



2020 REPORT OF CORPORATE SOCIAL RESPONSIBILITY OF BANK OF CHONGQING

Environmental/Social/Governance

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Chairman's Address

2020 was an extraordinary year in the development history of Bank of Chongging. Confronting with the COVID-19 pandemic impact and complex situation both at home and abroad, we took Xi Jinping's Thought on Socialism with Chinese Characteristics in the New Era as the beacon, and under the strong leadership of Chongqing Municipal CPC Committee and Chongging Municipal People's Government, gathered force together with perseverance and confidence to overcome all difficulties. We sustained the stable, progressive and upward momentum of development with the total assets hitting a historic high of CNY560 billion. In the World Top 500 Bank Brands released by the British The Banker, the Bank of Chongging ranked 206th, 53 places higher than the previous year, which heralds a new advent of highquality development and starts a new journey of the Fourteenth Five-year Plan.

Over the past year, we succeeded in carrying out the assignment and supporting the victory of the critical battle against

the pandemic. We quickly responded to the tough tests, timely granted emergency loans to the epidemic prevention guarantee entities, and built up the invulnerable defense line to safeguard the life and health of our employees and clients. We fully secured the "Six Stability" and "Six Security" in place, actively implemented the relief and beneficiary policies, supported micro and small private businesses with preferential interests, and adopted diversified means to contribute to the work resumption of all walks of life.

Over the past we enhanced our capacity and improved clients' "Sense of Gain" by financial services. The Bank concentrated on the development of inclusive finance and constantly resolved difficulties of difficult, costly and slow financing for the micro and small businesses and the agriculture, rural

areas and peasants. In the critical battle against poverty, the Bank provides package products of poverty alleviation by credit loan, donation and consumption. Under the concept of green development, the Bank adopted the 'Equator Principle^{*}, diversified green service modes and better supported the sectors like energy conservation, environmental protection, clean energy and ecology governance. Focusing on the national major strategies, the Bank fully participated in the construction of Chengdu-Chongging dual-city economic circle and the regional development. We uphold the philosophy of "Think Alike, Grow Together" to create value and help clients succeed by our financial services of higher quality, efficiency and professionalism.

Over the past year, we tackled with bottleneck issues and constantly strengthened the "driver" of reform and

innovation. We advanced the reform and innovation of the entire bank, formulated the Fourteenth Five-year Plan and took the benchmarking improvement action and the three-year reform action plan as a whole, exploring the high-quality development path with our own characteristics. A digital innovation leading group was formed to push forward digital innovation and implement 104 science and technology programs, which were highlighted by the Digital Smart Mobile Bank, Client Portrait by Big Data, Fengling Smart Assessment, Cash Management System, etc. and incubate the independent IPR results that effectively enabled business growth, risk control and management improvement.

Over the past year, we worked hard to safeguard the baseline and strengthened the "firewall" for overall risk prevention and **control**. The Bank followed the requirements on preventing and mitigating major risks, strengthened overall risk management, and achieved balance among safety, liquidity and

cost efficiency. The Bank persisted in the main principle of operation compliance, built overall risk prevention and control capacity, and reinforced intelligent risk control so that the credit approval and post-loan management got further improved and upgraded plus a good level of asset quality among the public listing banks. The Bank promoted corporate governance according to law, enhanced institutional construction, tightened the superintendence network and streamlined the internal control compliance system.

Thanks to the extensive trust and support of investors and clients, the Bank of Chongqing was successfully listed on the A-share market on Feb. 5, 2021 and became the first city commercial bank of "A+H" listing in West China. In the new development stage, the Bank will actively take part in the new development pattern, assume the new development missions, adhere to the underlying principle of seeking progress while keeping performance stable, uphold the theme of high-quality development, follow the main path of deepening structural reform at supply side, take reform and innovation as the prime mover, and keep strengthen the capabilities of competition, innovation, control, influence and risk resistance so as to guarantee a good start of the Fourteenth Five-year Plan and celebrate the 100th Anniversary of CPC by outstanding achievements.

LIN JUN

Chairman of the Board of Directors Bank of Chongqing Co., Ltd.



President's Address

In 2020, the Bank of Chongging thoroughly studied and implemented Xi Jinping's Thought on Socialism with Chinese Characteristics in a New Era, fully executed the decisions and deployments of Chongging Municipal Party Committee and Chongqing Municipal People's Government, resolutely secured all regulatory requirements in place, guaranteed robust development and safe operation, and forestalled risk of compliance. All the Bank's employees were unified to work arduously, realize high-quality development, leap forward to a new height and thus deliver a good report on the results of the Thirteenth Five-year Plan.

By the end of 2020, the Bank had total assets of CNY561.641 billion with a year-on-year increase of 12.1%, the loan balance of CNY283.2 27billion, up 14.5%, the deposit balance of CNY314.500 billion, up 11.9% and the annual net profit of CNY4.56 billion, up 5.7% plus only 1.27% of non-performing rate. All the major business indicators meet the regulatory requirements. During the period of the Thirteenth Five-year Plan, the Bank's asset scale gained an accumulative growth of over 70%, and the profitability increased by over 50%. The Bank continuously improved the asset guality, and maintained fast and robust growth of scale, performance and quality.

Combating the pandemic at full capacity for 'Six Stability' and 'Six Security' the Bank holistically planned epidemic prevention and operation management, fully implemented the package financial policies on work resumption, developed over 30 measures for both epidemic prevention and work resumption, advanced 'Four Optimized Services, Direct Access to Real Economy", and totally granted CNY3.9 billion of dedicated refinancing fund. CNY2 billion special financial debt of microloan. CNY4.63 billion of inclusive finance credit loan to micro and small businesses and CNY4.28 billion of initial loan to micro and small businesses. Over the past year, the Bank transferred a portion of profit of CNY1.52 billion by various means to corporate entities.

Deeply-rooted in real economy with support to major strategies: the Bank concentrated on the major strategies of building Chengdu-Chongqing dual-city economy circle and a new west landsea corridor, and proactively participated in the new development pattern of 'dual circulations". The Bank signed a strategic cooperation agreement with Bank of Chengdu to perform concrete cooperation on interbank credit granting, bond investment, counter connectivity, etc. The Bank also strengthened the financial service to the new areas and vigorously supported the construction of West China (Chongqing) Science City and Liangjiang New Area where the credit amount issued to these two areas increased by 30% in 2020.

Serving people's livelihood and practicing inclusive finance: the Bank gave full support to the decisive battle against poverty and effective connection with rural rejuvenation, and fully completed the three-year action plans (2018-2020) with proliferating loan balance for targeted poverty alleviation and rural rejuvenation. The online service, management and office affairs are booming that improve the financial service capability of digital inclusive finance. Driven by the R&D of scenario-based and featured products, the digital product system of inclusive

finance and microfinance is taking shape.

Technology empowers digital transformation. The Bank sticks to the strategic orientation of digital transformation, and enables high-quality development by financial science and technology. The financial sci-tech, data governance and financial standardization are promoted as a whole, the Big Data intelligence innovation action is about to finish, and the new technology application scenarios like 5G, blockchain and robot are increasing dramatically. The Bank integrates all data resources, propels data application by 36 scenarios, creates and updates the client tag portraits and improves the client's experience of science and technology.

In 2021, the Bank will adhere to the party leadership, carry forward the mission of practicing social responsibility, get deeply involved in the major strategies of "dual circulations", Chengdu-Chongging dual-city economic circle, expansion of domestic demand, etc., advance the Bank's high-quality development through the service to real economy, assistance to the growth of micro and small businesses and support to consumption upgrading, further assume the missions of a state-owned financial corporation. and stride forward to a first-class public-listed commercial bank in China featured with sustained origin, distinctive characteristics, safety, robustness and excellent value

RAN HAILING

President Bank of Chongqing Co., Ltd.



Strategic Development Vision

To become a first-class public-listed commercial bank in China featured with "Remaining" true to the origin and source, distinctive characteristics, safety and robustness, and value excellence"

Remaining true to the origin and source:

'Origin' refers to the real economy while "source" refers to the regional development. The Bank of Chongging (hereinafter referred to as the Bank) assumes the mission of serving the real economy, proactively gets involved in the development of national and regional strategies, remains true to the original aspiration with perseverance, adheres to the orientation of "serving local economy, serving micro and small businesses, serving urban and rural residents", makes new achievements by holding our grounds and explores new development space by better services.

Distinctive characteristics: The Bank does deep into the distinctive and differentiated development, makes use of the resource endowment and market environment owned by one municipality and three provinces. advances reform and innovation in the

aspects of product, channel, management, technology, mechanism, culture, talent, etc., provides optimized and featured services with enhanced support such as green finance, micro and small businesses finance, retail finance, culture and tourism finance. opening-up finance and green finance, and thus continuously improves the influence and competitiveness of products.

Safety and robustness: The Bank strengthens risk awareness, fosters risk culture, thinks more about the baseline. and tightens the boundaries of risk control. Through the advancement of overall risk management and the general planning and management of credit risk, operational risk, liquidity risk, market risk, reputation risk, etc. the Bank endeavors to achieve robust operation and safe development.

Value excellence: Driven by value creation, the Bank pursues value excellence. Setting the premium quality as the development goal and internal requirement, the Bank keeps ameliorating structure in an allround manner, well integrates scale, quality and earnings, sharpens the comprehensive competitive edge, uplifts the holistic value in a balanced way, realizes the maintenance and appreciation of state-owned assets, and creates even larger value for investors and clients.

Through general improvement of fundamental capabilities, the Bank has realized the service with distinctive characteristics and stateof-art professionalism, the management of profoundness, safety and efficiency, the development with resilient operation and proliferating value, and the brand of trustworthiness and excellence.

Corporate Culture Development



Clients are the origin and root of the longterm sound and sustainable development of the Bank. As a modern financial service provider, the Bank always upholds the "client-centered" principle, innovates financial products, creates high-quality financial service system, helps clients gain wealth by professional and distinctive services, provides them with comfortable and convenient service experience, wins their trust and support and fosters good atmosphere of mutual complementation and growing-up together

Employees are the core and foundation of the long-term sound and sustainable development of the Bank. The Bank builds a broader and opener platform of learning and exchange for employees, establishes a scientific and all-covering system of career development. enriches employees' life in spare time, and supports their personal development. which improve employees sense of gains, satisfaction and identity, build a team with competency, ambition, accountability and achievement, and inspire their devotion enthusiasm, motivation of work and creativity.

Think Alike, Grow Together' with employees



The care and support from all walks of life is the prime mover and enabler of the longterm sound and sustainable development of the Bank. As the earliest local joint-stock commercial bank founded in West China and the upper reaches of the Yangtze River. the Bank has always been committed to the triple strategic orientations of "bank for locality, bank for micro and small businesses and bank for citizens". Actively engaged in regional economic development, the Bank breaks the bottleneck of "hard, costly and slow financing" to micro and small businesses and private sector, vigorously boosts poverty alleviation and rural rejuvenation, continues fulfilling the social responsibility and propels the social public welfare, thus gaining more social recognition, creating better corporate brand image and forming a strong driving force for high-quality development.

Talent Cultivation Planning

During the Fourteenth Five-year Plan period, the Bank will persist in the orientation of high-quality development, focus on guality improvement and innovation capacity building, enhance practice and exercise, further improve the training management system, and create well-established mechanism of talent cultivation and development.

The Bank is to improve the dynamic regulation and control approach for talent cultivation in line with the overall strategy, and ensure the talent cultivation plans closely tied with the overall strategy and main businesses. Five supporting platforms of learning, examination, research, tracking and assessment will be established with all-round promotion and perfection of the central training programs. The online learning management system will be utilized to uplift training efficiency, form a perfect knowledge management system and implement training programs in all aspects. By joint construction of learning ecology, the Bank targets at a comprehensive learning organization.

The Bank will make the entire training system more organized. pertinent and effective, and improves the headquarter-branchsub-branch three-tier hierarchical training system where the Head Office gives priority to the overall planning and training of senior talents. The concrete and practical systems of training courses and teaching staff will be established to meet the demand, and on the basis of overall strategic analysis, post

University of Bank of Chongging

About University of Bank of Chongging

To realize the high-guality development in the complex exterior environment and increasingly intensified competition, the Bank must take reform and information as the prime mover, constantly strengthen the competitiveness, innovation and cohesion, and carry forward the new mission and responsibility of a financial SOE in the new adventure of building a modern socialist country in all respects

The corporate competitiveness is ultimately dependent on the talent. For the purposes of maximizing the potentials of talents, cultivating the competent teams of management staff and professional talents, and forming the power engine of the organization, the University of Bank of Chongging emerges as the times require.

The university is a qualitative leap-forward step based on the traditional training, and provides a number of professional and systematic strategy-related courses and solutions. With concentration on the key target groups, cascade talents cultivation and leadership improvement, the university will gradually form a specialized training management system that serves as a booster of the Bank's strategic reform and an important base for talent training and development

competency analysis and personal ability analysis, the 'postability-training course' combined system will be created. A wellproven and efficient mechanism on selecting, training, certification, management and incentive of internal trainers will be set up to improve both quantity and quality of internal trainers, develop the culture of internal teaching and sharing, and create a team of internal trainers with premium quality.

The Bank is to adopt diversified measures such as assessment. tutorial system, rotational training and action learning, focuses on the building of a management system of all-directional training including the training of management staff at all levels, capacity building of professional staff, training of new staff, and coverage of all the employees. Through standardized, systemized and branded training programs, the normalized pattern of talent empowerment will take shape. The construction of University of Bank of Chongging will be accelerated, which serves as a good partner of business departments and combines the learning and development programs with the Bank's strategies and businesses. With focus on the major target groups, building of talents cascade and consolidation of leadership, a professional training management system will gradually be formed, turning the university into the propeller of strategic transformation and an important base of talent training and development for the whole Bank

Motto of University of Bank of Chongqing

Fun in Study · Fun in Sharing · Grow Together

Targets and orientation of university

Serve the strategies for stronger comprehensive competitiveness Incubate the talents for stronger prime mover of development Popularize the culture for stronger cohesion of the Bank



◆ The Bank organized the talent work meeting and held the unveiling ceremony for the University of Bank of Chongqing on Feb. 7, 2021.

Requirements on talent cultivation

We should consolidate the policy of guidance by talent planning so that the talent strategy conforms to the Bank's strategic planning, the talent scale keeps up with the Bank's strategic pace and the talent structure fits in with the Bank's transformation and development.

