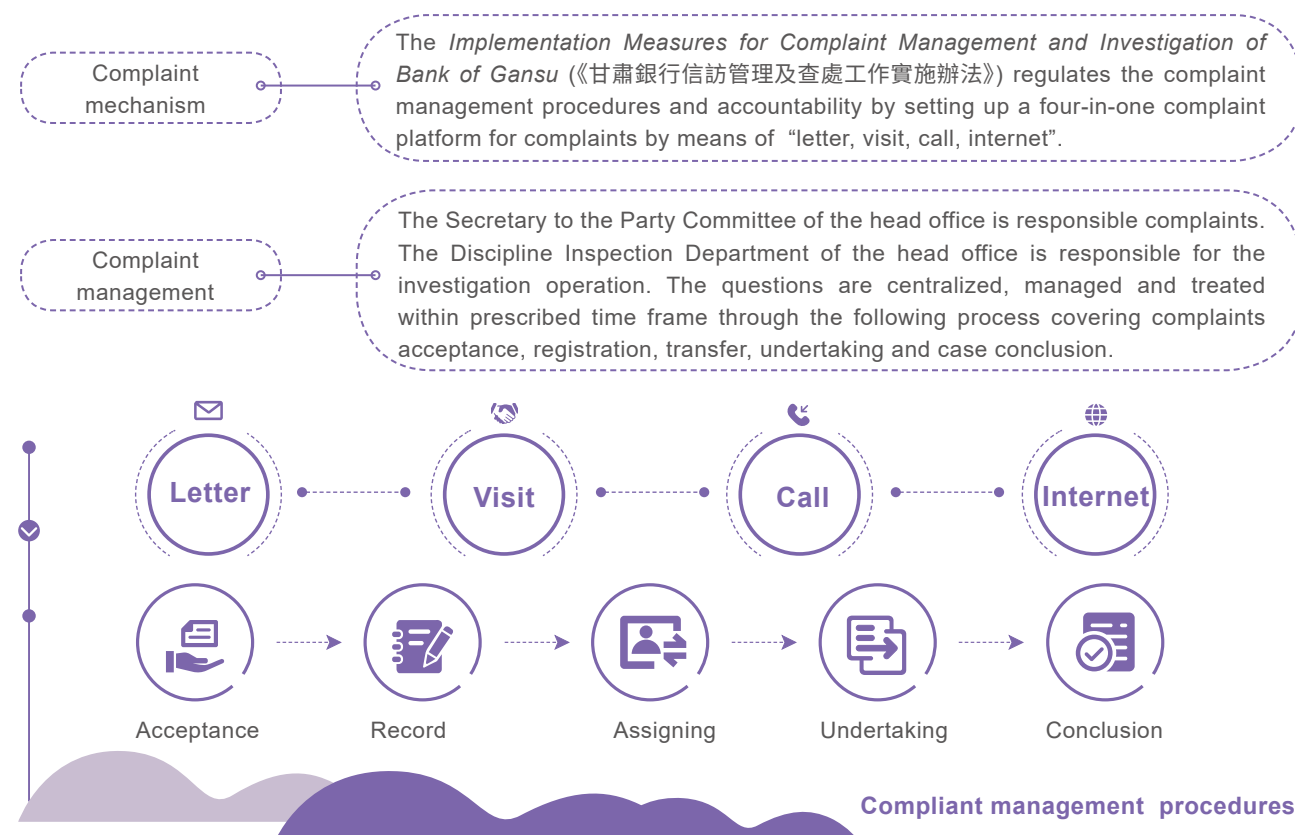
Bank of Gansu upholds the principle of making progress while ensuring stability, proactively implements the new development philosophy. It has strengthened the internal management in order to lower its operational risk in compliance with regulations of the *Company Law of the People's Republic of China*, the *Law of the People's Republic of China on Commercial Banks*, the *Guidelines for the Governance of Commercial Bank*, the *Corporate Governance Code* in Appendix 14 of the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* etc.

Risk Control

Bank of Gansu implements a comprehensive risk management that is in line with the Bank's business operation, scale and level, and the risk management system is continuously enhanced. The "matching, comprehensive, independent, and effective" principle guides the Bank for its development of the risk management system including the frontline operation department, business outlets, back-end administrative departments (including the Risk Asset Monitoring and Management Center, the Legal and Compliance Department, risk and credit management departments and the Accounting Department) and the Audit Department. Meanwhile, the risk management system is executed at all levels in a vertical management scheme for achieving the Bank's risk objective, risk identification, measures, detection and control. The system requires integrated risk management, reporting, notification and evaluation processes. Along with that, measures on information technology for risk management are set up, standardizing the procedures involved in market risk identification, measuring and monitoring. Regular risk management training is conducted to build up employees' risk-prevention awareness.

Corruption Prevention and Management

The Bank strictly executes anti-corruption work according to requirements of the Anti-Corruption and *Anti-Bribery Law of the People Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, etc. It adheres to a system-based principle to manage and strengthen internal policies. The works are carried out through the establishment of the *Measures for the Assessment of the Party Construction of Bank of Gansu* (《甘肅銀行黨風廉政建設工作考核辦法》), the *Implementation Measures for Inspection of Bank of Gansu* (《甘肅銀行巡察工作實施辦法》), the *Administrative Measures for Accountability of Violation and Dereliction of Duty of Bank of Gansu* (《甘肅銀行違規失職行為問責管理辦法》), etc. and together with the sound complaint mechanisms and management to further establish a scientific and practical system.



Implementation of anti-money laundering measures

Anti-money laundering is of great importance to commercial banks and is the focus of regulatory authorities. The Bank has specifically established policies such as the *Trial Measures for Implementation of Anti-Corruption Management of Bank of Gansu Co., Ltd.* (《甘肅銀行有限公司反洗錢工作管理實施辦法(試行)》), the *Measures for Implementation of the Anti-money Laundering Confidential Management of Bank of Gansu* (《甘肅銀行反洗錢保密管理實施辦法》) to manage the issue. An anti-money laundering leading group is set up and led by the Chairman, with senior managers of the Bank as deputy leaders and representatives from the functional department as members. The management system is introduced as a multi-level, multi-dimensional and fully-covered anti-money laundering management which covers business outlets, branches, the head office, etc. In 2018, the Bank accumulatively organized 22 administrative anti-money laundering inspections, several onsite inspections were conducted by the People's Bank of China, and the good performance of the Bank was fully affirmed by the regulatory authorities.

During the Reporting Period, there was no violation of laws and regulations related to corruption, bribery, extortion, fraud and money-laundering, and no legal cases regarding related issues against the Bank or its employees.

Supply Chain Management

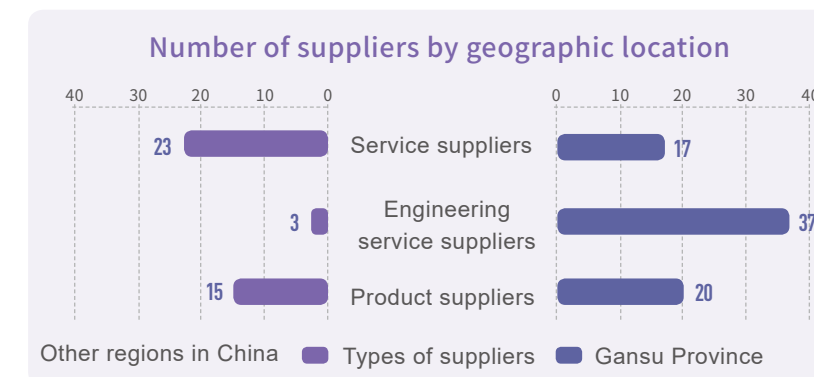
Bank of Gansu attaches great importance on the supply chain's environmental and social risks, and has refrained from cooperating with suppliers that might have potential environmental and social risks. In order to manage the possible environmental and social risks, pertaining to its supply chain the Bank has issued the *Measures for Centralized Procurement Management of Bank of Gansu* (《甘肅銀行集中採購管理辦法》), the *Trial Administrative Measures for Supplier Management of Bank of Gansu Co., Ltd.* (《甘肅銀行股份有限公司供應商管理辦法(試行)》), etc.

According to these guidelines, the Bank has formed a Centralized Procurement Panel Committee to organize and execute the centralized procurement. The Committee is guided by the Bank's Chairman and with the Financial Planning Department carries out its duties. The Discipline Inspection Department or the Legal and Compliance Department will inspect cases subject to their authorities and responsibilities. In the process of supply chain management, the main management measures conducted by the Bank are shown as follow:

Qualification and dis-qualifications of suppliers	Suppliers are selected by on-site inspections and product tests which include assessments based on suppliers' basic information, financial information and certification, etc.;
Supplier evaluation	Comprehensive evaluations are conducted via testings and via review of suppliers' performances during the cooperation period;
Supplier communication management	A communication and complaint mechanism is established to build trust and stable cooperation;
Supplier information management	Suppliers information and its product price and information are managed systematically;
Supplier integrity file	Suppliers are required to sign declarations and commit to integrity, and to comply with applicable laws and regulations. The declarations are collectively filed in an integrity file.

The Supplier Evaluation

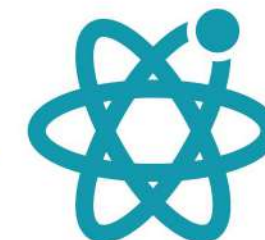
During the Reporting Period, the Bank initiated supplier evaluations covering all service suppliers, engineering service suppliers and product suppliers. The diversified evaluation assessed the suppliers' qualification and certification, their compliance, and their service quality and after-sales service, etc. Outcomes of the assessment are used as a basis to filter out the unqualified suppliers.





Fulfilling Product Responsibility

Guaranteeing Product Quality
Ensuring Service Quality



Bank of Gansu earnestly refines the product management system and has developed a comprehensive consumer protection system for consumers' rights and interests in accordance with the requirements of national laws and regulations. The system is implemented to safeguard customers' core rights and interests, covering areas including product design, promotion, service, customer information protection, etc.

The Bank stringently complies with the *Law of the People's Republic of China on Commercial Banks*, the *Law of the People's Republic of China on Regulation of and Supervision Over the Banking Industry*, the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests* and other laws and regulations relating to product quality and customer service. Correspondingly, the Bank has launched the *Administrative Measures on the Protection of Consumer Rights and Interests of Bank of Gansu (as Amended)* (《甘肅銀行消費者權益保護工作實施辦法(修訂)》) to guide consumer rights' protection works. Based on the requirements, the Bank has formed a Consumer Rights Protection Committee, which is led by senior managers and representatives from functional departments. The committee is authorized and designated to organize, implement and monitor all issues related to consumer rights protection.

