

**Chongqing Rural Commercial Bank
Co., Ltd.**

**Corporate Social Responsibility
Report 2019**

March 2020

Declaration

Reporting Scope

This report covers Chongqing Rural Commercial Bank Co., Ltd. and its subsidiaries. Unless otherwise specified, for the purpose of the Report, “the Bank” refers to Chongqing Rural Commercial Bank Co., Ltd., “the Group” refers to Chongqing Rural Commercial Bank Co., Ltd. and its subsidiaries.

Reporting Period

This report is the ninth consecutive annual Corporate Social Responsibility Report of the Bank, with the reporting period from January 1st, 2019 to December 31st, 2019. Part of the contents may contain information which is beyond the aforesaid period.

Principle of Report Preparation

This report was prepared with reference to the *Guidelines on Environmental Information Disclosure of Listed Companies of the Shanghai Stock Exchange* and the *Guidelines on Preparation of Report on Company’s Fulfillment of Social Responsibilities* released by the Shanghai Stock Exchange, the *Environmental, Social and Governance Reporting Guide* released by the Hong Kong Stock Exchange, *GRI standards* released by the Global Reporting Initiative (GRI) and *Financial Services Sector Supplementary Guidelines*. The report was prepared in compliance with the requirements in *Opinions on Strengthening the Social Responsibility of Banking and Financial Institutions* released by China Banking and Insurance Regulatory Commission and *Guidelines on Corporate Social Responsibility of Chinese Banking and Financial Institutions* released by China Banking Association.

Data Presented in the Report

Parts of the financial data herein are extracted from the Group’s 2019 Annual Financial Statements (H-share). The Annual Financial Statements for the year ended December 31st, 2019 of the Bank had been subject to audit by the PricewaterhouseCoopers Zhong Tian LLP. In cases where there may be

inconsistencies between data presented in the Corporate Social Responsibility Report and the 2019 Annual Financial Statements, the latter shall prevail. Other data, relating to 2019 is primarily presented from use of statistical data generated from internal system of the Bank and its branches. The currency amount referred in this report is denominated in RMB, unless otherwise stated.

Assurance of the Report

PricewaterhouseCoopers Zhong Tian LLP was engaged to conduct a limited assurance on selected key data of the report and issued an independent assurance report 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 the forms of printing (adopting environment-friendly paper) edition and electronic edition. The latter is available on the website of the Shanghai Stock Exchange (www.sse.com.cn) , website of the Hong Kong Stock Exchange (www.hkexnews.hk) and website of the Bank (www.cqrcb.com).

The report is published in simplified Chinese, traditional Chinese and English. Should there be any discrepancies among these versions, the simplified Chinese version shall prevail.

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Message from the Chairman

In view of the complicated and evolving economic and financial market environment in 2019, guided by Xi Jinping' s Thoughts on Socialism with Chinese Characteristics for a New Era and the spirits of the 19th National Congress of the Communist Party of China ("CPC"), the Bank seriously implemented the requirements of "Enhancing Management, Controlling Risks and Stabilizing Development" , and strove in making positive progress while ensuring stability, actively pursuing innovation and development and accomplishing responsibilities in a reliable manner to steadily prevent and eliminate risks. We continue to implement the "Three-Dimension" Strategy of "Characteristic Operation, Delicacy Management, and Excellent Corporate Culture Cultivation" , and are committed to fulfilling our social responsibilities and comprehensively promoting sustainable developments.

On October 29th, 2019, the Bank was successfully listed on the main board of the Shanghai Stock Exchange, becoming the first rural commercial bank in Chinato launch A-share +H-share public offerings and the first bank in the western region of China to launch A-share +H-share public offerings. The Bank would proactively assume more social responsibilities.

Implementing national strategy, and propelling economic development.

The Bank actively enforces the national strategy, pushes forward the implementation of the "Belt and Road Initiative" in virtue of its regional advantages, and serves the development of the Yangtze River Economic Belt. In line with the Supply-Side Structural Reform, we bolster industrial transformation and upgrade, support the development of emerging industries, strengthen the allocation of resources to the private sector, and actively promote the development of the real economy. We continuously support the implementation of rural revitalization strategy, vigorously develop financial services to the "Sannong" , i.e. enhancing development of financial services environment to agriculture sector and farmers in the rural areas. We continue to build a comprehensive financial system for small and

micro enterprises to assist their small and micro businesses to propel and develop. Furthermore, the Bank increases investments in areas relating to people's livelihood, actively supports the development of medical, culture and education industries, and boosts infrastructure construction to improve people's living standards.

Boosting green finance, and enhancing environmental operations. The Bank attaches great importance to the development of green financial services, and formulates guiding policies and systems of green credit in active response to the State' s call for green development. The Bank actively promotes the transformation and innovation of its green finance business through a variety of measures, significantly focuses on green credit business and prioritizes resources, increases investment in the green and environmental protection industry, whilst strictly restricting loan financing to industries with " High Pollution, High Energy Consumption and Overcapacity" . We encourage employees to carry out green and environmental protection public welfare activities to promote the development of green public welfare, cultivate employees' awareness of environmental protection, formulate and implement measures of energy conservation and emission reduction, and carry out green transformation in office areas, striving to achieve an environmental friendly environment.

Serving the public, and fulfilling social responsibility. Adhering to the development concept of "Rooting in the Local Area and Serving the Public" , the Bank has an in-depth understanding of customer needs and actively improves customer service to ensure the quality of customer service and protects the legitimate rights and interests of consumers. We focus on employees' development and care for employees' wellbeing, striving to build harmonious labour relations. We continue to implement the policy of targeted poverty alleviation, give full support to the development of poverty-stricken areas and counties, and actively promote the activity of "Providing Rural Areas with Access to Government Bonds". We strengthen

the publicity and comprehensively popularize financial knowledge to raise the public' s awareness of preventing financial risk, contribute to help people in difficulties, and promote charity and public welfare, continuously practicing social responsibilities.

The year of 2020 is the final fiscal year of the Bank' s five-year development plan. The Bank will continue to focus on its strategic objectives planning aligning with the spirits of the19th National Congress of CPC, and will continue to consolidate, innovate and further promote a collaborative development of the economy, the environment and the society.

Chongqing Rural Commercial Bank Co., Ltd.

Liu Jianzhong, Chairman

Message from the President

In 2019, the Bank continued to adopt the working guideline of "Enhancing Management, Controlling Risks and Stabilizing Development" to focus on the mission of "Serving Customers, Repaying Shareholders, Supporting Employees' Self-actualization and Contributing to the Society". We took multiple measures to improve our internal management, including safeguarding against and mitigating financial risks, strengthening innovation in financial services, and deepening the implementation of economic, environmental and social responsibilities, so as to successfully accomplish our objectives.

Implementing regulatory requirements, and improving regular disclosure. In 2019, the Bank focused on the implementation of the spirits of the 19th National Congress of CPC and the improvement of social responsibility system. The Bank has fulfilled its social responsibilities according to the requirements of the *Opinions on Strengthening the Social Responsibility of Banking Financial Institutions* released by the China Banking and Insurance Regulatory Commission, *Guidelines on Corporate Social Responsibility of Chinese Banking and Financial Institutions of China* released by the China Banking Association, *Guidelines on Preparation of Report on Company's Fulfillment of Social Responsibilities* released by the Shanghai Stock Exchange, and the *Environmental, Social and Governance (ESG) Reporting Guide* released by the Hong Kong Stock Exchange, and has prepared its 2019 social responsibility report with reference to GRI Standards released by the Global Reporting Initiative.

Enforcing significant strategy, and developing inclusive finance. In 2019, the Bank rigorously implemented the significant national strategies, focused on emerging industries, facilitated industrial transformation, optimized the allocation of resources, and vigorously upheld the rapid development of private economy and real economy. It accelerated to build an inclusive financial system, steadily promoted its work its focus "Sannong" and

strengthened services for small and micro businesses. Furthermore, it improved the risk management system, and focused on improving Party conduct and upholding integrity to effectively improve the effectiveness of combating money laundering, money counterfeiting, and corruption. As at the end of the year, the Group's total assets exceeded RMB 1 trillion, total deposits reached RMB 6,734.02 hundred million, total loans recorded RMB 4,370.85 hundred million. The non-performing loan ratio stood at 1.25% and the capital adequacy ratio remained at 14.88%.

Following the concept of environmental protection, and boosting green finance. In 2019, in actively developing green finance, the Bank developed guidelines for green credit, established access channels for industries such as energy conservation and environmental protection and clean energy whilst controlling risks of financing to industries with “High Pollution, High Energy Consumption and Overcapacity”. We advocated green environmental protection, actively implemented measures of energy conservation and emission reduction to build a low carbon and energy saving working environment, vigorously carried out green public welfare activities, so as to promote the harmonious development of economy and environment. As at the end of 2019, the Bank's green credit loans balance was RMB 18,007 million.

Strengthening channel construction, and optimizing customer service. In 2019, the Bank continued to construct a physical channel system with a more scientific layout, professional service and differentiated function, and built itself into a smart bank with innovative services and patterns by integrating emerging technologies, such as cloud computing, big data and artificial intelligence. We strengthened our customer service through further development of our customer service team to increase the efficiency and quality of customer complaint handling and continuously improve the customer experience. In addition, we improved our information security management and enhanced security measures at outlets to protect

customer information security, and vigorously popularized financial services knowledge to increase the public' s safety awareness of protecting financial assets and prevention of financial risks. In 2019, the Bank held more than 7,100 promotion activities of financial services knowledge sharing and more than 1.43 million advertising materials were distributed.

Cultivating corporate culture, and devoting to public welfare. In 2019, adhering to the “People-oriented” principle, the Bank continued to implement the strategy of “Developing a Quality Workforce” , protect legitimate rights and interests of employees, care about their future development, carry out diverse employee trainings, and build a safe and healthy working environment and a harmonious working atmosphere. We actively involved in public welfare and charity programs, raised employees' awareness of social responsibilities, and strengthened the development of a targeted poverty alleviation system to contribute to the harmonious development of society. In 2019, the Bank mobilized around 25,000 employees to participate in various volunteering activities.

In 2020, the Bank will continue to adhere to the Supply-Side structural reform, propel the implementation of the “Three-Dimension” strategy, strengthen reform and innovation in services, fully promote transformation and upgrading, support a more balanced, inclusive and sustainable economic development, serve the people in local areas through its network, and enhance its social value to build a better society.

Chongqing Rural Commercial Bank Co., Ltd.

Xie Wenhui, President

Company Profile

Introduction

Chongqing Rural Commercial Bank Co., Ltd. formerly known as Chongqing Rural Credit Cooperative, was founded in 1951 with a history over 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. In 2010, the Bank successfully listed on Hong Kong's H-share main board, becoming the first listed rural commercial bank in China and the first listed bank in western China. In October 2019, the Bank was successfully listed on the main board of the Shanghai Stock Exchange, becoming the first A + H share listed agricultural commercial bank in China and the first A + H share listed bank in western China.

By the end of 2019, the Bank had 6 branches, 35 sub-branches, with 1,774 institutions in total. The Bank also had established a financial leasing company and 12 village and town banks. The Bank had more than 15,000 employees in total. The total assets have exceeded 10,000 hundred million yuan, the balance of deposits has reached 6,734 hundred million yuan, and total loans has reached 4,371 hundred million yuan. In the latest ranking of the top 1000 Banks of the world by British magazine Bankers, the Bank ranked 137th among global banks and 22nd among banks in China.

Three-Dimension Strategy

The Bank has always adhered to the "Three-Dimension" Strategy, which is "Characteristic Operation, Delicacy Management, and Excellent Corporate Culture Cultivation". Three dimensions have their own emphasis, and closely complement with each other. The Strategy has guided our operations and management. Moreover, we have proceeded to build up a good value creation in order to promote sustainable development. "Characteristic Operation" refers to building our core

competitive advantages in a market-oriented way according to our own unique features. "Delicacy Management" refers to the establishment of a processing bank with scientific framework and competent management.

"Excellent Corporate Culture Cultivation" means to create a happy and harmonious environment for common development objectives of both the Bank and the employees.

Characteristic Operation

In accordance with the business philosophy of "Rooting in the Local Area, Serving the Public", the Bank attaches importance to providing differentiated solutions to meet customer needs, implementing hierarchical management of customers, and developing a diversified financial services model. Through implementing a bottom-up "Pyramid" strategy with adhesive overlays, the Bank develops simultaneously with our clients. The Bank actively integrates resources, builds up characteristic business of asset management, and explores business convergence. Moreover, the Bank promotes the implementation and improvement of financial services of "New Sannong", builds up its servicing brand of "Main Force of Supporting Agriculture". Furthermore, the Bank builds the internet financial product system, to enhance its comprehensive service capability.

Delicacy Management

The Bank consolidates the management foundation, furtherly refines its system design, internal control process, and operations. The Bank attaches importance to strengthen scientific and technological support and continues to build a standardized, procedural and scientific internal control and management system with the Bank also strives to integrate advanced techniques and enhance innovative capability in analyzing customers' needs. The Bank strengthens its information security, improves the overall risk management system, and raises the capacity of risk prevention in information technology. The Bank strengthens cost control, optimal use of

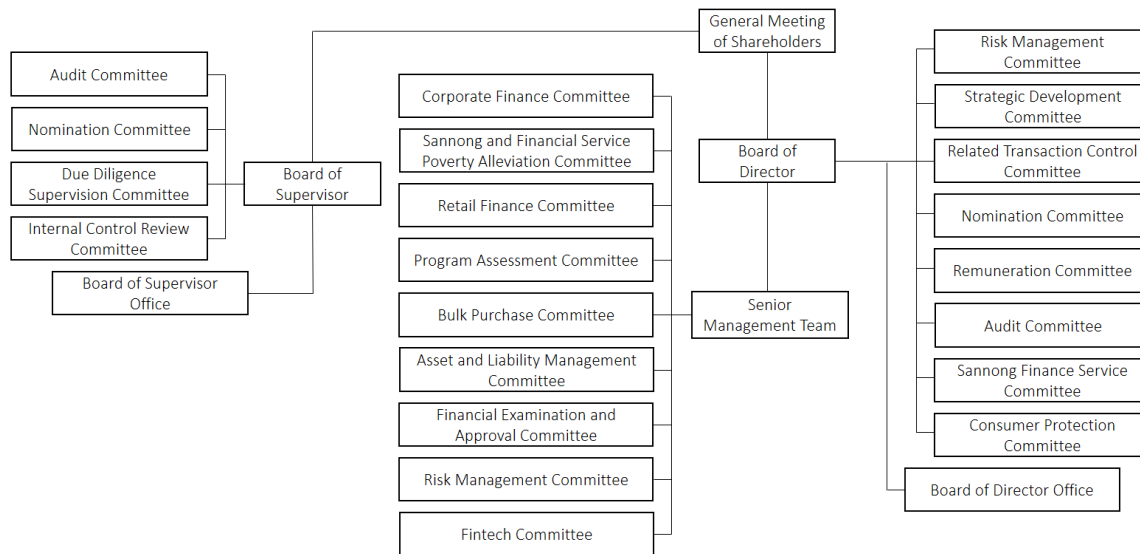
capital, and efficient development of resource. Lastly, the Bank also promotes sustainable development and sound operations.

Excellent Corporate Culture Cultivation

The Bank aims to build a distinctive, diversified, and characteristic corporate culture, and actively practices party and team building. Furthermore, the Bank implements vigorously talent development strategy, improves the corporate culture constantly, and improves employees' quality and capabilities. Moreover, the Bank strives to integrate corporate culture with the development of the Bank, and turns corporate advantages into competitive advantage, innovation advantage, and scientific development advantage. The Bank also builds up harmonious corporate culture to achieve a mutual development between employees and the Bank.

Corporate Governance

Our corporate governance framework and structure are implemented based on core *Articles of Association* and our guiding pillar rules including *Rules and Procedures of the Shareholders' Meeting*, the *Rules and Procedures of Board of Directors Meetings*, the *Rules and Procedures of Board of Supervisors Meetings* and other working rules for special committees as pillars. The Bank sets up a governance structure comprising the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors and senior management that meets requirements, clearly responsibility and mutually balance, of the bank as a modernized commercial bank. Moreover, under the Board of Director, we also set up eight specific committees that are responsible for providing decision-making and governing daily corporate operations.



Governance Structure

The Main Progress of General Meeting of Stockholders



General Meeting of Stockholders

- One annual general meeting of stockholders
- 16 proposals deliberated



Board of Director

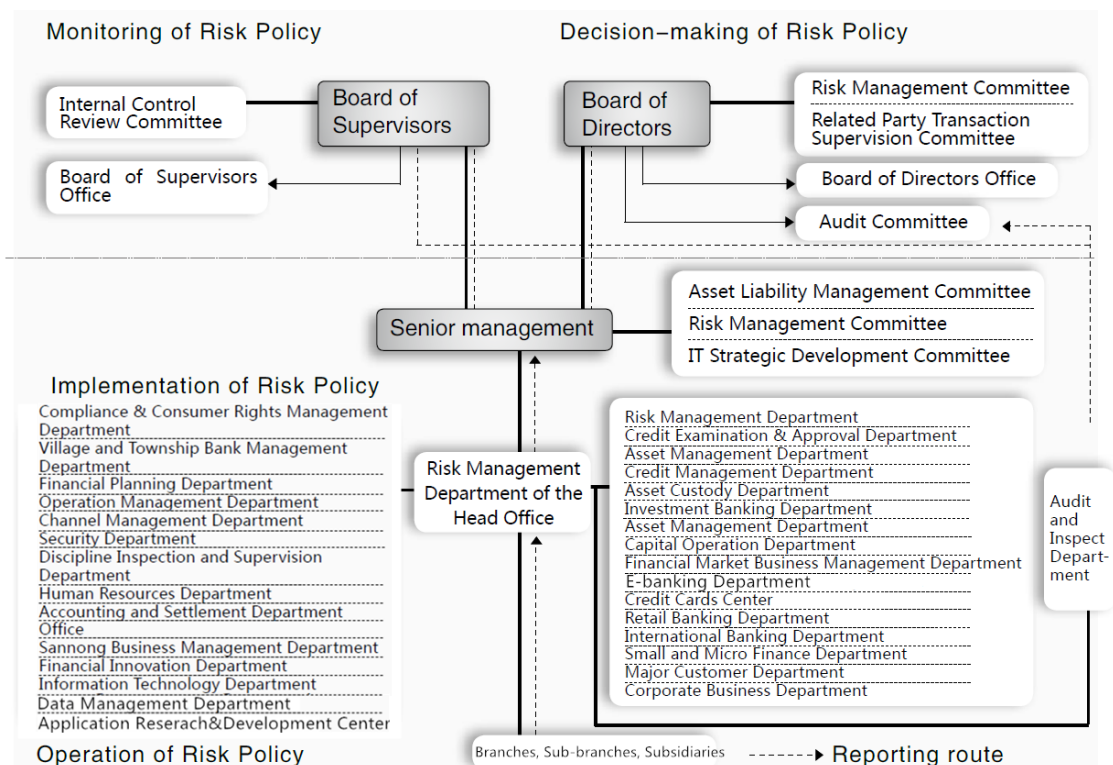
- 20 board meetings;
- 151 proposals deliberated;
- 49 Special Committee of board meetings;
- 130 proposals deliberated.

Risk Prevention

Risk Management

Total Risk Management

In 2019, in accordance with the regulatory requirements, the Bank continued to improve its comprehensive risk management system and relevant policies, systems and processes based on its business to control risks, effectively manage its capital adequacy and liquidity, and continuously maintain asset quality. By the end of 2019, the capital adequacy ratio of the Group was 14.88%, the provision coverage was 380.31%, the non-performing loan balance was 54.60 hundred million yuan, and the non-performing loan ratio stood at 1.25%.



Risk Management Organization Structure

<p>Optimizing systems and mechanisms</p>	<ul style="list-style-type: none"> • Evaluate, revise and issue risk preference statement of the Bank, and publish the opinions on annual comprehensive risk management for the first time; • Promulgate management measures for high-value risk exposure, update of relevant systems, and safeguarding uniformity of credit concentration management; • Formulate and publish relevant measures for country risk management, liquidity risk limit and pressure tests to enrich management mechanism.
<p>Deepening the application of tools</p>	<ul style="list-style-type: none"> • Conduct 20 stress tests including credit risk, liquidity risk and market risk, assuring within the risk tolerance levels; • Adopt internal credit risk rating to improve efficiency of automated credit leading business that are within controllable risk levels; • Determine adequate monthly provision for asset impairment loss in consideration of financial performance and business risks.
<p>Strengthening risk assessment</p>	<ul style="list-style-type: none"> • Conduct centralized review on internet product models and rules, enhance post-evaluation mechanism, and conduct intensive risk based management; • Carry out special risk assessment for key information technology projects, and intensify the performance of "Second Lines of Defense".

