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If you are in any doubt as to any content of this circular or as to the action to be taken, you should consult licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

If you have sold or transferred all your shares in Jinshang Bank Co., Ltd.*, you should at once hand this circular, together with the accompanying form of proxy to the purchaser or the transferee or to a licensed securities dealer or registered institutions in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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(A joint stock company incorporated in the People's Republic of China with limited liability)
(stock code: 2558)

- (1) WORK REPORT OF THE BOARD OF DIRECTORS FOR 2021**
- (2) WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2021**
- (3) PROFIT DISTRIBUTION PLAN FOR 2021**
- (4) REPORT OF FINAL FINANCIAL ACCOUNTS FOR 2021**
- (5) FINANCIAL BUDGET FOR 2022**
- (6) REPORT OF THE BOARD OF SUPERVISORS ON SUPERVISION AND ASSESSMENT ON THE PERFORMANCE OF DUTIES BY DIRECTORS DURING 2021**
- (7) REPORT OF THE BOARD OF SUPERVISORS ON ASSESSMENT ON THE PERFORMANCE OF DUTIES BY SUPERVISORS DURING 2021**
- (8) REPORT OF THE BOARD OF SUPERVISORS ON SUPERVISION AND ASSESSMENT ON THE PERFORMANCE OF DUTIES BY SENIOR MANAGEMENT DURING 2021**
- (9) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**
- (10) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES FOR THE SHAREHOLDERS' GENERAL MEETING**
- (11) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS**
- (12) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES FOR THE BOARD OF SUPERVISORS**
- (13) PROPOSED FORMULATION OF ADMINISTRATIVE MEASURES FOR SHAREHOLDERS' COMMITMENTS OF JINSHANG BANK CO., LTD.**
- (14) APPOINTMENT OF AUDITORS TO AUDIT FINANCIAL STATEMENTS FOR 2022**
- (15) REPORT ON RELATED PARTY TRANSACTIONS FOR 2021**
- AND**
- (16) NOTICE OF THE 2021 ANNUAL GENERAL MEETING**

The letter from the Board is set out on pages 3 to 9 of this circular.

The Bank will convene the AGM at the Conference Room, 22nd Floor, No. 59 Changfeng Street, Xiaodian District, Taiyuan, Shanxi Province, the PRC at 10:00 a.m. on Friday, June 10, 2022. The notice of the AGM is set out on pages 81 to 84 of this circular and were despatched by the Bank on Wednesday, May 11, 2022.

Whether or not you intend to attend and/or vote at the AGM in person, you are requested to complete the proxy form in accordance with the instructions printed thereon and H shareholders shall return the proxy form to our Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event, not later than 24 hours before the scheduled time (10:00 a.m. on Thursday, June 9, 2022) for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending in person and voting at the AGM should you so wish, in this case, the instrument appointing the proxy should be deemed withdrawn. The proxy forms for the AGM were despatched on Wednesday, May 11, 2022.

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

May 11, 2022

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
APPENDIX I – WORK REPORT OF THE BOARD OF DIRECTORS FOR 2021	10
APPENDIX II – WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2021	15
APPENDIX III – REPORT OF THE BOARD OF SUPERVISORS ON SUPERVISION AND ASSESSMENT ON THE PERFORMANCE OF DUTIES BY DIRECTORS DURING 2021	27
APPENDIX IV – REPORT OF THE BOARD OF SUPERVISORS ON ASSESSMENT ON THE PERFORMANCE OF DUTIES BY SUPERVISORS DURING 2021	35
APPENDIX V – REPORT OF THE BOARD OF SUPERVISORS ON SUPERVISION AND ASSESSMENT ON THE PERFORMANCE OF DUTIES BY SENIOR MANAGEMENT DURING 2021	41
APPENDIX VI – PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION	47
APPENDIX VII – PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES FOR THE SHAREHOLDERS’ GENERAL MEETING	61
APPENDIX VIII – PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS	64
APPENDIX IX – PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES FOR THE BOARD OF SUPERVISORS	66
APPENDIX X – ADMINISTRATIVE MEASURES FOR SHAREHOLDERS’ COMMITMENTS OF JINSHANG BANK CO., LTD.	67

CONTENTS

APPENDIX XI	-	REPORT ON RELATED PARTY TRANSACTIONS FOR 2021	75
NOTICE OF THE 2021 ANNUAL GENERAL MEETING		81

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM” or “2021 AGM” or “Annual General Meeting”	the annual general meeting of the Bank to be held at the Conference Room, 22nd Floor, No. 59 Changfeng Street, Xiaodian District, Taiyuan, Shanxi Province, the PRC at 10:00 a.m. on Friday, June 10, 2022, or any adjournment thereof
“Articles of Association”	the articles of association of the Bank, as amended, modified or otherwise supplemented from time to time
“Bank” or “our Bank”	Jinshang Bank Co., Ltd.* (晉商銀行股份有限公司), a joint stock company established on October 16, 1998 in the PRC with limited liability pursuant to the relevant PRC laws and regulations, and, if the context requires, includes its predecessors, branches and sub-branches, excluding its subsidiary
“Board” or “Board of Directors”	the Board of Directors of the Bank
“Board of Supervisors”	the Board of Supervisors of the Bank
“CBIRC”	China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會), a regulatory authority formed via the merger of the CBRC and CIRC according to the Notice of the State Council regarding the Establishment of Organizations (Guo Fa [2018] No. 6) (《國務院關於機構設置的通知》(國發[2018]6號)) issued by the State Council on March 24, 2018, and, if the context requires, includes its predecessors, namely the CBRC and CIRC
“China” or “PRC”	the People’s Republic of China
“connected person(s)”	has the same meaning ascribed to it under the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Bank
“Domestic Shares”	the ordinary shares issued by the Bank with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in Renminbi

DEFINITIONS

“H Shares”	the ordinary shares issued by the Bank with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed and traded on the Hong Kong Stock Exchange
“H Share Registrar”	Computershare Hong Kong Investor Services Limited
“HK\$” or “HKD” or “Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Reporting Period”	the year ended December 31, 2021
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the holder(s) of the Shares
“Shares”	the Domestic Share(s) and H Share(s) of the Bank
“substantial shareholder(s)”	has the same meaning ascribed to it under the Hong Kong Listing Rules
“Supervisor(s)”	the supervisor(s) of the Bank
“%”	per cent

LETTER FROM THE BOARD



JINSHANG BANK CO., LTD.*

晉商銀行股份有限公司*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(stock code: 2558)

Executive Directors:

Ms. Hao Qiang (郝強) (*Chairwoman*)
Mr. Zhang Yunfei (張雲飛) (*Vice Chairman*)

Non-executive Directors:

Mr. Li Shishan (李世山)
Mr. Xiang Lijun (相立軍) (*Vice Chairman*)^Δ
Mr. Liu Chenhang (劉晨行)
Mr. Li Yang (李楊)[#]
Mr. Wang Jianjun (王建軍)

Independent non-executive Directors:

Mr. Jin Haiteng (金海騰)
Mr. Sun Shihu (孫試虎)
Mr. Wang Liyan (王立彥)
Mr. Duan Qingshan (段青山)[#]
Mr. Sai Zhiyi (賽志毅)
Mr. Ye Xiang (葉翔)

**Registered Address and Address
of Head Office:**

No. 59 Changfeng Street
Xiaodian District
Taiyuan
Shanxi province, the PRC

**Principal place of business
in Hong Kong:**

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

Δ Subject to the approval of vice chairman qualification by the regulatory authorities for the banking industry.

Subject to the approval of director qualification by the relevant regulatory authorities for the banking industry.

LETTER FROM THE BOARD

To the Shareholders

Dear Sir or Madam,

- (1) WORK REPORT OF THE BOARD OF DIRECTORS FOR 2021
- (2) WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2021
- (3) PROFIT DISTRIBUTION PLAN FOR 2021
- (4) REPORT OF FINAL FINANCIAL ACCOUNTS FOR 2021
- (5) FINANCIAL BUDGET FOR 2022
- (6) REPORT OF THE BOARD OF SUPERVISORS ON SUPERVISION AND ASSESSMENT ON THE PERFORMANCE OF DUTIES BY DIRECTORS DURING 2021
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- (14) APPOINTMENT OF AUDITORS TO AUDIT FINANCIAL STATEMENTS FOR 2022
- (15) REPORT ON RELATED PARTY TRANSACTIONS FOR 2021
AND
- (16) NOTICE OF THE 2021 ANNUAL GENERAL MEETING

I. INTRODUCTION

The AGM will be held at the Conference Room, 22nd Floor, No. 59 Changfeng Street, Xiaodian District, Taiyuan, Shanxi Province, the PRC at 10:00 a.m. on Friday, June 10, 2022. The following resolutions will be proposed at the AGM for the Shareholders to consider and, if thought fit, to approve: (1) the Work Report of the Board of Directors for 2021; (2) the Work Report of the Board of Supervisors for 2021; (3) the Profit Distribution Plan for 2021; (4) the Report of Final Financial Accounts for 2021; (5) the Financial Budget for 2022; (6) the Report of the Board of Supervisors on Supervision and Assessment on the Performance of Duties by Directors during 2021; (7) the Report of the Board of Supervisors on Assessment on the Performance of Duties by Supervisors during 2021; (8) the Report of the Board of Supervisors on Supervision and Assessment on the Performance of Duties by Senior Management during 2021; (9) Proposed Amendments to the Articles of Association; (10) Proposed Amendments to the Rules of Procedures for the Shareholders' General Meeting; (11) Proposed Amendments to the Rules of Procedures for the Board of Directors; (12) Proposed Amendments to the Rules of Procedures for the Board of Supervisors; (13) Proposed Formulation of Administrative Measures for Shareholders' Commitments of Jinshang Bank Co., Ltd.; and (14) Appointment of Auditors to Audit Financial Statements for 2022. In the meantime, Shareholders will listen to the Report on Related Party Transactions for 2021. The notice of the AGM is set out on pages 81 to 84 of this circular.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with further details of these proposed matters to enable you to make an informed voting decision on the proposed resolutions at the AGM.

II. MATTERS TO BE RESOLVED AT THE AGM

1. Work Report of the Board of Directors for 2021

For the Work Report of the Board of Directors for 2021, please refer to Appendix I to this circular.

