



鄭州銀行股份有限公司

BANK OF ZHENGZHOU CO., LTD.

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

H-share Stock Code: 6196

Preference Shares Stock Code: 4613

A-share Stock Code: 002936



2019

CORPORATE SOCIAL RESPONSIBILITY REPORT

ENVIRONMENTAL SOCIAL GOVERNANCE

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About This Report



Bank of Zhengzhou Co., Ltd.¹ ("**Bank of Zhengzhou**", "**Bank**" or "**we**") issues the corporate social responsibility report ("**Report**") to set out our social responsibility performance to stakeholders in a transparent and open way. This Report highlights the Bank's efforts to promote sustainable development in areas of economy, society and environment, and helps stakeholders to gain a comprehensive understanding of the Bank's philosophy and practices on corporate social responsibility.

Reporting Period

Unless otherwise stated, this Report contains our environmental, social and governance policies and performance from 1 January 2019 to 31 December 2019 ("**Reporting Period**"). Some of the information in this Report will be extended for continuity and comparability.

Reporting Cycle

The Bank's corporate social responsibility report is annually published. The most recent report was published in June 2019.

Reporting Scope

This Report has the same scope as last year's report, which includes Bank of Zhengzhou, covering its head office, branches, sub-branches and its subsidiaries. Environmental and employment data scope will be described in "Adhering to Green Operations" and "Protecting Employees' Rights and Interests" sections.

Basis of Preparation

This Report is prepared in accordance with the Appendix 27 *Environmental, Social and Governance Reporting Guide* ("**Guide**") of the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* ("**SEHK**"). This Report complies with all "comply or explain" provisions stated in the Guide and is prepared based on reporting principles of materiality, quantitative, balance and consistency. This Report is also prepared with reference to the GRI Standards, core option, *Opinions on Strengthening the Social Responsibility of Banking Financial Institutions* of the former China Banking Regulatory Commission (CBRC), *Guidelines on the Corporate Social Responsibility of Banking Institutions of China* of the China Banking Association, and *Guidelines on Standardized Operation of Companies Listed* of the Shenzhen Stock Exchange ("**SZSE**").

¹The Bank is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking and/or deposit-taking business in Hong Kong.

Data Collection

The financial data involved in this Report is derived from the Bank's 2019 financial statements prepared in accordance with the Chinese Accounting Standards and the International Financial Reporting Standards. Unless otherwise stated, the financial data calculated in accordance with the above standards in this Report have no difference in between. The Bank's 2019 annual financial statement has been audited by an accounting firm.

Other data and information in this Report are mainly from statistical data of the Bank's head office, branches, sub-branches and subsidiaries. The relevant cases studies are from the summary of daily work practices.

Unless otherwise stated, the currency involved in this Report is in RMB.

Report Assurance

The board of directors ("**Board of Directors**" or "**Board**") and all directors ("**Directors**") of the Bank ensure that the information in this Report contains no false records, misleading statements or material omission, and they are jointly and severally liable for its authenticity, accuracy, and completeness. The independent limited assurance is performed by CECEP (Hong Kong) Investment Co., Ltd. in accordance with AA1000 Assurance Standard with an assurance statement issued.

Form of Issuance

This Report is issued in electronic forms and is available for access and download from the websites of SEHK (www.hkexnews.hk), SZSE (www.szse.cn), CNINFO (www.cninfo.com.cn) and website of Bank of Zhengzhou (www.zzbk.cn). This Report is written in Chinese and English, and in case of discrepancy between different versions, the Chinese version shall prevail.

Preparer of the Report

This Report is prepared by the Bank of Zhengzhou Board of Directors office, and was discussed and approved by the sixth session of the Board of Directors on 8 July 2020 in the 2020 fifth extraordinary meeting.

Contact Information

Please contact us through the following if there are any questions, comments or feedbacks of this Report.

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Chairman's Statement

Time flies as another year has gone.

2019 was the 70th anniversary of the founding of China. Over the past 70 years, the motherland has been full of vitality and renewal. Hundreds of millions of people of the Chinese nation have been working aggressively and confidently to stand towering among the nations of the world.

Taking the opportunity of reformation, Bank of Zhengzhou has been fighting hard for overcoming the adversities. In 2009, we started out again with a new name. Since then, we have been resolving historical burdens and looking for development and breakthroughs along the way. Now we have got our place among the national city commercial banks and became the "vanguard" in the "Henan financial army".

With gratitude, playing the financial role for real economy. Integrating financial resources to serve the local economy, we have proactively blended in the country's "Belt and Road Initiative", Henan's "Zhengzhou Airport Economic Comprehensive Experimental Zone, Henan Pilot Free Trade Zone and Zhengluoxin National Independent Innovation Demonstration Zone, and Central Henan Urban Agglomeration" and construction of Zhengzhou as a national central city, and deepened cooperation with 12 prefectural and country-level governments within the province. Bearing in mind the mission of the financial sector to serve real economy, we have made the "white list" for private enterprises, supported economic development for private enterprises, prioritized small and micro enterprises ("SMEs") in providing credits, and increased support for rapid-growing SMEs. Closely following the Party Central Committee's step on targeted poverty alleviation, we have formulated work plan for targeted poverty alleviation, launched various models for poverty alleviation loan products, and drove 10,095 archived poverty-stricken population to achieve prosperity. Taking advantages of Henan's location as a transportation hub that connecting all directions, we have continuously deepened the development of "Commerce and Logistics Bank". The "Five Clouds" platform has rapidly developed and received certain numbers of award such as China's top 50 enterprise of trade, logistics and finance.

With strength, building the basis of competence. We must first of all conduct ourselves honourably. To continuously strengthen the foundation for steady development and establish an efficient corporate governance, we have enhanced the top-level design, made party leadership a prerequisite for all policy decisions, and used party building to guide the overall situation. We have strengthened communication and coordination among general meeting, Board of Directors, board of supervisors ("**Board of Supervisors**") and management, and promoted the continuous improvement of the capacity of the "Three Boards and one Management" to perform their duties. We have promoted the exchange and rotation of cadres in branches and sub-branches for a sustainable talent growth mechanism. We have established the research and development team for "science, technology and business", and gradually improved its science and technology support capacity by relying on the innovation lab to make breakthroughs in major projects. We have formulated the risk preference that fits the actual situation, improved the pre-loan and post-loan management mechanisms, and increasingly optimized the quality of assets that getting remarkable results in risk management.

With warmth, strengthening the nation with harmony and common prosperity. To actively implement the concept of green development, we have issued RMB 2 billion of green bonds, and vigorously supported the green industrial projects in energy conservation, pollution prevention and control, resource conservation, clean transportation and clean energy. Adhering to the "people-orientated" concept, we have constantly improved remuneration and promotion system, strengthened the altitude personnel training, created a warm and friendly working environment, and earnestly taken the responsibility as an employer. Actively taking part in social voluntary activities and charities, we have donated about RMB 4.05 million this year. Taking the responsibility of epidemic prevention and accomplished the mission of frontline support, we have donated a total about RMB 7.6 million to charity organizations and epidemic prevention unit since the spread of COVID-19, including money and materials, established volunteer service team for the community, increased funding for resumption of production, implemented cost-cutting and profit-sharing measures, showing our warmth and sentiment at this critical moment.

With history borne in mind, standing at the timeframes of the two centenary goals converge, the Chinese nation is about to secure a decisive victory in building a moderately prosperous society in all aspects. The Bank of Zhengzhou rises to the occasion at the right time. Henan is an important birthplace of Chinese nation and Chinese civilization. The Bank of Zhengzhou is rooted in this area with the right place. Adhering to the strategy of high-quality development, we work hard as a "doer" and innovate as "pioneer" in working with the government, community, shareholders, customers, employees and partners and listen to the strong voice of the era.

Chairman
Wang Tianyu

President's Statement

The economic and financial environment was full of complexity and instability in 2019. Bank of Zhengzhou seized the opportunity, coped with the challenge, and vigorously promoted its high-quality development. The Bank earnestly fulfilled its social responsibility and comprehensively supported the sustainable development in terms of economy, environment, and society.

Stay true to the mission for development and usher in a new epoch for high-quality development. In 2019, Bank of Zhengzhou adhered to the keynote of returning to its roots and focusing on its principal business in reverse of a rush scale and speedy expansion, and encouraged the flow of financial resources to the real economy. The Bank reached strategic cooperation agreements with 12 prefecture-level and county-level governments in Henan Province. The Bank offered incentives to the real economy by taking measures such as reasonable pricing and implementation of fees deduction. As of the year end of 2019, the Bank had total loans and advances to customers of RMB 195,912 million, a year-on-year increase of 22.77%.

Safeguard lucid waters and lush mountains with the renewed efforts of green finance. In 2019, the Bank successfully issued green financial bonds of RMB 2 billion and in aggregate issued a total green financial bonds of RMB 5 billion, making it the largest city commercial bank in terms of green financial debt stock in Henan Province. All the funds raised were invested in the five environmental industries listed in the *Catalogue of Projects Supported by Green Bonds*, such as clean transportation, energy conservation, and ecological protection. Focusing on the key development strategies in Zhengzhou City and Henan Province, the Bank included strategic emerging industries, public facility management, water conservancy and other industries in its category of actively supporting industries. The Bank exited the industries of high pollution and high energy consumption and industries with overcapacity in an orderly manner and continued to strengthen its business layout of green finance. Through such actions, the Bank actively facilitated the green transformation of local economy and promoted the development of an ecological civilization.

Be innovative in inclusive finance and make a difference in supporting agricultural and small enterprises. The Bank set up Lankao Sub-branch, established working mechanisms such as the lead bank for poverty alleviation microfinance, and the special assessment of rural revitalization, connected with the data from Lankao County Big Data Development Administration, and deeply integrated into the construction of the Pilot Area of Financial Inclusion Reform in Lankao County. The Bank established a service model of "Poverty Alleviation Loans for Credit Cooperatives", selected village poverty alleviation teams, and made concerted efforts to alleviate poverty in carrying out targeted poverty alleviation in rural areas. By offering micro quick loan (微秒贷), e-tax financing (E税融), online preferential loan (线上优先贷), medical loan (医贷宝) and other small and microloan products, introducing external data such as judicial and tax data, and applying technology empowerment, the Bank strengthened its supports to SMEs. As of the end of 2019, the Bank's agriculture-related loans have reached RMB 40.461 billion, and its targeted industrial poverty alleviation loans have reached RMB 282.79 million, driving 10,095 archived poverty-stricken population to achieve prosperity.

Never forget where happiness comes from, feedback to the society, and spread the idea of love for fulfilling responsibility. The Bank contributed to the prosperity of local culture and sports by sponsoring the 2019 Zhengzhou International Marathon and the Li Shujian Charity Opera Concert. Besides, the Bank donated RMB 2 million to Zhengzhou Charity Federation and RMB 1 million to China Foundation for Development of Financial Education.

Since the outbreak of COVID-19, Bank of Zhengzhou has undertaken its responsibility as a local financial institution in collaboration with all sectors of the society. During the epidemic period, the Bank donated RMB 7.6 million, of which RMB 2.1 million was donated spontaneously by branches. The Bank increased funding for epidemic containment and control and resumption of production and work. The Bank worked with enterprises to tide over difficulties by different ways such as extending credit in advance, repaying old loans with new ones, extending maturities, and adjusting interest payments.

What's past is prologue. The year 2020 will be a decisive year to build a moderately prosperous society in all respects and to fight against poverty. Bank of Zhengzhou will keep its mission firmly in mind, focus on its principal business, firmly fulfil its responsibility, and continue to speed up the pace of high-quality development, with more outstanding results for contributing the society, shareholders, and customers.

President
Shen Xueqing

About Bank of Zhengzhou



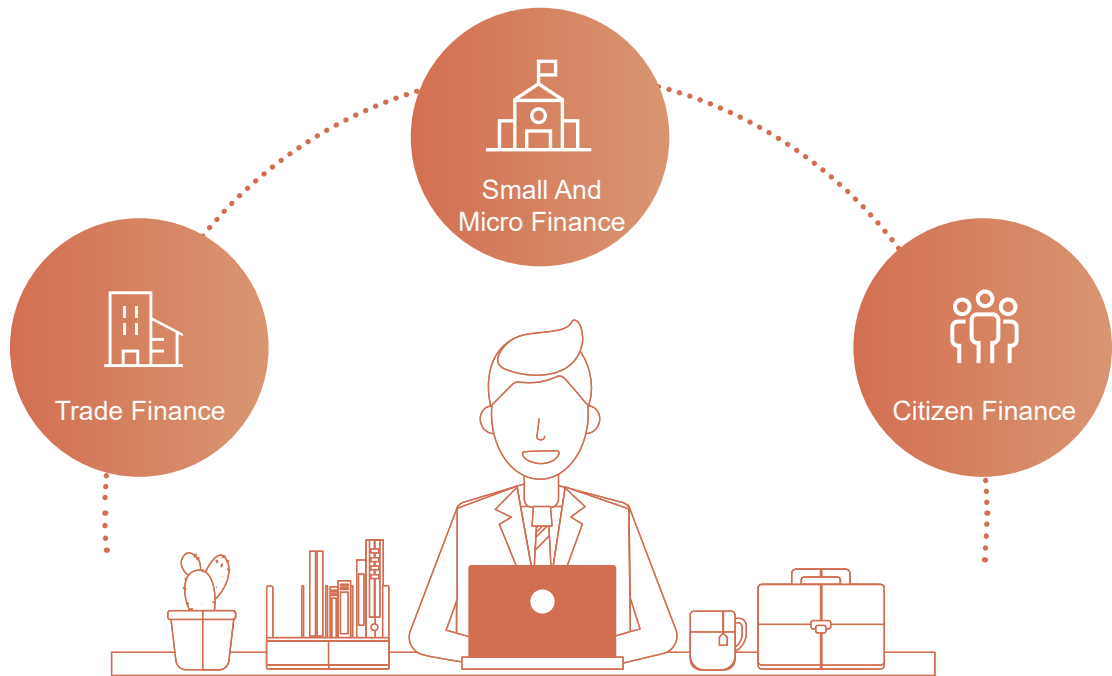
Company Profile

Bank of Zhengzhou is a regional joint stock commercial bank incorporated in November 1996 upon the approval by the People's Bank of China based on 48 city credit cooperatives in Zhengzhou City. The headquarter is located in Zhengzhou City, Henan Province, China. The Bank was renamed as Zhengzhou Commercial Bank Co., Ltd. in December 2000 and as Bank of Zhengzhou Co., Ltd. in October 2009. The Bank was listed on the SEHK in December 2015 and SZSE in September 2018, becoming the first domestic city commercial bank listed on both A and H shares markets.

