



JIANGXI BANK CO., LTD.

(A Joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code: 1916

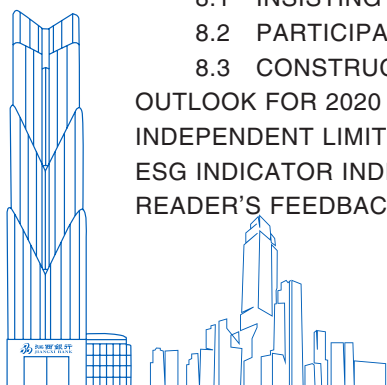
2019

**Environmental, Social and
Governance Report**



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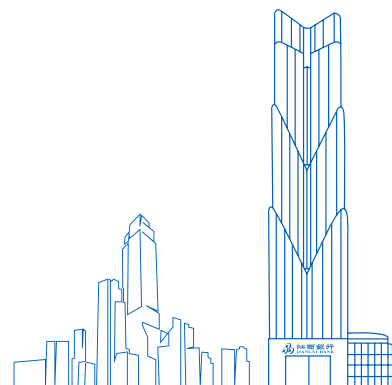
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ABOUT THIS REPORT

This report is the environmental, social and governance report (the "Report", "ESG Report") of Jiangxi Bank Co., Ltd. ("Jiangxi Bank", the "Bank", "We"), with a view to reflecting the performance of Jiangxi Bank in fulfilling our social responsibility in 2019, and highlighting our efforts in promoting sustainable development of economic, social and environmental areas, which helps our stakeholders to gain a full understanding of the philosophies and practices of Jiangxi Bank in relation to corporate social responsibility.

REPORTING PERIOD	January 1, 2019 to December 31, 2019 (the "Reporting Period"), except for certain information beyond such timeframe.
REPORTING CYCLE	Annually
REPORTING SCOPE	Unless otherwise specified, this Report focuses on Jiangxi Bank Co., Ltd., covering Head office, branches and Jiangxi Financial Leasing Corp., Ltd. ("Jiangxi Financial Leasing").
BASIS OF PREPARATION	This Report was prepared pursuant to the disclosure requirements and recommendations under the Environmental, Social and Governance Reporting Guide contained in Appendix 27 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") issued by The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") and with reference to: the Sustainability Reporting Guidelines (G4.0) of the Global Reporting Initiative (GRI); Opinions concerning Enhancing Corporate Social Responsibility of Banking and Financial Institutions issued by the former China Banking Regulatory Commission (the former "CBRC") and Guidelines on the Corporate Social Responsibility of Banking Institutions of China issued by the China Banking Association.
DATA SOURCE	Financial data in this Report are derived from the 2019 financial statements of the Bank prepared in accordance with the International Financial Reporting Standards and independently audited by KPMG. In case of any discrepancy between figures in this Report and those contained in the 2019 Annual Report of the Bank, the latter shall prevail. Other data are mainly from the statistical data of the Bank's internal systems, branches and Jiangxi Financial Leasing. Cases cited are real instances occurring in the course of the Bank's daily operations. Unless otherwise stated, all monetary amounts contained in this Report are expressed in Renminbi ("RMB").



ABOUT THIS REPORT

REPORT ASSURANCE

The board of directors (the "Board of Directors" or "Board") and all directors (the "Directors") of the Bank guarantee that there is no false representation or misleading statement contained in, or material omission from, this Report and assume joint and several responsibility for the truthfulness, accuracy and completeness of the contents of this Report.

KPMG Huazhen LLP was appointed to perform independent limited assurance on this Report in accordance with the International Standards on Assurance Engagements (ISAE) No. 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information and issued an assurance report in respect thereof.

PUBLICATION

This Report is published in electronic form. The electronic version can be accessed and downloaded at the official website of the Bank of <http://www.jx-bank.com> and the Hong Kong Stock Exchange of <http://www.hkexnews.hk>.

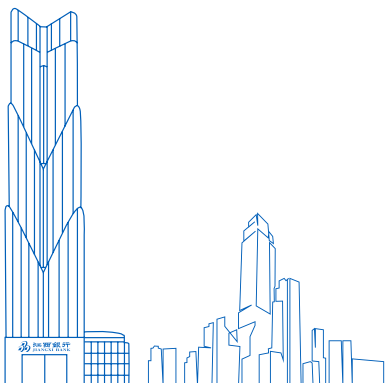
This Report is available in Chinese and English. If there is any conflict between the two versions, the Chinese version shall prevail.

AUTHOR

Office of the Board of Directors of Jiangxi Bank
This Report was approved by the Board of Directors on June 29, 2020.

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CHAIRMAN'S STATEMENT

The year 2019 was a crucial year to Jiangxi Bank in the course of transformation and development. During the year, we remained true to our original aspiration and kept our mission firmly in mind. While attaching great importance to high-quality development, we devoted more resources to shouldering our responsibilities in marching on the road of creating value in terms of economy, environment and society.

Remaining true to our original aspiration and going back to the roots of serving the real economy.

In 2019, we continued to step up the service and support for Jiangxi's economic development with focus on the area of inclusive finance to push ahead the financial services of small and micro enterprises, rural revitalization, emerging industry development and financial targeted poverty alleviation. We introduced Shui e Rong, Handheld Micro Loan, new high-tech loan and poverty alleviation assistance products and services, which effectively alleviated the issues of "difficult financing, expensive financing, slow financing", building a good social image of "being friendly to the people, providing convenience to the people and benefiting the people".

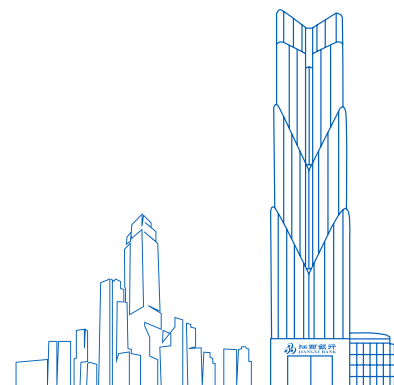
Sticking to our mission and striving to innovate and enhance quality of service.

In 2019, we continued to enhance the fintech level and kept optimizing customer experience through introducing biometric technology, AI technology and soft certificate technology. We continuously paid attention to people's livelihood and developed niche financial products including Real Estate Mortgage Quick Loan, cloud enterprise loan and co-branded card, which effectively satisfied the customers' demand for financial services. Adhering to a people-oriented approach, we smoothed the consulting and complaint channels, safeguarded the security of customers' assets and popularized financial knowledge with a view to protecting customer interests.

Fulfilling our responsibilities of environmental protection to achieve green development.

In 2019, we stepped up our green credit and green leasing businesses, strengthened the support to green economy, low-carbon economy, circular economy and ecological engineering, energy conservation and environmental protection to effectively serve the national strategies including the Belt and Road Initiative, Yangtze River Economic Zone and the Revitalization Development Planning of the Former Central Soviet Area, including Jiangxi, Fujian and Guangdong while exploring the path towards sustainable green business development.

The year 2020 is an atypical year. Jiangxi Bank will, while making concerted efforts and unwaveringly upholding its beliefs, push ahead the development of the economy, society and environment in high spirits and passion to facilitate the achievement of the objectives of fighting against poverty and comprehensively building a well-off society as scheduled and to supporting the prevention and control of the epidemic as well as the smooth implementation of "six-stability and six-security" (ensuring stability in employment, financial operations, foreign trade, foreign investment, domestic investment and expectations as well as ensuring security in employment, basic living needs, operations of market entities, food and energy security, stable industrial and supply chains and normal functioning of primary-level governments) in fulfilling the duties and responsibilities as a listed bank.



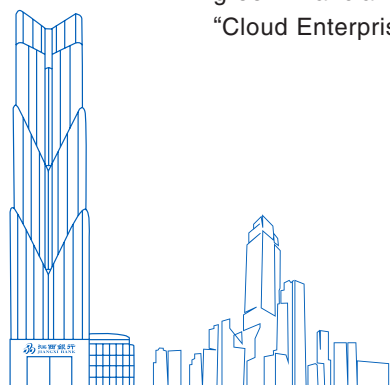
1.1 COMPANY PROFILE

Jiangxi Bank is the only legal person bank at provincial level in Jiangxi Province, and was officially established in December 2015. The Bank was listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1916) in June 2018, and has become the first listed financial enterprise in Jiangxi Province and the first overseas listed enterprise since the implementation of the “Yingshanhong Action” in Jiangxi Province.

As at the end of 2019, the Group has realized RMB456.119 billion in total assets, RMB284.549 billion in total deposits, and RMB210.017 billion in total loans and advances to customers. The Group has also realized RMB2.957 billion in profit before tax and RMB2.109 billion in net profit. The Bank has over 5,000 in-service employees and a business network that covers all cities which were divided into districts in the whole Jiangxi Province, with branches located in Guangzhou and Suzhou. At the same time, the Bank initiated the establishment of the first financial leasing company in Jiangsu Province and five rural banks.

Since its inception, Jiangxi Bank has made rapid progress in various fields and gained wide recognition from many sectors of the society in many respects under the leadership of Jiangxi Provincial Party Committee and provincial government as well as the strong support from all walks of life. Jiangxi Bank was rated AAA by China Lianhe Credit Rating Company in its long-term credit rating for corporates. The Bank ranked 258th in the “2019 Top 1,000 World Banks” ranking released by a British magazine The Banker, and 9th on the list of “Domestic Banks with Fastest Growth Among Top 1,000 Banks in the World for 2019”. The Bank also ranked 35th among the “Top 100 Banks in China’s Banking Industry of 2019” released by China Banking Association.

Adhering to the business philosophy of “serving local economy, serving small and medium enterprises, and serving community residents”, Jiangxi Bank has built a featured financial service system covering eight fields, i.e. “corporate finance, small and micro finance, community finance, government finance, industrial park finance, lease finance, consumer finance and network finance”, as well as over 100 products represented by five types of its financial products, striving to provide high-quality, efficient, convenient and comprehensive financial services to clients at different levels, of different types and with different needs, so as to financially boost the local economic and social development as well as civilians’ entrepreneurship and wealth creation. Meanwhile, Jiangxi Bank continued to promote innovation in terms of ideas, channels, products and technological innovation under the guidance of the culture of “creation”, its unique corporate culture, and has stayed in the forefront of the industry in green finance, sci-tech finance and many other fields. As China’s first non-pilot bank, the Bank issued green financial bonds worth RMB8 billion, and launched the online factoring and financing business “Cloud Enterprise Chain” based on finance and blockchain.

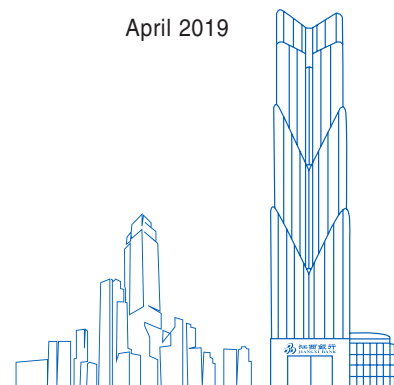


I. ABOUT US

Moving forward, upholding Xi Jinping thought on socialism with Chinese characteristics for a new era and the guiding principles of the 19th CPC National Congress of China, the Bank will put the five major philosophies of “innovation, coordination, green environment, openness and sharing” into effect, seriously implement the decision-making and deployment of the Jiangxi Provincial Party Committee and provincial government to firmly build the concept of compliance-based operation. While stepping up its efforts to serve real economy, strengthen risk management and deepen reform and transformation, the Bank marches towards the goal of becoming a first-rate city commercial bank group with coordinated and high efficiency, disciplined management, distinctive features, market influence and public recognition.

1.2 HONORS AND AWARDS

Awarding Bodies	Name of Awards	Time being awarded
China Foreign Exchange Trade System & National Interbank Funding Center	Top 300 in Inter-bank Domestic Currency Market Transaction of 2018	January 2019
China Central Depository & Clearing Co., Ltd.	Top 100 Settlor: Excellent Proprietary Institution Award	January 2019
China UnionPay Company Limited	2018 HCE Advertising Outstanding Contribution Award	January 2019
Security Corps of Jiangxi Public Security Department	2018 Advanced Security Team Directly Subordinate to the Province	January 2019
China Banking Wealth Management Registration & Depository	Excellent City Commercial Bank for China Banking Wealth Management Information Registration of 2018	February 2019
China Foreign Exchange Trade System & National Interbank Funding Centre	Core Trader in Inter-bank Domestic Currency Market of 2018	February 2019
China Foreign Exchange Trade System & National Interbank Funding Centre	Outstanding Currency Market Trader in Inter-bank Domestic Currency Market of 2018	February 2019
China Foreign Exchange Trade System & National Interbank Funding Centre	Award of Trading Mechanism Innovation in Inter-bank Domestic Currency Market of 2018	February 2019
Nanchang Central Sub-branch of the People's Bank of China	Grade A Financial Institution in Jiangxi Province in the Assessment for Protection of Financial Consumers' Interest for 2018	April 2019



I. ABOUT US

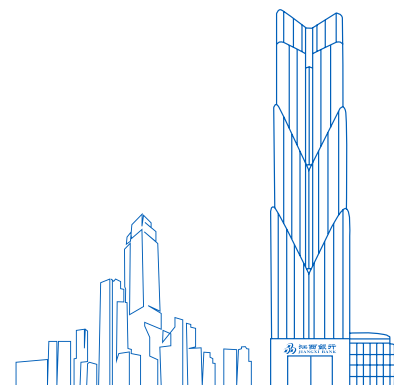
Awarding Bodies	Name of Awards	Time being awarded
The Chinese Banker magazine, IFB of Chinese Academy of Social Sciences and Central University of Finance and Economics	2019 Top 10 Private Enterprises for Financial Service Innovation	May 2019
Political and Legal Commission of CPC Jiangxi Provincial Committee	Advanced Unit for Comprehensive Management (Safety Construction) in the Province in 2018	June 2019
The British magazine The Banker	Ranked 258th on the list of “Top 1,000 World Banks” in terms of total tier-one capital	July 2019
The British magazine The Banker	Ranked 9th on the list of “Domestic Banks with Fastest Growth Among Top 1,000 Banks in the World for 2019”	July 2019
Financial Electronics magazine	Award of the Outstanding Contribution to Financial Science and Technology Innovation for the Year 2019 – “Award for Contribution to Development and Innovation”	November 2019
China Banking Association	Best Intelligent Team Award of “The Voice of Customer Service”	November 2019
China Financial Certification Center (CFCA) and www.cebnet.com.cn.	Best Mobile Banking Innovation Award	December 2019
China Foreign Exchange Trade System & National Interbank Funding Centre	Top 300 in Inter-bank Domestic Currency Market Transaction of 2019	January 2020
China Foreign Exchange Trade System & National Interbank Funding Centre	Core Trader in Inter-bank Domestic Currency Market of 2019	January 2020
China Foreign Exchange Trade System & National Interbank Funding Centre	Outstanding Currency Market Trader of 2019	January 2020
China Central Depository & Clearing Co., Ltd	Top 100 in China Bond Clearing for 2019	January 2020
China Central Depository & Clearing Co., Ltd	Excellent Proprietary Institution	January 2020
China Central Depository & Clearing Co., Ltd	Bond Business Advance Institution Awards	January 2020
China Banking Wealth Management Registration & Depository Co., Ltd.	Excellent City Commercial Bank	February 2020
China Banking Association	Ranked 35th among the “Top 100 Banks in China’s Banking Industry of 2019”	March 2020



I. ABOUT US

1.3 KEY PERFORMANCE

Type of Indicator	Name of Indicator	Unit	2019	2018	
Economic Performance	Operating income	RMB1 million	12,952.81	11,350.61	
	Net profit	RMB1 million	2,109.16	2,771.27	
	Basic earnings per share	RMB	0.34	0.51	
	Total assets	RMB1 million	456,118.53	419,064.27	
	Total deposits	RMB1 million	284,548.91	260,448.65	
	Total loans	RMB1 million	210,017.13	170,500.70	
	Return on average total assets	%	0.48	0.70	
	Return on equity	%	6.15	9.95	
	Non-performing loan ratio	%	2.26	1.91	
	Provision coverage ratio	%	165.65	171.42	
	Capital adequacy ratio	%	12.63	13.60	
	Social Performance	Charity donation	RMB10,000	1,022	505
		Balance of loans to small and micro enterprises	RMB100 million	669.57	627.52
Balance of agricultural-related loans		RMB100 million	219.86	209.76	
Social contribution per share ¹		RMB	2.69	2.67	
Customer satisfaction rate		%	99.39	99.30	
Customers' complaints solution satisfaction rate		%	100.00	100.00	
Total headcount		Person	5,061	4,858	
Percentage of female employees		%	54.16	55.00	
	Training time per capita	Hour	113.47	130.88	



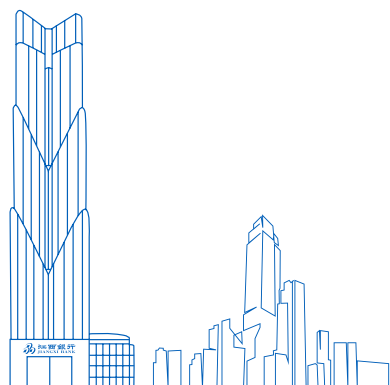
I. ABOUT US

Type of Indicator	Name of Indicator	Unit	2019	2018
Environmental Performance ³	Balance of green credit	RMB100 million	93.99	71.78
	Balance of loans to high-pollution, high-energy-consumption and overcapacity industries	RMB100 million	18.58	12.47
	E-banking replacement ratio	%	98.88	98.67
	Office power consumption	10,000 kWhs	2,805.78	2,418.42
	Office water consumption	10,000 tons	18.62	11.84
	Natural gas consumption	cubic meters	105,905.49	30,803.90
	Office oil consumption ²	liters	983,753.53	588,337.03

¹ Social contribution per share = (Total annual tax paid + staff costs paid + total interest expense + total external donations – other social cost arising from environmental pollution) ÷ total share capital at the end of the period + basic earnings per share.

² Including diesel and gasoline consumed by outsourced armor cash carriers service

³ This indicator is the data of the Bank excluding subsidiaries



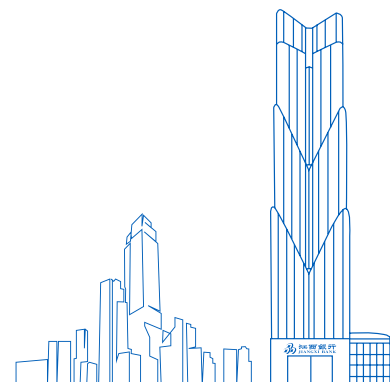
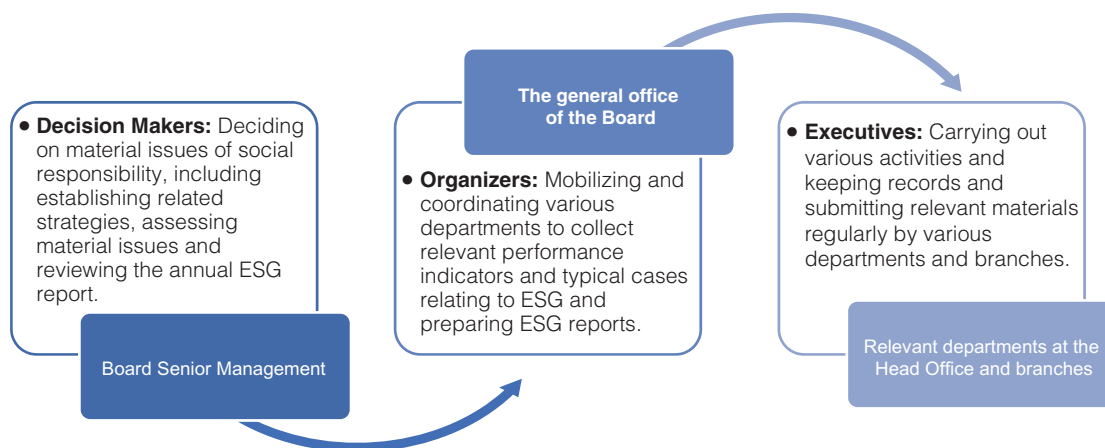
II. PRACTICING RESPONSIBILITY PHILOSOPHY, STRENGTHENING RESPONSIBILITY MANAGEMENT

2.1 SOCIAL RESPONSIBILITY PHILOSOPHY

- **Business Philosophy:** To support local development, serve the SMEs and community residents
- **Responsibility Philosophy:** To develop inclusive finance, green finance, and benefit the public welfare clientele
- **Strategic Goals:** To be a forerunning explorer, a practitioner of inclusive finance, an advocate of green finance and a thanksgiver who repays the society
- **Vision:** To become the nation’s leading city commercial bank group with high cooperativity and efficiency, standard management, distinctive features and wide recognition among the public
- **Core Values:** To serve local economy, small and micro enterprises and community residents with earnest, passion and endeavor by focusing on “customer”, and strive to satisfy the government, the regulators, the society, the shareholders and the employees

2.2 SOCIAL RESPONSIBILITY MANAGEMENT SYSTEM

To ensure the orderly performance of social responsibility, the Bank has established a social responsibility management system, under which all departments of the Bank perform their duties properly through coordination and collaboration, and carry out social responsibility-related activities in the ordinary course of business, thereby incorporating social responsibility philosophy into daily practices.