2. Work Report of the Board of Supervisors for 2021

For the Work Report of the Board of Supervisors for 2021, please refer to Appendix II to this circular.

3. Profit Distribution Plan for 2021

On March 29, 2022, the Board resolved to submit to the Shareholders for their consideration and approval of the following profit distribution plan for the year ended December 31, 2021:

- (i) Appropriation of statutory surplus reserve. 10% of the net profit for 2021 amounting to RMB169,215,243.34 will be appropriated to the statutory surplus reserve;
- (ii) Appropriation to general risk reserve. RMB349,267,753.87 will be appropriated to the general reserve pursuant to the requirements of the Administrative Measures for the Provision of Reserves of Financial Enterprises (Cai Jin [2012] No. 20) (《金融企業準備金計提管理辦法》(財金[2012]20號)) and the Articles of Association of the Bank;
- (iii) Based on 5,838,650,000 paid-up shares, including 4,868,000,000 Domestic Shares and 970,650,000 H Shares, at the end of 2021, a cash dividend of RMB10 (tax inclusive) for every 100 Shares for 2021 will be distributed to all Shareholders, amounting to RMB583,865,000 in aggregate. Dividends for H Shares will be paid in Hong Kong dollars, applicable to the average middle exchange rate of RMB to HKD as announced by the People's Bank of China prevailing five business days preceding the date of declaration of such dividends at the AGM (including the date thereof);
- (iv) The balance of RMB2,176,692,200.34 will be carried forward to the subsequent year.

LETTER FROM THE BOARD

The final dividends, if approved by the 2021 AGM, are expected to be paid on July 29, 2022.

The Bank's register of members of H Shares will be closed from Thursday, June 16, 2022 to Tuesday, June 21, 2022 (both days inclusive). Shareholders whose names appear on the H share register of members and domestic share register of members of the Bank on Tuesday, June 21, 2022 will be entitled to receive the final dividends. The holders of H Shares who qualify for receiving the final dividends shall lodge all transfer documents accompanied by the relevant H share certificates with the H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong to process the registration no later than 4:30 p.m. on Wednesday, June 15, 2022.

4. Report of Final Financial Accounts for 2021

For details of the audited final financial accounts for the year ended December 31, 2021 prepared in accordance with the International Financial Reporting Standards, please refer to the financial statements in the annual results announcement of the Bank for the year ended December 31, 2021 dated March 29, 2022 and the annual report of the Bank for the year ended December 31, 2021.

5. Financial Budget for 2022

Based on the demands for the Bank's strategic development and business expansion, the Bank plans to arrange capital expenditure of approximately RMB777.88 million in 2022, details of which are as follows:

1. Purchases, construction and renovation of business premises of approximately RMB535.46 million, mainly used for expenditure on projects such as purchases, decoration and renovation and optimization of layout of new outlets and original properties for business and office, etc.;
2. Purchases of equipment of approximately RMB69.08 million, mainly used for construction of science and technology such as the expansion of database and purchases of electronic equipment for business and office and machinery equipment; and
3. Investment in IT construction of approximately RMB173.34 million, mainly used for expenditure on construction-based, demand development-based and auxiliary tool-based IT projects and others.

LETTER FROM THE BOARD

6. Report of the Board of Supervisors on Supervision and Assessment on the Performance of Duties by Directors during 2021

For the Report of the Board of Supervisors on Supervision and Assessment on the Performance of Duties by Directors during 2021, please refer to Appendix III to this circular.

7. Report of the Board of Supervisors on Assessment on the Performance of Duties by Supervisors during 2021

For the Report of the Board of Supervisors on Assessment on the Performance of Duties by Supervisors during 2021, please refer to Appendix IV to this circular.

8. Report of the Board of Supervisors on Supervision and Assessment on the Performance of Duties by Senior Management during 2021

For the Report of the Board of Supervisors on Supervision and Assessment on the Performance of Duties by Senior Management during 2021, please refer to Appendix V to this circular.

9. Proposed Amendments to the Articles of Association

Please refer to Appendix VI to this circular for the details of proposed amendments to the Articles of Association.

It is proposed that the Shareholders' general meeting authorizes the Board of Directors and the Board of Directors then delegates to the chairman of the Bank to make necessary and appropriate changes to the Articles of Association according to the advices on amendments proposed by the regulatory authorities in the process of submitting to the regulatory authorities for approval. The proposed amendments to the Articles of Association will take effect from the date of approval from the CBIRC.

10. Proposed Amendments to the Rules of Procedures for the Shareholders' General Meeting

Please refer to Appendix VII to this circular for the details of proposed amendments to the Rules of Procedures for the Shareholders' General Meeting.

11. Proposed Amendments to the Rules of Procedures for the Board of Directors

Please refer to Appendix VIII to this circular for the details of proposed amendments to the Rules of Procedures for the Board of Directors.

LETTER FROM THE BOARD

12. Proposed Amendments to the Rules of Procedures for the Board of Supervisors

Please refer to Appendix IX to this circular for the details of proposed amendments to the Rules of Procedures for the Board of Supervisors.

13. Proposed Formulation of Administrative Measures for Shareholders' Commitments of Jinshang Bank Co., Ltd.

The Bank has formulated the Administrative Measures for Shareholders' Commitments of Jinshang Bank Co., Ltd. according to the "Notice of the CBIRC on Further Strengthening the Management of Shareholders' Commitments in Banking and Insurance Institutions" (Yin Bao Jian Ban Fa [2021] No. 100) by the General Office of the CBIRC and in combination with the actual situation of the Bank. Please refer to Appendix X to this circular for the details of the Administrative Measures for Shareholders' Commitments of Jinshang Bank Co., Ltd.

14. Appointment of Auditors to Audit Financial Statements for 2022

An ordinary resolution will be proposed at the 2021 AGM to consider and, where appropriate, approve the appointment of Ernst & Young Hua Ming LLP as the domestic auditor of the Bank for the year 2022, and the appointment of Ernst & Young as the international auditor of the Bank for the year 2022, to hold office until the conclusion of the next annual general meeting of the Bank. The audit fees for the domestic and international financial statements for 2022 and the review fee for the international half-yearly financial statements are expected to be approximately RMB3.98 million.

III. OTHERS

In addition, the Shareholders will listen to the report on related party transactions of the Bank for 2021 at the 2021 AGM, the text of which is set out in Appendix XI to this circular.

IV. THE AGM

The AGM will be held at the Conference Room, 22nd Floor, No. 59 Changfeng Street, Xiaodian District, Taiyuan, Shanxi Province, the PRC at 10:00 a.m. on Friday, June 10, 2022, to consider and, if thought fit, approve the resolutions relating to the matters set out in the notice of the AGM. The proxy form was despatched to the Shareholders on Wednesday, May 11, 2022. The notice of the AGM is set out on pages 81 to 84 of this circular.

The Bank's register of members will be closed from Tuesday, June 7, 2022 to Friday, June 10, 2022 (both days inclusive), during which no transfer of Shares will be effected. The Shareholder(s) whose name(s) appear(s) in the Bank's register of Shareholders as at the close of business on Monday, June 6, 2022 shall be entitled to attend and vote at the AGM. H shareholders of the Bank who intend to attend and vote at the 2021 AGM shall deliver all transfer documents together with relevant share certificates and other appropriate documents for registration to the H Share Registrar of the Bank, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong by 4:30 p.m. on Monday, June 6, 2022.

LETTER FROM THE BOARD

If the instrument appointing the proxy is signed by a person authorized by the appointer, the power of attorney or other authorization documents under which the instrument is signed must be notarized and shall be deposited together and at the same time with the instrument appointing the proxy. To be valid, the proxy form together with a copy of the notarized power of attorney or other authorization documents must be delivered by H shareholders to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 24 hours before the scheduled time for the commencement of the AGM (i.e. 10:00 a.m. on Thursday, June 9, 2022) or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish, only in such event, the instrument appointing a proxy will be deemed to be revoked.

Pursuant to the Hong Kong Listing Rules, all resolutions at the AGM will be voted by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands). The voting results will be published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Bank (<http://www.jshbank.com/>) in accordance with the Hong Kong Listing Rules.

V. RECOMMENDATIONS

The Board (including independent non-executive Directors) is of the opinion that all resolutions proposed at the AGM are in the interests of the Bank and the Shareholders as a whole. Thus, the Board recommends that the Shareholders should vote in favor of all the relevant resolutions proposed at the AGM (if applicable).

VI. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices I to XI to this circular.

By order of the Board
Jinshang Bank Co., Ltd.*
LI Weiqiang
Joint Company Secretary

Taiyuan, May 11, 2022

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

In 2021, facing a complex and fickle external situation and various difficulties and challenges, the Board of the Bank, under the leadership of the Party Committee and the guidance of “Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era”, resolutely persevered the spirits of the Sixth Plenary Session of the 19th Central Committee of the Communist Party of China and the 12th National Congress of the Communist Party of China at province level, comprehensively implemented the decision-making and arrangement of the provincial government, firmly adhered to the core themes of security and development, continued to improve corporate governance, strictly sticking to risk management, steadily pushed forward high-quality development, and achieved better operating results in supporting the prevention and control of COVID-19 and the economic and social development. The Board hereby reports its work performance in 2021 as follows:

I. OPERATING RESULTS ACHIEVED IN 2021

As of the end of 2021, the Bank’s total assets (in terms of the Group, the same below) reached RMB303.292 billion, increased by 11.9% as compared to that of previous year, while the deposits from customers reached RMB199.207 billion, increased by 12.7% as compared to that of previous year; and the balance of loans reached RMB151.007 billion, increased by 14.5% as compared to that of previous year. In 2021, the Bank realized net profit of RMB1.679 billion, representing a year-on-year increase of RMB108 million or 6.87%, with non-performing loans rate of 1.84%, return on capital of 7.77%, capital adequacy ratio of 12.02%, core tier-one capital adequacy ratio of 10.10%, and allowance coverage ratio of 184.77%. All the main regulatory indicators were in line with the regulatory requirements. The Bank ranked 386th in the “2021 Global Top 1000 Banks” released by The British Banker in terms of tier-one capital. In the regulatory ratings by the CBIRC, the regulatory rating of the Bank continued to maintain at 2C, the regulatory rating on information technology maintained at 2B, and the corporate credit rating was raised to AAA from AA. The Bank achieved new accomplishments for various tasks, and maintained a good momentum with sustained, steady and healthy development as a whole.