The Bank's principal businesses mainly include corporate banking, retail banking and treasury businesses. The Bank provides corporate banking customers with a wide range of financial products and services, including corporate loans (including trade financing), international business and services, corporate deposits, as well as products and services involving transaction fees and commissions. The Bank provides retail banking customers with diverse products and services, including loans, deposits, and bank cards, as well as products and services involving transaction fees and commissions. The Bank's treasury businesses meet its liquidity needs while seeking maximum returns from non-loan business funds. The Bank's treasury business mainly includes money market transactions, investment in securities and other financial assets, bond underwriting and distribution, inter-bank discounts and rediscounts of bills and treasury business conducted on behalf of customers.



Three Distinctive Business Features



As of the end of the Reporting Period, the Bank had 4,854 employees and 171 institutional operation sites in the province including 1 operation division of the headquarter, 13 provincial branches and 1 finance service center for small enterprises. The Bank established Henan Jiuding Financial Leasing Co., Ltd. to manage 7 county banks at Zhongmu, Xinmi, Yanling, Fugou, Xinzheng, Xunxian and Queshan with its comprehensive business operation proceeded steadily. Total assets increased by RMB 34,336 million or 7.37% to RMB 500,478 million from the beginning of the year; total deposits increased by RMB 25,086 million or 9.50% to RMB 289,217 million from the beginning of the year; gross loans and advances to customers rose by RMB 36,339 million or 22.77% to RMB 195,912 million from the beginning of the year; net profit was RMB 3,373 million. The capital adequacy ratio was 12.11%, the non-performing loan ratio was 2.37% and the allowance to non-performing loan ratio was 159.85%. All of the major indicators complied with regulatory requirements.



4,854

employees



171

institutional operation sites
in the province



Assets scale

RMB **500,478** million



Honors and Awards

January 2019

- The Banker
- The 315th world's top 500 banks by brand value

February 2019

- China Banking Association
- The 6th city commercial banks with assets over RMB 200 billion based on the "GYROSCOPE" evaluation by China Banking Association

March 2019

- 10000link.com
- 2019 Best Financial Institution in China Supply Chain Finance
- China Foreign Exchange Trading System
- Active dealers in interbank local currency markets 2018

September 2019

- China Enterprise Confederation, China Enterprise Directors Association
- 10000link.com
- The 217th in the China's top 500 service companies
- 2019 China 50 Best in Logistics Finance

November 2019

- The Chinese Banker
- Hong Kong Commercial Daily, China Association for the Promotion of Development
- Best Strategic Management of City Commercial Bank
- Top 10 Financial Institution for Serving Real Economy by Financial Innovation

May 2019

- Trade finance magazine, sinotf.com, scfvip.com
- The Chinese Banker
- The Best logistics Financial Innovation Bank
- Best Financial Innovation Award Top Ten Fintech Innovation Award

July 2019

- The Banker
- Customer Contact Centre Standard Committee
- The 227th top 1000 global banks in 2019
- Customer Contact Centre Operation Performance examination with 5 star certificate

December 2019

- China Financial Certification Authority
- Financial Certification Authority, cebnet.com.cn
- Shine Consultant International
- China Business Journal
- Logistics Investment and Financing Branch of China Communications and Transportation Association, Shanghai Baoshan People's Government
- 2019 Award for Best Mobile Banking Innovation
- Award for Best Intelligent Financial Platform
- Award for Best Wealth Management Service Innovation
- 2019 Top 10 for Outstanding Competitiveness
- 2019 Award for China Logistic Financial Innovation

Key Performance

Economic Performance



Indicator Type	Unit	2019	2018
Operating income ⁽¹⁾	RMB 100 million	134.40	111.34
Net profit	RMB 100 million	33.73	31.01
Basic earnings per share	RMB	0.47	0.47
Total assets	RMB 100 million	5,004.78	4,661.42
Total deposits	RMB 100 million	2,892.17	2,641.31
Total loans	RMB 100 million	1,959.12	1,595.73
ROA	%	0.70	0.69
Weighted average ROE	%	9.30	10.03
Non-performing loan ratio	%	2.37	2.47
Allowance to NPL ratio	%	159.85	154.84
Capital adequacy ratio	%	12.11	13.15

Social Performance



Indicator Type	Unit	2019	2018
Total taxes paid	RMB 100 million	21.06	21.62
Charity donations	RMB 10 thousand	404.60	267.96
Balance of loans to SMEs	RMB 100 million	868.69	747.52
Balance of agriculture-related loans	RMB 100 million	404.61	343.12
Social contribution per share ⁽²⁾	RMB	3.35	3.21
Customer satisfaction rate	%	95.7	94.1
Customers' complaints solution rate	%	100	100
Total headcount	Persons	4,854	4,460
Percentage of female employees	%	54	54

Environmental Performance



Indicator Type	Unit	2019	2018
Balance of green credit	RMB 100 million	8.43	1.78
Balance of loans to high-pollution, high-energy-consumption or overcapacity industries	RMB 100 million	6.74	25.13
E-banking replacement ratio ⁽³⁾	%	88.97	94.60
Video conferences	Times	130	131
Head office power consumption	10,000 kWh	1,080.38	1,032.56
Head office water consumption	Tons	74,733	106,570
Head office natural gas consumption	Cubic meters	37,904	36,756

⁽¹⁾The operating income in the chart is calculated in accordance with the International Financial Reporting Standards. The operating incomes calculated in accordance with the Chinese Accounting Standards for 2019, 2018 were RMB 134.87 hundred million, RMB 111.57 hundred million, respectively.

⁽²⁾Social contribution per share = earnings per share + (total tax payments + staff cost + interest payment + charity donations – social cost) / total number of shares at the end of the period.

⁽³⁾During the Reporting Period, the E-banking replacement ratio of the Bank in 2019 decreased due to the change in statistical calibre.

01 **Implementing Concept and Strengthening Communication**

Implementing Responsibility Concept

Strengthening Responsible
Communication

Responding to Material Issues



Implementing Responsibility Concept

Business Philosophy

Standardized operations, innovative development, and operating with integrity

Vision

To develop premier products and services and build a long-lasting undertaking

Mission

To support local development in the Central Plains region with financial services, improve people's livelihood, and achieve harmony and common prosperity

Responsibility Philosophy

To support local development, focus on SMEs, improve people's livelihood, and develop high-end products

Strategic Goals

To pursue an international strategy, a group-based strategy, a market-oriented strategy and a branding strategy

Core Values

Standardized operations, innovative development and operating with integrity

Strengthening Responsible Communication

To achieve sustainable development, enterprises must have a clear understanding from its key stakeholders' evaluation and expectation. We take into account the stakeholders' interests or influence caused by our business and attach great importance to communication with stakeholders by establishing various communication channels for continuously understanding of stakeholders' needs. The following communication channels are used to respond to stakeholders' expectations and concerns.

Stakeholders	Expectations and Concerns	Communication Channels	Response Methods
 Government	<ul style="list-style-type: none"> Support national development strategy Serve real economy Develop inclusive finance 	<ul style="list-style-type: none"> Documents and guidelines on policies Specific topic reports Information distribution Seminars 	<ul style="list-style-type: none"> Support the construction of "Zhengzhou Airport Economic Comprehensive Experimental Zone, Henan Pilot Free Trade Zone and Zhengluoxin National Independent Innovation Demonstration Zone, and Central Henan Urban Agglomeration" Serve private enterprises and SMEs Implement targeted poverty alleviation, support "Three Rural Sectors"
 Regulators	<ul style="list-style-type: none"> Operate in accordance with laws and regulatory requirements Maintain financial stability Forge the development of the industry 	<ul style="list-style-type: none"> Regulatory policies Inspection, research, and visits Work reporting 	<ul style="list-style-type: none"> Carry out prudent compliance management Enhance risk management systems Participate in industry associations events
 Shareholders	<ul style="list-style-type: none"> Maintain steady operations Enhance overall abilities Improve investment returns 	<ul style="list-style-type: none"> General meetings Information disclosure Roadshows 	<ul style="list-style-type: none"> Enhance corporate governance structure Implement development strategies Enhance profitability Strengthen investor relations management
 Customers	<ul style="list-style-type: none"> Improve service quality and efficiency Provide diverse financial products Protect customer rights and interests 	<ul style="list-style-type: none"> Marketing activities Customer service hotline 	<ul style="list-style-type: none"> Improve operation workflows Innovate financial products Enhance services quality Strengthen compliance review
 Employees	<ul style="list-style-type: none"> Improve employees' benefits Protect employees' rights and interests Provide career development opportunities Enrich outside work activities 	<ul style="list-style-type: none"> Labor union Workers Congress Suggestion boxes Professional trainings 	<ul style="list-style-type: none"> Improve remuneration and welfare system Improve employee training Care for employees Organize various competition activities
 Suppliers	<ul style="list-style-type: none"> Fair procurement Honesty and compliance Cooperation for win-win outcomes 	<ul style="list-style-type: none"> Negotiation Cooperation agreements Tendering and bidding 	<ul style="list-style-type: none"> Establish procurement management system Enhance business cooperation
 Partners	<ul style="list-style-type: none"> Mutually beneficial cooperation Communication and exchanges of ideas 	<ul style="list-style-type: none"> Seminars Joint projects 	<ul style="list-style-type: none"> On-site visits Enhance business cooperation
 Communities	<ul style="list-style-type: none"> Support community development Care for disadvantaged groups 	<ul style="list-style-type: none"> Community visits Community service activities 	<ul style="list-style-type: none"> Financial aid for students Financial knowledge education for the public Set up community sub-branches Volunteer activities
 Environment	<ul style="list-style-type: none"> Low-carbon and environmentally friendly operations Promoting green banking services 	<ul style="list-style-type: none"> Energy conservation and emissions reduction Green procurement Green finance 	<ul style="list-style-type: none"> Implement green credit policies Green offices Promote e-Banking



Responding to Material Issues

The Bank fully considers expectations and concerns from various stakeholders and hopes to have our environmental, social and governance implications reflected to its greatest extent in this Report. Based on the Bank's business features and information needs from key stakeholders, we continue to improve the process of identifying and determining material social responsibility issues to fully disclose material social responsibility issues.



Key stakeholder identification:

Through two dimensions of "degree of influence on Bank of Zhengzhou" and "degree of influence caused by Bank of Zhengzhou", with consideration of practical operability, identify the key stakeholder groups of the Bank to participate in the survey.

Potential material issues screening:

Collectively combine the business characteristics of Bank of Zhengzhou, the *Guide* and *GRI Standards* to screen out potential material issues, which can reflect environmental and social impacts of the Bank and affect the evaluation and decision-making by stakeholders for the Bank.

Review and Feedback:

Senior management reviews and confirms the material issues selected by stakeholders and their ranking. Bank of Zhengzhou then confirms the key issues for disclosure in this Report.

Potential material issues ranking:

Online questionnaires are distributed to key stakeholder groups of Bank of Zhengzhou to rank all potential material issues and form a matrix of material issues.

To clearly understand the material issues from stakeholders at all levels, we categorize potential material issues into 5 categories (environmental, employees, social, governance and product responsibility). We invited our key stakeholders groups, including management, shareholders, customers, suppliers and employees of the Bank to complete the questionnaire and received a total of 359 valid feedbacks. Based on the survey results, the following material topics are identified:

Environmental

Green Finance
Resource Use

Employee

Employee Health and Safety
Employee Training and Development
Recruitment and Employee Rights and Interests

Social

Promotion of Strategic Cooperation
Support for SMEs and the "Three Rural Sectors"
Community Charity

Governance

Operation Compliance
Finance Risk Prevention and Control
Economic Performance
Market Presence

Product Service

Customer Privacy Protection
Service Quality
Customer Complaint Management



02 **Advocating Integrity and Good Governance for Steady Operation**

Improving Corporate Governance

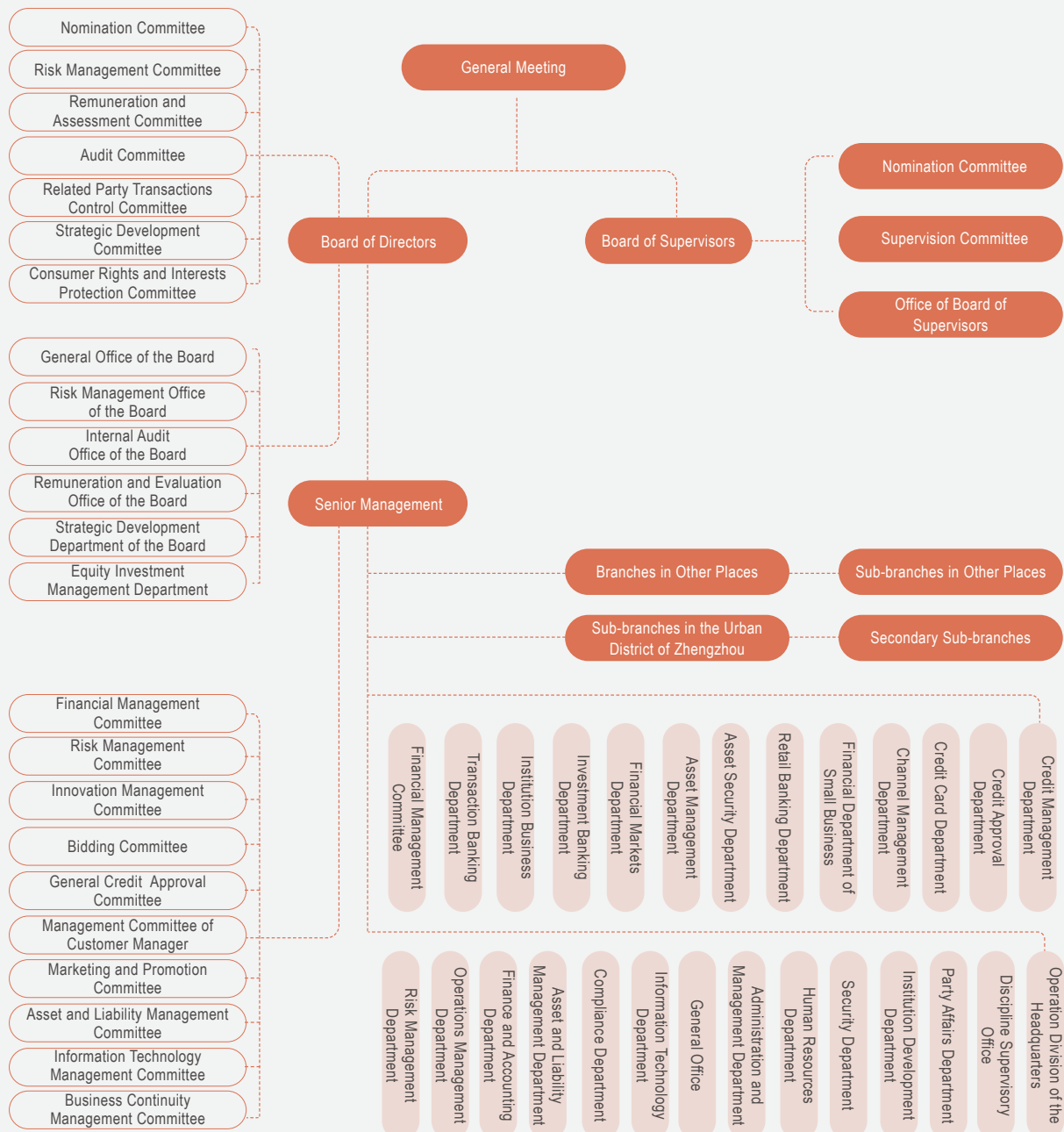
Strengthening Risk Prevention

Optimizing Supplier Management

Improving Corporate Governance

Building Governance Structure

The Bank strictly observes the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies* of China Securities Regulatory Commission, the *Guidelines on the Corporate Governance of Commercial Banks* of China Banking Regulatory Commission, the *Guidelines for Standardized Operation of Companies Listed* of SZSE, and the *Listing Rules* of SEHK to establish a comprehensive corporate governance structure and management system. The general meeting, the Board of Directors, the Board of Supervisors and the senior management regulate operations, specify duties and maintain effective balance to fully protect and safeguard the legitimate rights and interests of domestic and international shareholders and other stakeholders. The organizational structure² is showed as the following:



²During the Reporting Period, as considered and passed at the first extraordinary meeting of the sixth session of the Board of the Bank in 2019, it was decided to repeal the Electronic Banking Department and Internet Finance Department and integrate them to establish the Channel Management Department, and rename the Technology Development Department as the Information Technology Department. As considered and passed at the second extraordinary meeting of the sixth session of the Board of the Bank in 2019, it was decided to establish the Asset and Liability Management Department. As considered and passed at the seventh meeting of the sixth session of the Board of the Bank, it was decided to repeal the Transaction Banking Department I and the Transaction Banking Department II and integrate them to establish the Transaction Banking Department, and integrate the duties of the institutional customer center of the Corporate Business Department and the e-government affairs of the Transaction Banking Department II to establish the Institution Business Department.