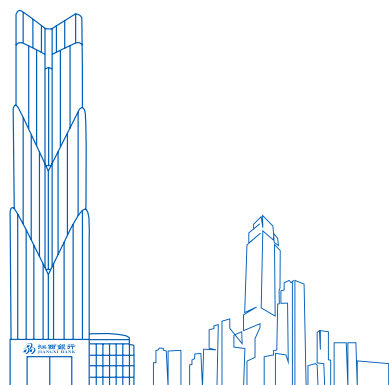


II. PRACTICING RESPONSIBILITY PHILOSOPHY, STRENGTHENING RESPONSIBILITY MANAGEMENT

2.3 SOCIAL RESPONSIBILITY COMMUNICATION

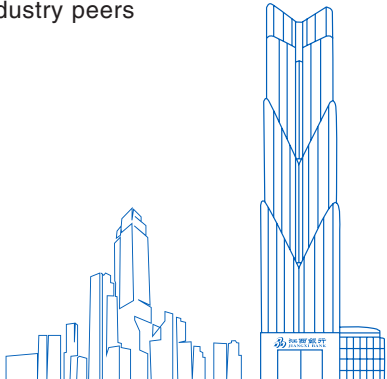
The Bank strengthens communication and exchange with stakeholders through various means of communication and adopts various measures to meet the expectations and requirements of stakeholders.

Stakeholders	Expectations and requirements	Means of communication	Responses and measures
Government	<ul style="list-style-type: none"> • Respond to national policy • Serve the real economy • Develop inclusive finance 	<ul style="list-style-type: none"> • Documents and guidelines on policies • Specific topic reports • Information distribution • Working meetings 	<ul style="list-style-type: none"> • Develop inclusive finance • Serve small and micro enterprises and the “Three Rural Sectors” • Build civil engineering projects
Regulators	<ul style="list-style-type: none"> • Comply with regulatory requirements • Prevent financial risks • Promote the development of the industry 	<ul style="list-style-type: none"> • Regulatory policies • Inspections, researches and visits • Work reporting 	<ul style="list-style-type: none"> • Strengthen internal control • Improve the overall risk management system • Strengthen daily inspection
Shareholders	<ul style="list-style-type: none"> • Maintain a sustained and stable operation • Enhance the overall capabilities • Improve investment return 	<ul style="list-style-type: none"> • Shareholders’ general meetings • Company announcements • Performance roadshows 	<ul style="list-style-type: none"> • Improve the corporate governance structure • Implement development strategies • Enhance profitability • Disclose information in a timely manner



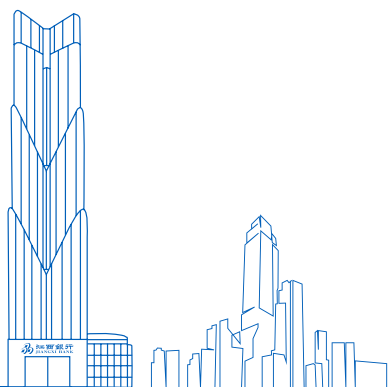
II. PRACTICING RESPONSIBILITY PHILOSOPHY, STRENGTHENING RESPONSIBILITY MANAGEMENT

Stakeholders	Expectations and requirements	Means of communication	Responses and measures
Customers	<ul style="list-style-type: none"> • Improve service quality and efficiency • Provide a richer selection of financial products • Protect the rights and interests of consumers 	<ul style="list-style-type: none"> • Marketing activities • Customer hotline • Surveys 	<ul style="list-style-type: none"> • Optimize operation workflow • Innovate financial products • Enhance the quality of services • Popularize financial knowledge
Employees	<ul style="list-style-type: none"> • Improve employees' remuneration and benefits • Protect the rights and interests of employees • Provide career development opportunities • Enrich free-time activities 	<ul style="list-style-type: none"> • Trade union • General meetings of employee representatives • Suggestion boxes • Professional training 	<ul style="list-style-type: none"> • Improve the compensation and welfare system • Care for the employees • Enhance employee training • Organize recreational and sports activities
Suppliers	<ul style="list-style-type: none"> • Fair procurement • Honesty and dignity • Cooperation for win-win outcomes 	<ul style="list-style-type: none"> • Negotiation • Cooperation agreement • Tendering and bidding 	<ul style="list-style-type: none"> • Build a procurement management system • Enhance business cooperation
Partners	<ul style="list-style-type: none"> • Mutually beneficial cooperation • Communication and exchange of ideas with industry peers 	<ul style="list-style-type: none"> • Seminars • Project cooperation 	<ul style="list-style-type: none"> • Surveys and on-site visits • Enhance exchanges and cooperate with industry peers



II. PRACTICING RESPONSIBILITY PHILOSOPHY, STRENGTHENING RESPONSIBILITY MANAGEMENT

Stakeholders	Expectations and requirements	Means of communication	Responses and measures
Communities	<ul style="list-style-type: none"> • Support the development of communities • Care for vulnerable groups 	<ul style="list-style-type: none"> • Visits and interviews • Community service activities 	<ul style="list-style-type: none"> • Financial aid to students • Organize community activities • Organize volunteer activities supported by employees
Environment	<ul style="list-style-type: none"> • Low-carbon and environmentally friendly operations • Sustainable development 	<ul style="list-style-type: none"> • Energy conservation and emission reduction • Green finance 	<ul style="list-style-type: none"> • Implement green credit policy • Adhere to the green office • Promote e-banking

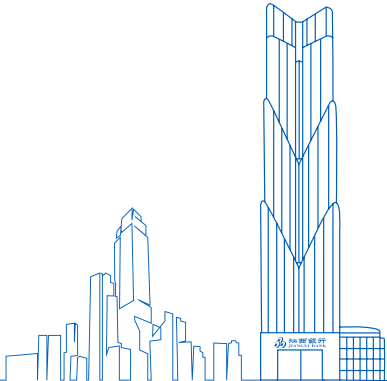
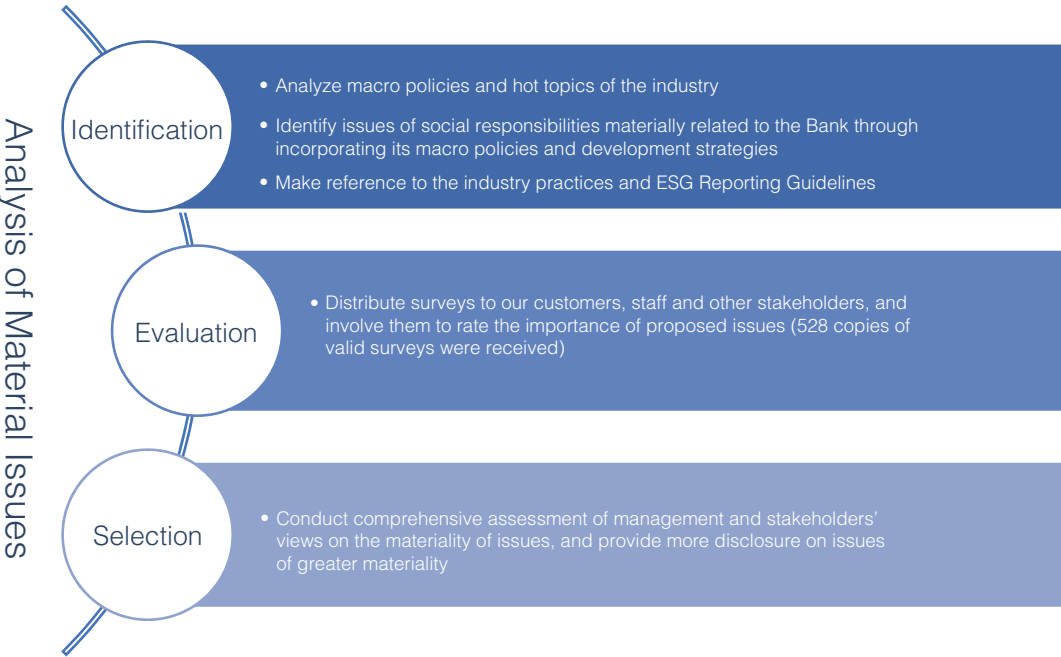


II. PRACTICING RESPONSIBILITY PHILOSOPHY, STRENGTHENING RESPONSIBILITY MANAGEMENT

2.4 ANALYSIS OF MATERIAL ISSUES

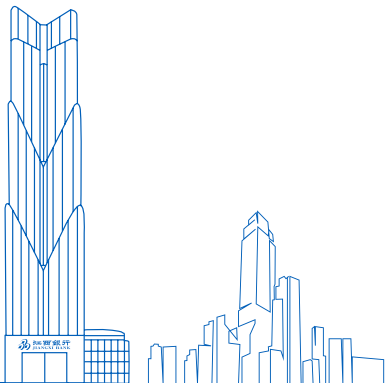
Analysis of Material Issues

By taking into account the expectations and demands from various stakeholders, and incorporating its own the development strategies, the Bank identifies social responsibility issues and performs materiality assessment of issues. The Bank also identifies important issues through analyzing and comparing the importance of different social responsibility issues on its sustainability development.



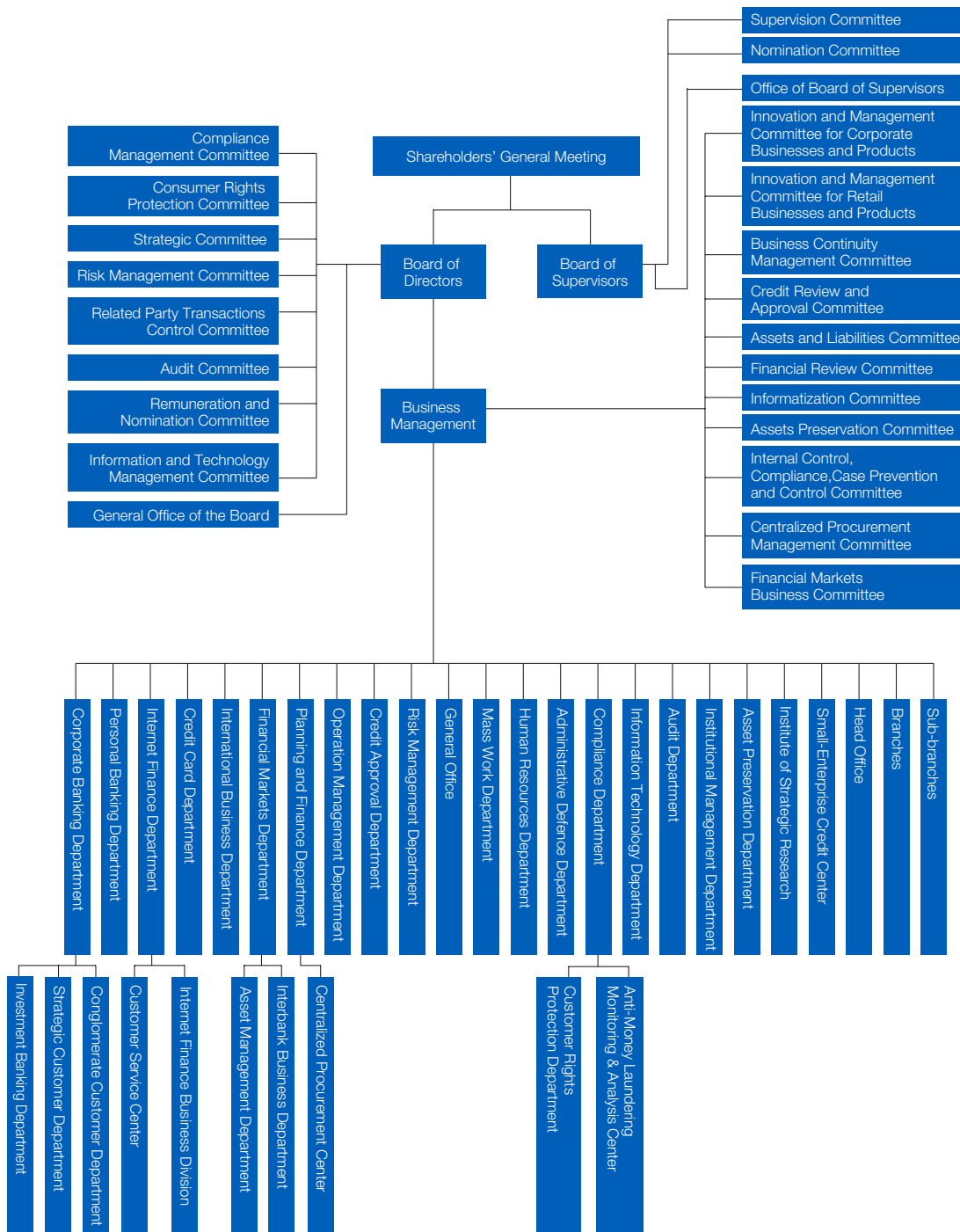
II. PRACTICING RESPONSIBILITY PHILOSOPHY, STRENGTHENING RESPONSIBILITY MANAGEMENT

Material Issues in 2019

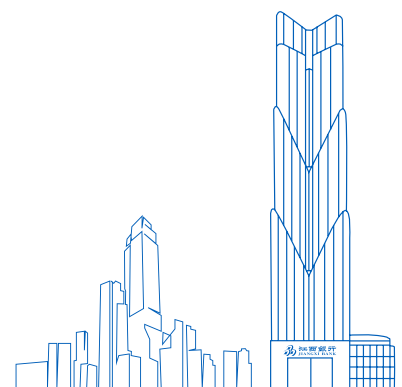


III. COMPLIANCE-BASED OPERATION AND ENHANCING RISK MANAGEMENT

3.1 IMPROVING CORPORATE GOVERNANCE



Organizational Structure of Jiangxi Bank



III. COMPLIANCE-BASED OPERATION AND ENHANCING RISK MANAGEMENT

The Bank continued to improve the transparency of corporate governance to protect the interests of shareholders and enhance corporate value.

The Bank has complied with Appendix 14 to the Listing Rules headed Corporate Governance Code (the “Code”). The Bank has met the requirements of the measures for the administration of domestic commercial banks and the corporate governance requirements and has established a sound corporate governance system. During the Reporting Period, the Bank has complied with all applicable code provisions as set forth in Appendix 14 to the Listing Rules.

The composition of the Board of the Bank and the special committees under the Board complies with the requirements of the Listing Rules. The Bank clearly defines the responsibilities of the shareholders’ general meeting, the Board, the Board of Supervisors, and senior management. The shareholders’ general meeting is the highest authority of the Bank, and the Board is responsible for the shareholders’ general meeting. The Board has set up eight special committees that operate under the leadership of the Board and offer opinion on the Board’s decision-making. The Board of Supervisors supervises the performance of duties of the Board and senior management as well as the Bank’s financial activities, risk management, and internal control. Under the leadership of the Board, senior management is responsible for implementing the resolutions of the Board and for daily business and management of the Bank, and reports to the Board and the Board of Supervisors on a regular basis. The President of the Bank, appointed by the Board, is responsible for the overall business operation and management of the Bank.

The Bank commits itself to maintaining high-standard corporate governance. The Bank will continue to strengthen its corporate governance, to ensure compliance with the Code and live up to the expectations of shareholders and potential investors.

During the Reporting Period, the Bank convened an annual general meeting, at which it considered and approved 15 proposals. The aforesaid general meeting was convened in accordance with the legal procedures required by relevant laws and regulations.

During the Reporting Period, the Bank convened a total of 24 Board meetings, at which the Bank considered, approved, heard, adopted and amended 147 proposals mainly involving topics such as corporate governance measures, profit distribution plans, development plans, and business operations. As of the end of 2019, the Board of the Bank comprised 11 directors, including three executive directors, four non-executive directors and four independent non-executive directors. The qualifications of two non-executive directors and two independent non-executive directors, which were approved at the 2018 annual general meeting held on May 31, 2019, shall take effect upon the approval of their qualifications of director by China Banking and Insurance Regulatory Commission Jiangxi Office (“**CBIRC Jiangxi Office**”). The qualification of one of the non-executive directors was approved by CBIRC Jiangxi Office on May 11, 2020. The Board of the Bank has eight special committees, including the Strategic Committee, Audit Committee, Risk Management Committee, Related Party Transaction Control Committee, Information and Technology Management Committee, Remuneration and Nomination Committee, Consumer Rights Protection Committee, and Compliance Management Committee. The Bank has not established any corporate governance committee. The Board is responsible for the corporate governance functions of the Bank.



III. COMPLIANCE-BASED OPERATION AND ENHANCING RISK MANAGEMENT

During the Reporting Period, the Board of Supervisors convened a total of six meetings, at which it considered and approved 19 proposals. As of the end of 2019, the Board of Supervisors of the Bank comprised nine Supervisors, including three employee Supervisors, three external Supervisors and two shareholder Supervisors. The number and composition of the Board of Supervisors of the Bank are in compliance with laws and regulations and the Articles of Association of the Bank.

3.2 STRENGTHENING RISK MANAGEMENT AND CONTROL

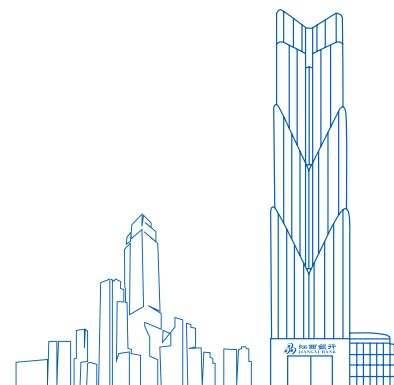
The Bank identifies, measures, and controls a series of quantitative and non-quantitative risks that may be faced by the Bank arising from the interaction of business strategies, product mix, customer needs and external macroeconomic environment according to the former CBRC's Administrative Measures for the Capital of Commercial Banks (for Trial Implementation) (《商業銀行資本管理辦法（試行）》) and its annexes, the Basel Committee's definition of risk and related professional terms, practices of domestic and foreign banks, and in light of the Bank's actual situation.

Based on the capital appropriation of the Bank's risk categories, recognition of the risks faced by the Bank and capital regulatory requirements, the Bank regularly implements the evaluation procedures for comprehensive risks and capital adequacy ratio to effectively identify and assess key risks: credit risk, market risk, operational risk, liquidity risk, interest rate risk, concentration risk, legal compliance risk, reputational risk, and information technology risk, as well as to assess and analyze risks with risk measurement methods and tools.

Credit Risk Management

The Bank has established a credit risk management structure consisting of the Board and its risk management committee, the Board of Supervisors, and members of the senior management. For daily management, the Risk Management Department is responsible for the overall risk management, including large risk exposure, along with Credit Management Department and Financial Markets Department as the chief coordinating departments, and every business department as the directly responsible department.

With regard to indicator assessment, to reinforce the high-pressure assessment of asset quality, and to secure the bottom line for the risks of non-performing loans, the Bank, while keeping the weighing of the assessment of asset quality, added a new indicator this year showing the incidence of overdue loans and changed the scoring method of assessment on the management of non-performance loans as part of its efforts to strengthen the assessment. Regarding case prevention and material violations, the Bank implemented "one-vote veto". For divisions or branches which are vetoed by one vote, the ranking of their KPI assessment will be immediately go to the bottom.