We should improve the "talent supply chain" for talents attraction and cultivation. We should make good use of the existing talents, expand talent recruitment and enhance talent training.

We should build a platform of talent use to give them a bigger stage of performance and growth, so that all kinds of talents can utilize their wisdom and skills in the Bank's strategic adventure of high-quality development.

We should create a favorable environment to retain talents, better the service and incentive for them, and constantly improve the assessment methods so that the talents can have the pride of creating value, the sense of achievement of contributing to the society, and the honor of being respected. We must retain the talents by career, affection and treatment in the real sense.

We should invent an innovative digital approach of talent management, advance its digital transformation, and in light of the reform of management mode build a new-generation HR digital management system.

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--Lin Jun, Chairman, Bank of Chongqing Co., Ltd.

SPECIAL TOPICS

Support to Epidemic Prevention and Control to Ensure "Six Stability" and "Six Security" in Place



subscribed

CNY2.26 billion

of special anti-epidemic treasury bonds

CNY5.274 billion

白

Confronting with the outbreak of COVID-19 pandemic, the Bank resolutely implemented the decision and deployment of the CPC Central Committee, the State Council, Chongqing Municipal Party Committee and Chongqing Municipal People's Government as well as the requirements of other authorities, gave the top priority to guaranteeing the "capital supply chain", and took the action of Chongging Express Financial Service with stronger, faster and more caring efforts that supported enterprises resumption of work from the source, and contributed financial power to the "Six Stability" (stability in employment, financial operations, foreign trade, foreign investment, domestic investment and expectations) and "Six Security" (security in job, basic living needs, operations of market entities, food and energy security, stable industrial and supply chains, and the normal functioning of primary-level governments).



the balance of 'Easy Loan' series registered

Bank of Chongqing Takes Action and Assumes **Responsibility Proactively**

Strengthening institutional guarantee

The Bank developed serial policies such as Thirteen Measures to Support Micro and Small Businesses Survival the Hard Time, Twenty-two Measures to Support Work Resumption of Micro and Small Businesses. Eleven Measures to Support Development of Micro and Small Businesses and Nineteen Measures to Further Enhance Financial Services to Micro and Small Businesses, which ensured uninterrupted financial services and unchanged intensity during the pandemic period

Visiting and interconnecting proactively

In light of the themed activities of "100 Banks Support 10,000 Enterprises", "100-Day Visits", "100-Day Campaign of Care for Enterprises", etc. the Bank conducted the financing connection activity for micro and small businesses, went deep into industrial parks and enterprises for face-to-face consultation of demand, and totally visited 5,000+ clients and 1,500+ enterprises engaged in epidemic prevention and supply guarantee. For the critical supply enterprises to guarantee epidemic

prevention and the enterprises of work resumption, the Bank performed checklist management with one-on-one service so as to respond to their needs with optimal services as quickly as possible.

Guaranteeing fund supply and financial service

The Bank actively supported epidemic prevention and control via the inter-bank bond market. In Mar. 2020, the Bank issued an interbank negotiable certificate of deposit of CNY230 million dedicated to the fight against COVID-19 that all the funds raised were used to support the loans granted to the relevant enterprises In Jul. 2020. the Bank subscribed CNY2.26 billion of special anti-epidemic treasury bonds that effectively supported the fundraising by the Ministry of Finance and contributed to the general planning of epidemic prevention and socioeconomic development.

The Bank took the initiative to meet the needs of foreign-exchange-related entities for cross-border financial service, effectively guaranteed 7*24 hours availability of cross-border settlement service for epidemic-related supplies, and provided more tailor-made services such as preferential exchange rate and exemption of bank's service charge while ensuring efficiency and convenience. In 2020, through the express channel of foreign exchange service, the Bank handled 64 cases of cross-border settlement and financing business valued USD22 million for more than 20 enterprises, mainly used to purchase masks and medical equipment.

Making full use Internet technology and channel, the Bank enhanced the "drip irrigation type" financing supply to the micro and small businesses, diversified the online product series of "Easy Loan" such as "Easy Loan for Individual". "Easy Loan for House" and "Easy Loan for Government Procurement" that satisfied the 'contactless' financing demand of clients. By the end of 2020, the balance of "Easy Loan" series registered CNY5.274 billion with a year-on-year increase of CNY1.308 billion.

The Bank also developed offline products to support epidemic prevention and control such as "Epidemic Prevention Loan" and "Relief Loan to Small Enterprises" with a total amount of CNY322 million and CNY1.304 billion respectively. The *Expanding Coverage and Incremental Amount to Initial Loan" reinforced the

loan support to the first-time borrowers. In 2020, the Bank supported 1,536 micro and small businesses gaining loans totaling CNY4.275 billion from the banking system. For the micro and small businesses with financing need after the maturity of loans, the Bank offered stronger support of non-repayment loan renewal. In 2020, CNY4.261 billion of non-repayment renewed loans were granted to 2.879 micro and small entities.

Improving service efficiency

The Bank simplified the credit loan procedures, delegated the examination and approval authority to lower levels, established an express service channel, and uplifted approval efficiency by parallel operations, paperless approval, special authorization, etc., thus guaranteeing the efficient and accurate lending of credit fund

At the application end, users can get the loan service of "remote verification and online application" through various channels like mobile bank, Wechat App and mobile payment platform. The serial "Easy Loan" credit loans are featured with 'online application, instant smart approval, selfserved granting" while the mortgage loan is featured with "online valuation, remote registration and self-served granting The guickest online registration can be completed within 2 hours while the loan is granted within the same day of application.

Reducing charges reasonably in favor of clients

The Bank strictly prohibits any illegal charge in the financing to micro and small businesses or any incremental financing cost in any disguised form, and proactively bears the mortgage valuation and registration charges for them. Based on the formation mechanism of lending market guotation rates, the Bank makes good use of the monetary policy tools such as targeted RRR cuts of inclusive finance, refinancing and rediscounting as well as other policy-based capital of lower costs such as the relending of China Development Bank so as to further reduce financing cost to micro and small businesses. In 2020, the weighted average interest rate of the inclusive finance loans to micro and small businesses was merely 5.55%, down 0.83 percentage points year on year.

The Bank helped enterprises tide over difficulty by means of deferred repayment





CNY4.261 billion of non-repayment renewed loans were granted to 2,879 micro and small entities



.500+enterprises

engaged in epidemic prevention and

supply guarantee

xtended the principal repayment of CNY3.115 for the micro and small businesses

> of principal and interest, reduction and exemption of overdue interest, renewed loan without repayment of principal, credit protection, etc. During June to December of 2020, the Bank totally extended the principal repayment of CNY3.115 billion for the micro and small businesses covered by inclusive finance and supported by the monetary policy tools of the People's Bank of China. The policy benefited 2,292 micro and small businesses impacted by the pandemic.

> The Bank also adopted the policies such as deferred repayment, reduction and exemption of interests and fees. and adjusted credit investigation by the People's Bank of China for the individual clients impacted by the pandemic. Considering the actual situation of pandemic impacts, the Bank helped clients arrange repayment schedules rationally, and deferred their repayment for one billing cycle. If the pandemic-impacted clients were insolvent wholly or partly, the Bank adopted the policies of reduction and exemption of interests and fees. and adjusted credit investigation by the People's Bank of China.

CASE

"Easy Loan"

On Feb. 5, 2020, "Easy Loan" accepted the online application for loan renewal by an owner of a small store dealing in daily necessities. The client successfully went through all the online formalities at home i.e. application, approval, contract signing and loan granting, who then used the loan of CNY210,000 to replenish the supplies in shortage. Though a small amount of money, it was the prompt aid to the most urgent need of client in the critical moment of rampant epidemic. More importantly, it assisted the store in maintaining the basic livelihood of thousands of households within its 2km radius.

"Easy Tax Loan"

In the Zhongxian bank-enterprise workshop, the Bank of Chongging, Zhongxian Sub-branch learned about the dilemma of a company suffering the pandemic impact. On the same day, the sub-branch quickly conducted on-site investigation of the company, working with the enterprise at the fastest speed to understand their financing needs. Thanks to the online 'Easy Tax Loan', the company successfully obtained CNY1 million credit loan plus another loan grant of CNY1 million via offline application, which significantly made up for the gap of its circulating capital and helped it get through the hard time.

Launched an express service channel

Where there is an epidemic, there is an order and responsibility! A key enterprise of epidemic prevention supplies in Chongqing incurred shortage of capital, in order to guarantee the supply of epidemic materials, Bank of Chongging, Nanping Sub-branch immediately arrived at the site and triggered the express service channel of 'Faster Due Diligence Investigation, Faster Examination and Approval, Faster Loan Granting'. Within less than 36 hours, a loan of CNY20 million was granted to expedite the medical procurement of the enterprise that guaranteed the smooth supply of epidemic prevention materials.

Sticking to the posts for client services







Special Topics

Targeted Poverty Alleviation to Win the Decisive Battle and Build a Moderately **Prosperous Society in All Respects**

The year of 2020 witnessed the end of the decisive battle against poverty alleviation and the realization of building a moderately prosperous society in all respects. The Bank has thoroughly studied and implemented of the speech of Chinese President Xi Jinping at the Workshop of Decisive Victory in Battle of Poverty Alleviation, executed the decisions and deployments made by the Party Central Committee, State Council, Chongging Municipal Party Committee, Chongging Municipal People's Government and other governing authorities, calmly and effectively responded to the impact of COVID-19

pandemic, and performed the duty of poverty alleviation steadfastly. By the end of 2020, the Bank's loan balances for targeted poverty alleviation, industrial poverty alleviation and petty loan for poverty alleviation reached CNY3.257 million. CNY915 million and CNY387 million respectively plus povertyalleviating donation of CNY5.543 million.

In 2020, the Bank connected with the governments of poverty-stricken towns and villages like Pengshui, Xiushan, Qianjiang, Wulong and Yunyang to build up nine inclusive finance bases with 'five-in-one' functions (grassroots party building + convenience service + financial service + finance consumer protection + finance publicity). To popularize financial services in villages, the Bank paid attention to the present situation e.g. lack of rural financial service, poor awareness of villagers of finance consumer rights and interests, lack of financial knowledge, inadequate comprehensive financial services in rural areas, poor financial risk awareness, etc. further consolidated the results of poverty alleviation by finance, and speeded up the establishment of a rural basic financial service svstem.



possible



the "priority list" of credit granting, and explicitly provided even stronger support to financial poverty alleviation and rural rejuvenation. The policy documents such as opinions on better use of microcredit for poverty alleviation policies to improve financial support to the decisive battle against poverty were formulated and • implemented to strengthen financial support to the poverty-stricken households and agriculture enterprises impacted by the pandemic

The bank involved modern agriculture into

Focusing on the borrowers' eligibility, the Bank tightened the credit qualification review and access management of borrowers to ensure the precision of loan issuance. Under the principle of "borrowed, used and repaid by the same household" of the poverty alleviation microcredit, the Bank strengthened the management of the real nurrose of loan usage Any 'household loan used by enterprise' was strictly forbidden. The Bank also investigated the scope and extent of pandemic impact on enterprises monitored the production development of and impact on povertystricken households, and properly addressed risks by categorized measures.

Building self-sustained long-term poverty alleviation mechanism

Through support to the leading enterprises on the agricultural industry chain, the Bank spurred the growth of rural households and poor households in the upstream and downstream, and built self-sustained long-term poverty alleviation mechanism. By the end of 2020, the balance of industrial poverty alleviation loan reported CNY846 million with a year-on-year increase of CNY203 million.

CASE

Supporting the leading enterprises to lift rural households out of poverty

XX Agriculture Development Co., Ltd. in Chonaging is a county-level leading entity of agriculture industrialization Owing to the lengthy investment return period of agriculture. the enterprise encountered fund shortage in the initial stage of business startup. The Bank of Chongging, Zhongxian Subbranch proactively delivered on-site service to provide a loan of CNY200 000. With a capital increase from CNY200 000 in 2016 to CNY1.000.000 presently, the Bank helped the enterprise increase capital and capacity while reduce financial burden and has witnessed its leap-forward development from the rough processing initially to deep processing with higher business revenue, achieving better effect of industrial poverty alleviation. Besides its own development, the enterprise led a number of rural households in planting economic crops and thus increasing personal incomes. In particular, more than 80 registered poor households benefited from the practice and got rid of poverty, which played an exemplary role in local industrial poverty alleviation and economy development.



• Camellia Youth Shock Brigade for decisive battle against poverty provides warmhearted convenient affairs service



the balance of industrial poverty alleviation loan reported

CNY846_{million}

with a year-on-year increase of



Supporting poverty alleviation projects by dedicated funds

The fungus growers were busy in the harvest season. The Bank of Chongging, Pengshui Sub-branch financed CNY254 000 to the "pollution-free black fungus" in Shuanglong Township, Pengshui County, which gained a big harvest. Through the "loan-to-equity capital" means, the Bank helped 127 registered poor households get rid of poverty in a sustainable manner, and the dedicated fund was used to purchase raw materials from or pay labor charges to the poor households, achieving satisfactory poverty alleviation result of "one-time aid, double earnings and lona-term dividends"

The Pengshui Sub-branch concentrated on the loans to poverty alleviation projects and industries, and combined various means like donation, education and publicity to actively advance poverty alleviation and rural rejuvenation. By the end of 2020. nearly CNY1.5 billion loans for poverty alleviation and rural rejuvenation were issued together with over CNY1 million donated fund that benefited more than 5 000 poor households. in a dozen of towns and villages and offered job opportunities to over 1.000 poor people.

Efficiently issuing targeted microloans for poverty alleviation

By utilizing financial technologies, the Bank upgraded the mode of microloan for poverty alleviation to "online application, review and approval, contract signing and ban grant" that the applicants in poverty can stay at home to experience the one-stop financial services of

*card activation, loan application, contract signing and loan issuance". In 2020, the Bank totally issued CNY267 million microloans to support 6.391 registered poor households, where the bans issued via the online channel amounted to CNY 175 million. In addition, the Bank had

a balance of microloans for poverty alleviation totaling CNY387 million that benefited 9,324 registered poor households.



balance of microloans totaled

CNY387 million



benefited

9.324

registered poor households



CASE

F

Tailor-made services enter villages and households

As the microloan arranger for poverty alleviation in Qijiang District, by various means like on-site visit, recommendation by village party committee and mobile banking vehicles, the Bank of Chongging, Qijiang Sub-branch issued nearly CNY10 million of microloans to over 260 registered poor households to support them developing business. Through industrial poverty alleviation, they expanded income channels and expedited the pace of getting rid of poverty and becoming

During the on-site visit in Shahe Township, Dianjiang County, the Bank of Chongging, Dianjiang Sub-branch learned that a poor young man in his twenties was the only child of the family but suffered paralyzed legs by polio, unable to go out for work. The family made a living on husbandry only but the scale was limited due to the shortage of fund. The client manager of the bank immediately contacted the local township government, and after taking account of the special situation granted a microloan of CNY30,000 for poverty alleviation. By the end of 2020, the family totally had 4 heads of beef cattle, raised over 10 goats and 200 pheasants, repaired the shed for piglets and where part of the cattle and pigs were ready for sale.