General Meeting

As the authority of the Bank, the general meeting is composed of all shareholders and exercises authority in accordance with laws.

During the Reporting Period, the Bank held one annual general meeting, one extraordinary general meeting, one class meeting of A shareholders, and one class meeting of H shareholders, considered 30 proposals including the work report of the Board of Directors, the work report of the Board of Supervisors, the final financial accounts and budget, the profit distribution plan, the amendment to the Articles of Association, and the non-public issuance of A shares.

Board of Directors

As the decision-making body of the Bank, the Board of Directors is accountable to the general meeting and responsible for implementing the resolutions of the general meeting. The Board of Directors established seven special committees and the Board office as the administrative body of the Board of Directors.

The Bank is committed to building the Board of Directors with members from diverse disciplines by considering their gender, qualifications, region of origin and industry experience, skills, knowledge and educational background when selecting. The current Board members are from different backgrounds such as economics, finance, finance, accounting and law.

During the Reporting Period, the Bank held 11 meetings of the Board of Directors, considered 71 major resolutions including the annual work report of the Board of Directors, final accounts report, annual profit distribution plan, amendments to the Articles of Association, non-public issuance of A shares, and related party transactions.



Board Members³



Name	Position
Mr. Wang Tianyu	Chairman, Executive Director
Mr. Shen Xueqing	President, Executive Director
Mr. Feng Tao ⁴	Vice Chairman, Executive Director
Mr. Fan Yutao	Non-executive Director
Mr. Zhang Jingguo	Non-executive Director
Mr. Ji Hongjun	Non-executive Director
Mr. Liang Songwei	Non-executive Director
Mr. Wang Shihao	Non-executive Director
Mr. Xie Taifeng	Independent Non-executive Director
Mr. Wu Ge	Independent Non-executive Director
Ms. Chan Mei Bo Mabel	Independent Non-executive Director
Ms. Li Yanyan	Independent Non-executive Director

During the Reporting Period, executive director Mr. Feng Tao, non-executive directors Mr. Fan Yutao, Mr. Zhang Jingguo, Mr. Ji Hongjun, Mr. Liang Songwei and Mr. Wang Shihao participated in the training for board of directors, board of supervisors and management in listed companies in Henan Province held by Henan Association for Public Companies. The independent non-executive director Ms. Chan Mei Bo Mabel participated in the training for independent directors held by SZSE, and obtained the qualification certificate for independent director issued by SZSE.



³The list of Board members is as of 31 December 2019.

⁴After the Reporting Period, Mr. Feng Tao resigned his positions as the vice chairman and executive director of the Bank due to reasons in relation to age.

Board of Supervisors

As the supervisory body of the Bank, the Board of Supervisors aims to protect the legitimate rights of the Bank, its shareholders, staff, depositors and other stakeholders. Being held accountable to the general meeting, it supervises the performance and due diligence of the Board of Directors, senior management and its members, timely accesses all aspects of the bank's operations and management information, and strengthens the substantive oversight function to ensure that the level of governance meets expectations.

The composition of the Board of Supervisors of the Bank is sufficiently professional and independent to ensure the effective performance of its supervisory role. During the Reporting Period, the Bank held a total of 6 Board of Supervisors meetings to consider 15 resolutions including the Work Report of the Board of Supervisors, the Annual Report and Highlights, the Profit Distribution Scheme, the Performance Assessment Report on the Board of Directors, the Board of Supervisors, Senior Management and their members.



Management

As the executive body of the Bank, the management has one president and certain numbers of vice presidents and assistants to the president, that all of them shall be appointed or removed by the Board of Directors. The president is responsible to the Board. The management shall establish and improve internal control mechanisms with internal rules and regulations, operational risk control system and credit approval system as the main contents according to business operations, and organize and implement capital management according to business strategy and risk preference. The management establishes a system of regular reports to the Board of Directors, be supervised by the Board of Supervisors, and makes timely, accurate and complete reports on the Bank's business performance, important contracts, financial status, risk status and business prospects.

Strengthening Risk Prevention

The Bank has established the risk management organization structure of the Board of Directors and its Risk Management Committee, Management and its Risk Management Committee, and the "Three Lines of Defense" consisting of risk management departments, business departments, and supervision and inspection departments. We formulated and implemented the *Bank of Zhengzhou Rules on Comprehensive Risk Management*, the *Bank of Zhengzhou Regulations on Business Continuity*, the *Bank of Zhengzhou Regulations on Reporting of Major Emergencies*, and the *Bank of Zhengzhou Plans for Emergency Circumstances*, covering main risk categories such as credit risk, liquidity risk, market risk, operational risk, information technology risk and reputational risk.

First Line of Defense

Business and functional departments work as the main body that directly and actively manage in the business links or risk management links.

Second Line of Defense

Business management, risk management department and compliance department work as the main body that are responsible for the design and formulation of policies and systems, as well as the supervision of the First Line of Defense.

Thrid Line of Defense

Audit department and supervision department, etc. work as the main body that are responsible for internal audit and the supervision of the First and Second Line of Defense.



During the Reporting Period, the Bank strictly carried out authorization management work to strengthen the authorization risk control, and revised the *Bank of Zhengzhou Regulations on Authorization* and the *Bank of Zhengzhou Regulations on Credit Business Authorization*, by which authorization monitoring has been added into institutional management. We continuously improved our system control, improved systematization and intelligence level of authorization work, carried out authorization management inspection and dynamic monitoring of authorization implementation, organized branches, sub-branches and each department from head office to carry out self-inspection, and carried out special inspections on the authorized management and implementation for relevant departments in the head office.

Fighting Against Corruption

The Bank actively carries out various activities relating to anti-corruption, anti-bribery, anti-fraud and anti-money laundering. According to requirements from the *Regulation of the Communist Party of China on Disciplinary Actions*, the *Supervision Law of the People's Republic of China*, and the *Law of the People's Republic of China on Anti-money Laundering*, the Bank formulated and implemented the *Bank of Zhengzhou Rules on Anti-money Laundering and Anti-terrorism Financing*, the *Bank of Zhengzhou Procedures of Reporting for Large and Suspicious Transactions*, the *Bank of Zhengzhou Regulations on Handling and Punishment of Employee on Illegal violation*, organized management personnel to sign the *Responsibility Document for the Party's (the Bank's) Conduct and Integrity Construction Target*, and clearly divided the responsibilities for implementation of anti-corruption work.

During the Reporting Period, the Bank further enhanced responsibilities on anti-money laundering, improved members and responsibilities of anti-money laundering working group, and optimized responsibilities of branches on anti-money laundering. We also formulated the targets for building the money laundering risk management culture, strategies, policies and procedures for money laundering risk management, and regulations on anti-money laundering for subsidiaries.

The Bank actively organized anti-money laundering publicity program, and set up a publicity coordination group to carry out anti-money laundering publicity through the official WeChat account, bank journals, work briefings, display boards, publicity materials, electronic columns, LED screens in business halls and other channels. Meanwhile, the Bank walked into the community to carry out various forms of special publicity on anti-money laundering to further demonstrate social responsibility.

The Bank established various channels for acceptance of supervision from the public, media and employees, including letter box on its official website, email box, and telephone. During the Reporting Period, there was no corruption lawsuit filed against the Bank.

Ensuring Compliance Operation

The Bank carries out compliance management in accordance with the *Bank of Zhengzhou Regulations on Compliance Inspection Management*, the *Bank of Zhengzhou Rules on Legal Compliance*, the *Bank of Zhengzhou Regulations on Compliance Suggestions*, the *Bank of Zhengzhou Procedures on Compliance Operation*, the *Bank of Zhengzhou Regulations on Compliance Reporting*, and the *Bank of Zhengzhou Regulations on Compliance Risk* to strengthen prevention and control abilities.

During the Reporting Period, the Bank strengthened the support of internal control rules, sorted out internal rules, carried out internalization of external rule, and reviewed and issued 237 rules. Among them, 96 rules were newly assigned and 141 rules were amended. We continuously strengthened the mechanism of case prevention and control responsibilities, and formulated the *Bank of Zhengzhou 2019 Work Plan on Compliance Management and Case Prevention*, by which the departments' responsibilities for case prevention and control were concretized and implemented in an orderly manner. We continuously strengthened internal control compliance inspections and gave feedbacks with the Bank's Governance Risk and Compliance Management System (GRC), and established the rectification and feedback mechanism for problems found.



Fostering Compliance Culture

The Bank is committed to cultivating a distinctive internal control compliance culture and continuously improving the construction of the compliance management team. We formulated the *Bank of Zhengzhou Manual for Internal Control Compliance Position*, and established the evaluation mechanism of "advocating compliance, punishing violations" to deepen the Bank's compliance philosophy. The Bank also established and improved the compliance management system including compliance risk management, compliance review, compliance inspection and compliance evaluation, and actively promoted activities of compliance culture construction. We also formulated the *Bank of Zhengzhou 2019 Activity Plan for Compliance Risk Culture*, distributed the *Special Issue on Legal Compliance*, carried out internal control compliance management training for new employees, organized and carried out legal compliance knowledge competition activities, and carried out works on compliance evaluation and violation punishment to create an atmosphere of "everyone is in compliance and everything is in compliance", build compliance management results and create an atmosphere of compliance and discipline.



Strengthening Intellectual Property Rights

The Bank strengthened the management of intellectual property rights in the registration, use and maintenance of trademarks, patents and domain names, and copyright protection of fonts, pictures and software. The Bank standardized the management of intellectual property rights by formulating the *Bank of Zhengzhou Measures for Administration of Intellectual Property Affairs*, established management records for trademark, patent, copyright and other registration applications with data recorded on a quarterly basis, and implemented dynamic supervision. The Bank's rights and obligations in intellectual property rights were clarified, and our legitimate rights and interests were protected without infringing on other parties owning intellectual property rights to ensure the Bank's information monitoring and priority disposal on intellectual property management. During the Reporting Period, the Bank did not have any major cases of infringement of intellectual property rights.



Optimizing Supplier Management

Adhering to the principle of openness, fairness and justice, the Bank continuously improves its supplier management. We established the Bidding Committee and formulated regulations such as the *Bank of Zhengzhou Administrative Measures for Tender and Purchase* and *Bank of Zhengzhou Administrative Measures for Centralized Procurement (Provisional)*, in which the centralized procurement standards, procurement methods and conditions of use was clarified. Meanwhile, the Bank strictly supervises the implementation of relevant national laws and regulations and the Bank's rules relating to procurement activities, including the compliance of procurement scope, procurement method and procurement procedure, and the integrity of staffs participated in the procurement. Units and individuals participating in the centralized procurement shall strictly comply with national laws and regulations relating to bidding and relevant rules of the Bank, observe professional ethics, and perform their duties honestly and fairly, so as to prevent risks from supply chain.

The Bank requires suppliers to strictly follow relevant laws and regulations of the nation, where the products or services provided by suppliers should meet national and industry standards. To facilitate effective supplier management, the Bank established a centralized procurement supplier pool following the principles of survival of the fittest and dynamic management. Based on the extensive collection of supplier information, the Bank carried out the qualification review and performance evaluation for suppliers and screen out the unqualified suppliers. At the same time, to ensure the reliability of the Bank's daily operations, we established the long-term cooperative relations with suppliers for understanding of cooperation methods and expectations through regular communications.

The Bank's major suppliers are from fields of technology systems and hardware, self-service equipment, engineering decoration, office equipment, front desk equipment, consulting services and media. As of the end of the Reporting Period, the Bank had 307 major suppliers, among which 155 suppliers were from Henan Province and 152 suppliers were from outside of Henan Province.



307

Major suppliers



155

From Henan Province



152

From outside of Henan Province

03

Characteristic Finance Supporting Development

Supporting Regional Development

Developing Trade Finance

Supporting Private Enterprises and SMEs

Deepening Citizen Finance

Adhering to the basic principle that finance must serve the real economy, the Bank enhances its support for emerging industries, supports local and regional economic development, improves its financing services for private enterprises and SMEs, and contributes to the social economy with its characteristic orientation.



Supporting Regional Development

Committed in serving the real economy, the Bank actively responds to the key strategic deployments of the nation and enhances its financial support for Henan Province through credit policy and credit structure adjustment. Adhering to the national "Belt and Road Initiative" and strategic focus of Henan Province, we provide financial support through regional and industrial credit policies, particularly enhance credit resource for key regions and industries to promote the sustainable development of the regional economy.

As of the end of the Reporting Period, the balance of the loan for the construction of the Zhengzhou Airport Economic Comprehensive Experimental Zone was RMB 3,793 million, with a year-on-year increase of RMB 532 million; the balance of the loan for the construction of the Zhengluoxin National Independent Innovation Demonstration Zone was RMB 4,859 million, with a year-on-year increase of RMB 2,264 million; and the balance of loans for the construction of the Henan Pilot Free Trade Zone was RMB 16,182 million, with a year-on-year increase of RMB 1,755 million.