During the Reporting Period, the Bank did not violate any laws and regulations related to consumer rights.

Guaranteeing Product Quality

To ensure the products developed by the Bank are aligned with the regulatory requirements and meet the market requirements, the Bank has designed an all-rounded business verification system which consists of "Development Test + Unit Test + SIT Aggregation Test + UAT Business Model Test + Pre-production Test + Operation Test".

Self-tests operated by the product development personnel;	Development Test and Unit Test	SIT Aggregation Test	Tests designed and systematically operated by third-parties;
Tests set for assessing the business flow of the products and the functions of the flow, which are designed and operated by the operation personnel;	UAT Business Test	Preproduction Test and Operation Test	The scheme consists of business communication between product development personnel and operation personnel, and run real-situation tests before the release of the product.

The product development personnel is required to follow up on the system in the first month following the landing, to answer enquires raised from the operation departments and to provide timely improvement.



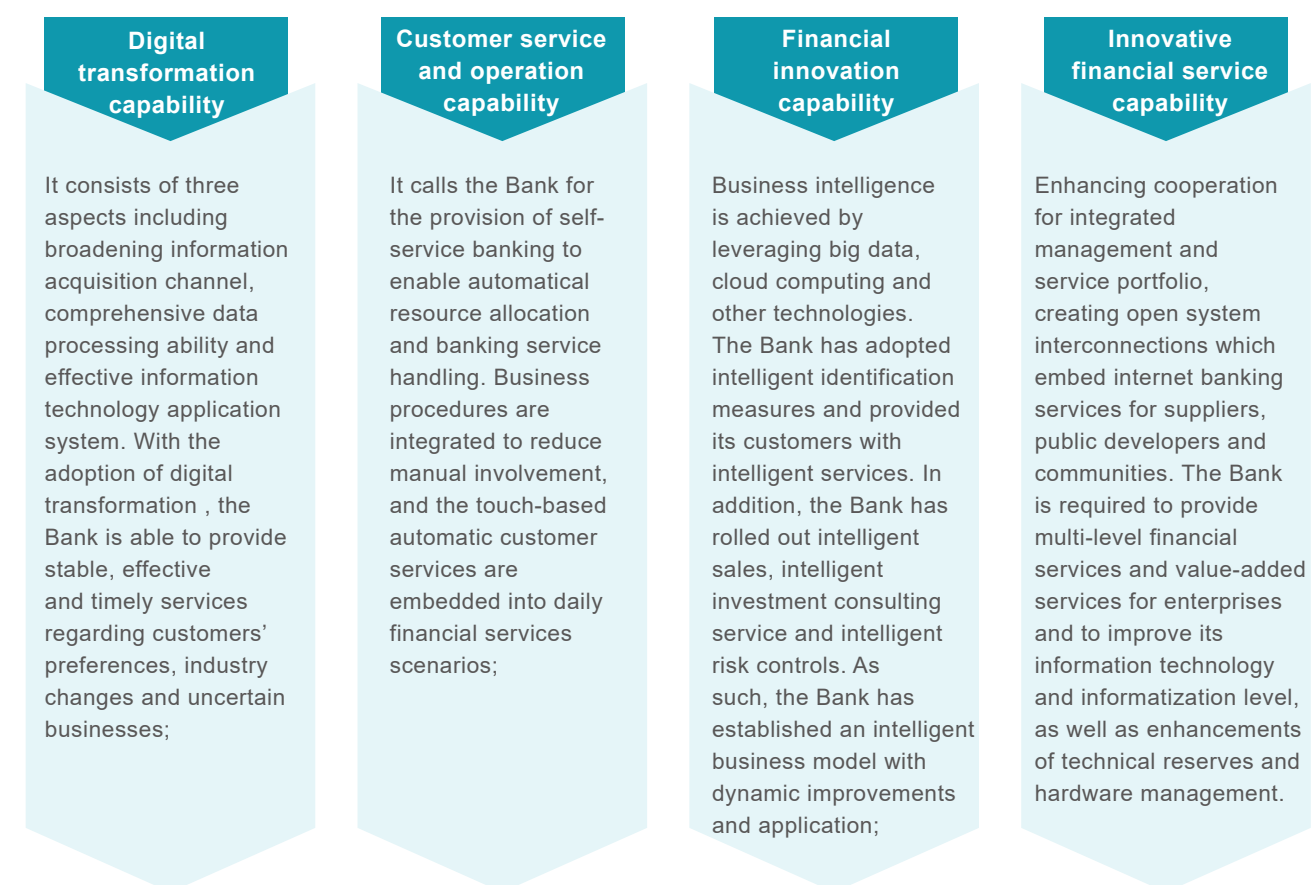
Promotion Management

In accordance with the *Advertising Law of the People's Republic of China*, the *Regulations on Control of Advertisements* and other advertising-related regulations, Bank of Gansu takes seriously in all advertisements and promotions. For departments that require service providers for designs or promotions, contracts should be carefully reviewed to ensure information provided to the public is real and reliable. Any misleading information is strictly prohibited.

During the Reporting Period, all product promotions complied with the relevant laws and regulations and no violations occurred.

Fintech Application

For the purpose of grasping new opportunities featuring the new era and resulting from technological reformation, Bank of Gansu has carried out in-depth researches and innovations on fintech including cloud computing, big data, artificial intelligence, etc. The Bank keeps exploring suitable applications for business development and digital transformation in four main directions:



Safeguarding Intellectual Property

Based on the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China* and other related laws and regulations, Bank of Gansu respects and resolutely protects intellectual property rights. The external intellectual property management is monitored by the Law and Compliance Department, which aims to prevent infringements on others' intellectual poverty. Internally, the Bank is fully aware of the importance of intellectual property in its operation and managing its intellectual property by means of trademark registration for the brand and product during the product development process.

During the Reporting Period, the Bank did not infringe on any intellectual property rights.

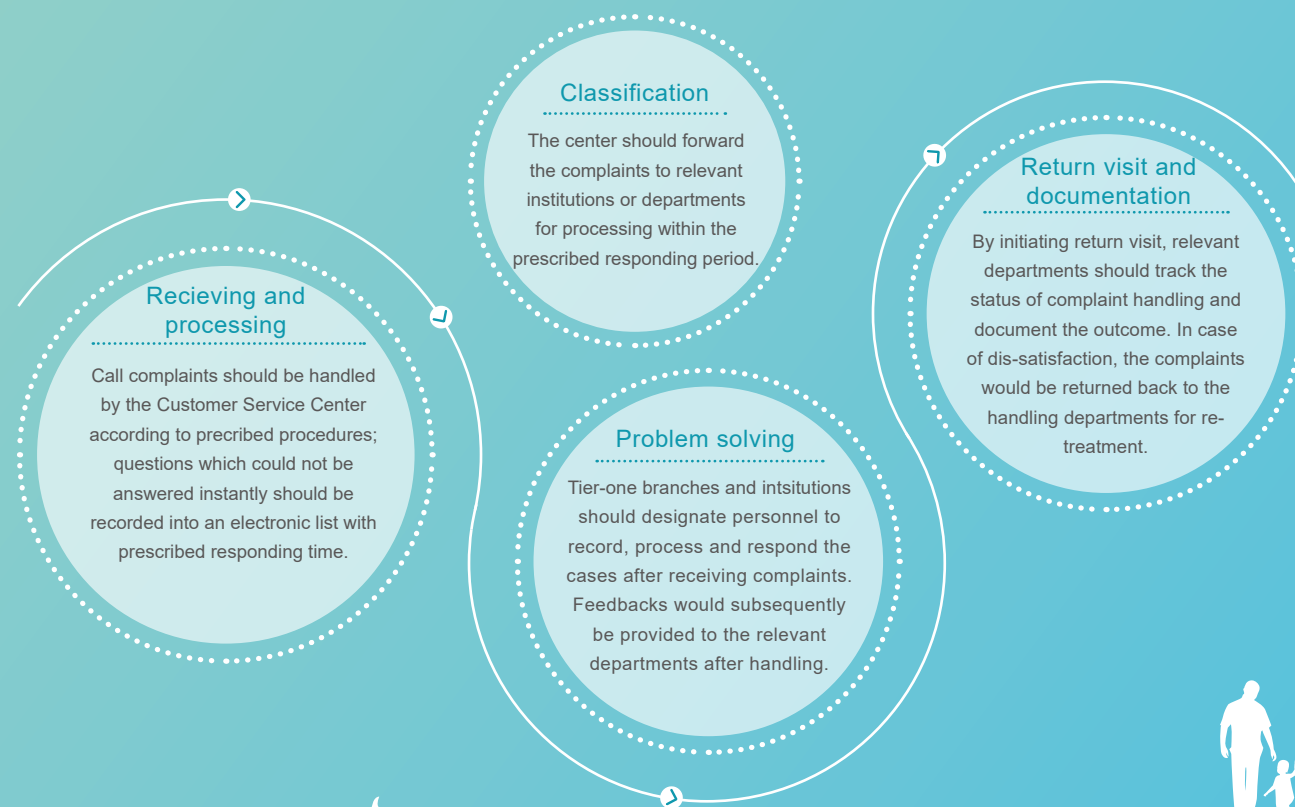
Ensuring Service Quality

The Bank empathizes the importance of customer complaint management and has enhanced and strengthened its service quality and supervision. "Customer-oriented" is adopted as the service objective to address customers' issues in a timely and effective manner. The *Administrative Measures on Solving Customer Issues of Bank of Gansu (2018 Amendment)* (《甘肅銀行客戶問題處理管理辦法(2018年修訂版)》), the *Rules for Implementation of Customer Complaint Management of Bank of Gansu* (《甘肅銀行消費者投訴管理實施細則》) and other regulations have been launched to standardize customers' complaint management works.