II. MAIN WORK PERFORMED BY THE BOARD IN 2021

(I) Formulating strategic plan and promoting to achieve high-quality development

In 2021, focusing on high-quality development, the Board developed the 2021-2025 Development Strategic Plan in a rational manner, which specified strategy vision and development goal, providing action approaches and guidance on leading the development of the Bank in the next five years. Firstly, the Board strengthened strategy management, carried out strategy publicity throughout the Bank to deepen the knowledge and understanding of the Bank’s cadres and staff as a whole to the new development strategic plan and to effectively provide strategic direction for the development. Secondly, the Board strengthened strategy implementation, improved strategic management mechanism, formulated methods for the appraisal of strategic management, made every effort to support senior management and to promote the implementation of the strategies, meanwhile, it increased the tracking and valuation of the progress of strategy implementation, to ensure the strategic plan is well

executed and completed. Thirdly, the Board strengthened strategic goals and conducted initiatives to meet the standards of advanced peers in the industry in every aspect by discovering gaps, eliminating drawbacks, while it also responded to new trends in financial and technological development, strengthened its strategic presence in financial and technological areas, firmly promoted the strategy of digitalized transformation, thus enhancing quality and increasing efficiency as well as achieving strategic goals.

(II) Enhancing the corporate governance and continuously improving governance efficiency

In 2021, the Board conscientiously implemented the requirements of the Three-Year Action Plan for Improving Corporate Governance in the Banking and Insurance Industry (2020-2022) (《健全銀行業保險業公司治理三年行動方案(2020–2022年)》) published by the CBIRC, continued to enhance corporate governance and further improved the compliance and effectiveness in corporate governance. Firstly, the Board made amendments to the rules of the Bank, such as the Articles of Association, the Rules of Procedures for the Shareholders' General Meeting and the Rules of Procedures for the Board of Directors, pursuant to the latest changes in the requirements of regulatory policies, and improved corporate governance systems. Secondly, the Board continuously promoted the organic integration of the leadership of the Party and corporate governance, and strictly put the study of the Communist Party in first place, to ensure the role of the Communist Party in direction guidance, priority management and plan implementation. Thirdly, the Board conducted corporate governance assessment according to the normalized regulatory requirements, discovered issues by comparing the regulatory assessment results with internal and external audits, urged and facilitated the rectification of relevant issues in a practical way, and continuously improved the effectiveness of corporate governance. Fourthly, the Board convened and held Shareholders' general meetings and Board meetings in accordance with the law and regulations. A total of 2 Shareholders' general meetings, 7 Board meetings and 24 meetings of the special committees under the Board were convened throughout 2021, at which 65 proposals were considered, and 43 reports were debriefed. All the Directors are diligent and dedicated and the function of scientific decision-making was effectively leveraged. Fifthly, the Board strengthened the shareholders and equity management, prudently assessed the qualifications and performance of Substantial Shareholders and regulated the conducting of connected transactions and sent Letter of Notice to substantial shareholders in response to the regulatory requirements, signed Commitment of Shareholders and continuously regulated conducts of Substantial Shareholders.

(III) Optimizing capital management and enhancing the overall capital strength

In 2021, the Board firmly implemented the philosophy of saving capital, emphasized improving the efficiency of capital uses, and urged the Bank to maintain a reasonable level of capital adequacy. Firstly, it practically fulfilled its capital management obligations, reviewed and formulated plans for annual capital adequacy ratio management, heard reports on capital adequacy ratio management and internal capital adequacy assessment on a regular basis, and continued to pay attention to capital adequacy and the trend of capital movement, to ensure maintaining a reasonable level of capital adequacy ratio and continuously meeting the

regulatory requirements. Secondly, it strengthened collective capital management, improved the pricing management capabilities and capital burning appraisal, continuously optimized the assets and liabilities structure, directed capital to capital-lite business and improved the efficiency of capital uses. Thirdly, the Board arranged capital replenishment in an overall manner, it actively expanded external capital replenishment channels while continuously strengthening its ability to achieve organic capital replenishment. In 2021, the Bank successfully issued tier 2 capital bonds of RMB2 billion, considered and approved the resolution of issuance of capital bonds with indefinite term of RMB4 billion, and continuously enhanced the overall capital strength.

(IV) Enhancing risk control compliance and improving risk-resistance capacity

In 2021 the Board held firm to the operation & development concept of “prudent compliance and stable operation”. The Board continuously strengthened overall risk management, strictly sticking to compliance operation and risk management, effectively gave play to the role of internal and external audit and supervision, and ensured the Bank’s safe and stable development. Firstly, the Board optimized the top-level design, established a long-lasting and effective mechanism under which the Communist Party is in charge of the risk management work, the leadership of the Communist Party penetrated into all respects of risk management, it launched and implemented Three-Year Action Plan for Safe Development, and prevented and addressed material risks in a practical manner. Secondly, it continuously enhanced overall risk management, formulated the Guidelines of Jinshang Bank on Risk Management for 2021(《晉商銀行2021年度風險管理指導意見》), Measures of Jinshang Bank Group for Risk Management (《晉商銀行集團風險管理辦法》), and amended the Policies and Procedures for Market Risk Management of Jinshang Bank (《晉商銀行市場風險管理政策和程序》), heard senior management’s reports on overall risk management, information technology risk management, operational risk management, liquidity risk management and compliance risk management on a regular basis, prudently assessed the overall risk management and the effectiveness of risk management measures of the Bank, strictly sticking to risk prevention and control. Thirdly, it continuously strengthened internal control compliance, increased assessment on internal control and compliance activities on self-inspection and self-rectification, highlighted key regulatory problems and issues identified during external inspections and the implementation of rectification and continued to improve the level of internal control compliance management. Fourthly, it continuously enhanced oversight over audit, conscientiously heard reports on internal and external audit as well as various special audits and rectifications, and continuously enhanced the scope and depth of internal audit, and gave full play to the supervision role of internal and external audit.

(V) Strengthening the information disclosure and safeguarding the legitimate rights and interests of shareholders

In 2021, the Board strictly complied with the domestic and foreign regulatory regulations, adhered to the principles of truthfulness, accuracy, promptness, completeness and fairness, conducted information disclosure in a compliant and efficient manner, highly emphasized on investor relations management and shareholders’ investment return, and effectively

safeguarded the rights and interests of shareholders. 51 announcements were issued on the Hong Kong Stock Exchange throughout the year, including periodic reports, interim announcements, monthly returns on movements in securities and corporate governance documents and so on. The Board faithfully, accurately, promptly and completely fulfilled its obligation of information disclosure, and effectively protected the information right of investors, especially small and medium-sized investors. During the year, the profit distribution plan proposed by the Board was considered and approved at the Shareholders' general meeting, actively providing shareholders with reasonable investment returns.

(VI) Practicing social responsibility and establishing a good social image

In 2021, the Board adhered to the concept of social responsibility, actively integrated into regional development, and used various financing methods and more efficient and convenient financial products and services to effectively support local economic and social development; kept promoting inclusive finance, launched innovative financial products such as “credit loan” and “bill loan for small and micro enterprises”, continuously increased credit loans to small and micro enterprises and actively supported the development of small and micro enterprises; vigorously developed green finance, launched green financial products such as emission rights mortgages and intellectual property mortgages, and further promoted the construction of “green banks”; solidly implemented targeted poverty alleviation, deepened the connection between key rural revitalization projects and leading agricultural enterprises, and helped rural revitalization and construction.

III. PLAN FOR MAJOR WORK TO BE PERFORMED BY THE BOARD IN 2022

In 2022, under the leadership of the Party Committee, the Board of Directors of the Bank will adhere to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implement the spirit of the 19th National Congress of the Communist Party of China and the 19th Plenary Sessions, carry forward the great spirit of the Party building, thoroughly implement the spirit of the twelfth Party Congress, the second plenary session of the twelfth provincial Party Congress and the economic work conference of the provincial Party Committee of Shanxi province, strictly follow the spirit of the special meetings on deepening the reform of local financial enterprises to minimize risk and improve quality and efficiency and the meetings on deepening the reform of state-owned enterprises in Shanxi province to improve quality and efficiency, adhere to the general principle of pursuing progress while ensuring stability, set the promotion of all-round high-quality development as the main line, seek progress in stability, pursue success in difficulty, achieve innovative breakthroughs, and improve quality and efficiency, so as to promote the Bank to achieve more correct, higher quality, better coordination, more efficient, safer and more sustainable development, and strive to realize the strategic vision of “pursuing safe development, and building an excellent listed bank in the region” of Jinshang Bank with a vivid future, and to welcome the 20th National Congress of the Communist Party of China with excellent results.

- (I) Strengthen strategic leadership and promote high-quality development. 2022 is a crucial year as it is the beginning of the implementation of the Bank's new round of five-year development strategic planning. The Board will strengthen the established development strategic vision and goals, guide the Bank to maintain strategic focus, benchmark against advanced peers, and support and supervise the senior management to steadily advance the strategic planning to be in place, as well as strengthen the appraisal of the implementation of the strategic plan, promote the dynamic connection and high integration between the strategic plan and its implementation, and achieve a high-quality development in the promotion of regional economic development.
- (II) Strengthen corporate governance and continuously improve the quality and effectiveness of governance. In 2022, the Board will adhere to the overall leadership of the Party, carefully follow regulatory policies and requirements, continue to improve the corporate governance system and operation mechanism, and further improve the standardization and effectiveness of corporate governance; carry out the replacement of the Board in an orderly and steady manner, form a new board of directors smoothly, and maintain the continuous and stable work of the Board; actively support the Directors to perform their duties in various ways to improve their duty performance.
- (III) Strengthen shareholder equity management and maintain good investor relations. In 2022, the Board will, in strict compliance with the latest regulatory requirements, improve the shareholder equity management system and related party transaction management system, regulate the behaviors of major shareholders and substantial shareholders, and safeguard the legitimate interests of the Bank and all stakeholders; strengthen investor relationship management, continue to fulfill information disclosure obligations, effectively protect investors' information right, actively carry out diversified investor communication activities, continuously enhance mutual understanding and trust with investors, establish a good investor relationship, and maintain a good market image of the Bank.
- (IV) Strengthen the construction of overall risk management and improve risk control capacity. In 2022, the Board will continue to adhere to the concept of "prudent compliance and steady operation", strengthen the overall leadership of the Party on risk management, continue to build a comprehensive risk management system that is unified across the organization, covers all departments and is participated by all personnel, and promote the establishment of integrated risk management structure, and further the use of the new thinking, new mode, new means of digitalized intelligence to strengthen the monitor, identification and early warning of all kinds of risks, constantly improve the ability of risk control, lay a solid foundation for the Bank to achieve high-quality development.