In 2019, both China Credit International Credit Rating Corporation (hereinafter referred to as "China Credit Rating") and United Credit Rating Co., Ltd. (hereinafter referred to as "United Credit Rating") rated the Bank as AAA with a stable rating outlook. China Credit Rating rated "16 Chongqing Rural Commercial Bank Subordinated Bonds" issued by the Bank as AA+, and "18 Chongqing Rural Commercial Bank Bond 01" as AAA. Both "16 Chongqing Rural Commercial Bank Subordinated Bonds" and "18 Chongqing Rural Commercial Bank Small and Micro Bond" were rated by United Credit Rating as AAA.

Compliance risk management

The Bank constantly refines its organizational structure of compliance management and increases the effectiveness of compliance risk management. We have formulated the *Operational Specifications of Chongqing Rural Commercial Bank for Compliance Examination*, which clearly stipulate that compliance examination must be performed on new products, new businesses, advertisements released to consumers and financial service plans with promises. The Bank rigorously monitors and controls compliance risks, and carries out regular and ad hoc compliance risk assessments throughout the year. We delegate compliance management to various levels, focus on branches' compliance risk management with stringent supervision at head office, and assemble compliance risk identification and assessment reports from different levels and dimensions, in formulating a closed-loop management model to strictly control compliance risk.

Debt Recovery Risk Management

The Bank establishes an asset recovery operation and management departments to lead in participating in creditors' committees as a lending counterparty for recovery actions and measures, and resolution of loan recovery risks.

Intensifying classification management	<ul style="list-style-type: none"> • For special mentioned classified enterprises, reports on relevant progress are made to regulatory authorities on a weekly basis, led by departments at head office in executing risk reduction measures; • Conduct credit risk prevention measures for special mentioned classified enterprises; • Evaluate debt conditions of normal classified enterprises to ensure continuous repayment capabilities
Implementing classification policies	<ul style="list-style-type: none"> • Under the market-oriented and rule-based principles and in combination of the current situation of enterprises' production and operation, adopt refinancing resolutions to enterprises based on their risk classification collectively evaluated by the creditors' committee, actively in "supporting high-quality enterprises, helping enterprises in difficulties, and removing zombie enterprises" to maintain the overall interests of the creditors' committee.
Boosting the role of platforms	<ul style="list-style-type: none"> • Hold the creditors' meeting regularly or occasionally to deliberate and vote on major issues, preventing and resolving debt financing risks of borrowers; • Build a communication platform in a timely manner to promote communication and consultation between parties, and fully play to the "Platform +" role of the creditors' committee.

Internal Control Management

In 2019, the Bank adopted "Strong Management, Risk Control, and Steady Development" as the working concept and five elements of COSO as the framework covering internal control environment, risk assessment, control activities, information and communication and internal supervision, in strengthening two key aspects of internal audit management, i.e. "Dual Management" and "Matrix Reporting". , the Bank revised its internal control evaluation methods according to regulatory requirements and in line with the national policy, and regional economic trends and conducted audit inspection focusing on key risk areas of internal control. Through conducting rigorous audit, the Bank reinforces the supervision, takes strict governance, focuses on the effective rectification of issues identified to ensure overall quality of internal control system.

Improving internal audit management system	<ul style="list-style-type: none">• Revise and improve policies, such as the <i>Management Measures of Chongqing Rural Commercial Bank for Evaluation of Internal Control in Departments at Head Office, Detailed Regulations of Chongqing Rural Commercial Bank for Evaluation of Internal Control in Departments at Head Office, Management Measures of Chongqing Rural Commercial Bank for Evaluation of Internal Control in Branches and Sub-branches</i> and <i>Detailed Regulations of Chongqing Rural Commercial Bank for Evaluation of Internal Control in Branches and Sub-branches</i>.
Highlighting key points of internal control management	<ul style="list-style-type: none">• Intensify the overall evaluation and assess effective internal control through trend analysis and evaluation;• Strengthen the performance of departments and "Three Lines of Defense";

	<ul style="list-style-type: none"> • Focus on the rectification and follow-up of problems; • Enhance the implementation of major strategies and key tasks of the head office; • Reinforce the process assurance and ensure objective and fair evaluation through a five-layer review mechanism.
Improving the internal control level	<ul style="list-style-type: none"> • Make use of internal control evaluation to promote internal control management and ensure effective internal control; • Push forward the rectification of internal control problems by internal audit and help promote the implementation of strategies; • Implement regulatory requirements, identify control deficiencies, evaluate internal control, and propel continuous improvement in management capabilities.

Party Culture and Political Integrity

In strict accordance with the Party's constitution, rules and discipline, including the *Constitution of the Communist Party of China*, *Rules on Inner-party Supervision of the Communist Party of China*, *Rules on Discipline and Penalty of the Communist Party of China* and *Rules on Accountability of the Communist Party of China*, and relevant laws and regulations, such as the *Criminal Law of the People's Republic of China*, the Bank, in light of risk inspection of criminal cases, establishes and improves a long-term mechanism for problem rectification, holds special meetings on Party conduct and integrity, and actively carries out the construction of Party conduct and integrity and anti-corruption. In 2019, in combination with the education themed "Stay true to the mission and keep the mission in mind" ,

the Bank launched special rectification, carried out surprise inspections and public and private investigations at important dates or points of time, such as statutory holidays, and continued to enhance the construction of proper conduct. We also paid attention to cultivating employees' sense of integrity and self-discipline and actively organised trainings for business lines to improve the discipline inspection cadres' ability to spot and solve problems. The Bank conducted 444 publicity and education activities for party culture and political integrity in 2019, and 16,043 attendees were educated.

<p>Making overall planning to promote anti-corruption</p>	<ul style="list-style-type: none"> Adopted the principles from General Secretary Xi Jinping' s major statements and the spirits of third plenary session of the 19th CPC Central Commission for Discipline Inspection and third plenary session of the 5th municipal Commission for Discipline Inspection through special meetings on party conduct and integrity, and coordinated the construction of party conduct and integrity and anti-corruption practices at the bank level.
<p>Clarifying responsibilities by integrating efforts of different levels</p>	<ul style="list-style-type: none"> During the Bank' s first regular meeting in 2019, Party Committee secretary of the head office signed <i>Letters of Responsibility for Party Building and the Construction of Party Conduct and Integrity</i> with heads of branches, sub-branches and departments of the head office; Party Committee secretaries at different levels have signed <i>Letters of Responsibility for the Leading Group' s "One Position with Dual Responsibilities"</i> with their heads to clarify and enforce responsibilities in a comprehensive and solid way.

<p>Performing rectifications and inspections and giving feedback</p>	<ul style="list-style-type: none"> • For problems related to discipline examination and supervision reflected by the fourth inspection group of the municipal Party committee, the working group of discipline examination and supervision has appointed a special personnel to take charge of the rectification, such as setting up a ledger, formulating measures, and clarifying the time frame and responsibilities.
<p>Implementing comprehensive supervision of key areas</p>	<ul style="list-style-type: none"> • Formulate the <i>Scheme of Further Enhancing Discipline Supervision and Enforcement on "Four Key Projects"</i> , and organize the Commission for discipline inspection of branches and sub-branches to perform discipline supervision and enforcement on four key focus projects covering" non-performing loans, engineering projects and material procurement, and government loan programs" , implement the "specific eight areas of focus" in improving Party and government conduct" . • Adopt the safe and secured operating model recommended by the Commission for Discipline Inspection in conducting supervisory and discipline inspection and rectification actions of conduct matters at head office with designated interview rooms, and security cards for inspectors; • Conduct special investigation on conference fee expenditures, and held those responsible to account for issues such as inadequate implementation of control and procedures and improper conference fees.

Anti-Money Laundering

In 2019, the Bank has focused on effective anti-money laundering (AML) measures, including taking strict precautions against money laundering risks, performing its AML duty and obligation and further improving its management system of money laundering risks according to the People's Bank of China's (PBOC) "Order No. 3"¹ "Document No. 19"². We formulated the *Management Measures of Chongqing Rural Commercial Bank for the Authentication and Assessment of Money Laundering and Terrorist Financing Risks* and *Emergency Plan of Chongqing Rural Commercial Bank for Money Laundering and Terrorist Financing Risks*, revised and improved policies like the *Management Measures of Chongqing Rural Commercial Bank against Money Laundering and Terrorist Financing*. We also accelerated the development of an AML system and an AML monitoring center at the head office, to focus on the management of relevant data, intensify AML awareness through publicity and training, strive to improve its level of AML compliance management and risk control capabilities to prevent and combat the crime of money laundering.

Establishing a sound risk control system	<ul style="list-style-type: none">• Held 2 joint conferences on anti-money laundering;• Launched kick-off meeting on money laundering risk assessment, and engaged a third party professional to conduct risk assessment of money laundering;• Enhanced data governance over anti-money laundering data through expanding online client information management channels;• Issued 5 series of AML Risk Alerts;
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¹ Order No. 3 [2016] of the People's Bank of China - *Measures for the Administration of Financial Institutions' Reporting of High-Value Transactions and Suspicious Transactions*

² Document No. 19 [2018] of Anti-money Laundering Bureau of the People's Bank of China- *Notice of Issuing the Guidelines on the Legal Person Financial Institutions' Risk Management of Money Laundering and Terrorist Financing (Trial)*

	<ul style="list-style-type: none"> • Issued 3 series of anti-money laundering working updates.
Continuously optimizing systems	<ul style="list-style-type: none"> • Implemented system data capturing access rules for anti-money laundering based on the requirements in the accordance with PBOC "Document No. 300"³; • Completed the launch of the second generation anti-money laundering system, to enhance large and suspicious transaction reporting in the new system based on the PBOC's requirements; • Achieved efficiency of administrative investigation through enhancing automated functionality of system; • Strengthened the development of blacklist platform function, implemented the blacklist backtracking function, and enhanced the monitoring capabilities of anti-terrorist financing activities.
Conducting training and propagating on anti-money laundering	<ul style="list-style-type: none"> • Provided orientation training on anti-money laundering for 84 new employees; • Provided special training on anti-money laundering in 2019 for 140 employees; • Participated the training on analysis of money laundering and terrorist financing cases and monitoring and analysis of suspicious transactions, the on-site training regarding financial institutions' anti-money laundering risk compliance management, anti-money laundering inspection and punishment response, and emergency contingency planning of major money laundering; • Conducted publicity of anti-money laundering of

³ Document No. 300 [2017] of the People's Bank of China- *Notice of Issuing the Standards on Banking Financial Institutions' On-site Anti money Laundering Inspecting Data Interface (Trial)*.

	<p>specific non-financial institutions through online and offline channel with 6,332 audiences, and distributed 1,777 copies of publicity materials;</p> <ul style="list-style-type: none"> • Set up publicity booth stations in more than 30 branches, conducted publicity tour, and distributed about 72,874 copies of anti-money laundering brochures and flyers.
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Anti-Counterfeit Currency

In 2019, according to the requirements of the *Management Measures of the People's Bank of China for the Administration of Currency Identification and Counterfeit Currency Seizure and Authentication* and *Guidelines on the Anti-Counterfeit Currency Work of Banking Financial Institutions etc.*, the Bank conducted related anti-counterfeit currency work, actively developed an anti-counterfeit currency management system, strengthened the allocation of equipment and tools, and held publicity activities of RMB and anti-counterfeit currency knowledge, so as to further improve the public's ability to avoid counterfeit currency, promote a virtuous circulation environment of RMB and enhance a healthy financial ecological environment.

Carrying out RMB knowledge publicity	<ul style="list-style-type: none"> • Actively held publicity activities based on characteristics of geographical distribution and advantages of outlets according to the <i>Notice of the Business Administration Department of the People's Bank of China on Carrying out Publicity Activities of Taking Good Care of RMB and Correctly Using RMB Designs</i>; • Involved 3,499 organizations participating into the publicity, and sent out 78,000 copies of brochures; • Carried out 1,480 times of publicity by outlets, there were 3,500 staff participated, and more than
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	62,000 person attended.
Promoting the research and development of the management system against counterfeit currency	<ul style="list-style-type: none"> Developed management modules against counterfeit currency for commercial bank terminals as required by the <i>Notice of the Business Management Department of the People's Bank of China on Forwarding the 'Notice of the General Administration Department of the People's Bank of China on the Publicity of the Second Generation of Currency Issuance Management System'</i>. The system was put into service on May 13rd, 2019, improving the ability of anti-counterfeiting data management.
Making centralized efforts in anti-counterfeit currency publicity	<ul style="list-style-type: none"> Carried out series anti-counterfeiting propaganda regarding to the <i>Notice of Chongqing Anti-counterfeiting Joint Conference Office on Launching Anti-Counterfeiting Publicity Activity in 2019</i>; Involved 3,399 entities, and sent out 600,000 copies of anti-counterfeiting publicity leaflets, 30,000 publicity bags, 2,000 publicity fans, and 80,000 anti-counterfeiting blogs; Held 3,294 on-site promotional activities at the outlets with more than 8,000 employees and 250,000 audiences; Exchanged damaged notes of RMB 2,910,000 for the public, of which notes of RMB 580,000 carried the face value of RMB 10 or below.
Promptly circulating notifications about anti-	<ul style="list-style-type: none"> Promptly circulated the <i>Notification of the Currency Gold and Silver Bureau of the People's Bank of China on the Accident of Receipt and Payment in Counterfeit RMB by Mistake of a Bank</i>

counterfeit currency	and the <i>Notification of State Council Anti-Counterfeiting Joint Conference Office on Occurrence of Counterfeit Euros with a Denomination of 500 in Several Banks of Shanghai</i> , to operating networks to take specific actions and measures in enhancing the awareness of anti-counterfeit currency, improving the ability of anti-counterfeit currency, clarifying responsibilities, and eliminating negative public opinions.
Actively carrying out self-examination and correction on anti-counterfeit currency	<ul style="list-style-type: none"> Continued to promote anti-counterfeit RMB, prevent the receipt and payment of counterfeit currency, strengthen the management and quality of full cash count, and carry out the quality inspection on the cash clearing.
Equipping the bank with better cash detectors	<ul style="list-style-type: none"> Enhanced equipment management, purchased cash detectors with qualified industry standards, including 574 sets of 2-gate sorters, 16 sets of 4-gate sorters, 7 sets of 8-gate sorters, and 3,806 sets of A-class counting machines, further improving the ability of cash service and anti-counterfeit currency.

Case: Banan Sub-branch launched anti-counterfeiting currency publicity

In order to timely raise public knowledge on the face features and anti-counterfeiting features of the new edition of RMB, Banan Sub-branch has taken various measures to promote the new Chinese RMB. Firstly, the detailed knowledge of the new edition of RMB promoted across its outlets by hanging banners, posting posters, broadcasting on LED, and distributing brochures, and so on. Secondly, the Sub-branch actively promoted the new version of Chinese RMB, through “going out” activities including door-to-door to merchants, enterprises within the operation area, and institutions and street advertisement within the region. Furthermore, “going out” activities included promoting key new features of the new version of Chinese RMB on face to face and one on one basis, enhancing the public awareness.



Explain the new edition of RMB to local residents

Brand Protection

In strict accordance with relevant laws and regulations, including the *Advertising Law of the People's Republic of China*, *Trademark Law of the People's Republic of China* and *Patent Law of the People's Republic of China*, and under the framework of *Administrative Measures of Chongqing Rural Commercial Bank for Publicity* and *Administrative Measures of Chongqing Rural Commercial Bank for Intellectual Property*, the Bank has formulated

management systems covering brand management, advertisement placement, press publicity, public opinion management and reputation risk, so as to standardize and guide the management of advertisements and intellectual properties and strengthen brand protection. For advertisements and labels of products and services, the Bank timely applies for patents and regulates the use and management of LOGO to further promote its standardized and unified brand image, boost the overall joint efforts in publicity, and strive to improve its sound brand image.

In order to improve the management level of intellectual property protection, the Bank gradually improves the intellectual property protection system, enhancing employees' awareness of intellectual property protection, conducts special analysis on intellectual property, and severely cracks down on infringement. In combination with the on-line operation of the new internal control compliance management system and leveraging its system control functionality, the Bank implements controls over the entire life cycle of application, examination, approval, declaration, renewal, and file management of intellectual properties to effectively safeguard its legitimate rights and interests. The Bank has also established a patent pool to protect its innovation achievements, such as invention patents, appearance patents and software copyrights, and encourages innovation breakthroughs.

Supplier Management

The Bank has formulated the Measures of Chongqing Rural Commercial Bank for Procurement Management, Detailed Rules of Work of Chongqing Rural Commercial Bank for the Committee on Procurement of Commodities and Measures of Chongqing Rural Commercial Bank for Supplier Management to intensify the supplier management and supervision, clarify procurement management to ensure quality and prioritize energy-saving and environmentally friendly products, and implement strictly access criteria on suppliers. Suppliers are required to meet requirements of having a good business reputation and a sound

financial accounting system, and not be blacklisted by relevant competent authorities and not having bad records of violating social responsibility.

The Bank has established a supplier management system to ensure procedure and process of supplier management is conducted in line with rules and regulations. Adhering to the supplier management principles of "Unified Leadership, Collective Decision-making, Strict Access, Dynamic Management and Mutual Supervision" , we optimize and manage our supplier database based on their classification to constantly improve the access and exit evaluation mechanism, and adopt the principle of sharing of information and resources, and priority list of suppliers to improve the quality and efficiency of supplier management and selection. The review coverage of suppliers under centralized procurement was 100% in 2019.

<p>Performing classification and dynamic management for suppliers</p>	<ul style="list-style-type: none"> • Establish supplier databases segregated by project type; • Implement supplier classification management based on the comprehensive assessment results of suppliers. • Strengthen the exit mechanism, and evaluate suppliers with exceptions or service issues or unsatisfactory rating ; • Terminate or blacklist suppliers at least up to 3 years, for those that may have records of reprimands or punishments ed by relevant government departments due to poor environmental and social risk management impairing the Bank’ s interests and image.
<p>Strengthening post-service evaluation of suppliers</p>	<ul style="list-style-type: none"> • Formulate post-service evaluation standards for suppliers, and conduct service and post-service evaluation through various quantitative indicators;

	<ul style="list-style-type: none"> For suppliers who fail to meet the assessment criteria, the Bank will adopt deferred payment, reduce payment, business interviews, blacklist and other measures to urge suppliers to improve their quality of service and supply.
Speeding up the construction of procurement	<ul style="list-style-type: none"> Enhance online procurement, and incorporate procurement in the whole process management, supplier management, contract management and internal electronic mall into the construction planning to achieve dynamic and online management of the entire process of procurement.

The Bank also conducts environmental protection training for suppliers in the sectors of decorative design companies, construction companies, furniture companies, and so on, requiring them to use environmental-friendly materials instead of traditional wooden base materials in their decoration, reducing the use of on-site paint process, and strictly prohibiting the use of decorative materials with environmental protection grade below E1. Upon completion of construction, the construction companies are required to conduct on-site air pollution control to ensure that the content of harmful substances such as formaldehyde within the business premises is well within the safety level of national standard specification.

Responsibility Management

The Bank continuously strengthens its corporate responsibility management, takes social responsibilities as our responsibilities, and supports the implementation of major national and regional strategies. Moreover, the Bank serves economic transformation and supports the vigorous development of the real economy and private economy. The Bank has always integrated the concept of environmental protection into

our daily operations, implemented energy conservation and emission reduction measures, and strengthened green credit. With the concept of “Rooting in the Local Area, Serving the Public” , the Bank keeps communicating with various stakeholders and actively focuses on their needs. Furthermore, the Bank also attaches the importance of employees’ right protection, proactively educates public with financial services knowledge, practices accurate poverty alleviation, and cares for the minorities. All these practices play an importance role for sustainability developments.

Acting upon the Spirit of the 19th National Congress of CPC

The Bank earnestly implements the system for Party branch general meetings, including meetings of the Party branch committee, Party group meetings, and Party lectures (also known as “three meetings and one lecture”), studies and implements the spirits of the 19th National Congress of CPC leveraging to the leadership role of the Party Committee. We carry out the education themed “Stay True to the Mission and Keep the Mission in Mind” , organize to study the spirit of the 19th National Congress of CPC, and normalizes and institutionalize the study and education campaign of “Studies on the Theoretical and Practical Issues of Party Building. We guide Party members to further establish awareness of the need to maintain political integrity, think in big-picture terms, aligning with the directives of the CPC Central Committee’ s core leadership. These include the concepts of upholding the “4 areas of consciousness” , persisting the “4 types of confidence” , executing the “respect of 2 tier level of authorities” , and achieving the goal of “Learning from Theoretical Study, Realizing Political Awareness, Having the Courage to Embrace Responsibilities in Doing Job or a Business, Solving Problems for People and Setting an Example of Being Honest and Upright” .