Customer Complaint Management

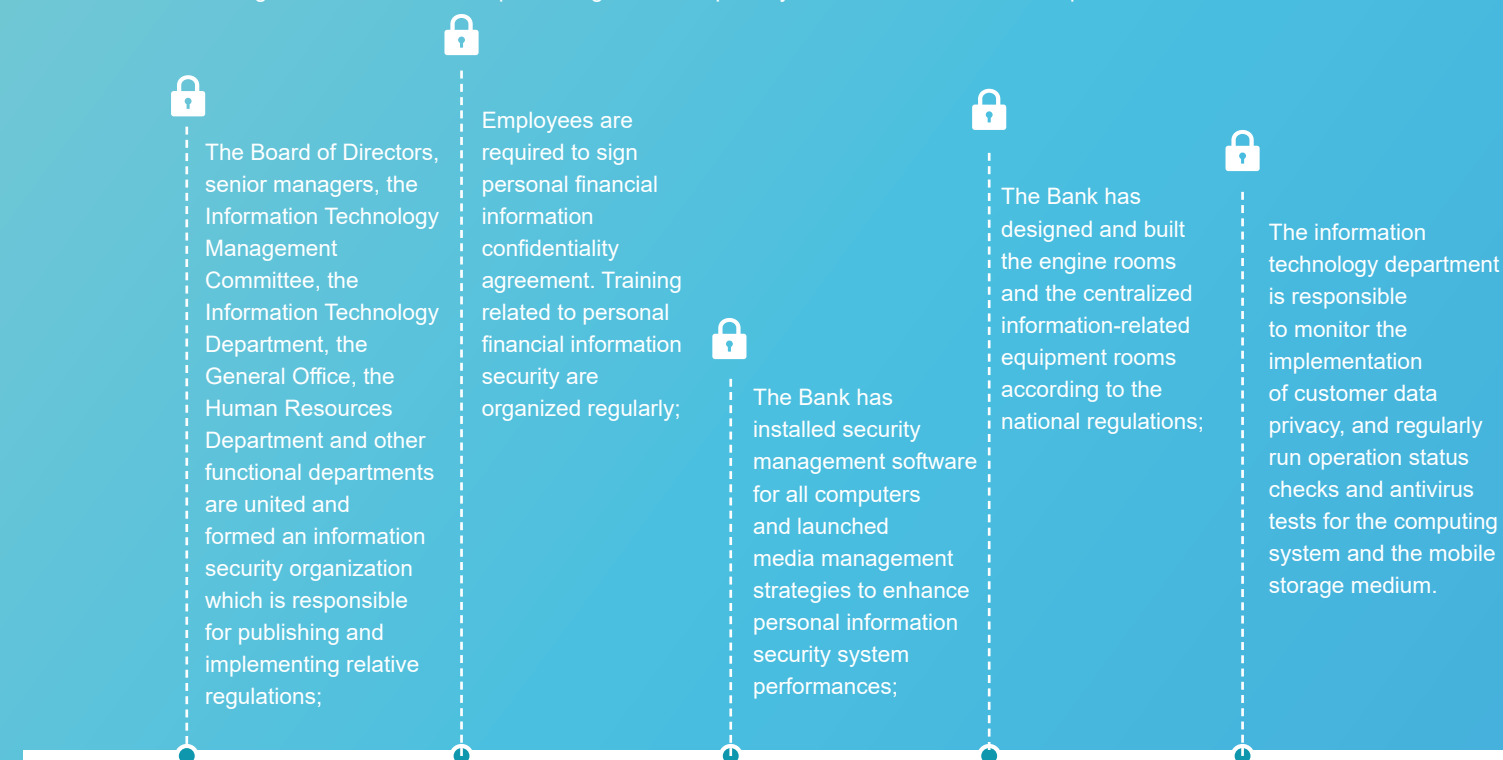
To ensure customers' service quality is keeping up with the market fore-runners, a 96666 Customer Service Center has been set up to focus on the complaints received and the handling thereof. Performance indications including complaint handling efficiency, process quality, number of complaints received and customer satisfaction of branches and sub-branches have been included in the units' quarterly evaluation, which help to promote service excellence.

After receiving complaints from the customers, the Customer Service Center would process the complaints with the following procedures:



Customer Privacy Protection

Customer privacy protection of Bank of Gansu is implemented strictly under the principle of "Authorized collection, authorized use, demand-based". The Bank has formulated internal policies such as the *Administrative Measures for Information Security of Bank of Gansu* (《甘肅銀行信息安全管理辦法》) and the *Administrative Measurement for Desktop Security of Bank of Gansu* (《甘肅銀行桌面安全管理辦法》) in accordance with requirements of the *Cybersecurity Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, etc. The following actions are taken for protecting customer privacy on the basis of related requirements:



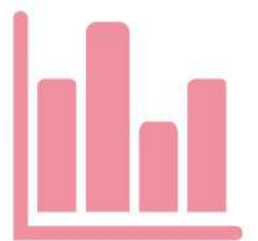


Strengthening Employee Management

Forming Elite Teams

Health and Safety Protections

Training and Development Opportunities



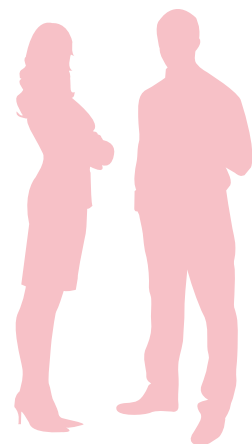
"People-oriented, achievement for you and me, work together, and go hand in hand" has always been the Bank of Gansu's talent management philosophy. The Bank is committed to creating a harmonious and safe working environment. It has established a fair and diversified employment management scheme, and a competitive remuneration system. Meanwhile, through constant researches and summarizations, the Bank keeps proposing the development of the needs-based employee training system, which designs multiple training programs and advances the common growth of the Bank and its employees.

Forming Elite Teams

As of 31st December 2018, the Bank had 4,121 employees and all of them were from the Gansu Province. The turnover number of the year, which comprised 2.76% of the total number of employees, was 117. Other information, including the total number of employees and their proportion by gender, age groups; employment types, education background; and turnover number and turnover rate by gender, age group; is shown as follow:

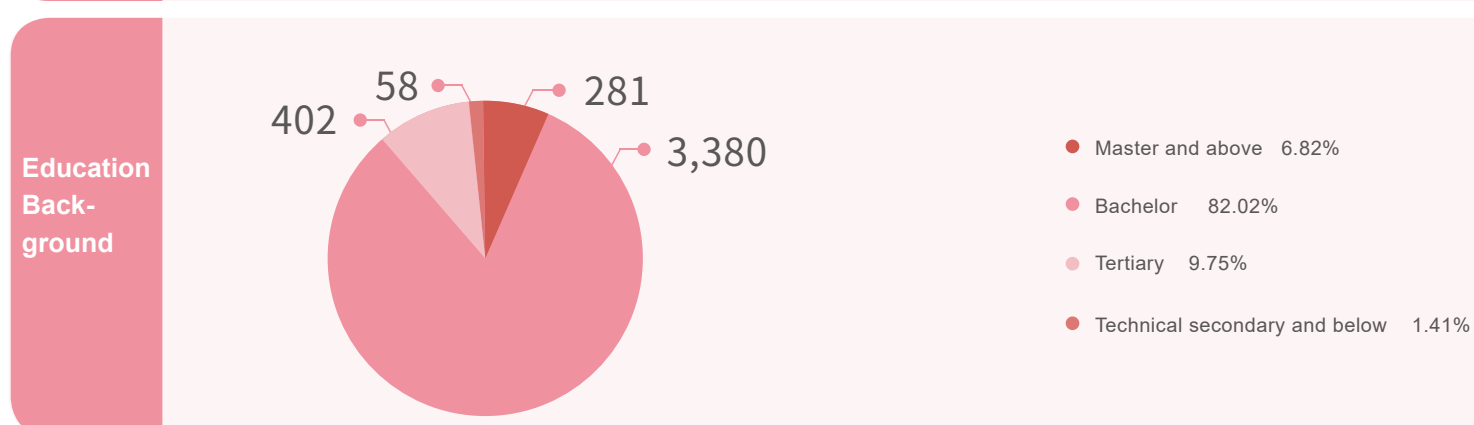
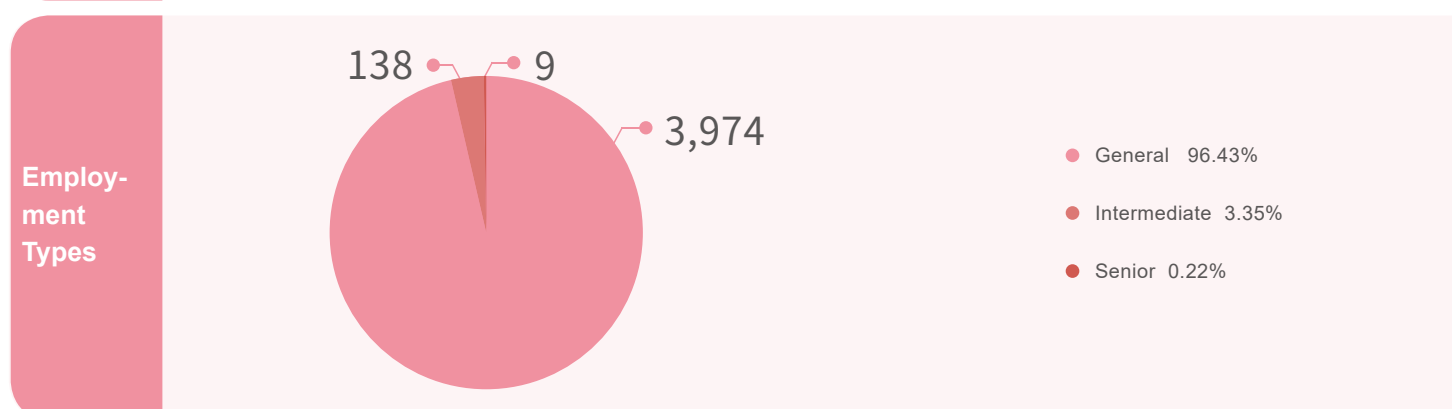
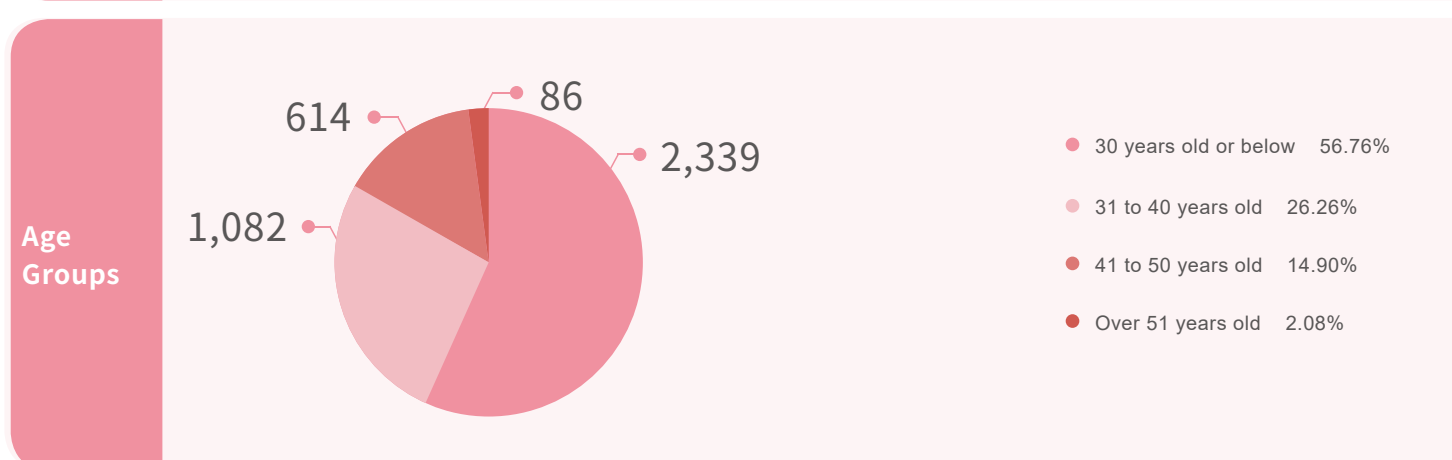
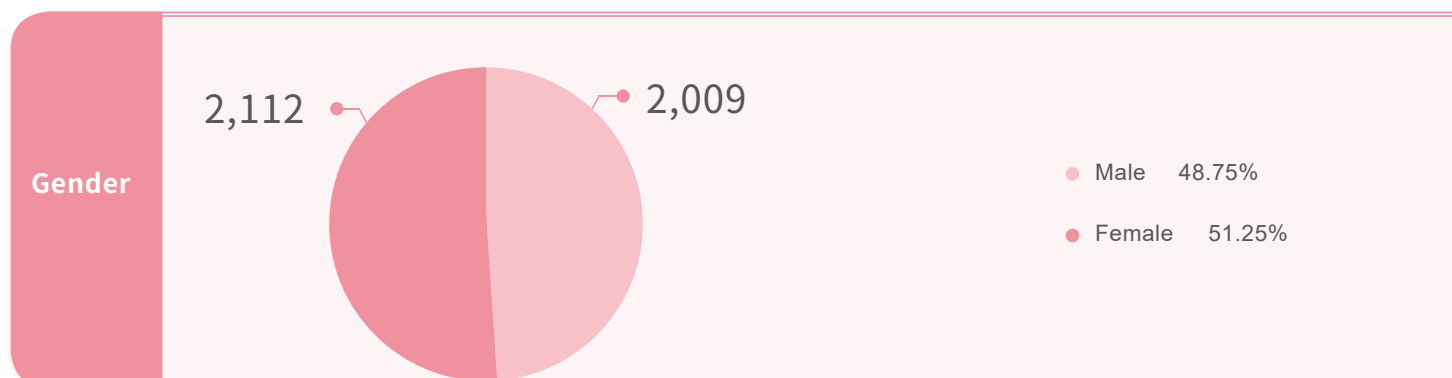
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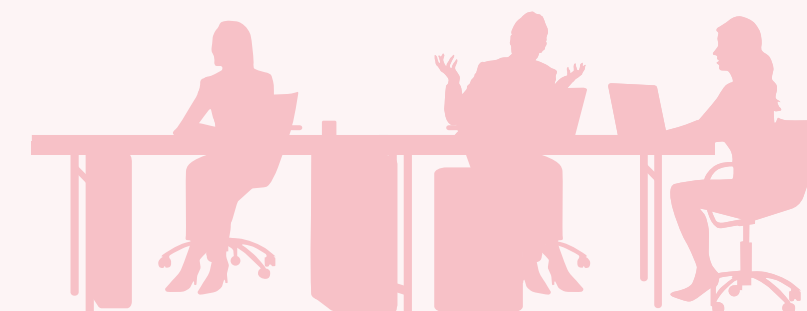
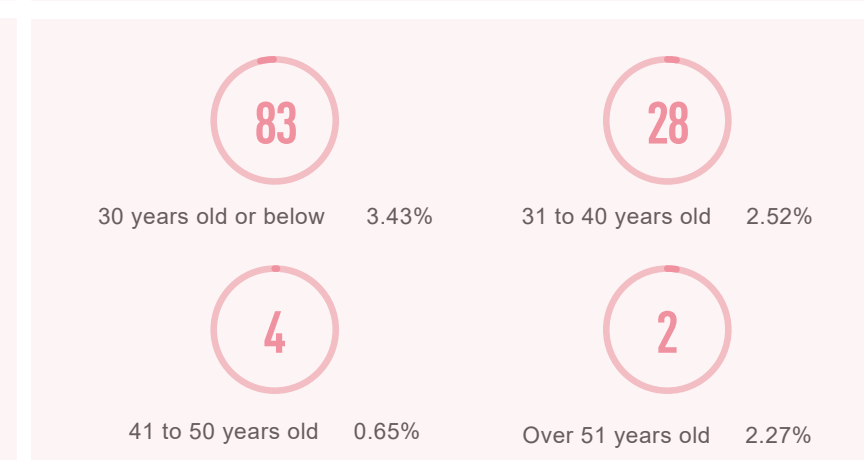
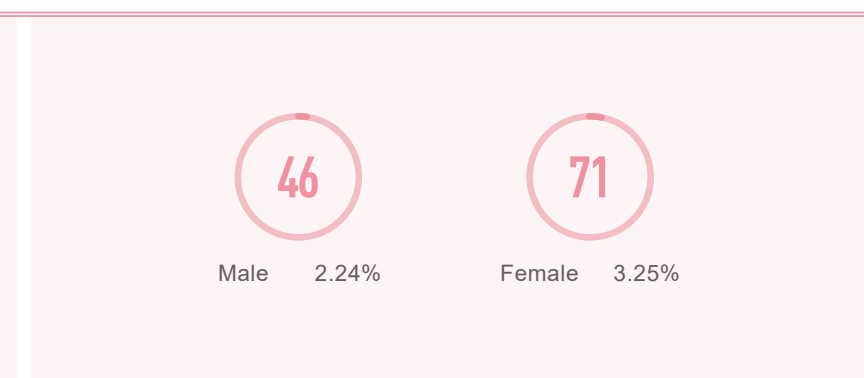


Classification

Number



Turnover Number



Recruitment Management

In accordance with requirements under the *Labor Law of the People's Republic of China*, the *Provisions on the Prohibition of Using Child Labor*, the *Law of the People's Republic of China on the Protection of Minors*, the *Employment Promotion Law of the People's Republic of China*, etc., the Bank is conducting its recruitment under a fair and equality principle. During recruitments, recruiters from the Bank should carefully verify the background information of applicants and take records in the computing system to prevent the employment of minors and forced labor. Meanwhile, recruiters have been obligated to select applicants based on the scientific verifications of applicants' moral characters, education background, work experiences, skills and other criteria stipulated in the *Administrative Measures for Job Management of Personnel in Management Positions* (《管理崗位職務人員任職管理辦法》), the *Administrative Measures for Appointment of Professional and Technical Positions of Bank of Gansu* (《甘肅銀行專業技術崗位職務人員聘任管理辦法》) and other related policies. On the other hand, prohibitions on discrimination against age, gender, physical condition, religious beliefs, cultural background and other unfair treatments on applicants are promoted to guarantee fairness and diversity of the recruitments.

During the Reporting Period, recruitments organized by the Bank were all in compliance with laws and regulations, which indicated no occurrences of illegal recruitment and the recruitment of minors or forced labor.

Rights and Interests Protection for Employee

A harmonious and stable working environment and a competitive remuneration system are the vital supports to improve the sense of belonging of employees, and to accelerate the core developments of the Bank. To manage daily works scientifically, and to achieve higher sense of belongings for employees and to increase enthusiasms of colleagues towards works, the Bank launched the *Measures for Position Rotation and Mandatory Vacation of Bank of Gansu* (《甘肅銀行崗位輪換和強制休假辦法》), the *Administrative Measures for Employees' Rest and Vacation of Bank of Gansu* (《甘肅銀行員工休息休假管理辦法》), the *Administrative Measures for Remuneration of Employee of Bank of Gansu* (《甘肅銀行員工薪酬管理辦法》), the *Administrative Measures for Career Development of Bank of Gansu* (《甘肅銀行職業生涯發展管理辦法》) and other internal regulations. Accordingly, working hours of employees are regulated in accordance with relevant laws and regulations to prevent excessive working; holidays and vacations are arranged appropriately to ensure that rests could be taken properly by employees; settings of salary and benefits for employees are integrated with economic situation, price index, business conditions of the industry, employees' performance appraisals and other factors under the competitive remuneration system; dismissal issues are managed under regulations of laws and provisions of labor contracts to prohibit unlawful dismissal and other illegal circumstances.

During the Reporting Period, employment management of the Bank was strictly complied with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and other related laws and regulations, and the Bank did not violate any laws and regulations related to compensation, dismissal, recruitment, promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

Health and Safety Protections

Health and safety conservation is one of the priorities of the Bank's employment management. Bank of Gansu has established and improved its health and safety management system according to regulations of the *Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases*, the *Mental Health Law of the People's Republic of China*, the *Regulation on Work-Related Injury Insurance*, etc. to safeguard the health and safety of employees.