I. EVALUATION OF THE BANK'S WORK IN 2021

In 2021, facing the complex economic situation at home and abroad, the Bank focused on safe development, accelerated the pace of transformation and development, and strengthened the quality and efficiency of risk management and control to better complete the various tasks determined by the Board of Directors.

(I) Thoroughly implementing the national economic and financial policies and powerfully and effectively serving the real economy

In 2021, the Bank actively implemented the spirit of the central government and regulatory requirements, and efficiently implemented the important strategic deployment of the province to comprehensively promote high-quality development. The Bank actively supported the key areas, key projects and livelihood projects of the province, strongly supported the reform of state-owned assets and state-owned enterprises in the province, provided loan support for state-owned enterprises in a convenient and efficient manner, and used a variety of financing methods to support the stable and long-term development of enterprises in the province. The Bank continued to promote inclusive finance, launched a number of products such as “Core Upstream and Downstream Credit Loans” and “Stock-pledging Loans for Small and Micro Enterprises” by developing and researching to further meet the various financing needs of small and micro enterprises. By optimizing resource allocation and assessment incentives, the Bank vigorously promoted the release of loans to small and micro enterprises to ensure the “increment, expanded coverage and quality improvement” of inclusive small and micro enterprise loans. Focusing on the effective connection between poverty alleviation and rural revitalization, we explored the mode of financial support for rural revitalization and actively contacted government functional departments and leading agricultural enterprises to fully provide financial support. The Bank continued to strengthen and expand green finance, adhered to integrating the concept of green finance into all aspects of development, promoted the development of green finance from the strategic perspective, formulated the work plan for promoting green finance brands, innovated green finance products, and promoted the green transformation of traditional tools to lead the rapid development of green finance business.

(II) Benchmarking to promote high-quality development requirements comprehensively to constantly spur business vitality

In accordance with the development requirements of the Bank's third five-year strategic plan determined by the Board of Directors, the senior management actively promoted the orderly and effective development of various key tasks, and continued to deepen the retail business market. We accelerated the construction of a unified view of retail customers, strengthened the strategic management of retail customers, and further enriched the retail product line. Product categories such as wealth management, insurance, funds, private banking, and family trusts have been continuously expanded, and the comprehensive wealth management capability ranked first in the province. We implemented cross-line linkage marketing and intra-line linkage marketing, used the successful experience of one area to drive the work of many areas and considered all aspects (以點帶面、點線面結合), and continued to promote the strategic layout of large-scale retail. We continued to consolidate our business

foundation, refined customer management and established customer access system and comprehensive contribution management mechanism to comprehensively explore and enhance customer value. We set up sub-branches with characteristics for government and institutional business, and highlighted the advantages of corporate banking with short chain and quick decision-making to improve the institutional customer management. The Bank strengthened the connection with government functional departments, vigorously improved policy research and industry research capabilities, and formulated corporate credit business marketing guidelines to form a good linkage pattern in which head office gave support and branches conducted implementation. Relying on the “Jinyunlian” supply chain system and the “Jinyuntong” cash management platform, we continued to focus on new product R&D, new team building and new contribution improvement, and constantly expanded new paths for the development of trade finance business. We continued to give full play to the advantages of characteristic business, accelerated the building of credit card brand influence, and strengthened technological empowerment to gradually build a credit card ecosystem of our Bank. We accelerated the plan of scenario financial ecology, continued to upgrade e-banking channels, promoted the construction of convenient payment and cloud payment functions, provided customers with better, faster and higher-quality service experience, and promoted the mobile, scenario-based, open, digital and smart financial services. We continued to promote digital transformation, drove the overall reform of operation and management methods, and improved financial service capabilities and market competitiveness. The Bank strengthened data governance, established a special working group on data governance, and promoted the online operation of the “Management and Decision-making Cockpit” application system to support the effective improvement of data quality of the Bank. The Bank strengthened the building of business technology integration capabilities and independent R&D capabilities, and a number of new products and systems such as supply chain financial service platform, green financial management system and credit risk assessment management system were launched and put into production, supporting the high quality development of the Bank.

(III) Refine the construction of comprehensive risk management system to safeguard the stability and long-term development of the Bank.

The Bank was able to adhere to the realistic requirements of “safe development” and proactively prevent and control various risks. It continued to optimize the risk management mechanism. The Bank integrated “risk management by the Party” into all works of the Bank, actively explored to promote the Party’s leadership in all links of risk management, proposed to build a management matrix with five systems and eight mechanisms as the main body, and ensured the implementation of “risk management by the Party” from top to bottom and in a consistent manner. It continued its efforts in the recovery of non-performing assets. The Bank established a special class for the recovery of non-performing assets, worked fully with the coordination group for the collection and disposal of non-performing assets in the reform of the city and commercial banks of the province, strengthened the special collection and disposal of non-performing assets combining internal and external forces, and insisted on making substantial progress in “overcoming the difficulties in asset quality improvement”. It continued to lay a solid foundation for compliance operation. The Bank conscientiously carried out self-inspection and self-correction on audit issues and the “year of compliance management” campaign, and continued to hold fast to the “three lines of defense” for the prevention and

control of risks. It continued to provide training on compliance education to foster a compliance culture throughout the Bank. The Bank insisted on consolidating the idea of safe development. The Bank started a “three-year action for safe development” and worked out specific measures from eight aspects including Party leadership, corporate governance, risk management and compliance operation, to promote the safe development of the Bank.

II. PRINCIPAL WORK OF THE BOARD OF SUPERVISORS IN 2021

2021 is the first year of new five-year plan of Jinshang Bank. With the mission and task of safe development of the whole bank, under the correct leadership of the Provincial Party Committee, the Provincial Government and the Party Committee of the Bank, the Board of Supervisors, guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implemented the spirit of the Sixth Plenary Session of the 19th CPC Central Committee and the 12th Provincial Party Congress. We strictly implemented the Company Law, Law of Commercial Banks and other laws and regulations and the relevant provisions of the Articles of Association of the Bank, conscientiously implemented the requirements of regulatory authorities, closely focusing on the task of promoting the construction of corporate governance efficiency of the Bank and the core objectives of risk prevention and control, improved the quality and efficiency of supervision, conducted scientific supervise, and performed duties in a standardized manner to properly complete various tasks and exert the functional role of supervision and service.

(I) Continue to deepen institutional construction and build a supervisory system for systematic governance.

The Board of Supervisors has always adhered to systematic thinking, continued to deepen the construction in accordance with law, and continued to consolidate the work basis through system construction. In line with the latest regulatory requirements, the Rules of Procedures of the Board of Supervisors of Jinshang Bank Co., Ltd. were revised and improved, the normative guidance and promotion function of the basic system was strengthened, and the construction of the collective rules of procedures of the Board of Supervisors was further strengthened. In light of the requirements of the regulatory authority for strengthening the quality and efficiency of the supervision of the Board of Supervisors in the new era, we revised the duty performance supervision system such as the Measures for Performance Evaluation on Directors of the Board of Supervisors of Jinshang Bank Co., Ltd. and the Measures for Performance Evaluation on Supervisors of the Board of Supervisors of Jinshang Bank Co., Ltd. in a timely manner to include the ideas and requirements of “management of risks by party” into the system innovatively and make precise and meticulous adaptations from the perspective of legal norm construction and specific implementation and feasibility to ensure the integration and linkage of system construction and regulatory policies and improve the institutional foundation for the compliance construction of duty performance. At the same time, we strengthened the performance of the supervisory functions of the Supervisory Committee, actively cooperated with the Board of Directors, and assisted in completing the revision of the Articles of Association efficiently to improve the systematization level of system construction.

(II) Continue to strengthen the construction of supervision mechanism and continuously improve the quality and efficiency of collective decision-making.

The main supervision mode of the Board of Supervisors is supervision through collective discussion at meetings. In the past year, the Board of Supervisors adhered to the combination of problem-orientation, goal-orientation and result-orientation and continuously improved the effect of collective discussions. First, implement the requirements of “focusing on the main points and discussing major issues”. The Board of Supervisors convened 18 on-site meetings and special committee meetings, strictly implemented the “One Core and Two Wings” deliberation and decision-making procedures of the Board of Supervisors to deliberate and vote 81 resolutions and review 34 resolutions. By scientifically arranging the proposals for reviewing and proposal setting, full discussions were made at meetings to ensure the standardization and effectiveness of the proposals for deliberation to promote the professional and efficient supervision of collective deliberations. Second, conscientiously attend Board meetings and strictly implement procedural questioning. The Board of Supervisors carried out dual-line supervision on Board meeting proceedings and directors’ daily performance of duties, arranging supervisors to attend Board meetings as non-voting delegates for seven times and Shareholders’ general meetings for two times in the year to conduct close and whole-process supervision over Board meeting proceedings; the Board of Supervisors carried out key supervision questioning on the performance of duties by directors, and implemented supervision questioning for three times to further convey the seriousness of supervision. Third, strictly implement on-site supervision and inquiry measures. During the collective discussion of the Board of Supervisors, functional departments were arranged to attend the meetings to receive on-site inquiries to promote the close connection of operation management and on-site supervision and continuously improve the pertinence and timeliness of supervision; 26 on-site inquiries were made in the year. Fourth, establish an effective transmission and implementation mechanism. During the year, the Board of Supervisors made feedbacks on 15 aspects to the Board of Directors for seven times in total, and feedbacks on 22 areas to the senior management for seven times in total to further improve the quality and efficiency of supervision.

(III) Continue to focus on normalized supervision and continuously extend the supervision chain.