Support for Regional Economy in 2019



Balance of loan for construction
of Zhengzhou Airport Economic
Comprehensive Experimental Zone

RMB **3,793** million



Balance of loan for construction of
Zhengluoxin National Independent
Innovation Demonstration Zone

RMB **4,859** million



Balance of loan for construction
of Henan Pilot Free Trade Zone

RMB **16,182** million

CASE

Support Traditional Chinese Medicine and Pharmaceutical Enterprise

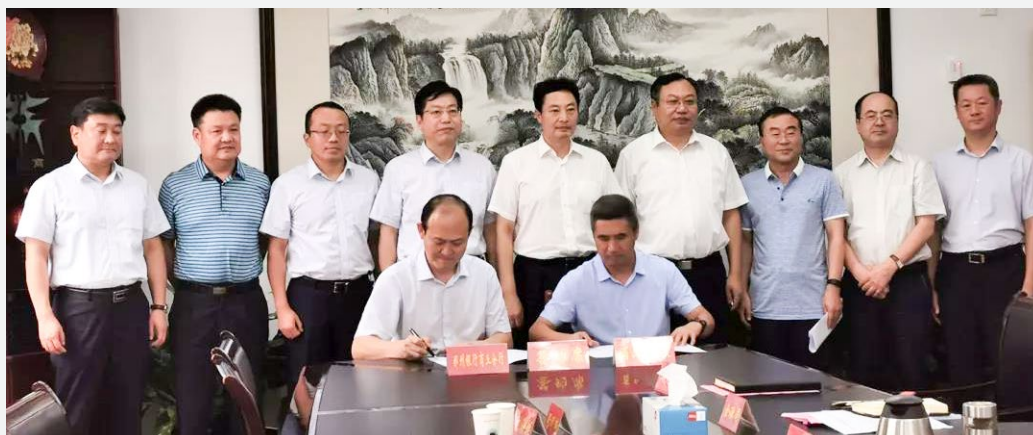
The Bank strongly supported one of the modern Chinese medicine pharmaceutical enterprises in Henan Province. The enterprise has set up six crude medicine planting base and raw production line in six countrysides and cities within the province, and constructed the healthy industry chain with integration of traditional Chinese medicine agriculture, traditional Chinese medicine industry, traditional Chinese medicine commerce, traditional Chinese medicine medical treatment and traditional Chinese medicine health-cultivation. The enterprise provides quality traditional Chinese medicine products and services from the planting source to the terminal medical treatment to benefit citizens' health. During the Reporting Period, the Bank provided financing support of RMB 50 million to the enterprise, which effectively supported the business development of the enterprise, enhanced its competitiveness in research and development, and promoted the development of proprietary Chinese medicine industry.



CASE

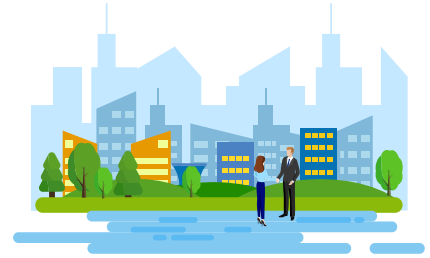
Deepen strategic cooperative relationship with the People's Government of Shangqiu City

On 27 August 2019, the Bank signed the strategic cooperation agreement with the People's Government of Shangqiu City for further promotion of strategic cooperation between two parties. With frequent economic and social development activities, the Shangqiu City is making great efforts to enhance the industrial agglomeration effect and build featured industrial clusters such as advanced equipment manufacturing. After the establishment of Shangqiu branch, the Bank supported a number of key projects and enterprises including city business district areas, shantytown renovation, ancient city construction, founding of new material company and high railway construction, which showed our action and responsibilities in promoting high-quality development of Shangqiu City and improved the sense of achievement of urban and rural residents in area of finance. For the next stage, the Bank will make sturdy effort in safeguarding the fund and take major projects and other key tasks to continuously strengthen effort in financial support to fulfill the responsibilities as a financial service provider.



Developing Trade Finance

Located in the central part of China, Henan Province is the first batch of pilot areas for construction of a powerful transport country determined by the Ministry of Transport. Being a comprehensive transportation junction that is "connecting home and abroad and reaching eastern, central, and western China", Zhengzhou is located on the intersectional region between the land-bridge channel and the Beijing-Guangzhou channel under the "Two Horizontal and Three Vertical" urbanization strategy. As a local bank focusing on Henan, the Bank takes full advantage of the location and promotes the construction of a trading and logistics bank following the principle of "standardization of logistic services", "specialization of logistic finance", "diversification of value-added services", "facilitation of credit granting services" and "integration of domestic and foreign trade".



CASE

The "Global Liking Remittance" product successfully connected to the SWIFT GPI

SWIFT GPI is the global payment innovation service launched by Society for Worldwide Interbank Financial Telecommunication (SWIFT). It aims to establish a global inter-bank business ecosystem and gradually realize the advantages of efficient receipt of all kinds of funds, transparent charging, traceable remittance status and accurate transmission of remittance information through cloud applications to address the problems of longstanding cross-border remittances. On 10 January 2019, the "Global Liking Remittance" product from Bank of Zhengzhou was successfully connected to the SWIFT GPI to solve problems about funds that are not received on time, remittance process that is not grasped, and non-transparent deduction fee from intermediate banks for customers of Chinese and foreign enterprises with needs of international remittance. This marked the Bank's diversified development in commercial logistics bank construction.

CASE

Trade cooperation exchange conference

On 5 July 2019, the "Industry Cooperation and Financial Technology Enabling Real Economy Model Exchange Conference" hosted by the Bank and Trade, Logistics, and Banking Union of China was held in Kaifeng. With the theme of "hand in hand and gathering momentum for win-win", 27 banking institutions from all over the country participated in the conference to jointly explore the new mode of inter-bank financial cooperation under the current economic and regulatory situation.



Trade, Logistics, and Banking Union of China

The Trade, Logistics, and Banking Union of China is a national non-profit organization jointly established by the Bank, together with the financial institutions, national well-known logistics and e-commerce enterprises located at important cities along the "Belt and Road" line as well as the enterprises and public institutions, industry organizations, and credit rating institutions and experts in trade, logistics, and banking industries. With the unionization of other 47 enterprise members, the organization aims to realize the integration of information flow, business flow, logistics and capital flow to create a new ecology of financial supply chain through the open sharing of scientific and technological resources, capital resources, and information resources.

The Third Summit of the Trade, Logistics, and Banking Union of China

In October 2019, the Third Summit of the Trade, Logistics, and Banking Union of China was held in Zhengzhou with more than 500 enterprises and 1,200 participants attended. The Union currently has 7 vice chairman enterprises, 18 governing enterprises, and 47 member enterprises, covering industries such as financial institutions, logistics and e-commerce. Three professional committees were established in logistics, financial technology and supply chain finance to continuously promote multi-level and all-round strategic cooperation among union members, including scientific and technological cooperation, talent cooperation and business cooperation.

The summit expanded the influence of the Trade, Logistics, and Banking Union of China and the "Five Clouds" of the Bank, provided new ideas for the innovative financing model of commercial logistics industry, and laid a foundation for further cooperation among the industries and enterprises within the union.



Mr. Wang Tianyu, secretary of party committee and chairman of the Bank, was delivering a speech



The Trade, Logistics, and Banking Union of China Research and Industry Development Report (2019) and the China Logistics and Supply Chain Financial Development Report (2019) were released



The Investment and Financing Branch of China Logistics and Procurement Federation was formally established



Mr. Li Lei, assistant to the Bank's president, was elected as the new secretary of the Union

The “Five Clouds” Service Platform

The Bank's "Five Clouds" Service Platform is an online supply chain platform which takes the internet platform as the core and advanced financial technologies as the auxiliary to support information sharing, transaction matching and joint operations. It meets enterprises' various investment and financing needs in providing strong support for the construction of the Bank's featured trading and logistics production chain.



Cloud Trading

The "Cloud Trading" platform provides a series of innovative payment and settlement services for enterprises through corporate online banking, cash management, bank-enterprise direct link, a cross-bank financial management cloud platform, settlement cards, and e-government link, so as to help enterprises to realize their financial management objectives, such as resource centralization, cost reduction, turnover acceleration, risk control and allocation optimization.



Cloud Logistics

The "Cloud Logistics" platform is an "Internet + logistics + finance" platform that provides online registration, online order placement and online freight payment functions for shippers. The platform also provides logistics companies with online tenancy application, online order acceptance, logistics tracing, online payment collection, and outlet capital management and other functions.



Cloud Financing

The "Cloud Financing" platform is designed to realize system connections and information exchange through the online supply chain financing platform, the fund monitoring system and the Enterprise Resource Planning (ERP) system for core enterprises and the ordering system, so as to provide full-process online financing services for the upstream and downstream partners.



Cloud Service

The "Cloud Service" platform provides industry insight and prospective analysis to the corporate customers through the WeChat account "Trade Finance of Bank of Zhengzhou", and provides financial value-added services through the connected corporate online banking network.



Cloud Business

The "Cloud Business" platform mainly serves the Trade, Logistics, and Banking Union of China. The assets and financing demands of the customers from trade and logistics industries are published on the "Cloud Business" platform while qualified investors, such as banks and quasi financial institutions, will provide financial support. It is a key initiative to promote inclusive finance and solve the financing difficulties of SMEs.

The Ding e-Letter (鼎 e 信) in "Cloud Business" platform was officially launched

On 28 March 2019, the "Cloud Business" platform was officially launched. The Ding e-Letter (鼎 e 信) is one of the standardized confirmation vouchers (electronic payment commitment) that are detachable, transferable, financeable, and realizable and can be held until expiration. It also has the characteristics of free separation and transfer, convenient operation, convenient financing and low financing cost.

Supporting Private Enterprises and SMEs

Private economy is an important force to promote the development of market economy. The Bank formulated the *Action Plan for Supporting the Development of Private Enterprises*, implemented 25 initiatives for supporting private enterprises, established the "White List" for private enterprises, and continuously enhanced the investment in providing services to private enterprises. As of the end of the Reporting Period, the balance of loan for private enterprise amounted to RMB 80,752 million, with an increase of RMB 2,135 million from the beginning of the year.

Upholding the featured positioning of "Financing Expert for SMEs", the Bank continuously improves its product system and innovates service models to enhance financing support for SMEs. During the Reporting Period, the Bank separately allocated the credit scale of SMEs and expanded the scope of small and micro-sized franchised institutions to give priorities to credit release to ensure the "growth and control" objectives⁵ for SMEs. The Bank established 75 professional teams for small and micro businesses with 371 professional account managers in small and micro series in the whole year.



Balance of loans to private enterprise

RMB **80,752** million



Increase of

RMB **2,135** million
from the beginning of the year



Established **75**
professional teams

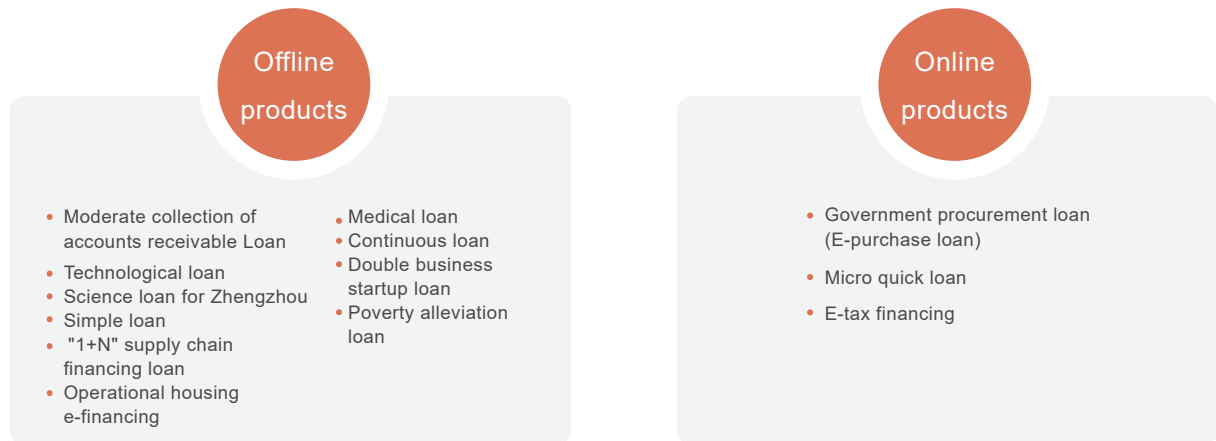


with **371** professional
account managers for small and
micro businesses in the whole year.

⁵Based on the General Office of the China Banking Regulatory Commission on *Promoting the High-Quality Development of Banking Financial Services for Micro and Small-Sized Enterprises in 2018*, the "growth objectives" refer to the year-on-year growth rate of SMEs loans with a total credit line for each borrower not more than RMB 10 million is not lower than that of various loans, and the borrowers with loan balances are not less than those for the same period of the previous year, and the "control objectives" refer to the quality of SMEs loan assets and the consolidated borrowing costs.

The Bank continuously improves the standardized credit review and approval processes for small and micro businesses. According to the business authorization, the Bank implements a four-level review and approval system, including branch and sub-branch review and approval, review and approval by independent reviewer, double-review, and approval by small business department and review and approval by Small Business Loan Committee to efficiently conduct review and approval for small and micro businesses. By using models to assist human labor, the Bank performed standardized and assembly line approval for supply chain finance and scene consumer credit business and implemented the "red, yellow and green" list management for the existing customers with differentiated review and approval to ensure its efficiency.

Based on the characteristics of SMEs of applying for small amount of loans with high frequency and little collateral, the Bank launched "online + offline" credit products, covering different types of micro and small groups.



As of the end of the Reporting Period, the balance of loans to SMEs amounted to RMB 86,869 million, representing a year-on-year increase of RMB 12,117 million or 16.21%, the number of SMEs receiving loans was 65,948, representing a year-on-year increase of 8,901.



CASE

Xinxiang Branch signed strategic cooperation agreement with Henan Runhua Group

The signing ceremony of strategic cooperation between Xinxiang Branch and Henan Runhua Group was held on 28 March 2019. The strategic cooperation is an important embodiment of the Bank's practice of serving private enterprises. Xinxiang Branch will take this contract as an opportunity to carry out comprehensive cooperation with Muye District in fields such as shanty town reconstruction and infrastructure construction, effectively participate in the construction of Xinxiang District, support the development of local enterprises in Xinxiang to create a new chapter of win-win cooperation.



Support SMEs with technological loans

The technological loan is a credit product for technological enterprises. Through recognizing the value of advanced technologies, the loan supports the research and development of technological enterprises to transform their achievements from "knowledge source" into "capital". The Bank supported the development of innovative animation and film enterprises, and granted a credit of RMB 3 million to an animation and film enterprise in December 2019 through the technological loan, which was used for the daily operation turnover of the enterprise.