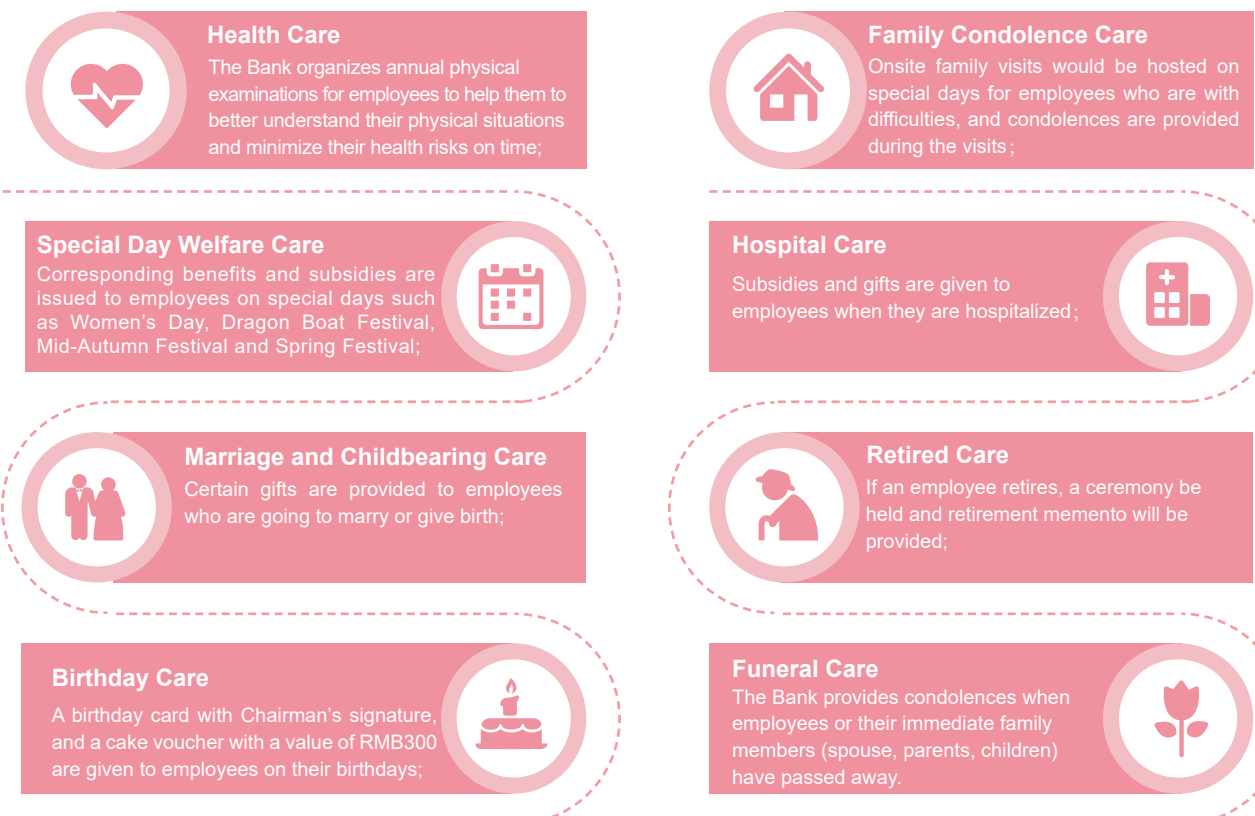
Concerning the protection works related to health and safety of employees, complete administrative measures for health and safety conducted by the Bank have covered cultural and sports events organization, health and safety related education, annual physical examinations and medical insurance, etc.

During the Reporting Period, the Bank had strictly enforced its health and safety conservation policies and did not violate any relevant laws and regulations. There were no work-related fatalities in the year while the number of lost days due to work injury were 242.



Caring Employees' Health

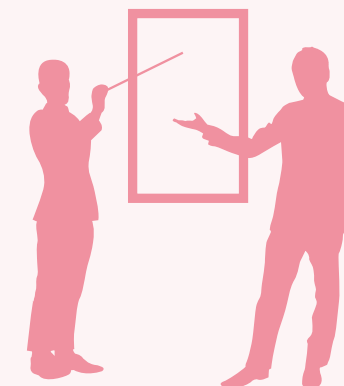
As specified by the *Rules for Implementation of Employee Care of Bank of Gansu* (《甘肅銀行員工關愛實施細則》), the Bank provides a wide range of cares as part of the welfare and safety conservation scheme, aiming at balancing life and work of employees, enthusiasm motivation and the construction of harmonious and warming working environment:



Education on Health Knowledge for Employee

On 25th April 2018, Bank of Gansu organized an "Education on Health Knowledge for Employee" event at its head office. The event invited the Director from the Health Management Center of Gansu Province as the speaker of the event. The speaker lectured in the areas of self-rescue, accident rescue, effective response to smog, improvement of personal immunity and improvements of sub-health.

The event was held in the form of combining real cases sharing and in-class interactions, holding onsite Q&A section and practical demonstrations for the participants' concerns. Furthermore, the event was shared to all levels of the Bank via the video-conferencing system to ensure maximizing the participation of staff to gain relevant the health and safety knowledge.



The “Charming September, Floral Life” event

To enrich the corporate culture of the Bank and to improve aesthetic taste and lifestyles of employees, the flower arrangement salon “Charming September, Floral Life” was held on 15th September 2018. Ms. Zheng Yi, the chairman of Gansu Flower Arrangement School - the highly famous Chinese flower artist was invited to host the event. Ms. Zheng introduced knowledge related to flower identification, color matching, etc. to the trainees and conducted live flower arrangements to guide trainees on producing their own works.



The “Diligent Life, Happy Work” walking activity

On 21st July 2018, the head office held the walking activity named “Diligent Life, Happy Work” in Zhalong Ditch, Qinghai Province. More than 150 employees attended the activity and they were separated into two groups, the “Hiking group” and the “Leisure Group”. Members of the “Hiking Group” initiated a hiking competition in the Zhalong Ditch and completed the competition in around two hours. On the other side, the “Leisure Group” prioritized entertainment and enjoyed the sceneries while walking and getting closer to the nature.

Consequently, the activity introduced the pleasure of doing exercises and the concept of staying fit to the participants, and enhanced their cohesiveness and physical situation.



Additional Medical Protection

In addition to the basic medical insurance for employees, the Bank provides additional supplementary medical insurance to ensure that employees could receive timely treatment and care when they were getting sick. The insurance is introduced to protect the physical health of employees comprehensively by enlarging the coverage of medical insurance, improving the medical guaranteed level and mitigating the economic burden caused by medical treatment. Additionally, according to the *Administrative Measures for Medical Expenses Relief Funds for Critical Diseases of Employees* (《員工重大疾病醫療費用救助基金管理辦法》), the Bank has established the Medical Expenses Relief Funds for Critical Disease of Employees to protect employees who are suffering from critical diseases in receiving timely medical treatment, so as to form the three defensive lines of employee medical protection system with the basic medical insurance and the supplementary medical insurance.

Training and Development Opportunities

Development of employee is a critical driver realizing the sustainable development of a company. In meeting the needs of the era, corporate development and personal development on skills, professionalism and other abilities on employees, the Bank published the *Regulations for the Management of Staff Training of Bank of Gansu* (《甘肅銀行員工培訓管理辦法》), the *Administrative Measures for Amateur Training of Employee of Bank of Gansu* (《甘肅銀行員工業餘進修管理辦法》), the *Regulations for the Management of Internal Trainers of Bank of Gansu* (《甘肅銀行內部培訓師管理辦法》) and other internal regulations to manage professional training. An internal training management group was introduced under the Human Resources Department for developing professional employees' training programs for colleagues under different business streams.

According to the administrative training regulations, training activities are separated into four types as follow:

While strengthening the political thinking, moral quality and Party culture education of managers, the training also emphasizes leadership quality development which is paying attention to advance capabilities of leadership, execution, innovation, marketing and management;

Operation and Management Personnel Training

Depending on results of researches and analysis of the behavior characteristics of employees on different levels and positions, the training scheme developed post competency quality model and is using the model as a starting point to initiate job position training programs based on business line classification;

Business Line Staff Training

Providing general business knowledge training and carrying job qualification examinations for employees is the main task of the training. Besides, the training offers knowledge which is required for cross-position development and personal development;

General Staff Training

Risk Control Training

It aims at educating employees about the current risk assessment and authorization management systems and policies. By acknowledging and discussing the issues that need to be solved under the current business development of the Bank to participants, it could cultivate risk control awareness to ensure that participants could strictly implement risk management procedures and understand the importance of risk management for the business.



Managers were taking courses at the Cambridge University



Intermediate managers taking ability building courses at the University of Hong Kong



Environmental Protection

Use of Resources
Control of Emission
Green Finance Development



Bank of Gansu attaches great importance to environmental protection, and proactively responds to the national sustainable development strategy to strengthen the natural environmental protection in order to take actions on the battle for prevention and control of pollution. Although its businesses does not engage in production or high energy consumption, the Bank has the intention and determination to achieve energy saving and reduce emission through practical means.

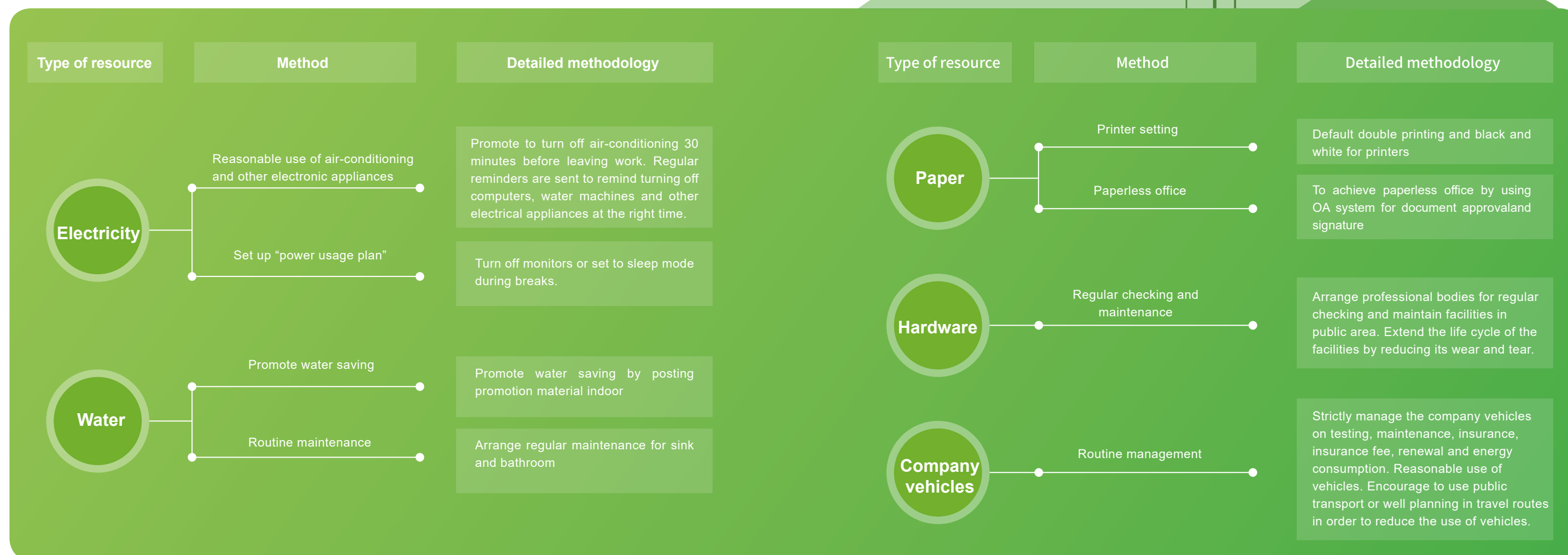
Implement a green office policy to the entire bank. Encourage daily conservation on electricity, water, office equipment, fuel and other resources. Also, cooperate with qualified suppliers for recycling.