Responsibility Culture

With the concept of “Rooting in the Local Area, Serving the Public” , the Bank practices the corporate mission of “Serving Customers, Ensuring Returns to Shareholders, Recognizing Achievements of Employees, and Contributing to the Society” in our operation. The Bank conducts its business and operations adopting the operating principles of pursuing both cost effectiveness and economy of scale, quality and speed, effective internal control on business development in order to realize the corporate vision of "Becoming a Commercial Bank with Good Value and Creativity". The Bank actively takes corporate responsibilities and promotes the construction of corporate culture and sustainable developments.



Responsibility System

The Bank has set up corporate responsibility management system led and governed by the Board of Director, assisted in coordination by the office of the Board. Senior management, with participation from all relevant departments, subsidiaries, village banks, and financial leasing companies

takes responsibilities in leading the effective implementation of social responsibilities activities.

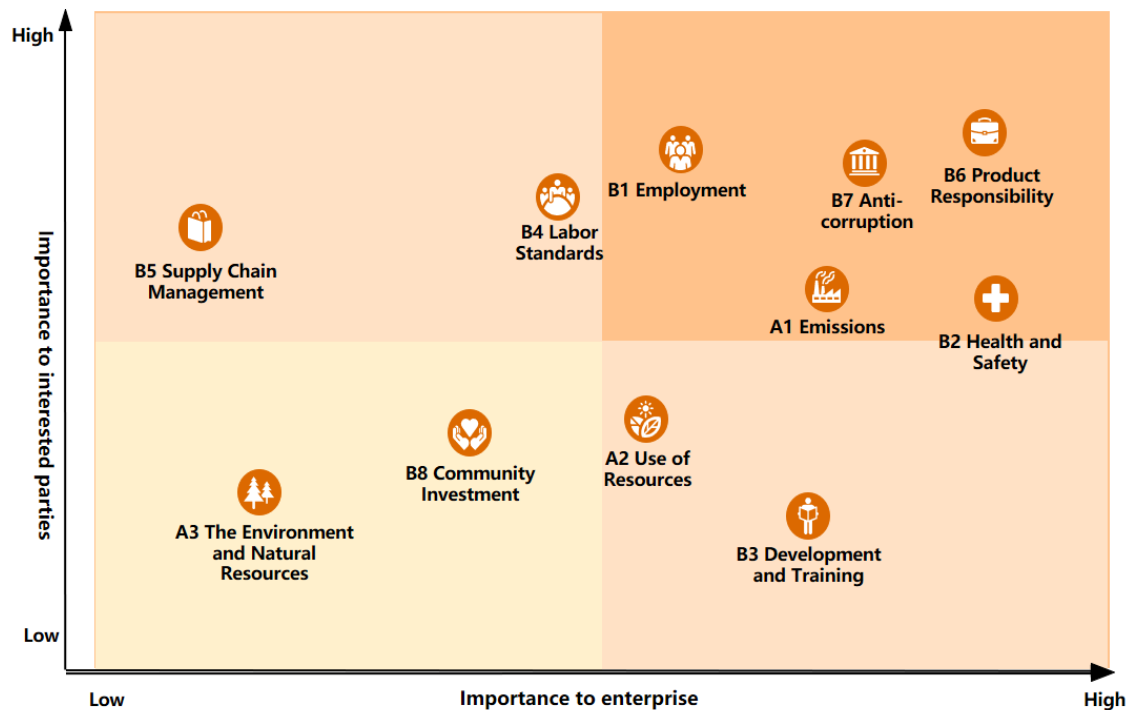
Responsibility Integration

We consider the components of economy, environment and society as the “Three Bottom Lines” in our responsible management, to ensure the effective development of social responsibilities. According to regulation requirements and self-development, the Bank integrates relevant compliance standards and guidelines into our social responsibility system in determining and enhancing its key social responsibility performance indicators. The Bank has prepared this report to highlight its key performance surrounding economy, environment, and society with reference to *Environmental, Social and Governance Reporting Guide* (hereinafter referred to ESG Guide) released by the Hong Kong Stock Exchange, the *Guidelines on Environmental Information Disclosure of Listed Companies of the Shanghai Stock Exchange* and the *Guidelines on Preparation of Report on Company’s Fulfillment of Social Responsibilities* released by the Shanghai Stock Exchange, *GRI standards* released by the Global Reporting Initiative and *Financial Services Sector Supplementary Guidelines*, preparation guidelines on *Opinions on Strengthening the Social Responsibility of Banking and Financial Institutions* released by China Banking and Insurance Regulatory Commission, and *Guidelines on Corporate Social Responsibility of Chinese Banking and Financial Institutions* by China Banking Association, and supplementary guidance for the financial services industry.

Materiality Analysis

The Bank has analyzed material corporate social responsibility-related issues on the basis of ESG Guide by the Hong Kong Stock, GRI Standards, taking into consideration of major impacts around economy, environment and society, and communication with its stakeholders on key matters. The Bank has invited its major stakeholders to identify the most concerned

matters, and provide their assessment of significance on these matters so as to assist the Bank in comprehensively determining the focus of reporting and management' s action plans.



Materiality analysis matrix of Major Stakeholders and the Bank on Environmental, Social and Governance contents

Stakeholders Communication

In 2019, the Bank held the 2018 annual performance press conference, roadshows on financial performance announcements and A-share IPO and other activities to online and offline investors. The Bank also actively communicated with its stakeholders by various means including participating in industry summits, interview, or survey through telephone, email, letter and other online channels. .

The Bank highly values the stakeholder' s relationship management. Through frequent, multi-channel and proactive communication with stakeholders, the Bank has enhanced the understanding and recognition of

stakeholders. The Bank also responsibly responds to stakeholders' opinions and suggestions, establishing a good image of a listed company.

Stakeholders	Communication Mechanism	Appeals of interested parties	Responses of the Bank
Government	Policy guide Special report Daily communication	Implement national economic policies Serve “Sannong” , promote the overall planning for city and county Increasing job opportunities Steady growth of tax revenue	Serve the transformation of emerging and backbone industries Serve “Sannong” Support poverty alleviation Boost rural revitalization Serve livelihood Serve small and micro businesses Good operation
Regulatory authorities	Normative document Work reporting On-site inspection Off-site supervision	Stable and daily compliance operation Effective risk prevention Stable and orderly financial system	Compliance operation Risk management Financial crime prevention

Shareholders	<p>General Meeting Board of Directors Road show Announcement of of financial performance</p> <p>Daily communication</p>	<p>Continuous and reasonable investment return</p> <p>Comprehensive, timely, and accurate information disclosure</p> <p>Good corporate governance</p>	<p>Good operation performance</p> <p>Comprehensive, timely, and accurate information disclosure</p> <p>Corporate governance</p>
Customers	<p>Company website WeChat official account</p> <p>Official Weibo Mobile banking application</p> <p>95389、 966866 95389、 966866 customer service center</p>	<p>Diverse products</p> <p>Diverse service channels</p> <p>Increasing service quality</p> <p>Effective protection of consumers' interests</p>	<p>Innovate financial products</p> <p>Improve service quality</p> <p>Promote channel construction</p> <p>Protect consumers' interests</p>
Employees	<p>Employee communication</p> <p>Labor Union Congress of workers and staff</p> <p>Disclosure of administrative affairs</p> <p>Corporate Culture Activities</p>	<p>Reasonable remuneration and welfare</p> <p>Satisfactory working conditions</p> <p>Excellent career development</p>	<p>Protect employees rights and interests</p> <p>Improve corporate culture</p> <p>Build up employee teamwork</p>
Suppliers and cooperation partners	<p>Large-sum purchase committee</p> <p>Business exchange and cooperation</p>	<p>Fair cooperation opportunity</p>	<p>Insist on responsible purchasing</p> <p>Serve the needs of "Going out"</p>

		Fulfill obligations in good faith Stable win-win situation	strategy for customers
Community	Financial community service Publicity of financial services knowledge Public services in community	Common community development Harmonious community relationship	Help poverty-stricken areas Popularize financial knowledge Enthusiastic in public welfare
Public and media	Disclosure of media information Public welfare activities	Open, transparent information disclosure Take responsibilities comprehensively and effectively as a corporate citizen	Timely and objective information disclosure Take economic responsibilities, enrich people and prosper the Chongqing city Take environmental responsibilities and establish green bank Take social responsibilities, establish and share harmony
Environment	Operation activities Environmental protection activities Policy information disclosure	Green financial services Continuous reduction in energy consumption and carbon emission Active protection for the environment	Green credit Green services Green operation Green public welfare



Major Honors in 2019

Jan.

Awards and Awarding Units

- 2nd China Retail Finance Innovation and Practice Award "Top Ten Rural Commercial Banks"
Retail Bank Magazine
- 2018 "Top 100 Clearing House - Excellent Self-run Institution Award"
China Central Depository & Clearing Co., Ltd
- "Credit Financing Business Forge ahead Award"
Beijing Financial Assets Exchange
- "Advanced Unit of Payment Institution Business Development in 2018" "Advanced unit of one point interconnection project in 2018" and "2018 Rural Credit Banks Payment and Settlement System and Business Operation and Management of Advanced Units"
Rural Credit Banks Funds Clearing Center

Feb.

Awards and Awarding Units

- The 21st of top 100 China banking in 2018, which listed the first place in China's rural commercial banks and Midwest banks
Chinese Banking Association
- "Outstanding Contribution Award of Union Pay Credit Card Business" and "Quick Pass Promotion Outstanding Contribution"
China Unionpay
- "First Prize of 2018 Union Pay Credit Card Transaction Contribution" "First Prize of Disconnection System Transformation" "First Prize of Business Development Driving in Suburban District and County" "Second Prize of Market Benchmark Winning" "First Prize of UnionPay High-Class Credit Card Transaction Contribution" "Third Prize of UnionPay Credit Card Issuing Contribution" and "Third Prize of Risk Management Award"
The People's Bank of China Chongqing Operations Office

Mar.

Awards and Awarding Units

- "Yukuai Loan" won "2018-2019 Inclusive Financial Featured Products" in "Digital Inclusive Financial Pioneer List"
Financial Technology Innovation Alliance, China Financial Information Network
- "2018 Excellent Organization Award about Looking for a Good Example of Chongqing's Calligraphy"
Publicity Department of the CPC Chongqing Municipal Committee, Office of the Chongqing Municipal Spiritual Civilization Construction Commission, Chongqing Municipal Education Commission, Chongqing Municipal Culture and Tourism Development Commission, Chongqing Communist Youth League Chongqing Commission, and Chongqing Women Federation

Apr.

Awards and Awarding Units

- "Excellent Organization Award For The Registration Of Nancial Investors In The National Banking Industry And Direct Link in 2018" "National Banking Financial Information Registration Outstanding Unit In 2018"
Banking Financial Registration Custodian Center Co. Ltd, National Banking Financial Information Registration System

May

Awards and Awarding Units

- Won the top 10 Chongqing Brands in 2018 "Chongqing Brand · China Story"
- **People's Daily Chongqing Channel, Chongqing Released**
- "2018 Most Socially Responsible Financial Institution Award" "Special Contribution Award For Social Responsibility" "Social Responsibility Green Finance Award
Chongqing Banking Association

June

Awards and Awarding Units

- "Outstanding Discount Institution Of The Year 2018"
Shanghai Exchange
- "Most Valuable Investment Award" and "Best Investor Relationship Award" of 2019 China Financing Award
China Finance Magazine

July

Awards and Awarding Units

- Rank 137th in the "Global Bank 1000 In 2019", 22nd among banks in China
Banker Magazine
- Ranked No. 326 on the Fortune China 500 in 2019
Fortune Magazine
- "2019 China Agricultural Commercial Bank Asset Management Brand Junding Award" "2019 China Closed Net Worth Bank Financial Product Junding Award" "Tianji award of ABC in 2019"
Securities Times

Sept.

Awards and Awarding Units

- Rank 370th in "Top 500 Enterprises in China" in 2019 and 134th in "Top 500 Enterprises in China's Service Industry" in 2019
China Enterprise Confederation, China Entrepreneurs Association
- "Business Innovation Award" in Chongqing Cross-border RMB Business 10th Anniversary
Self-Discipline Mechanism of Foreign Exchange Business and Cross-Border RMB Business of Chongqing Bank

Oct.

Awards and Awarding Units

- "2019 Financial Poverty Alleviation Pioneer Institutions " by China Net in Financial Poverty Alleviation Pioneer List
China Net Finance Center

Nov.

Awards and Awarding Units

- "Commercial Bank of the Year" of 2019
Shanghai News Group·Pengpai News
- "2018 Award of Jinniu Financial Management Bank"
Jinniu Financial Management Net
- "Annual Outstanding Corporate Citizen Award" of 2019 China Golden Tripod
Daily Economic News
- The Special Award of "Mobile Phone Number Payment Case" in China financial annual brand case competition
China Finance Magazine

Dec.

Awards and Awarding Units

- Jiangyu Fortune "Tian Tian Jin" net value type financial products won the "Net Value type Financial Product Excellence Award in 2019 Gold Finance "
Shanghai Security News
- "The Best Digital Financial Innovation Award" of 2019 China E-bank Gold List Award
China Financial Certificate Authority
- "Outstanding Innovation Contribution Award in FinTech" and "Managerial Innovation Contribution Award"
Financial Computerizing
- Ranked 11th in "Chongqing Top 100 Enterprises of 2019" and 4th in "Chongqing Top 100 Service Enterprises of 2019"
Chongqing Enterprise Federation, Chongqing Entrepreneurs Association
- The first Chongqing Finance · Top Ranking "Outstanding Financial Institution Serving Chongqing", "Financial Institution With Outstanding Contribution To Poverty Alleviation" and "Financial Technology Leader of the Year"
Chongqing Daily News Group and Chongqing News Metropolitan Media Group
- "2019 Gold Horse Award – FinTech Empowerment Pioneer"
Security Daily

Supporting Economic Development, Enriching People and Prospering the Chongqing City

In 2019, the Bank actively implemented the national strategies, macroeconomic regulation by assisting local economic development, supporting supply-side structural reform, and vigorously promoting industrial transformation and upgrading. We continued to optimize the credit structure and encouraged financial services reform and innovation to strengthen services to the real economy and private economy, promote development of the "Sannong" economy steadily, and establish a financial service system for small and micro enterprises. In addition, the Bank contributed to the people's livelihood, and fulfilled corporate social responsibilities to contribute the sustainable development of the society.

Promoting the Implementation of National Strategy

In 2019, the Bank took full advantages of Chongqing's unique and important role in the country's regional development and opening-up pattern, in

focusing on the important strategic directives of Chongqing under Xi Jinping, the General Secretary. These include the positioning of “Two Points” , the objectives of the “Two Places” and “Two High” , delivering the “Three Functions” and creating a favorable political ecosystem. . The Bank actively supported the “Belt and Road Initiative” , assisted the development of the Yangtze River Economic Belt, served the Peaks for Opening-up in Inland Areas project, and facilitated the development of military-civilian integration to promote the vigorous implementation of the national strategies, achieving rapid regional economic developments.

Supporting “Belt and Road Initiative”

In 2019, in order to thoroughly implement the spirit of the 19th National Congress of CPC and No. 101⁴ issued by General Office of the State Council and other documents, and extend support to projects under development and major projects requiring funding, the Bank increased focus in supporting projects relating to the inland open highland developments in the free trade and high-tech zone, fully leveraging the China-Singapore (Chongqing) Strategic Connectivity (hereinafter referred as CSSC). These included providing loan financing, supporting bond issuance in overseas market and broadening corporate financing channels for the projects. The Bank had supported "Belt and Road Initiative" with an outstanding loan balance of approximately 10.98 billion yuan, as at 31 December 31st, 2019. Apart the Bank had also supported Liangjiang New Area, 3 large Free Trade zones, the Port Highland Construction, and National Independent Innovation Demonstration Zone with an outstanding loan balance of approximately 9.77 billion yuan, as at 31 December 2019 with an increase of 12% on a year-on-year basis.

Case: The first public bond of Singapore dollar under China Singapore connectivity project

⁴ Document No.101 [2018] of the General Office of the State Council - *Guiding Opinions of the General Office of the State Council on Maintaining Efforts to Remedy Shortcomings in Infrastructure Field.*

In our business cooperation, we provided standby letters of credit to Chongqing Banan economic Park Construction Industry Co., Ltd with no credit rating as a credit enhancement to facilitate its successful issuance of overseas public bond issuance amounting to S\$150 million Singapore dollars in the Singapore Stock Exchange. This was Chongqing' s first public offer issuance of overseas bonds denominated in Singapore currency for financing projects under the CSSC with credit enhancement by standby letters of credit issued by the Bank.



The first Singapore-dollar denominated public debt notes listed

Case: Promoting Land and Sea Passage project

Chongqing International Logistics Hub Park under the CSSC is the starting point of the "Land and Sea Passage" and cross-border pathways covering China-Europe train (Chongqing), and "Chongqing-Manchuria-Russia" and "Chongqing-Ningbo". With the deepening of the Belt and Road Initiative, the logistics hub park has been included as a key strategic project under the CSSC and is a core development for the "Land and Sea Passage" .

Chongqing International Logistics Hub Park Construction Co., Ltd is a key developer of the logistics hub park, mainly responsible for infrastructure construction and reclamation.

Apart from providing traditional working capital loans or fixed assets loan financing, the Bank has provided integrated financial services solutions and financial assistance to the developer including cross guarantee on foreign debts, direct wealth management and creditor protection rights related financing facilities to help alleviate its funding needs, liquidity cash flow and risk of the project delay. We had granted credit facilities of approximately 5 billion RMB to the developer with an outstanding loan balance of more than 3 billion RMB, effectively alleviating the company's funding liquidity and ensuring orderly progress of the project.



Chongqing Railway Port, located in Chongqing International Logistics Hub Park

Promoting the Development of Yangtze River Economic Belt

In 2019, the Bank focused on the development of the Yangtze River Economic Belt, assisting to improve the function of the Yangtze River Golden Waterway, actively participating in constructing ecological security barriers in the upper areas of Yangtze River, and supporting the construction of integrated multidimensional transportation corridors and logistics hubs. The Bank supported the Yangtze River Economic Belt projects with an outstanding loan balance of approximately RMB 146.19 billion as at the end of 2019.

Case: Boosting the construction of transportation hub in Chongqing

We actively participated in the financial services in the aviation field to help the development of air transportation supports. Huaxia Airlines Co., Ltd is a domestic regional airline specializing in passenger and cargo transportation, with growing expansion of its fleet base year on year and strong competitiveness and presence in the regional area. In order to respond to the requirements of civil aviation administration and meet the training needs of flight personnel, the aviation company has plans to build Huaxia Aviation Training Center in Liangjiang within the new area aviation industrial park, with a total investment of more than RMB 650 million. Knowing the development needs of the company, Liangjiang Sub-branch actively participated in the design of financial services schemes, to assist its funding needs, and provided a credit line of RMB 350 million, mainly to support its first phase of the training center development project.



Huaxia Aviation training center

Accelerating the International Business Innovation

In 2019, the Bank actively promoted the research and development (R&D) of new innovative products relating to international business, and enriched its product solutions to drive customer expansion and business development.

- In terms of its product innovation and application, the Bank

successfully launched the first swap RMB settlement and sale of foreign exchange on behalf of customers, to meet the customer needs of exchange rate risk management;

- In terms of its innovation of service models, the Bank implemented a more convenient innovative cross-border settlement services to its international trade related customers with an online international business platform and remittance channel through enhancing its front and back office processes, upgrading and integrating its core business system with the advanced global international settlement system.

Its international business innovative solution has provided to customers with a convenient online foreign exchange settlement and remittance payment of foreign exchange without going to the bank, as well as enjoying multiple value-added services, such as transactions inquiry and remittance information data sharing and storage. This innovation significantly shortens the business processing time and increases the efficiency.

Case: RMB exchange rate settlement innovation

The Bank issued a letter of guarantee for a client to obtain a foreign currency loan overseas. The client simultaneously entered into a currency swap and settlement agreement with the Bank to lock in the future settlement at a fixed exchange rate hence avoiding exchange rate risk fluctuation caused by the market volatility and the overall financing cost.

Constantly Facilitating Economic Transformation

In 2019, the Bank made full use of participation in various major events, such as the “Western China International Fair for Investment and Trade (WCIFIT)” and the “Smart China Expo” to identify opportunities and understand the financing needs of industrial transformation. The Bank formulated differentiated financial service solutions to emerging industries, whilst optimizing and adjusting its credit structure. Moreover, the Bank also vigorously promoted the development of emerging industries based on the smart alliance platform. Meanwhile, the Bank established a white

list for private enterprises, and incorporated the private economy into the branch assessment index system to actively serve high-quality private enterprises with its optimized resource allocation. The Bank also committed to the real economy development. Through strengthening industry research and judgements and in-depth corporate investigations, we promoted close communication between the Bank and enterprises to open a green channel and support stable development of the real economy.