Over the past year, the Board of Supervisors has continuously promoted the transformation of supervision to “active, continuous and in-depth supervision” and strengthened the daily supervision over the finance, compliance, risks and consumer rights protection.

First, further implement normalized supervision services. The Board of Supervisors attached importance to the systemic, effective and forward-looking characteristics of supervision, continued to make use of the supervision tool of “Supervision Proposal, Procuratorial Proposal, Judicial Proposal, and Public Security Reminder Letter”, integrated supervision and service, and further specified the requirements of “implementing the functions of the Board of Supervisors”. A total of 6 supervision reminders were issued in the year,

APPENDIX II WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2021

involving 10 professional aspects such as compliance management, risk management and control, reputational risk prevention, and liquidity monitoring. Second, further transmit the pressure of strict supervision. The Board of Supervisors carefully studied the focus of supervision, issued five inquiry letters of supervision to the Board of Directors and senior management and carried out “looking back” supervision and inspection on the disposal of non-performing assets to promote the effective improvement of risk management capabilities. Third, further implement joint supervision. The Office of the Board of Supervisors and the Audit Department were required to jointly carry out audit supervision and inspection of the whole bank’s credit business, and to jointly carry out construction and supervision of disposal procedures for non-performing asset with the Compliance Department and the Risk Department to further transmit the pressure of strict supervision. Fourth, further follow up the supervision of key tasks. The Board of Supervisors focused on market concerns and implemented supervision, carried out targeted supervision over liquidity management, anti-money laundering management and consumer rights protection, and continued to support the whole bank to fulfill social responsibilities; the Board of Supervisors carried out supervision over the “Asset Quality Improvement” activity of the Bank and organized supervisors to make discussions and judgments and conduct on-site inquiries and follow-up questioning on the disposal of non-performing assets and potential risk resolution of the whole bank in a timely manner, and issued supervisory opinions and suggestions to serve the safe development of the whole bank. Fifth, carry out research, supervision and inspection. The Board of Supervisors organized the supervision and research on the Bank’s promotion of legal construction and implementation of the optimization and construction of non-performing asset litigation and disposal procedures, and coordinated with the Legal Compliance Department, Risk Management Department and other functional departments, and conducted on-site understanding and interaction with relevant branches to make a special investigation report, supporting to promote the legalization and process construction of the whole bank.

(IV) Continue to deepen the supervision of key areas and continuously enhancing the quality and effectiveness of corporate governance.

The committee promoted the implementation of comprehensive and strict supervision responsibilities to improve the overall connection and coordination of supervision services. First, it enhanced the quality and effectiveness of duty performance evaluation. Focusing on the key supervision of fidelity, diligence, and compliance duty performance, it improved the duty performance files of each supervisory member, integrated daily supervision into all aspects of duty performance evaluation organically, grasped the duty performance of each subject through multiple channels and methods, and established a working mechanism for information exchange, strong supervision and effective risk control to complete the annual duty performance evaluation of directors, supervisors and senior members with high quality. Second, it improved the quality of duty performance suggestions. By continuing to innovate work measures, and prompting trended focus foreseeably based on the perspective of “risk management by the Party”, it put forward targeted and constructive suggestions, which played a positive role in the prevention of risks in related fields and the rectification of issues. Third, it enhanced the effectiveness of supervisors in performing daily duties. It continued to strengthen exchange and consultation on the development strategies, operation management

APPENDIX II WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2021

and risk management and control of the whole bank, enhanced the working quality and effectiveness of special committees, and strengthened the construction of duty performance effectiveness, to further exert the linkage of supervisors' supervision to provide guarantee for accurate supervision.

(V) Continue to enhance professional construction and improving supervisors' ability of duty performance.

First, the committee strengthened the construction of supervisors' ability of duty performance. It established a collective learning mechanism for supervisors, which took the learning of corporate governance institutions and policies from the central, provincial party committees and regulatory authorities as the focus of group meetings and carried out a collective learning in collective discussions, to ensure timely grasp of regulatory policy directions and accurate work arrangements. Second, it strengthened external training exchanges. It continued to build the effectiveness of external training, organized and participated in the training work organized by professional institutions such as the AFCA Financial Academy every year, and continued to improve the quality and effectiveness of learning, so as to strengthen working exchange with the profession, and enhance the professional capacity building of supervisors. Third, it prepared and issued "e-newsletter" regularly. It strengthened the information exchange work with supervisors, and accurately promoted the supervisors' work. At the same time, it strengthened the transmission of the awareness of diligent and honest administration, to consolidate the responsibility of honest practitioners, and ensure the safe development of the board of supervisors.

III. DUTY PERFORMANCE SUPERVISION AND EVALUATION REPORT FOR 2021

(I) Evaluation on the performance of duties by the directors for 2021

In the view of the Board of Supervisors, in 2021, the Directors of the Bank was able to conscientiously and diligently perform the various duties entrusted by the Bank's Articles of Association, actively promote the construction of corporate governance, earnestly fulfill the resolutions of the Shareholders' general meeting, actively promote the implementation of the five-year strategic plan, actively participate in major business decisions, keep abreast of the operation and management of the Bank, safeguard the legitimate rights and interests of financial consumers, the Bank and other stakeholders, and actively perform their duties for the high-quality development of the Bank. In accordance with the relevant provisions of the Measures on Assessment on the Performance of Duties by Directors of the Board of Supervisors of Jinshang Bank Co., Ltd., after deliberation by the Board of Supervisors, the evaluation results of the performance of duties by Directors are as follows:

1. 11 current directors (2 executive Directors, HAO Qiang and ZHANG Yunfei, 4 non-executive Directors, LI Shishan, LIU Chenhong, WANG Jianjun and XIANG Lijun, and 5 independent Directors, JIN Haiteng, SUN Shihu, WANG Liyan, SAI Zhiyi and YE Xiang) were all evaluated as "competent" in the duty performance evaluation for 2021 by the Board of Supervisors.

APPENDIX II WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2021

2. During the Reporting Period, LI Yang as a non-executive Director and DUAN Qingshan as an independent Director have not obtained the qualification approval from CBIRC Shanxi Office, and the Board of Supervisors has not evaluated the performance of duties of the above two Directors who did not perform their duties with the Bank. The Board of Supervisors has provided feedback to the Board of Directors regarding to the qualifications of Directors, urging the Board to improve the work related to job qualifications as soon as possible to ensure the legality of the performance.

(II) Evaluation on the performance of duties by the supervisors for 2021

In the view of the Board of Supervisors, in 2021, all the supervisors fully implemented various decisions and arrangements of the Party Central Committee and the Provincial Party Committee and Government, resolutely implemented the resolutions of the Shareholders' general meeting, performed their supervision responsibilities in a scientific manner, continuously strengthened the responsibility of performing their duties, and carried out the requirements of strict supervision throughout the work. The supervisors strictly abided by laws, regulations and the Bank's Articles of Association, attended the general meeting of shareholders, the meetings of the Board of Supervisors and all special committees in accordance with the law, attended the relevant meetings of the Board of Directors and senior management as required by the Board of Supervisors, actively implemented the work deployment of the Board of Supervisors, continuously promoted the legalization and standardization of duty performance supervision, and further improved their ability and effect of duty performance, and have made positive contributions to steadily improving the quality and efficiency of corporate governance throughout the Bank. All the supervisors paid close attention to the material issues of the Bank, earnestly expressed independent opinions, devoted enough time and energy to perform their duties, practically fulfilled their obligations of fidelity and diligence. The supervisors continued to play the role of the full-time supervision, put forward professional supervision opinions on major matters involving significant related party transactions, profit distribution, nomination, appointment and removal of Directors, appointment of senior managers in the course of performing duties, and pay more attention to safeguarding the legitimate rights and interests of minority shareholders and stakeholders of the Bank. The supervisors continued to implement requirements of "risk management by the Party", performed their duties responsibly in supervision, embedded supervision requirements and measures into key business work, effectively performed their supervisory duties, and helped improve the work efficiency of the Board of Supervisors with their solid performance of their duties.

To sum up, in accordance with the provisions of the Measures for Performance Evaluation on Supervisors of the Board of Supervisors of Jinshang Bank Co., Ltd., the Board of Supervisors assessed the performance of duties by eight Supervisors of the Bank in 2021 and the results were all "competent".

(III) Evaluation on the performance of duties by the senior management members for 2021

In the view of the Board of Supervisors, in 2021, the senior management earnestly implemented the economic and financial policies of the Central Party Committee and the strategic deployment of our province to promote high-quality development in an all-round way, combined with the objectives and requirements of the Bank's "Third Five-Year Development Strategic Plan", steadily promoted safety development, effectively strengthened risk management and control, improved the internal control system, and deepened the quality and efficiency of compliance construction. The objectives and tasks of annual operation and management have been well completed. The members of the senior management consciously abided by the provisions of relevant laws and regulations and the Bank's Articles of Association, earnestly fulfilled their obligations of fidelity and diligence, effectively performed their duties and played a positive role in promoting the high-quality development of the Bank. Six senior management members were all evaluated as "competent" in the duty performance evaluation for 2021 by the Board of Supervisors during the Reporting Period.

IV. INDEPENDENT OPINIONS OF THE BOARD OF SUPERVISORS ON RELEVANT MATTERS**(I) Legal and Compliance Operations**

During the Reporting Period, the Bank operated in compliance with the Company Law, Commercial Bank Law and the Articles of Association of Jinshang Bank Co., Ltd., and the decision-making procedures were lawful and valid. The Directors and senior management of the Bank performed their duties diligently and faithfully, and none of them were found went against any laws and regulations or damaged the interests of the Bank in performing their duties.

(II) Authenticity of the Financial Report

During the Reporting Period, the Board of Supervisors conducted a detailed review of the Bank's 2021 annual report. In the view of the Board of Supervisors, the procedure for preparation of the 2021 annual report by the Board of Directors complied with laws, administrative regulations and rules and regulations, and Ernst & Young Hua Ming LLP and Ernst & Young engaged by the Bank audited the 2021 financial report and issued standard unqualified audit report, which gave a true, accurate and complete view of the financial position and the results of operations of the Bank.

(III) Related Party Transactions

During the Reporting Period, the Board of Supervisors did not find any violation of the principle of fairness or damage to the legitimate interests of the Bank, shareholders and other stakeholders.