The family managed to get rid of poverty by hard work and planned to breed some fish. After the on-site visit once again the bank issued an additional microloan of CNY20,000. Considering the disability, the bank dispatched two employees to provide the most convenient and tailor-made homedelivery service.

"Mobile promotional platform" supports financial poverty alleviation

The Bank of Chongqing, Tongliang Sub-branch took advantage of science and technology to enable the convenient service of "get done once and without the need for a second trip" for impoverished households. The "mobile promotional platform" provided home-delivery services of card issuance

and loan contracting. If the applicant has prepared all necessary data, the loan may be issued in the next working day. The efficient whole-process service is praised by all the local poor households: 'The Bank of Chongqing is so convenient¹

Building platforms to support poverty alleviation through consumption

In 2020, the Bank purchased CNY2.9625 million agricultural products from the poverty-stricken areas including the products of CNY1.6836 million from 18 severely impoverished villages and townships in Chongging. By the third-party courier delivery, the Bank gave priority to the procurement of CNY1.1176 agricultural products from these 18 places for its canteens. The Bank organized three events of "Exhibition Fairs Outside Villages" of the agricultural products that the employees purchased CNY100,200 goods. The Bank also completed the targeted procurement of poverty-relief products valued CNY466,000 from the poverty-stricken villages and townships like Daya Township of Pengshui County, Chendkou County and Zhongxian County.

Through the Wechat official account of 'Bank of Chongging Changjiang Caifuhui", the Bank opened a window of display to carry out the exclusive activity of "Happy Group Buying" and made cooking video to promote online sales. A "Special Zone of Poverty Alleviation" was launched in the "Credit (Electronic) Mall of Bank of Chongging' that worked with the 'integrated' vendors experienced in sales of agricultural products to assist the povertystricken areas in selling their products. By the end of 2020, 3 enterprises and 11 agricultural products from the poverty-stricken areas were introduced, and the "Happy Group Buying" totaled CNY30,000.

A pairing system with charity donation

Through loan support, fund donation, channel building, financial service, etc. the Bank set up a pairing system with Yanhe Village, Longshe Township, Pengshui County and realized high-quality poverty alleviation as scheduled. In 2020, the Bank totally donated CNY2.5 million for development of poverty alleviation projects in Youyang, Pengshui, Wuxi and Chengkou, the epidemic prevention supplies worth CNY243,000 to six primary schools in the poverty-stricken areas involved in the pairing system, CNY2.5 million of education donation for poverty alleviation in the southeastern and northeastern parts of Chongging, as well as CNY300,000 to the fields of infrastructure renovation, medical treatment, aid to critical illness and education in Maliu Township, Kaizhou District, Erong Town, Xiushan County and Baota Village, Qinglian Township, Fengie County. In addition, the Bank coordinated with the partnering property management company and labor dispatch company to give priority to providing the job opportunities of service sector like janitor, kitchen staff and inside jobs. At the end of 2020, the Bank recruited 29 outsourced workers as a result of poverty alleviation through employment.



• Signing a strategic cooperation agreement with Pengshui County on financial poverty viation and rural rejuvenation





emplovees purchased CNY100.200



gave priority to the procurement of CNY1.1176 for dinning hall





donated CNY2.5 million for development of poverty alleviation proiects







donated CNY2.5 million for education



donated CNY300,000 for poverty alleviation



Employees enter villages and households to visit the impoverished people

Management Improving Corporate Governance

The Bank incorporated the latest requirements on party building into the articles of association to consolidate the legal status of the party organization in the corporate governance structure. Under the principle of independent operation, effective balance, cooperative and coordinated functioning of all governance bodies and on the basis of rules and regulations like articles of association and conduct of work, the corporate governance structure with "scientific decision, firm implementation, effective supervision and standardized operation" has been established. Focusing on the duty performance process and efficiency, the Bank has established and implemented the work mechanism of special reporting, communicating, tracking and supervising, periodical training, etc. that provide systematic support to the efficient duty fulfillment of the Board of Directors, Board of Supervisors and senior management.

In 2020, the Bank totally convened 78 meeting of Board of Directors and ad hoc committees that deliberated and listened to 319 proposals

Directors

The sixth Board of Directors of the Bank was elected at the General Meeting of Shareholders on Dec. 9, 2019 that consists of 15 directors including 4 executive directors, 6 shareholder directors and 5 independent directors. The board has eight dedicated committees in charge of strategy, nomination, audit, risk management, remuneration and appraisal, associated transaction control, information technology guidance, and consumer rights and interests protection.

and reports including annual budget, final account, profit distribution, strategic planning, etc. The Bank actively guaranteed the duty performance of directors, gave prompt feedback to the opinions and suggestions proposed by the directors and supervisors, and timely tracked and secured the decisions in place. The Bank gave full play to the role of independent directors and invited more independent directors to act as the members or chairmen of ad hoc committees. The Bank also organized training of directors and supervisors that covered the latest policies on anti-money laundering, responsibilities and risks of directors, supervisors and senior management, their compliance after public listing, Fengling smart assessment etc

Pursuant to the provisions of the Company Law of the PRC, Tentative Rules for Performance Assessment of Chairmen of the Board of Supervisors in the Key State-owned Enterprises under Chongqing Municipality, and Guidelines on Corporate Governance of Commercial Banks, the Bank strictly monitored the duty fulfillment of

Supervisors

The sixth Board of Supervisors of the Bank was elected by the General Meeting of Shareholders on Dec. 9, 2019 that consists of 9 supervisors including 4 employee supervisors, 3 external supervisors and 2 shareholder supervisors. The board has a supervision and nomination committee. directors and executives, and attached importance to the critical decisions and implementation thereof. The Bank adhered to the problemoriented principle to fulfill the monitoring duty and give proposal on the major businesses and major risks, and kept strengthening its own strength to improve the efficiency of duty fulfillment and realize the high-quality development.

Confronting with the increasing pressure of economic downturn and complex and changeable situation both at home and abroad, the senior management concentrated on the annual business plan indexes and tasks assigned by the Board of Directors, made concerted efforts to break bottlenecks, and managed to uplift the Bank's asset scale to a new height featured with the stable growth of deposit and loan balance, significantly improved business earnings, reasonable level of asset quality and business performance within expectation.

Senior management

The new senior management of the Bank was appointed by the first meeting of the sixth Board of Directors on Dec. 9, 2019, consisting of 8 senior management staffs. Under the senior management, there are six dedicated committees in charge of risk management and internal control, credit review and approval, financial review and approval, asset liability management, information technology management and procurement, as well as the discussion bodies such as anti-money laundering leading group and performance appraisal leading group.



◆ Meeting of the 6th Board of Director of Bank of Chongqing

Deepening Accountability Management

Philosophy of social responsibility

The Bank is committed to integrating the philosophy of social responsibility into the corporate culture building and strategic development planning, constantly enriched the connotations of social responsibility, actively explored the social responsibility practice with the Bank's own characteristics, and realized the coordinated sustainability with economy, society and environment and value co-creation.



Coordinat

High

Analysis of substantive topics

"Think Alike, Grow Together" is always the central philosophy and cultural orientation of the Bank of Chongqing. We always communicate and exchange with the stakeholders like the governments, governing bodies, clients, employees, professional organizations, media and the general public, listening to their opinions and suggestions and then involving them into all aspects concerning operation, management and sustainable development such as development decision, business innovation, risk prevention, publicity and communication.

In 2020, the Bank followed up the major changes of exterior environment, adjustment of macro policies and changes of regulatory requirements, took root in economic resurrection and social green transition, sorted out the core topics and hereby disclose the Bank's major progress in 2020 and future plans to all stakeholders in this report.

conomic ponsibility	
ansparent operation	
for locality for micro and businesses for citizens	Innovation- driven
ted sustainability	

Fighting against the COVID-19 pandemic, Deepening inclusive finance, Developing green finance, Enhancing financial technology, Protecting consumers' rights and interests, Reinforcing risk management, Perfecting corporate governance, Devoted to employee development, Increasing shareholders' return

Creating innovative products and services, Lawful and rule–based operation, Green and low–carbon operation

Implementing procurement accountability, Organizing charity activities

Extent of influence upon the sustainable development of Bank of Chongqing

High

Social recognition

Awarding organization	Honors/Awards
The Central Committee of the Communist Young League	National May 4 Red Flag Young League Committee 2019
The People's Bank of China	Third Prize of Bank Science and Technology Development Award 2019
China Banking Association	Model Unit of Banking Security Management 2018–2019, "Outstanding Contribution Award" of Banking Professional Qualification Examination
Credit Reference Center, The People's Bank of China	Local Financial Institution with Excellent Data Quality of Enterprise Credit Reference System 2019, Local Financial Institution with Excellent Data Quality of Individual Credit Reference System 2019
Chongqing Municipal Committee of the Communist Young League	Model Unit of Chongqing Communist Youth League 2018–2019
The People's Bank of China, Chongqing Operations Office	Fintech Application Pilot and Financial Standard Innovation Pilot 2019 – Excellent Unit for Financial Standard Innovation, Excellent Unit for Fintech Innovation First Prize of Financial Statistical Analysis of Financial Institution 2019
China Banking and Insurance Regulatory Commission, Chongqing Branch	Excellent Unit in Appraisal of Services to Micro and Small Businesses 2019 Excellent Unit in Chongqing Banking and Insurance Publicity Service Month of "Month of Financial Knowledge Popularization to All, To Be Rational Investors and Well-behaved Online Finance Users" 2020
China Financial Certification Authority www.cebnet.com.cn	Silver Award of "Technology Innovation and Application" of China Fintech Innovation Contest 2020 (Fengling Smart Assessment) Award of Best Mobile Banking Operation 2020
Chongqing Banking Association	Best Organizer of Knowledge Training and Competition on Protecting Consumers' Rights and Interests of Chongqing Banking Industry 2020 Special Contribution Award of Annual Social Responsibility Election of Model Units of Chongqing Banking Social Responsibility 2019
Sichuan Banking Association	Excellent Organizer of "Trip of Popularizing Financial Knowledge" of Sichuan Banking Industry 2020

Strengthening Risk Management

The Bank laid stress on the risk management overall risk management system and optimizing of credit, market, operation, liquidity, IT and the organizational structure, established and control of all risks. strategy, reputation, etc., kept improving the perfected various risk management mechanism and integrated it into the corporate governance structure where the board of directors, board The Bank established clearlyof supervisors, senior management and relevant departments/operating organs assume their defined organizational structure corresponding duties and responsibilities. Meanwhile, the Bank clarified the overall risk management of professionalized risk and categorized functions of risk management, designated the chief risk officer on the management management level, dispatched risk officers and risk managers to the operating organs, and thus built and improved a professional team of risk management. The bank has established systematic risk identification and evaluation mechanism and process, Under the all-round and and on the basis of effective identification of major risks evaluated the risk level and management farsighted principle, the Bank competency. In view of higher overall risk level or weakness of management, the Bank developed well performed risk identification and implemented the measures of optimization to improve the risk management competency and and evaluation core competitiveness.

The Bank advanced risk preference management to better guide the risk-taking behaviors in business operations

Following the core regulatory issues on banking risks, risk management hotspots of financial industry and development trend of macro economy, the Bank studied and analyzed the present risk situation and challenges, and developed general risk management strategy in accordance with the annual analysis. Meanwhile the risk preference of Board of Directors was presented in the risk preference statement. It clarified the type, extent and quantity of risks that the Bank was willing and able to undertake under the established profit target and operation strategy. Through scheduled and targeted risk control, the Bank strengthened the risk management in advance, curbed all risks within the tolerable scope, and realized the balance between risk and business.

The IT risk was involved in the comprehensive risk management system

The Bank established sustainable mechanism, workflow and methodology of IT risk identification. evaluation, monitoring, control and reporting. Through monitoring of routine critical risk indicators, special risk assessment and regular risk reporting, the Bank constantly optimized the IT risk management and control capability, and maintained zero record of major IT risk event.

The business continuity was maintained

The Bank established the dual-active deployment of 25 information systems within the same city including all the major information systems, and the standby mechanism for the critical resources required by continuous operation of critical businesses like personnel, site, document and equipment. In addition, the Bank set up the risk pre-alerting and monitoring mechanism and contingency response mechanism, periodically organized the emergency drilling of business continuity, and through precaution in advance, in-process control and post-event conclusion guaranteed the continuous and stable business operations of the whole organization.

and guaranteed the effective management and

Practice

01 Assuming the Mission Boost High-quality Economy

Development

Serving Key National Strategies	
Deepening Inclusive Financial Services	



Serving Key National Strategies

As the icebreaking local state-owned holdings commercial bank in West China and the upper reaches of the Yangtze River, the Bank focused on the major strategies such as Chengdu-Chongging twin-city economy circle, China–Singapore (Chongging) Demonstration Initiative on Strategic Connectivity and construction of a new west land–sea corridor, proactively participated in the new development pattern of dual circulation, made use of its own strength to provide better financial service support and realized high-guality development. In 2020, the Bank issued over CNY110 billion loans in the twin-city region, and offered

over CNY12 billion credit support to the engineering projects within the region.

The Bank actively fulfilled the mission as a corporate financial institution in Chongging, firmly established the philosophy of integrated development, ensured top-level design and planned to focus on four major areas i.e. infrastructure connectivity, chain and cluster of industrial collaboration, joint pollution prevention and joint governance of ecology and environment, joint construction and sharing of public services so as to expand the financial services across the Chengdu-Chongqing economy circle.

and Western China and the sixth in China directly linked to the cross-border financial blockchain platform of State Administration of Foreign Exchange, the Bank participated in the application scenario of financing and settlement of the new west land-sea corridor. As the inaugural local corporate bank in Chongging, the Bank is connected with the 'single window' of international trade operated by Chongqing Port and Logistics Office, the foreign currency payment system in China operated by the People's Bank of China, and the innovative global payment program of SWIFT gpi.