Promoting Development of Emerging Industries

In 2019, the Bank actively implemented relevant policies that support the development of strategic emerging industries. Focusing on emerging industries as a key strategic area of growth in credit loans, and actively introducing innovative and efficient products and comprehensive financial services, the Bank actively provided services to customers and projects in key strategic areas, such as intelligent manufacturing, high-end equipment manufacturing, new energy vehicles, new materials, information industry and biomedicine. As at the end of 2019, the Bank supported strategic emerging manufacturing related industry with an outstanding loan balance of approximately RMB 9.25 billion, and supported the strategic emerging services related industry with an outstanding loan balance of approximately RMB 35.18 billion.

Case: Supporting new industrialization

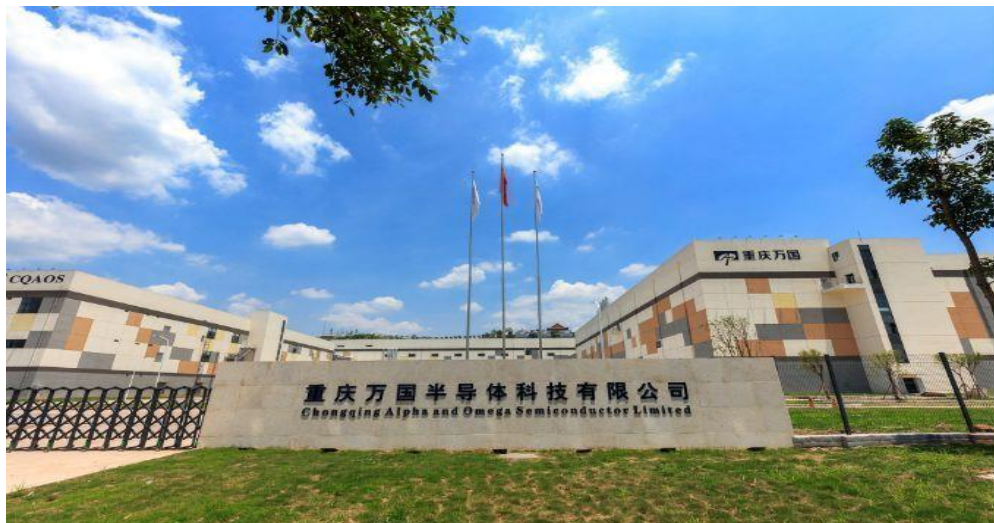
We strongly support digitalization and technology related projects, and offer strong preferential interest rates to specific projects. We provided financing support to Lianchuang Electronic Technology Co., Ltd in Chongqing in its international business so as to allow its operational cash can be better deployed in its R&D project development of expanding productivity in new touch display integrated products to 50 million pieces annually.



Production workshop of Lianchuang Electronic Technology Co., Ltd

Case: Promoting information industry development

Chongqing Alpha and Omega Semiconductor Technology Co., Ltd had a major project in Chongqing to build a base for its manufacturing of chips and packaging test production. The project required a total investment of 488.47 million US dollars, to develop a production capacity of 20,000 pieces of 12 inches of semiconductor chips, and packaging testing capacity of 500 million power semiconductor chips. We granted credit facilities of 100 million RMB to the company for supporting the project construction and procurement of equipment.



Chongqing Alpha and Omega Semiconductor Technology Co., Ltd.

Promoting Growth of Private Economy

The Bank passed the resolutions for the *Proposal of Increasing Support for Private Enterprises*, and issued the *Implementation Plan of Chongqing Rural Commercial Bank for Visiting Services to Private Industrial Enterprises Above Designated Size*, *Guiding Opinions of Chongqing Rural Commercial Bank on Strengthening Financial Services for Private Enterprises*, and the *Measures of Chongqing Rural Commercial Bank for the Management of Due Diligence and Exemption of Loans for Private Enterprises* to further improve the systems and measures for serving private enterprises. A task force was established to strengthen the resource allocation in servicing the private economy and private enterprises with formulated service goals and business performance target for private enterprises. As at the end of 2019, the Bank had provided financial support to the private sector enterprises with an outstanding loan balance of approximately RMB 143.734 billion.

Case: Beibei Sub-branch supported private enterprises development

Chongqing Kunyue Machinery Manufacturing Co., Ltd is a private enterprise dealing with R&D, production and sales of agricultural machinery. The company owned many patents with positive market prospects, however it is in general difficult for commercial banks to take enterprise's intellectual property right and patent as a pledge for financing due to marketability and valuation of the intangible patents. Beibei Sub-branch provided an unsecured loan of 1.50 million yuan at a preferential interest rate to the company based on the Bank's overall evaluation of its production operations and future prospects of its patents held which met the Bank's targeted credit policies on private enterprises adopting "Small Re-loan + Knowledge Value Credit Loan" risk assessment criteria. This facility effectively reduced the financing cost of the enterprise while solving its liquidity needs.



Innovative mode promoting technology upgrade of Kunyue Machinery

Case: Shapingba Sub-branch supported private aquatic products company development

Lebang Aquatic Products Co., Ltd., founded in November 2015. The company currently has developed into Chongqing urban volume and volume of the largest aquatic products distribution market. The average daily sales is at least 330 tons, annual sales is about 120,000 tons, and the turnover is RMB 1.5 billion, and the sales volume accounted for 90% of Chongqing market share. We granted credit about RMB 25 million of fixed assets loan. The loan term is five years to support the continued stable development of the enterprise.



The aquatic product market operated by Lebang Aquatic Products Co., Ltd.

Promoting Prosperity of Real Economy

In 2019, the Bank responded to the national and regional calls for developing the real economy. In line with the supply-side structural reform, we formulated investment guidelines for industries such as new energy vehicles, communications equipment manufacturing and environmental protection equipment manufacturing, and proposed the strategy of “overall support and differentiated credit granting” that meets the diversified financing needs of the real economy to support industrial transformation and development. The Bank also provided preferential interest rates to policy-oriented entities and core manufacturing customers in their upstream and downstream industry sectors to help alleviate their financing burdens.

Case: Yongchuan Sub-branch supported the real industry development

Chongqing Lianggong technology Co., Ltd mainly produces silicone sealant, styrofoam, and sensitive polyurethane adhesive, owns multiple certifications with 15 utility model patents. The company originally had a borrowing from the Bank for normal working capital under credit product - “Increase Credit Products” . However, subsequently the company had additional fund demands for its development. Having evaluated its financial operations and business conditions, the company’ s business met the Bank’ s qualified credit lending criteria of “Technology Company Knowledge Value Credits Loan” . By December 2019, the company was granted a total credit facility of 7 million RMB subject to the benchmark interest rate, effectively alleviating its financing cost.



The production workers in the workshop

Fully Supporting “Sannong” Development

The Bank actively implemented the State’s macro-economic control, fully promoted the implementation of the rural revitalization strategy, and adhered to the general principle of a balanced conservative business development. The Bank insisted on prioritizing the rural areas’ developments to further enhance the mechanism and system of “Sannong” , formulate incentive assessment policy, develop “Sannong” financial products, optimize servicing system, enhance financial infrastructure, broaden rural credit and so on. Furthermore, the Bank also supported the agricultural supply-side reform, assisted poverty relief, and comprehensively promoted high quality developments in “Sannong” . By the end of 2019, the number of outlets supporting “Sannong” by the Bank was 1,463 and the outstanding agriculture-related loans balance was RMB 158.81 billion, an increase by RMB 5.38 billion compared to the beginning of the year.

Consolidating the “Sannong” Service Assurance Foundation

The Bank actively implemented the “Sannong” policy documents issued by the State and local governments, formulated and issued the *Guiding Opinions on Improving Financial Services for “Sannong” in 2019*, which clearly defines the service solutions of “Sannong” . The Bank strived to optimize financial service methods for “Sannong” , created easier access to “Sannong” services to improve effectiveness, and fully promoted the development strategy of “rural revitalization” .

Deepening policy guidance	<ul style="list-style-type: none">• The Party Committee of the Bank has studied to formulate the Guiding Opinions on Financial Services for “Sannong” and related work plans, leading the Bank to fulfill social responsibilities in
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	supporting agriculture; <ul style="list-style-type: none"> • Prioritize managerial personnel allocation, resource allocation, capital investment, and financial services.
Increasing resources inclination	<ul style="list-style-type: none"> • Adopt differentiated performance appraisal policy between “Sannong” and other businesses, with incentive performance appraisal for more severe poverty-stricken areas; • Formulate performance appraisal plan to motivate branches to serve in rural revitalization and poverty alleviation.
Specializing agricultural support services	<ul style="list-style-type: none"> • Optimize specific access criteria for rural revitalization related enterprises, with more relevant indicators for supporting agricultural services; • Set up “ Financial Service Centers for Rural Revitalization” in rural areas with specific services, and establish servicing teams to carry out comprehensive financial services around the needs of local rural revitalization and development.
Optimizing business flows	<ul style="list-style-type: none"> • Optimize the business management measures and operating procedures of “ Sannong ” , and implement authorization process of credit approval by branches, sub-branches and product types • Prioritize credit-granting business of “Sannong” , including compliance review, communication, approval, to improve service efficiency.

Strengthening the Services Channels of “Sannong”

In 2019, the Bank continued to build servicing channels under the “Five points of service integrated plan” for “Sannong” business, including physical outlets, electronic banking channel, convenient centers, mobile

banking services and internet platforms. Meanwhile, we integrated with the supply and marketing cooperatives in districts and counties to develop “three types of cooperatives” financial services centers. These comprised rural cooperative service center, grassroots community centers, and rural comprehensive service community centers where ATM and servicing machines were equipped and shared at these channel outlets to expand coverage of rural financial services. By the end of 2019, the Bank had 1,463 outlets, 3,609 self-service machine, 491 convenient service points, 5 mobile service vehicles in the rural areas, and 7,632,600 mobile banking users.

Improving the layout of township outlets	<ul style="list-style-type: none"> • Further enhance the design of network outlets through upgrading, relocation and renovation to drive keep up with the pace of urbanization and expand developments of rural outlets, to increase coverage of inclusive financial services.
Increasing intelligent equipment	<ul style="list-style-type: none"> • Actively deploy new self-service terminals and increase investments in basic financial services in rural areas; • Introduce cloud computing, face recognition, voice and semantic recognition, graphics and other functions in service equipment to create an artificial intelligence platform, bringing safe, high-quality and convenient financial services to customers in rural areas.
Vigorously promoting mobile payment	<ul style="list-style-type: none"> • Popularize mobile banking knowledge to the public, solidly carry out promotion of use of mobile payment and enrich payment gateway in rural areas, and provide mobile payment technical support for tourism, public transportation, and agricultural industry in the rural areas.



The financial services mobile vehicle

Building-up the Innovative Financial Services for “Sannong”

In 2019, aiming at assisting in “Building Prosperous Countryside and Industries, and New Life” , the Bank optimized and innovated financial services for “Sannong” , actively built a wide coverage of financial products. The Bank launched three types of credit products - “ Thriving Industry” , “Entrepreneurial Environment” , and “Pleasant Living Environment” . Apart the Bank provided other financial solutions to the “Sannong” sector including integrated financing services for rural primary, secondary and tertiary industries, loans for land reclamation projects in rural areas, loans for farm home operation, and loans for housing in beautiful countryside, and loans to peasant households and village in rural areas. Meanwhile, the Bank strengthened the “Internet +” financial services and launched multiple electronic financial products to meet the multi-level and diversified financial service needs for rural revitalization.

Constantly promoting the integration of “three kinds	<ul style="list-style-type: none"> The bank has facilitated the strategic cooperation agreement with the municipal supply and marketing cooperatives and has formulated the <i>Program of Chongqing Rural Commercial Bank on</i>
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of cooperatives"	<i>the Breakdown of Key Job Objectives, Tasks and Responsibilities for Promoting Integrated Development of Three Types of Cooperatives"</i> to guide leading branches and sub-branches in strengthening cooperation with local supply and marketing cooperatives and promoting the implementation.
Enhancing targeted industries' roles as driving forces	<ul style="list-style-type: none"> Identify the trend of the servicing industry, and increase support to featured industries of citrus, ecological animal husbandry, ecological fishery, tea, Chinese herbal medicines to facilitate the agricultural product processing industry and rural tourism.
Promoting "Internet +" innovation and integration	<ul style="list-style-type: none"> Launch the mobile banking APP5.0 that suits the use by rural consumers, provide diversified financial services, guarantee the security of rural customers' privacy and funds through a variety of technical security means, including face recognition, device binding and big data analysis.

Case: Beibei Sub-branch boost agricultural industry transformation

Suxin village is located at south of Jingguan town, which is well known as "National Rural Revitalization Town" or "Flower and Woods Hometown" , and for wintersweet. Suxin village leveraged their advantages in setting up a series of development philosophy, which are "Enrich People with Flowers, Make Village Beautiful with Ecosystem, and Make Village Vivid" . Beibei Sub-branch, through its on-site interviews and field visit, found that part of the business owners and farmers in Suxin village were facing capital shortage for its transformation and upgrade of the area. The Sub-branch actively connected with the district' s supply and marketing associations to promote forming "Alliance of Three Associations" to cooperate within the village in the development. Beibei Sub-branch is providing a total credit financing of 90 million to aid transforming the village into a rural revitalization town. These funds will be utilized in enlarging the scope of wintersweet

planting, optimizing technology in processing, broadening sales channels, and proceeding agricultural industry upgrade. This case exhibited a good example of rural urbanization through collaboration achieving “Three Associations Helps Three Agricultures” .



Suxin Return Hometown Innovation Park

Case: Yongchuan Sub-branch support rice planting family farms

Xiuhai Wu is an entrepreneur engaging in rice planting in Zhutuo town and keen in investing new techniques to accelerate modernize its agricultural production which require financing without any tangible assets for pledges. Yongchuan Sub-branch, after a series of assessment of its sourcing, planting and selling operations, provided him with “Rural Primary, Secondary and Tertiary Industries Loans” of 400,000 RMB loans on March 21st, 2018. In March 2019, prior to due date of the loan repayment, having conducted evaluation of its development productivity and financing demands, Yongchuan Sub-branch approved to extend his loan payment due and further provided him with an additional 2 years term loan of 400,000 RMB, to support its development of family farm rice production. With this financing, he can expand the plantation through the turnover use of land areas under the means of “Company + Base + Farmers” .



Wu Xiuhai' s rice field

Case: Jiulongpo Sub-branch promoted the colorful Jiulong rural revitalization

Evergrande High-tech Agricultural Group is a high-tech agricultural enterprise with advanced technologies. “The Dayingxiong Bay’ s Beautiful Rural Construction Project” of the group is one of the 60 key projects signed at the Chongqing agricultural fair in 2018. The project aimed to lead the country's first-class demonstration project of rural complex, with a total investment of approximately 20 billion yuan. Its planned phase 1 investment was approximately 2 billion yuan to be utilized for constructing intelligent greenhouse, agriculture, leisure, tourism, folk custom, cultural residence and other projects to provide residence for 1,000 farmers. The phase 2 project was estimated to invest about 18 billion yuan, mainly to build a new type of idyllic living area integrating smart and environmental protection. On April 9th, 2019, the Jiulongpo Sub-branch and the group had discussed the strategic business cooperation on “The Dayingxiong Bay’ s Beautiful Rural Construction Project” to ensure smooth implementation of the rural revitalization strategy.

Case: Fengdu Sub-branch supported the cattle industry development

Hengdu group in Fengdu County is a leading beef enterprise. Fengdu Sub-branch dealt with the extension of loan repayment for the group under the Bank’ s policy, alleviated its short-term loan repayment pressure. Based on the stock quota of group member Chongqing Hengdu Food Development Co., Ltd. in 2019, the sub-branch increased a credit line to the group to purchase imported beef cattle. The sub-branch also handled domestic letters of credit for Hengdu group, and provided forfaiting business, with the adjusted forward term from 90 days to 180 days, improving its liquidity and maximizing efficient utilization of funds.



Fengdu Sub-branch investigate Hengdu' s cattle feeding situation

Case: Shizhu Sub-branch supported the construction of Chinese medical herbs base

Under the business mode of “Bank + Company + Base + Poor Households” , Shizhu sub-branch had given loans of 10 million RMB to Zetai professional cooperative association of traditional Chinese medical herbs in Zhongyi Township to support build a 3,210 acre-feet base of traditional Chinese medicine in Zhongyi Township, and to drive 1,112 households to participate in the project of planting traditional Chinese medicine. The project aided 349 poverty houesholds, with 1,052 persons. By the end of 2019, Zetai professional cooperative had successfully helped 325 poor families to free from poverty.



Field research of Zetai traditional Chinese medicine base in Zhongyi Township

Case: Wushan branch supported the development of agricultural industrialization

Chongqing Wuren Agricultural Development Co., Ltd is a private entity engaging in agricultural industrialization developing, planting, producing, processing, accommodation, leisure services, tourism and sightseeing. Since 2013, Wushan Branch has followed up marketing and field research on the company for many times to understand and evaluate its financing needs. In April 2014, we successfully granted a credit of RMB 11 million to help the enterprise expand its operational scale, and up to the end of 2019, the existing loan balance was RMB 12.60 million. By the end of 2019, the enterprise is able to process more than 900 tons of agricultural related products, and more than 100 tons of medicinal food products. Its cumulative sales reached more than RMB 98 million.



Wuren Agricultural Tealeaf Base

Case: Jiangjin Branch supported local pepper planting

Lixin Hou returned to his hometown in Ciyun town, Jiangjin district after working outside for more than 10 years to start his own business engaging in pepper plantation. Obtaining financing is challenging due to the long investment period of this industry, the return of capital period is long with expected inflationary increase in labor costs and costs for fertilizer, and the lack of guarantor. Ciyun Sub-branch of Jiangjin Branch granted a loan of 200,000 RMB based on the Bank's credit policy in "Rural Integration of Primary, Secondary and Tertiary Industries" to support replenishment of raw materials for plantation. Currently, his pepper's plantation condition is going well and on track to generate an estimated revenue for next year of 400,000 RMB.



Peppercorns grown by Lixin Hou

Promoting Development of Small and Micro Businesses

In 2019, the Bank updated the *Measures for the Management of Due Diligence and Exemption of Credit Granting for Small and Micro Businesses* to further refine and consolidate its specific business plan for small and micro business development. These included promoting integration of online and offline development, and further improving an integrated multi-level financial service network for small and micro businesses. In response to the different financial needs of small and micro businesses, the Bank leveraged the use of big data and Internet technology to optimize loan granting processes to improve efficiency. We developed multiple innovative products, built diversified platforms, and expanded service channels, to actively promote high-quality development of small and micro businesses.

As at the end of 2019, small and micro businesses loans balance of the Bank was RMB 138.11 billion, and the corresponding number of customers was 124.84 thousand. The number of inclusive financial loans of the Bank

to small and micro businesses based on accounts with credit facilities granted of less than 10 million yuan, was 123.70 thousand, an increase of 700 comparing with the beginning of 2019. The corresponding outstanding loan balance was RMB 65.20 billion, an increase of RMB 8.82 billion comparing with the beginning of year, with an increase of 15.63%, a growth that was 1.35-percentage-point higher than that of the overall loan portfolio. The Bank positively achieved the target of “Two Increase Two Control” , and was selected by Chongqing Bureau of China Banking Insurance Regulatory Commission as “Outstanding Bank in Financial Service to Small and Micro Businesses” and “Excellent Bank in Internal Management” .

Small and Micro Businesses Loan

Index	2017	2018	2019
Small and micro businesses loans balance (RMB hundred million)	1,055.44	1,165.90	1,381.08
Proportion of small and micro businesses loan balance in the total loan balance (%)	33.74	33.49	34.71
The number of customers with small and micro business loans (units)	108,656	124,107	124,844

Improving the Network of Small and Micro Services

The Bank has established a multi-level small and micro financial service network across the city. At the head office level, a small and micro finance business line was established to coordinate and manage the Bank’ s loans to small and micro businesses; at the branch and sub-branch level, more than 900 dedicated loan outlets were set up and more than 2,200 customer managers were deployed for small and micro businesses. Since 2013, the

Bank has set up 14 franchised sub-branches for small and micro businesses in industrial parks, professional markets, core business districts and other areas centralized with small and micro business customers to further expand its businesses of financial services and provide professional and convenient financial services for them in a timely manner. In addition, the Bank continued to broaden the service channels for small and micro businesses by building a “Bank, Government and Guarantee Companies” cooperation platform and developing more specific featured and batch products.

Expanding collaboration between the bank and government	<ul style="list-style-type: none"> • Promote "Knowledgeable Value Credit Loans for Scientific and Technological Company" cooperating with Chongqing Science and Technology Bureau among 34 districts including Chongqing High-Tech Zone, Wansheng Economic and Technological Development Zone, and originate business in 35 sub-branches; • Enhance the cooperation with Liangjiang New Area Management Committee, refine the business model in Guaranteed Loans for technological companies in Liangjiang New Area, and creatively launch “Technological Growing Loans in Liangjiang New Area” ; • Cooperate with each sub-branch and local government to expand “Increase Credit Loans” business.
The results of the cooperation between the bank and the government	<ul style="list-style-type: none"> • Continuously strengthen the cooperation with the municipal agricultural guarantee companies and small and micro guarantee companies, launch two loans namely “Loans for Integration Development of Rural Primary, Secondary and Tertiary Industries” and “Loans for Start-up Business Guarantee” to promote rural revitalization.