III. COMPLIANCE-BASED OPERATION AND ENHANCING RISK MANAGEMENT

As regards risks monitoring, the Bank has strengthened the depth of its risk monitoring, centered around the launch of the 2nd generation credit reference of the People's Bank of China online, and introduced credit information provided by the People's Bank of China for risk identification. Meanwhile, the Bank has broadened the scope of its risk monitoring by incorporating its subsidiaries so as to achieve credit risk monitoring across the whole Group.

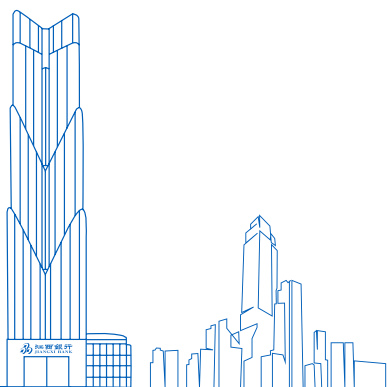
The Bank aims to establish a scientific and perfect credit risk management system, guide and standardize crediting business operation and credit risk management, and establish a prudent credit risk management culture.

Market Risk Management

(1) Interest rate risk

According to the changes in the market environment, the Bank adjusted the internal authorization of risk limit in a timely manner, and further enhanced the interest rate risk management for trading accounts. The Bank continued to optimize the division of labor of departments, and categorized the corresponding responsibilities according to the standard, ensuring that relevant departments cooperate in risk management and promoting the management level. It has also formulated the Administrative Measures for the Market Risk Limits of Jiangxi Bank (《江西銀行市場風險限額管理辦法》), Administrative Measures for the Monitoring and Reporting of Market Risks of Jiangxi Bank (《江西銀行市場風險監測與報告管理辦法》), and the Administrative Measures for the Market Risks Stress Test of Jiangxi Bank (《江西銀行市場風險壓力測試管理辦法》).

The Bank continuously monitored the market risks through the system, set the market risk limit for businesses related to trading account interest rate risks, expanded the scopes and scenarios for market risks stress test, regularly performed market value revaluation and scenario analysis on trading accounts, and standardized the report contents and processes for market risk management, while setting up a number of simulation scenarios based on the portfolio to conduct emergency test. In addition, the Bank used parameters such as duration, convexity and base point value to enhance the combined operation of trading accounts and interest rate risk management, and gradually enhanced the middle-end and back-end control and management capabilities.



III. COMPLIANCE-BASED OPERATION AND ENHANCING RISK MANAGEMENT

(2) *Exchange rate risk*

The Bank's foreign exchange risks mainly come from the foreign exchange funds and deposits from banks and other financial institutions. The Bank will manage the foreign exchange risks by matching assets measured in foreign currencies with corresponding liabilities of the same currency before obtaining the qualification for derivatives trading. During the Reporting Period, the Bank timely formulated the Administrative Measures for the Exchange Rate Risk Management of Jiangxi Bank (《江西銀行匯率風險管理辦法》) according to the changes in market environment.

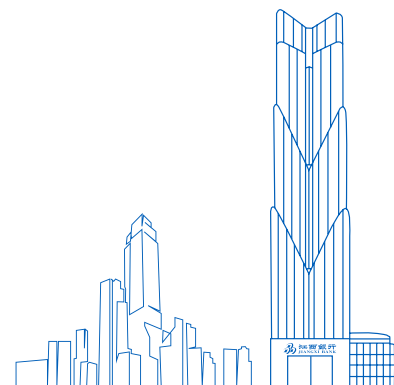
Operational Risk Management

The Bank established an operational risk management structure consisting of the Board and its risk management committee, the Board of Supervisors, members of the senior management and executive level.

To continuously promote the monitoring of operational risks in every line of business, with regard to crediting business, bill business, counter business, trade settlement, safety management and other key points for inspection and monitoring as well as recurring issues, the Bank formulated an overall plan and persisted in promoting the implementation of the inspection plan. In 2019 the Bank implemented 33 inspection plans and 283 participants took part in the inspections. Taking into account the inspection projects proposed by the regulatory authorities, the Bank pushed ahead the supervision and monitoring work to build a long-term and effective mechanism while carrying out cross-inspection between internal and external projects so as to ensure the stable and compliant operation of business. During the Reporting Period, the Bank's operational risk management system ran smoothly and the operational risks were controllable as a whole.

Liquidity Risk Management

The Bank closely monitored the assets and liabilities in each term interval, monitored the liquidity in real time, analyzed the source and use of funds, marketed general deposits and actively sought inter-bank funding sources when necessary, while carefully and prudently incorporating the development strategy of medium-term and long-term assets. The Bank set the corresponding liquidity limit amount or percentage from the perspective of daily liquidity risk management and the results of the Bank's liquidity stress test to achieve the purpose of balancing liquidity risks.



III. COMPLIANCE-BASED OPERATION AND ENHANCING RISK MANAGEMENT

3.3 SOUND AND COMPLIANCE-BASED OPERATION

Internal Control

The Bank established an organizational structure with the shareholders' general meeting, the Board of Directors, the Board of Supervisors and senior management as its core and an internal control system with full participation in accordance with the laws, regulations and regulatory rules such as the Guidelines for Internal Control of Commercial Banks (《商業銀行內部控制指引》), Basic Standards for Internal Control of Enterprises (《企業內部控制基本規範》), Guidelines for Internal Control and Audit of Enterprises (《企業內部控制審計指引》) and Guidelines for Application of Internal Control of Enterprises (《企業內部控制應用指引》), while adhering to the principles of full coverage, checks and balances, prudence and matching; established a restriction mechanism of vertical authorization and horizontal supervision between the lower and upper levels and positions according to the organizational structure level and post setting; and established an internal control system covering all business and management activities of the Bank, and revised and supplemented in time according to laws and regulations, changes in the external business environment and risk control needs.

The Bank continued to improve the performance appraisal system and optimized the internal control system through promoting the standard operation of the Bank using an assessment-oriented approach, and ensured stable operation through continuously enriching and improving various internal control measures.

The Bank has established a sound internal control supervision and evaluation system. The Board of Directors, the Board of Supervisors and the senior management perform their duties, effectively divide the work, and supervise, inspect and evaluate the operation and management activities of all levels and lines according to their duties.

During the Reporting Period, the internal control management system of the Bank was further consolidated. First, the Bank continuously improved the internal control management structure, established a compliance management committee at the Board level and setting up the compliance department and deployed designated compliance personnel in all tier-1 branches. Second, the Bank continuously standardized business and management procedures, and strengthened the authenticity and standardized management control in the credit area. Third, the Bank continuously strengthened the management of rules and regulations, formulated and amended the systems according to the changes of internal and external requirements in a timely manner, centralized cleaning of the current effective rules and regulations, and consolidated the management foundation of various rules and regulations. Fourth, the Bank continuously performed the duties of supervision and inspection, implemented the inspection plan of annual internal control and compliance, carried out the special inspections under the theme of "prohibited acts" against the priority areas including "three investigations" in credit operations, promoted a number of special inspections in accordance with regulatory arrangements, and continued to follow up to ensure rectification of the internal control deficiencies identified in the inspections. Fifth, the Bank continuously strengthened the control of employee behaviors and improved the requirements



III. COMPLIANCE-BASED OPERATION AND ENHANCING RISK MANAGEMENT

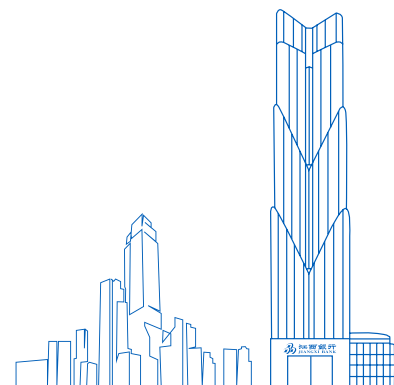
for employee behaviors, implemented the “three-thirds” system for violation prevention to form a new mechanism of employee management and control with hierarchical coordination and joint management, and adopted the innovative form of animation to strengthen the normative education of employee behaviors. Sixth, the Bank continuously implemented punishment for violations, adopted the new version of violation points to continually investigate the responsibility of non-compliant personnel and managers, and reinforced the use of points to act as disciplinary deterrence. Seventh, the Bank continually improved the scientific and technological support for risk management, upgraded and reformed the “three-in-one” system for compliance operation risk of internal control, launched the functions of signature verification for credit business and “double recording” of post-lending inspection and introduced tax data to enhance the monitoring effectiveness of the Cloud Mirror system to credit risk. Eighth, the Bank continually optimized the internal control reporting mechanism, established a regular internal control management report mechanism, collected irregularly opinions and suggestions on the internal control management, and encouraged employees to monitor and report illegal behaviors. During the Reporting Period, no major deficiencies were found in the Bank’s internal control.

Compliance Review

During the Reporting Period, the Bank continued to promote the implementation of the inspection plan for annual internal control compliance. Coupled with the items recommended for inspection by the regulatory authorities, the Bank, through cross-examination of internal and external projects, pushed ahead the supervision of inspection work to bring forth a long-term effective mechanism and ensured the stable operation of business compliance. The Bank strengthened the supervision and inspection of compliance, and initially built a “four-in-one” system of supervision and inspection based on coordinated plans, regulated inspection, accountability towards irregularities and mechanism-based rectification.

Building Compliance Culture

The Bank attaches great importance to the development of internal control culture and commits to fostering compliance culture by creating a good atmosphere internal control. During the Reporting Period, the Bank continued to carry out promotion, training and education activities focusing on internal control and compliance to help improve the compliance capacity of the employees. Through innovatively organizing the “Whistling Action”, the Bank raises the awareness on compliance. By continuously carrying out testing of the key systems, the Bank helps employees master the requirements of the relevant rules and regulations. By timely interpreting the new regulatory regulations and issuing 6 editions of compliance risk warnings, the Bank updates the compliance knowledge system of the employees.



III. COMPLIANCE-BASED OPERATION AND ENHANCING RISK MANAGEMENT

Case:

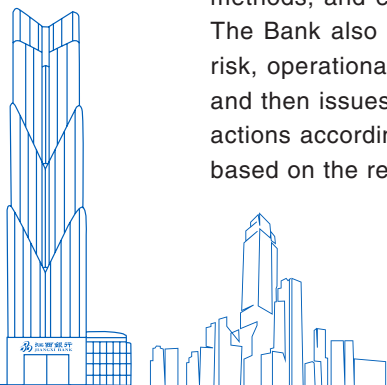
In 2019, “Whistling Action”, as another innovative measure of our building of compliance culture, was an important task of our continuous strengthening of internal control and compliance-based management and reinforcing the transmission of legal and compliance-based operation awareness. By mobilizing the employees across the Company, providing cautionary education, entering into letters of accountability and undertaking regarding case prevention, the Bank integrated the compliance awareness into employees’ everyday work. The successful holding of this event effectively deepened the awareness on compliance among the employees of the Group and cultivated a sound internal control and compliance culture throughout the Bank.



Note: The pictures of pages 23-64 of this report are all taken in the process of the Bank’s business development, which is inevitable for the Bank to make and use in the news report. The Bank is unable to get in touch with the people in the pictures, because the contact information of them is not informed. If the use of the relevant works leads to infringement of the right of portrait, which is not intentional or for profit-making purposes, the Bank will immediately correct the problem after receiving the notice from the relevant obligee.

Internal Audit

The Bank has established an independent internal audit system and the Board assumes ultimate responsibility for the independence and effectiveness of internal audit. The Board has established an Audit Committee to guide and supervise the internal audit work of the Bank. The Board of Supervisors is responsible for supervising the internal audit work. The general manager of the Audit Department reports to the Board, Audit Committee and Board of Supervisors on a regular basis and informs the senior management. The Audit Department prepares annual audit plan and submits it to the Audit Committee and the Board for approval. In daily audit work, the Bank reviews its operation, information system, financial reporting and risk management through systematic and standardized internal audit methods, and evaluates the effectiveness of the Bank’s internal control and corporate governance. The Bank also conducts special audits on various risks faced by the Bank, e.g. credit risk, market risk, operational risk and information technology risk, conducts internal audit work on site or offsite and then issues an audit report. To ensure that the Audit Department takes appropriate rectification actions according to audit suggestions, the Audit Department of the Bank conducts follow-up audits based on the results of rectification actions and provides follow-up audit reports.



III. COMPLIANCE-BASED OPERATION AND ENHANCING RISK MANAGEMENT

During the Reporting Period, adhering to the overarching working principle of “keeping steady and making progress”, with the aim to enhance the Bank’s key business, keeping audit quality control as the support and audit operation platform as the safeguard, the internal audit department of the Bank endeavored to introduce innovative concepts of audit, and continuously strengthened the audit supervision in the key areas, departments and funds, so as to facilitate the steady business development across the Bank.

Anti-money Laundering Management

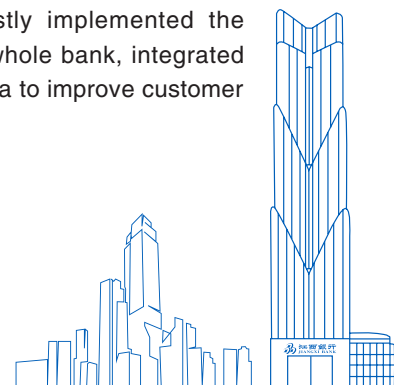
In 2019, the Bank earnestly implemented anti-money laundering related laws and regulations, constantly improved the anti-money laundering working mechanism based on the risk-oriented philosophy, established a comprehensive anti-money laundering organization system, carried out comprehensive risk assessment of money laundering, developed a specialized anti-money laundering monitoring system, built a professional anti-money laundering team, and effectively performed the anti-money laundering responsibilities of financial institutions, in order to provide safeguard for the sound operation of the Bank’s businesses.

The first is improving the top-level design of anti-money laundering. We incorporated the risk of money laundering into the overall risk management system, and built a well-organized, complete and responsible money laundering risk management framework to establish a clear and effective operation mechanism.

The second is strengthening the construction of anti-money laundering internal control system. We continued to improve the internal control system of anti-money laundering in accordance with regulatory requirements and our own actual conditions, and prepared the Compilation of Internal and External Regulations against Money Laundering, in order to strengthen the review of the compliance, effectiveness and operability of various systems, and effectively incorporate the requirements of preventing money laundering risk in every process before, during and after the event.

The third is continuously promoting the centralized treatment of anti-money laundering. We followed the principle of “collective and systematic action by expert” and gradually undertook the technical tasks from the outlets, such as the suspicious transaction screening, and key suspicious transaction analysis, so that the work focus of the outlets was shifted to customer identification, customer identity information collection and other basic work, thus effectively improving the quality and efficiency of anti-money laundering.

The fourth is actively carrying out non-compliance data governance task. We organized centralized management of customers with non-compliant identity information, earnestly implemented the responsibilities of each business line, unified the data entry standards of the whole bank, integrated existing customer information data, and made full use of internal and external data to improve customer information, in order to create a long-term data governance mechanism.



III. COMPLIANCE-BASED OPERATION AND ENHANCING RISK MANAGEMENT

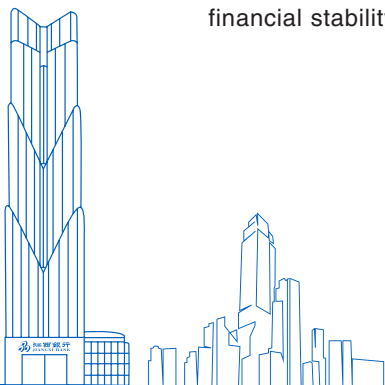
The fifth is carrying out various risk screening. We carried out special investigations on illegal fund raising, telecom fraud, gang-related crimes and underground banks, identified suspicious money laundering behaviors in time, implemented follow-up risk control measures on suspicious transaction reports, and constantly strengthened the control of high-risk customers.

The sixth is carrying out “physical examination” of the Bank for any risk. Professional consulting companies were engaged to analyze and evaluate the risks of internal and external money laundering risk across the Bank, evaluate the effectiveness of risk control mechanism, and find money laundering loopholes and weak links.

The seventh is deepening the construction of anti-money laundering culture. We made concerted efforts both online and offline to create a good cultural atmosphere of law understanding, and enhance the identity of anti-money laundering work for employees and customers through innovative publicity methods and activities, such as developing WeChat messages theme games, shooting special promotional videos, pushing knowledge tweets, and bringing knowledge home through “Five Access” (i.e. access to enterprises, real estate sales centers, communities, campuses, and villages and towns).

Case:

To popularize the legal knowledge of anti-money laundering, and raise public awareness on avoiding risks associated with money laundering, Jiangxi Bank conducted a monthly promotion event on anti-money laundering themed “Fighting against money laundering is everyone’s responsibility” throughout the Bank from October 16, 2019. As of December 16, 2019, the Bank’s business branches (including community sub-branches) held the event for 363 times, inviting 21,103 participants with 256 electronic screens displayed, more than 23,000 promotional materials distributed and 256 display boards made. Through strong multi-channel, large-scale and deep-coverage propaganda, the event brought forth satisfactory results. While further raising employees’ awareness on anti-money laundering at work and enhancing customers’ understanding and support of anti-money laundering work, the event played a good role in preventing money laundering crimes and maintaining financial stability.



III. COMPLIANCE-BASED OPERATION AND ENHANCING RISK MANAGEMENT

Anti-corruption

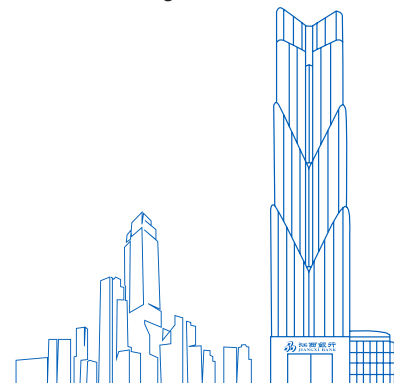
In terms of system, the Bank drafted and published the Provisional Regulation of the Party Committee of Jiangxi Bank Regarding the Implementation of the Accountability for Party Building (《江西銀行黨委關於落實黨建工作責任制的暫行規定》), Provisional Regulation of the Party Committee of Jiangxi Bank Regarding the Implementation of the Accountability for Party Style and Clean Government Building (《江西銀行黨委關於落實黨風廉政建設責任制的暫行規定》) and other documents, clarified the scope, content and demands of responsibility of “one position with two responsibilities”, strengthened the regulation and supervision of the leaders and cadres and power operation; formulated the Reporting System of the Party Committee of Jiangxi Bank to the Discipline Inspection Team Stationed in Jiangxi Bank by the Provincial Commission for Discipline Inspection and Provincial Commission for Supervision Inspection (《江西銀行黨委向省紀委省監委駐江西銀行紀檢監察組通報情況制度》) and the System of Communication and Coordination between the Party Committee of Jiangxi Bank and the Discipline Inspection Team Stationed in Jiangxi Bank by the Provincial Commission for Discipline Inspection and Provincial Commission for Supervision Inspection (《江西銀行黨委與省紀委省監委駐江西銀行紀檢監察組溝通協調制度》) in a timely manner to strengthen work communication and generate strong synergies to thrust in the same direction with collaborative interaction.

In terms of ideology, we focused on anti-corruption education and carried out warning education, party lectures on special topics, talks on clean government building and education on practices with honesty and integrity.

In terms of actions, we strengthened supervision on employees’ behaviors. We have conducted thorough investigation in branches in Nanchang city, conducted inspection of branches regarding office discipline and marketing supplies, strictly controlled the expenditure of public funds and outlays, marketing and procurement, carried out key inspection on the use of office vehicles for private purposes and meal irregularities so as to create a good discipline in practices based upon honesty and integrity.

Protection of Intellectual Property

The Bank attaches great importance to application and protection of proprietary intellectual property, and gives full play to the incentives, guidance, guarantee and evaluation of intellectual property rights to enterprise innovation. The Bank has formulated the Measures for the Administration of Intellectual Property (《知識產權管理辦法》), and set up a complete intellectual property management mechanism. Besides, the Bank respects others’ legitimate rights and is vigilant over intellectual property infringement risk in technology development, product innovation, business development and daily operating management. During the Reporting Period, the Bank recorded no material infringement of intellectual property.