(IV) Information Disclosure

During the Reporting Period, the Bank was able to conscientiously fulfill its information disclosure obligations as a listed company, continuously enhance the transparency of corporate governance and operation management, improve the completeness and adequacy of information disclosure, and ensure that all shareholders as well as financial consumers have fair access to material information of the Bank.

(V) Implementation of Resolutions at General Meetings of Shareholders

The Board of Supervisors has no objection to the proposals and reports submitted by the Board of Directors of the Bank for consideration at the General Meeting of Shareholders during the year 2021, and has monitored the implementation of the resolutions of the General Meeting of Shareholders, believing that the Board of Directors has earnestly implemented the relevant resolutions of the General Meeting of Shareholders.

V. PRIORITY WORK AREAS IN 2022

2022 is a critical year for the Bank to implement the “Third Five-Year Development Strategic Plan”, and it is a great responsibility to further promote the effectiveness of corporate governance throughout the Bank and ensure the safe development of the Bank. The general requirements are: follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly implement the spirits of the 19th CPC National Congress and the plenary sessions of the 19th Central Committee, implement the deployment requirements of the 12th Party Congress of the province, implement the new development concept and build a new development pattern at the new stage of development, with the goal of realizing the functions of the Supervisory Board, insist on seeking progress in the midst of stability, faithfully perform the supervision function, and strive to build a Supervisory Board work system with our own characteristics, so as to provide strong protection in improving corporate governance mechanism, promoting sound operation of the whole Bank, preventing and resolving financial risks, and serving the safe development of the whole Bank.

(I) Improve political standing, strengthen organization and leadership, and closely revolve around the main line of “supervision”.

The Board of Supervisors, as the specialized supervision agency in corporate governance, shall strengthen the study and understanding of the important instructions and requirements which General Secretary Xi Jinping emphasized on the construction of state-owned enterprises and financial enterprises, at the same time, improve the political standing, deeply comprehend the strategic considerations and the time connotation of strengthen governance supervision in the process of fostering a new development paradigm, and continue to firmly grasp the primary responsibilities of supervision, fully implement the work idea of “focal points, deliberating important events”, and further deepen the understanding of oneself as an important part of corporate governance, therefore playing a quality and efficiency role in supervision.

APPENDIX II WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2021

We should adhere to problem-oriented and goal-oriented, grasp the focus of supervision, continuously improve the mechanism, and deepen the supervision in financial, risk, internal control and compliance performance areas. In terms of financial supervision, it is important to strengthen the supervision of the whole bank's operation plan arrangement and implementation, and we should continue to provide supervision and reminders in the aspects of financial expense arrangement, risk prevention and asset disposal, give full play to the professional experience of supervisors, especially the financial management experience of shareholder supervisors and form more valuable opinions and suggestions, so as to effectively perform financial supervision duties. In terms of risk supervision, we should conduct supervising the whole bank's risk areas such as the strategy implementation, risk of management and control mechanisms, and relationship management, continuously pay attention to the fluctuation of credit risk, disposal of non-performing assets and other aspects to further improve the timeliness of risk supervision. In terms of internal control supervision, it is necessary to focus on improving the effectiveness of supervision, we should combine the pre-event, in-process and post-event supervision, and make the re-supervision work runs through financial supervision, risk supervision and compliance supervision, build the bottom line of compliant operation through supervision, so as to urge the whole bank to further establish the concept of compliant operation; therefore, the quality and efficiency of risk compliance governance will be further improved. In terms of performance supervision, we should continue to strengthen the supervision of compliance performance of Directors, supervisors and senior managers, make good use of the supervision performance evaluation as a supervision tool, focus on all-round supervision of the "vital few", and effectively promote the effectiveness of "leading from above".

(II) Strengthen capacity building, enhance the capacity to perform duties, and properly build "two teams".

Re-election will be conducted for the Board of Supervisors in 2022. The Board of Supervisors will strictly implement the re-election procedures and disciplines, and continue to optimize the composition of the Board of Supervisors. Based on the principles of "professional", "diversified" and "scientific", the Bank will continue to improve the personnel structure of the Board of Supervisors, expand the strength of the office of the Board of Supervisors, and take the opportunity of the re-election of the Board of Supervisors to continuously strengthen the construction of the team, enhance the performance of duties, and ensure effective supervision.

At the level of the Board of Supervisors, first, we will improve the scientific decision-making, promote the supervisors to involve in person, and improve the quality and efficiency of supervision around the strategic development of the whole bank. The work of the Board of Supervisors will be integrated into the business of the whole bank in an all-round way, and the Board of Supervisors will listen to the opinions of all parties in the work and make comprehensive research and judgment to make sure that the decision-making complies with the actual situation. Second, we will improve the ability to deal with emergencies; predicting risks is the premise of preventing risks, and grasping the direction of risks is the key to seeking strategic initiative. We will enhance the risk awareness of supervisors, properly conduct the

supervision of risk prevention and control, make plan properly, and take the initiative. Third, we will improve the capacity to perform responsibilities. We will continue to strengthen the implementation of the responsibilities of the Nomination Committee and the Supervision Committee, mobilize the subjective initiative of all supervisors, and strengthen professionalism and specialization to ensure that supervisors are aware of their responsibilities, take responsibility, and perform responsibilities. We will consolidate the pre-emptive responsibilities of special committees and ensure the “One Core and Two Wings” discussion and decision-making process is powerful and effective to further enhance the effect of supervision and risk prevention.

At the level of the office of the Board of Supervisors, the office should play its role as a routine office, focusing on the “prevention” of potential financial risks, the “defusing” of management loopholes and defects, the “governance” of the ideological line of defense, and giving advice on the monitoring of “improvement” of the “rest works” to enhance the role of the office of the Board of Supervisors as an assistant and effectively implement the supervision intention of the Board of Supervisors.

(III) Implement the method of “both regular and specialization” to give full play to the overlap advantages and implement the “three measures” for direct supervision.

Deepen daily supervision. The Board of Supervisors should make good use of the supervision “toolbox”, strengthen the combination of supervision and data governance tasks, and strengthen the performance of functions. Following the principle of “front-line defense, forward-looking governance, front-end control and preliminary disposal”, we will continue to innovate in risk warning, supervision inquiry, and supervision feedback, enrich the connotation of supervision, identify the key points of supervision, improve the pertinence of supervision, effectively form supervision transmission, conduct proper risk prevention, and “normalize” strict supervision. We will conduct flexible research and supervision, giving full play to the subjective initiative of supervisors, selecting topics to carry out special supervision services based on the key points of supervision and the characteristics of business risks of the whole bank, and organizing the special research led by the director of the special committee in the year to realize the “characteristics” of flexible supervision. We will implement “off-site” supervision, improve the application of informatization, focus on multi-aspect and effective supervision and coverage, implement the requirements of “service and efficiency”, smooth the interaction and feedback channels, effectively make up for shortcomings, and strength the weaknesses to boost efficient development.

(IV) Optimize the connection and linkage mode and exert synergy to realize the supervision integration of “four-party linkage”.

First, we will strengthen the supervision coordination between the special committee of the Board of Supervisors and the special committee of the Board of Directors, give full play to the supervising and leading role of the top-level decision-making supervision, and integrate supervision into the bank-wide governance. Second, we will strengthen the guidance and supervision of the internal audit department and the compliance department by the Board of

APPENDIX II WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2021

Supervisors, establish a mechanism of “supervision”, “inquiry” and “service”, so as to promote the management improvement from “parts” to “integral”, and further consolidate the responsibilities of supervision unit. Third, we will strengthen the linkage between the Office of the Board of Supervisors and functional departments such as audit supervision, compliance supervision, and business line supervision to resolve problems from the system and mechanism, promote and realize the implementation of supervision. Meanwhile, through the joint “looking back”, we will promote the effective rectification of problems in a targeted manner. Fourth, we will strengthen the supervision connection between the Board of Supervisors and the external auditor, strengthen information exchange, promote supervision sharing, and realize supervision supplement and synergy to jointly promote the comprehensive and high-quality development of Jinshang Bank.

According to the Company Law, the Corporate Governance Rules of Banking and Insurance Institutions (《銀行保險機構公司治理準則》), the Work Guidelines on the Board of Supervisors of Commercial Banks (《商業銀行監事會工作指引》) and other laws and regulations, as well as the Articles of Association of Jinshang Bank Co., Ltd., the Measures on Assessment on the Performance of Duties by Directors of the Board of Supervisors of Jinshang Bank Co., Ltd. (《晉商銀行股份有限公司監事會對董事履職評價辦法》) and other rules, the Board of Supervisors assessed the performance of Directors in 2021 from multiple dimensions based on the principles of compliance, fairness and objectivity by attending meetings the Board by proxy, enquiring the Board office and relevant departments, verifying the document and information on the performance of duties, following up to understand the implementation of the regulatory opinions and the supervisory opinions and advices of the Board of Supervisors by Directors and promoting the effectiveness of rectification. The assessment is now reported as follows:

I. BASIC REVIEW OF THE BOARD OF DIRECTORS

In 2021, the Board consisted of 11 Directors, including two executive Directors, being Ms. Hao Qiang and Mr. Zhang Yunfei, four non-executive Directors, being Li Shishan, Liu Chenhang, Wang Jianjun and Xiang Lijun and five independent non-executive Directors, being Jin Haiteng, Sun Shihu, Wang Liyan, Sai Zhiyi and Ye Xiang.

Neither the qualifications of directorship of Li Yang for non-executive Director nor Duan Qingshan for independent Director was approved by CBIRC Shanxi Office.

The Board convened two Shareholders' general meetings throughout the year, in which 25 proposals and one reporting matter were considered; held seven meetings of the Board, in which 65 proposals were considered and 43 reporting items were listened to or reviewed. In these meetings, all the Directors conducted sufficient research and demonstration on each proposal and made scientific decision.

II. WORK OF THE BOARD OF DIRECTORS IN 2021

In 2021, faced with the complicated and severe domestic and foreign economic and financial situation, the Board adhered to the general principle of seeking progress while maintaining stability, continuously strengthened corporate governance, vigorously promoted high-quality development of the Bank and achieved better results in focusing on strategy formulation, adjusting business structure, strengthening risk management and control, disposing non-performing assets and promoting safe development.