In addition, as the first bank in Central

Key Progress

Serving Chengdu-Chongqing twin-city economic circle

The Bank built up the '1+1+N' advancement mechanism to organize the leading group of advancing construction of Chengdu-Chongging twin-city economy circle by financial service, under which a leading group office was set up to work with other project leaders to secure the projects in place and conduct in-depth investigation of 100 major industrial parks.



The Bank strengthened support to the key areas that totally granted nearly CNY20 billion loans to Liangjiang New Area and High-tech Zone with the priorities to the advanced manufacturing, modern service industry and infrastructure construction. To further optimize the financial settlement service in Chengdu–Chongqing area, the Bank of Chongging, Luzhou Branch was founded.

The Bank continued strategic cooperation with the Bank of Chengdu to jointly invest CNY2.5 billion in bonds to support industry development and infrastructure construction. The two banks promoted interbank business to realize the interconnection of counter cash deposit and transfer remittance. Taking the initiative to participate in Chengdu-Chongqing interprovincial electronic tax payment, the Bank improved the convenience of tax payment. The bank also facilitated buyers to apply for housing loans in neighboring districts and made contribution to the integrated development of Sichuan-Chongqing neighboring areas.

◆ In-depth investigation of enterprises for targeted financial services

Supporting the construction of a "Smart Town of Key Position"

industry, targeted at the difficulties, pain points of electronic information proposed by Chongqing and bottlenecks of financial service, and offered the Municipality, the Bank enhanced collaboration with featured products like U-loan and Entity Credit Loan government agencies and industrial associations, to address the financial demand. The Bank actively promoted transformation and upgrading, and achieved connected with the platform of IFSP for Chongging the high-quality development of electronic information Enterprises, utilized the mobile promotion platform for industry in Chongqing. In 2020, a total credit support business handling, process operating and information of nearly CNY2 billion was granted to more than 400 processing, and simplified the workflow of electronic clients engaged in electronic information business. information enterprises. Concentrating on the "Chip-

A new chapter of China-Singapore connectivity

Under China's Belt and Road Initiative and China-Singapore (Chongging) Demonstration Initiative on Strategic Connectivity, as the Vice Chairman of China-Singapore Financial Science and Technology Alliance, the Bank held a signing ceremony at the Smart China Expo together with other member entities like ADERA SINOTECH PTE. LTD. By the "cloud-based signing" offline + online mode, the Chinese and Singaporean sides signed on the Agreement of Strategic Cooperation on International Supply Chain Finance and Blockchain Financing Platform so as to further explore the service model of international supply chain financial cooperation based on blockchain technology, and expedite the construction of China-Singapore financial sci-tech cooperation demonstration zone.

Constant service innovation

industry chain.









CNY12 hillion credit support to the engineering

The Bank focused on the characteristics of electronic Display-Processor-Core-Cyber' full industry chain

The Bank pushed forward the product innovation based on business and investment attraction. The research and development of serial products further strengthen the service capability to the investors. The Bank also pushed forward the product innovation based on trading scenarios, and through analysis of enterprises' financial service needs in different scenarios, provided the customized financial service solutions to corporate entities, thus satisfying their financial service needs in various trading scenarios such as supply chain, capital chain and

Xinyu Financial Leasing in Chongqing is approved to issue CNY1.5 billion of financial bonds

In Sep. 2020, Xinyu Financial Leasing, the stockholding subsidiary of Bank of Chongqing was approved by the People's Bank of China to initially issue the financial bonds of not more than CNY1.5 billion in the domestic interbank bond market. The corporate entity and debt credit were rated AAA by both China Lianhe Credit Rating and China Chengxi International Credit Rating. The company plans to use the raised fund to further support the local real economy

Deepening Inclusive Financial Services

The Bank actively implemented all policies and requirements on supporting the real economy especially micro and small businesses, proposed "guadruple optimized services" and targeted financial service, and ensured the fund straightforwardly reaching the most needed parts of real economy. Meanwhile, the Bank built the digital-driven "five-in-one" inclusive smart financial service system for micro and small businesses, and the well-proven Big Data intelligent risk management system. Based on the holistic data governance, the Bank developed the digital-driven operation and management mechanism, and reshaped after-loan monitoring and alerting management system. In light of the characteristics of online credit creatively the Bank introduced new methods of internal control and compliance such as electronic evidence. online compulsory notary and cyber arbitration, and developed the insight mechanism of full lifecycle of microfinance business as well as prudent and efficient management and control mechanism.

At the yearend of 2020, the Bank had CNY83.322 billion of loan balance to micro and small businesses as per the national standard caliber of the Ministry of Industry and Information Technology with a year-onyear increase of CNY3.455 billion. Among them, the balance of inclusive loans to micro and small businesses with the amount of single credit not higher than CNY10 million registered CNY36.451 billion for 47,252 applicants with year-on-year increases

of CNY4.402 billion for 17.267 applicants, thus successfully attaining the goal of "double increases".

The Bank always supported science and technology innovation and kept strengthening the enabling mechanism, R&D and promotion of products and improving the financial service quality and efficiency to startup technology entities. By the end of 2020, the loan balance to technology enterprises registered CNY17.561 billion with a year-on-year increase of CNY7.261 billion, among which the loan balance to the medium- and small-sized technology enterprises was CNY12.768 billion, increased by CNY5.157 billion year on year.

CASE

Supporting startup technology enterprises

In May 2020, in the form of online live streaming at Chongqing Innovation. Entrepreneurship and Venture Capital Service Platform. the Bank organized the activity of "Think Alike, Grow Together, Relief Policy Publicity by Bank of Chongging" to introduce the supporting financial policies to the startup technology enterprises.

In Dec. 2020, the Bank joined Chongging Intellectual Property Rights Financial Service Alliance to provide sci-tech enterprises with business instructions, information and service support on using IPR to expand financial channels, and signed the Agreement of Strategic Cooperation on Promoting Intellectual Property Rights Pledge for Financing in Chongging that actively explores the IPR pledge-financing model.

Constant follow-up to address difficulty of enterprise

A construction materials company was in urgent need of fund to purchase raw materials. In Apr. 2020 the Bank issued CNY640,000 individual operating mortgage loan that effectively lessened its financial pressure. Owing to work resumption and incremental sales, the company again got stuck in a dilemma of soaring orders but drying-up of



The Bank's Inclusive Financial Service Vehicle with provide convenient services within reach



face-to-face dialogues with the corporate entities within the region, followed the problem-oriented path, understood their difficulties, pain points and bottlenecks in operation as well as financing needs, and secured financial services in place.

interaction, collected the needs of stateowned enterprises for financing demand of debt optimization in a point-to-point manner, and individually worked out the financial solutions pertinent to their respective characteristics so as to optimize their debt structures.

The Bank enhanced bank-government cooperation, made use of the bankgovernment cooperation platform to connect with industrial enterprises, and worked out service solutions in accordance with their operational characteristics with better financial service competency.

Drop-in service of "credit loan"

In Dec. 2020, a company that owned a number of utility model patent technologies of food production was producing at its full capacity, but the person in charge worried about the fund shortage of CNY800,000. The Bank's customer manager happened to learn it in a drop-in visit, and immediately introduced the Bank's credit loan of mortgage-free, low interest, flexible usage and convenient grant.

"The Bank of Chongqing proactively provides home-delivery financial service to us. They help our micro enterprise produce and operate more confidently and boldly."

circulating capital. The Bank's employees fully understood its difficult situation of no further mortgage for loan financing, and under the preferential policy of "stability in enterprise operation and security in employment" issued CNY870,000 "Reputation Credit Loan" that helped it get through the hard time and enlarge production scale in September, 2020.

Connecting Rural Rejuvenation Effectively

In 2020, the Bank tried the best to win the decisive battle of poverty alleviation, and made intensive efforts in mechanism building, model innovation, product application, service improvement, etc. so as to well connect poverty alleviation with rural rejuvenation and vigorously implement the strategy of rural rejuvenation. By the end of 2020, the agriculture-related loan balance registered CNY41.305 billion including the inclusive finance agriculture loan balance of CNY8.657 billion.



CNY512 million of pig breeding loan balance that

aided 2,044 breeding enterprises.

inclusive finance agriculture loan balance CNY8.657 hillion

Key Progress

aided 3,069 rural households.

Improving fundamental financial services

Developing convenient service sites	Relying on the financial service tools like pos for rural residents, mobile banking vehicles and portable terminals, the bank built up the rural convenient financial service sites that integrated inclusive finance education, fundamental financial services and business promotion. In 2020, totally 61 sites were built with coverage of 526 administrative villages.
Diversifying payment and settlement channels	The bank improved the payment and settlement service environment in rural areas, and met the routine financial needs of villagers such as bank card activation, small-amount deposit and withdrawal, and payment agency. In 2020, the bank utilized the business promotion platform to remotely activate 10,752 bank cards for rural residents, and handled 8,630 rural pos transactions with a total amount of cny 1 million.
Enlarging distribution of more petty cash	Taking advantage of geographic location, the bank enlarged the distribution of more petty cash to small dealers and new agriculture operators. In 2020, totally cny14.45 Million yuan in petty cash was allocated to the rural areas.



Wang Tongkun, First Secretary of Jinping Village, Jinping Township, Wushan County sent by Bank of Chongqing checks the tobacco plating in fields



Enhancing support by special bonds

Through the special and dedicated bonds such as poverty alleviation bond and green bond, the bank activated the economic vitality of povertystricken areas and consolidated the regional economic strength in a holistic approach. In 2020, the issued rural rejuvenation loan totaled cny1.22 Billion.



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Enhancing Development of Financial Science and Technology

In 2019, the Bank's 71st Meeting of the 5th Board of Directors deliberated and adopted the Strategic Planning for Development of Bank of Chongging in 2020-2022. It set "led by science and technology, driven by

innovation" as the key guiding philosophy, explicitly defined sci-tech innovation as the prime mover of high-quality development, proposed the utilization of fintech such as the Internet, Cloud Computing, Big Data and Al to guide innovation, and fully integrated innovation driver into all aspects of business development, operation and management.

Application of innovative technology

The Bank made full use of new technologies like AI and machine learning, and constantly applied the Robotic Process Automation (RPA) platform in centralized processing. The pilot application of dynamic face recognition was conducted that the pilot sub-branch utilized biometric technology to assist in the business scenario of targeted marketing. The centralized remote authorization project was completed that the newgeneration self-served equipment management platform was established to improve the equipment management and user experience.



and public structure deposit products, applied the distributed architecture and Big Data technology to the development of consumer credit system, and tried the micro-service architecture technology to improve the convenience and flexibility of new consumer credit financial product.

The bank completed the building of mobile payment platform for micro and small businesses, optimized and upgraded the platform integrating the mobile banking 5.0, Internet operation platform, enterprise online bank and channel, and finished the trial r&d of several open api on the basis of an open bank concept. The bank also set out to develop an intelligent voice customer service system, and tried the ai technologies like intelligence voice and semantic identification. The completed remote banking platform is able to offer more scenario-based applications of contactless service.

Creating Brand New Finance Ecology

The Bank created the new generation of core system that applied brand new technical architecture and innovative technologies, and served as a significant driver to transform and upgrade the Bank towards a smart bank. After launch into operation, the system has been in stable operation for more than two years, and plays an important role in customer service, product innovation, operation efficiency, data quality, safety and security.

In 2020, the Bank prioritized the dominant role of business value in Big Data intelligence work, implemented hierarchical and dynamic management systems, elaborately selected and supported 14 headquarter-level projects including Innovation of Inclusive Financial Intelligent Service Support System for Micro and Small Businesses" and "Mobile Promotion

Platform". Two of them were included in the project database of intelligent manufacturing and intelligent application of key enterprises affiliated to the municipal government, while three were included in the list of key innovationdriven projects led by Big Data intelligence of the key state-owned enterprises affiliated to the municipal government.

For the intelligent innovation drive, the Bank used the "mobile promotion platform" to "extend traditional counters" to one-stop integrated financial services, turned from the "shopkeeper" style to an "itinerant dealer", made effective breakthrough for the "last mile" of financial service and provided safe, convenient and efficient digital inclusive finance to better serve the real economy, development of agriculture, the countryside and farmers as well as the clients

Bilingual exhibition at virtual Smart China Expo

In the virtual Smart China Expo 2020, the Bank officially launched the bilingual online exhibition hall of "Think Alike with New, Grow Together with you". Featured with the style of technology and sense of future, the exhibition included the major parts of "digital innovation ecology"



Think Alike, Grow Together', client services empowered by financial science and technology

in remote areas and severely impoverished areas

To build systematic innovation drive mechanism. the Bank simultaneously conducted Fintech integration and innovation, data governance and finance standardization. The data governance served as the new basic guarantee of Fintech, the finance standardization benchmarked the innovation process and output, and such process and output of Fintech integration and innovation reviewed and improved the other two, thus forming a trinity system of independent innovation. Through coordination, mutual complementation and joint effect, the project achieved the result of "1+1+1>3", gradually formed the systematic innovation ecology process and realized digital transformation from quantitative changes to qualitative changes.

"smart risk control", "digital mobile banking", "electronic channel system" and "inclusive finance digital loan products" that presented the Bank's achievements in Big Data intelligence driven innovation strategy and digital transformation on multiple dimensions and perspectives. In particular, it

highlighted the bank's practice in 2020 to support work resumption, empower micro and small businesses and contribute to the decisive battle of poverty alleviation by financial science and technology.

Reinforcing Prevention and Control of Science and Technology Risks

The Bank innovatively applied new technologies to the basic work of sci-tech operation, kept improving the IT support capability and guaranteed the safety and stability of the whole information system. Firstly strengthening the support of infrastructure: the Bank deepened the application distributed and virtualized technologies, improved the disaster preparedness system of "Two Locations and Three Centers", and promoted the deployment of dual active centers in the same city. Secondly optimizing the production and operation management: the Bank orderly advanced the integrated intelligent operation

and management, comprehensively utilized new technologies like Big Data and AI, and realized "oneclick intelligent switch" of disaster preparedness system, deep mining of operation and maintenance data and visualized operation as well as automatic intelligent scheduling of batch operation. The Bank studied and explored the visualized and intelligent monitoring management of system, network and computer room, and carried out fundamental research such as Big Data analysis and display of network log, and online intelligent pre-alerting. Thirdly deepening information security protection: the

Bank reinforced cyber security, consolidated data security protection and safe operation management measures, preliminarily used the Big Data technology to analyze potential cyber vulnerabilities and high risks, and ensured alerting and resolution in advance. The Bank took part in Chongging Cyber Security Defense Drilling 2019 and National Cyber Security Defense Drilling 2020 to testify and strengthen the prevention and control capability through practical exercises.