III. COMPLIANCE-BASED OPERATION AND ENHANCING RISK MANAGEMENT

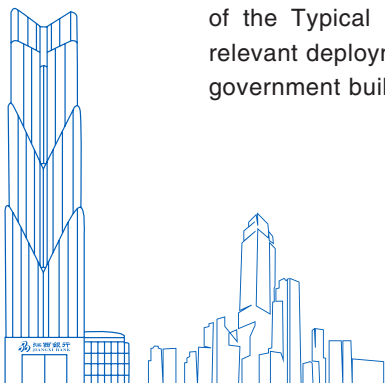
Case 1:

To seriously and thoroughly implement the spirit of the General Secretary Xi Jinping's speech in his visit to Jiangxi, that is to practically act out the theme of "Remaining true to our original aspiration and keeping our mission firmly in mind" while further enhancing the cultivation of the principles of the Chinese Communist Party and awareness on anti-corruption for the Communist leaders and cadres of the Bank, we arranged visits to the education center of the anti-corruption party school and party constitution in Nanchang for all of the party members and cadres on June 19, 2019 and June 21, 2019 respectively. During the visits, all party members and cadres studied seriously and listened attentively. In front of each piece of text, picture and each education video, the party members and cadres gained a deeper understanding and grasp of the development history of the party constitution and the party's organizational system, the party's discipline, its rights and obligations as well as its basic requirements.



Case 2:

To deeply and completely act out the spirit of the "Safety Work Deployment Meeting for the Provincial-level Banking and Financial institutions during National Day Holidays" for 2019, ensure the smooth commencement of the safety work of the Bank during National Day holidays, and strengthen the Party style and clean government building during the holidays, the Bank convened the safety and Party style and clean government building work deployment meeting for 2019 in the morning of 24 September at which the party members of the Bank addressed the spirit of the "Safety Work Deployment Meeting for the Provincial-level Banking and Financial institutions during National Day Holidays", organized a seminar on the "Reporting of Six Violations of the Typical Issues of the Spirit of Eight-point Frugality Code in Jiangxi Province", and made relevant deployments to ensure the safety during National Day holidays and the Party style and clean government building work.



IV. SERVING THE LOCAL ECONOMY AND PROMOTING INCLUSIVE FINANCE

4.1 FOCUSING ON INCLUSIVE FINANCE

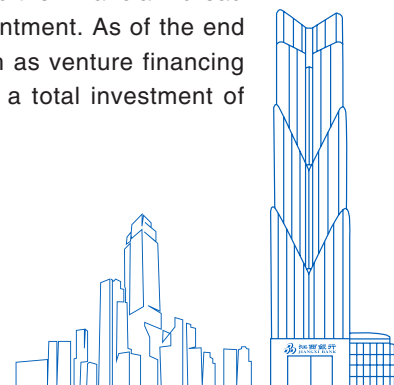
Since the establishment of the Bank, it has adhered to the unique development path of inclusive finance, focused on the joint action of grassroot branches and grass-root Party organizations, extended basic service functions and introduced innovative service products and methods. Taking poverty alleviation and helping people living in difficulties as the starting point of the two grassroots collaborative mobilization, the Bank has shown its own characteristics in supporting small and micro economy, serving people's lives and assuming social responsibility, thus building a good social image of "being friendly to the people, providing convenience to the people and benefiting the people".

As the first legal person bank at provincial level in Jiangxi Province, while expediting to realize high-quality development, the Bank has put inclusive finance into practice, exerted great efforts to serve the real economy, and provided practical and effective solutions to cope with problems encountered by small and micro enterprises such as "difficult financing, expensive financing, slow financing", hence constantly improving the standard of financial services for small and micro enterprises.

To build a smart city, with respect to the area of smart finance, the Bank actively connected the "Ganfutong" (赣服通) platform to provide urban and rural residents with convenient personal online services including provident fund and loan inward and outward remittances as well as inbound or outbound deposit certificates. As for the smart medical sector, the Bank introduced the innovative service "Yinyitong" (银医通). Through which, we have cooperated with 13 AAA hospitals in the province, effectively solving the problems of queuing for seeing a doctor for the people. As for the smart campus sector, the Bank introduced the innovative service "Zhixiaotong (智校通)". Through which, we implemented 101 smart education projects, achieving completely online payment and saving the time for on-site payment of students' parents. In addition, projects such as smart supermarket, smart sand factories and smart tourism have gradually implemented.

In terms of implementing targeted poverty alleviation through innovative finance, the Bank made use of the "finance + project, industry, education, and designation" model to support the battle of poverty alleviation. As of the end of 2019, the credit supply balance in poverty-stricken areas was RMB16.663 billion, increased by RMB3.295 billion compared with the end of last year. We also provided targeted poverty alleviation loans of RMB730 million, up by RMB134 million, or 22.48%, from the end of last year.

In terms of promoting talent banking work, the Bank proactively responded to the strategy of invigorating Jiangxi with talents and took the lead in setting up a talent service bank under the strong support of the Organization Department of Jiangxi Provincial Party Committee and the Financial Bureau of Jiangxi Province to fully support talents to live and work in peace and contentment. As of the end of 2019, the Bank provided 1,373 high-end talents with financial services such as venture financing and consumer credit, and launched 22 innovative and venture products, with a total investment of RMB903 million.



IV. SERVING THE LOCAL ECONOMY AND PROMOTING INCLUSIVE FINANCE

In addition, to meet the consumer financing needs of individual customers and small and micro enterprises, Jiangxi Financial Leasing actively carried out inclusive financial services. To this end, the company set up a separate automotive business unit, and successively formulated ten plus systems including the Administrative Measures for Channels of Automotive Business Unit of Jiangxi Financial Leasing Corp., Ltd. (《江西金融租賃股份有限公司汽車事業部管道管理辦法》), Administrative Measures for the Approval of Products of the Automotive Business Unit of Jiangxi Financial Leasing Corp., Ltd. (《江西金融租賃股份有限公司汽車事業部產品審批管理辦法》), Administrative Measures for Personal Financial Information Security Protection of Jiangxi Financial Leasing Corp., Ltd. (《江西金融租賃股份有限公司個人金融資訊安全保護管理辦法》) in an attempt to comprehensively carry out inclusive financial business by focusing on the automobile consumption finance as a breakthrough point.

Case 1:

To completely fulfil the social responsibility as a player in the finance industry and provide better inclusive finance services, since the commencement of the event themed “Inclusive Finance · Great Achievements” for the banking and insurance industry in Jiangxi Province, the Bank immediately drafted the “Plan for Jiangxi Bank’s ‘Inclusive Finance · Great Achievements’ Event”(《江西銀行“普惠金融·建功立業”活動方案》), adhering to work objective of “building an inclusive finance and protection system with the characteristics of Jiangxi Bank as well as enhancing the satisfaction rate of the financial services” to effectively satisfy the needs of the public, especially the increasing demand for financial services from the customers of inclusive finance, and to allow every class, group and each type of enterprise to have equal opportunity to enjoy financial services that meet their own needs at reasonable prices.



IV. SERVING THE LOCAL ECONOMY AND PROMOTING INCLUSIVE FINANCE

Case 2:

The Bank set up the center of bill discounting services for small and micro enterprises, and accepted direct bill discounting of small and micro private enterprises professionally and efficiently. It took only three minutes for processing direct bill discounting services in the business of “Miaotiebao” (秒贴宝). As of the end of 2019, the net increase of the value of bill discounting for the credit granted to a single customer less than RMB10 million (inclusive) of the small and micro enterprises was RMB4.463 billion, which greatly supported the financing needs of the small and micro enterprises.

4.2 SERVING SMALL AND MICRO ENTERPRISES

The Bank earnestly implemented the spirit of the document on strengthening and improving the financial services of small and micro enterprises issued by the Central Committee of the CPC, the State Council and the regulatory authorities, adhered to the market positioning of “serving local economy, serving small and micro enterprises and serving urban and rural residents”, paid attention to people’s livelihood, and took the development of small and micro enterprise as its mission.

To enhance the service efficiency and quality of small and micro enterprises, the credit center for small and micro enterprises of the Bank carried out sufficient research on the small and micro markets from urban to rural areas in Jiangxi Province, and introduced a variety of innovative special financial products for different regions and different industries. Remaining committed to the positioning of providing proprietary service, the Bank endeavored to serve the small and micro enterprises, setting a firm foot in the local area while deeply tapping into the domestic market to achieve inclusive finance and vigorously serve the real economy. At the same time, the Bank made real efforts to effectively solve such problems as “difficult financing, expensive financing and slow financing” faced by the small and micro enterprises, and continuously improved and enhanced the service efficiency and quality of small and micro enterprises:

- (I) The Bank focused on the development of supply chain business and small and micro financial services in business circles. On the one hand, to solve the problem of “triangular debt” among enterprises, the Bank launched the “Cloud Enterprise Chain” online factoring business by using technologies such as “blockchain + supply chain” and online contract signing. While ensuring the authenticity of accounts payable in transactions, core enterprises are able to convert their accounts payable into letters of commitment for online e-payment that are financeable, transferable and separable backed by the credit granted by Jiangxi Bank to make payments to upstream suppliers. Suppliers can apply to the Bank for factoring financing with such commitments, thus helping small and medium enterprises along the chain to activate their accounts receivable. On the other hand, to cater to the financing needs and the payment and settlement characteristics of customers in HopeDA business circle, the Bank actively made exploration and innovation, exempted them from all POS charges, and launched “Hongcheng Characteristic Loan” products to better serve customers in HopeDA business circle.

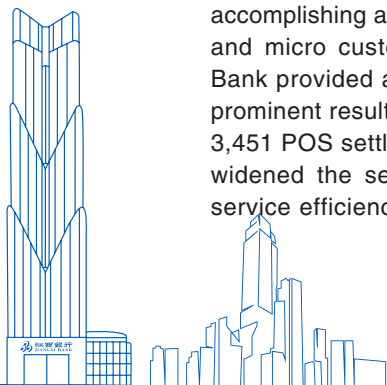


IV. SERVING THE LOCAL ECONOMY AND PROMOTING INCLUSIVE FINANCE

- (II) The Bank actively responded to the plan to invigorate Jiangxi with talents and the “Yingshanhong Action”. In response to the strategy of invigorating Jiangxi Province with talents, the Bank took the lead in setting up a talent service bank under the strong support of the Organization Department of Jiangxi Provincial Party Committee and the Financial Bureau of Jiangxi Province to fully support talents to live and work in peace and contentment. As of the end of the Reporting Period, the Bank provided 1,373 high-end talents with financial services such as business start-up financing and consumer credit, and launched 22 innovative and entrepreneurial products, with a total release of RMB903 million. The Bank actively responded to Jiangxi “Yingshanhong Action”, with a total credit of RMB173 million granted to 18 to-be-listed companies since the launch of “Yingshanhong Booster Loan”, of which RMB164 million was utilized.
- (III) The Bank actively explored the mode of online small and micro loan under data risk control. Since small and micro enterprises featured “lack of information” and “lack of guarantee”, the Bank took advantage of its experience in model design, data accumulation and system development to explore and establish a new service mode of “digitization, intelligentization and networking” different from the traditional business. At the end of December 2018, the Bank launched the customer-oriented “Handheld Micro Loan” to meet the needs of remote self-service loan application, signing and repayment. In March 2019, the Bank introduced the data of industry and commerce, justice and taxation and launched “Micro Enterprise Loan”, the online credit product for small and micro enterprises. At the end of the Reporting Period, online small and micro financial products “Tobacco Business Loan” and “Enterprise E loan” were launched to provide online-only and non-guaranteed operational loans for tobacco sales merchants with exclusive qualification in selling tobacco and small and micro enterprises with good record in tax payment and stable sales respectively. It is expected that loans from the above two products will be fully released in 2020.

Case 1:

Focusing on the financing needs and the payment and settlement characteristics of customers in HopeDA business circle, the Bank actively made exploration and innovation, exempted them from all POS charges, and launched “Hongcheng Characteristic Loan” products to better serve customers in HopeDA business circle. As of the end of 2019, characteristic sub-branches for small and micro finance in Hongcheng served a total of 7,109 customers in the business circle, representing 4,918 customers more than that of last year; the coverage ratio rose from 16.19% to 52.54%, up by 36.35%, accomplishing a leap forward in the number of small and micro customers in the business circle. The Bank provided additional loans of RMB424 million to HopeDA small and micro merchants, achieving prominent results in supporting HopeDA merchants through the grant of credit loans. The Bank served 3,451 POS settlement customers with an annual transaction volume of RMB1.77 billion, which further widened the settlement channels of business circle customers and improved the comprehensive service efficiency.



IV. SERVING THE LOCAL ECONOMY AND PROMOTING INCLUSIVE FINANCE

Case 2:

On September 4, 2019, the signing ceremony on the supply chain financial innovation serving small and micro economy themed “Supply Chain Financing for Small and Micro Enterprises · Building the Future with Innovation”(鏈融小微·智創未來) was held at the headquarters of Zhengbang Group in Jiangxi. The Bank and Zhengbang Group have commenced collaboration with regard to supply chain finance, comprehensive settlement, Internet finance and international business and other areas. Through collaboration, the Bank focused on Zhengbang Group as its core and provided financing services for the small and medium enterprises in the upstream and downstream of the enterprise; persistently stimulated the organic momentum to serve private enterprises through “five optimizations”, including the optimization of credit policy, assessment mechanism, financial products, risk management practices and personnel.



4.3 SUPPORTING RURAL REVITALIZATION

Combining various policies for benefiting farmers introduced by the central government, provinces, cities and counties, the Bank has done a lot of meticulous and in-depth work. Through the issue of leaflets, establishment of consulting desks and loan business exhibition boards, as well as regular promotion and visiting households, the Bank has extensively and deeply promoted various policies for benefiting farmers, including interest rate discounts and simplified loan procedures, improving the customer’s understanding of the Bank’s policies benefiting farmers. At the same time, the Bank launched the online palmtop micro loan products integrated with online and offline, and carried out rural supply chain financial services, such as Zhengbang Loan (正邦貸) and Twin Feed Loan (雙胞胎飼料貸).

To improve the capacity in providing financial services for agriculture, rural areas and farmers, do a good job in rural financial services, help the masses of peasants to increase production and improve their quality of life, the Bank, in line with its actual situation, has formulated a system to serve the agriculture, rural areas and farmers. The first is to stabilize inventories. Regarding the agricultural-related enterprises and farmers who have been drastically affected by the pandemic and whose business has been affected temporarily yet there is a promising market and prospect and technological competitiveness for their products, the Bank did not withdraw, pressurize or terminate their loans and strove to maximize the grant of loans so as to assist the agricultural-related enterprises and farmers out of adversity. The second is to further expand the loan volume. The Bank proactively commenced market research for customers related to agriculture, rural areas and farmers, strengthened the industry analyses and book-building of customers. Through activities such as “100 industries getting into 10,000 enterprises” and “Inclusive Finance · Great Achievements”, the Bank actively matched the financing



IV. SERVING THE LOCAL ECONOMY AND PROMOTING INCLUSIVE FINANCE

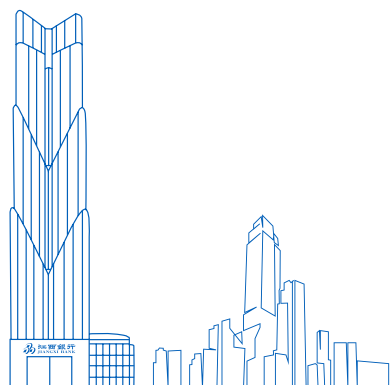
needs of agricultural-related enterprises and farmers. The third is to lower the barrier. As regards the agricultural-related enterprises and farmers who meet the requirements for the grant of small amount loans, liquidity loan measurements and credit ratings are mere references. This has further reduced the entry barrier for enterprises to obtain financing.

Case 1:

The reconstruction of the dilapidated buildings in the urban area of the central district of Ji'an, Jiangxi, and reconstruction project (Phase II) of the shanty town in the western district of Xincun Primary school in Jizhou are important economic growth points for the new round of the development plan in Ji'an. Under the project, 18,295 households were subject to demolition and relocation with an area of 203,349.82 square meters subject to demolition. The project had a total investment of RMB1.43 billion. The line of credit extended by Ji'an branch of Jiangxi Bank for the project was RMB1 billion, of which



RMB310 million was granted. The commencement of reconstruction of the dilapidated buildings in the urban area of the central district of Ji'an, Jiangxi, and reconstruction project (Phase II) of the shanty town in the western district of Xincun Primary school in Jizhou satisfied the needs of Ji'an as the city expands. Not only did the project revitalize the land resources in the shanty town district and intensify the utilization of land resources, the development of the project also brought new business opportunities to Ji'an and expanded the scale of its tertiary industry. This helps rationalizing the layout of the tertiary industry and make it into a new growth point for the economic development in Ji'an, thus achieving sustainable development of the economy.



IV. SERVING THE LOCAL ECONOMY AND PROMOTING INCLUSIVE FINANCE

Case 2:

On November 7, 2019, Jiangxi Bank Ninghong Hope Primary School officially commenced construction. The Hope Primary School that has commenced construction is located in Ninghong village at the southeast of Manjiang township, occupying an area of 4,666.76 square meters. It is planned to construct a new building for schooling and a residential building for teachers to settle temporarily, occupying a total area of 1,415.95 square meters. One five-a-side football pitch and one basketball court are planned in the sports area. The new Jiangxi Bank Ninghong Hope Primary School enjoys more convenient transportation, with better environment and facilities. The primary school, upon construction, can accommodate students from seven surrounding administrative villages such as villages or towns in Shankou, Fuyuan, Chengfang and Zhengcun, and 83 villager groups, involving a total of 1,913 households and a coverage of over 8,000 people. Jiangxi Bank successively rolled out the work to assist industries and built projects such as the demonstration site for poverty alleviation of the tea industry in Ninghong village. As of today, the Bank has successively invested more than RMB3.1 million into the fund for poverty alleviation.



4.4 SUPPORTING THE DEVELOPMENT OF EMERGING INDUSTRIES

For the purpose of serving the society, based on its own operating characteristics and advantages, the Bank stepped up its efforts in credit support for strategic emerging industries with good development prospect and market demand such as high-end equipment manufacturing, information technology, biology, energy conservation and environmental protection, new energy, new materials and new energy vehicles to provide support in technological innovation and technological transformation of such enterprises. To support the development of technological innovation and venture enterprises, given their asset-light features, the Bank introduced differentiated financial solutions according to local conditions targeting at tackling financing problems to support their growth.

Case:

Targeting at the technological enterprises with at least one among the following four rights namely patents, software copyrights, trademarks and new drug certificates, the Bank and Jiangxi Financing Guarantee Co., Ltd. introduced the “new high-tech loan” product and provided liquidity loan assistance not exceeding RMB5 million to single enterprises. With regard to those enterprises which have been included in the list of Suzhou “Xiang Ke Dai” (相科贷) project, the Bank strengthened its cooperation with insurers and guarantors, and provided liquidity loan assistance not exceeding RMB5 million for single enterprise. Both products above are secured by credit guarantee without collateral or guarantee. At the same time, concessionary interest rate for loans is given to reduce the cost of financing of the enterprises.



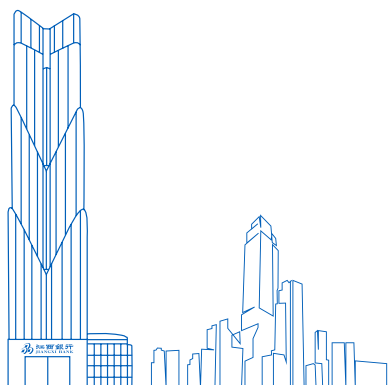
V. IMPROVING SERVICE QUALITY AND DEVELOPING INNOVATIVE FINANCE

5.1 OPTIMIZING CUSTOMER EXPERIENCE

With the continuous development and application of internet technology, historically speaking, the deep integration of internet technology and financial industry development has been an inevitable trend. The evolving process of the Bank's e-banking channel is the integration and innovation process of electronic channel. In recent years, the Bank launched bank wealth management, Cell-phone Instant Loan, Handheld Micro Loan and biological recognition technologies such as gesture registration, fingerprint and face recognition have been launched to continuously improve the customer experience. Recently, the Bank also tapped into the soft certificate technology to provide customers with legally effective, safe and convenient digital signature service via cloud mobile certificate, which greatly optimized the transfer process of customer.