(I) Actively implementing economic and financial policies and continuously deepening reform and transformation

This year, the Board fully implemented the various decisions and arrangements of the CPC Central Committee, the provincial party committee and the provincial government, firmly seized the opportunity under the current economic situation and the development trend of the industry, adhered to equal attention to stabilizing growth and restructuring and insisted on supporting key areas and improving weak links under the premise of prudently preventing and defusing financial risks, to continuously promote the safe development of the Bank.

The Board actively implemented the new development philosophy and created a new development dynamic to align with first-class scientific planning, extensively carried out seminars and completed the preparation of the 2021-2025 Development Strategic Plan of Jinshang Bank Co., Ltd, to clarify the strategic vision and development goal of “pursuing safe development, and building an excellent listed Bank in the region”, and navigated with the strategic orientation to promote the steady and high-quality development of the Bank.

(II) Continuing to improve the quality and efficiency of internal control to enhance the level of risk prevention and control

The Board was able to actively research and judge the market condition of the province, adhere to prudent risk philosophy, and continuously pay attention to the evolution of various risks and the risk prevention and control in key areas. The Board insisted on integrating the idea and measure of “risk management by the Party” into the construction of risk control system of the Bank to promote the stable operation of the comprehensive risk management system. The Board formulated the Guidelines of Jinshang Bank on Risk Management for 2021 (《晉商銀行 2021 年度風險管理指導意見》) and the Group Risk Management Methods of Jinshang Bank (《晉商銀行集團風險管理辦法》), and heard senior management’s reports on overall risk management, information technology risk management, operational risk management and liquidity risk management on a regular basis to earnestly carry out the risk prevention and control of the Bank. The Board continued to improve the effectiveness of the collection of non-performing assets and guided to conduct the special activities of “overcoming the difficulties in asset quality improvement” to recover and dispose of non-performing assets and steadily improve asset quality. The Board continued to enhance internal control compliance and promote the implementation of the requirements in the activities of “construction year of internal control and compliance management of the Bank” to continuously optimize compliance management. The Board continued to enhance oversight over audit, guided to formulate the annual internal audit plan in a scientific manner, heard reports on internal audit regularly, and promoted the rectification efficiency of problems spotted during internal audit. The Board continued to consolidate the foundation of the Group’s risk management to improve the synergistic effect of prevention and control. The Board further intensified group management philosophies and formulated management systems for its subsidiaries to enhance the management and oversight on them in all respects. The Board also closely monitored

operations and development of all subsidiaries and performed its duties as the initiator to achieve coordinated development while preventing and controlling risks effectively, and continuously improve the consolidated management capacity of the Bank.

(III) Taking on more responsibilities and actively fulfilling social responsibility

In 2021, the Board was able to strictly comply with regulatory requirements and information disclosure requirement of the Stock Exchange by conducting information disclosure in an efficient way, to ensure that investors understand the significant matters of the Bank in a timely manner and protect the information right of investors, especially minority investors, to the possible maximum extent. The Board was able to actively fulfill the mission of financial enterprises by supporting the construction of the real economy of the province, practically support the development of private economy by promoting inclusive financial services, and promote targeted poverty alleviation with efficiency and benefit. The Board actively supported the social welfare and enhance brand effect to contribute to the all-round high-quality development of the economic construction undertakings of the province.

The Board of Supervisors is of the view that, in 2021, the Board was able to strictly comply with laws and regulations and the Article of Association of the Bank to carry out work in compliance with laws and regulations, diligently and responsibly. It has scientifically formulated the development plan of the Bank and fully fulfilled its responsibility in the implementation of strategic management, capital management, risk management, internal control and material information disclosure within the Bank. It was able to pay attention to the safety development and construction tasks of the Bank and actively fulfil social responsibilities. Its procedure was in compliance with relevant laws and regulations and its decision-making process and efficiency continued to improve, which effectively promoted the implementation of strategy and business development of the Bank.

III. ASSESSMENT ON THE PERFORMANCE OF DUTIES OF DIRECTORS

In 2021, all the Directors of the Bank attended the Shareholders' general meeting, meetings of the Board of Directors and meetings of special committees in accordance with the provisions, in which they effectively performed the duties of Director by expressing their opinions reasonably and voted in strict accordance with the procedures. In addition, the Directors truthfully reported to the Board of Directors and the Board of Supervisors the connected relationship, and promptly reported performance of duties in accordance with the relevant requirements.

(I) Directors' Fulfillment of Loyalty Obligations

In 2021, in strict accordance with the laws and regulations, regulatory requirement and Articles of Association of the Bank, from the perspective of safeguarding the legitimate rights and interests of the Bank, minority shareholders and financial consumers, the Directors were honest, diligent and conscientious in fulfilling their responsibilities, and truthfully reported personal information and related relationships, performed their recusal obligations in accordance with relevant regulations, actively accepted the supervision of regulatory authorities, and actively listened to and promoted the effective implementation of the supervisory opinions and suggestions of the Board of Supervisors.

In its proposal consideration, attendance at Board meetings and daily supervision it conducted this year, the Board of Supervisors found that no Directors acted to the detriment of the Bank's interests; no conflicts of interest existed between full-time or part-time positions of the Directors and their positions with the Bank; and that no Directors used their position and authorities in the Bank to seek for personal gains, used their connected relationships with the Bank to harm the interests of the Bank, accepted improper interests, disclosed secrets of the Bank or committed other acts violating provisions as stipulated in the laws and regulations, as well as Articles of Association of the Bank.

(II) Performance of Duties of Directors

During the year, the Directors were able to exercise their rights conferred by the Bank under the Articles of Association and perform their obligations conscientiously and diligently, and earnestly performed their duties in accordance with the prescribed procedures. By reviewing the files of Directors' daily performance of duties, the Board of Supervisors dispatched staff to supervise closely to ensure that the Board of Directors can hold meetings in accordance with the provisions set by the procedures, the Directors follow the procedures for participating in the meetings, the attendance of the meetings and the presiding of the meetings on their behalf meet the requirements, the attendance rate of Directors exceeds two-thirds of the required attendance rate, and executive Directors can strictly implement the requirement of abstaining from voting before obtaining the qualification approval of the regulatory body.

The Directors of the Bank were able to actively and seriously consider the relevant proposals of the Board of Directors, make scientific recommendations, and exercise their powers effectively; were able to pay attention to and analyze the operation of the Bank in a timely manner, and regularly review various operating reports, financial reports, risk management reports and other related reports, and they were able to earnestly perform their duties in terms of bank-wide operation and management, asset quality improvement, risk prevention and mitigation, director selection and appointment, communication with shareholders and passing on feedback and suggestions, and vote responsibly, to effectively promote the implementation of various tasks of the Board of Directors and boost the

improvement of corporate governance efficiency; they can continue to pay attention to the construction of compliance culture, actively promote the implementation of various measures of “risk management by the Bank” during the business operations, maintain the “bottom line of risk”, and promote the safe development across the Bank.

(III) Performance of Duties of Executive Directors

In 2021, in the face of the complex and severe domestic and international economic and financial situation, the executive Directors strictly implemented the decision-making and deployment of the Board of Directors, adhered to the general principle of seeking progress while maintaining stability, conscientiously implemented the national financial policies and the decisions and deployments of the provincial party committee and the provincial government, and continued to strengthen the quality and efficiency of corporate governance and strengthen comprehensive risk management to promote the safe development and stable operation of the Bank.

The executive Directors strengthened strategic leadership and continued to promote transformation and development. The executive Director formulated the Bank’s third five-year development strategic plan, clarified the strategic vision and development goals of “pursuing safe development, and building an excellent listed bank in the region”, and effectively guided and promoted the systematic construction of the Bank’s strategic development and implementation, laying a solid foundation for promoting the safe and high-quality development of the Bank. They continued to consolidate the construction of internal control mechanism and enhanced the Group’s risk prevention and control capabilities. The executive Directors supported the construction of a comprehensive risk management system across the Bank, instructed and urged the senior management to implement comprehensive risk management and prevention, and improved risk prevention and control capabilities. They promoted the construction of risk prevention and control mechanisms in the subsidiaries, strengthened the management and supervision of the subsidiaries, earnestly performed its duties as the initiator, and actively promoted the improvement of group coordinated development and risk prevention and control. They strengthened capital management and continued to boost development capabilities, and stuck to the concept of capital saving, actively planned and promoted capital replenishment, effectively implemented capital planning and management, promoted the improvement of capital operation efficiency, and promoted the sustainable development of the whole bank. The executive Directors focused on reputational risk management and improved the timeliness of information disclosure. They strictly implemented the information disclosure requirements of the Hong Kong Stock Exchange, promoted timely and accurate disclosure of major information across the Bank, and focused on safeguarding the rights and interests of shareholders, the Bank and financial consumers. The executive Directors strengthened responsibility and actively practiced social responsibility, supported the economic construction of our province, promoted the development of green finance, strengthened the efficiency of inclusive financial services, and effectively promoted the Bank’s fulfillment of social responsibilities.

(IV) Performance of Duties of Non-executive Directors

Non-executive Directors were able to perform their duties, and they actively participated in and provided coordination in the relevant work of the Bank. The non-executive Directors strengthened work communication with management and served well as a bridge between the Bank and the Shareholders, allowing for smooth communications between them. Non-executive Directors were able to support the requirements of the Board of Directors for the standard operation and efficiency of discussion, and focused on the implementation of the resolutions of the Board of Directors by the senior management, continued to follow up on the effective implementation of the resolutions, actively supported the supervision requirements of the Board of Supervisors, and effectively did a good job of UnionPay (銀聯通) which is communicating and interacting with the Board of Supervisors and Soft Unicom (軟聯通), which cooperates to serve the safe development, and jointly promoted the improvement of quality and efficiency of risk prevention and control in the whole bank, and earnestly performed the duties of non-executive Directors.