• Chongqing bank transaction monitoring screen, enabling management, business and service upgrading



Online intelligence risk control platform

The Bank has completed the comprehensive upgrading of online intelligence risk control platform and realized the overall migration of system from V1.0 to V2.0 with stable operation. The transformation and shift to the second-generation credit investigation system of all serial products have been completed that guarantee business operation and satisfy regulatory requirements. The platform efficiently responds to the rapid business iteration and runs a number of products in 2020 that effectively serve the corresponding micro and small businesses in the locality.

Practice

03 Green and Low-carbon Way

Coordinated Promotion of Ecological and Environmental Protection

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Advancing Green Finance

The Bank incorporated green development into the overall strategy planning and clarifies in the Thirteenth Five-year Development Plan in 2016–2020 and the Strategic Planning for Development of Bank of Chongging in 2020-2022 to vigorously support green, circular and low-carbon economy development. The Guiding Opinions of Bank of Chongqing on Promoting Green Finance Development was formulated that clarifies the path of promoting green industry from the aspects of institutional construction, business operation, risk management, etc.

The Bank established the management structure covering four tiers i.e. the operation tier set up the leading group of green finance development, the headquarter tier set up the department of green finance, six branches set up green finance service center and the sub-branches designated the staff dedicated to green finance affairs. In addition, the Bank of Chongqing Liangjiang Branch established

a green finance incubation center to execute the trial operation of the Bank's green finance products and policies, and through effective coordination at different levels planned and executed green finance development as a whole

For the credit granting process, the Bank created the whole-process express channel for green businesses, adopted differentiated credit granting policies for green projects, and implemented the express channel policy of "prioritized acceptance, review, approval and loan grant". With prioritized resource allocation, double preferential policies were implemented for green loans, and the FTP and economic capital adjustment coefficient for green business are lowered.

By developing the green financial product package of "green loan + green bond + green leasing" and providing the financing products covering the full lifecycle of investment,

production and sales as well as customized integrated service solutions, the Bank satisfied the individual financial demand of green businesses. Meanwhile the Bank actively explored the green products like carbon finance and emission right pledge to provide special green services to enterprises.

At the end of 2020, the Bank's green loan balance reached CNY14.41 billion with an increase margin of CNY5.38 billion or percentage of 59% compared with the beginning of 2020. In 2018, the Bank issued the first green finance bond of CNY6 billion in Chongging, mainly contributing to the green projects like green mobility, renewable energy and clean energy. In 2020, the Bank's first green asset-backed security "Special Program for Green Asset of Xi'an High-tech Thermal Heating" of CNY100 million was used to support the development of green and clean energy enterprises.

Taking the lead in green finance standardization

As the first local legal entity bank in Chongqing to undertake the standardization of green finance, the Bank took the lead in developing the standard business process. of green loan and rules for information disclosure of green bond, which are available on the official website of national enterprise standards for the reference of the organizations in the same trade

Participating in the research on green and low-carbon development of Chongqing

As the unique local banking participant, the Bank worked with the People's Bank of China, Chongqing Operations Office and Tsinghua University in the science research of Green Finance Roadmap of Chongqing to Support Green and Low-carbon Development Targets that formulated the implementing plan of carbon emission peaking ahead of schedule and promoted the green and low-carbon development of Chongging.

Full integration in Chongqing's green finance reform and innovation

The Bank actively assisted the city in building the pilot zone for green finance reform and innovation, participated in the development of Chongqing's green finance Big Data system "Yangtze Green Connectivity", fully supported the pilot green reform and innovation in key regions and collaborated with the governments and administrations of ecology and environment of various districts and counties to firmly advance the construction of pilot reform zones.

CASE

Supporting sewage treatment

Founded in 1996, Chongging Kangda Environment Protection Industry (Group) Co., Ltd. is specialized in urban sewage treatment, comprehensive management of water environment, rural sewage treatment, etc. It provides clients with

Major Sectors of Green Financial Services of Bank of Chongging

Project sector	Project results	Beneficiary
Green updating of infrastructure	It improves the green levels of major infrastructure and livelihood.	Chongqing Rail Transit (Group) Co., Ltd.
Ecology and environment	It protects and restores the ecological system, optimizes the ecology safety barriers and improves the quality and stability of ecological system.	Chongqing Pookin Agriculture Development Holdings Co., Ltd.
Clean energy	It builds and operates the equipment manufacturing and associated facilities for clean, efficient and systematic energy production system.	Chongqing Sanfeng Environment Group Holdings Co., Ltd.
Energy conservation and environmental protection	It is engaged in the equipment manufacturing related with resource and energy conservation, recycling use and ecological and environmental	Chongqing Renewable Resources Group Co., Ltd.
Clean production	It deals in the waste reduction, resource recycling and harmlessness in the whole production process.	Bijie Hailan Medical Waste Centralized Treatment Center Co., Ltd.
High and new technology	It provides intelligence support and professional services to the relevant green businesses.	Chongqing Zhonghang Science and Technology Co., Ltd.

Performing Green Operation

The Bank vigorously advocated the concept of green and low-carbon office and deeply implemented the philosophy of energy conservation, consumption reduction and environment protection. In 2018 the Regulations on Management of Bank of Chongqing Buildings standardized the energy consumption and environment management of office buildings. The intelligent lighting system was applied that the energy-saving management of office area was strengthened by the combination of manual control and

intelligent control switch, and the use of air conditioners was rationalized in accordance with changes of temperature. The Banks took advantage of online office and paperless office, proposed the use of double sides of paper, and cut down the consumption of disposable articles like paper cup so as to minimize the paper consumption. The Bank adopted the "Clear Your Plate" action, practiced strict economy, cherishd food and to eliminate waste of food

comprehensive and customized sewage treatment solutions and services in the forms of licensed service operation agreement, BOT, TOT, PPP, EPC and 0&M. The Bank granted a credit of CNY270 million to the company. By

using the featured product "U-Loan", the company received the working capital loan of up to six years, which strongly supports its routine operation and expands sewage treatment business.

For the architectural energy conservation of all branch offices, the Bank applied energy-saving insulation materials to the exterior walls and selected environmental-friendly construction materials, and rolled out the intelligent control of interior lighting for effective energy-saving result. In accordance with the actual conditions of branch offices, natural ventilation and lighting were utilized as far as possible so as to further save energy and reduce consumption.

Practice **04**

Human-oriented Principle Jointly Creating a Harmonious and Better Life

ALC: NO

TANK BO

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Unremitting hard work of Bank of Chongqing employees deserves the honors

As one of the two National Model Workers of the banking and insurance organizations of Bank of Chongging, Cheng Yu excitedly entered the Great Hall of the People in the morning of Nov. 24, 2020 to attend the Commendation Conference of National Model Workers and Exemplary Individuals.

It was impressive to Cheng Yu's colleagues that when she was in charge of the second-tier network office of Bank of Chongging, Nanping Sub-branch, she managed to by network relocation, less loyalty of clients and intensified competition by her professionalism and perseverance in work. She was tied with the community and local residents by tailor-made and affectionate services that achieved zero error and zero complaint, thus revitalizing the office business once again after relocation.

The Bank has a team of hardworking staff same as Cheng Yu.



Cheng Yu, National Model Worker

Chen Jing, Director of Software Development in the Science and Technology Department of the Head Office won the title of Chongging Young Job Expert, who leads the creation of Big Data platform and joins several Big Data intelligence programs. The young staff team consisting of the staff of Internet Finance Department, Internal Control and Compliance Department and Science and Technology Department of the Head Office won the Grand Prize of the 5th Chongqing Five-Minors Innovation Contest, and was honored as the 'Young Entrepreneurship Office". Another three employees were honored as "Outstanding Individuals' in Chongqing Targeted Poverty Alleviation Labor and Skills Competition 2020

Carrying forward the corporate culture of 'Think Alike, Grow Together', the Bank's employees adhere to the 'Customer-centered' operation philosophy with wholehearted services, which become the precious wealth and solid foundation for the sustainable development of Bank of Chongqing.



Commitment to Sustainable Growth of Employees

Strengthening democratic management

The Bank strengthened democratic management by taking the workers' congress as the carrier, which discussed and adopted the major decisions and major issues relating to the workers' interests, and protected their rights of participation in corporate administration and the rights of knowing and supervising the Bank's major decisions, thus giving full play to the role of democratic management and supervision.

At the end of 2020, the Bank's labor union had one directly–affiliated labor union and 50 grassroots labor unions, with a total of 182 full-time and part-time labor union cadres. In 2020, the workers' congress was held twice to review and adopt the major issues such as Implementing Rules of Bank of Chongqing for Handling Violation Cases of Employees and Regulations of Bank of Chongging on Accountability Management.

The major issues such as annual operations, income and expenditure of labor union, and usage of charity fund were submitted to the workers' congress. The work of labor union committee and the performance of duties of labor union chairman were subject to democratic appraisal, and the reported problems if any were timely rectified so as to ensure the employees' complaints have been properly handled.

Improving employees' capabilities

In 2020, the Bank concentrated on serving the strategy by building the talent pool. The Bank enhanced talent recruitment to satisfy overall needs for talents, and set up the University of Bank of Chongging to streamline the talent training and cultivation system. Meanwhile, the Bank integrated the organizational structure to uplift operation efficiency and enhanced the system planning to uplift the IT level of human resource.

> Improve the construction of training system and strengthen their own hematopoietic capacity. Starting with the development and utilization of the two core resources of curriculum and teachers, the project of 'excellent teachers and excellent courses' was launched, and the internal trainer empowerment training. Internal Trainer Certification and internal trainer competition were completed. 51 excellent courses and 142 internal lecturers were certified

The Bank prepared interactive training forms of class, seminar, case study and experience. designed the training program of premium quality, and conducted the online training of "Innovation Driver · Enabler Improvement", special training of the officers in charge of secondary centers of the departments and officers of Head Office, online financial training camp, etc.



Closing ceremony of new recruits training

Advancing training work in a systematic way

The Bank started the special training of branch offices and promoted the program by headquarterbranch interaction. Through diversified and differentiated training models, the Head Office and branches jointly advanced the design of training program and implementation of training projects, and the appraisal work was completed in Dec.

• 'Hyacinth Program' training of risk managers

Caring about employees' life

Securing the principles of "caring for employees, gathering strength and warming heart" in place, the Bank put the service and care of employees into practice. In 2020, the labor union of Head Office was rated as "Model Family of Workers in Chongging" and the labor union of Liangjiang Branch rated as "Small Model Family of Workers in Chongqing"

The Bank has organized activities of "Visit to Employee's Home" and "Inviting Employee's Relatives to Bank of Chongging" for consecutive

vears, and the season's greeting activities each year such as "Warm New Year" and "Cool Summer" that visited over 4,000 person-times in 2020. Facing the outbreak of COVID-19 at the beginning of 2020, the Bank allocated special funds to the grassroots labor unions to purchase the supplies of epidemic prevention and control, and visited nearly 1,700 members of labor unions who worked on the forefront of fight against epidemic and had extraordinary performance, and whose family members worked on the forefront of epidemic.

Both the Head Office and branches set up Mommy's Rooms to serve as the rest places for female employees preparing for pregnancy and in pregnancy and lactation periods. The Bank took care of employees' mental health, set up pressure relief rooms and held lectures on psychology, health, first-aid knowledge, etc. The comfortable staff fitness rooms are helpful to employees maintaining good physical and mental state.

CASE

Building "Smart Labor Union" and executing "Bookstore of Bank of Chongqing" project

In both online and offline forms, the Bank built up the "Bookstore of Bank of Chongging' for the employees. The digital reading platform of online physical reading rooms were set up in the Head Office and branch offices to offers over 200,000 electronic books,

provide a place of learning and exchange. In addition, the Bank developed the "Bookstore of Bank of Chongging" that

200,000 episodes of audio books, 500 magazines, etc. In 2020, the Bank's employees totally read over 1.8 million times and completed over 230,000 hooks



• 'Power Gathering, Wave Riding' themed activity of teambuilding





Outward bound training

◆ New Year Art Performance 2020 of Beibei Sub-branch

Protecting Consumer's Rights and Interests

In 2020, pursuant to the requirements in the Guiding Opinions of China Banking and Insurance Regulatory Commission on Banking and Insurance Organizations Strengthening the Construction of System and Mechanism on Protecting Consumers' Rights and Interests, the Bank further improved the system and mechanism on protecting consumers' rights and interests. The amendment was reviewed

and approved on the Party Committee Meeting on Nov. 16, 2020 and by the Board of Directors on Nov. 20, 2020, which will be tendered to the Shareholders' Meeting for deliberation and Chongging Municipal Banking and Insurance Regulatory Administration for approval. The duties and responsibilities of the Board of Directors and the Consumers' Rights and Interests Protection Committee

Securing consumer protection during the pandemic period

In 2020, the Bank followed the principles of "Prevention Utmost, Education Prioritized, Lawful Protection of Rights, Coordinated Case Handling' and the general policies of "One Hotspot. One Focus and Three Highlights", adopted targeted policies in winning the battle against COVID-19, perfecting system and mechanism, branding

Key Progress

Protecting clients' rights and interests in credit investigation

The Bank elaborately considered the possible impact of the pandemic to effectively protect the rights and interests of individuals impacted by the pandemic. For the confirmed patients infected with COVID-19 treated or guarantined in hospital, the suspected persons in guarantine and the working staff involved in epidemic prevention and control that were unable to effect repayment timely, the relevant overdue loans were not recorded in the personal credit, and the reported overdue records were properly protected by credit information. For the clients temporarily losing source of income under the pandemic impact, the repayment deadline was properly postponed, and the credit record was not influenced after such adjustment. By the end of 2020, the Bank totally revised 344 credit records of impacted clients.