To optimize the customer experience, the Bank mainly focuses on the following specific aspects:

- (1) Lower the entry barrier for e-banking services and promote social public services. Customers who are 16 years of age or older can open e-banking services free of charge at our counters. No personal e-banking cross-bank transfer fees will be charged. To promote and improve social public services, the Bank continuously introduced self-service payment business, the electronic channels currently cover businesses such as water charge, electric charge, natural gas, communication expense, cable bill, Party membership dues, social insurance, examination fees, tuition fees, property fees, rent fees and non-tax payment.
- (2) Reduce the pressure on the counter business and enhance the efficiency of business processing. The Bank was the first urban commercial bank in China to introduce paperless retail counter. Through fitting up editable LCD screens at the retail bank counters, the Bank provided electronic receipts and enabled the function of electronic hand-written signatures. As of the end of 2019, the Bank processed 10,189,200 paperless retail transactions cumulatively. The paperless counter project made use of self-service channels, electronic channels and other online methods, realizing automatic entering pre-filling business information via system, and the replacement of paper voucher and physical seal by electronic voucher and electronic seal, respectively, which effectively reduced the review and transmission of the voucher, the handover and custody of the physical seal, which optimized the business operation and enhanced the customer experience of the business acceptance and the efficiency of the business processing. This provided customers with 7*24 hours online service. In addition, it effectively protected personal information by avoiding inadvertent personal information disclosure caused by lost or discarded bank slip.

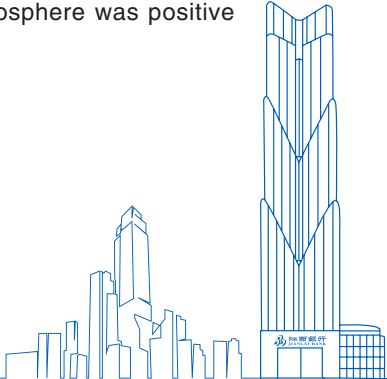


V. IMPROVING SERVICE QUALITY AND DEVELOPING INNOVATIVE FINANCE

- (3) Explore the AI technology service platform. Currently, the electronic channels of the Bank have covered online banking, mobile banking, telephone banking and WeChat banking. In terms of customer service, the Bank actively explored the development of AI technology, started the development of a new omni-channel customer service system project, and realized the construction of a remote intelligent service platform in stages to provide more convenient and efficient online service platform for customers. The platform not only provided customers with traditional telephone channel services, but also expanded service to PC, WeChat, VTM, and APP users of each product of the Bank.
- (4) Strengthen the management and control of branches. The Bank was able to address the deficiency in the course of service and marketing by teller in a timely manner through increasing the frequency of reviewing video. The lobby manager is required to provide better marketing of lobby service and counter business triage, strengthen the communication with the counter tellers for better synergistic marketing, so as to better serve the customers. In addition, the Bank increased the training on civilized services, strengthened the scenario rehearsals, studied new product business, and practiced marketing speech skills at the lobby and counters.

Case 1:

To improve the management standard of the civilized service of the Bank's branches and to create an all-round and dedicated service team, from May 20, 2019 to May 22, 2019, the Mass Work Department of the Head Office held a three-day training program on the improvement of service management for branch managers. Managers of grassroot branches, general managers and deputy general managers of the Mass Work Department totaling more than 190 from various branches and sub-branches participated in the training. The training program provided in-depth explanations on topics from flexible conversational skills, customer experience management, position service flow and on-site management, complaint handling to service management. Through real and effective information analyses, the training program explained in detail the significant problems regarding service management of the branches. By incorporating the core standards of the banking and marketing management, suggestions and conceptual clarifications were made based on the actual conditions of the Bank. Through the program, employees of the Bank opened up the philosophy management and learned the skills of management. The class atmosphere was positive and resulted in a better learning effect.



V. IMPROVING SERVICE QUALITY AND DEVELOPING INNOVATIVE FINANCE

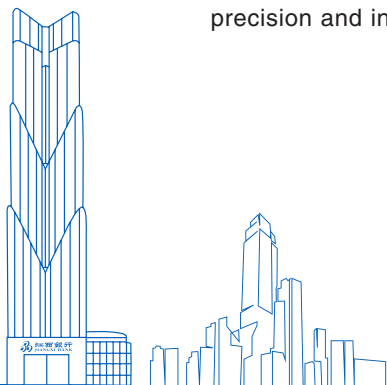
Case 2:

To accomplish the “last kilometer” for the financial services in community and allow the public to experience the convenience of the banking service, in the morning of November 9, 2019, the Bank penetrated into the Xiatang Chengshang community in Xihu district, Nanchang and carried out the activation service event regarding the 2nd generation social security cards for the residents. During the event, the ushers of the Bank patiently responded to all sorts of questions from the residents, and actively promoted the knowledge relating to the 2nd generation social security cards through distributing foldable pamphlets and face-to-face conversation, such that residents could enjoy the most convenient banking services while staying at home. In recent years, the Bank has come out to do business by providing financial services to the community, and provided on-site service to people with special needs by using safe and efficient technological means and adopting flexible and convenient electronic terminals. This has become day-to-day work of the Bank and is highly acclaimed by a wide range of customers. In addition, the Bank’s brand of quality service has won support among the customers. Adhering to the business philosophy of “serving local economy, serving small and medium enterprises, and serving community residents”, the Bank has proactively fulfilled its social responsibilities by addressing customers’ thoughts, concerns and needs and taken practical actions to provide customers with quality, effective, convenient and dedicated financial services, thus reinforcing the corporate brand image of “limitless innovation and taking the future to the heart”.

5.2 PROMOTING PRODUCT INNOVATION

The Bank is always concerned about community livelihood and continues to develop featured financial products to meet customers’ needs for financial services. Adhering to its market positioning as a bank for residents, the Bank continuously develops intermediary services that benefit the public, and actively expands online banking, telephone banking, mobile banking and other service channels to enable one-stop public utilities payment. On the basis of serving the public, the Bank focuses on the needs of the citizens to maintain and increase the value of their assets, and continuously strives to raise its wealth management capabilities and standards.

In terms of retail loan products, the Bank developed “Real Estate Mortgage Quick Loan”, which saved time and reduced interests to the greatest extent for small and micro enterprises through improving the methods of online application, online payment and online review. The Bank introduced the function of “online repayment” for the individual loans to realize business operations such as checking offline loan information, inquiring about repayment plans and making early repayment on handheld banks, thus enhancing customer experience. Also, the Bank introduced a series of county-specific loan products to satisfy multifarious financing needs for the individual customers at county level and to improve the precision and inclusivity of financial services.



V. IMPROVING SERVICE QUALITY AND DEVELOPING INNOVATIVE FINANCE

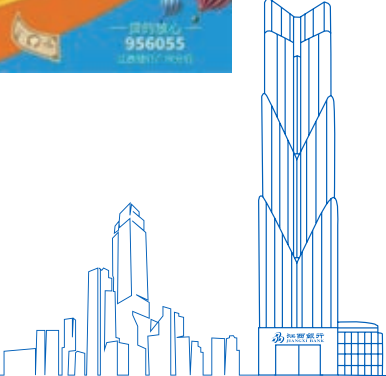
In terms of corporate loan products, the Bank introduced online factoring business “Cloud Enterprise Chain” through utilizing technologies including “Blockchain + Supply chain” and online contract signing. While ensuring the authenticity of accounts payable in the course of transaction, core enterprises capitalized on the crediting of the Bank to convert their accounts payable into letters of commitment for online e-payment that are financeable, transferable and separable to make payments to upstream suppliers. Suppliers can then apply to the Bank for factoring financing with such commitments, thus helping small and medium enterprises along the chain to activate their accounts receivable.

In terms of savings deposits, the Bank launched differentiated deposit products for customers with different characteristics. For instance, the Bank provided interest-bearing products with instalment payments targeted at middle- to old-aged customers to satisfy their needs for financing flexibility. The Bank provided large certificate of deposit targeted at high-net-worth customers to satisfy the needs of high-end customers for savings deposits. As regards payroll customers, the Bank introduced certificate of deposit payroll products to enhance their savings deposits experience.

In terms of bank cards, as of the end of 2019, the Bank kicked off the collaboration with Jiangxi Air, China Unicom and JDD respectively to target at customer groups including business travelers, young customers and online consumers, and launched “Jiangxi Air Ganpo Co-branded Credit Card”, “Jiangxi Air Tencent King Co-branded Credit Card” and “Jiangxi Bank Jingdong Finance Co-branded Credit Card”. In addition, the Bank respectively granted rights for business travelers, mobile phone’s Internet data flow and JD shopping to satisfy the diversified needs of different kinds of customers and provided customers with more precise, comprehensive and convenient financial services.

Case 1:

The “Real Estate Mortgage Quick Loan” is a personal loan product provided the Bank for legal consumption or legal business operation with the residential property under the name of natural person as collateral. The loan is available to a wide range of customers where individual industrial and commercial business and small and micro enterprises engaging in legal production and operations are eligible for application. The loan has a high mortgage rate where the maximum mortgage rate shall not exceed 85% of the appraised value of the collateral provided by the borrower. Repayment methods are flexible and can be made by a combination of methods available for customers to choose from. The “Real Estate Mortgage Quick Loan” allows online assessment where customers can undergo online assessment without any assessment charges.



V. IMPROVING SERVICE QUALITY AND DEVELOPING INNOVATIVE FINANCE

Case 2:

The Bank made use of the big data technology, and launched the four major credit products, i.e. “Cell-phone Instant Loan”, “Shui e Rong”, “Handheld Micro Loan” and “Micro Enterprise Loan”, through which financing loan services are provided to individual customers, small and micro corporate customers and tax-paying enterprises.

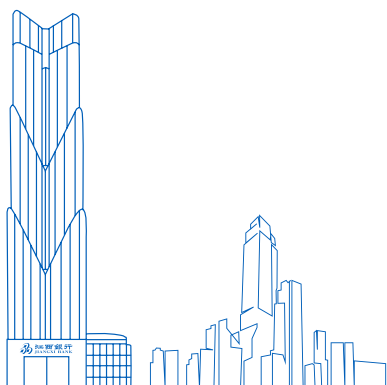
5.3 PROTECTING CUSTOMERS’ RIGHTS AND INTERESTS

The Bank adhered to the customer-centric principle to actively promote the implementation of protection of various customers’ rights and interests. While improving the services, the Bank continued to strengthen the protection of consumers’ rights and interests, so as to enhance customer satisfaction and create value for customers on a continuous basis.

Open up Consulting and Complaint Channels

The Bank attached great importance to customer complaints. Therefore, the Bank optimized the complaint handling mechanism, improved service management ability and enhanced customer satisfaction by diversified dimensions including complaint acceptance timeliness, complaint follow-up processing and complaint feedback. The Bank clearly presented the complaint channels by publicizing the complaint hotline and complaint handling procedures at the prominent position of the portal website of Jiangxi Bank, business hall, 24-hour self-service area and e-banking experience zone.

The compliance department of the Head Office is designated as the lead department for complaint handling, specifying the timeliness requirement. A unified and efficient complaint handling process and a strict and effective complaint management mechanism have been established. Through the establishment of consumer rights protection stations, the Bank was able to better receive and guide customers to process business, guide and answer consultations from customers, carry out financial knowledge promotion, and provide convenience services, so as to achieve convenient and regular financial knowledge publicity.



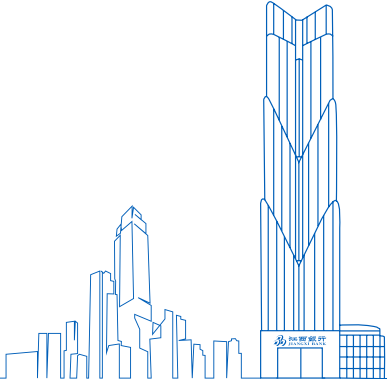
V. IMPROVING SERVICE QUALITY AND DEVELOPING INNOVATIVE FINANCE

The Bank provided all-round and comprehensive financial services to customers adhering to the service philosophy of “Serving customers with the origin in mind and centering on customers”, taking the protection of the eight rights and interests of financial consumers as its core and incorporating such rights and interests into every segment of corporate governance. In 2019, the Bank made amendments to the systems such as the Administrative Measures for Customer Complaints of Jiangxi Bank (《江西銀行客戶投訴管理辦法》) and the Measures for the Assessment of the Protection of Jiangxi Bank’s Consumers’ Rights and Interests (《江西銀行消費者權益保護工作評價辦法》) to build a better mechanism for protecting the consumers’ rights and interests. Meanwhile, the Bank took an active role in building the complaint management system for financial consumers, regulated and integrated the channels for financial consumers’ telephone complaints, allocated designated personnel for safeguarding customers’ rights, and provided whole-process follow-up services from taking in, processing and resolving customers’ complaints, such that the customers’ demands are met. Since the Bank focused upon the protection of customers’ rights and interests in the provision of services, product innovation and day-to-day operation and management, and regarded complaint management as an important means for improving products, enhancing services and optimizing processes, no major financial consumer complaints were identified during the year.

During the Reporting Period, the Bank received a total of 184 customer complaints, with the complaint resolution rate of 100%.

Case:

To further improve the mechanism for protecting customers’ rights and interests, and standardize the process of complaint handling, in the afternoon of October 30, 2019, the Bank organized its specific training on protecting customers’ rights and interests for 2019. The Bank invited mentors specializing in the protection of financial consumers’ interests to provide in-depth explanation on the statistical indicators for categorizing complaints from financial consumers, and gave accurate interpretation for the issues identified during practical application. The Compliance Department of the Head Office also gave detailed explanation as regards the operational procedures of the customer complaint management system recently launched by the Bank. The training allowed employees to have a deeper understanding of the Bank’s protection of customers’ rights and interests, and strengthened the foundation for the work of protecting such rights and interests.



V. IMPROVING SERVICE QUALITY AND DEVELOPING INNOVATIVE FINANCE

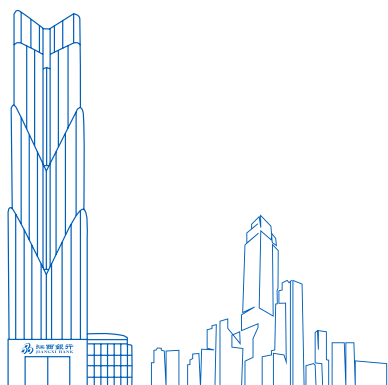
Protect the Customers' Information Security

The Bank attached great importance to protecting customers' information and safeguarding customers' fundamental interests. It established a sound internal control system and management mechanism in strict compliance with the system of protecting consumers' interests. The Bank is committed to enhancing the protection of customers' information by including the basic individual particulars, financial information, transactions and other information into the protection scope, strictly limiting the qualifications of relevant business personnel, and improving the management and control capabilities on disclosure of financial consumers' personal particulars. Also, the Bank has enhanced the education on the staff's awareness of risks and confidentiality to ensure they can truly comply with confidentiality systems and keep their confidentiality commitments.

Safeguard the Customers' Assets

The Bank guided its staff to enhance business learning and awareness of safety risks and actively took measures to ensure the safety of customers' assets from various aspects such as account opening, account using, front-desk service and business branches security. Baffles and alarms were equipped in the business windows and self-service areas, and each business branch was fully equipped with security officers to increase the security of the business premises and protect the customer's assets. In addition, the Bank gradually applied face recognition technology in businesses such as account opening, deposit and withdrawal, electronic signing and large amount transfer to ensure that the person who handled the business is the customer in person, and the customer can set the limit for transaction via electronic channel at the physical counter and smart counter.

In addition, to cultivate the ability of its staff to analyze suspicious transactions and deal with suspicious cases, the Bank conducted regular drills centering on the prevention of looting, theft, fire and telecom fraud to improve supervision and inspection.

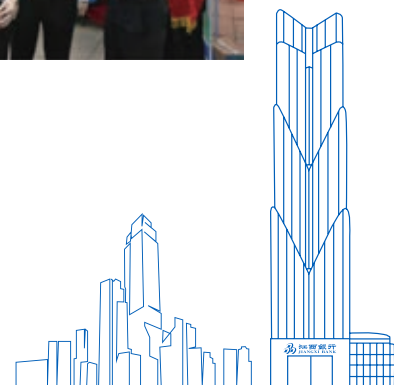
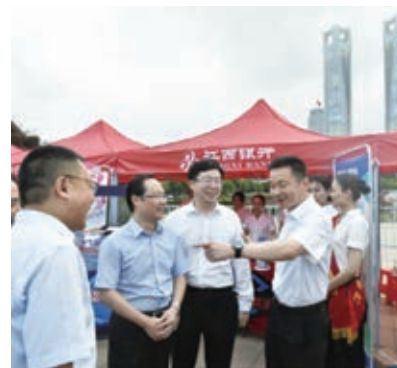
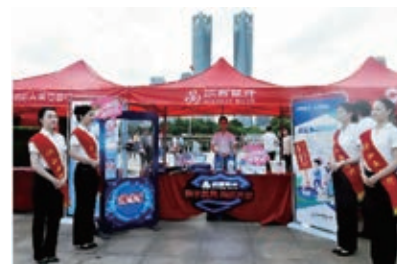


V. IMPROVING SERVICE QUALITY AND DEVELOPING INNOVATIVE FINANCE

Case:

To effectively play the Bank's role of sentry in illegal fund-raising prevention, safeguard the interests of the general public, help the social public gain a deeper understanding of harmful effects of illegal fund-raising, effectively reveal true cases of illegal fund-raising, and realize the fundamental objectives of preventing and resolving the risks of illegal fund-raising from the source, in accordance with the spirit of the Notice regarding the Promotion and Education to Prevent Illegal Fund-raising for 2019 (《關於開展2019年防範非法集資宣傳教育工作的通知》), in May 2019, the Bank organized each branch to carry out the promotion month with the theme of preventing illegal fund-raising. During the event, the Bank publicized on its WeChat Official Account the messages on the topic of preventing illegal fund-raising and introduced such risks to the public. It also launched the "Five step-ins" campaign where various sub-branches and business branches distributed promotion leaflets and promotional items, held seminars and customer salons to educate thousands to tens of thousands of households on illegal fund-raising. At the dusk of May 24, the Bank actively participated in the large-scale intensive promotion day with the theme of "building the net of justice and joining hands to prevent and regulate" led by CBIRC Jiangxi Office and the Provincial Department of Handling Illegal Fund-raising, and effectively strengthened the influence of the promotion activity on preventing illegal fund-raising, thus bringing forth fruitful achievements with significant results.

During the promotion month, 28 branches (sub-branches) of the Bank carried out 327 intensive promotion activities, distributed 22,521 promotional materials, flyers and promotional items, produced 97 bulletin boards, conducted 130 internal policy presentations within the organization and attracted 54,435 audiences, which were well received by the public.



V. IMPROVING SERVICE QUALITY AND DEVELOPING INNOVATIVE FINANCE

Popularize Financial Knowledge

The Bank always adheres to the “customer-centric” business philosophy, and continuously promotes consumer protection. Through activities such as “Bringing Financial Knowledge into Tens of Thousands of Families” of China Bank Insurance Supervision and Administration Commission, “Special Month for Popularizing Financial Knowledge” of the People’s Bank of China and “Popularizing Financial Knowledge” of China Banking Association, and with the help of various promotion channels, including banners, LED displays, LCD TVs, multimedia touch screens, self-service facilities, distributing promotional foldouts on streets, presentations by branch staff, and organizing financial knowledge salons, the Bank carried out public welfare and regular financial knowledge education and training for target consumer groups.