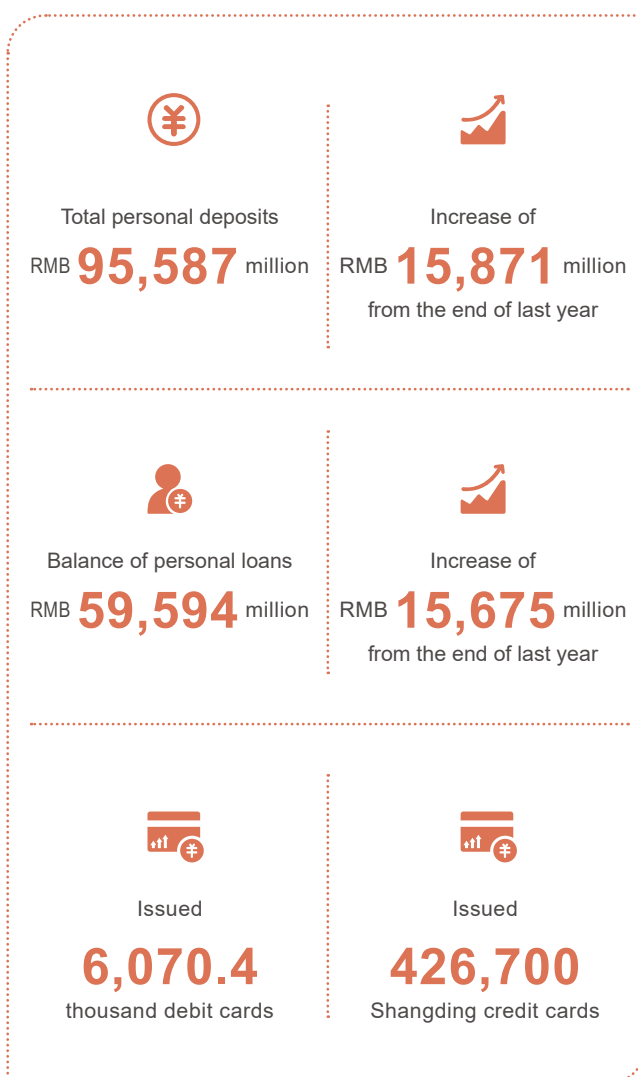
 Deepening Citizen Finance

Adhering to its position as a "boutique bank for residents", the Bank continuously innovates and develops products related to personal saving deposit and loan. Through discovering key customer groups, strengthening cross-marketing of products and actively carrying out businesses for collecting and paying fees on behalf of others, we continuously improve customer experience to provide them with convenient, safe and quality financial services, so as to become the boutique bank for citizens. As of the end of the Reporting Period, the total personal deposits of the Bank amounted to RMB 95,587 million, representing an increase of RMB 15,871 million or 19.91% over the end of last year; the balance of personal loans in the Bank amounted to RMB 59,594 million, representing an increase of RMB 15,675 million or 35.69% over the end of last year.

During the Reporting Period, the Bank continuously enriched the variety of debit and credit cards, improved the card functions, and enhanced the card experience. As of the end of the Reporting Period, the Bank issued 6,070.4 thousand debit cards, with an increase of 758,600 issuance over the end of the previous year, and issued 426,700 Shangding credit cards, with a total purchase amount of RMB 53.7 billion.

The Bank continuously expands its scope of operation sites. As of the end of the Reporting Period, 13 branches, 157 sub-branches and 1 specialized institution were established. The layout of self-service equipment for operation sites was optimized, with a total of 158 self-service equipment located within the Bank and 93 located outside of the Bank, to provide wider service coverage.

Complementing each other, the Bank's E-banking and physical operation sites jointly provide high-quality and convenient financial services through self-service banking, online banking, mobile banking, phone banking, WeChat banking and "Dingrongyi (鼎 融 易)" to ensure 24-hour service.



04

Inclusive Finance for Charity and Love

Deepening Poverty Alleviation

Caring for and Contributing to the Society

Focusing on People's Livelihood
Construction

Popularizing Financial Knowledge



Deepening Poverty Alleviation

As a financial enterprise, the Bank earnestly implements the work requirements of the state on serving the "Three Rural Sectors", provides comprehensive support for production and operation financing needs of the leading agricultural enterprises, new agricultural operating entities, and the farmers, helps the farmers in increasing their income, and supports the development of township enterprises to invigorate the rural economy.

Understanding the vital role of financial targeted poverty alleviation in conducting poverty alleviation, the Bank stays firmly at the front line of poverty alleviation to fulfil the financial needs of poor areas and provide strong support for the battle against poverty. The Bank established a leading group for targeted poverty alleviation work to organize regular working meetings for targeted poverty alleviation and conducted research and planning on policies and measures. A targeted poverty alleviation agency was also established, where Kaifeng Branch was designated as the lead manager at Lankao region, and Shangqiu Branch was designated as the lead manager for the micro-credit for poverty alleviation. During the Reporting Period, the Bank formulated relevant documents related to targeted poverty alleviation such as the *Work Plan for Targeted Poverty Alleviation through Financial Services in 2019* and the *Operation Manual for Cooperative Poverty Alleviation Loan*, and implemented the due diligence exemption system and poverty alleviation-related work.



Balance of agriculture-related loans

RMB **40,461** million



Targeted industrial alleviation
loans granted

RMB **282.79** million



Drove **10,095** archived
poverty-stricken population to
achieve prosperity

CASE

Nanyang Branch issued the "cooperative poverty alleviation loan"

The company in Nanyang City is an intensive farming scale of the forefront of the country's large-scale agricultural industrialization of national key leading enterprises, of which the main business is pig breeding and sales and the main products are breeding pigs, commercial pigs and piglets. Taking the particular company as the core, led by the local county party committee, and organized and implemented by township government, Nanyang Branch registered and established the cooperative to provide grain and forage for the company. The investment funds were came from the additional project funds of RMB 5,000 from each poverty-stricken household out of 16,072 archived poverty-stricken households. The Bank provided credit and financial support for the cooperative.

In December 2019, the Nanyang Branch issued an agricultural cooperative poverty alleviation loan of RMB 195 million to 40 specialized cooperatives under the group to allow a total of 1,200 archived poverty-stricken households being brought into employment.



Issued

RMB **195** million
of agricultural cooperative poverty
alleviation loan

Caring for and Contributing to the Society

The Bank is always grateful and actively participates in social welfare and various charitable activities. During the Reporting Period, the Bank made charitable donations through various channels, formulated and implemented the *Bank of Zhengzhou Action Plans on "Green City Envoy" Voluntary Service*, established 16 volunteer service teams with 288 volunteers recruited to spread love to more corners in the society.



Donated

RMB **2** million
to Zhengzhou Charity
Federation



Donated

RMB **1** million
to China Foundation for
Development of Financial Education



Donated

RMB **1** million
Hebi Charity Federation by
Xunxian Zhengyin County Bank

CASE

"Bank of Zhengzhou Cup" international marathon

The "Bank of Zhengzhou Cup" 2019 international marathon was held on 13 October 2019 in the CBD of Zhengdong New District. As the host of the Zhengzhou international marathon, the Bank organized the race with nearly 2,000 participants, showing the positive and united spirit of the Bank.



CASE

Yanshi Sub-branch of Luoyang Branch provided support for sanitation workers

On the occasion of Mid-Autumn Festival in 2019, the Yanshi Sub-branch of Luoyang Branch organized the public welfare activity with a theme of "care for sanitation workers and support on city sanitation" by sending water cups and regarding to more than 40 sanitation workers as an expression of gratitude for the hard work of "city beauticians".



CASE

Xinyang Branch supported impoverished students on their dreams of entering universities

Representatives from Xinyang Branch sent RMB 8,000 of financial aid to students in need at the 2019 Xinyang City Hope Project Donation Ceremony for Realizing the Dream to University jointly held by Xinyang Municipal Committee of the Communist Youth League and Xinyang Financial Work Bureau. The donation was made by staffs from Xinyang Branch. The charity donation of Xinyang Branch helped outstanding students from local poor families to realize their dreams and demonstrated their social responsibility with practical actions.



CASE

Luoyang Branch organized voluntary blood donation activities

On 9 April 2019, Luoyang Branch organized the blood donation activity of "gathering blood and passing love" for staffs. A total of 27 people participated in the activity with a total blood donation of 9,600 milliliters for the rescue of the sick and wounded, which act as a full demonstration on the good image of the Bank for bravely assuming social responsibilities and selflessly contributing to the society.



Focusing on People's Livelihood Construction

The Bank continuously provides support for people's livelihood-related projects such as the construction of government-subsidized housing and infrastructure projects that aim to provide financial support for public infrastructure and people's living quality, so as to benefit people's livelihood. During the Reporting Period, the projects covered all kinds of infrastructure construction, shantytown construction and resettlement area construction at the provincial-level, prefecture-level and county-level.



Transaction amount for social infrastructure construction about

RMB **24** billion



Balance of loans for government-subsidized housing construction

RMB **3.432** billion

CASE

Support for infrastructure construction of science and education park in Zhengzhou City

The infrastructure construction project in the east of the 107 auxiliary road in a science and education park in Zhengzhou covers 32 roads, including road works, rainwater works, sewage works, electric power drainage works, engineering works, partial bridge works and relevant ancillary facilities. The total length of the road is about 75.3 kilometers. During the Reporting Period, the Bank provided RMB 1 billion of credit granting to support the project construction.

CASE

Support for road infrastructure construction in one of the administrative regions of Zhengzhou City

The project on new road infrastructure and old road expansion project in one of the administrative regions of Zhengzhou City covers 81 roads with a total distance of 112.1 kilometers, mainly including road works (including bridges), rainwater works, sewage works, lighting works, traffic works, civil engineering works for electric power, water supply and other ancillary facilities. During the Reporting Period, the Bank granted RMB 1.4 billion of credit to support the project construction.

Popularizing Financial Knowledge

The popularization of financial knowledge is conducive in promoting the public awareness and ability of financial management, thus will effectively enhances personal financial health and overall well-being of the society. As a financial institution, the Bank actively carries out financial knowledge popularization activities for the public to enhance their awareness on preventing risks and using financial services correctly, so as to fulfill the responsibilities of building a harmonious financial relationship and promoting financial stability.



CASE

Popularize financial knowledge to shoulder social responsibility

In September 2019, each branch and sub-branch organized and held various activities to popularize financial knowledge under the guidance of the regulatory authorities, which contributed to the effective promotion on financial risk prevention and the creation of a healthy and stable financial environment.



Staff from Kaifeng Branch was explaining knowledge related to RMB banknote



Luoyang Branch was holding lectures on financial knowledge



Wenbo East Road Sub-branch was holding the financial knowledge popularization seminar



Staff from Xinghua Street Sub-branch was popularizing financial knowledge to customers

Longhai Sub-branch organized the "Little Banker" themed activity

During the Report Period, Longhai Sub-branch organized the "Little Banker" themed activity to popularize financial knowledge, including financial management, counterfeit identification, and prevention of illegal fundraising to children and parents. Activities such as counting contest, business process simulation and scene rehearsal for illegal fundraising were also carried out for children to establish a correct concept of financial management and to improve the awareness and ability to prevent illegal financial activities.



Luohe Branch held financial knowledge activities in school campus

During the Reporting Period, staffs from Luohe Branch went to one of the technical colleges in Luohe City to carry out the financial knowledge popularization class activities for 200 freshmen in college. Topics of identifying counterfeit banknotes, preventing financial fraud, and resisting school loans for promoting financial knowledge and ideas were covered in the activities. A total of more than 600 leaflets were distributed and 5 extra-curricular classes were held, which effectively expanded the coverage of financial knowledge popularization.



05

Sincere Services for Harmony and Win-Win

Optimizing Financial Services

Innovating Financial Model

Protecting Customer Rights and Interests

As a local financial institution in Zhengzhou City, and adhering to the characteristic positioning of "boutique bank for residents", the Bank improves its service system, builds a high-quality service team, innovates business products and constantly improves its service quality.

Optimizing Financial Services

During the Reporting Period, the Bank truthfully disclosed parameters for financial products and clearly disclosed charging standards for financial services to ensure faithful promotion on products and services. At the same time, we continuously optimized its internal management mechanism and focused on strengthening service training and management to improve customer experience.

Optimize service management and evaluation mechanism

Improve relevant evaluation standards and procedures

Revised service evaluation methods and standards, refined the monitoring standards, and improved the adaptability of the evaluation

Established channels for secondary review and verified feedback on a one-by-one basis

Systematically carry out popularization of service etiquette knowledge

Timely update service management knowledge, issue the *Service Etiquette Manual for Bank of Zhengzhou*, the *Sign Language Manual for Internal Management of Business Outlets*, the *Sign Language Manual for Customer Service of Business Outlets*, and produce service etiquette instruction videos

Carry out online training and use palm institute to carry out quality standard service work

Carried out 9 online training live broadcast classes

13 videos have been made and uploaded

Over 10,000 people participated in the study

Carry out targeted on-site service counseling

Based on the nature of operation sites and demand of branch, carry out on-site counseling, including orientation management, service skills and comprehensive counseling and trainings for newly-opened operation site services

Conduct complaint case analysis training through routine meeting for business office director and small and micro account manager qualification trainings

Carried out service and complaint investigation for 14 branches and on-site counseling for 7 branches

Conducted 2 complaint case analysis trainings

Conducted 6 training sessions on customer complaint handling skills, with a total of 2,000 participants

Enhance service management innovation

Use WeChat official accounts to develop mobile class that focuses on service knowledge learning, and also promotes advanced service outlets and service cases for brand management and development

Strengthen management of external publicity. Strictly control the content for public information and ensure its authenticity and reliability to avoid misleading information

Recognition of customer service ability by China Banking Association

On November 2019, the customer service center of the Bank won the "best talent team" award, and two employees won "talent star" and "wisdom star" individual awards respectively in the fourth China Banking Customer Service Center "Looking for Beautiful Voice" Integrated Business Skills Competition held by China Banking Association.



The Bank continuously improves its financial services capabilities in electronic channels and reduces the consumption of resources and energy when obtaining financial services. The number of customers and transactions through online banking and mobile banking continuously increases with online payment covering mainstream payment channels. The nationwide customer service hotline 95097 offers 24 hours of uninterrupted service. WeChat Bank regularly releases information on our new services, new products, and promotional activities.



Provide bank card green channel

During the Reporting Period, the Trade Union of Henan Province organized the "Green Travel" activities, but cardholders needed to activate their trade union membership cards for participation. Considering the situation of centralized calls from union membership card customers and large demand for activation, the Bank sorted out the business process of union membership card activation in a timely manner, and added the shortcut menu of union membership card activation in telephone banking Interactive Voice Response on 9 April 2019 to provide a streamlined activation channel of bank cards for union membership card customers. As of the end of the Reporting Period, 232,700 customers had activated membership cards through the telephone banking shortcut menu.