Perfecting convenient and facilitating measures

The Bank spared no effort to guarantee site receiving service for hospitals, fundamental financial services during the pandemic period, and opened the express channel of account service and cash service, totaling 189 accounts related to epidemic prevention and disinfection devices that completed control. The Bank assisted the Red Cross Society in receiving online and offline donations totaling CNY130 million. The Bank provided 160 times of on-

using the "safe and clean money"

contained in the Administrative Rules of Bank of Chongging for Protecting Rights and Interests of Financial Consumers have been amended. The Emergency Plan of Bank of Chongging on Sudden Incidents Concerning Personal Information Protection has been developed

of financial knowledge publicity, deepening routine training and optimizing customer service, and effectively protected the legitimate rights and interests of consumers.

Securing remote service to clients

During the pandemic, the Bank took full advantage of online methods to maintain smooth channels of consultation and complaint, optimize the consultation and complaint workflow, and secure the remote service to clients.

Thinking alike with clients and meeting their urgent needs, the Bank considered the intensively consulted matters during the pandemic period, urgently sorted out and improved the consultation service knowledge database. and gave full play to the functions of customer service telephone, intelligent customer service and voice navigation to answer the questions of financial service.

supermarkets and other livelihoodrelated units. By strictly separating the income channels from expenditures. the Bank urgently bought 127 cash disinfection of collected cash of CNY7.895 billion and ensured people

The Bank guaranteed the smooth channel of fund transfer. For the transfer of contingency fund for epidemic prevention and control as well as the transfer of state treasury and fiscal capital, the Bank secured contingency reaction, and adjusted the upper limit parameters of its payment system timely and accurately, which guaranteed the smooth channel of payment transfer.

Constantly improving consumers' protection work mechanism

With respect to the latest regulatory requirements, the Bank further improved the mechanism on protecting consumers' rights and interests. The Administrative Rules of Bank of Chongqing for Protecting Rights and Interests of Financial Consumers was revised to further clarify the scope of application of consumers' rights and interests protection and the duties and responsibilities at all levels including the Board of Directors and the executives, and specify the whole process of consumers' protection from beforehand control, amid coordination and post-event settlement. In addition, the regulations such as the Administrative Rules of Bank of Chongqing for Information Disclosure Management of Consumers' Rights and Interests and the Emergency Plan of Bank of Chongqing on Sudden Incidents Concerning Personal Information Protection were formulated for the purposes of improving the quick complaint settlement mechanism, executing multi-level and dimensional supervision and inspection, and thus effectively eliminating risk and near-accident.

Enhancing complaint settlement management

The Bank improved the decision execution and supervision mechanism of complaint management. With respect to the Administrative Rules for Settlement of Consumer Complaints in Banking and Insurance Industry published by China Banking and Insurance Regulatory Commission and in light of the practical experience of complaint management over the years. the Bank revised the Administrative Rules of Bank of Chongqing for Settlement of Customer Complaints and formulated the Administrative Rules of Bank of Chongqing for Quick Settlement of Customer Complaints to improve the quality and efficiency of complaint settlement from the source.

The Bank also strengthened data analysis of

complaint, probed into the causes and present status of complaints, and proposed followup improvement, thus constantly reforming and improving the products and services. A complaint coordination team for consumer protection was established to analyze complaint cases from different perspectives of business, consumer, law, etc. and develop solutions to properly handle complaints.



• Providing services of premium quality under the client-centered principle

Popularizing financial knowledge

In 2020, the Bank focused on the people-oriented development concept in popularization of financial knowledge, earnestly implemented the regulatory requirements, initiated the theme of "Thinking Alike with Finance Education, Growing-up Together to Safeguard Rights", combined the themed education with routine education as well as online-offline modes, started from the demand of consumers' financial knowledge, and organized the public financial knowledge publicity and education in diversified channels and forms, which improved the knowledge level and financial quality of mass financial consumers, and strengthened their capabilities of risk identification and self-protection.

Considering the requirements on epidemic prevention and control, the Bank designed and worked out the instructions on epidemic control and financial service, and the blogs and online animations against telecommunication fraud, such as the animations of *Tightened Epidemic Prevention and Control, Caution* about Telecommunication Fraud and Keep Six Measures in Mind to Ensure Both Work Resumption and Epidemic Prevention, and the articles on Wechat official account such as Safeguard Personal Financial Information, Don't Leave A Door Open to Criminals and Your Invulnerable Shield against Covid-19 is In Place, which were forwarded by all the Bank's employees to spread financial knowledge to mass financial consumers. Besides reminding the adoption of epidemic control measures, the practice improved the anti-fraud and financial risk identification abilities of consumers staying at home.

The Bank produced diversified educational materials on the topics such as Online Payment Security, Rational Consumption, Prevention of Identity Theft of Bank Card, Learning Credit Investigation Knowledge, Staying Away from Illegal Financial Activities and Poverty Alleviation by Inclusive Finance and Support to Rural Rejuvenation, and created a publicity and education brand of

CASE

Popularizing financial knowledge in villages

On Sep. 24, 2020, the Bank visited Sanjian Township, Fengdu, a municipallevel impoverished township to provide publicity and education service themed with "Month of Financial Knowledge Popularization to All, To Be Rational Investors and Well-behaved Online Finance Users".

The activity brought financial knowledge to the countryside, and helped the local households of Sanjian Township enhance their awareness of financial risk prevention, use formal financial service and protect rights and interests according to law. The education personnel entered the stores along the street to set up financial knowledge publicity stations that popularized basic financial knowledge to the villages on the market day. The skit of *Crazy Loan* made the anti-fraud knowledge easier to understand. Through diversified means of publicity video and mini classroom, the education personnel popularized the knowledge of Renminbi and personal credit, telling them the



Knowledge accompanies happy growth

"Yu Xiao Xuan" to improve the awareness of financial knowledge popularization brand. The Bank also organized the financial publicity and education events such as March 15 Consumer Rights Protection publicity Week, Journey of Financial Knowledge Popularization and Popularization of Financial Knowledge in Publicity Month of 2020.

Combining poverty alleviation with enriching people's knowledge, the Bank selected the crowded places in poverty-stricken villages like convenient service center, village party branch and comprehensive culture station to set up the outlets for publicity of financial knowledge and poverty alleviation policies, and arranged the experienced personnel to perform financial publicity and education by pairing aid and on-site visit. In 2020, the Bank organized over 200 times of financial knowledge publicity and education activities in the poverty-stricken areas.

hazard of selling, leasing or lending personal account. The Q&A session with prize deepened local people's understanding of publicity contents with better learning effect.

The activity attracted nearly 200 local residents and received positive response. The villagers said they had a deeper understanding of financial knowledge and welcomed more publicity and popularization activities like this.

Actively Carry Out Social Public Welfare

The Bank is committed to "Think Alike. Grow Together' corporate culture development, adhering to the original intention of public welfare and practicing the responsibility of state-owned enterprises, actively carries out kinds of public activities.

Facing the outbreak of COVID-19, the Bank The bank took the lead in donating 10 million yuan of special fund for epidemic prevention and control to Chongqing Red

Cross Society, which effectively supported the epidemic prevention and control work in a timely manner and actively assisted Chonaging Red Cross Society in developing the online donation channel, launched the "COVID-19 real-time aid platform" and quickly responded to the needs of epidemic prevention and control of the povertystricken counties so as to win the critical battle against the pandemic. Meanwhile the Bank continued to devote our care and company such as educational donation,

charitable support and volunteer service. For the special group like migrant workers. disabled people, laid-off workers and senior citizens, the Bank provided express channel, barrier-free ramp and window of love plus the facilities like priority seats, LCD display and voice broadcast. Where conditions allowed, some sub-branches set up convenient service sites to convey our warmhearted care of "Think Alike. Grow Together"

Key Progress /////

Assisting Red Cross Society developing online donation channel

To meet the needs of online donation during the pandemic period, the Bank assisted Chongging Red Cross Society in developing the online donation channel. Overcoming difficulties like tight schedule and personnel allocation, the Bank employees worked day and night for 60 hours to complete the development work including demand setting, function developing, payment channel creating and online testing. As of the end of donation period, the platform received 11,000 donations with a total amount of CNY2 036 100

Launching "COVID-19 real-time aid platform"

During the lunar New Year in 2020, the Bank worked with WeDoctor Group to Jaunch the "COVID-19 real-time aid platform" at the Bank's Wechat account to provide free services including real-time epidemic information, online consultation, epidemic screening and examination, popularization of epidemic prevention knowledge, guidance on suspected case, guidance on "stay-at-home" guarantine, philological advice, etc. that conveyed the Bank's care and support to clients.



◆ Fengjie Sub-branch visits the forefront medical workers

CASE

Care of Bank of Chongging

The Zhongshan Road Sub-branch in Liupanshui starts small to convey the care of Bank of Chongging. The sub-branch provides the channel and call button for the disabled people to ensure quick and effective service, and sets a convenient zone in the hall with facilitating items like wheelchair, baby carriage, first-aid box, reading glasses, umbrella, magazines and

instruction.

Donation of epidemic prevention supplies to impoverished primary schools

in summer

The Bank actively responded to the call for targeted poverty alleviation and deployment of epidemic prevention and control by Chongging CPC Municipal Committee, the Municipal Government and the Municipal State-owned Assets Supervision and Administration Commission. The Bank formed joint

force of relevant departments and branch offices to donate epidemic-related supplies to the primary schools located in the remote pairing impoverished towns. The six primary schools including the Central Primary School of Yanhe Township, Chenakou County received 38,000 masks, 3,000 pairs of

Charitable donation to schools

On October 29, 2020, Xi'an Branch held a charity donation ceremony at the playground of Xiangxiao Town Primary School. The amount of CNY46,360 was all donated by the employees of Xi'an Branch and used to improve the school's infrastructure e.g. purchase of office computers, installation of drinking

Since 2018. Xi'an Branch donated street lamps to solve the lighting problem on the roads to schools and 12 sets of chairs and tables to improving the working conditions of teachers. The



Conveying the love, creating the future

newspaper, water dispenser, etc. as well as anti-collision strips on glass door and warm tips of "Burn Care" and water quality

In addition to environmental friendly interior decorations, the sub-branch lays stress on the environmental awareness, and the hall is provided with

environmental marks, environmental protection tips, books and battery recycling box. A mini book bar is deployed with the books on parenting, children and health. In addition, the blood-pressure meter is available to the public in the controlled area. The subbranch creates a warmhearted rest place for the community residents and clients.

disposable gloves 1,200 bottles of hand sanitizer, 570 barrels of alcohol and 90 bags of disinfectant powder that helped the local teachers and students reopen schools as schedules and fight against COVID-19

water apparatus and heating equipment

Bank also organized summer camps for impoverished children to broaden their horizon, and donated books and rain shelters that created a haven of knowledge and protection, and greatly improved the reading environment of schools.

ESG Disclosure (A)

Governance



For this part, please refer to the parts of Improving Corporate Governance, Promoting Green Finance, Protecting Consumers' Rights and Interests.

Environmental

Level A1: Emissions

Level A2: Use of Resources

Level A3:

Environment and Natural Resources, please refer to the Implementing Green Operation and Key Performance.

Level A4:Climate change

On Feb. 2, 2021, approved by the Equator Principles Association, the Bank of Chongging officially adopted the Equator Principles, which was the 7th 'Equator Bank' in China that opened a new chapter of further practicing the green development concept and accelerating the innovative development of green finance.

The Bank of Chongqing remains true to the original aspiration of serving green development, studies and implements the theory of 'Lush Mountains and Lucid Water^{*}, follows the path of Ecology-oriented Development of Industry and Industrialization of Ecology Business", strengthens the guarantee of green finance policies and resources, and provides strong financial support to the green transformation of key industries and key sectors. The adoption of Equator Principles demonstrates the Bank's determination of developing

green finance, and reflects the Bank's voluntary responsibility as a public listed city commercial bank. Becoming an 'Equator Bank' is an effective way to get the best practice of world-class financing sustainability and improve the competency of green financial service. It is an inevitable choice to achieve sustainable development and consolidate market competitiveness.

Adopting the Equator Principles

Next the Bank will fully implement all the requirements of Equator Principles, get more deeply rooted in the locality, fulfill social responsibility, boost green finance and carry forward the reform at financial supply side in the new situation of 'dual circulations', thus contributing to the green and low-carbon development and the realization of *30-60 carbon peaking and neutrality targets.

◎ 重庆银行 重庆银行 顯赤道原则



The Bank of Chongqing followed the Appendix XXVII of Hong Kong Stock Exchange Guides on Environment, Social and Governance Report to finish the ESG disclosure.



reform and innovation, closely align with government to jointly serve the high-quality green enterprises, support transformation and upgrading traditional industry, uplift service level of strategic emerging industry, and take active action to mitigate climate change.

At the same time, the Bank strives to build a holistic green finance development system and targets at a regional green bank. The plans on the dimensions of target, product, management and appraisal are developed and implemented that lay a solid foundation for addressing climate challenge.

Clarified development goals: the Bank

will further take advantage of the group's strength, simultaneously promote green loan, green bond, green leasing and green consumption, and thus improve the comprehensive service capability of green energy.

distinctive service capability.



Diversified financial products: the Bank will work with the authorities of ecology and environment to actively participate in and boost the carbon emission trading market in Chongqing, explore the special green finance products like carbon emission rights and emission right pledge, and improve the

Enhanced process management: the Bank will grasp the opportunity of building an Equator Bank to develop the general environmental and social risk management system, and

grant differentiated credit loans in accordance with the environmental and social risks of applicant enterprises.

Optimized appraisal and incentive: the Bank will optimize appraisal measures, enlarge the discount of green loan business, improve employees' professional capabilities as a whole, and give full play to the enthusiasm and creativity of branch offices in the development of green finance.

Social

Level B1, B4: Employment, labor standard

The Bank strictly abides by the laws and regulations on labor and employment, actively maintains the sound employment relationship, and forbids any child labor. The Bank keeps improving the welfare measures to protect employees' rights and interests, adheres to the principle of fixed post, rank and personnel, improves personnel recruitment and configuration, streamlines duties and functions of departments and posts, and endeavors to create a modern human resource management system. In 2020 the two policy documents namely *Regulations* on Remuneration Management for Heads of

Operation Organizations of Bank of Chongging and Regulations on Selection and Appointment of Middle-level Management Personnel of Bank of Chonaging were amended and released.