Case 1:

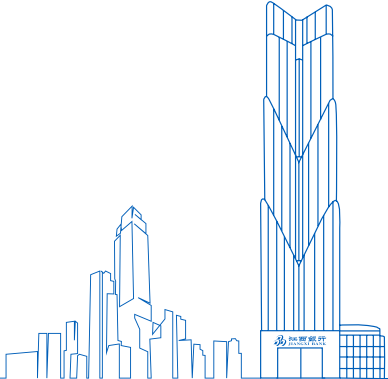
According to the standardized deployment of the Notice of the Nanchang Central Sub-branch Office of the People’s Bank of China regarding the “Financial Consumer Rights Day” Event (《中國人民銀行南昌中心支行辦公室關於開展“金融消費者權益日”活動的通知》) (Nan Yin Ban Fa [2019] No. 23), to further reduce financial risks, create a harmonious environment for financial consumers, enhance the risk management capabilities and awareness on responsibility undertaking among financial consumers, and guide the financial consumers to resolve disputes of financial consumption through legal means, in March 2019, the Bank launched the “Financial Consumer Rights Day” event. The event made use of online, offline and other means to carry out promotion, including publicizing various financial knowledge to customers from multi-perspectives through WeChat Official Account, propagandizing the slogan on the LED screen for 24 hours on rolling basis, and putting up promotional posters at each branch and placing a series of promotional foldouts. In the meantime, the lobby manager and customer manager distributed promotional materials to customers to introduce relevant financial knowledge. The event effectively covered all kinds of financial consumers and created positive promotional atmosphere. A total of 238 branches and community sub-branches participated in this themed promotional event, with approximately 1,068 participants cumulatively. Approximately 12,600 people received the education and 11,400 poster foldouts were distributed.



V. IMPROVING SERVICE QUALITY AND DEVELOPING INNOVATIVE FINANCE

Case 2:

To further promote the education of financial consumers, raise the self-protection and responsibility awareness of the financial consumer groups, especially farmers, workers, youngsters, the elderly and the disabled to guide them to protect their own “money bags”, and in active response to the call from the People’s Bank of China, in June 2019, the Bank launched the campaign themed “Popularization of Financial Knowledge, Protection of ‘Money Bags’”. During the campaign, leverage on the advantage of regional coverage, 232 branches across the Bank propagandized the slogan on the LED screen for 24 hours on rolling basis. The Bank fully capitalized on the advantages of new media and innovative promotion, and enhanced the promotion coverage and influence by push notifications of WeChat Official Account to build the root of financial knowledge into the minds of people. Each branch or sub-branch went into the community and enterprise while setting up booths in relatively densely populated communities and squares to strengthen the education on the awareness of financial consumers’ responsibilities and popularize the knowledge targeted at key financial consumer groups. Short videos about financial knowledge were also played on TV screens inside the branches to carry out long-term and continuous promotion to surrounding customers.



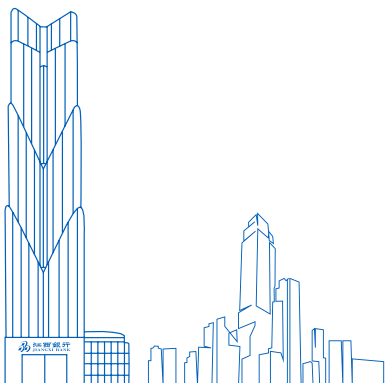
VI. FOCUSING ON HUMANISTIC CARE AND INCREASING EMPLOYEE VALUE

6.1 ENRICHING EMPLOYEES' LIFE

The Bank pays attention to the work life balance of employees, it actively organizes a rich variety of recreational and sports activities such as sports events and variety shows, and vigorously supports the development of various interest clubs such as basketball, table tennis and badminton, and holds yoga and Tai Chi training classes, conducts broadcast gymnastics competitions, mountaineering competitions and photography contests on a regular basis to enhance friendship among employees, create a solidary and friendly corporate atmosphere, with a view to enhancing the sense of well-being and belonging of employees.

Case 1:

While pushing ahead the education with the theme of “Remaining true to our original aspiration and keeping our mission firmly in mind” to deliver quality services, manifest distinction and strive for practical results, in August 2019, under the leadership of the Party Committee of the Bank, the Youth League Committee held a flash mob with the same theme in the business hall of the Business Department of the Head Office. During the event, our employees who come from all over China were gathered together in singing two songs, “My Motherland and Me” and “Remaining True to Our Original Aspiration”, dedicating their heartfelt blessings to their motherland in a sentimental melody and with a high-spirited passion. The event fully demonstrated our employees’ perseverance in supporting the Central Committee of the CPC and their ardent love for their motherland in moving towards the new era, which further strengthened the “Four-Confidence” and consolidated “Four-Consciousness” to resolutely achieve “Two-Maintenance”, as well as stimulated patriotism of all our employees.



VI. FOCUSING ON HUMANISTIC CARE AND INCREASING EMPLOYEE VALUE

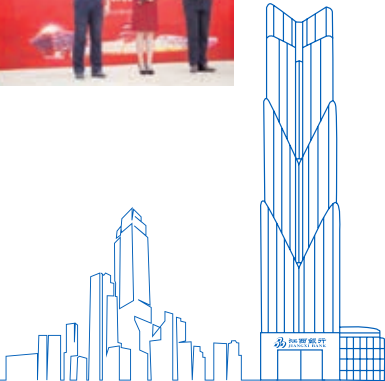
Case 2:

In the morning of June 22, 2019, the 4th Financial System Mountaineering Competition of Athletic and Fitness League in Jiangxi Province was held in Sanqing Mountain, Shangrao by the Sports Bureau of Jiangxi Province and the Jiangxi Provincial Financial Regulatory Bureau, inviting more than 200 participants from 22 companies of the financial system in the province. The competition for group climbers was approximately 6 kilometers. Our representatives won the first and third prizes. Through participating in the event, the Bank strengthened communication with the financial system, and manifested an extremely strong sense of team honor and cohesion, and displayed the spirits of positivity, activeness and bravery of our employees.



Case 3:

In the afternoon of September 26, 2019, the cultural gala titled “Praising New China and Joining Hands to Build for the Well-off Society” in celebration of the 70th Anniversary of the Founding of China was successfully held in Xiazou, a village under the poverty alleviation assistance program of the Bank. The gala comprised singing, dancing, recitation, solo singing, group singing, quiz with prizes and talent show, which brought happiness to the villagers and narrated how the Chinese Communist Party led its people to strive through the struggles and build a great and prosperous country as well as how it led the Chinese nation to emerge and build its wealth and power. The event was a true celebration of the founding day of new China, while sharing of the glory of our motherland and building for the great revival of China, through which our employees and the villagers expressed their boundless love and beautiful blessings for our great country in celebration of the glorious achievements at the 70th Anniversary of the Founding of New China.



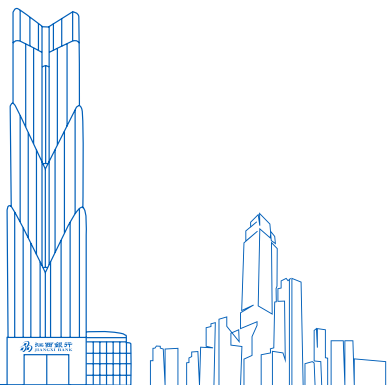
VI. FOCUSING ON HUMANISTIC CARE AND INCREASING EMPLOYEE VALUE

6.2 CONTRIBUTING TO STAFF'S DEVELOPMENT

In recent years, in accordance with the goals of laying foundation, gathering talents, building teams and improving quality, the Bank has effectively enhanced the scientific and normalized standards of training and nurturing, and has taken measures to “develop” and “use” various cadre members well for the transformation and development of the Bank.

Firstly, the Bank promoted theoretical study based on the principle of “solidify foundation, gain experience and increase competence”, coupled with the combination tactics of online and offline learning, independent learning, intensive learning, guest lecturers and overseas training, so as to meet the development requirements of all levels of staff and the building of talent teams. To promulgate the new mindset for work across the Bank, it has consistently been at the forefront of “Tao”, “Law” and “Technique” of the industry, and often invites nationally renowned experts and scholars to the Bank to give lectures. To give impetus to the vertical and in-depth transformation of the county-level branches, and enhance the management capabilities of the managers of county-level branches, the Bank organized relevant personnel to have off-job training in Zhejiang University. To further strengthen the cultivation of the management trainees and enhance the quality and capability of such team, the Bank organized the management trainees to take part in the training on quality and capability enhancement organized by Shanghai University of Finance and Economics, so as to help new employees change from the “campus people” to “professionals” as soon as possible and establish career plans, the Bank relied on the external organizations to jointly conduct pre-occupational training so that new employees could be better qualified for their positions from awareness to skills.

Secondly, since its listing, the Bank has focused on strengthening the fundamental management of human resources adhering to the philosophy of “overall planning, phasal implementation, progressive development and incessant improvement”, steadily promoted the project development of the human resources management system as well as continuously improved the level of the human resources management in areas of professionalism, standardization and normalization. The Bank realized the convenient self-service inquiry of relevant information and the online statistical analysis of various types of HR professional graphics, which effectively addressed the concept of precise service for human resources management. Meanwhile, the panoramic digitalization perspective of the basic particulars and growth trajectory of employees offered protection and provided support for talent review and talent planning across the Bank.



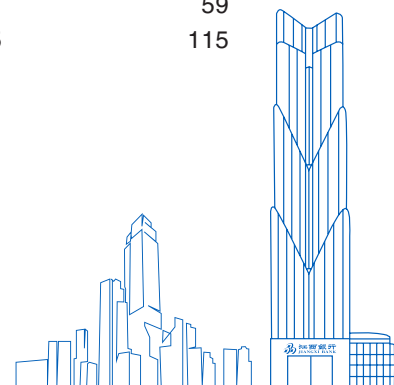
VI. FOCUSING ON HUMANISTIC CARE AND INCREASING EMPLOYEE VALUE

Thirdly, faced with new developments of the banking industry, the Bank strengthened the capacity building of reserve talents, consolidated the development foundation by adopting a series of effective measures: pushing ahead the “251 Talent Pool” project, by expanding the career development path for the personnel already in the Pool, the Bank stimulated the work enthusiasm of employees and created favorable conditions for talented employees to differentiate from other competitors. The Bank continued to promote the “job rotation scheme for young talents”, which allows young employees with outstanding capability and distinctive performance to work in different management positions of different units so as to gain grassroot operational management experience quickly and enhance business and management standards. Also, the Bank continued to run the “management trainee program”, introducing full-time master’s graduates or doctoral postgraduates from the 985 Innovative Platforms for Key Disciplines Project or renowned universities locally and abroad to gradually build a talent pool with the right qualities in line with the Bank’s strategic development. While endeavoring to strengthen the recruitment of talents that are scarce in the market, the Bank continued marketized recruitment, highlighted the strategic focus of the Bank, eyed on the wanted manpower, and implemented a proactive and effective policy for talent recruitment. Leverage on the strengths of renowned newspapers or media bodies or industry leading recruitment agencies, the Bank attracted quality and young talents by making good use of marketized methods such as headhunting and RPO.

Upholding the strategic mindset of “empowering the bank by talents”, while sustaining the mutual development of the enterprise and the employees, and the training system of talents in terms of mutual improvement, the Bank arranges employees at each level to participate in systematic training every year. The Bank adopts a holistic training approach by capitalizing on a combination of tactics including overseas training and inviting guest lecturers, online and offline training, as well as theoretical and practical training. For instance, the Bank organized the “brainstorming” lecture series, sent employees on a field trip at its peers, attended external forums and training classes, launched online learning at online institutions, organized off-job training in high schools, launched new business training, new product intensive training and new joiner orientation training with a view to building an eager learning and innovative team.

Training in 2019

Training Participants	Participants	Length of time per participant (hours)
Senior management	9	108
Middle management	137	59
Junior employees	4,915	115



VI. FOCUSING ON HUMANISTIC CARE AND INCREASING EMPLOYEE VALUE

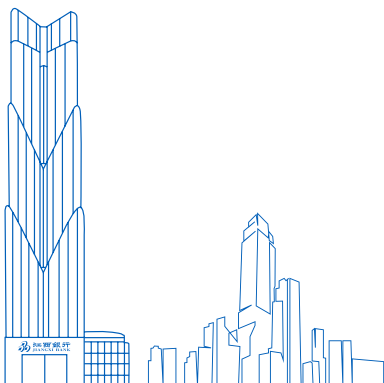
Case 1:

To further improve the quality of the work regarding anti-counterfeit money, boost the business operation capabilities of serial number search at the counter in branches, and strengthen the capabilities of system maintenance and troubleshooting, on March 27, 2019, the Bank organized a bank-wide business training on RMB serial number management system. The training was primarily aimed at giving an introduction of the basic operation of the RMB serial number management system, troubleshooting for common errors in the system and their solutions. It further improved the maintenance capability of searching in the RMB serial number management system, which effectively enhanced system operation, thus laying a solid foundation for strengthening the work of anti-counterfeit money.



Case 2:

To expedite the growth of management trainees, help broaden their management career, and strengthen their business skills, from July 22 to 26, 2019 and from October 28 to November 1, 2019, the Bank organized two rounds of training programs on quality and capability enhancement for management trainees at Shanghai University of Finance and Economics. In the training, students strengthened the knowledge accumulated at the university through lecture setting, data analysis and case production, so as to solve practical issues faced at work. It not only offered an opportunity for in-depth learning on theory and practice, but was also a test of their application of knowledge at work. The training had contents of high relevance with strong teaching capabilities. After the training, students can put what they have learned into practice and use their best endeavors to make great contributions to the Bank.



VI. FOCUSING ON HUMANISTIC CARE AND INCREASING EMPLOYEE VALUE

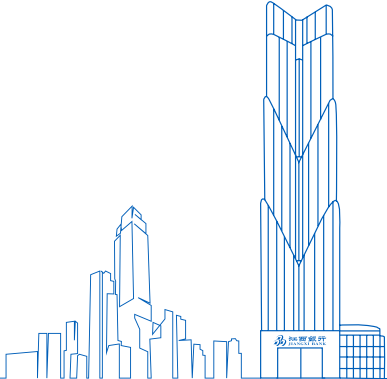
Case 3:

To further push ahead the development of inclusive finance business, and improve the business quality of the customer managers responsible for personal loans, the Personal Banking Department of the Head Office organized a training session on for inclusive finance products on September 30, 2019. The training was conducted by the asset division of the Personal Banking Department of the Head Office, which introduced the inclusive finance product “Real Estate Mortgage Quick Loan”, and mainly centered on the key points of the product, operation flow, and self-service signing channel, loan procedures, and phase 2 optimization. The training increased the knowledge of personal loan customer managers on inclusive finance, and deepened the customer managers’ understanding of the product of “Real Estate Mortgage Quick Loan”, therefore fortifying a solid foundation for the growth of personal loan business.



Case 4:

To further improve the bank-wide credit investigation theory and business quality, and raise the awareness of security management of credit investigation information throughout the Bank, on November 13, 2019, the Risk Management Department under the Head Office organized a training on credit investigation compliance and information security at the Head Office. At which, the system management section under the credit investigation management division of the People’s Bank of China, Nanchang Central Sub-branch, provided detailed explanation on the system business development, risk prevention, information security management, law enforcement and safety check regarding credit investigation. The training allowed our employees to have a deep understanding of the key points about the credit investigation information compliance and information security system, and enhanced the exchange and the communication with the People’s Bank of China, thus building a good foundation for better carrying out subsequent credit investigation management work.



VI. FOCUSING ON HUMANISTIC CARE AND INCREASING EMPLOYEE VALUE

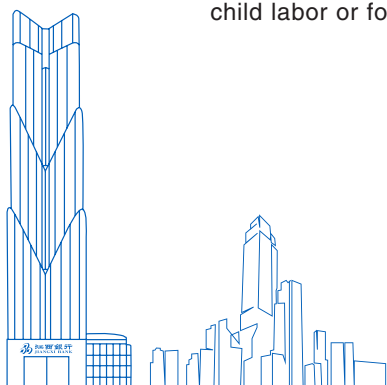
6.3 PROTECTING EMPLOYEES' RIGHTS AND INTERESTS

Employee Statistics in 2019

Category		Number	Percentage (%)
Total Number of Employees		5,061	100.00
By Gender	Male	2,320	45.84
	Female	2,741	54.16
By Age	Under 30 years old (inclusive)	2,756	54.46
	From 31 to 40 years old (inclusive)	1,202	23.75
	From 41 to 50 years old (inclusive)	977	19.30
	Over 50 years old	126	2.49
By education background	Bachelor degree or above	4,546	89.20
	College degree or below	515	10.80
By region	Within Jiangxi Province	4,705	92.97
	Outside Jiangxi Province	356	7.03
Employees from ethnic minorities		39	0.77

To fully maintain and protect employees' rights and interests, the Bank has developed management systems of employees' labor, occupational health and safety in strict accordance with national laws and regulations, and proactively created a development environment with sense of belonging, security and achievement for employees.

On the one hand, to clarify the rights and obligations of the employees and the Bank, the Bank entered into the Labor Contract of Jiangxi Bank Co., Ltd. (《江西銀行股份有限公司勞動合同》) with its employees pursuant to the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) and relevant national laws, regulations, statutes, rules and regulations developed according to the laws, and signed the contract with the employees on the basis of equality, voluntariness and good faith. The contract stipulated terms including "working hours, rest and vacation", "labor remuneration", "social insurance and benefits", "labor protection and labor conditions", and other matters, so as to protect the rights and interest of the employees. The Bank strictly abided by the Law of the People's Republic of China on the Protection of Minors (《中國人民共和國未成年人保護法》), the Provisions on Prohibition of Child Labor (《禁止使用童工規定》), the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) and other laws and regulations, and no child labor or forced labor was employed during the Reporting Period.

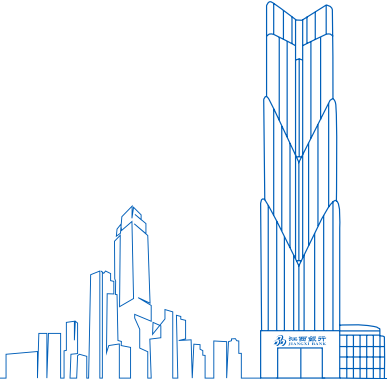


VI. FOCUSING ON HUMANISTIC CARE AND INCREASING EMPLOYEE VALUE

While attracting and retaining core talents, the Bank is also breaking the traditional egalitarianism in remuneration distribution, determining the “position-based” remuneration payment method, and differentiating the employees’ remuneration according to their work contribution and work ability, so as to stimulate the work potential of employees, enhance the working enthusiasm and initiative of employees. In addition, the Bank adhered to the implementation of national social security policies, gave full play to the importance of social security to improve employees’ welfare, and thus enhancing employees’ satisfaction.

Case:

As to the measures to protect female employees, the labor union of the Bank has established the female worker committee as a special body to care for the growth of female employees. The Bank thoroughly implemented the laws and regulations regarding the protection of female workers’ rights and interests as stipulated in the Special Provisions on Protection of Female Workers in Jiangxi Province (《江西省女職工勞動保護特別規定》), including the disbursement of nursing fee of RMB80 per month. The female worker representative of the labor union entered into the Collective Contract Special Protection of Female Workers’ Rights and Interests (《女職工權益專項保護集體合同》) with the Bank to maximize the protection of female employees in a legally binding manner.



VII. PRACTICING GREEN DEVELOPMENT AND PROTECTING ECOLOGICAL ENVIRONMENT

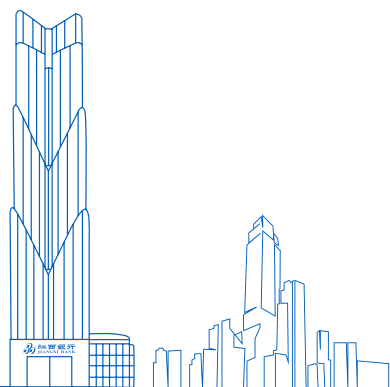
7.1 DEVELOPING GREEN CREDIT

In response to the call of the government, the Bank proactively guided credit resources to be invested in green and environmentally-friendly projects. In Article 4 under the general orientation of the Credit Policy Guidelines for 2019, the Bank clearly proposed to “support green credit business to ensure sustainable business development”, firmly support green credit, and take on the development path of green finance. In particular, the Bank stepped up efforts in supporting green economy, low-carbon economy, cyclic economy, ecological engineering, energy-saving, environmental protection, clean energy and green building, gradually revoked loans for customers (projects) which failed to meet environmental standards, violated the environmental protection laws or had obsolete capacities, and persistently improved customer (project) structure to enhance business sustainability, with focus on sponsoring enterprises that meet the requirements of green bond support projects in the application of corporate loans or project loans and sponsoring enterprises recommended for energy-saving and technological transformation projects by Jiangxi Provincial Industry and Information Commission and Jiangxi Industrial Investment.