Innovating Financial Model

Adhering to the innovation of financial products and services to provide consumers with high-quality, safe and convenient financial experience that meets their growing various financial needs, the Bank formulated the *Zhengzhou Bank Regulations for Innovation Project* and established the Innovation Management Committee for project approval, review and final consideration of key projects, coordination and settlement of major problems in the process of promoting innovative projects, and prevention of risks brought by innovation projects. After the product has been designed and developed for innovative projects, the Bank will run the pilot operation for specific scopes for 1-3 months, and then carry out acceptance reviews to mainly identify the risk categories that may be involved in the promotion and implementation of the innovation project, including but not limited to market risk, liquidity risk, operational risk, credit risk and information technology risk. Relevant measures will also be formulated based on the risk level.



CASE

Project for "Intelligent Robot Calls"

To combine with business development needs and give full play to the driving role of intelligent application in the financial field, the Bank launched the "Intelligent Robot Calls" project in November 2019. With technologies such as Automatic Speech Recognition (ASR) and Natural Language Processing (NLP), the project realizes the automatic outbound call to the designated customer at a specific time, which can accurately identify the customer's intention in the process of the call. The interaction of human-computer intelligent shall replace the human to complete the initial screening of the intended customers that reduces the cost of manual outbound call and improves the capacity of outbound call marketing.

Innovation in digital payment construction

Non-tax Easy 2.0 is an innovation of government non-tax fund settlement service through the service terminal of the collection unit provided by the Bank by signing contracts with financial units at all levels based on the card holders, Dingrongyi (鼎融易), Unionpay quick payment, WeChat and Alipay APP users from the Bank and other banks. During the Reporting Period, the Bank carried out an upgrade based on Non-tax Easy 1.0. Non-tax easy 2.0 directly connected with the financial system, and the payment efficiency is further improved.

As of the end of the Reporting Period, the Non-tax Easy 2.0 business had handled a total transaction amount of RMB 430 million, with more than 16,000 transactions created. More than 86,000 direct bank accounts had been opened through targeted marketing activities.



Total transaction amount of Non-tax Easy
2.0 business

RMB **430** million



Opened more than

86,000
direct bank accounts

Innovation in smart marketing of big data

The Big Data Smart Marketing System is another digital innovation of the Bank in the field of lead recommendation, cross-selling and marketing management by applying fintech technologies such as big data, machine learning, knowledge mapping and artificial intelligence. By building different business scenario models, the system further improves the precision marketing and cross-marketing level of the Bank.

The Bank's Big Data Smart Marketing System was launched in 2018, and the second phase of optimization iteration was carried out in 2019. As of the end of the Reporting Period, the system saved more than RMB 4 million of Short Messaging Service (SMS) fee by replacement of SMS with WeChat account marketing function. Through the system priority loan product model recommendation, 1,815 new customers were introduced, with a contract value of RMB 420 million and loans of RMB 220 million; through the system microloan product model recommendation, 40 new customers were introduced, with the contract value of RMB 1.45 million and loans of RMB 650,000.

Protecting Customer Rights and Interests

The Bank strictly complies with relevant laws and regulations such as the *Law of the People's Republic of China on Commercial Banks*, the *Advertising Law of the People's Republic of China*, the *Contract Law of the People's Republic of China*, and the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*. The Bank formulated and implemented internal policy regulations such as the *Bank of Zhengzhou Regulations on Protection of Customer Rights and Interests*, the *Bank of Zhengzhou Regulations on Protection of Personal Financial Information Security*, the *Bank of Zhengzhou Rules on Protection of Consumer Rights and Interests Quality Evaluation*, and the *Bank of Zhengzhou Regulations on Customer Complaints Handling*, in which responsibilities for each department were clarified and evaluation indicators were established for effective protection of customer rights and interests.



Protecting Customer Privacy

The Bank continuously improves its regulations of customer privacy management, regularly carries out emergency plan drills, and continuously conducts financial information security screening to protect customer privacy effectively. The Bank's financial information safety clearance work involves areas such as network security management system, network security protection, security operating system, Internet application security, customer information management, development and testing, outsourcing management and business continuity construction. It lays the foundation for the improvement of the Bank's information technology and network security management system and emergency plans for important information systems to ensure the safe, stable and efficient operation of the Bank's key information infrastructure, important information systems and websites.

During the Reporting Period, the Bank amended rules such as the *Bank of Zhengzhou Operating Rules on Personal Credit Information*, the *Bank of Zhengzhou Regulations on Data Security*, the *Bank of Zhengzhou Regulations on Office Computer Security*, and the *Regulations on Computer Viruses Prevention and Control*, and organized self-inspection work on credit investigation business within the scope of the whole bank for at least 4 times. It further strengthened the security management of credit investigation information in the Bank, improved the employees' awareness of safe operation, and ensured the privacy and security of customers.

CASE

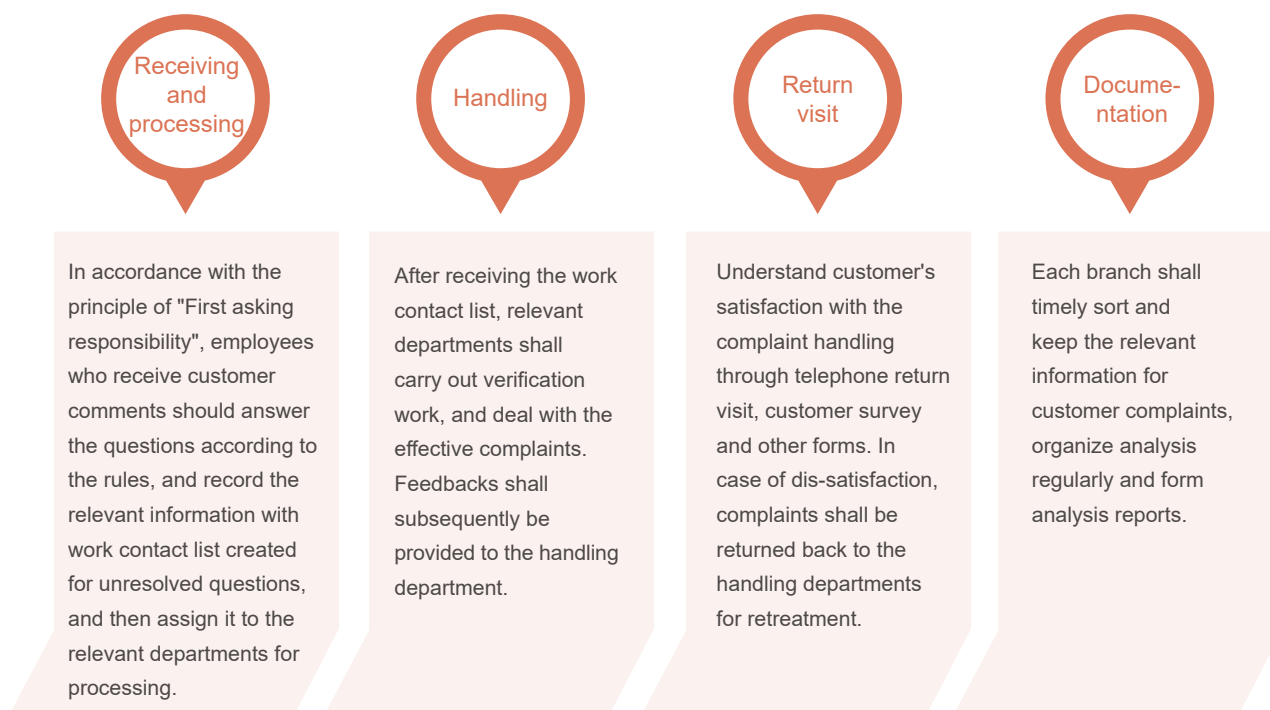
Carry out emergency plan drill

In September 2019, the Bank carried out the emergency plan drill for "loss of customer credit information". It aimed to handle the emergency response procedures and test the smoothness and efficiency of the information reporting and transmission routes at all levels, so as to improve the emergency command and decision-making level and cross-department cooperation ability, furthest protect the customers on personal data security to the greatest extent.

Attaching to Customer Complaints

The Bank continuously improves its complaint coordination and handling mechanism. According to the *Bank of Zhengzhou Regulations on Customer Complaints Handling*, the Bank established the Head Office Service Working Committee and the Complaint Handling Working Group to strictly manage for customer complaints to effectively meet the reasonable demands of customers.

The Bank established various channels for customers to express their opinions, including customer hotline, complaint service line, branch suggestion box, portal website and telephone survey to facilitate customers to express their opinions. The bank dealt with these opinions through the following four steps:



During the Reporting Period, the Bank handled 199 customer complaints with a resolution rate of 100%, prepared and issued 12 complaint analysis reports, and put forward 27 comments and suggestions that provided reference for improvement of the Bank's service quality.



Resolution rate for
customer complaints

100%

CASE

Training for customer complaint management and handling skills

The training for customer complaint management and handling skills was held by the Bank during the Reporting Period. The training was divided into six sessions with nearly 2,000 staffs from relevant departments of head office, branches and subsidiaries attended. The series of trainings further improved the ability and level of complaint management and handling skills for competent business departments and branches, which provided a foundation for customer satisfaction enhancement and effective complaints volume reduction.



06 Personnel Training and Employee Care

Protecting Employees' Rights and Interests

Caring for Occupational Health

Fostering Employee Growth

Deepening Corporate Culture

Protecting Employees' Rights and Interests

The Bank strictly complies with relevant laws and regulations such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*. The Bank formulates and implements the *Bank of Zhengzhou Rules on Human Resource Management*, the *Bank of Zhengzhou Procedures for Employee Recruitment Management*, the *Bank of Zhengzhou Regulations on Labor Contract Management*, the *Bank of Zhengzhou Regulations on Remuneration Management*, and the *Bank of Zhengzhou Head Office Regulations on Employee Performance Appraisal Management* to regulate employees' recruitment, salary, dismissal, promotion, working hours, holidays, benefits, codes of conduct and professional ethics. We respect employee differences and will not discriminate based on race, gender, age, religion, ethnicity, or any other factors.

During the recruitment process, the Bank strictly examines the applicant's identity information to eliminate child labor and all forms of forced labor. During the Reporting Period, we strictly complied with relevant laws and regulations and internal rules, that did not have any child labor or forced labor.

The Bank continuously improves its remuneration and promotion system. Following the principle of "fairness, competitiveness, incentivization and economy" and guided by improving market competitiveness and attracting talents, the Bank provides remuneration based on position value, personal ability quality and performance contribution, and refers to local average wage level and average level of financial industry, supply and demand of the labor market, living cost and price level for fairness. The Bank also continuously optimizes its performance appraisal system, taking the performance appraisal results as the main basis for individual job appointment and removal, salary distribution and post adjustment, and stimulate employees' working enthusiasm through the design of incentive wage units such as variable salary and bonus. At the same time, the Bank formulates the professional and technical sequence rating management method to provide equal promotion opportunities for non-management employees.

In terms of holidays and benefits, the Bank follows the national regulations and implements a working time system of no more than 8 hours per day and 40 hours per week on average. In addition to statutory holidays, employees also have annual leave, sick leave, injury leave, wedding leave, maternity leave, bereavement leave and other paid leaves. In addition, the Bank pays for social insurance and housing provident funds for employees in a timely and full manner. We also establish supplementary security systems such as enterprise annuity and supplementary medical insurance, and gradually build a multi-level pension and medical security system to meet the diversified needs of employees.



In terms of holidays and benefits, the Bank follows the national regulations and implements a working time system of no more than

8 hours per day

40 hours per week

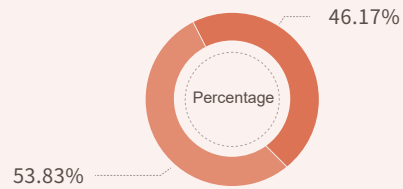
on average



Total number of employees 4,854

Turnover Rate 2.26%

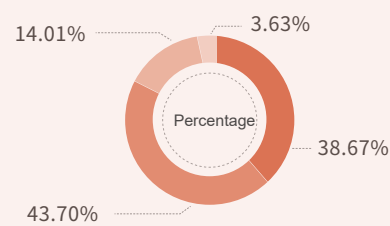
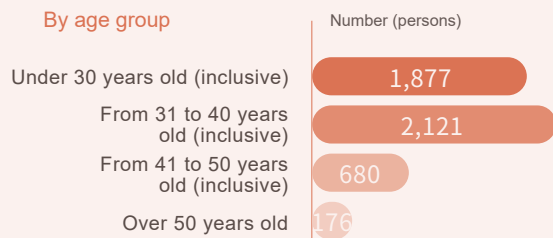
By gender



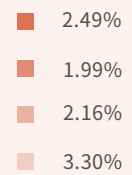
Turnover Rate



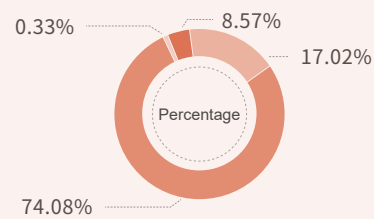
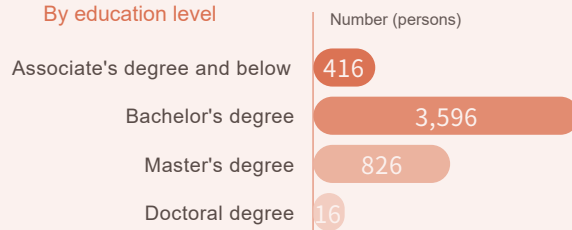
By age group



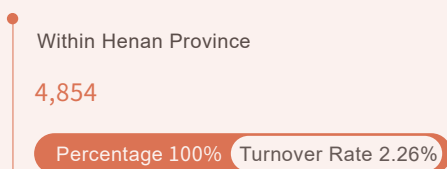
Turnover Rate



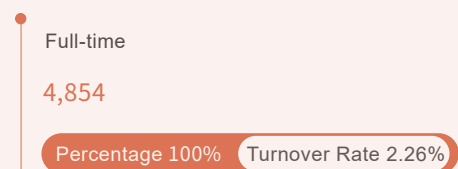
By education level



By region



By full/part-time



New employees



Employees from ethnic minorities



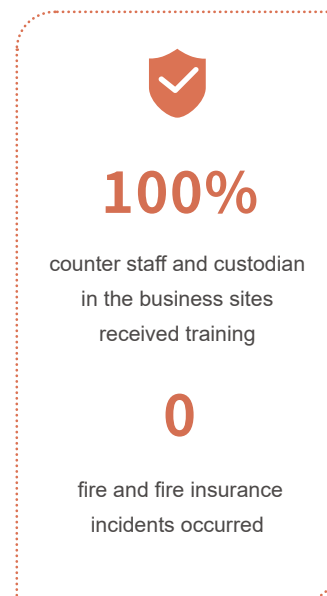
Notes: The employee composition shows the data as of the end of the Reporting Period and does not include employees of subsidiaries of the Bank.