Level B2: Health and safety

Confronting with the outbreak of COVID-19, the Bank firmly advanced the epidemic prevention and control work, precisely secured "inspection guidance, quick response, management and control, risk screening, information reporting and hazard identification" in place, immediately issued

the epidemic prevention requirements like Notice on Further Strengthening Epidemic Prevention, provided financial safety and security services and effectively guaranteed the health of employees and on-site clients and the overall safe and stable operation. In 2020, the Bank organized safety education

for 38,000 person-times, conducted over 42,000 times of safety inspection, timely completed all needed rectifications of the detected problems, and eliminated any security or safety incident, thus attaining the goal of "zero case and zero accident".

Records of epidemic prevention and control

In the tough time of epidemic prevention and control, the Bank's employees at all levels volunteered to suspend annual leave to secure the responsibility, manpower and execution of overall epidemic prevention and control in place. They guaranteed the epidemicrelated supplies to maintain both the personal health and environmental sanitation, actively forwarded all kinds of notices and documents of superior authorities to make all staff clear about policies, strengthened management of office space to apply flexible working hours like online office and decentralized office with strict temperature check,

collected the information of all employees' daily activities to keep abreast of their health status, and reasonably arranged business hours to guide the public handling business through other channels like online bank and mobile bank

In the fight against the pandemic, some security and service staff's stories are touching. Zhao Dingliang, a security guard of Jiulongpo Subbranch, comes from the countryside of Fuling, Chongging and has old parents in their seventies and a small kid. His family is poor. After the outbreak of

COVID-19, he volunteered to stay on the forefront. To relieve the work pressure of his colleagues, he often shuttled among three branch offices. He strictly implemented the regulations of epidemic prevention and control, helped take temperature of colleagues and clients, sterilized office areas, business space, self-served equipment and accommodation areas, registered the clients entry & exit record and provided home-delivery security defense at the collection sites. He is famed as the 'Anti-pandemic Pioneer' of the subbranch.

CASE

Safeguarding health and security during the pandemic

Wanzhou District lies in the northeastern part of Chongging bordering Hubei Province. In order to protect the health and safety of employees and clients, after the outbreak of COVID-19, Wanzhou

Security drills

On Dec. 16, 2020, the Zunyi Branch organized the emergency drills for preventing robbery and preventing bank run. The whole drill was well scheduled that the participating employees were able to finish all tasks such as detecting suspected situation, protecting life and property of themselves and others,

triggering the alarm, reporting case by phone, evacuating the crowd and reporting the major event to authorities, which achieved the expected effect.



[•] Safeguarding health of employees and clients during the pandemic period

Sub-branch immediately purchased masks and disinfectant to make regular disinfection every day and give masks to the visiting clients. Meanwhile, the subbranch's employees were asked to quide

clients to online services by Wechat, SMS and telephone so as to reduce the number of clients at counter and prevent the risk caused by visitors flow.

In the evening of Dec. 29, 2020, the Fuling Sub-branch organized the drill of sudden safety incident attended by

all its employees. In the preset pressure scenarios like public security event and natural weather, the employees fully understood the necessity of drill and improved their awareness of safety and precaution as well as the ability of handling emergency cases.

Level B3: Development and training

For the information of talent training plan in the Fourteenth Five-year Plan period and the employees development and training in 2020, please refer to the *Strategy* – *Talent* Cultivation Planning, Practice -Commitment to Sustainable Growth of Employees and Kev Performance. This section describes the employees development and training in 2021.

The Bank will optimize the recruitment process to improve the talent attraction mechanism, expand the recruitment channel to attract more talents, and realize online process of recruitment to revitalize the entire resources and build the talent matching mechanism shared by the whole bank.

Improving talent selection mechanism, expanding channels for talent. the Bank will intensify the competitive selection of talents, actively advance competitive and open recruitment, broaden the talent selection and use channel, and give priority to the promotion and selection of the talents who have worked in the forefront for a long time and achieved excellent performance.

Improving training system and building the University of Bank of Chongging: the Bank will concentrates on the construction planning of the University of Bank of Chongging. further build and improve training system, advance training of management talents and improvement of their professionalism and general capabilities, expedite construction and operation of hardware and software platforms, and push forward and improve the Bank's key training programs in an all-round manner

Perfecting organizational structure to improve operational and managerial efficiency: with respect to the adjustment and change of departmental duties and responsibilities of the Head Office, the Bank will revise and optimize the descriptions of duties and posts. The Bank will also enhance and standardize the settings of internal structure and management posts of the branch offices, build a standardized structural system, improve the operational and managerial efficiency of branch offices, and thus realize scientific setting and streamlined and efficient structure up to the same standard.

Strengthening remuneration management and deepening performance appraisal: firstly the Bank will build the overall remuneration mechanism by general consideration of the Bank's development strategy, operation plans and targets, KPI per capita, etc. Secondly the Bank will better the career development path

of employees and optimize talent cultivation and appraisal so as to further improve their occupational development channel. Thirdly the Bank will optimize the system of appraisal indicators with enhanced process monitoring, set up performance feedback and communication mechanism, lav stress on the appraisal results, and strengthen the doublebenchmarking of performance appraisal and incentive level.

Prioritizing system planning and advancing the digital transformation of human resource: the Bank is building the model-platform-data trinity human resource information system, create a human capital analysis platform, add management cockpit to the existing human resource management system, and aims to realize the intelligent platform of "visualized data, visible management and searchable talents"

内训师师

Level B5: Supply chain management

The Bank integrates the concept and requirements of fulfilling corporate social responsibility into the whole procurement process, and compiles the Regulations of Bank of Chongging on Procurement Management and the Regulations of Bank of Chongging on Procurement Bidding Supervision and Management that clarify the procurement process and regulatory provisions. The involved employees are required to sign on the Job Responsibility on Case Prevention and Control Objectives. The principle of openness and transparency

is strictly implemented throughout the procurement process, and the column of "procurement information" is launched on the official website so that the non-confidential information and procurement issues are all subject to public superintendence. In addition, the procurement is more transparent by other means like amended catalog for centralized procurement and publication of reporting mailbox and phone.

The Regulations of Bank of Chongging on Procurement Management clearly

stipulates that priority should be given to the procurement of energy-saving and environmental-friendly products. The factors of environmental and labor protection should be involved in the contractual terms and conditions, and the access of environmental certification of vendors be implemented so as to convey the value of green, environmentalfriendly and sustainable development, and realize responsible procurement together with the Bank's partners.

Level B6: Product responsibility

In 2020, the Regulations of Bank of Chongging on Management of Employee Behaviors was enacted to further standardize the employees' behaviors so that they maintained good professional ethics, honesty and due diligence, adhered to lawful and

risks

protection.

Enhancing all-covering training on consumer protection

Organizing themed training with full coverage: the Bank organized live stream training of designated staff, improved their professional ability by analysis of regulatory policies, explanation of practical operation and sharing of advanced experience, and cultivated professional training teams to conduct retraining of all their subordinate members. The Bank collected the typical cases of social concern such as telecommunication and cyber fraud, illegal fundraising and theft identity, produced three mini flash classes and uploaded them to the Palm Academy, organized all staff learning the practice and experience of customer protection by utilizing fragmentary time, and consolidated their risk awareness and contingency reaction capability. For the middle-level management staff, the Bank organized expert lectures to explain the present status and difficulty of client information protection in bank operation from the perspectives of policies and regulations, awareness and concept, and operation practice.

The Bank carried out uninterrupted routine training. Owing to the impact of the pandemic, the previous training mode of "learning one case of consumer protection each day" was changed from a morning meeting to the learning via Wechat group. and employees were required to share study notes and ideas. which continuously consolidated the employees' awareness of protecting consumers' rights and interests.

Through expert lectures, animation miniclass, analysis of regulatory policies, etc., the

Enhancing marketing and cooperation management

The Bank conducted random inspection of double recording (audio & video) in sales process on a quarterly basis to guarantee the sales were compliant and well-behaved. The double recording was also included in the special inspection of consumer protection. The Bank revised the regulations on management

The Bank enhanced management of partnering entities and tightened the access of partnership. Regular inspection and assessment were conducted to monitor the



◆ "Top Tutors, Best Courses" program of Bank of Chongqing

compliant operation, observed the work discipline and confidentiality principle, and abided by all the incorruptible requirements. The Implementing Rules of Bank of Chongging for Punishment of Employee's Violating Behaviors was released to further

Bank organized the themed training and internal training competition of senior management, middle-level management, designated posts of consumer protection and grassroots staff, which effectively enhanced the employees' awareness of proactively learning and practicing the consumer protection, and strongly supported the Banking fulfilling the main responsibility of consumer protection and preventing financial

The Bank signed the agreement on confidentiality with the new recruits, incorporated the consumer-protection-related knowledge and job requirements into the training of new recruits, and deepened their understanding of protection of consumer's rights and interests. The Bank periodically checked the behaviors of employees on the forefront posts, and identified whether there was any infringement of consumer's rights and interests. The training course of "Starting from Consumer-Theory and Practice of Protecting Consumer's Rights and Interests" dedicated for new recruits was designed that helped them establish the awareness and improve work capability of consumer

The Bank strengthened interactive training and competition. On the learning platform of "Palm Academy", the Head Office organized the "Knowledge Test on Protecting Consumer's Rights and Interests" attended by 3,445 employees, which expanded the training coverage, verifies the training effect, and selected the winners to attend the qualifier competition of Chongging Knowledge Test of

of product inquiry platform, and set up the regular self-examination mechanism.

strengthen internal control and management. prevent financial risks, execute standard procedures to deal with employee's violating behaviors, and thus guarantee sound, sustainable and stable business development.

Banking and Financial Consumer Protection Training. The Bank actively and thoroughly secured the Implementing Rules of the People's Bank of China for Protection of Financial Consumer's Rights and Interests in place, and organized the themed training of all the employees covering the Head Office's management, member departments of consumer protection leading group, all levels of branch offices and front-middle-back ends.

移动学习 共享未来
消保园地
消保圆地 消保圆地
清保殿地 · (共5课) 正序 ④
消保罰地 (共5回) 《中国人民限行金融消费者权益保护实施办法》解 读
祝娘」5842次周读 消费者权益保护培训(第四节) 祝娘」6651次周读
消费者权益保护培训 (第三节) 视频 5481次阅读
消费者权益保护培训(第二节) 视频 5814次用读
消费者权益保护培训(第一节) 视频 6966次网读

dynamic business status of partners. The Bank standardized the cooperation on financial marketing and publicity, and strictly managed the agreements of cooperation with clarified duties and responsibilities of both parties so as to void any false or exaggerated promotion in the name of the Bank.

Level B7: Anti-corruption

Intensified efforts to combat corruption and build a clean bank

In 2020, the discipline inspection and supervision team to the Bank of Chongging of Chongging Municipal Discipline Inspection and Supervision Commission considered the present operation and management situation of the Bank, adhered to the principle of "improvement in stable progress" and "tightened supervision", implemented the reform requirements of the group, gave full

play to the role of execution guaranteed by supervision and development boosted by perfection, and advanced the Bank's building good conduct and political integrity and fighting corruption steadfastly and prudently. With solid fulfillment of responsibility as the key mission, the Bank has profoundly exercised full and strict party governance, established the leading group of full and strict party

governance, deepened the supporting systems of duty fulfillment report, interview, report on accountability and integrity, examination and appraisal, etc., and taken special action to strengthen oversight and discipline enforcement in light of the Head Office's party committee in fulfilling the principal responsibility.

Cultivating financial culture free from corruption

In Nov. 2020, the Bank organized a clean financial culture building workshop themed with "Cultivating Bank's Moral Free from Corruption to Safeguard Clean Finance[®]. The Bank designed special-featured "walls, corridors, sites, rooms' to create the atmosphere of financial culture free from corruption, took the 'Breeze Escort' educational activity as the carrier to carry out

diversified publicity and educational programs, and adopted the action of *Tightened Supervision and Cleaner Moral' to strengthen responsibility fulfillment and behavioral restraint.

The discipline inspection and supervision team to the Bank will urge and help the Bank to keep building the platform of financial culture free from corruption, innovate the clean financial culture carrier, create the financial cultural brand with the characteristics of Bank of Chongging, and forms strong atmosphere of keeping integrity in mind, ensuring everything and everywhere free from corruption and respect by all.

-Jiang Xuan, Member of Party Committee of Bank of Chongging, Head of Discipline Inspection and Supervision Team to Bank of Chongging

Training on integrity practice

The Bank deepened the mechanism of internal 'Greater Study, Greater Discussion^{*}, organized in-depth study by all the staff and improved the awareness and competency of doing business according to disciplines, laws and regulations. The Bank also established the mechanism requiring

the business departments heads and backbone employees to regularly teach financial knowledge to the discipline inspection and supervision staff, and totally organized 5 centralized lectures. The centralized off-job training was organized to improve the governance and job abilities. The Bank convened 4

alerting education meetings and 2 party integrity classes, ran the column of "discipline inspection and supervision" of OA system with 37 issues of relevant information, and published the guarterly Window of Integrity Practice of Bank of Chongqing.

Deepening anti-money laundering work

The Bank further perfected the organizational structure and internal control system against money laundering by issuing the documents such as the Regulations on Risk Management against Money Laundering and Terrorist Financing of Subsidiaries Controlled by Bank of Chongging, Notice of Bank of Chongging on Clarification of Highly Risky Countries, Regions, Sectors and Jobs Relating to Money Laundering, Notice on Enhancing and Improving Client's Money-Laundering Risk Rating, Regulations of Bank of Chongging on Operation and Management of Anti-Money Laundering Platform, and Regulations of Bank of Chongging on Monitoring and Management of Anti-Money Laundering List.

The Bank timely tendered the critical



Organizing 'Grasping Trends, Identifying Key Points' anti-money laundering training of middleand high-level management: the Bank invited the anti-money laundering experts to hold lectures for the Board of Directors, senior management and middle-level management staff that were attended by more than 350 employees. The training focused on the trends of anti-money laundering and clarified the directions and key points of anti-money laundering work for the management staff.

Organizing ^{*}Learning Practice, Ensuring Duty Performance' anti-money laundering access training: the Bank organized nearly 300 employees involved in anti-money laundering work to attend the access training of China Center for Financial Training and all of them have passed the examination which further consolidated the work foundation of anti-money laundering.

Fulfilling review and audit duties and responsibilities

Earnestly conducting compliance review: under the guidance of "risk control and value creation by compliance", the Bank regarded the compliance review as a necessary step in formulating rules and regulations, developing new business and products and making decisions on major issues. Effectively integrated in the business process and operation activity, the compliance serves as a solid pillar of business development and operation management.