Carrying out “Hundreds of Banks Supporting Millions of Small and Micro Businesses”

In 2019, the Bank adhered to the original aspiration of providing financial services for small and micro businesses, and carried out research on the financing need of “Hundreds of Banks Supporting Millions of Small and Micro Businesses” . We reached out to and visited more than 30,000 targeted enterprises, to publicize a series of policies formulated by the CPC Central Committee and State Council to support the development of small and micro business. We explained the current financing policies and measures for small and micro businesses, as well as our offline and online financial products that can be offered to small and micro businesses, and suitability of various financing products based on different business characteristics of enterprises. This further enhanced the Bank’ s social brand image of serving small and micro businesses.

Inventing Exclusive Products for Small and Micro Businesses

In 2019, the Bank insisted on the “two-wheel” driver of “Online + Offline” in its business, and continuously enriched and improved financial service products for small and micro businesses. We launched the “ Easy Commercial Loans” brand with 30 exclusive featured products for small and micro businesses. These included developing 2 online products namely “Quick Discount on Notes” and “Quick Loans for Real Estate” , and 17 credit and unsecured products such as “Technology Enterprise Knowledge Value Credit Loans” , “Technology Growth Loans” , “Easy Tax Loans” and “Medical Insurance Loans” . These products aimed to positively assist cultivate their micro business and effectively fulfilled the financing needs of small and micro businesses in different industry sectors or development stages ie. start-up, growing or matured.

Case: Knowledge Value Credit Loan of Technology Enterprise

Chongqing MicroID Technology Co., Ltd is a high-tech enterprise operating in technology research and development, and application of high speed RFID. MicroID had a large investment plan and funding needs for scientific research for development of ID system relating to vehicles registered number following its winning of a large bid of RMB 2.4 billion from China Railway Corporation. Following in-depth business analysis of prospects and competitiveness of their products domestically and internationally, we granted to MicroID Technology a total credit loan support of RMB 8 million, based on the Bank's policy and specific featured product - "Technology Growth Loan" and additional RMB 3.5 million credit loans based on a specific product - "Knowledge Value Credit Loan" . With this financing support, MicroID Technology has achieved a substantial business development becoming one of the three core product suppliers of China railway vehicle number identification system. More importantly, some of their core technologies are even exported overseas.



Workshop in Chongqing MicroID Technology Co., Ltd

Case: Supporting the integrated development of primary, secondary and tertiary industries

Chongqing Riquan Agriculture and Animal Husbandry Co., Ltd is a leading and the largest “high-tech” , “high starting point” , and “high standard” breeding enterprise in southwest China. Due to the impact of “African Pig Disease” , the market supply of pigs in Sichuan and Chongqing and other places was sharply reduced. The company decided to expand its scale of pig breeding but facing tight liquidity and financing need. Following evaluation, the Bank issued a credit loan of RMB 6 million to the company based on its featured product - “Increase Credit, Agriculture Help Loan” which is a cooperation with the Rongchang district government. With the funds, it successfully expanded its scale of pig breeding, effectively driving the employment and income growth of local farmers.



Chongqing Riquan Agriculture and Animal Husbandry Co., Ltd pig breeding farm

Case: Nanchuan Sub-branch strived to solve the financing problem of small and micro businesses

Chongqing Tezhen Food Co., Ltd is the first enterprise in Nanchuan district, engaging in processing of Jinfoshan’ s bamboo, ferns and other agricultural products. In early 2019, Nanchuan Sub-branch took actions to approach to understand and evaluate its financing difficulties faced due to its lack of effective mortgage or guarantee, Nanchuan Sub-branch granted a credit loan under the Bank’ s “knowledge value credit loan” featured product of about RMB 1.6 million, to effectively resolve its financing need. Such financing assistance had assisted the company to upgrade its agricultural production line and improve its market competitiveness, and currently it has 25 professional experts and 140 local farmers promoting employment in the region it operates.



Chongqing Tezhen Food Co., Ltd Staff packaging products

Fully Serving for People's Livelihood

In 2019, the Bank continued to strengthen its support for the areas such as medical care and education that “Benefit People’ s Livelihood” . We regularly issued key policy interpretations for industries related to people’ s livelihood , and launched differentiated financial service solutions for personal customers including flexible automated tools such as one-card system, bank-hospital one-card pass system, cash management and smart banking services, and established convenient access channel for credit, thus achieving “Benefiting People's Livelihood” . As at the end of 2019, the outstanding loan balance relating to people’ s livelihood was RMB 21.36 billion, an increase by RMB 0.43 billion with a growth of 2.1% compared to last year.

Supporting for the Development of Medical Services

The Bank supported the development of the medical industry, and assisted in the construction of the medical environment. We primarily targeted at public hospitals with brand advantage and standardized management in large and medium-sized cities, and offered appropriate supports to private

hospitals with strong expertise. With mobile payment becoming increasingly common, in order to facilitate the majority of residents in seeking medical advice, the Bank actively cooperated with various hospitals to carry out the construction of “Smart Medical System” , and realized functions such as registration and settlement for medical treatment by WeChat and Alipay. As at the end of 2019, the outstanding loan balance related to medical industry was RMB 5.18 billion, an increase by RMB 0.53 yuan, and a growth of 11.50% from previous year.

Case: Qijiang Sub-branch helped medical development

In September 2019, Qijiang Sub-branch cooperated with the district People's Hospital on a ward settlement project and Chinese medicine hospital on Yinyitong project. Moreover, we installed 50 self-service machines in various public hospitals within the district, to effectively aid the queue time at the hospitals, support a better convenient service delivery, improve service satisfaction from patients, and hence enlarge our influence in the district.



Yinyi self-service machines

Supporting for the Development of Culture and Education Industries

Education industry is an industry actively supported by the Bank, as well as a key support area of “Benefiting People’s Livelihood” project. The Bank has established a credit lending policy of “Proactive Support for Privileged Customers with Reinforced Management” for the culture and education

industry. The Bank focused on universities of national “Project 211” and universities affiliated with the state ministries (commissions), and supporting municipal public colleges and universities and key middle schools directly managed by municipal education commissions with high credit ratings and strong operations. The Bank provided supports to professional training institutions with high brand recognition, strong expertise, and sound operation capability, and growth prospect to promote the development of local education and a better professional training for the public. As at the end of 2019, the outstanding loan balance related to education was RMB 2.73 billion.

Case: Yongchuan Sub-branch supported the development of Chongqing science and innovation vocational college

Chongqing Science and Innovation Vocational College is a full-time private vocational college. In 2019, Yongchuan Sub-branch granted loans of RMB 42 million to the college in investing new fixed assets, mainly comprising the construction of the college's training factory and equipment housing project, as well as for purchasing teaching software and hardware equipments. In addition, the Sub-branch further granted loans of RMB 55 million to the college for its working capital of the college, such as salary, cleaning service fee, maintenance fee, teaching materials fee, water and electricity fee and so on. With these financing supports, the college has developed rapidly in recent years with well-equipped education facilities and well developed campus training centers that meet the needs of regional economic and social developments.



Chongqing Science and Innovation Vocational College

Supporting for Urbanization Construction

The Bank actively provides various financing products to support the infrastructure construction for urbanization, such as rail transit, hubs, expressways, and water conservancy. The Bank prioritizes its supports to new urban infrastructure development industries, which foster better living consumption, services and increase in regional capacity, based on the key directives of the national strategy on urbanization construction and under the principle of sustainable development of commerce and the regional economic development. As at the end of 2019, the outstanding loan balance related to infrastructure development was RMB 55.49 billion with 51 ongoing projects.

Case: Supporting the construction of Chongqing rail transit network

Chongqing Railway Line 9 Construction and Operation Co., Ltd is mainly responsible for the construction and operation of “Chongqing Railway Line 9 Phase I Project” , which is an important part of Chongqing railway network. The Bank had in-depth understanding of its project progress, cash flow, and financing needs. Through cautious and effective assessment, the Bank granted loans of RMB 1.2 billion yuan to resolve its special funding

need of its project. Our efficient approval process and high-quality services were well recognized by the client.



The construction field of Chongqing Line 9

Promoting Green Finance and Taking Environmental Responsibility

Green Credit

The Bank highly values the development of green finance aligning with the national strategy. The Bank in line with national policies, formulates the *Guidelines on Developing Green Credit* and the *Program of Chongqing Rural Commercial Bank on Green Credit Activities of Corporate Finance Line*, and promotes the green transformation of bank-wide businesses by various measures, such as giving priority and providing access channels, reducing costs and strengthening risk assessment. In accordance with the requirements of national supply-side structural reform, the Bank restricts loans to industries of high pollution, high energy consumption and overcapacity, and implements a differentiated green credit policy of

“Differentiated Solutions with Support and Control” . Meanwhile, we focus on supporting the development of green environmental protection industries represented by hydropower and garbage-power generations, and sewage treatment. The Bank encourages innovation supported by green projects, and actively promotes green innovation investment cooperation with the China Clean Development Mechanism Fund under the Ministry of Finance and the Chongqing Municipal Finance Bureau to introduce policy-based low-cost funds to green projects, and reduce financing costs. As at the end of 2019, the Bank's green credit loans balance was RMB 180.07 hundred million.

Case: Supporting the development of new energy industry

Chongqing Jinkang New Energy Automobile Co., Ltd is a wholly owned subsidiary of Chongqing Xiaokang Industry Group engaging in implementing construction project of 50,000 pure electric passenger cars per year. The Ministry of Industry and Information Technology (“MIIT”) had already approved this project, and the company had become the ninth manufacturer with the "Dual Qualifications" of NDRC and MIIT, possessing good track record in producing electric passenger cars. The total investment of the project was RMB 2.45 billion. The company held more than 100 international invention patents in the two key fields of electric and smart technology. The Bank provided the company with a five-year fixed loan of RMB 600 million to support its successful project completion and production.



Chongqing Jinkang New Energy Automobile Co., Ltd

Case: Bishan Sub-branch supported the recycling economy of renewable resources

Chongqing Shunmao Renewable Resources Co., Ltd is a manufacturing enterprise mainly engaged in purchasing of recycled plastics, processing, sales, dismantling, and recycling of old electrical and electronic products and renewable resources. In recent years, the company invested significantly in new equipments and technologies. The company faced shortage of working capital due to the prolonged process in obtaining subsidies from government, and need for advance payment for acquisition and processing waste materials. Through on-site investigation and verification of relevant qualification documents, Bishan Sub-branch assessed that the company's business projects and production conditions met the standards of comprehensive utilization of resources under the Bank's green credit policy. Finally, the Sub-branch succeeded providing credit facilities of RMB 19 million and drawdown a loan of RMB 15 million to the company, thus solving its short-term funding needs.



Chongqing Shunmao Renewable Resources Co., Ltd

Case: Kaizhou Sub-branch supported the green power generation industry

Chongqing Green Energy New Energy Co., Ltd is mainly engaged in power generation from domestic waste incineration, power generation from landfill gas, power generation from sludge incineration, municipal infrastructure construction, and maintenance related business. Through environmental technology, the enterprise conducts reduction processing of and harmless treatment on domestic waste, and carries out garbage incineration to generate and provide electricity while achieving environmental benefits in Kaizhou district. In 2019, Kaizhou Sub-branch granted a fixed asset loan of about 175 million RMB to support its expansion in power generation from domestic waste incineration. Currently, the annual generating capacity of Green Energy New Energy has

reached 6,000 kilowatt-hours, with 210,000 tons of various types of waste processed, thus providing strong support to develop an ecological civilization in the district.



Chongqing Green Energy New Energy Co., Ltd

Green Public Welfare

The Bank vigorously promotes green environmental protection, actively organizes to carry out green public welfare activities, encourages its employees to participate in environmental protection activities, and educates employees on environmental protection to raise awareness and take responsibility in promoting green public welfare development.

Case: Hechuan Branch participated in the “National Afforestation Enhancing Action Week”

Hechuan Branch firmly established and implemented development concept about “Clear Water and Green Mountains are the Golden Mountains” , and actively responded to the call from the Hechuan district government and carried out National Afforestation

Enhancing Action Week. On April 15th, 2019, we organized employees to participate in afforestation activities. Staff participated with great interest in the event. Through such an activity, we further promoted the awareness of environmental protection of our staff, and contributed to green development of our hometown.



Staffs from Hechuan Branch planted a tree

Case: Chengkou Sub-branch carried out the activity about green public welfare

On May 4th, 2019, also known as youth day, Chengkou Sub-branch carried out a public benefit activity with the theme of "Helping Poverty Alleviation in May, Building a World with Clean Water and Green Mountains". In the event, we organized young employees to carry out public service activities such as river garbage cleaning and street cleaning in the Zuoan Village, and assisted to improve the appearance of the village. Employees of the Sub-branch went on streets and fields of Zuoan village, to carry out sweeping activities. The event also led the surrounding people to participate in and actively contributed to the beauty of Zuoan Village.



Staffs of Chengkou Sub-branch cleaning up river garbage

Green Operation

The Bank earnestly abides by laws and regulations, including the *Environmental Protection Law of the People's Republic of China* and the *Energy Conservation Law of the People's Republic of China*, actively responds to the national low-carbon development policies, and vigorously advocates green office and low-carbon operations. The Bank has formulated several measures for energy and water conservation, low carbon and emission reduction, such as the *Air-conditioning Operation Scheme for Office Buildings*. We carry out green transformation in office areas and use energy-saving equipment to create a green and environmental-friendly working environment. The Bank encourages employees to cultivate low-carbon living habits, intensifies environmental protection training for employees, and promotes paperless office to reduce the use of disposable products in performing the social responsibility of environmental protection.

In 2019, there were no issues arising from the Bank's operations that had caused significant environmental pollution and impacts.

<p>Energy conservation and emission reduction</p>	<ul style="list-style-type: none"> • Have installed electrostatic fume purifiers and other equipment in the canteen, and purified fume before discharging to the outdoor; • Take lighting control measures in public corridors, with infrared induction at night; • Preferential use of economical, safe, energy-saving and environmental-friendly products when purchasing and replacing vehicles ; • Have installed video conference equipment in conference center and meeting rooms; • Realize intelligent printing and reduce paper waste; • Manage the use of office equipment, turn off timely power when not in use, and use the power-saving mode whenever possible for office equipment; • Incorporate electronic intelligent elements in the publicity at outlets, and adopt electronic devices such as LED display screens and pads to save paper. • Promote paperless business process on the counter, replace paper vouchers with electronic vouchers, saving about 26.22 million pieces of paper in 2019.
<p>Green reconstruction</p>	<ul style="list-style-type: none"> • Computer cabinets or stands in data center are arranged face-to-face and back-to-back in forming cold aisle and hot aisle with the cold aisle sealed. Such layout can save more than 10% energy;

	<ul style="list-style-type: none"> • The head office has redeveloped the pipe network of the standby air conditioning units to achieve energy efficiency; • Have renovated outlets with more environmental friendly materials for the walls and desks, and carpet tile floors to reduce the use of wooden materials, and use energy-saving LED to reduce power consumption.
Waste management	<ul style="list-style-type: none"> • Add powder to printing equipment circularly to reduce consumption; • Implement a registration system to control unreasonable consumption to reduce use of disposable office supplies; • Encourage employees to take a campaign of "Clearing Plate" while dining in the canteen to reduce kitchen waste and avoid wasting food; • Repair furniture such as desks and chairs in time to increase the useful life; • Assign personnel to manage hazardous and non-hazardous wastes and engage qualified third parties to recycle and dispose hazardous waste.

2019 Environmental Indicators

Environmental Performance

Unless otherwise stated, the statistical scope of environmental performance herein solely covers the head office and branches and sub-branches based in central districts of Chongqing of Chongqing Rural Commercial Bank Co., Ltd. Certain institutions of the Bank that are not included in this compilation

will be considered in future. The statistics performance data presented below covers the period from January 1st, 2019 to December 31st, 2019.

1. Emission Data¹

Indicator	Performance
Total SO ₂ emissions (tons) ²	0.002
Total NO _x emissions (tons) ³	0.05
Total Greenhouse gas emissions (Category 1 and Category 2) (tons) ⁴	22,155.88
Per capita greenhouse gas emissions (Category 1 and Category 2) (in tons/person)	4.76
Per capita GHG emissions (Category 1 and Category 2) (tons/person)	0.07
GHG emissions (Category 1) (tons)	590.20
Vehicle fuel consumption ⁵	300.58
Facility diesel ⁶	22.76
Natural gas	266.86
Indirect GHG emissions (Category 2) (tons)	21,565.68
Purchased electricity	21,565.68
Total hazardous wastes (tons) ⁷	34.45
Total hazardous wastes per capita (tons/person)	0.007
Total hazardous wastes per square meter of floor area (tons/m ²)	0.0001
Total non-hazardous wastes (tons) ⁸	431.77
Non-hazardous wastes per capita (tons/person)	0.09

Non-hazardous wastes per square meter of floor area (tons/m ²)	0.001
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Notes

1. As the emission and consumption data of energy and resources in the data center cannot be measured separately, the Bank's data in respect of greenhouse gas emission intensity, intensity of hazardous waste emissions, intensity of non-hazardous waste emissions, energy consumption intensity and daily water consumption intensity calculated per capita and per square meter of floor area have included both office areas and data center.
2. The sulfur dioxide emissions mainly come from vehicles' 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 P.R.C.
3. The nitrogen oxide emissions mainly come from vehicles' 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 P.R.C.
4. The GHG inventory includes carbon dioxide, methane and nitrous oxide, which mainly come from purchased electricity and fuel. The calculation of GHG is presented in terms of CO₂ equivalent and is based on the *2017 Emission Reduction Project of China Regional Power Grid Baseline Emission Factors* published by the Ministry of Ecology and Environment of PRC and the *2006 IPCC Guidelines for National Greenhouse Gas Inventories 2019 revision* issued by the Intergovernmental Panel on Climate Change (IPCC).
5. Vehicle fuel consumption includes consumption of gasoline and diesel.
6. Facility diesel refers to diesel used by backup generators.
7. The hazardous wastes involved in the operation of the Bank are handled and disposed of by qualified professional companies, which mainly include waste lead-acid batteries, waste fluorescent tubes, waste ink cartridges, waste toner cartridges, waste toner, and waste ribbon cartridges of printing equipment.
8. The non-hazardous wastes of the Bank is delivered to recyclers for disposal, which mainly include discarded office waste and discarded hard disks. Among others, the office wastes of Yuzhong Sub-branch, Shapingba Sub-branch, Jiulongpo Sub-branch and Yubei Sub-branch are centrally handled by property management companies, and cannot be measured separately. This is estimated 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

指标	绩效表现
Total energy consumption (MWh) ¹	38,248.42
Total per capita energy consumption (MWh/person)	8.22
Energy consumption per square meter of floor area (MWh/m ²)	0.12
Direct energy consumption (MWh)	2,679.11
Vehicle fuel consumption	1,227.78
Facility diesel	86.55
Natural gas	1,364.78
Indirect energy consumption (MWh)	35,569.31
Purchased electricity	35,569.31
Purchased electricity power consumption of the Head Office (MWh) ²	15,540.56
Daily water consumption (tons) ³	202,262.37
Daily water consumption of the Head Office (tons) ⁴	64,343.00
Daily water consumption per capita (tons/person)	43.46
Daily water consumption per square meter of floor area (tons/m ²)	0.63
Total paper consumption (tons) ⁵	136.51

Notes:

1. The energy consumption data is calculated based on the electricity and fuel consumption using relevant conversion factors provided in the *General Principles for Integrated Energy Consumption Calculation (GB/T 2589-2008)*, a National Standard of the People's Republic of China, and this mainly includes electricity, natural gas, vehicle fuel consumption and facility diesel.

2. Purchased electricity power consumption of the Head Office includes the purchased electricity power consumption of Chongqing Rural Commercial Bank Tower, Tongchuang office area, Erlang office area, Shuixing office area, and Yuzui data center.
3. Daily water consumption includes 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, Shuixing office area, and Yuzui data center.
5. Paper includes A4 copy paper, A3 copy paper and ATM voucher paper.
6. The data of packing materials is not applicable to the Bank.

Practicing Social Responsibility and Building a Harmonious Community

Customer Service

In 2019, the Bank deeply explored customer needs, continued to advance the “Customer-oriented” service concept, and created differentiated service channels that met the financial service needs of customers at different levels. Intelligent equipment was equipped to provide customers with innovative and special financial services that are convenient and beneficial to the people. We improved the efficiency and quality of customer complaint handling, comprehensively safeguarded consumers’ rights and interests, and protected customers’ personal safety as well as information and assets security, thus providing customers with assured and considerate financial services.