In our performance assessment system, green credit has been incorporated into our line KPI assessment. A year-end assessment will be conducted upon the completion of green credit by all of our branches and sub-branches.

Case 1:

Changhe Automobile’s PV carport technological transformation project is an energy-saving project that does not entail fuel consumption as well as an encouraged project under the national industrial policies. The Bank’s green credit supply balance was RMB20 million, representing 10.5% of the total investment amount of the project. All funds are used for the development of Changhe Automobile’s PV carport technological transformation project according to the stated use. The project has an achievable installed capacity of 20MW. The average annual power generation capacity during the operation of PV power stations is approximately 21,000 MWh with standard coal savings of more than 6,240 tons and carbon dioxide reduction of more than 12,608 tons. The development of the project can play a good role in electric power supplement and peak shaving in Jingde town while generating good social benefits, environmental benefits and economic benefits. At the same time, it can reduce the consumption of fossil resources, thus reducing the discharge of pollutants.



VII. PRACTICING GREEN DEVELOPMENT AND PROTECTING ECOLOGICAL ENVIRONMENT

Case 2:

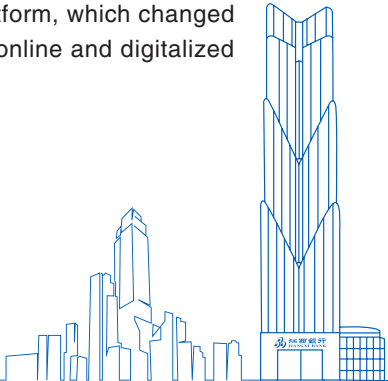
The Bank signed an agreement on purchasing 20,000 tons of the emission reduction under phase I of VCS forestry carbon sequestration project in Le'an county at the first session of the seminar on ecological civilization construction and financial innovation in Jiangxi. Upon successful signing of this project, we pioneered the transaction of voluntary carbon emission reduction in the province as well as the new path for green development by “sales of air”, which laid a solid foundation for the sustainable development of forestry and forest zones in Jiangxi. Through optimization of operation management, reduction in harvest, extension of rotation and other measures, this project will achieve reduction in carbon dioxide emission by more than 3.377 million tons in aggregate as calculated for a term of 30 years (2006-2035).



7.2 PROMOTING GREEN TECHNOLOGY

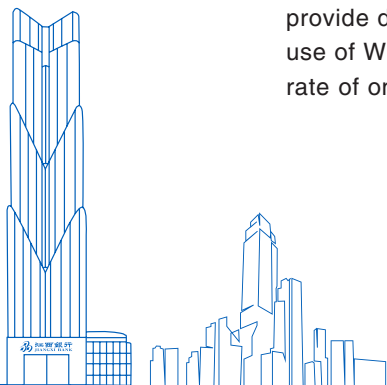
During the Reporting Period, the Bank was committed to improving scientific and technological support and accelerating scientific and technological innovation to inject new vitality into the overall development of its businesses.

- (1) Developing from service supported by technology to development led by technology. To bring into play technology to lead the business, the Bank proactively prioritized the work of processing demands. Through active communication and analysis of the business demands, the technological development personnel reduced duplicate construction and duplicate maintenance, and planned the systematic development based on the existing business model and on the premise of striking a balance between risks and efficiencies. Guided by the concept of prioritizing demands, the Information Technology Department worked closely with the Risk Management Department, Operation Management Department, Personal Banking Department, Internet Finance Department and other departments to build a centralized operating platform, smart credit platform, smart collection platform, smart branch platform, etc. Through advanced construction of the system, the Bank led the business departments to reform the business process and management system, and set up a centralized operating center and an online credit operating center, in order to encourage the front-desk service personnel to become the front-line sales personnel. Whilst unleashing the manpower, the Bank was able to avoid various risks arising in the course of business operation. Apart from support, it also induced changes to its own management models for the business, such as smart credit platform, which changed the original “face-to-face”, “black-and-white” formats of loans into purely online and digitalized formats based on “the cooperation between human and robots”.



VII. PRACTICING GREEN DEVELOPMENT AND PROTECTING ECOLOGICAL ENVIRONMENT

- (2) Achieving data inter-connection. Through collecting big data, analyzing the data of customer behaviors and financial trading, the Bank carried out multi-dimensional data integration adhering to the customer-centric principle, so as to achieve the data inter-connection. Through creating a 360-degree panoramic customer view and building a tagging system of financial business for customers, the Bank offered the recommendation of product personalization and provided differentiated pricing and targeted marketing. Meanwhile, the Bank performed risk management of online credit products based on big data, analyzed the credit profile of the borrowers based on both internal and external data (such as retrieving facilities' fingerprints externally, judicial system, criminal records and sesame credit) before granting loans, the Bank built the anti-fraud and credit model and the multi-dimensional analysis indicator model where it conducted risk assessment by formulating the rules for entry risks based on the features of the credit products. Upon the grant of loans, the Bank also utilized the post-loan behaviors scoring model and regularly performed post-loan investigations. By assessing the borrowers' post-loan behavior data and the external credit data, and integrating such with the customers' data within the Bank, the Bank excavated risk management data out of the abundant consolidated data and set up the "indicator + scoring" two-way warning mechanism, to identify the types, degree, causes and changing trends of the risks, while deepening and broadening the risk warning efforts so as to realize risk management of products across all business lines.
- (3) Utilizing fintech to promote online financial services. Fintech excels at boosting the efficiency in credit approval and the function of risk management. The Bank utilized the big data technology, and provided four major credit products, i.e. "Cell-phone Instant Loan", "Shui e Rong", "Handheld Micro Loan" and "Micro Enterprise Loan", offering financial credit services to individual customers, small and micro enterprise customers and tax-paying entities. "Cell-phone Instant Loan" creates customer risk indicators by integrating data inside and outside the industry and performs credit risk scoring on customers and calculates the differentiated amount and interest rate to realize 100% online loan application, approval and drawdown, thus significantly reducing the cost of financing for customers and the time for business procedures. "Shui e Rong" is built upon the big data risk management technology to achieve online customer acquisition, self-application, online contract signing and self-service loan utilization. It is a "zero pledge and zero guarantee and pure credit" loan product jointly developed by Jiangxi Bank and Jiangxi State Administration of Taxation targeting at micro, small and medium tax-paying enterprises. "Handheld Micro Loan" and "Micro Enterprise Loan" cater to the financing needs of small and micro enterprises, while seizing the financing "pain points" faced by small and micro enterprises. To help companies achieve business, the Bank accurately screened and selected the profile of small and micro enterprises taking into account the aspects such as whether the enterprises are tax paying, duration of tax payment and the transparency of corporate news, to provide differentiated financial services for them. Based on big data analyses, the Bank made use of WeChat Official Account or APP-based operations to enhance user experience and the rate of online loan drawdown for small and micro enterprises.



VII. PRACTICING GREEN DEVELOPMENT AND PROTECTING ECOLOGICAL ENVIRONMENT

7.3 DEVELOPING GREEN LEASING

Since its establishment, Jiangxi Financial Leasing has always adhered to the development direction of “based in Jiangxi, facing the whole country, looking forward to the international market, and providing professional financial leasing services”, effectively served the national strategies including the “Belt and Road Initiative”, Yangtze River Economic Zone and the Revitalization Development Planning of the Former Central Soviet Area, including Jiangxi, Fujian and Guangdong, mainly supported public water conservancy facilities, advanced manufacturing, transportation, tourism development, energy and chemical engineering, medical and health care, agriculture, forestry, animal husbandry and fishing, and cultural education, and made considerable achievements in the asset scale and business innovation.

As at the end of 2019, the green leasing business revenue of Jiangxi Financial Leasing was RMB2.455 billion, representing 13% of the total leasing business revenue of RMB18.904 billion. The asset quality by the five categories is normal with 100% rental rate of return. There was no record of overdue interest and the non-performing loan ratio was zero.

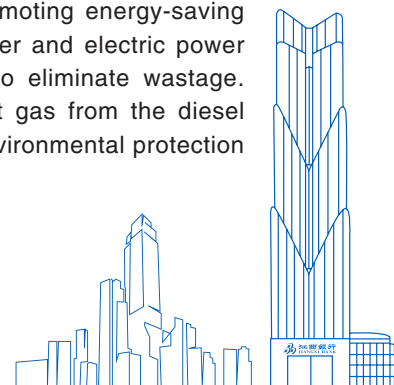
In the future, Jiangxi Financial Leasing will closely follow the plan to develop “Internet finance”, “car leasing” and “green leasing”, make the best of the characteristics of “financing capitals + financing goods”, actively explore new development path for green finance, such as “finance and leasing linkage”, and adhere to the sustainable development path featuring differentiation, specialization and professionalization.

Case:

For “green leasing”, Jiangxi Financial Leasing mainly developed the Facility Policy for Tourism Industry of Jiangxi Financial Leasing Corp., Ltd. (《江西金融租賃股份有限公司旅遊行業授信政策》) Based on the features of tourism projects, such as large sum of investment, long term of collection of funds and sustainable cash flows, Jiangxi Financial Leasing implemented differentiated crediting policy to step up its investment in green finance within the province, provided elaboration for tourism related customers to optimize the development of infrastructure facilities, stepped up efforts in tourism equipment reconstruction and upgrade and mainly developed financial leasing products tailored for tourism projects, involving famous scenic areas, such as Wugong Mountain, Damao Mountain and Poyang Lake.

7.4 ADVOCATING LOW-CARBON OPERATION

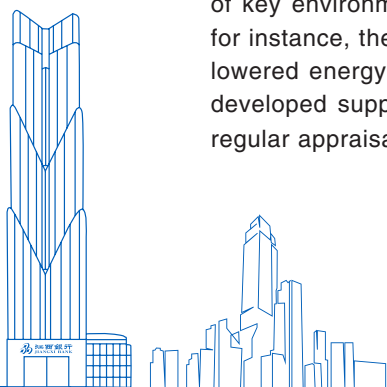
In 2019, under the philosophy of quality services, the Bank earnestly improved our service level and ensured the safe and stable operation of the Bank. The Bank continued to push forward refined management and arranged property companies to convene meetings. In promoting energy-saving and environmental protection, the Bank made statistics and analyses on water and electric power usage and investigated the causes immediately when abnormalities arise to eliminate wastage. At the same time, water treatment equipment was installed to filter exhaust gas from the diesel generator such that the exhaust gas is treated before discharge to meet the environmental protection



VII. PRACTICING GREEN DEVELOPMENT AND PROTECTING ECOLOGICAL ENVIRONMENT

standards; and solid waste has been treated in compliance with the Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution (《中華人民共和國固體廢物污染環境防治法》). The whole Bank made concerted efforts to focus on the elevator renovation work. According to the Management Measures on the Use of Electricity in the Office Building of the Head Office of Jiangxi Bank (《江西銀行總行辦公大樓用電管理法》) and the Management Manual for the Use of Air Conditioning in the Office Building of the Head Office of Jiangxi Bank (《江西銀行總行辦公大樓空調使用管理手冊》), the Bank carried out refined management on the use of electricity in the office building of the Head Office through a combination of the management and technical means. While optimizing the standard of management of the use of electricity in the building, it significantly reduced the electricity expenses and enhanced the employees' awareness on electricity saving. Based on the Management Measures for Staff Canteens of Jiangxi Bank (《江西銀行職工食堂管理辦法》), the Bank completed the launch of buffet for the staff canteens at the Head Office to improve employees' dining satisfaction; as guided by the central procurement committee of the Head Office, the Bank enhanced the finance management, purchased relevant materials in strict compliance with the management measures for central procurement of the Head Office, organized compliance and legal tender for green plant leasing, property management companies, office supplies and daily necessities, and completed the signing of contacts with the successful tenderer; according to the Management Measures for Fixed Assets of Jiangxi Bank (《江西銀行固定資產管理辦法》), the Bank maintained unified management of the registration, reallocation and retirement of fixed assets and low-cost consumables of the office building of the Head Office, to maximize the utilization rate of assets; implemented centralized management and unified deployment of vehicles; supervised the property management companies in performing the property contracting agreement and implementing management measures to achieve standardized, systematic and regulated property management for the office building of the Head Office.

For standardization, management and scientific selection of suppliers, the Bank managed the procurement in accordance with the Procurement Law of the People's Republic of China (《中華人民共和國政府採購法》), the Tender and Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》), the Contract Law of the People's Republic of China (《中華人民共和國合同法》) and other laws and regulations as well as the Management Measures for Central Procurement of Jiangxi Bank (《江西銀行集中採購管理辦法》), the Suppliers Management Measures of Jiangxi Bank (《江西銀行供應商管理辦法》) and other policies as formulated by Jiangxi Bank. The Procurement Management Measures has clarified the scope and manner of central procurement and procedures thereof. In particular, for procurement projects which are not subject to tender as required by the national laws and regulations, competitive negotiations shall be preferentially adopted with strict control over single source. The Bank's central procurement is carried out under the principles of "standard, efficient, orderly and collaborative". In the supplier approval link, product-type suppliers are explicitly required to pass ISO14001 environmental management system certification, the products offered shall be of low-toxicity, non-polluting and energy-saving, and a quantitative appraisal will be conducted in respect of key environmental indicators; new technologies and products are introduced in IT procurement, for instance, the use of VR technology reduced the investment of physical devices, which effectively lowered energy consumption and usage of physical space. In supplier management, the Bank has developed supplier appraisal standards, and implemented dynamic management by combining the regular appraisals with the overall evaluations upon completion of contract performance.



VII. PRACTICING GREEN DEVELOPMENT AND PROTECTING ECOLOGICAL ENVIRONMENT

As at the end of 2019, the Bank had a total of 1,624 potential suppliers at the Head Office level, of which 261 (comprising 205 suppliers within the province and 56 suppliers outside the province) were suppliers offering products and services during the Reporting Period.

Table of Energy Consumption and Greenhouse Gases Emission for 2019

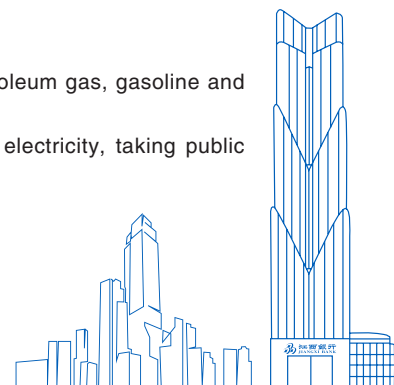
Item	Unit	2019	2018
Office water consumption	10,000 tonnes	18.62	11.84
Office electricity consumption	10,000 kWhs	2,805.78	2,418.42
Natural gas consumption	cubic meters	105,905.49	30,803.90
Oil consumption for office use	liters	983,753.53	588,337.03
Discharge of non-hazardous waste	tons	2.32	6.25
Greenhouse gas emission	tCO ₂ e	20,287.98	16,832.65
– Direct greenhouse gas emission ³	tCO ₂ e	964.07	848.10
– Indirect greenhouse gas emission ⁴	tCO ₂ e	19,323.92	15,984.55

Case 1:

To further save energy, and fulfill our social responsibilities, the Bank has set up an energy management team to carry out the “the project on refined management of electricity use in office building of the head office” by implementing refined control over electricity use in the office of the Head Office and completing the renovation of two-circuit electricity use as scheduled via combination of management and technical means, which significantly cut electricity expenses and improved the electricity-saving awareness of employees while enhancing the management of electricity usage in the office. Moreover, the Bank issued the Administrative Measures on the Use of Electricity in the Office Building of the Head Office of Jiangxi Bank (《江西銀行總行辦公大樓用電管辦法》) and the Management Manual for the Use of Air Conditioning in the Office Building of the Head Office of Jiangxi Bank (《江西銀行總行辦公大樓空調使用管理手冊》), to enhance patrols and monitoring on the lighting and air-conditioning facilities in office area and computer room, and advocate “use of natural lighting”, and “use of air-conditioner if necessary” so as to raise the energy-saving awareness of employees. We have also set up a management group for electricity conservation and electricity use safety of Jiangxi Bank to coordinate the management of electricity conservation within the Bank and raise energy management to strategic level. Meanwhile, the Bank adopted a series of measures including optimization of patrol system and regular reporting of improper use of electricity.

³ Including the emissions of such greenhouse gases as natural gas, liquefied petroleum gas, gasoline and diesel

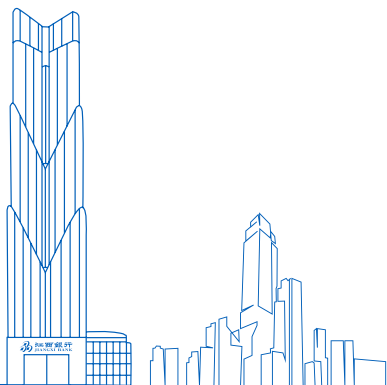
⁴ Including the emissions of such greenhouse gases generated from consuming electricity, taking public transport for business trips and outsourcing armor cash carriers service



VII. PRACTICING GREEN DEVELOPMENT AND PROTECTING ECOLOGICAL ENVIRONMENT

Case 2:

During the Reporting Period, the logistics service center of the Bank implemented centralized management and unified deployment of vehicles. The centralized management of vehicles greatly improved the utilization efficiency of vehicles, notably decreased day-to-day vehicle usage frequency and significantly lowered vehicle operating costs. Meanwhile, the Bank strengthened the management of vehicle gas usage through implementing the policies of one gas card for one vehicle and special-purpose car only for special purposes, and set limits on gas quality and amount to be used, etc. according to different vehicles and needs. We improved vehicle fuel management with special checks on those highly gas-consuming vehicles, and better managed the fuel charging of the vehicles.



VIII. ENGAGING IN PHILANTHROPIC WORK AND REPAYING SOCIETY

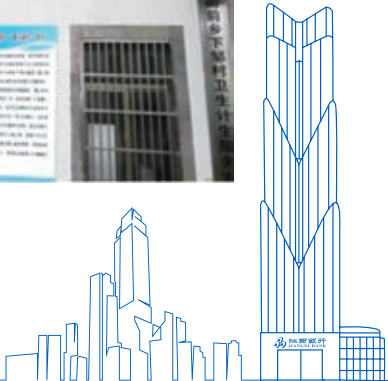
8.1 INSISTING ON TARGETED POVERTY ALLEVIATION

Since establishment, the Bank has been fulfilling public welfare responsibilities each year through visiting people in difficulties, devoting our care and warm services to the communities of poor households through different methods, fully demonstrating Jiangxi Bank’s corporate culture of serving the society and the public as a local bank. According to the overall work deployment plan and poverty alleviation targets of the Party Committee and the People’s Government of Jiangxi Province, the Nanchang Municipal Party Committee, and Non-local City Committee in Jiangxi Province, in 2019, the Bank established 28 poverty alleviation squads. The Bank assisted 32 impoverished villages in Jiangxi Province, and invested a total of RMB6.48 million in poverty alleviation for poverty-stricken villages for the construction of Ninghong Hope Primary School, rural roads and caring supermarkets as well as the development of industrial base for agricultural products including green crops, lobed kudzu vine roots and greenhouse vegetables. While providing strong support to targeted poverty alleviation, the Bank’s credit supply balance in poverty-stricken areas was RMB16.663 billion, up by RMB3,295 million or 24.65% from the end of last year, whereas the Bank’s financial targeted poverty alleviation loan balance was RMB730 million, up by RMB134 million or 22.48% from the end of last year, taking practical actions to fulfil its mission and responsibility of financial targeted poverty alleviation.