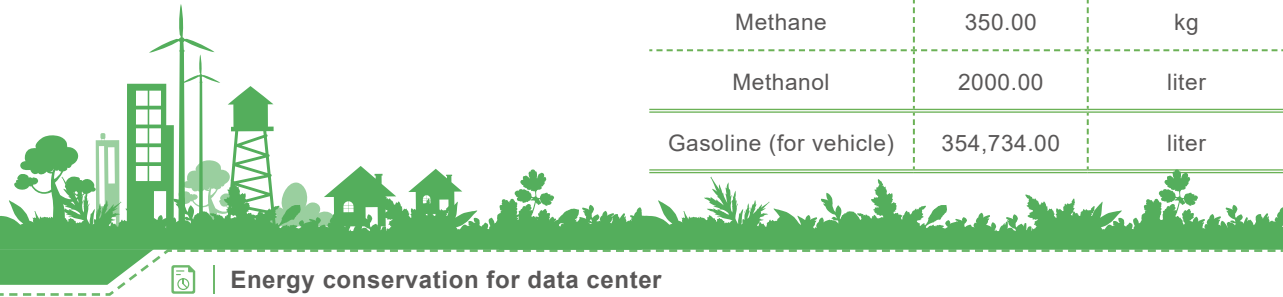
Proactively support green industry development and ecology protection through green finance products. Funds are particularly used on green industry development.

Use of Resources

In Bank of Gansu's operation, resources used are mainly electricity, water, office appliances and company vehicles, as well as the fossil fuels used for canteen and the heating system. In order to reduce the resources used in a feasible manner, the Bank achieves the resources saving together with the Administrative Department and General Office of the head office. The following is adopted to preserve resources:



During the Reporting Period, the Bank had good performance in resources conservation through active management and cooperation with colleagues. The specific consumptions are as follows.



Type	Data ²	Unit
Electricity ³	11.68	GWh
Electricity intensity	53.53	kWh/m ²
Electricity intensity	2,833.29	kWh/person
Water	11.42	thousand metric ton
Water intensity	0.52	metric ton/m ²
Gaseous natural gas	45,300.00	m ³
Liquefied natural gas	1,231.38	metric ton
Town gas	300.00	m ³
Anthracite	3.80	metric ton
Diesel	2.51	metric ton
Gasoline (for generator)	3.19	metric ton
Liquified petroleum gas	0.60	metric ton
Methane	350.00	kg
Methanol	2000.00	liter
Gasoline (for vehicle)	354,734.00	liter

The Bank’s data center is built based on the A Grade National Standard (GB50174-2008), and some has adopted the international standard (TIA-942) T4 level.

During the design stage, 3 types of energy conservation measures are integrated to showcase the environmental features of the machinery rooms:

- Use of natural cooling air-cooled system. The system could be cooled via natural means when the outdoor temperature is low to reduce the use of energy in the data center.
- By increasing the supply and return water temperature in the cooling system, volume of the chilled water machine could be reduced to improve its efficiency, resulting in a reduction on energy consumption of the cooling system.
- Cold aisle model is adopted in the cabinet server in order to uplift the cooling efficiency of the air-conditioning for energy conservation.

¹Unless stated otherwise, the scope for resources consumption included the head office, 12 branches and 189 sub-branches

²The sub-branches have rounded the consumption for statistics, but the difference with actual data is minor;

³As there is no water and electricity meter for Tianshuiqiaonan sub-branch and Wanda sub-branch, therefore they were excluded from the above data.

Control of Emission⁴

Although Bank of Gansu does not involve in major production and generation of emissions in air, water nor solid waste, due to operation needs, the Bank uses electricity, vehicles, generators and boilers which generate greenhouse gases (GHGs), air emissions as well as varies types of hazards and non-hazards waste.

The Bank follows the laws and regulations such as the *Environmental Protection Law of the People’s Republic of China*, the *Regulations on the Administration of City Appearance and Environmental Sanitation* and the *Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and has played its greatest efforts to control the Bank’s emission activities, GHGs emissions, air pollution and solid waste.

During the reporting period, the Bank did not violate any laws and regulations that are related to emissions.

GHG emission

Type of emissions	Amount	Unit
Total emission	11,661.70	metric ton
Scope 1 (stationary source) ⁵	964.75	metric ton
Scope 1 intensity (stationary source) ⁶	5.23	kg/m ²
Scope 1 (mobile source) ⁷	805.79	metric ton
Scope 1 intensity (mobile source) ⁸	6.10	metric ton/vehicle
Scope 2 ⁹	9,526.27	metric ton
Scope 2 emission intensity ¹⁰	43.67	kg/m ²
Scope 3 ¹¹	364.88	metric ton

⁴Unless stated otherwise, the scope of emission include the head office, 12 branches and 189 sub-branches

⁵Stationary source emission is calculated based on the GHG Emission from Stationary Combustion produced by Greenhouse Gas Protocol. As the methodology does not provide for emission factors absent of anthracite, methane and methanol, the Bank has selected the most similar emission factors of raw coal, natural gas and liquefied natural gas as alternatives.

⁶Only footprint of the institutions that consumed stationary sources fuels with a total area of 183,348.82 square meter are reported.

⁷Mobile source emissions are calculated based on the GHG Emissions from Transport or Mobile Sources produced by Greenhouse Gas Protocol. However, information of the Wuwei branch and the Tianshui branch is excluded since they have incomplete statistic management.

⁸It is using the number of vehicles included in the reporting scope as denominator, which is 132.

⁹Scope 2 emission mainly includes indirect emissions caused by purchased electricity consumption of the Bank. Calculation for it refers to the GHG Protocol Tool for Energy Consumption in China produced by Greenhouse Gas Protocol.

¹⁰It is using footprint of the institutions included in the reporting scope as denominator, which is 218,137.82 square meter.

¹¹Emission of the year includes indirect greenhouse gas emissions from public flights and paper landfilled. Among them, only flights taken by staff from the head office countedEmission from public fight is calculated referring to the GHG Emissions from Transport or Mobile Sources produced by Greenhouse Gas Protocol, and emission from paper landfilled is calculated referring to the Reporting Guidance on Environmental KPIs published by HKEx.

Air pollution

Type of air emissions ¹²	Amount	Unit
Nitrogen Oxide (NO _x)	608.75	kg
Sulphur oxide (SO _x)	5.21	kg
Particular matters (P _M)	52.85	kg

The Bank strictly follows the Administrative Measures for Urban Living Garbage to handle waste. Office wastes are collected in the designated area, collected and transported by the government agencies responsible for waste collection. At the same time, the Bank adopts the following to reduce waste:

Establish centralized recycling channel for collection of wastepaper, newspaper, computers and other office equipment. Recycle waste that is recyclable, and qualified supplier are deployed for the recycling of material.

The Administrative Department held monthly office environment checking. Also, the performance on hazardous waste separation and recycling implementations are also checked.

Waste printing paper, ink cartridge, toner, toner cartridge, ink ribbon, batteries and hard disk are returned to suppliers for centralized collection. Suppliers are required to carry out waste classification and recycling and applied de-toxic treatment.



全国每月每户节约 1卷纸

During the Reporting Period, the waste generated by the Bank are listed below:

Hazardous and non-hazardous waste generation

Type of wastes	Amount	Unit
Non-hazardous wastes		
Wastepaper	54.51	metric ton
Office general waste	51.12	metric ton
Hazardous wastes		
Wasted ink cartridge ¹³	8,226	pcs
Wasted toner cartridge ¹⁴	6,193	pcs
wasted electronic products	378	pcs

¹²Emissions of air pollutants are calculated based on Reporting Guidance on Environmental KPIs in Appendix 2 of the How to Prepare an ESG Report published by HKEx. Because the calculated air pollutants from stationary sources are extremely low, the table mainly shows air pollutants from mobile sources.

¹³0.8kg/pcs is used as intensity for standardizing.
¹⁴0.06kg/pcs is used as intensity for standardizing.

Green Finance Development

In responds to the Guidelines for Establishing Green Financial System issued by the People’s Bank of China, The Ministry of Finance, National Development and Reform Commission, The Ministry of Environment Protection, China Banking Regulatory Commission, China Securities Regulatory Commission and China Insurance Regulatory Commission, the Bank as a player in the banking industry contributes to providing supports to the environmental industry through the establishment of the *Administrative Measures for Raising Funds by Bank of Gansu for Green Financial Bonds* (《甘肃银行绿色金融债券募集资金管理办法》) and the *Green Credit Policy of Bank of Gansu Co., Ltd.*(《甘肃银行股份有限公司绿色信贷政策》). The management handbook and policy confirm the Bank’s focused area in green finance, standardized the approval procedure, and established the green finance approval channel in order to receive the Bank of Gansu’s green finance business development support.

Since receiving the agreement and approval from the People’s Bank of China and China Banking Regulatory Commission Gansu Branch in 2016, the Bank issued RMB1 billion green bond graded AA+ in the manner of book building in 2017.

During the Reporting Period, the Bank closely followed the green finance projects and analyzed its environmental and social impacts to ensure the green finance projects could fully implement its green development concept and the Bank’s green finance policy.

 | The Jinhui Mining green mining project

Jinhui Mining green mining project is the Bank key focused green financed project. It’s well constructed and its environmental concepts are well acknowledged. The company is the only company selected in the Gansu Province, and was listed in the first batch of 203 green factories by the Ministry of Industry and Information Technology.

The project has adopted a highly automated technology to maximize the resource utilization by reducing the defect rate by 10%, ore dilution rate by 10% and mine recovery rate by over 90%. The filtered gangue is then being stirred with certain proportion of water condensation after being concentrated by a thickener. The mixture is used to fill the underground goaf by the pipeline. On the other hand, the industrial and domestic wastewater generated would be transferred into two different water treatment plants for closed-cycle consumption, and achieved zero emission;

Implement the entire operation with numeric control with the use of latest technology and equipment, establish quality testing center, use of robot to manage the mining system and automated mining system to enable the supply, classification, flotation, water supply and dosage.

Based on the “Protection while developing” principle, greenery and land recovery must be well planned to have 90% of the land recovered. For the area that is easily affected by disasters, the mine needs to achieve disaster treatment to 100%, a landscape recovery of 90% and water and soil loss recovery of 99%.