Caring for Occupational Health

Health and safety are the cornerstones of the company's development and employees' happiness. The Bank strictly complies with relevant laws and regulations such as the *Law on Prevention and Control of Occupational Diseases of the People's Republic of China* and the *Regulation on Work-Related Injury Insurances* to provide a safe environment for employees, enhance their health knowledge and safety awareness, hold various recreational activities to balance their work and life and maintain their physical and mental health.

The Bank regularly carries out fire control system testing and maintenance to ensure the good condition of fire control equipment and equipment configuration, and continuously carries out fire safety inspection at key fire prevention sites to eliminate hidden dangers. In addition to carry out fire control education and fire skill training, following the principle of "combining actual situation, facing actual combat, paying attention to the practical and actual effect", each department regularly carries out planned drills for preventing sabotage, theft and robbery, terrorist attacks, fire and major safety accidents and comprehensively improves employees' safety awareness and practical skills, so as to ensure the safety of business premises. During the Reporting Period, all the front-line staff of the bank participated in the pre-job security education and skill training, and the qualified rate of the training for the counter staff and custodian in the business sites was 100% with no fire and fire insurance incidents occurred across all departments.

Committed to providing health care for employees, the Bank establishes a trade union to provide mutual insurance, accident injury insurance and critical illness insurance for all employees. We also provide annual health check for employees and arrange eye health screening for employee in particular positions to effectively protect employees' health. The Bank also established an e-book reading platform named "Micro Book store for Bank of Zhengzhou", with more than 200 books and journals of occupational safety and physical and mental health guidance to provide employees with information related to health and safety.



Mutual insurance claims for
RMB **33,600**



Employees to apply for relief for
RMB **134,000**



Employees losing immediate
family members for
RMB **33,000**



Female employees who
had just given birth for
RMB **16,500**



Military veterans for
RMB **43,800**



Hospitalized employees for
RMB **22,000**

The Bank also attaches great importance to humanistic care, provides effective assistance to employees in need, and regularly organizes various recreational activities to enrich their life.

CASE

The third "Simple Pie" basketball game

The third "Simple Pie" basketball game of the Bank was held on 28 September 2019. 14 teams from the Bank and 11 cooperative enterprises attended the game, which showed the Bank's style, strengthened employees' cohesion and willpower, and enhanced the interaction and understanding with the cooperative enterprises.



CASE

The "New Bank, New Start" spring walking competition

On 14 April 2019, the "New Bank, New Start" spring walking competition was held by the Bank with 1,400 employees and their families participated in the competition to exercise and strengthen their bodies, showing the vigorous and progressive spirit of the employees.



Fostering Employee Growth

Promoting employee growth is essential to the Bank's sustainable development. The bank establishes and continuously improves the training system with consideration of business development and employee needs, and continuously improves employees' knowledge, skills and attainment through trainings, as to promote the Bank's comprehensive and coordinated development. At the same time, we strengthen personnel training at all levels to improve employees' ability to perform their duties.

The Bank continuously improves its training management system and formulates and implements the *Bank of Zhengzhou Regulations on Training Management*, in which the training level, department responsibilities and training management process are clearly defined and requirements of training service period management are added. At the same time, the Bank launches the professional sequence curriculum system sorting and curriculum map development pilot project, with the sequence of independent examiners as the pilot, to complete the curriculum system sorting, curriculum map design and curriculum outline compilation of the sequence at all levels, laying the foundation for the subsequent construction of the overall curriculum system of the Bank of Zhengzhou University.



241

Training sessions



Number of participants

24,645

 person-times


Input education costs exceeds

RMB 19.11

 million

During the Reporting Period, the Bank consolidated the three-level training resources at its headquarters, branches, and sub-branches and focused on launching leadership training for senior-/mid-level management, training camps for the president of the model bank in commercial logistics, training for professional officials, training on professional knowledge and marketing skills for junior staff, new staff training, and reserve cadre training for head office staff. In addition, the Bank has remained committed to building mobile learning platforms and internal instructor teams, offering sound faculty and on-line platform support. Through pocket college, video conferencing, and live teaching, the Bank offers online and offline education that provides a comprehensive, on-demand and full-coverage training environment to support talent training. The Bank organized and attended a total of 241 training sessions on various topics with a total of 24,645 person-times attended and a total input cost of over RMB 19.11 million. The input cost per employee was RMB 3,937, with a training coverage rate of 508%.

Employee category	Number of trainees (person-times)	Number of trainees (persons)	Coverage rate (%)	Training time (hours)	Average training time (hours)
Senior management	16	10	160	177	17
Middle management	360	92	391	6,494	71
Junior employees	24,269	2,761	879	487,235	176



Retail benchmarking bank president training camp project



Reserve cadre training for head office staff



CASE

The 2019 induction training for new employees

To enable new employees to transition from student to employee and integrate into the team quickly to efficiently carry out various tasks, the Bank organized a 10-day induction training for new employees on 27 June 2019. The training course takes practice as the starting point, covering the front, middle and back stage with topics of corporate culture, integrity, risk management, law and compliance, characteristic business, anti-money laundering, official document writing, service etiquette, career planning, etc.. Participants have learned a lot from such an informative training.



Deepening Corporate Culture

The Bank focuses on cultivating a good corporate culture and gradually establishes a unique corporate character to provide a positive working environment for employees, and presents its good corporate image to the public.

CASE

The discussion activity for advice and suggestions offering

During the Reporting Period, the Bank held a discussion activity about strategies for high quality development regarding "123456" for "one center" "two persistence" "three-character strategy" "four-character tactic" "five relations" and "six indicators", by which over 400 action plans were solicited. After selection of the plans, the "Top Ten Facts for 2020" were finally released. The discussion activity achieved fruitful results, which reflected the determination of high-quality development of the Bank and the spirit of all employees.

CASE

Educational series on the theme of classical opera

From 24 July 2019 to 26 July 2019, the educational series on the theme of classical opera were held by the Bank. The series were closely related to Henan's local classic culture, including watching the classic Henan opera Cheng Ying's Rescue and Jiao Yulu, and the special performance of classic Henan opera with a theme of "National style and Henan Rhyme". The Bank aimed to actively convey the spirit of traditional culture through such educational theme activities.



CASE

The Youth Day MV

The Bank introduced its Youth Day MV with a theme of "Youth with Passion to Dream" in 2019. It was originally prepared by the Bank's employees from idea generation, lyrics and song writing and audio recording to choosing of actors. By singing in the form of RAP, it showed the youthful vitality of the young generation, as well as their struggle, enthusiastic dedication to work.



07 Energy Conservation and Environment Protection

Promoting Green Finance

Adhering to Green Operations

Advocating Green Action

Promoting Green Finance

In response to the national policy of preventing the expansion of energy-intensive and high-polluting industries, the Bank integrates environmental protection factors into bank policies, continuously improves the green financial service system, formulates green credit strategies, and promotes initiative and consciousness of green finance work. The Bank establishes the Green Credit Working Committee and formulates the *Bank of Zhengzhou Green Credit Strategy*, and the *Bank of Zhengzhou Management for Green Financial Bonds*, in which the Bank's allocation towards industries and enterprises with low energy consumption, low pollution, low emissions and low resource consumption and focuses on supporting projects listed in the national key energy conservation technology promotion catalogue, the top 10 national key energy conservation and emission reduction projects, and key pollution source treatment projects are specified. The Bank strictly controls the balance of loans to industries with high pollution, high-energy consumption, and overcapacity to accelerate the exit of enterprises with outdated production capacity. As of the end of the Reporting Period, the balance of loans for industries with high pollution, high-energy consumption, and overcapacity amounted to RMB 674 million, representing a decrease of 73.18% as compared with the end of the previous year.



Balance of loans for industries with high pollution, high-energy consumption, and overcapacity

RMB **674** million

Decrease of

73.18%

from the end of last year

Before credit granting, the Bank divides its customers into three categories based on the environmental and social risks faced by customers or projects. The Banks also conducts a dynamic assessment of environmental and social risks for its customers, and uses the relevant results as an important basis for rating, credit access, management and exit.

» Class A

Customers with construction, production and business activities that are **likely to seriously change** the original state of environment, and the adverse environmental and social consequences are not easy to be eliminated.

If the risk management team shows positive opinions, the credit shall be approved by the head office with the highest credit authority, otherwise it shall not enter into the credit approval process.

» Class B

Customers with construction, production and business activities that **will change** the original state of environment, but the adverse environmental and social consequences can be eliminated through mitigation measures.

If the risk management team shows positive opinions, the credit shall be approved by the branch or higher credit authority, otherwise it shall not enter into the credit approval process.

» Class C

Customers with construction, production and business activities that **will not obviously change** the original state of environment and society.

Directly enter into normal credit process.

Issuance of RMB 2 billion of green financial bonds

The Bank issued RMB 2 billion of green financial bonds on 5 June 2019. The funds raised was used for energy conservation, pollution prevention and control, resource conservation and recycling, clean transportation, clean energy, ecological protection and climate change adaptation required in the *List of Projects Supported by Green Bond*.

The issuance of the green financial bonds further enriched the funding sources of green projects, optimized the Bank's credit structure, and improved the Bank's development on green finance.



Accumulated issuance of
green financial bonds

RMB **5** billion

Adhering to Green Operations

The Bank strictly complies the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China*, and the *Water Law of the People's Republic of China*, and actively promotes environmental protection. We formulate and implement the *Bank of Zhengzhou Regulations on Environmental Hygiene Management*, in which the environmental management process for office and responsibilities of all departments are defined, so as to reduce energy consumption and effectively control pollution emissions.

The Bank's principal business does not involve businesses with high energy consumption and pollution, with water, electricity, natural gas, gasoline and paper as the main resources and energy used in the office. To improve the efficiency of resources and energy use, the Bank pays attention to resources and energy use in the office process by standardizing management of electricity, water and cars, that effectively reduces resources and energy consumption and achieves energy conservation and environmental protection. The water used by the Bank comes from municipal pipe network, while the wastewater generated in the office goes into the municipal sewage pipeline through the sewage treatment facilities of the building after primary treatment.

Management for electricity consumption

- Replace the original incandescent lamps with LED lamps or other energy-saving lamps, and set a timer to control the lighting time
- Check and shutdown office equipment, air conditioner and water dispenser after work every day
- Regular cleaning, overhaul, maintenance and replacement of old parts for fans, air conditioners, heating and other equipment to improve their efficiency
- When purchasing new equipment, give priority to energy-saving and environment-friendly equipment

Management for water consumption

- Adopt the principle of frequently cleaning with a small amount of water
- Put up water-saving signs in the room. Employees should turn off the faucet in time when using toilets and sinks. If abnormal situation is found, immediately inform the relevant departments for maintenance
- Irrigate plants and flowers according to the weather conditions. Use water rationally to avoid wasting
- During the Reporting Period, the Bank's headquarter had its water consumption reduced by 31,837 tons compared with previous year through various measures to save water





Management for office

- Reduce use of paper document and launch operation platform for centralized counter surface
- Optimize the office automation system for online handling of business approval, contract review, work communication and supervision
- Develop the conference assistant for online implementation of conference notice and materials
- Activate the electronic seal system to replace the use of some physical seals
- Promote video conference to reduce conference costs and improve efficiency

Management for vehicle

- Promote centralized management of official vehicles to improve utilization rate and conditions with regular overhauling and maintainance
- Optimize travelling routes to reduce fuel consumption



Head office resource consumption

Type	Unit	Quantity
Water consumption	Tons	74,733
Water consumption intensity	Tons/ square metre ⁶	1.57
Electricity consumption	10,000 kWh	1,080
Electricity consumption intensity	10,000 kWh/ square metre	0.02
Natural gas consumption	Cubic metres	37,904
Natural gas consumption intensity	Cubic metres/square metre	0.80
Vehicle fuel consumption	Litres	89,648
Vehicle fuel consumption intensity	Litres/vehicle ⁷	2,298.67

Head office greenhouse gas emissions

CO₂

Type	Unit	Quantity
Total greenhouse gas emissions	Tons of CO ₂ equivalent	6,934.23
Total greenhouse gas emissions intensity	Tons of CO ₂ equivalent/persons ⁸	5.12
Direct greenhouse gas emissions (Scope 1) ⁹	Tons of CO ₂ equivalent	247.73
Indirect greenhouse gas emissions (Scope 2) ¹⁰	Tons of CO ₂ equivalent	6,686.50

In cooperation with clearing and transportation companies, the Bank builds a waste sorting and treatment station to recycle waste materials, iron and other items, and transport the non-recyclable non-hazardous waste to the designated power plant for combustion treatment. The Bank's principal business does not involve businesses with high energy consumption and pollution with no significant hazardous wastes produced. Hazardous wastes such as wasted batteries, wasted fire extinguishers and wasted lamps are stored first, then transported to Zhengzhou Comprehensive Waste Treatment Plant for further treatment.

Wastes containing sensitive information storage medium will be destroyed by specially-assigned personnel using national confidentiality certification demagnetization equipment for information elimination, demagnetization or physical crushing, if they are no long in use, with corresponding destruction records kept.

Head office non-hazardous wastes



Type	Unit	Quantity
Solid waste	Tons	254.73
Solid waste density	Tons/person	0.19
Abandonment of equipment	Pieces	1,418
Abandonment of equipment density	Pieces/person	1.05

⁶The area of head office is 47,617.84 square meters.

⁷The head office has 39 vehicles.

⁸The head office has 1,354 employees.

⁹Including greenhouse gas emissions from consumption of natural gas, gasoline, and diesel.

¹⁰Including greenhouse gas emissions from consumption of power and municipal heating.



Advocating Green Action

The Bank attaches importance to the cultivation of environmental awareness, and actively organizes environmental activities to pass the positive energy to the community. During the Reporting Period, the Bank organized activities related to healthy life and low-carbon walk, as well as three stages of elimination of plastic activities in the city, including "picking up small bottle cap for better environment", "Zero plastic in the autumn", and "Battle for protecting the earth" to actively fulfil the responsibility for environmental protection.