The Bank actively explored the new path of “financial +” targeted poverty alleviation according to local conditions, actively supported key and major projects such as infrastructure construction, urbanization, and shanty town renewal in 23 poverty-stricken areas in Jiangxi Province through “financing + project poverty alleviation”, “financing + industrial poverty alleviation”, “financing + educational poverty alleviation” and other modes, and employed characteristic products such as “Southern Jiangxi Orange Circle Loan”, “Poverty Alleviation Credit Link”, “Huimin Credit Link” and “Huimin Loan” to support local characteristic industries such as furniture manufacturing, Southern Jiangxi navel orange and feed processing to improve the local employment environment and help the former Central Soviet Area, such as Southern Jiangxi, to “overcome poverty and solve problems”.

Case 1:

Industrial poverty alleviation is a fundamental and sustainable way of poverty alleviation. To help the poverty-stricken families build independence and solve their “bad habits”, the Jiangxi Bank-Xiazou Village “Caring Supermarket” was set up for the filed poverty-stricken households in Xiazou village, Yaqian town, Jinxian county, Nanchang city, Jiangxi Province (hereinafter “Xiazou village”) with the support of Jiangxi Bank. The Caring Supermarket adopts a point redemption system based on assessment of the following five indicators in daily life, namely social ethics, family virtues, law & compliance, endogenous power and work collaboration to help the filed poverty-stricken households get rid of the thinking such as “waiting, relying and needing” while helping them build the endogenous power to actively get out of poverty.

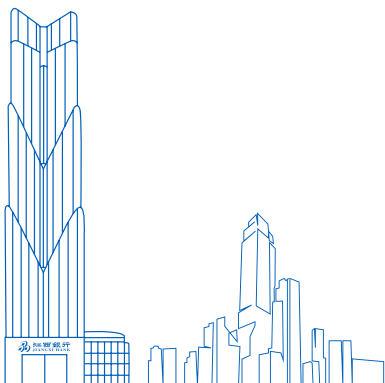


VIII. ENGAGING IN PHILANTHROPIC WORK AND REPAYING SOCIETY

Case 2:

Ninghong village is one of the severely impoverished villages in Xiushui county, Jiujiang. Currently, it has 83 households and 316 individuals filed for poverty with a poverty rate of 20.1%. The main reasons for poverty are lack of technology, illness and disability. Since 2018, Jiangxi Bank has picked Ninghong village as the starting point in carrying out pairing of poor households for the provision of assistance and penetrated into the village to carry out village assistance work. The funds raised are used to improve areas such as the household appearance, village appearance and industrial development of Ninghong village.

While pushing ahead to fight the battle against poverty, we helped Ninghong village comprehensively develop its traditional industries such as silk farming and tea farming and built the “one-leader, three-participation” demonstration site for poverty alleviation of the silk and tea industries where it made use of the model of “enterprise + poor households, cooperative + poor households, industry leaders + poor households and Party member + poor households” which drove wealth creation for them, and achieved outstanding results.



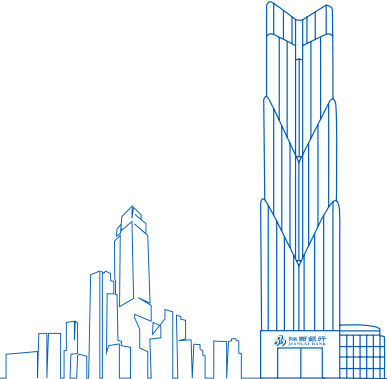
VIII. ENGAGING IN PHILANTHROPIC WORK AND REPAYING SOCIETY

8.2 PARTICIPATING IN CHARITABLE ACTIVITIES

The Bank insisted on carrying out charitable activities to serve the society, cultivated the spirit of dedication of the employees as well as nurtured the spirit of public welfare and teamwork value across the Bank, and actively organized volunteer activities, to discharge our due obligations as a corporate citizen, convey more love and warmth to more places, and draw the attention from all sectors of the society to public welfare, while practicing our corporate social responsibilities. In 2019, the Bank carried out many volunteer activities of 60 hours in aggregate with over 500 participants in total.

Case 1:

On July 23, 2019, the “One Cup of Water” cooling relay public welfare event season two jointly launched by Sina Jiangxi, Nanchang Tongcheng and Nanchang News was officially rolled out. Our Head Office’s secretary to the league committee, along with some sub-branch secretaries in the urban area and youth representatives, participated in the event. As a public welfare relay member, the Bank took part in the relay event, sending more than 300 cooling kits to those working outdoor under high temperature, including fire commanders, cleaning workers and traffic officers. In addition to eagerly providing cooling kits such as medical supplies, bottled mineral water and umbrellas, the Bank organized various leagues and sub-branches to send their love and care to the outdoor workers who stick to their position under high temperature. The volunteer activity demonstrated to the society that the Bank put its love and responsibility into action, actively participated in public welfare activities, practiced social responsibilities, and demonstrated the responsibilities and undertakings of Jiangxi Bank’s youth.



VIII. ENGAGING IN PHILANTHROPIC WORK AND REPAYING SOCIETY

Case 2:

From January 2, 2019 to January 31, 2019, the league committee of the Bank launched a volunteer activity themed “Reunion to make a good start” to send warmth and service to the residents in the community. During which, various sub-branches of the Bank carried out community-wide cleaning, organized volunteers to chat with orphans, widows and widowers or elderly singletons, answered and promoted fundamental financial knowledge, basic anti-crime legal knowledge and life tips through on-site posters and detailed explanations, gave away winter gifts such as hand gloves, heat pads and thermo mugs, and collaborated with the community banks to set up promotion booths, distribution promotional flyers and organize community events. Through the event, the league committee of the Bank capitalized on the opportunities of the “good start” to help young employees fulfill their social responsibilities and stimulate their passion for work, while constantly upholding its good traditions in striving to be a moral and civilized pioneer of the new era.

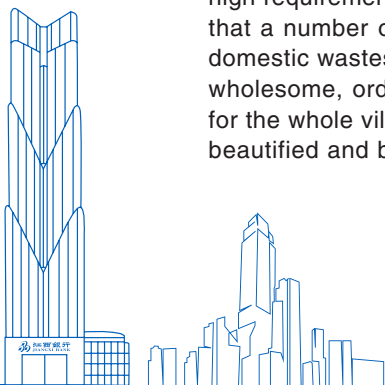


8.3 CONSTRUCTING A HARMONIOUS COMMUNITY

The Bank fully discharged our responsibilities to earnestly give back to the community by carrying out leisure, cultural, educational, and sport activities to meet the needs of residents, enrich their lives, and stimulate their participating passion and drive, with a view to fostering a healthy and energetic community. Through taking the social responsibilities of serving the community, the residents of the community witnessed the booming development momentum of Jiangxi Bank, which helped create the brand image and expand the brand influence.

Case 1:

The Bank carried out a campaign themed “renovating the village environment and building a beautiful Xiazou and an ecological homeland” across Xiazou village where it painted walls of the whole village and conducted comprehensive inspection and renovation of the sanitary environment of the village. Villagers were organized to thoroughly clean the garbage along the two sides of rural roads and gutter ways, and the waste produced each day was collected in a timely manner, to radically change the unclean image of the village and create a beautiful one. The sanitary environment of the village was renovated under the high requirements of the civilization index evaluation standards that a number of blind spots were cleaned up with 12 tons of domestic wastes cleared away, thereby cultivating a clean and wholesome, orderly, beautiful and civilized living environment for the whole village and attaining the standard of being green, beautified and brightened.



VIII. ENGAGING IN PHILANTHROPIC WORK AND REPAYING SOCIETY

Case 2:

In October 2019, the Bank kicked off the “Respect for the Elderly Month” with the theme of “devoting to the elderly and caring for the family to do good deeds”. Combining outdoor advertising and outlet publicity, the Bank carried out a myriad of activities to care for the elderly through distributing foldouts, organizing seminars and explaining to customers as well as other means such as radio, television and the Internet to guide the elderly to build a scientific, healthy and civilized life concept and lifestyle, while calling for an proactive treatment towards the aging society and more attention to the elderly and their life. The “Respect for the Elderly Month” vigorously promoted the traditional virtues of respecting and caring for the elderly and further improved the elderly’s awareness on preventing and detecting fraud while further fulfilling our social responsibilities and enhancing the brand image of the Bank.



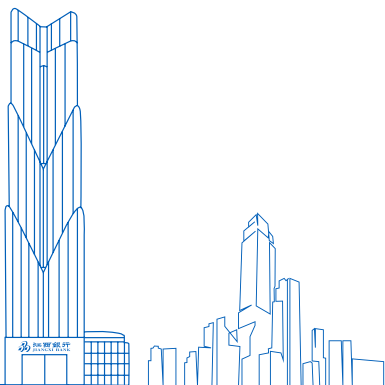
Case 3:

To strengthen our efforts to fight against new illegal crimes in telecommunication networks and create a strong atmosphere for everyone in the society to fight against new illegal crimes in telecommunications networks, the Bank rolled out the “Prevention against new illegal crimes in telecommunications networks” event in all areas where it operates. Taking the business hall as the main area of promotion, in 2019, the Bank penetrated into the community and district towards different groups of financial consumers to promote the major means of crimes, typical cases and preventive measures for the new illegal crimes in telecommunication networks. The Bank organized a total of 199 promotion activities, distributed more than 16,000 promotional foldouts and handled more than 10,956 enquiries. This event has expanded the coverage and influence of anti-telecommunication fraud promotion and is conducive to shaping a harmonious and stable financial environment. At the same time, by further fulfilling its social responsibilities, the Bank has allowed the residents to feel the strong growth momentum of Jiangxi Bank.



OUTLOOK FOR 2020

The year 2020 is a decisive year for the battle against poverty, a year to realize the goal of building a well-off society, and a critical year for combating against the COVID-19 pandemic. Unwaveringly adhering to the guidance of Xi Jinping thought on socialism with Chinese characteristics for a new era, consolidating “Four-Consciousness”, strengthening the “Four-Confidence” and achieving “Two-Maintenance”, Jiangxi Bank will sturdily serve the real economy, the inclusive finance, the green finance, a wide range of small and micro enterprises, the general public and employees to industriously create value for society, economy and the environment, such that the Bank can contribute its effort in winning the battle against poverty and attaining the goal of bringing forth the well-off society, and also make contribution to implement policies of “six-stability” and “six-security”.



INDEPENDENT LIMITED ASSURANCE REPORT

To the Board of Directors of Jiangxi Bank Co., Ltd.:

We were engaged by the Board of Directors of Jiangxi Bank Co., Ltd. (“the Bank”) to provide limited assurance on the 2019 Environmental, Social and Governance Report of the Bank for the year ended December 31, 2019 (the “ESG Report”).

I. RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors of the Bank is solely responsible for the preparation and presentation of the 2019 ESG Report, including the information and assertions contained within it, in accordance with the disclosure recommendations of The Stock Exchange of Hong Kong Limited’s Environmental, Social and Governance Reporting Guide (“SEHK’s Guide”).

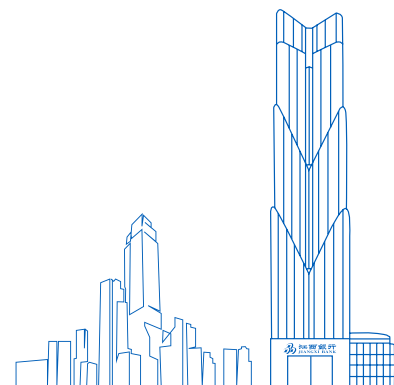
The Board of Directors is also responsible for designing, implementing and maintaining internal control that enables the preparation and presentation of the ESG report that is free from material misstatement, whether due to fraud or error.

II. RESPONSIBILITIES OF KPMG

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. We conducted our work in accordance with International Standard on Assurance Engagements 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information.

We have complied with our independence and other relevant ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and complied with the applicable requirements of International Standard on Quality Control 1 to maintain a comprehensive system of quality control.

Our independent limited assurance report is made solely to the Bank in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the Board of Directors of the Bank those matters we have been engaged to state in this independent limited assurance report and for no other purpose. We do not accept or assume responsibility to anyone other than the Bank for our work, for this independent limited assurance report, or for the conclusions we have reached.



INDEPENDENT LIMITED ASSURANCE REPORT

III. SUMMARY OF WORK PERFORMED

A limited assurance engagement on an ESG report consists of making inquiries, primarily of persons responsible for the preparation of information presented in the ESG report, and applying analytical and other procedures, as appropriate. Our procedures included:

- Inquiries of management to gain an understanding of the Bank's processes for determining the material issues for the Bank's key stakeholders;
- Interviews with management and relevant staff at the Bank concerning sustainability strategy and policies for material issues, and the implementation of these across the business;
- Interviews with relevant staff at the Bank responsible for providing the information in the ESG Report;
- A media analysis and an internet search for references to the Bank during the Reporting Period;
- Inquires about the process of the aggregation and compilation of data which are related to the ESG report, including the design and implementation of the relevant systems and methodologies;
- Comparing the information presented in the ESG Report to corresponding information in the relevant underlying sources by limited testing to determine whether key information contained in such underlying sources has been included in the ESG Report;
- Reviewing the consistencies of the key financial data and indicators of the ESG report with those in the externally audited financial statements; and
- Reading the information presented in the ESG Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of the Bank.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore, a lower level of assurance is provided. In addition, our work was not undertaken for the purpose of opinion on the effectiveness of the Bank's systems and procedures.

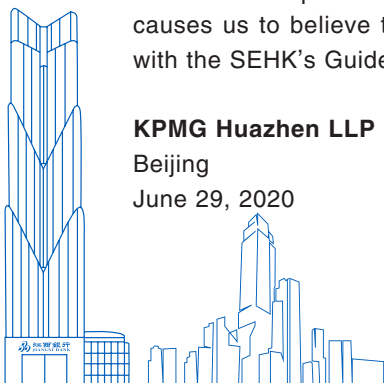
IV. CONCLUSIONS

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Bank's ESG Report is not prepared, in all material respects, in accordance with the SEHK's Guide.

KPMG Huazhen LLP

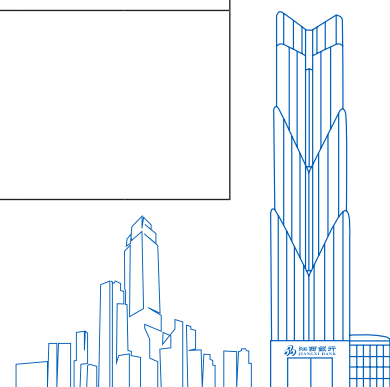
Beijing

June 29, 2020

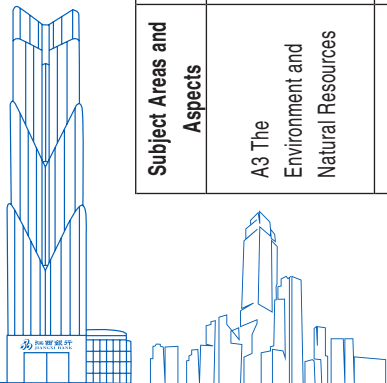


ESG INDICATOR INDEX

Subject Areas and Aspects	General Disclosures	Key Performance Indicators	Corresponding Chapters
A1 Emissions	Information on the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	<p>A1.1 The types of emissions and respective emissions data</p> <p>A1.2 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)</p> <p>A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)</p> <p>A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)</p> <p>A1.5 Description of measures to mitigate emissions and results achieved</p> <p>A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved</p>	<p>7.4 Advocating Low-carbon Operation</p> <p>7.4 Advocating Low-carbon Operation</p> <p>Not applicable</p> <p>7.4 Advocating Low-carbon Operation</p> <p>7.4 Advocating Low-carbon Operation</p>
A2 Use of Resources	Policies on the efficient use of resources, including energy, water and other raw materials	<p>A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)</p> <p>A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility)</p> <p>A2.3 Description of energy use efficiency initiatives and results achieved</p> <p>A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved</p> <p>A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced</p>	<p>1.3 Key Performance, 7.4 Advocating Low-carbon Operation</p> <p>1.3 Key Performance, 7.4 Advocating Low-carbon Operation</p> <p>7.4 Advocating Low-carbon Operation</p> <p>Note</p> <p>Not applicable</p>



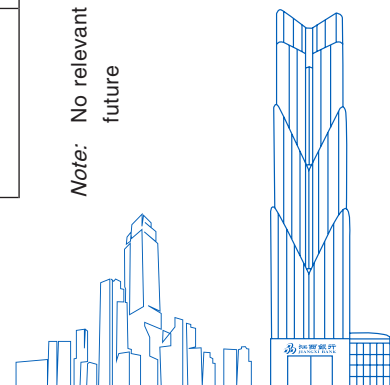
Subject Areas and Aspects	General Disclosures	Key Performance Indicators	Corresponding Chapters
A3 The Environment and Natural Resources	Policies on minimizing the issuer's significant impact on the environment and natural resources	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	VII. Practicing Green Development and Protecting Ecological Environment
B1 Employment	Information on the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	B1.1 Total workforce by gender, employment type, age group and geographical region B1.2 Employee turnover rate by gender, age group and geographical region B2.1 Number and rate of work-related fatalities	6.3 Protecting Employees' Rights and Interests Note Not applicable
B2 Health and Safety	Information on the policies; and 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	B2.2 Lost days due to work injury B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored	6.3 Protecting Employees' Rights and Interests 6.3 Protecting Employees' Rights and Interests
B3 Development and Training	Policies on improving employees' knowledge and skills for discharging duties at work, description of training activities	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management) B3.2 The average training hours completed per employee by gender and employee category	6.2 Contributing to Staff's Development 6.2 Contributing to Staff's Development
B4 Labor Standards	Information on the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor	B4.1 Description of measures to review employment practices to avoid child and forced labor B4.2 Description of steps taken to eliminate such practices when discovered	6.3 Protecting Employees' Rights and Interests Not applicable
B5 Supply Chain Management	Policies on managing environmental and social risks of the supply chain	B5.1 Number of suppliers by geographical region B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	7.4 Advocating Low-carbon Operation 7.4 Advocating Low-carbon Operation



ESG INDICATOR INDEX

Subject Areas and Aspects	General Disclosures	Key Performance Indicators	Corresponding Chapters
B6 Product Responsibility	Information on the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable
		B6.2 Number of products and service-related complaints received and how they are dealt with	5.3 Protecting Customers' Rights and Interests
		B6.3 Description of practices relating to observing and protecting intellectual property rights	3.3 Sound and Compliance-based Operation
		B6.4 Description of quality assurance process and recall procedures	Not applicable
		B6.5 Description of consumer data protection and privacy policies; how they are implemented and monitored	5.3 Protecting Customers' Rights and Interests
B7 Anti-corruption	Information on the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Not applicable
		B7.2 Description of preventive measures and whistleblowing procedures, how they are implemented and monitored	3.3 Sound and Compliance-based Operation
B8 Community Investment	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	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	8.3 Constructing a Harmonious Community
		B8.2 Resources contributed (e.g. money or time) to the focus area	8.3 Constructing a Harmonious Community

Note: No relevant data was available during the Reporting Period, and the Bank will disclose the relevant information in a planned manner in the future



READER'S FEEDBACK

Thank you for reading the 2019 Environmental, Social and Governance Report of Jiangxi Bank Co., Ltd. For the purpose of enhancing communication and exchanges with stakeholders and further improving the Bank's capabilities for performing our social responsibilities, we hope that you can share with us your valuable comments and suggestions on this report by completing the feedback from below and sending it to us via any of the following ways.

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Tel: +86-791-86791008

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E-mail: zhangn01@jx-bank.com

1. Which kind of stakeholder are you?
 Government Regulator Shareholder Customer Staff Supplier Partner
 Community Environment Others
2. Your general evaluation on this report:
 Poor Average Good Excellent
3. Your evaluation of Jiangxi Bank in performing social responsibilities for economic development:
 Poor Average Good Excellent
4. Your evaluation of Jiangxi Bank in performing social responsibilities for environment:
 Poor Average Good Excellent
5. Your evaluation of Jiangxi Bank in performing social responsibilities for social progress:
 Poor Average Good Excellent
6. Do you think the information disclosed in this report is complete?
 No Average Yes
7. Do you think the content and typography is clear and suitable for reading?
 No Average Yes
8. Do you have any other comments or suggestions on this report and on the improvement and development of Jiangxi Bank for performing social responsibilities:

Thank you for your caring and support for Jiangxi Bank!