Improving Service Channels

In 2019, the Bank broadened its service channels in an all-round way, refined the locations and appearance of outlets, and upgraded the configuration of intelligent electronic equipment based on the differentiated and characteristic physical channels to provide customers with better intelligent experience and create for customers a more convenient and efficient service

environment. The Bank developed a preferential policy favoring rural areas in resource allocation. Mobile service vehicles were distributed to poverty-stricken areas preferentially to improve the coverage of financial infrastructure in such areas.

Maintaining full coverage of outlets	<ul style="list-style-type: none"> As of the end of 2019, the Bank had a total of 1,774 institutions, achieving full coverage of physical outlets in 38 districts and counties of Chongqing; Committing to broadening basic financial services available to counties, the Bank has established 1,461 outlets located in counties of Chongqing.
Increasing the number of regular service outlets	<ul style="list-style-type: none"> In 2019, the Bank newly set up 51 regular service outlets in rural areas to suit the economic development and needs of financial services in such areas to increase the customer service efficiency, which brought the total number of regular service outlets of the Bank to 305.
Providing financial services for remote township customers	<ul style="list-style-type: none"> In order to alleviate the inaccessibility of financial services in remote areas, the Bank had set up 495 rural convenience service stations in remote towns to provide basic financial services to rural customers through convenience service facilities, self-service facilities, etc.
Launching mobile financial services	<ul style="list-style-type: none"> The Bank has amended the <i>Management Measures of Automobile Mobile Financial Services</i> to address the lack of basic financial services in remote rural areas and extend the

	<p>service scope of business outlets;</p> <ul style="list-style-type: none"> Two mobile banking service vehicles were newly purchased to launch mobile financial services in Chengkou, Pengshui and other county-level areas to further strengthen the support for financial service in poor areas and increase inclusive financial coverage rate.
Improving the development of self-service machines	<ul style="list-style-type: none"> As of the end of 2019, the Bank had 4,911 self-service machines (1,128 ATMs, 3,032 CRSs, and 751 inquiry machines), and the ratio of the number of machines and outlets points reached 2.77:1.
Improving smart intelligence technology of offline services	<ul style="list-style-type: none"> Has realized customer recognition through the facial recognition platform and provides services such as ATM cash withdrawal by "face swiping" ; Has utilized voice and semantic platforms to process self-service businesses for customers at smart counters; Provides a distinctive Chongqing dialect "voice navigation" taking into account local residents' language preference.

Against the background of the rapid development of science and technology, and in response to the change of customers' financial consumption habits and the accelerated shift of counter services from "Offline to Online" , the Bank adjusts its business structure in a timely manner to release front-end employees, and accelerates the construction of online channels to ensure that customers always enjoy high-quality and efficient services in different channels. By applying technologies such as face recognition, graphic and image recognition, voice recognition and

natural language processing to financial services, the Bank has established a basic smart technology platform to facilitate online inclusive financial services. The Bank also provides services such as facial recognition for identity authentication and automatic identification of OCR information in pictures of identity card and bank card for customers' mobile banking, WeChat banking, Jiangyuer direct banking, online credit card applications and other services. In 2019, the E-channel transaction ratio was 94.59%, which was 1.70% higher than the figure for the beginning of the year.

Financial cloud platform	<ul style="list-style-type: none"> A bank-wide basic fintech application platform was established by building a smart, efficient and flexible proprietary financial cloud platform - "CQRC Cloud" and introducing fintech technologies such as cloud computing, big data, artificial intelligence, machine learning, biometrics, optical character recognition (OCR), voice recognition, semantic analysis, location recognition (LBS), and augmented reality (AR).
Intelligent risk control system	<ul style="list-style-type: none"> Cutting-edge technologies of face recognition and AI intelligent algorithm were utilized to introduce end-to-end risk prevention and control for the Bank's online channels, which includes pre-event monitoring and early-warning, in-process identification and decision-making, and post-event analysis, forming a complete closed loop of risk control to ensure security of customer funds.
Mobile banking App5.0	<ul style="list-style-type: none"> The Bank launched the brand-new Mobile Banking App 5.0, which featured an "Exclusive version" and a "Simple version". The "Exclusive version" could provide all types of products and functions for all of our mobile banking customers, and the "Simple version" was dedicated to meeting the needs of the Bank's elderly customers and those with weak

	eyesight.
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Online Channel

Index	Online Banking	Mobile Banking
Number of customers (ten thousand)	327.66	957.34
Total transactions (ten thousand)	41,818.16	5,817.83
Transaction amount (RMB ten thousand)	103,123,807.00	108,911,900.91

Case: Participating in the 2nd Intellectual Expo in Chongqing

In August 2019, the Bank used the platform of the 2nd Chongqing Smart Expo in 2019 to display and publicize the achievements of Smart Bank and Mobile Banking App5.0, created a brand image and held new product launches. We comprehensively displayed and publicized the Bank's achievements in smart banking to further build a good mobile financial brand image through online channels such as the People's Network and WeChat circle of friends as well as online channels including community advertising, rail transit and other offline channels



The 2nd Intellectual Expo in Chongqing about us

Improving Service Quality

In order to improve the quality of customer service and provide customers with more elaborate, standardized and timely services, the Bank formulates a series of administrative measures regarding customer service, such as the *Measures of Chongqing Rural Commercial Bank for the Administration of Remote Customer Service* and the *Operating Instruction of Chongqing Rural Commercial Bank on Complaint Handling for Phone Banking*, and a variety of operation practices such as the *Practice for Handling Work Orders*, the *Practice for Handling Complaints about Services of Outlets* and the *Practice for Handling Complaints about Quality of Customer Services*, thus forming a customer service framework that stipulates the responsibilities and authority of staff on different posts and at all levels, the procedure for acceptance and handling of customer complaints and the response time limit for complaint handling to ensure that customers' problems are resolved properly and efficiently.

- We prioritize customers' problems by level of importance and urgency and inform the customer of the time limit for accepting the response; the complaint handler is required to deal with complaints within the prescribed time limit. If no solution is provided within the time limit, the customer should be notified about the current progress and an agreement should be reached with the customer on the next response time. Customers' complaints are timely managed and recorded in systems. Customers' complaints are sent to relevant departments swiftly without distortion or bias, and follow-up interviews with the customers upon handling of the complaint are conducted.
- We build a management mechanism featuring "Pre-event Prevention, In-process Control, and Post-Event Improvement" to enhance the management of complaint analysis, uninterrupted complaint channels and strengthen complaint inspection. An outlet

coordinative complaint mechanism was set up to improve the efficiency of complaint handling; and suggestions for improvement targeting at products and services, business processes and internal management were put forward to handle complaint more effectively.

- We also implement a surprise "mysterious person" unannounced visit mechanism. In 2019, a total of 1,100 visits were conducted on various outlets, covering 42 branches and sub-branches, which effectively regulated the services and behaviors in an attempt to achieve the result of "immediate rectification of any problems identified, and prevention of occurrence of the same kind of problems" .
- We intensifies training sessions to improve employees' ability to accept and handle complaints. The service process was monitored, and the complaint service quality was taken into consideration in the employee performance assessment. The complaint handling process is subject to strict supervision, and an internal inspection post is set up to check the compliance of complaint handling.

In 2019, the customer service center of the Bank handled 4,462 customer complaints. The complaints handling satisfaction rate reached 99.87%, and customer satisfaction rate was 99.65%.

Guaranteeing Outlet Security

The Bank strictly complies with the requirements of the *Security Requirements for Bank Commercial Premises* (GA38-2015), the *Requirements for Security of Self-service Bank Devices and Self-service Banks* (GA745-2017) and other standards, and emphasizes on the development of the emergency management system. We have formulated and implemented such security rules and operating regulations as the *Basic Rules for Security and Safety* and the *Measures for the Administration of Security of Business and Office Space* to provide strict regulations on the security and safety organizational system, the administration of fire safety,

treasury guard management and security inspection and other matters. Post evaluations are conducted and certain regulations are updated and refined to fully protect the safety of our customers, employees and property. During the construction and renovation of outlets, the Bank strengthens the management of key safety risk areas such as construction protection during flood season, lightning protection of construction projects, protection in high-temperature periods and personal safety protection, and carries out follow-up inspections on and revisits renovation projects to detect hidden dangers to ensure construction safety at business outlets.

In strict accordance with the *Emergency Response Law of the People's Republic of China* and relevant regulatory requirements of the China Banking and Insurance Regulatory Commission for emergency management, the Bank formulates relevant institutional measures such as the *Measures for the Administration of Emergency Response Plans* and the *Overall Emergency Response Plans*. In 2019, the Bank carried out 3 safety training sessions for employees to familiarize them with basic knowledge about safety and security and indicators or clues related to criminal acts to improve employees' awareness and skills of safety protection. In addition, in order to enhance employees' awareness of fire safety and improve their evacuation and self-rescue capabilities, the Bank conducted a fire drill targeting all staff on November 8th , 2019, and carried out, together with the property management agency, more than 20 training sessions on fire safety, flood prevention, elevator safety and other matters throughout the year.

In 2019, in the inspection of safety assessment carried out by China Banking and Insurance Regulatory Commission of Chongqing administration and Chongqing Municipal Public Security Bureau, the Bank was rated as Excellent Security Units.



The special training session on security work in 2019

Protecting Customers' Rights and Interests

The Bank strictly abides by relevant laws and regulations such as the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, and incorporates the development of the consumer protection system in its bank-wide development strategic plan. We have established the business philosophy of "putting equal emphasis on business development and the protection of financial consumers' rights and interests", and formulated a series of administrative measures such as the *Administrative Measures of Chongqing Rural Commercial Bank for Protection of Consumers' Rights and Interests*, the *Administrative Measures of Chongqing Rural Commercial Bank for Publicity and Education on Consumers' Rights and Interests Protection* and the *Administrative Measures of Chongqing Rural Commercial Bank for the Disclosure of Service Price Information*. For the construction of the management framework for consumers' rights and interests protection, the Bank has established a Consumers' Rights and Interests Protection Committee under the Board of Directors and a Consumers' Rights and Interests Protection Leading Team under senior management, which holds special meetings on consumers' rights and interests protection on a regular basis, developed work plans

such as the *Opinions on the Implementation of Financial Consumer Rights and Interests Protection in 2019*, and analyzed and determined work priorities and key issues.

By using the "Five Must" as the starting point, the Bank has established control requirements for all stages and processes of financial products and services to safeguard the legitimate rights and interests of consumers. The "Five Must" includes the following areas. Firstly during the new product design and development phases, all measures for consumers' rights and interests protection must be explained as a priority. Secondly, a review of consumers' rights and interests protection must be conducted during the approval process for launching a product. Thirdly, the information disclosed during the promotion and marketing of products or services must be strictly regulated to disclose risks. Fourth, the details of charges must be strictly and publicly disclosed before charging for services. Fifth, special review and approval must be conducted for matters involving consumers' rights and interests protection during the review of regulations and promotional materials.

In 2019, the Bank introduced an assessment plan for consumers' rights and interests protection, which incorporated assessment indicators such as product marketing and promotion, information disclosure, customer information security protection, service quality, "audio and video recording in sales sections", financial knowledge publicity and education and complaint management into the performance assessment of branches, sub-branches and business departments, and achieved a full coverage of post and personnel evaluations. The Bank also carried out the assessment and selection of "Consumer Protection Stars" and "Advanced Unit for Consumer Protection" to strengthen the leverage effect of the consumer protection incentive mechanism.

In order to ensure the transparency of fees charged against customers, the Bank has repeatedly displayed the requirements of China Banking and

Insurance Regulatory Commission on information disclosure about service charge standards such as the “Seven Prohibitions” and “Four Disclosures” in prominent places in the business halls or through electronic displays. The service items and charging standards are explicitly displayed in a prominent place on the official website to allow customers to be fully aware of the Bank's service price and charge items. Besides, to protect customers' options of services, the Bank has required that tellers at outlets must inform consumers of service items and charging standards before handling their business.

Case: Identify fake messages and prevent real losses

A client called us to inform us that he received a text message sent by “the bank” with the content: “According to your comprehensive rating, you are allowed to be granted 500 thousands backup money, the credit limit is subject to the final approval result of the Bank. Reply Y for processing, reply 1 for learning about it, and reply T for unsubscribing” . Hence, he called us to figure out whether it is fake or not.

After receiving the enquiry from the customer, customer service center immediately verified whether relevant activities had been launched recently and whether such messages had been sent or not. Customer service center sent the verified result back to the customer, reminding him not to trust unfamiliar SMS. Apart from responding to the specific inquired customer, customer service center issued alert to all employees in the center, and required them to remind customers of card security and anti-fraud tips when customers report problems of similar nature. The above case example illustrated a high awareness of risk prevention and service quality of the customer service center. When customers report an abnormal event, the center contacted multiple parties to verify the authenticity of the message, timely reminded all staff in alerting customers, which effectively prevented the loss of customer's assets.

Case: Yunyang Sub-branch launched publicity for consumer' rights protection

In order to continuously promote the rights and interests protection of financial consumers and fully create a harmonious and honest consumption environment, Yunyang Sub-branch of the Bank collaborated with Yunyang Sub-branch of People's Bank of China to carry out the "Rights, Responsibilities, and Risks" March 15th "Consumer Rights Day" publicity. Through building publicity booths, forming financial promotion task force, sending leaflets to public, it delivered financial knowledge about anti-counterfeiting, preventing telecom fraud, and online payment security to the public, and effectively raised the public's awareness of risk prevention. 20,000 publicity leaflets were distributed with 30,000 participants.



Yunyang Sub-branch' s staffs carried out the consumer rights and interests protection publicity

Protecting Information Security

The Bank strictly abides by relevant laws and regulations and national standards such as the *Cyber Security Law of the People' s Republic of China*, the *Information Security Technology - Personal Information Security Standards* (GB/T 35273-2017) and the *Security Management Standards for Mobile Finance Client-side APPs* (JR/T 0092-2019), and has formulated a series of policies such as the *Measures of Chongqing Rural Commercial Bank for the Administration of Data Security* and the *Measures of Chongqing*

Rural Commercial Bank for the Administration of Information System Security to guide financial information protection.

Key measures on protecting customers' information

Establishing a hierarchical authorization mechanism for information systems	<ul style="list-style-type: none"> • Clear policies and regulations are established for the collection, storage, use, and transfer of consumer information; a clear information system hierarchical authorization management mechanism has been established to implement multi-level and multi-dimensional management and control of systems containing customer information and data to prevent information leakage.
Optimizing the use of information management system	<ul style="list-style-type: none"> • The life cycle process of data management is controlled for the internal use or external provision of data containing personal financial information. The data management controls include approval level by level and are subject to multi-person authorization under the data access requirements, use of encrypted devices for storage, segregation of duties operation, data destruction and other procedures.
Conducting business security assessment on a regular basis	<ul style="list-style-type: none"> • Security assessments are conducted regularly in accordance with relevant requirements such as the <i>Guidelines for E-Banking Security Evaluation</i> and the <i>General Standards on Information Security of Online Banking System</i> (JR/T 0068-2012) to detect system security vulnerabilities and evaluate the effectiveness of various security measures regarding to the protection of customer information security and other matters.

Updating privacy policies timely	<ul style="list-style-type: none"> The <i>Privacy Policy of Chongqing Rural Commercial Bank</i> for the use of APP has been updated in accordance with the <i>Self-assessment Guidelines for APP to Detect and Prevent Illegal Collection and Use of Personal Information</i> and the requirements of relevant standards.
Strengthening emergency management	<ul style="list-style-type: none"> Emergencies were handled according to requirements of relevant documents such as the <i>Overall Emergency Response Plan of Chongqing Rural Commercial Bank for Risk Incidents Involving Consumers' Rights and Interests Protection</i>.
Enhancing the comprehensive ability to protect financial network security	<ul style="list-style-type: none"> Actively carried out financial consumer education events such as "Cybersecurity Publicity Week" , which closely follow the theme of "Cybersecurity for the people and by the people" to make every effort to improve the cybersecurity skills of personnel inside and outside the Bank.
Enhancing the management of third-party agencies	<ul style="list-style-type: none"> The admission requirements on third-party agencies have been implemented in accordance with the requirements of relevant documents such as the <i>Administrative Measures of Chongqing Rural Commercial Bank for Agents and Partners of Cooperative Business</i> and the <i>Guidelines of Chongqing Rural Commercial Bank for the Admission of Third-Party Cooperative Organization</i>, and articles regarding the protection of personal financial information are incorporated into the cooperation agreement with third-parties to strictly prevent and control

	the risk of customer information leakage and ensure customer information security.
Carrying out information security investigation and evaluation regularly	<ul style="list-style-type: none"> Information security investigation and evaluation are carried out regularly, and relevant technologies such as network isolation, system anti-leakage, network attack defense and information desensitization are utilized to realize the full life cycle management of data in key areas such as data collection, transmission, storage, processing, exchange and destruction, so as to solidify the foundation of management and control and ensure customer information security.

Growing Together with Employees

The Bank strictly abides by relevant laws and regulations such as the Labor Contract Law of the People's Republic of China, adheres to the people-oriented concept for staff training, and actively explores new mechanisms and measures for recruitment, training, deployment, incentives and restrictions. We are committed to building harmonious labor relations and protecting the legitimate rights and interests of our employees. In addition to providing reasonable salary and benefits, the Bank also provides employees with sufficient room for development and diversified promotion channels and arranges training sessions for them to create a diversified staff team and achieve common development of the Bank and employees. As of the end of 2019, the Bank had a total of 15,371 employees, including 7,881 male employees and 7,490 female employees.

Employee Rights and Interests

Building up harmonious work environment. In accordance with relevant laws and regulations, the Bank has formulated *the Measures for the*

Administration of Employee Conduct and other policies, to standardize staff contracting system management framework in formation, implementation, modification, discharge and termination of labor contracts. Furthermore, the Bank builds a compliant and harmonious employment relationship with all employees, prohibits child labor or forced labor, advocates for fair treatment of all employees and promotes employee diversity. The Bank strictly forbids any discrimination based on gender, age, ethnicity, disability, family status, fertility or political affiliation, or other basis during recruitment, daily work, promotion, salary determination and etc.

Protecting the rights and benefits of employees. The Bank emphasizes on the protection of employees' rights and interests, formulates rules and regulations in accordance with relevant laws on salary determination, vacation and attendance, and establishes a unified emolument system to ensure employees' rights to reasonable labor remuneration. The Bank constantly improves the welfare system, provides "Five Social Insurance and One Housing Fund", supplementary medical insurance, major disease insurance and enterprise annuity for employees and ensures employees' rights and entitlements to legitimate leaves and holidays, aligning with the national regulations on working hours, holidays and paid annual leave. The labor union of the Bank earnestly implemented the system of employee congresses. Major issues involving the vital interests of employees must be reviewed by the Workers' Congress. It effectively promotes democratic management of the Bank, strengthens the transparency disclosure of operations, and ensures that employees are able to exercise their rights to know, participate, express and supervise according to relevant laws.

Employee Cultivation

The Bank continues to recruit talent through diverse channels with flexible salaries and welfare policies. To implement the strategic action plan and prosper the development through technology and talent, we strive to

achieve a comprehensive, professional and innovative talent development ecosystem.

Recruiting talent from different sources	<p>The Bank formulated a flexible and open recruiting system, attracted talent nationwide and globally. We promoted different types of recruitment for professionals, management trainees and reserved talent of branches and sub-branches, developed corresponding training plans, and provided a talent pool to support the Bank’ s transformation.</p>
Building a platform to cultivate talent	<p>The Bank actively responded to “Talent Program” of Chongqing, and participated in the Talent Development Summit of the New Era Western Development. We strengthened the training of management trainees, and promoted employees’ business learning and experience sharing. We adhered to the training methods of “Come in + Walk out” , “Online + Offline” , “Live + Video” , “Head Office + Lines + Branches and Sub-branches” to improve the ability of our employees. In 2019, we organized a total of 1,979 offline training sessions with 110,000 participants.</p>
Reforming talent development	<p>The Bank improved the performance assessment system. We improved a “trinity” staff assessment system that integrated daily, annual, and three-year term assessments, and created a positive atmosphere for competition. The Bank accelerated post system reform aiming to make the Bank a desired working place and to promote incentives and performance of talent.</p>

Employee Care

The Bank actively organized all kinds of cultural and physical activities and set up diverse interest groups to cultivate the employees' sentiment of life, enrich employees' spare time and help employees relax. We care about employees' health and regularly organize conventional physical examinations. We collected big data from employees' health statements, and hold health knowledge promoting lectures. We improved relevant policies, and carried out various on-site visits to employees who had difficulties at home, suffered major accidents, married, new born baby, were ill and hospitalized, or their close relatives passed away, so that employees can feel the warmth from the enterprise. These activities enhanced cohesiveness of our team.