The mine design and development has taken reference to the 4A National Tourist Area Quality Grade to implement full greenery area, fulfilled all the required pollution standards and conserving the surrounding natural environment;

Mine selection and use of resources

Innovative technology

Redevelopment on natural environment

Social benefit

Greenery in mine





Advance Regional Development

Created Wonderful Gansu
Participation in Social Investment
Financial Support to Poverty Alleviation



In 2018, Bank of Gansu conscientiously implemented the socialism with Chinese characteristics for a new era, and fully committed itself to Gansu Provincial Party Committee and Provincial Government's strategies, and single-mindedly strove for innovative researches on investment, major project developments, private economic development, and poverty alleviations etc., as suggested by the cooperation agreement, and made substantial contributions to the betterments of Gansu Province.



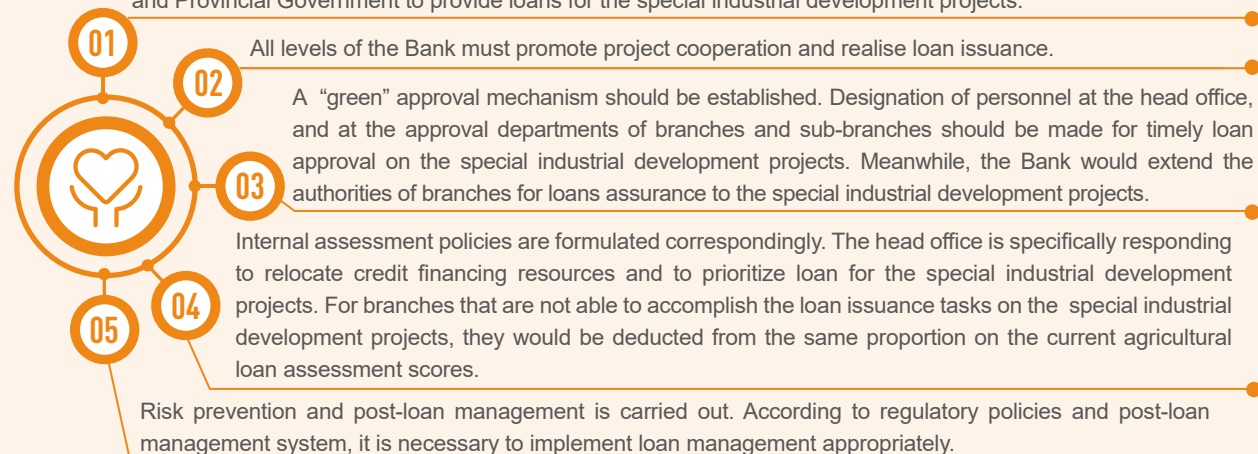
Create Wonderful Gansu

As the only provincial commercial city bank in Gansu Province, Bank of Gansu adheres to serve material economic development and the province's developments by undertaking critical tasks and strategies of the province. The Bank has focused on creating a great and harmonious Gansu, responding to the province's strategic developments in respect of rural revitalization, tourism and manufacturing. In addition to the strategic deployments, the Bank also focuses on serving urban construction, supporting the underdeveloped sectors and assisting the overall functional enhancement of the cities.

Bank of Gansu provides loans to support special industrial developments

On 17th October 2018, Bank of Gansu held a meeting to announce its supports to the special industrial development projects. During the meeting, five measures were introduced to all levels of the Bank, requesting acceleration on loan issuance for the special industrial development:

All levels of the Bank should react rapidly according to requirements raised by the Provincial Party Committee and Provincial Government to provide loans for the special industrial development projects.



Bank of Gansu actively contribution to cultural tourism developments in Gansu Province

Considering the integration between transportation and cultural tourism in Gansu Province as a juncture, Bank of Gansu provided RMB2.4 billion for the transportation construction projects. Together with the provincial tourism, an investment over RMB3 billion was contributed to key tourism projects such as the Fantawild Adventure in Jiayuguan and the Silk Road International Exposition Center in Dunhuang. At the same time, the Bank launched special products such as the "Intellectual Property Pledge Loan" and the "Scenic Charge Authority Loan" to support the co-development of agriculture and tourism, which emphasized the rural tourism industry including farmland sightseeing and leisure agriculture.



Participation in Social Investment

"Inclusive finance, poverty alleviation, care for the public benefits, and giving back to the society" has always been the social responsibility philosophy of Bank of Gansu. Through its adherence to the "serving local economy, serving the development of agriculture, rural areas and farmers, serving small and medium-sized enterprises and serving urban and rural residents" market positioning strategy, and referring to the Gansu Provincial Party Committee and the Provincial Government's requests on poverty alleviation with the power of the financial industry, the Bank has earnestly practiced its social responsibilities to exert its strengths in financial capital and product for promoting harmonious development of the society.

Contribution to Social Welfare

With the mission of "Love and stay with the community harmoniously", the Bank has actively engaged in community-related activities by providing support for social-cultural activities, sports events and joining various community assistance welfare projects, as to play its role as a member of the financial industry. During the Reporting Period, a cumulative total of more than RMB22 million was invested in social welfare projects by the Bank.

Social welfare events supported by Bank of Gansu (including but not limited to)

Donated **RMB 5 million** to the Gansu Police Martyrs and Heroes Foundation.

Donated **RMB 600 thousand** to the Gansu Women and Children's Development Foundation for initiating the "Grasp Small Hand in Big Hand, Speak Good Mandarin" event.

Donated **RMB 3 million** to the "Third National Youth Dragon Boat Championships 2018".

Donated **RMB 600 thousand** to the Spring Festival Lantern Shows in the Qilihe District and the surrounding counties of Lanzhou.

Donated **RMB 500 thousand** to the Third Silk Road (Dunhuang) International Culture Expo.

Donated **RMB 450 thousand** to the "Vision, the Second Nation Middle Student Composition Contest".

Donated **RMB 10 million** to the Dunhuang Academy China for supporting researches and protections of Dunhuang Cultural Heritage, and advancing cultural protections, cultural studies and cultural communications of Dunhuang Culture.

The donation event held by Bank of Gansu in Longquan Town

On 13th November 2018, the President of the Party Committee and Vice President, MR. Qiu Jinhu represented the Bank to donate stationaries, sporting goods and coal for winter, which worth RMB50 thousand, to all students in Zhongling Primary School and Nalenggou Primary School in Longquan Town. Also, prizes were awarded to those outstanding students.

With the intention to support the education industry, the Youth League Committee of the head office initiated the donation event under the support from the Party Committee. Both members of the Youth League Committee of the head office and all employees working in Lanzhou city actively responded to the donation to showcase their love to others. Certain funds were used to establish a poverty alleviation fund to increase accessibility of education to those children from poverty-stricken families.



The Youth League Committee of Bank of Gansu held donation event on “May 4th” Youth Festival in Children’s Welfare Institute

To commemorate the “May 4th” Youth Festival and enrich activities of the Youth League Committee, the Youth Committee of Bank of Gansu engaged 14 young employees to visit the Lanzhou Children’s Welfare Institute and to kick-start the “Showering Sunlight Together” event. Diapers, toilet paper and cleaning supplies and other daily necessities were donated with love and warmth to the children there. The Bank achieved the social responsibility of “Poverty alleviation, care for the public benefits” through the actions.

The representatives of the institute showed the participants around and presented the sites where the children lived. They also introduced the details regarding health care, rehabilitation, study and activity, etc. The representatives and employees of the Bank had a thorough communication about the lives of children in the institute, which enabled them to better understand the situation of disabled children.



Donation ceremony for the Gansu Police Martyrs and Heroes Foundation

On 16th March 2018, the Donation Ceremony for the Gansu Police Martyrs and Heroes Foundation was held in the Gansu Provincial Public Security Department’s office. During the ceremony, Bank of Gansu donated RMB5 million to the Gansu Police Martyrs and Heroes Foundation for supporting the development of the association and better serving the polices in Gansu Province.



The “Fuxi Ceremony”

On 22nd June 2018, the public Chinese ancestor sacrifice “Fuxi Ceremony” and the 29th China Tianshui Fuxi Culture Tourism Festival was hosted in Tianshui city. Accumulatively, more than 10 thousand representatives from different provinces, cities, autonomous regions, representatives and visiting groups from Hong Kong, Macau, Taiwan, and representatives from support units and all walks of life in Tianshui city participated the event. During the event, representatives of Bank of Gansu had in-depth communications with all level of representatives in Tianshui city, discussing about the deepening practical cooperation between government and the Bank.



Financial knowledge popularization

The Bank also proactively engaged in public education on financial knowledge and risk prevention. During the Reporting Period, the head office and its branches held a series of financial knowledge promotion events such as the “Promotions on Consumers’ Rights and Interests Protection”, the “Financial Knowledge Popularization”, “Anti-illegal Fundraising Promotion”, “Financial Knowledge in Campus” etc.



Financial Support to Poverty Alleviation

Bank of Gansu has been involving in regional economic development since its establishment. It has complied with the market strategy on serving “agriculture, rural areas, farmers, and small and micro enterprises” and served urban and rural residents through various measures. By the end of 2018, the Bank had provided financial services to more than 8 million individuals, and small and macro enterprises and had come to fruition in the following aspects:

Promote basic infrastructure services such as public transportation system and medical services

The Bank has improved the credit policies by classifying infrastructure projects such as public transportation projects and urbanizations projects as key credit areas. By the end of 2018, the Bank had a cumulative loan of RMB11.795 billion for the development of infrastructure, resident services, education and medical services, etc.

Improve online banking and financial services convenience

According to the economic characteristics of Gansu Province, the Bank has initiated a special farming beneficial mobile banking to enhance farmers' experiences. At the same time, an online retailer platform has been developed for selling agricultural products. By the end of 2018, the Bank had a total of 750 platform users and achieved a transaction of RMB3.93 million with more than 77,000 transactions, and the direct bank platform had acquired customers through its channel as well. Also, the direct banking platform has met the requirements of those customers who live far away from business outlets or customers who are unable to register bank account easily by enabling them to apply online banking account at the convenience financial service center directly.

Strengthen cooperation with government and provide convenience services through data diversion

The Bank has signed a strategic cooperation agreement with the Gansu Provincial Market Supervision Administration to simplify the processes involved in business licenses application for newly registered enterprises or pre-approved enterprises, as well as to enhance efficiency and provide professional services. Meanwhile, the cooperation framework signed with the Provincial Taxation Bureau has authorized the Bank to provide credit support to small and micro enterprises. Through unremitting battling for three years, the Bank had accumulatively financed RMB4.347 billion to 469 enterprises through Bank-Tax Interaction.

Fulfill social responsibilities and implement multi initiatives to achieve common prosperity

By the end of 2018, the Bank had launched a number of loan products such as the “Women's Small Business Loan”, the “Family Farming Business Loan” and the “Special Industrial Project Loan”. As one of the four financial institutions undertaking the provincial targeted poverty alleviation loan projects, the Bank had provided RMB6.6 million loans to support those poverty-stricken groups in the province.