Organized over

10 public

welfare activities on environmental protection



People participated in environmental public welfare activities about

11,000 person-times



Accumulated input cost about over

RMB **15** million



Looking Forward

In the future, the Bank will continuously adhere to steady development, deepen development transformation, pursue sustainable development, and promote high-quality development in depth. In business development, we will actively respond to expectations of stakeholders from social, environmental and governance aspects, and effectively undertake corporate social responsibilities. We will continuously strengthen internal control management, enhance compliance construction, and strictly uphold the bottom line of risks. We will remain true to our mission of serving real economy, actively respond to the call of the nation, and promote vigorous development of regional economy. We will further promote characteristic development, continuously support SMEs, optimize the business logistics service system, and improve the brand influence of citizen finance. We will practice inclusive finance, increase funding for "three rural sectors" and targeted poverty alleviation, and enhance support for construction of people's livelihood. We will deepen community participation, participate in public welfare activities, and promote the popularization of financial knowledge. We will protect employees' rights and benefits, attach importance to humanistic care, and strengthen personnel training. We will actively promote green banking, take the initiative to implement environmental protection regulations, and deepen strategic guidance on green credit.



Independent Assurance Statement

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

CECEPAC (HK) Advisory Company Limited (“**CECEPAC (HK)**” or “**We**”) has been engaged by Bank of Zhengzhou Co., Ltd. (“**Bank of Zhengzhou**”) to conduct an independent limited assurance engagement (“**Assurance Engagement**”) on the information and data related to sustainable development in the 2019 Corporate Social Responsibility Report (the “**CSR Report**”) of Bank of Zhengzhou.

CECEPAC (HK) evaluated the nature and extent of Bank of Zhengzhou's adherence to the AA1000 Accountability Principles Standard (2008) (“**AA1000AS**”). Moreover, CECEPAC (HK) has also been engaged to conduct the Assurance Engagement on the reliability and accuracy of specific performance information disclosed in the CSR Report in accordance with the *Environmental, Social and Governance Reporting Guide* (“**ESG Reporting Guide**”) published by the Stock Exchange of Hong Kong Limited (“**SEHK**”).

This independent assurance statement has been prepared in Chinese and English versions. Should there be any discrepancies between these versions, the Chinese version shall prevail.

I. Independence and Competence

CECEPAC (HK) was not involved in collecting and calculating data involved in the *CSR Report*, or in the development of the *CSR Report*. CECEPAC (HK)'s activities are independent from Bank of Zhengzhou. There is no relationship between CECEPAC (HK) and Bank of Zhengzhou beyond the contractual agreement for providing proper service of assurance.

The assurance team of CECEPAC (HK) is composed of experienced consultants in the industry who have had professional training of standards related to sustainable development, including Global Reporting Initiative Standards (GRI Standards), AA1000AS, *ESG Reporting Guide* issued by SEHK, ISO 14064, ISO 9001, etc.

The assurance team of CECEPAC (HK) has extensive experience in conducting the Assurance Engagement and has sufficient understanding and capabilities of implementation of AA1000AS. Moreover, the Assurance Engagement related to sustainable development issues is carried out in line with CECEPAC (HK)'s internal assurance protocol.

II. Bank of Zhengzhou's Responsibilities

Bank of Zhengzhou is responsible for the preparation and presentation of the *CSR Report* in accordance with the *ESG Reporting Guide* published by SEHK. Bank of Zhengzhou is also responsible for implementing relevant internal control procedures to ensure that the contents of the *CSR Report* are free from material misstatement, whether due to fraud or error.

III. Assurance Provider's Responsibilities

CECEPAC (HK) is responsible for issuing an independent assurance

statement to the Board of Directors Bank of Zhengzhou. This independent assurance statement applies solely to the *CSR Report* in the specified scope, expresses a conclusion on the assurance work, and does not serve any other intents or purposes.

CECEPAC (HK) ensures that all personnel involved in the assurance work meet professional qualification, training, and relevant work experience requirements, and are demonstrably competent. CECEPAC (HK) also ensures that personnel involved in the assurance work are capable of conducting assurance engagements. All results of assurance are internally reviewed by senior staff to ensure that methodologies used in the process are sufficiently stringent and transparent.

IV. Assurance Scope

The scope of the Assurance Engagement is limited to information and data in the *CSR Report* that relate to Bank of Zhengzhou and its subsidiaries only and does not include Bank of Zhengzhou's suppliers, contractors, and information or data provided by other third parties.

A Type 2 Moderate Level of Assurance was adopted by CECEPAC (HK) to evaluate the nature and extent of Bank of Zhengzhou's adherence to the three principles (Inclusivity, Materiality, Responsiveness) in accordance with AA1000AS.

Specified performance information disclosed in the *CSR Report* were agreed upon and selected between Bank of Zhengzhou and CECEPAC (HK) for assurance. The selected information is as follows:

- Key performance indicator(s) related to the topic “Resource Use”
- Key performance indicator(s) related to the topic “Recruitment and Employee Rights and Interests”
- Key performance indicator(s) related to the topic “Customer Privacy Protection”

CECEPAC (HK)'s assurance work was with respect to information disclosed from 1 January 2019 to 31 December 2019. Any information that falls outside this period or any other data that is disclosed in the *CSR Report* is not included within the assurance scope. Therefore, we do not express any conclusions on this information.

The scope of the assurance engagement is confined to the information provided by Bank of Zhengzhou only. Any queries regarding the content or related matters within this assurance statement should be addressed to Bank of Zhengzhou only.

V. Methodology

CECEPAC (HK) conducted assurance engagement only within the scope of Bank of Zhengzhou's headquarters and Puyang Branch, and the assurance work included:

- Evaluating the appropriateness of Bank of Zhengzhou's stakeholder engagement participation process;
- Conducting interviews¹ with personnel involved with sustainability management, report preparation and the provision of relevant information;
- Assessing whether the reporting and management approach for the *CSR Report* responded to the principles of Inclusivity, Materiality, and Responsiveness as defined in the AA1000AS;
- Conducting random sampling of evidence pertaining to quantitative specified performance information;
- Recalculating quantitative specified performance information, and;
- Performing other procedures we deemed necessary.

Assurance work was performed and the conclusions within were based upon information and data provided by Bank of Zhengzhou to CECEPAC (HK), and on assumptions that the information provided was complete and accurate.

VI. Limitations

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

VII. Conclusions

In accordance with the principles of Inclusivity, Materiality and Responsiveness in the AA1000AS, the *ESG Reporting Guide* published by SEHK, our conclusions are as follows:

Inclusivity

Bank of Zhengzhou has identified key stakeholders. Regular communication with the key stakeholders is carried out in various way to understand their expectations and concerns. On this basis, Bank of Zhengzhou has formulated policies in consideration of key stakeholders' expectations and concerns. In our professional opinion, Bank of Zhengzhou adheres to the Principle of Inclusivity.

Materiality

Bank of Zhengzhou has conducted materiality assessment for the *CSR report* and collected opinions of key stakeholders. Proper methods were used to identify material issues and the outcome of the materiality assessment has been stated in the *CSR report*. In our professional opinion, Bank of Zhengzhou adheres to the Principle of Materiality.

Responsiveness

With the aim of supporting the discussion, responding, tracking, and improvement of material issues, Bank of Zhengzhou has developed different policies to continuously respond to its material issues and established channels for its stakeholders to collect their views. In our professional opinion, Bank of Zhengzhou adheres to the Principle of Responsiveness.

SEHK's ESG Reporting Guide

Disclosures for general disclosures of environmental and social subject areas and key performance indicators have been provided in accordance with the "Comply or Explain" provision, in all material aspects, in alignment with the *ESG Reporting Guide* issued by SEHK. Bank of Zhengzhou has disclosed the assessment process and the result of the materiality assessment; impacts caused by business are objectively disclosed; relevant environmental and social data are calculated and disclosed. Our recommendations for the *CSR Report* have been either adopted or responded by Bank of Zhengzhou before the issuance of this assurance statement.

Specified Performance Information

Based on the assurance procedures that CECEPAC (HK) has performed and the evidence we have obtained, no specific issue has come to our attention that causes us to believe that the disclosures of selected specified performance information are unreliable or inaccurate, in all material respects.

VIII. Recommendations

We recommend that Bank of Zhengzhou considers strengthening the below items in the future:

Strengthen the management mechanism of environmental factors related to the use of resources such as electricity and water, and regularly analyze, communicate, and feedback relevant performances. Improve resource use management policies and expand policy coverage to comprehensively control the environmental impact of operations.

Enhance the governance structure of environmental, social and governance matters led by the board of directors and expand the scope of risk assessment related to environmental, social and governance matters, strengthening relevant risk management and internal control systems.



¹Being limited by the spread of coronavirus disease (COVID-19), the assurance engagement was conducted through online interview in forms of telephone conference.

ESG Index

Subject Areas and Aspects	General Disclosures	Disclosure Page	KPIs	Disclosure Page
A.Environmental				
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	55	A1.1 The types of emissions and respective emissions data	57
			A1.2 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	57
			A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	The Bank's principal business does not involve businesses with high energy consumption and pollution, thus no apparent hazardous waste was generated
			A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	57
			A1.5 Description of measures to mitigate emissions and results achieved	53-56
			A1.6 Description of how hazardous and nonhazardous wastes are handled, reduction initiatives and results achieved	57 The Bank has no significant hazardous wastes generated, thus no apparent reduction on hazardous and non-hazardous wastes generation.
A2 Use of Resources	Policies on the efficient use of resources, including energy, water and other raw materials	55	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)	57
			A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility)	57
			A2.3 Description of energy use efficiency initiatives and results achieved	55
			A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	55
			A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not applicable
A3 Environment and Natural Resources	Policies on minimizing the issuer's significant impact on the environment and natural resources	55	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	55

Subject Areas and Aspects	General Disclosures	Disclosure Page	KPIs	Disclosure Page
B. Social				
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	45	B1.1 Total workforce by gender, employment type, age group and geographical region	46
			B1.2 Employee turnover rate by gender, age group and geographical region	46
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	47	B2.1 Number and rate of work-related fatalities	Disclose in the future
			B2.2 Lost days due to work injury	Disclose in the future
			B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored	47
B3 Development and Training	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	49	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	49
			B3.2 The average training hours completed per employee by gender and employee category	49
B4 Labour 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 labour	45	B4.1 Description of measures to review employment practices to avoid child and forced labour	45
			B4.2 Description of steps taken to eliminate such practices when discovered	The Bank does not have occurrence on child labor and forced labor
B5 Supply Chain Management	Policies on managing environmental and social risks of the supply chain	20	B5.1 Number of suppliers by geographical region	20
			B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	20
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	38,42 The Bank has no finished products and does not involve in health and safety, advertising and labeling relating to products and services provided.	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	43
			B6.3 Description of practices relating to observing and protecting intellectual property rights	20
			B6.4 Description of quality assurance process and recall procedures	38
			B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored	42
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	18	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	18
			B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	18
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	22-36	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	22-36
			B8.2 Resources contributed (e.g. money or time) to the focus areas	22-36

GRI Content Index

GRI Standard	Disclosure	Page Number
GRI General Disclosures		
GRI 102: General Disclosures	Organizational profile	
	102-1 Name of the organization	1
	102-2 Activities, brands, products, and services	5
	102-3 Location of headquarters	5
	102-4 Location of operations	6
	102-5 Ownership and legal form	5
	102-6 Markets served	5-6
	102-7 Scale of the organization	6
	102-8 Information on employees and other workers	46
	102-9 Supply Chain	20
	102-10 Significant changes to the organization and its supply chain	No significant changes occurred to the organization and its supply chain during the Reporting Period
	102-11 Precautionary Principle or approach	17-18
	102-12 External initiatives	22,31,53
	102-13 Membership of associations	Disclose in the future
	Strategy	
	102-14 Statement from senior decision-maker	3
	Ethics and integrity	
	102-16 Values, principles, standards, and norms of behavior	10
	Governance	
	102-18 Governance structure	14
	Stakeholder engagement	
	102-40 List of stakeholder groups	11
	102-41 Collective bargaining agreements	Not applicable, the Bank has not considered about collective bargaining agreements.
	102-42 Identifying and selecting stakeholders	12
	102-43 Approach to stakeholder engagement	11
	102-44 Key topics and concerns raised	11
	Reporting practice	
	102-45 Entities included in the consolidated financial statements	2

GRI Standard	Disclosure	Page Number
	102-46 Defining report content and topic Boundaries	1
	102-47 List of material topics	12
	102-48 Restatements of information	No significant changes for this Report compared with past reports
	102-49 Changes in reporting	No significant changes for this Report compared with past reports
	102-50 Reporting period	1
	102-51 Date of most recent report	1
	102-52 Reporting cycle	1
	102-53 Contact point for questions regarding the report	2
	102-54 Claims of reporting in accordance with the GRI Standards	1
	102-55 GRI content index	64-65
	102-56 External assurance	60-61
GRI 103: Management Approach		
GRI 103 Management Approach	103-1 Explanation of the material topic and its boundaries	11-12,35,53
	103-2 The management approach and its components	14-19,31-32,42,45,47,49,53-56
	103-3 Evaluation of the management approach	14-17
GRI 200: Economic Topics		
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	6,8
	201-2 Financial implications and other risks and opportunities due to climate change	53-54
GRI 300: Environmental Topics		
GRI 302: Energy	302-1 Energy consumption within the organization	57
	302-3 Energy intensity	57
GRI 303: Water and Effluents	303-3 Water withdrawal	57
GRI 400: Social Topics		
GRI 401: Employment	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	45
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	47-48
	403-5 Worker training on occupational health and safety	47-48
GRI 404: Training and Education	404-1 Average hours of training per year per employee	49-50
	404-2 Programs for upgrading employee skills and transition assistance programs	49-50
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	22-23, 31-36
	413-2 Operations with significant actual and potential negative impacts on local communities	22-23, 31-36
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	38-41
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	42

Reader's Feedback

Thank you for reading the 2019 Corporate Social Responsibility Report of Bank of Zhengzhou Co., Ltd.. In order to meet your needs more efficiently and provide you with more valuable information, we would appreciate your valuable comments and suggestions for our Report by filling out the feedback form below and sending us your comments by any of the following ways.

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1. Which kind of stakeholder are you?

☐ Government ☐ Regulatory body ☐ Shareholder ☐ Customer ☐ Staff

☐ Supplier ☐ Partner ☐ Community ☐ Environment ☐ Other

2. Your general impression of this Report:

☐ Poor ☐ Average ☐ Good ☐ Excellent

3. Your comment on Bank of Zhengzhou's performance of its social responsibility to its stakeholders:

☐ Poor ☐ Average ☐ Good ☐ Excellent

4. Do you think this Report reflects the impact of the performance of the social responsibility of Bank of Zhengzhou on the economy, the environment, and society?

☐ No ☐ Average ☐ Yes

5. Do you think the information disclosed in this Report is complete?

☐ No ☐ Average ☐ Yes

6. Do you think the content and layout of this Report is clear and easy to understand?

☐ No ☐ Average ☐ Yes

7. Do you have any other suggestions or comments on this Report or about improving the performance of the social responsibility of Bank of Zhengzhou?

Thank you for your attention and support!



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