Case: Carrying out succulent planting activities

On the 109th International Women's Day, the Bank carried out succulent planting activities to enrich the spiritual and cultural life of female employees. The representatives of female employees participated with high interest in the activity. The Bank invited horticulturists to make a detailed explanation of succulent plant knowledge, succulent plant maintenance, and succulent potted plant design etc. The atmosphere was great with good interactive participations in the activity where plantation of succulents were practised by themselves whilst listening. For the female employees on duty, the Bank offered them exquisite succulent plants to express sincerely greetings and blessings.



Female employees plant succulents personally

Case: Holding the fun sport game

On November 30th, 2019, the Bank held the 2019 Fun Sport Games of the Head Office at the badminton court of the Olympic Sport Park to raise the spirits of the staff, release work pressure, strengthen the teamwork, stimulate work enthusiasm, and promote the business and staff development. The Fun Sport Games, with the theme of “Unity and hardworking for elegant demeanor, and pursue the glory of CQRC Bank”, advocating health fitness and enjoying competition. There were more than 500 athletes from 37 departments of the head office participated. The game fully displayed the team consciousness, and cooperation of the departments of head office.



Staffs participated in fun sports game

Responsibility for the Community

The Bank actively fulfilled social responsibilities in meeting public welfare needs of the community. We carried out propaganda activities on financial knowledge, actively participated in community public welfare activities, practiced targeted poverty alleviation, persisted in serving and repaying the society, and contributed to build a harmonious society.

Implementing Targeted Poverty Alleviation

In 2019, the Bank attached great importance to poverty alleviation. We formulated and issued the *Guiding Opinions on Doing a Good Job in Poverty Alleviation in 2019*, which set up the working goals of poverty alleviation centered on financial targeted poverty alleviation (“TPA”), and our TPA responsibilities by focusing on specific industries, credit products, donations, channels and consumption. We also made every effort to fight against poverty by optimizing resource allocation and developing advanced and professional anti-poverty team.

Implementing the responsibility of poverty alleviation	<ul style="list-style-type: none">• The people in charge of the Party Committee of branches and sub-branches were required to intensify efforts for poverty alleviation and visit poverty-stricken towns at least 4 times a year, and the people in charge of the Party branch of community-level branch offices were required to intensify efforts for poverty alleviation in every poverty-stricken villages under the jurisdiction of towns every year;• The Bank cultivated a contingent of cadres who have worked hard on poverty alleviation, and promoted talent based on their performance in poverty alleviation.
Clarifying the direction of financial poverty alleviation	<ul style="list-style-type: none">• The Bank released The <i>Guiding Opinions on Financial Support to Poverty Alleviation against Difficulties</i> and set up the targets and key points for poverty alleviation. The Bank ensured that priority was given to poverty-stricken areas when launching new financial funds, new financial services and new financial products.

<p>Arousing endogenous motivation for poverty alleviation</p>	<ul style="list-style-type: none"> • The Bank formulated the <i>Special Assessment Plan for Rural Revitalization and Targeted Poverty Alleviation</i>, provided special incentives for financial TPA based on special performance, guided all the branches and sub-branches to actively contribute to poverty alleviation, and enhanced front-line credit account managers' conviction of poverty alleviation and agriculture support.
<p>Focusing on featured industries</p>	<ul style="list-style-type: none"> • To meet the capital needs of poverty-stricken areas, the Bank followed the "Five Inclining" policy which regulated that credit should focus more on water conservancy, hydropower and infrastructure projects in rural areas, rural tourism development, relocation of impoverished residents, business startups, employment and re-employment of poverty-stricken households, and local agricultural products.
<p>Regulating the development of poverty alleviation loans</p>	<ul style="list-style-type: none"> • In accordance with the requirements and basic elements of the higher level of the poverty alleviation microfinance system, the Bank adhered to precise issuance, process operation, operation standardization, industrial support, and strictly implemented the poverty alleviation microfinance policy.
<p>Solidifying the foundation of financial poverty alleviation</p>	<ul style="list-style-type: none"> • While focusing on the extremely poverty-stricken towns of Chongqing, the Bank continued to promote the implementation of poverty alleviation measures in the 18 extremely poverty-stricken towns, including the deployment of a new "convenient self-service facility" , the launch of a

	new-style professional farmer training session, the launch of promotional activities with the theme of " Spreading financial knowledge and social tenderness" , etc.
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Case: Youyang Sub-branch assisted Zhangjiacheng Village

As one of the 130 poor villages in Youyang County, Zhangjiacheng Village currently has 168 poor households with 734 people. Youyang Sub-branch has been assisting Zhangjiacheng Village since 2019, and has achieved remarkable results in poverty alleviation. Through guiding industrial development, Youyang Sub-branch helped to drive the local economy and job market. In the meanwhile, Youyang Sub-branch has improved the local infrastructure constructions of the village which included constructions of 5 roads, 4 groups of watering places for people and animals, 2 village-level medical clinics, a 50 KVA transformer to solve the power supply problem, and 4G network covering for the whole village. The task force strictly implemented requirements about "Eat, Live, and Act" , assisted and supervised the village party committee and youth league committee, participated in disputes mediating and residents' contradictions resolving. At the same time, the task force also helped the local farmers to solve the sales difficulties of high-quality agricultural products, care for people in need to feel warmth from the party and the government, enhancing their confidence in poverty relief.



A corner of a resident's field in Zhangjiacheng Village, Youyang County

Case: Pengshui Sub-branch heartedly help impoverished village

On the eve of the Dragon Boat Festival, the leaders of the Pengshui Sub-branch led the team visit Zhou village in Lujiao town to help poor household. The staff of our bank sent holiday greetings to poor families, conducted in-depth communication and interviewed with poor families and the village committee, experienced their work and daily life there, and collected the local financial services needs. This interview aimed to increase the precision of the sub-branch's financial products to meet their needs, strengthen poor households' confidence in poverty alleviation, and also boost poverty relief in the near future.



Staff from Pengshui Sub-branch sent holiday greetings to a poor household

Case: Banan Sub-branch assisted a poor household to free from destitution

Ruixing Chen, from a poor family in Yutan Village, Banan County, had suffered a cerebral infarction before and still needed to pay for several hundred yuan for his medical expenses every month. After knowing his difficulties, the staff of the Banan Sub-branch successfully helped him to apply for a small loan for poverty alleviation, which was RMB 20,000 to purchase a batch of loquat, navel orange and grapefruit seedlings. In April 2019, the staff conducted a post-loan evaluation and noted his fruit plants had grown in scale. In the next visit, at the end of October, it was noted that life and living standards of Chen's family had improved significantly.



Chen's fruit plants in Yutan Village, Banan County

Case: Wuxi Sub-branch promoted poverty alleviation by industrialization and employment

Chongqing Hongchi Shoes Co., Ltd. is a local high-quality industry supported by Wuxi Sub-branch. The company pioneered the creation of a "Targeted Poverty Alleviation Employment Workshop" in Wuxi County, which specifically solved the employment problem for poor households. In 2019, Wuxi Sub-branch granted a loan of about RMB 2.5 million for the company's expansion. The loan was used to increase 4 production lines for finished products, 8 sewing machine assembly lines, and 1 cutting workshop. At the same time, Wuxi Sub-branch cooperated with the company to carry out training and work opportunities for registered poor households. As of the end of 2019, the company has trained more than 150 poor residents, recruited 127 people, including 86 worked in the workshop, and 41 worked at home, which greatly boosted the local employment.



The manufacturing shop of Chongqing Hongchi Shoes co. Ltd.

Case: Pingtanyu Rural Commercial Village Bank assisted poor households

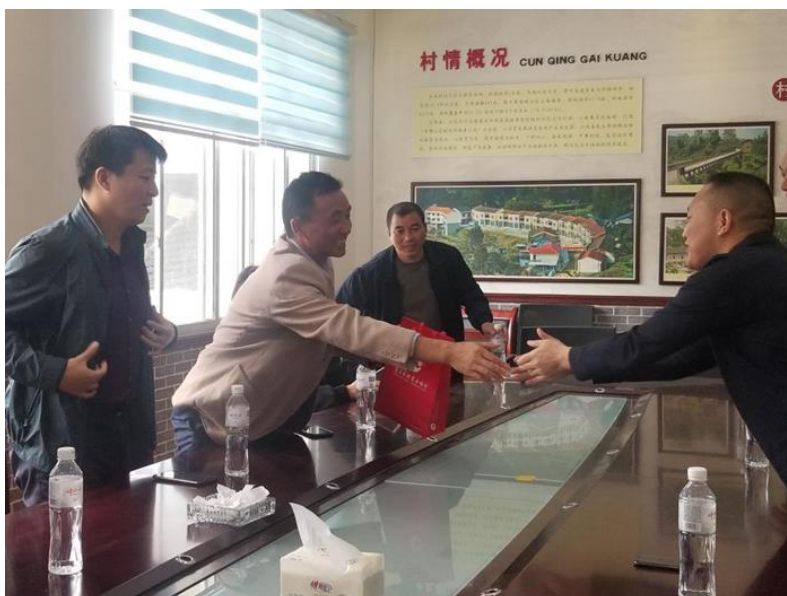
In February 2019, the district financial office and Pingtanyu Rural Commercial Village Bank formed a financial poverty alleviation group to help and survey the poor people in Lancheng Township, Xinqiao Village. This group provided every households there with daily necessities in the visit whilst for each of them. The group dived into poor households to caring ask and collect information about their family, health, employments, living conditions, and causes of poverty. The team initially formulated a poverty alleviation plan on the basis of the wishes expectation and needs of the poor households to help them get rid of them to be lifted out of poverty through by botboth h their own efforts and the help from government as soon as possible. Through this visit, the Village Bank established poverty alleviation documents for each poor household with assigned and linked assistance and actions work manuals with them to implement one-on-one assistance and provide targeted poverty alleviation assistance.



A staff of Pingtanyu Rural Commercial Village Bank sent greetings to poor households

Case: Nanchuan Sub-branch launched the “Donate Your One-day Salary” activity

In September 2019, Nanchuan Sub-branch organized all employees to carry out the “Donate Your One-day Salary” activity. Through the activity, employees donated RMB 64,500 to the Yulong Village in Qingyuan Town to help poor village escape poverty. At the same time, a manager from Nanchuan Sub-branch was arranged onsite to continuously provide necessary financial services in Yulong Village.



The president from Nanchuan Sub-branch shook hand with party branch secretary from Yulong Village, Qingyuan Town

Comprehensively Supporting for "Offering Government Bonds in Rural Areas"

The Bank actively promoted the "Offering government bonds in rural areas" to alleviate the imbalanced financial services supply structure between urban and certain rural areas whilst achieving a more targeted approach and enhanced management system changes in its government bond businesses. In 2019, the Bank significantly allocated 80% of the quota to the underwriting in areas and counties outside the main districts, such as the Three Gorges Reservoir Area, Wuling Mountain Area, Daba Mountain Area, remote minority areas, national-level poverty-stricken areas and counties, and demonstration areas of new rural construction to ensure meeting the investment needs of government bonds in rural areas. Meanwhile, considering higher interest rate of government bonds, the Bank allocated more proportion to "Sannong" township outlets of rural revitalization specialized financial center so as to effectively help residents of poverty areas to increase their income stream. In 2019, the Bank issued government bonds of over RMB 75 million for these designated areas.

Meanwhile, the Bank earnestly completed the development of the "Government Bond Publicity Service Station". The branches and sub-branches of the Bank actively strive to implement "Government Bond Publicity Service Station". Up to now, there are more than 900 "Government Bond Publicity Service Station" in operations. By taking "Offering Government Bonds in Rural Areas" as the starting point, township outlets of the Bank effectively held "Wealth Management Training Sessions for Villagers" to popularize common financial knowledge on government bonds and fraud prevention. As of now, more than 5,000 publicity activities have been arranged.

Promoting of Financial Knowledge Popularizations

In accordance with the requirements of regulators to promote financial consumers education and financial knowledge popularization, the Bank actively carried out financial knowledge publicity to raise the public's awareness of financial risk prevention and help them understand financial consumption knowledge and protect their own property safety. In 2019, the Bank established a financial consumer publicity database and realized bank-wide collaboration in financial knowledge publicity. Leveraging the advantages of the Internet and outlets, the Bank promoted financial knowledge through various channels, such as WeChat official account and public information boards in the outlets. In addition, the Bank also carried out special publicity activities focusing on social and financial hotspot issues, such as "3.15", "Popularization of Financial Knowledge to Households", "Popularization of Financial Knowledge to Campuses", and "Travel Thousands of Miles with Financial Knowledge", and organized staff to carry out activities in campuses, communities, enterprises, business districts, villages, construction sites and other places to cover diverse groups of people in need of financial services. As of the end of 2019, the Bank had held more than 7,100 financial knowledge publicity activities with more than

1.70 million participants, and more than 1.43 million promotion materials were distributed.

Case: Fuling Branch conducted the activity of “Financial Knowledge into Families”

On September 23rd, 2019, Fuling Branch launched a large-scale financial knowledge promotion activity in Fuling Yijiaba square. Staff of Fuling Branch elaborated on how to safely use fintech products such as online payment, online financial management, and online lending to enhance the public's awareness and ability to protect personal financial information. There were 300 clients participating in the activity, and 500 flyers were distributed during the activity. The promotion was effectively held, receiving well recognition from the public.



Staff from Fuling Branch gave a financial knowledge lecture to public

Case: Wuxi Sub-branch actively built inclusive finance

Wuxi Sub-branch responded positively to the call of the People's Bank of Chongqing operation and management department and built an inclusive finance base in Hongchiba Town, which is a poor township. We promoted financial knowledge to help farmers to process cash withdrawals and depositing, exchange old damaged currency, recognize counterfeit currency, and promoted the protection of consumers' rights and interests, and distributed our financial credit services whilst understanding their financial services need. This base helped farmers to access to convenient basic financial services without leaving their village. At present, another similar inclusive finance base in Chashan Village is put in operation and by September 30th, 2020, five more inclusive finance bases including Zhonggang Village, Yusha Village, Chayuan Village and Xiaohe Community, will be built to

facilitate basic financial services for nearly 20,000 people in Hongchiba Town.



Inclusive finance base in Chashan Village

Practicing Public Benefit Activities

The Bank concerns about the needs of surrounding communities. We actively participate in public welfare, help people in dire strait, organize our staff to carry out volunteer service activities, strive to live up to social responsibility, improving corporate social value. As at the end of 2019, the Bank had 25,000 employees participating in various volunteering activities, with over 28,000 hours incurred in total.

Case: Tongnan Sub-branch helped poor households to grow crops

Tongnan Sub-branch supported the League Committee' s work and plan of poverty alleviation, and organized youth league members to help poor farmers plant radishes. Through a series of measures, such as helping to plant crops and promoting financial knowledge, we have provided real assistance to poor households, embracing our service concept of "Rooting in the Local Area and Serving the Public" .



Staffs from Tongnan Sub-branch plant crops

Case: Changshou Sub-branch launched a Public Service Activity - “Serving the Folks, Warm the Hometown”

In the Spring Festival of 2019, our Changshou Sub-branch of the Bank recruited 21 college student volunteers, and carried out the public goods called “Serving the Folks, Warm the Hometown” at four train stations including Hongqihegou Station, Qi'an Station, Fengcheng Station and North Railway Station. Volunteers mainly provided simple convenience services such as guidance, consultation, luggage handling, and free emergency supplies for passengers who passed by. The college volunteers boarded 3,000 trains, served 135,000 customers, and distributed 4,800 boxes of paper towels, 7,800 promotional leaflets and 6,500 pocket books within 10 days.



Bus station voluntary service in spring festival

Case: Hechuan Branch jointly held a calligraphy and painting competition for children

The Hechuan Branch of the Bank has always been committed to fulfilling its promise of “Rooting in the Local Area and Serving the Public” . While developing its business, it has deeply implemented corporate social responsibility, and supported the development of social and cultural undertakings in Hechuan District. The Branch co-organized the 32nd “Agricultural Commercial Bank Cup” calligraphy and painting competition for children in Hechuan District on May 25th, 2019. It has been 20 years since the Branch jointly held this competition with the Publicity Department, District Education Committee, District Culture and Tourism Development Committee. More than 1,900 outstanding young players, from more than 50 primary and secondary schools and kindergartens in urban and rural areas of Hechuan District have participated in the event.



“Agricultural Commercial Bank Cup” calligraphy and painting competition for children

Case: Rongchang Sub-branch cared for left-behind children

On May 6th, 2019, the Youth Volunteer Service Team of the Bank's Rongchang Sub-branch and the Panlong Town Government jointly launched a condolence activity for the left-behind children. They went to Hemiao Village Primary School in Panlong town. This rural school only has 13 toddlers, 14 elementary students and 3 teachers. The average age of the children is only 6.5 years old. During the visit, the Youth Volunteer Service Team brought rice, oil and salt to the school cafeteria and sent schoolbags, stationery and other school supplies to the children. During the activity, employees of the Sub-branch wrote,

drew and sang one-on-one with the left-behind children, to understand their life and learning situation. The volunteers encouraged the children to be bold in speaking out their dreams, study hard, and use knowledge to change their destiny.



Rongchang Sub-branch conducted condolences for left-behind children

Case: Yubei Sub-branch launched the activity of “Cool in Summer”

On August 24th, 2019, the Youth League Committee of the Yubei Sub-branch of the Bank took the responsibility of condolences and actively carried out the warm-hearted activities. They went to construction sites, various road administration brigades, and sanitation workers' resting places, offered condolences to and provided the front line workers working under the heated weather with drinking water and cool refreshments. Staff of the Sub-branch offered immediate help at the scene when they saw road administration staff working under a state of weakness and certain bus tires were overheated. In addition, the Sub-branch shared and publicized basic knowledge on summer heat protection and methods about heat reduction, heatstroke prevention, etc., and actively explained the knowledge of summer disease prevention and strived to send both “Cool and Health” . Staff of the Sub-branch also shared experience with the toll collectors on efficient collection techniques skills, and on how to facilitate smooth toll operations and traffic flow.



Employee in Yubei Sub-branch provided water to road administration' s staff

Case: Chengkou Sub-branch donated funds to create "Love Supermarket"

In 2019, the Chengkou Sub-branch of the Bank donated 10,000 yuan to create three "love supermarkets" in Zuoan Village, Qixin Village, and Xinhong Village. At the same time, we actively encouraged local poverty villagers to participate in the management of villages and towns. The "love supermarkets" through distributing token points encouraged the poor household to participate in voluntary labor, return money found, and respect their parents. Token points can be exchanged for product items in the "love supermarkets" . "Love supermarkets" educated people, let them develop a spirit of gratitude, hygiene and strive spirit, also encouraged the poverty people to abandon the thinking of "Wait, Dependency, and Claim" , and stimulated the endogenous motivation of the disadvantaged group to believe in themselves the ability of getting out of poverty.



Field research about “Love Supermarket”

Fully Participating in Prevention and Control of COVID-19

At the beginning of 2020, COVID-19 outbreak has caused significant social widespread concern. The Bank fully participated in its prevention and control to combat against COVID-19, conscientiously implemented the directives and measures from the national and regulatory decision on the COVID-19-related requirements. Furthermore, the Bank strengthened support to and connection with enterprises combating and preventing the outbreak, various industries where their operations were significantly affected by the outbreak whilst the Bank effectively implemented epidemic prevention requirements in the Bank’ s offices and branches. Further, the

Bank donated RMB 20 million to the Red Cross of Chongqing to support epidemic prevention and control demonstrating our social responsibility.

Green Channel Assisted with Epidemic Prevention

To guarantee financial service and supports to epidemic prevention preferentially, the Bank reinforced the service communicating with municipal hospitals, medical research institutions, and companies in Chongqing to effectively satisfy the financial demands for epidemic prevention, and issued credits urgently for those companies who produced and delivered protective items like facemasks, disinfectants, and goggles. The Bank set up a dedicated green channel for epidemic prevention financial services for governmental organizations and epidemic prevention related organizations. Through the green channel, the Bank enabled to provide contingency financial services like emergency cash or funds transfer and simplify the service processes of the setup and capital settlement for epidemic prevention accounts and charitable donations accounts. The Bank also provided door-to-door financial services regarding to demands of epidemic prevention medical organizations in Chongqing.

Case: The “green channel” set up for cross-border remittance for epidemic prevention and control

On January 30th, 2020, , the Bank received an urgent purchasing demand from Chongqing Yumaotong Supply Chain Management Co., Ltd for medical supplies from India, Mexico, and others countries to resolve serious shortage of epidemic prevention supplies. As advanced payment in foreign currency for delivery was urgently required by overseas suppliers, the company faced issues on urgent prompt remittance and settlement in foreign currency. The Bank quickly set up business emergency response team. Through the special “cross-border remittance green channel” and the high efficiency of business emergency response team, the Bank responded to assist in the fast track processing of the transactions including remote processing, fastened compliance reviewing time,

provided preferential currency exchange rate, exchanged for 159,000 US dollars within half an hour, to ensure the company successfully remitted cross border advance payment.