Advance intelligent outlet development and expand service scope

Convenience financial service centers are widely set up to provide customers from the countryside with rapid, quality and simple banking services including deposits, withdrawals, transfers, payment, etc. At the moment, there are 3 community sub-branches, 5 small and micro sub-branches and 65 convenience financial service centers have been set up.

Implement inclusive financing policy and promote cost reduction

The Bank has introduced new service pricing standards with additional free services provided and cutting down all fees of depository business operated on self-service channels. In the past three years, the Bank had a total of 25,302,700 settlements through the electronic channels with a total RMB127 million cost reduction.

Bank of Gansu participated in a provincial industrial poverty alleviation promotion meeting

From 24th to 25th June 2018, a provincial industrial poverty alleviation promotion meeting was held in Qingyang. Main leaders from the Provincial Government, the Provincial Party Committee and the Provincial Office, representatives from Lanzhou and other 10 cities' governments, representatives from 58 poverty-stricken towns and representatives from leading enterprises attended the meeting. The Party Secretary of the head office represented the Bank for the meeting and visited the poverty alleviation industries initiated in Huanxian, Ningxian, Qingcheng and other counties. Bank of Gansu would always adhere to the market positioning strategy of “serving local economy, serving the development of agriculture, rural areas and farmers, serving small and medium-sized enterprises and serving urban and rural residents”, accelerate investment on the special industrial projects, and promote the provincial poverty alleviation and economic and social development in accordance with the industrial poverty alleviation plan of action proposed by the governor of the province.

The Bank's first “three rural” debentures in 2018

On 23rd May 2018, the Bank has successfully issued its first “three rural” debentures in the national interbank bond market in the manner of book building. The issuance scale of the bond was RMB1.5 billion.

The Bank was awarded the “2018 Top 10 Targeted Poverty Alleviation Innovation Demonstration Banks”

On 21st April 2018, the “2018 Regional Coordination Development and Targeted Poverty Alleviation Achievement Reporting Conference” hosted by the China Comment was held in National Political Consultative Conference Hall. During the conference, Bank of Gansu was awarded as the “2018 Top 10 Targeted Poverty Alleviation Innovation Demonstration Banks”.

In the future, the Bank would keep working on its promise to be “The bank for people in Gansu”, focusing on serving “Three rural and small and micro enterprises”, contributing to the economic development in Gansu Province and centering the following three aspects to build and support the service system:

Optimize service inventory

The Bank would upgrade the credit system and modify business specialization mechanism in responding to the industrial characteristics and risks identifications of private and small enterprises to overcome difficulties in financing business. The Bank would also deploy scientifically in the institutional network construction, to set up a professional team and improve products and procedures that serve private, small and micro enterprises.

Increase service increment

The Bank would accelerate the pace of product innovation and promotion. Relying on the leadership of enterprises, cooperatives, associations, etc., the Bank would increase its supports to agriculture, rural areas, farmers, and small and micro enterprises and adjust its products according to customer feedback timely.

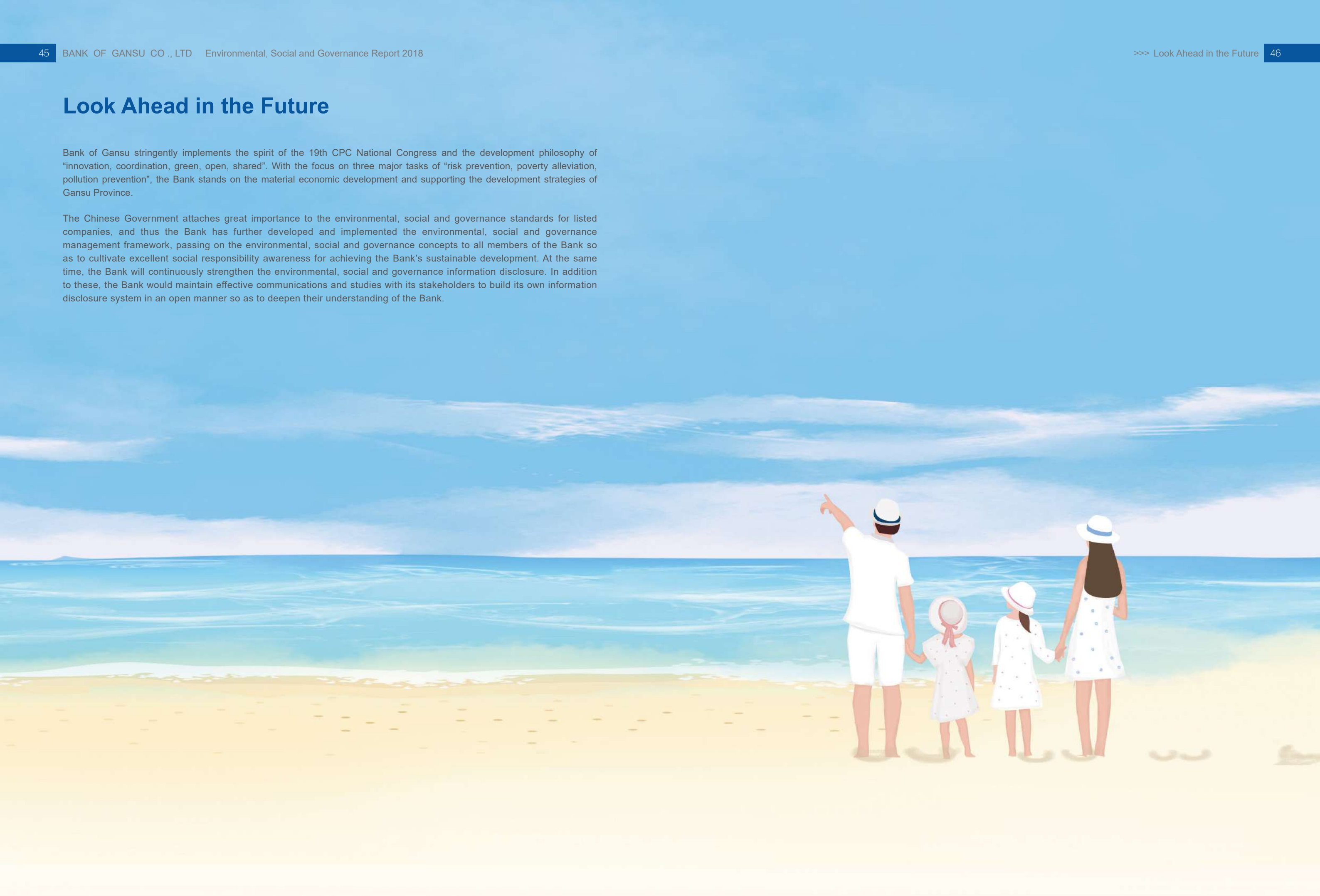
Expand business service channels

The Bank would accelerate the online financial service platform construction by fully making use of the advantages of the internet and big data on solving difficulties on getting loan and financing guarantee, which have troubled small and micro enterprises. The Bank would act its utmost on building its own e-commerce brand and providing rich, safe, convenient financial products and services to small and micro enterprises.

Look Ahead in the Future

Bank of Gansu stringently implements the spirit of the 19th CPC National Congress and the development philosophy of “innovation, coordination, green, open, shared”. With the focus on three major tasks of “risk prevention, poverty alleviation, pollution prevention”, the Bank stands on the material economic development and supporting the development strategies of Gansu Province.

The Chinese Government attaches great importance to the environmental, social and governance standards for listed companies, and thus the Bank has further developed and implemented the environmental, social and governance management framework, passing on the environmental, social and governance concepts to all members of the Bank so as to cultivate excellent social responsibility awareness for achieving the Bank’s sustainable development. At the same time, the Bank will continuously strengthen the environmental, social and governance information disclosure. In addition to these, the Bank would maintain effective communications and studies with its stakeholders to build its own information disclosure system in an open manner so as to deepen their understanding of the Bank.



Appendix

Index of Environmental, Social and Governance Reporting Guide

Aspect	Indicator	Indicator Description	Section
Environment			
A1: Emission	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Control of Emission
	A1.1	The types of emissions and respective emissions data	Control of Emission
	A1.2	Greenhouse gas emissions in total and, where appropriate, intensity	Control of Emission
	A1.3	Total hazardous waste produced and, where appropriate, intensity	Control of Emission
	A1.4	Total non-hazardous waste produced and, where appropriate, intensity	Control of Emission
	A1.5	Description of measures to mitigate emissions and results achieved	Control of Emission
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Control of Emission
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources (including energy, water and other raw material)	Use of Resources
	A2.1	Direct and / or indirect energy consumption by type in total and intensity	Use of Resources
	A2.2	Water consumption in total and intensity	Use of Resources
	A2.3	Description of energy use efficiency initiatives and results achieved	Use of Resources
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Use of Resources
	A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced	Not applicable to business
A3: Environmental and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources	Environmental Protection
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Environmental Protection
Social			
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Forming Elite Teams
	B1.1	Total workforce by gender, employment type, age group and geographical region	Forming Elite Teams
	B1.2	Employee turnover rate by gender, age group and geographical region	Forming Elite Teams
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Health and Safety Protections
	B2.1	Number and rate of work-related fatalities	Health and Safety Protections
	B2.2	Lost days due to work injury	Health and Safety Protections
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Health and Safety Protections

Aspect	Indicator	Indicator Description	Section
Social			
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Training and Development Opportunities
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Training and Development Opportunities
	B3.2	The average training hours completed per employee by gender and employee category	Training and Development Opportunities
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Forming Elite Teams
	B4.1	Description of measures to review employment practices to avoid child and forced labour	Forming Elite Teams
	B4.2	Description of steps taken to eliminate such practices when discovered	Forming Elite Teams
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain	Supply Chain Management
	B5.1	Number of Suppliers by geographical region	Supply Chain Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Supply Chain Management
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Fulfilling Product Responsibility
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable to business
	B6.2	Number of products and service related complaints received and how they are dealt with	Guaranteeing Product Quality
	B6.3	Description of practices relating to observing and protecting intellectual property rights	Guaranteeing Product Quality
	B6.4	Description of quality assurance process and recall procedures	Guaranteeing Product Quality
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Ensuring Service Quality
B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Corruption Prevention and Management
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Corruption Prevention and Management
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Corruption Prevention and Management
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	Advance Regional Development
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Advance Regional Development
	B8.2	Resources contributed (e.g. money or time) to the focus area	Advance Regional Development



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