Effectively fulfilling audit and supervision duties and responsibilities: from the perspective of the third defense line of risk prevention and control, the Bank strived

to win the critical battle of "preventing and mitigating major risks" and "targeted poverty alleviation", positively implemented the policies of "supporting real economy" and "promoting work resumption" in the regular epidemic prevention and control stage, and performed the tracking audit for the implementation of "epidemic-related special refinancing" and "refinancing for micro and small businesses" of the People's Bank of China so that the funds were used in the most needed places. The Bank enlarged audit input in key areas, highlighted the risk-oriented approach, focused on the critical steps and effectively prevented the occurrence of financial risks.

Level B8: For community investment, please refer to the Actively Carry Out Social Public Welfare

suspected transaction report to the local branch of the People's Bank of China, and at the same time followed the risk instructions of the People's Bank of China to investigation risk of enterprises suspected of wildlife trafficking and pyramid selling. No client of the Bank has been found to be directly or indirectly involved in the aforesaid illegal acts.

Organizing 'Learning Systems, Securing Compliance' knowledge contest of anti-money laundering: by the internal "Palm Academy" platform, the Bank organized the knowledge contest attended by more than 3,900 employees with an attendance rate of over 90%. The event popularized the basic knowledge of anti-money laundering, and created better working environment in the whole Bank

Improving accountability mechanism and foster compliance culture: the Bank made thorough revision of the accountability management regulations, established a hierarchical accountability system with streamlined management and interconnection between Head Office and branches, and through accountability investigation and proper whole-organization training sorted out and clarified the accountability philosophy and methodology, thus firmly establishing the awareness of accountability and compliance throughout the Bank.

Key Performance

Comprehensive performance

Economy	2020	2019	2018
Total assets (thousand yuan)	561,641,397	501,231,864	450,368,973
Net profit (thousand yuan)	4,565,695	4,321,457	3,822,095
Shareholders' equity (thousand yuan)	40,174,997	36,949,429	33,051,012
Capital adequacy ratio (%)	12.54	13.00	13.21
Balance of agriculture-related loans (100 million yuan)	413.05	310.13	284.8
Balance of microloans (100 million yuan)	833.22	798.67	749.43
Balance of targeted poverty alleviation loans (100 million yuan)	29.75	22.49	12.63
Social contribution value per share (yuan)	6.47	6.21	5.95
Total number of employees (person)	4,401	4,274	4,119
Proportion of female employees (%)	56.33%	56.06%	55.98%
Proportion of female leaders (%)	28.57	27.27	24.30
Bank outlets	145	142	140
Substitution rate of electronic transaction volume (%)	91.6%	86.5%	-
Customer satisfaction (score)	92.42	91.41	92.51
Customer complaints	1,300	959	990
Customer satisfaction of complaint settlement (%)	86%	94%	93%
Charity donation (thousand yuan)	17,543	9,960	9,562

Social dimension-employees structure

Data scope	Employees by gender		Employees by age		
	Male	Female	< 30 years old	30–50 years old	>50 years old
Head Office	490	518	97	843	68
The whole bank	1,922	2,479	795	3,312	294

Data scope	Employees by type			Employees by region (Statistics of employee's native place preferred)				Ð
	Senior management	Middle-level management	Grassroots	Chongqing	Sichuan	Guizhou	Shaanxi	Others
Head Office	12	72	924	680	143	6	9	170
The whole bank	12	205	4,184	2,697	615	170	208	711

Data scope		Employee turnover by gender		Employee turnover by age		
		Male	Female	< 30 years old	30–50 years old	>50 years old
-	Head Office	17	14	8	23	0
-	The whole bank	81	93	79	95	0

Data and	Employee turnover by region (Statistics of employee's native place preferred)							
Data scope	Chongqing	Sichuan	Guizhou	Shaanxi	Others			
Head Office	23	4	0	0	4			
The whole bank	85	26	21	21	21			

Social dimension – training of employees

	Employees by gender		Employees by type		
Head Office	Male	Female	Senior management	Middle-level management	Grassroots
Trained employees	490	518	12	72	924
Training hours	11,368	12,017	502	3,240	19,644
	Employees	by gender		Employees by type	
The whole bank	Male	Female	Senior management	Middle-level	Grassroots

	Employees by gender		Employees by type		
The whole bank	Male	Female	Senior management	Middle-level management	Grassroots
Trained employees	1,922	2,479	12	205	4,184
Training hours	43,478	56,078	502	10,100	88,954

Social dimension – death of and injury to employees in work

The whole bank	2020	2019	2018
Death in line of duty (person)	0	0	0
Lost time of work injury (day)	240	0	150

Social dimension -- Suppliers' data

Quantity of partnering supplies in 2020 by region						
Region	Chongqing	Beijing	Guangdong	Shanghai	Zhejiang	Sichuan
Quantity	8	54	25	18	11	7

Environmental dimension

			(CNY 100 million)
Index	2020	2019	2018
1. Projects of green agriculture development	4.26	2.38	0.87
2. Projects of green forestry development	25.24	8.88	1.72
3. Projects of industrial energy and water conservation, and environmental protection	8.06	3.78	0.51
4. Projects of natural protection, ecological restoration and disaster prevention and control	15.46	13.13	17.24
5. Projects of resource recycling and utilization	7.53	1.14	0.73
6. Projects of garbage treatment and pollution prevention	11.11	5.33	5.3
7. Projects of renewable energy and clean energy	12.61	11.16	8.06
8. Rural and urban water projects	16.08	9.99	4.24
9. Building energy conservation and green building	17.02	9.57	0.05
10. Green mobility project	16.97	21.44	13.34
11. Energy conservation and environmental protection services	9.76	3.50	1.76
12. Balance of green loans(Sum)	144.10	90.30	53.83
13. EIA rate of loan project	100%	100%	100%

(CNY 100 million)

Greenhouse gas emission and density at Head Office (scope 1 and scope 2)

ltem	Unit	2020	2019	2018
Emission of vehicles (scope 1)	Ton	25.28	30.96	50.76
Emission of canteen LNG emission (scope 1)	Ton	67.43	92.17	90.69
Emission of electricity use (scope 2)	Ton	1,481.74	2,024.90	1,731.79
Total GHG emission	Ton	1,574.45	2,148.03	1,873.24
Density of GHG emission	Ton/m ² floor area	0.01	0.02	0.02

Note 1: The GHG emission is calculated as per the Instructions on Carbon Dioxide Baseline Emission Factor OM Calculation for the Power Grid in China in 2019. Note 2: The floor area refers to the floor area of office buildings of Head Office.

Air pollutant emission of public vehicles owned by the Head Office

ltem	Unit	2020	2019	2018
NOx	kg	3.16	15.26	21.78
S0x	kg	0.18	0.20	0.33
CO	kg	67.25	147.58	237.50
PM2.5	kg	0.30	0.70	1.08
PM10	kg	0.30	0.77	1.18

Note 1: The emission of air pollutants from the public vehicles is calculated as per the Technical Guides for Preparing Air Pollutant Emission List of Road Motor Vehicles issued by the Ministry of Ecology and Environment of the PRC.

Resource consumption and intensity of the Head Office

ltem	Unit	2020	2019	2018
Electricity consumption	10MWh	281.86	331.90	329.35
Electricity consumption density	kWh/m² floor area	26.50	31.21	47.05
Water consumption	10,000 tons	3.33	6.26	3.27
Water consumption density	ton/m ² floor area	0.31	0.59	0.47
Gas consumption	10,000 m ³	3.19	4.36	4.29
Gas consumption density m ³ /m ² floor area		0.30	0.41	0.61
Gasoline consumption (by vehicle) 10,000		1.18	1.33	2.19
Gasoline consumption density (by vehicle)	l/vehicle	1,072.73	1,213.53	1,290.59

Quantity and density of harmless wastes of the Head Office

ltem	2020	2019	2018
Quantity of kitchen wastes	3.95 (tons)	87,120 (liters)	86,400 (liters)
Density of kitchen wastes	0.004 (tons per capita)	89.26 (liters per capita)	97.19 (liters per capita)

Note 1: The statistical unit was adjusted to 'tons' in 2020.

Independent Assurance Report



Ernst & Young Hua Ming LLP Level 16, Ernst & Young Tower Oriental Plaza 1 East Chang An Avenue Donachena District Beijing, China 100738

Independent Assurance Report

On the Social Responsibility Report

The Board of Directors of Bank of Chongqing Co., Ltd.:

We have been engaged to express a limited assurance opinion on the selected data in the 2020 Annual Corporate Social Responsibility (Environmental, Social and Governance) Report of Bank of Chongqing Co., Ltd. (the "Social Responsibility Report") prepared by the Bank of Chongqing Co., Ltd. ("Bank of Chongqing").

I. The Board of Directors' responsibilities

The Board of Directors of Bank of Chongging are responsible for the preparation and presentation of the selected data in accordance with the "preparation basis" within the Social Responsibility Report (the "basis of reporting"). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the selected data, and making estimates that are reasonable in the circumstances.

II. Our responsibilities

Our responsibility is to express a conclusion on the selected data in the Social Responsibility Report based on our work performed. We report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our work on the selected data in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance as to whether any matters have come to our attention that causes us to believe that the selected data as at 31 December 2020 and for the year then ended in the Social Responsibility Report is not prepared in all material respects in accordance with the basis of reporting.

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Independent Assurance Report

On the Social Responsibility Report

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III. Scope of work, approach, and limitation

The selected data in the Social Responsibility Report that is covered by this report is as follows:

- The Head Office electricity consumption(10MWh)
- The Head Office water consumption (10,000 tons)
- The Head Office gas consumption (10,000 m3)
- The Head Office gasoline consumption (by vehicle) (10,000 liters)
- Total number of employees •
- Proportion of female employees (%) •
- Proportion of female leaders (%) .
- Bank outlets .
- Substitution rate of electronic transaction volume (%) ٠
- Customer satisfaction(score) •
- Charity donation (thousand yuan) ٠
- Social contribution value per share(yuan) •
- Balance of green loans (100 million yuan) .
- Balance of agriculture-related loans (100 million yuan) ٠
- Balance of microloans (100 million yuan) •

Our work was performed at the Head Office of Bank of Chongqing, which includes:

- 1) Interviews with management and personnel in the departments involved in providing information for inclusion in the Social Responsibility Report in relation to the selected data;
- 2) Analytical procedures;
- 3) Examination, on a test basis, of documentary evidence;
- Recalculation: 4)
- Other procedures deemed necessary. 5)



In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement, and the therefore less assurance is obtained than in a reasonable assurance engagement. The procedures selected depend on the practitioner's judgment. including the assessment of the risks of material non-compliance of the selected data prepared in accordance with the basis of reporting.

Our work was limited to the selected data as of 31 December 2020 and for the year then ended in the Social Responsibility Report. In addition, our work performed was not for the purpose of expressing an opinion on the effectiveness of Bank of Chongqing's Internal controls.

IV. Conclusion

Based on the limited assurance work which we have performed, nothing has come to our attention that causes us to believe that the selected data as at 31 December 2020 and for the year the ended has not been prepared, in all material respects, in accordance with the basis of the social responsibility reporting.

V. Our Independence, quality Control and assurance team

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants. We have complied with the quality control requirements of the International Standard on Quality Control 1. Our team has required competencies and experience for this assurance engagement.



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Independent Assurance Report

On the Social Responsibility Report

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3

Appendix

Notes to Report

Scope of report	Organizational scope of the report: Head Office and branches of the Bank of Chongqing. The "Bank of Chongqing" and "the Bank" herein both refer to Bank of Chongqing Co., Ltd. Time scope of the report: from Jan. 1, 2020 to Dec. 31, 2020 with part of contents beyond this time scope. Publishing cycle of the report: the report is published annually.
Basis of compilation	The report is compiled in accordance with the <i>Opinions on Strengthening Social Responsibility</i> of Banking Financial Institutions of the former China Banking Regulatory Commission, the <i>Guidelines on Corporate Social Responsibility of Chinese Banking Financial Institutions</i> of China Banking Association, the <i>Guidelines on Environmental Information Disclosure of Public-listing Companies and the Report on Company Fulfilling Social Responsibility</i> of Shanghai Stock Exchange, and the relevant requirements of the <i>Guides on Environment, Social and Governance Report</i> of Hong Kong Exchanges and Clearing Market. Meanwhile, reference has been made to the <i>GRI Standards</i> of GSSB, the <i>Guidance on Social Responsibility (2010)</i> of ISO 26000 and the <i>Guidance on Social Responsibility</i> (GBIT36000) of Standard Administration of the PRC.
Data specification	The financial data in the report are extracted from the Annual Report of Bank of Chongqing Co., Ltd. in 2020 (A-share) while other data are mostly within the year of 2020 with part of them beyond the time scope. All the current amounts in the report are in the unit of Renminbi yuan.
Publication form	The report is published in both hard copy and soft copy. The softcopy is available at: http://www.cqcbank.com The report is in three language versions of simplified Chinese, traditional Chinese and English. In case of any inconsistency therebetween, the simplified Chinese version should prevail.
Contact information	Office of Board of Directors, Bank of Chongqing Co., Ltd. Address: 6 Yong Ping Men Street, Jiangbei District, Chongqing, China Zip code: 400024 Phone: +86 (0)23 63799024

Feedback Form for Readers

Dear readers,

cellent	Good	General
CONCINC		

Thank you very much for taking time to read the <i>Report of Corporate Social Responsibility (Environment, Social, Governance) of Bank</i> of Chongqing 2020. We look forward to your valuable comments and feedback, which help us improve the report. Best regards!				
				Bank of Chongqing Co., Ltd. March, 2021
Single choice question (please	$_{\rm 2}$ tick the option $\sqrt{~}$)			
Does the report comprehensiv	vely and accurately show t	the Bank's major impact on	economy, society and	environment?
□ Excellent	□ Good	General	□ Bad	□ Very Bad
Does the report respond to ar	nd disclose the most conce	erned issues of stakeholders	5?	
□ Excellent	□ Good	General	□ Bad	□ Very Bad
Are the information, indicator	s and data disclosed in the	e report clear, accurate and	complete?	
□ Excellent	□ Good	□ General	□ Bad	□ Very Bad
What is the readability of the	report the logic thread, co	ontent, language and format	of the report?	
□ Excellent	□ Good	General	□ Bad	□ Very Bad
Open questions				
What information you intend t	to know is not contained in	the report?		
What is your advice on our fu	iture reports?			

(a) This report is made of renewable environmental protection paper





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