The bank teller transferred money for clients at the counter after online approvals

Case: Granting urgent credits for the hospital for centralized treatment of COVID-19 patients

Located in Wanzhou district, Chongqing Three Gorges Center Hospital (Three Gorges Hospital affiliated to Chongqing University), is a comprehensive Grade-A tertiary hospital with medical treatment, education, research, and nursing. It is one of the hospitals for centralized treatment of COVID-19 patients in the northeastern area in Chongqing. Wanzhou Sub-branch of the Bank timely visited the hospital and learned that the hospital had suffered with the shortage of medical supplies due to the large number of patients. Regarding to their medical supplies reserve, the Bank provided 20 million credit loans to the hospital for purchasing medical supplies to support its urgent difficult situation.



The oath meeting of medical staff in Chongqing Three Gorges Center Hospital

Bring Safety and Warmth to Customers

On January 26th, 2020, the Bank released *the Principle and Requirement of Operation Schedule for outlets* to arrange outlets' operation schedule. In the meanwhile, the Bank released internal announcements by official WeChat platform and official website and required branches and sub-branches to post announcement in their outlets and inform clients with timely and transparent information about business schedule and scope of outlets during the outbreak period.

The Bank has consistently reinforced the management of epidemic prevention around the office front doors, halls, and counters. The Bank not only intensified disinfection of the area with frequent personnel movements like self-service bank areas, but also improved disinfection frequency of key facilities, included counters, ATMs, and others, to cut off virus transmission. We measured temperature of customers at outlets and reminded them to wear facemasks, avoid going out for collective activities, and guide them to acquire financial services through our online channels. In addition, we promoted people's self-protection ability and their

confidence in fighting against the epidemic by strengthening the publicity and popularization of epidemic prevention and control-related knowledge through official WeChat, electronic poster screens, scroll subtitles in the front door of outlets, and propaganda posters.

To effectively reduce crowds and the cross infection risk of customers, the Bank actively promoted “Five Magic Weapons” of mobile bank APP5.0 as the major personal online finance service during the epidemic. In the meanwhile, cooperating with “Weiyi” official WeChat, a national online medical platform appointed by National Health Commission, the Bank set up a medical consultation platform in the mobile bank APP5.0 and provided free online public medical consultation services, in order to better support the epidemic prevention.



Disinfect the area of self-service machines



Disinfect customers

Caring about Employees and Safeguarding Their Health

To ensure adequate support to the demand for financial services, the Bank adopted flexible working hours of employees and business schedule of

outlets. We promoted remote mobile working model, insisted on the principle of minimizing on-site personnel, and minimized employees' aggregation. To some employees who took railway, airplanes, and long-distance buses to go back for work, the Bank required them to conduct self-isolation for 14 days at home once they arrived in Chongqing and work remotely. In the meanwhile, the Bank reinforced epidemic prevention monitoring by measuring employees' health condition everyday. Any one of our employees found to have symptoms like respiratory infection or fever would be asked to stay at home for isolated observation or go to designated hospital for treatments.

To safeguard front-line employees' health and safety during the epidemic, the Bank provided facemasks, body temperature detectors, disinfectants, rubber gloves etc. in outlets to ensure the timely epidemic prevention supplies for front-line employees. At the same time, the Bank increased visits to front-line employees, frequently reminded them to wear facemasks, wash their hands and drink more water, so as to ensure epidemic prevention whilst they are working. In addition, all branches and sub-branches disinfected the escorted cash boxes and cash before handing over, effectively preventing the cross transmission of virus during cash operation, and ensuring the safety and health of our employees and customers.



Employees measured each other's temperature before work



Epidemic protection suppliers for employees and customers

Outlook

The year of 2020 is the final fiscal year for implementing the Bank's five-year strategic development plan. The Bank will continually implement the Three-Dimension Strategy of "Characteristic Operation, Delicacy Management, and Excellent Corporate Culture Cultivation". The Bank will adhere to focus on the retail line, science and technology, and talents for further development. Based on our stable development, the Bank will continue to conduct structural adjustment and transformation, and upgrade its development whilst balancing quality and speed. We will establish future development goals and strategies on the basis of the accomplished existing strategies.

Responsibility Management

The Bank regards "Delicacy Management" as the strategic guidance for implementing responsibility management to combine social responsibility with business development, thus building a standardized, procedural and scientific internal control management system and improving the risk prevention and mitigation , and strictly prevents financial crimes. We conduct training on social responsibility to improve employees' sense of responsibility, deepen the implementation of social responsibility to establish a responsible brand image.

Economy

In order to support the stable development of the economy and promote supply-side structural reform, the Bank will actively implement national strategies, optimize resource allocation, promote financial product innovation and increase the integration of intelligent technologies. While assisting with the development of the private economy, the Bank will also assist the growth of small and micro businesses by increasing investment in the real economy and increasing "Sannong" services supply.

Environment

To better respond to the national policies of energy conservation and emission reduction and the requirement to build a green finance system, the Bank will vigorously support the development of industries such as energy conservation, environmental protection and clean energy, and further promote the development of green financial services such as green credit, green consumption and green services. To practice the concept of green operating, the Bank will implement a green office system to cultivate employees' awareness of environmental protection, and carry out a variety of environmental public welfare activities to promote knowledge about environmental protection and a harmonious development of the economy and the environment.

Society

With the goal of enhancing client experience, the Bank will manage proactively to obtain in-depth understanding of client needs and protect the rights and interests of our clients. To build a harmonious working environment, the Bank will strengthen team building and talent training to improve employees' business capability and competitiveness. To build a harmonious society together, the Bank will adhere to integrity management, promote community communication, organize charitable public welfare activities and encourage employees to participate in volunteer services.

Key Data⁵

KPIs	2017	2018	2019
Total assets (RMB hundred million) ※	9,057.78	9,506.18	10,302.30
Net profit (RMB hundred million) ※	90.08	91.64	99.88
Stockholders' equity (RMB hundred million) ※	652.46	721.49	898.02
Average return on total assets (%) ※	1.05	0.99	1.01
Total amount of loans and advances (RMB hundred million) ※	3,383.47	3,811.36	4,370.85
Non-performing loan ratio (%) ※	0.98	1.29	1.25
Provision coverage (%) ※	431.24	347.79	380.31
Capital adequacy ratio (%) ※	13.03	13.52	14.88
Green credit loans balance (RMB hundred million)	114.25	132.35	180.07
Agriculture-related loans balance (RMB hundred million)	1,461.48	1,534.23	1,588.06
Small and micro businesses loans balance (RMB hundred million)	1,055.44	1,165.90	1,381.08

⁵ Except for those ended with “※”, all the figures in this table are under the scope of the Bank.

Total number of employees (persons)	15,892	15,688	15,371
Proportion of female employees (%)	50.12	49.39	48.73
Number of offline training sessions	1,834	2,116	1,979
Customer satisfaction Rate (%)	99.70	99.77	99.65
Number of handled customer complaints	5,065	4,865	4,462
Number of institutions	1,777	1,775	1,774
Number of outlets located in counties	1,462	1,461	1,461
Number of self-service machines	4,989	4,854	4,911
E-channel transaction ratio (%)	90.12	92.89	94.59
Number of publicity and education activities for party culture and political integrity	340	396	444

Independent Practitioner's Assurance Report

2020/SH-0211

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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 2019 key data as defined below in the 2019 Corporate Social Responsibility Report ("CSR report") of Chongqing Rural Commercial Bank Co., Ltd. (the "Bank").

Selected Key Data

The selected key data in the Bank's 2019 CSR report that is covered by this report is as follows:

- Green credit loans balance
- Agriculture-related loans balance
- Small and micro businesses loans balance
- Total number of employees
- Proportion of female employees
- Number of offline training sessions
- Customer satisfaction rate
- Number of handled customer complaints
- Number of institutions
- Number of outlets located in counties
- Number of self-service machines
- Purchased electricity power consumption of the Head Office
- Daily water consumption of the Head Office
- E-channel transaction ratio
- Number of publicity and education activities for party culture and political integrity

Our assurance was with respect to the year ended 31 December 2019 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the 2019 CSR report.

Criteria

The criteria used by the Bank to prepare the selected key data in the 2019 CSR report is set out in the basis of reporting of the key data (the "basis of reporting") after this assurance report.

The Board of Directors' Responsibilities

The Board of Directors of the Bank is responsible for the preparation of the selected key data in the 2019 CSR report in accordance with the basis of reporting. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the selected key data in the 2019 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 International Code of Ethics for Professional Accountants (including International Independence Standards) 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 selected key data in the 2019 CSR report based on our work.

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 about whether the Bank's 2019 selected key data in the 2019 CSR report has been prepared, in all material respects, in accordance with the basis of reporting. Our work involves assessing the risks of material misstatement of the selected key data in the 2019 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 performed the following procedures in the Head Office and Liangjiang Branch of the Bank. We have not conducted work in other branches.

- 1) Interviews with relevant departments of the Bank involved in providing information for the selected key data within the CSR report; and
- 2) Analytical procedure;
- 3) Examination, on a test basis, of documentary evidence relating to the selected key data on which we report;
- 4) Recalculation; and
- 5) Other procedures deemed necessary.

Inherent Limitation

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 2019 selected key data in the 2019 CSR report is 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

March 26, 2020

Appendix: Basis of Reporting of the Key Data

Green credit loans balance (RMB hundred million) : Refer to the loan balances of green agricultural development projects, green forestry development projects, industrial energy-saving, water-saving and environmental protection projects, nature conservation, ecological restoration and disaster prevention and control projects, resource-recycling projects, waste treatment and pollution prevention projects, renewable and clean energy projects, urban and rural water projects, energy-saving and green architecture projects, green traffic projects, energy-saving and environmental protection projects, and overseas projects with international practices or standards of Chongqing Rural Commercial Bank Co., Ltd. (including all branches, sub-branches, excluding village banks).

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

Small and micro businesses loans balance (RMB hundred million) : Refer to the balances of loans offered to small & micro businesses of Chongqing Rural Commercial Bank Co., Ltd. (including all branches, sub-branches, excluding village banks) calculated based on regulatory criteria, including the loan balances of small businesses, loan balances of micro businesses, operating loan balances of individual businesses and operating loan balances of small & micro business owners.

Total number of employees (persons): Refer to the total number of employees signing full-time labor contracts with Chongqing Rural Commercial Bank Co., Ltd., including on-the-job employees, probationary employees, long-term sick leave and industrial injury employees, excluding dispatched 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 offline training sessions: Refer to the total number of various offline training sessions organized by Chongqing Rural Commercial Bank Co., Ltd.

Customer satisfaction rate (%): 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 institutions : Refer to the number of institutions (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 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 licenses and located outside central districts 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 banks) of Chongqing Rural Commercial Bank Co., Ltd.

Purchased electricity power consumption of the Head Office (MWh): Refer to total electricity power consumption of the Head Office of Chongqing Rural Commercial Bank Co., Ltd., including the purchased electricity power consumption of Chongqing Rural Commercial Bank Tower, Tongchuang office area, Erlang office area, Shuixing office area and Yuzui data center.

Daily water consumption of the Head Office (tons): Refer to total water consumption of the Head Office of Chongqing Rural Commercial Bank Co., Ltd., including the daily water consumption of Chongqing Rural Commercial Bank Tower, Tongchuang office area, Erlang office area, Shuixing office area and Yuzui data center.

E-channel transaction ratio (%): 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 publicity and education activities for party culture and political integrity: Refer to the total number of publicity and education activities for party culture and political integrity in a whole year held by Chongqing Rural Commercial Bank Co., Ltd.

ESG Index

Areas	Contents	Disclosure Location
A1 Emissions	<p>General disclosure</p> <p>Information on</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer.</p> <p>Relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste, etc.:</p> <p><i>Note: Air emissions include NO_x, SO_x and other pollutants regulated under national laws and regulations.</i></p> <p><i>Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</i></p> <p><i>Hazardous wastes are those defined by national regulations.</i></p>	Green Operation
	<p>A1.1</p> <p>The types of emissions and respective emissions data.</p>	2019 Environmental Indicators
	<p>A1.2</p> <p>Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</p>	2019 Environmental Indicators

	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2019 Environmental Indicators
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2019 Environmental Indicators
	A1.5 Description of measures to mitigate emissions and results achieved.	Green Operation
	A1.6 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. <i>Note: Resources may be used in production, storage, transportation, buildings, and electronic equipment, etc.</i>	Green Operation
	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in thousands) and intensity (e.g. per unit of production volume, per facility).	2019 Environmental Indicators
	A2.2	2019 Environmental Indicators

	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	
	A2.3 Description of energy use efficiency initiatives and results achieved.	Green Operation
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Green Operation
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable
A3 The Environment and Natural Resources	General disclosure Policies on minimizing the issuer's significant impact on the environment and natural resources.	Green Public Welfare, Green Credit
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Public Welfare, Green Credit
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	Growing Together with Employees

	relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	
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.	Employee Care
B3 Development and Training	General disclosure. Policies on improving employees' knowledge and skills for execution of duties at work. Description of training activities. <i>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</i>	Employee Cultivation
B4 Labor 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.	Employee Rights and Interests
B5 Supply Chain Management	General disclosure Policies on managing environmental and social risks of the supply chain.	Supplier Management

<p>B6 Product Responsibility</p>	<p>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.</p>	<p>Brand Protection , Customer Service</p>
<p>B7 Anti-corruption</p>	<p>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.</p>	<p>Risk Prevention</p>
<p>B8 Community Investment</p>	<p>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.</p>	<p>Responsibility for the Community</p>

GRI Index

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	102-2 Activities, brands, products, and services	Company Profile
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	102-5 Ownership and legal form	Company Profile
	102-6 Markets served	Company Profile
	102-7 Scale of the organization	Company Profile
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	102-9 Supply chain	Supplier Management
	102-10 Significant changes to the organization and its supply chain	Company Profile
	102-11 Precautionary Principle or approach	Risk Prevention

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	102-13 Membership of associations	Responsibility Integration
2. Strategy	102-14 Statement from senior decision-maker	Message from the Chairman, Message from the President
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GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Company Profile; Supporting Economic Development, Enriching People and Prospering the Chongqing City; Promoting Green Finance and Taking Environmental Responsibility; Practicing Social Responsibility and Building a

		Harmonious Community; Fully Participating in Controlling COVID-19
	103-2 The management approach and its components	Company Profile; Supporting Economic Development, Enriching People and Prospering the Chongqing City; Promoting Green Finance and Taking Environmental Responsibility; Practicing Social Responsibility and Building a Harmonious Community; Fully Participating in Controlling COVID-19
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GRI 201: Economic Performance	Management approach disclosures	Management approach for economic performance	Supporting Economic Development, Enriching People and Prospering the Chongqing City
	Topic-specific disclosures	201-1 Direct economic value generated and distributed	Company Profile
GRI 202: Market Presence	Management approach disclosures	Management approach for market presence	Employees Rights and Interests
GRI 203: Indirect Economic Impacts	Management approach disclosures	Management approach for indirect economic impacts	Supporting Economic Development, Enriching People

			and Prospering the Chongqing City
	Topic-specific disclosures	203-1 Infrastructure investments and services supported	Supporting Economic Development, Enriching People and Prospering the Chongqing City
GRI 204: Procurement Practices	Management approach disclosures	Management approach for procurement practices	Supplier Management
GRI 205: Anti-corruption	Management approach disclosures	Management approach for anti-corruption	Party Culture and Political Integrity
	Topic-specific disclosures	205-2 Communication and training about anti-corruption policies and procedures	Party Culture and Political Integrity
GRI 301: Materials	Management approach disclosures	Management approach for materials	Not applicable
GRI 302: Energy	Management approach disclosures	Management approach for energy	Green Operation
	Topic-specific disclosures	302-1 Energy consumption within the organization	Green Operation

		302-3 Energy intensity	Green Operation
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GRI 303: Water	Management approach disclosures	Management approach for water	Green Operation
	Topic-specific disclosures	303-1 Water withdrawal by source	Green Operation
GRI 304: Biodiversity	Management approach disclosures	Management approach for biodiversity	Not applicable
GRI 305: Emissions	Management approach disclosures	Management approach for emissions	Green Operation
	Topic-specific disclosures	305-1 Direct (Scope 1) GHG emissions	Green Operation
		305-2 Energy indirect (Scope 2) GHG emissions	Green Operation
		305-4 GHG emissions intensity	Green Operation
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		305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Green Operation

GRI 306: Effluents and Waste	Management approach disclosures	Management approach for effluents and waste	Green Operation
	Topic-specific disclosures	306-2 Waste by type and disposal method	Green Operation
Environmental Compliance	Management approach disclosures	Management approach for environmental compliance	Green Operation
	Topic-specific disclosures	307-1 Non-compliance with environmental laws and regulations	Green Operation
GRI 308: Supplier Environmental Assessment	Management approach disclosures	Management approach for supplier environmental assessment	Supplier Management
	Topic-specific disclosures	308-1 New suppliers that were screened using environmental criteria	Supplier Management
		308-2 Negative environmental impacts in the supply chain and actions taken	Supplier Management
GRI 401: Employment	Management approach disclosures	Management approach for employment	Growing Together with Employees

	Topic-specific disclosures	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employees Rights and Interests
GRI 402: Labor/Management Relations	Management approach disclosures	Management approach for labor/management relations	Employees Rights and Interests
GRI 403: Occupational Health and Safety	Management approach disclosures	Management approach for occupational health and safety	Employee Care
GRI 404: Training and Education	Management approach disclosures	Management approach for training and education	Employee Cultivation
	Topic-specific disclosures	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Cultivation
GRI 405: Diversity and Equal Opportunity	Management approach disclosures	Management approach for diversity and equal opportunity	Employees Rights and Interests
	Topic-specific disclosures	405-1 Diversity of governance bodies and employees	Employees Rights and Interests

GRI 406: Non-discrimination	Management approach disclosures	Management approach for non-discrimination	Employees Rights and Interests
	Topic-specific disclosures	406-1 Incidents of discrimination and corrective actions taken	Employees Rights and Interests
GRI 407: Freedom of Association and Collective Bargaining	Management approach disclosures	Management approach for freedom of association and collective bargaining	Employees Rights and Interests
	Topic-specific disclosures	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employees Rights and Interests
GRI 408: Child Labor	Management approach disclosures	Management approach for child labor	Supplier Management , Employees Rights and Interests
	Topic-specific disclosures	408-1 Operations and suppliers at significant risk for incidents of child labor	Supplier Management , Employees Rights and Interests
GRI 409: Forced or Compulsory Labor	Management approach disclosures	Management approach for	Supplier Management, Employees

		forced or compulsory labor	Rights and Interests
	Topic-specific disclosures	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supplier Management , Employees Rights and Interests
GRI 410: Security Practices	Management approach disclosures	Management approach for security practices	Guaranteeing Outlet Security
GRI 411: Rights of Indigenous Peoples	Management approach disclosures	Management approach for the rights of indigenous peoples	Not applicable
GRI 413: Local Communities	Management approach disclosures	Management approach for local communities	Responsibility for the Community
	Topic-specific disclosures	413-1 Operations with local community engagement, impact assessments, and development programs	Responsibility for the Community
GRI 414: Supplier Social Assessment	Management approach disclosures	Management approach for supplier social assessment	Supplier Management
		414-1 New suppliers that were	Supplier Management

	Topic-specific disclosures	screened using social criteria	
		414-2 Negative social impacts in the supply chain and actions taken	Supplier Management
GRI 415: Public Policy	Management approach disclosures	Management approach for public policy	Not applicable
GRI 416: Customer Health and Safety	Management approach disclosures	Management approach for customer health and safety	Customer Service
GRI 417: Marketing and Labeling	Management approach disclosures	Management approach for marketing and labeling	Brand Protection, Protecting Customers' Rights and Interests
	Topic-specific disclosures	Requirements for product and service information and labeling	Protecting Customers' Rights and Interests
		417-2 Incidents of non-compliance concerning product and service information and labeling	Brand Protection
GRI 418: Customer Privacy	Management approach disclosures	Management approach for customer privacy	Protecting Customers' Rights and Interests, Protecting

			Information Security
	Topic-specific disclosures	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Protecting Customers' Rights and Interests, Protecting Information Security
GRI 419: Socioeconomic Compliance	Management approach disclosures	Management approach for socioeconomic compliance	Risk Management

Feedback Table from Readers

Thank you for reading the 2019 Corporate Social Responsibility Report of the Bank. To provide more valuable information for you and other stakeholders and improve the capability and level of the Bank's corporate social responsibilities in next year, your feedback to the report are always welcomed and you can contact us via the following:

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Contact: Office of the Board of Directors of Chongqing Rural Commercial Bank Co., Ltd.

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 with 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 responds well 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 views and suggestions for the Bank' s social responsibility and the report itself?

Thank you again for your participation!