(V) Performance of Duties of Independent Directors

Independent Directors, in order to safeguard the interests of financial consumers, minority shareholders and the Bank as a whole, in strict accordance with the relevant laws and regulations, devoted sufficient time and energy to perform their duties, actively exerted their professional expertise, and performed their duties independently. During the year, persons in charge of each special committees of the Board of Directors were able to fully perform his duties, carefully prepare and organize various meetings and work of special committees, and paid attention to the compliance requirements of procedures. Throughout the year, all independent Directors held a total of twenty-one meetings of special committees, including six meetings of the Audit Committee, three meetings of the Related Party Transactions Control Committee, six meetings of the Risk Management Committee, three meetings of the Nomination, Remuneration and HR Committee and three meetings of the Consumer Rights Protection Committee.

All independent Directors were able to perform their duties by expressing objective and impartial independent opinions on matters discussed by the Board of Directors, and keeping abreast of the risk management level, internal control, and audit supervision of the Bank, focusing on strengthening research and improve the effectiveness of information interaction, with a focus on the legality and fairness of the related party transactions, annual profit distribution plan, integrity and authenticity of information disclosure, implemented duties and gave full play to the role of independent Directors.

The Board of Supervisors believes that, in 2021, the Directors of the Bank were able to conscientiously and diligently perform various responsibilities entrusted by the Bank's Articles of Association, actively promoted corporate governance, earnestly implemented the resolutions of the general meeting of shareholders, actively promoted the implementation of the five-year strategic plan, and actively participated in major business decisions, kept abreast of the operation and management of the whole Bank, safeguarded the legitimate rights and interests of financial consumers, the Bank and other stakeholders, and actively performed their duties for the high-quality development of the whole Bank. In accordance with the Measures on Assessment on the Performance of Duties by Directors of the Board of Supervisors of Jinshang Bank Co., Ltd. (《晉商銀行股份有限公司監事會對董事履職評價辦法》), the Board of Supervisors assessed the performance of duties by the Directors of the Bank as follows:

1. The Board of Supervisors assessed 11 incumbent Directors (2 executive Directors: HAO Qiang and ZHANG Yunfei; 4 non-executive Directors: LI Shishan, LIU Chenhang, WANG Jianjun and XIANG Lijun; 5 independent Directors: JIN Haiteng, SUN Shihu, WANG Liyan, SAI Zhiyi and YE Xiang) as "competent" for the performance of their duties in the Bank in 2021.
2. During the Reporting Period, the qualifications of LI Yang as a non-executive Director and DUAN Qingshan as an independent Director have not been approved by CBIRC Shanxi Office. The Board of Supervisors did not evaluate the performance of the above two Directors who did not perform their duties in the Bank. Regarding the matters on qualifications of Directors to perform their duties, the Board of Supervisors has provided feedback to the Board of Directors, urging the work related to qualifications to be completed as soon as possible to ensure the legality of the performance of their duties.

In 2022, the Board of Supervisors proposes to the Board of Directors to continue to pay attention to the following issues:

It is recommended to further enhance the corporate governance capabilities, and continuously strengthen the Bank's ability and level of serving its financial services, improve the quality and efficiency of the all-round high-quality development of our province, playing a leading role in seeking for the improvement of corporate governance efficiency.

The first is to continuously improve the construction of corporate governance efficiency. The Board will give full play to the decision-making orientation and strategic leading role of the Board of Directors, strengthen the functions of the Board of Directors, and continuously improve the quality and efficiency of work. And they will supervise and promote the improvement of executive performance of senior management, strictly implement authorization management, standardize safe operation, and prevent and defuse risks.

The second is to further strengthen the management of equity and shareholders. The Board should strictly implement the normative management constraints on equity management and shareholder behavior imposed by regulatory authorities, regularly refine shareholder governance and equity management, strictly implement various requirements for related party transactions, and effectively safeguard the legitimate rights and interests of small and medium shareholders.

The third is to continuously improve the level of risk management. The Board should continuously build and strengthen the internal control mechanism, strengthen risk management and control, continue to optimize the overall risk management system settings, improve the quality and efficiency of data governance, and enhance risk defense capabilities and effects. And they should strengthen the construction of the long-term compliance management mechanism, continuously cultivate a corporate culture of stable operation and compliance with laws, and shape the core competitiveness of compliance operation of the whole Bank.

The fourth is to benchmark the direction of regulatory policies, strengthen the attention to the implementation of regulatory policies and system document requirements of regulatory agencies and the rectification of inspection and governance problems, promote the effective combination of problem discovery, implementation of rectification and improvement of management, and promote the Bank's safe development in compliance with laws and regulations.

**APPENDIX IV REPORT OF THE BOARD OF SUPERVISORS ON
ASSESSMENT ON THE PERFORMANCE OF
DUTIES BY SUPERVISORS DURING 2021**

According to the Company Law, the Commercial Banking Law, the Corporate Governance Guidelines for Banking and Insurance Institutions, the Measures on Assessment of the Performance of Duties of Directors and Supervisors of Banking and Insurance Institutions (Trial) and other laws and regulations, as well as the Articles of Association of Jinshang Bank Co., Ltd., the Measures on the Performance Assessment of the Supervisors by the Board of Supervisors of Jinshang Bank Co., Ltd. (《晉商銀行股份有限公司監事會對監事履職評價辦法》) and other rules, the Board of Supervisors, through overall consideration on daily performance of the Supervisors, carried out the assessment on the performance of all the Supervisors in 2021 from multiple dimensions based on the principles of compliance, fairness and objectivity by arranging the annual performance files of the Supervisors, sorting out meeting minutes, reviewing the performance information of the Supervisors, collating speech at the meetings of the Board of Supervisors to conduct self-evaluation and mutual evaluation of the Supervisors and comprehensive assessment on the Supervisors by the Board of Supervisors. The evaluation report is as follows:

I. THE GENERAL SITUATION OF THE BOARD OF SUPERVISORS IN 2021

In 2021, one member (a Shareholders' representative Supervisor) of the fifth session of the Board of Supervisors of the Bank was reduced. During the Reporting Period, the Board of Supervisors consisted of eight Supervisors, including two Shareholders' representative Supervisors, three external Supervisors and three Employees' representative Supervisors. The proportion of external Supervisors and employees' representative Supervisors and the total number of Supervisors met the regulatory requirements, which comply with the provisions of Articles of Association of the Bank.

This year, the Board of Supervisors made five reports to the Shareholders' general meeting; held seven meetings of the Board of Supervisors, seven meetings of the Supervisory Committee, and four meetings of the Nomination Committee; considered 81 proposals throughout the year, and listened to or reviewed 34 reporting matters. All Supervisors fully analyzed and justified each proposal and made consideration-based decision reasonably, as well as made professional advice and suggestions on the relevant resolutions.

II. PERFORMANCE OF THE SUPERVISORS IN 2021

(I) Performance of Duty in Good Faith and Loyalty by the Supervisors

In 2021, all Supervisors of the Bank performed their duties in strict accordance with the laws, administrative regulations and the Articles of Association of the Bank and completed compliance work under the regulatory requirements to report their own changes in connected relations in a timely manner. The Board of Supervisors has not found that any Supervisor of the Bank used their authority to seek for illegal gains for himself/herself or any other person, leakage of the business secrets related to the Bank, concealed any discovered problem, and engaged in any act causing major losses in violation of the fiduciary duty. All Supervisors kept

**APPENDIX IV REPORT OF THE BOARD OF SUPERVISORS ON
ASSESSMENT ON THE PERFORMANCE OF
DUTIES BY SUPERVISORS DURING 2021**

the business secrets of the Bank, adhered to the mission of faithfully performing their duties with honesty and fairness, having integrity and being public-spirited, seeking truth from facts, shouldering duties for dedication and serving the people, so as to give full play to their professional strengths. All Supervisors discharged their supervisory obligations by communicating and cooperating and were committed to the Board of Supervisors, demonstrating good professional quality.

(II) Meeting Attendance of the Supervisors

In 2021, the Supervisors of the Bank attended various meetings organized by the Board of Supervisors and its special committees as required. The attendance rate of all Supervisors in person exceeded two-thirds, and the written entrustment and personal participation rate both complied with the relevant requirements. The Supervisors have been able to carefully review the meeting materials, objectively and responsibly express opinions and vote on proposals of financial supervision, risk management, internal control supervision and performance supervision. The procedures for discussion of the Board of Supervisors and its special committee meetings were standardized, with emphasis on efficiency and key points, which gave full play to the functions of discussion, decision-making and supervision of the Board of Supervisors. During the year, the Board of Supervisors gave feedbacks to the Board for 7 times, covering 15 aspects such as financial management, risk management, auditing supervision and reputation risk management of the Group, and gave feedbacks to the senior management for 7 times, covering 22 aspects such as risk control, non-performing asset disposal and compliance administration, thus enhancing the quality and efficiency of collective discussion and circulating supervisory requirements.

(III) Improving the System Development by the Supervisors

In 2021, all Supervisors performed their own functions, improved benchmarking awareness and strengthened prudent discharge. During the year, the Rules of Procedures of the Board of Supervisors of Jinshang Bank Co., Ltd. (《晉商銀行股份有限公司監事會議事規則》) was also amended and improved in accordance with the latest regulations, pursuant to which the standardized guidance and promotion function of fundamental systems have been consolidated to drive the construction of the procedures of collective discussion of the Board of Supervisors. With reference to the requirements of more efforts in supervision quality and efficiency of the Board of Supervisors by regulators in the new era, all Supervisors have revised two supervision systems of duty performance, namely the Measures on the Performance Assessment of the Directors by the Board of Supervisors of Jinshang Bank Co., Ltd. (《晉商銀行股份有限公司監事會對董事履職評價辦法》) and the Measures on the Performance Assessment of the Supervisors by the Board of Supervisors of Jinshang Bank Co., Ltd. (《晉商銀行股份有限公司監事會對監事履職評價辦法》), through three negotiations in strict compliance with the Corporate Governance Guidelines for Banking and Insurance Institutions, the Measures for the Evaluation of Performance of Duties by Directors and Supervisors of Banking or Insurance Institutions (for Trial Implementation) and other system

**APPENDIX IV REPORT OF THE BOARD OF SUPERVISORS ON
ASSESSMENT ON THE PERFORMANCE OF
DUTIES BY SUPERVISORS DURING 2021**

development requirements. As such, the integration and coordination of system formulation and regulatory policies were guaranteed, which laid a sound system foundation for the performance compliance. The supervisory function of the Board of Supervisors was strengthened, which was evidenced by that all Supervisors cooperated with the Directors to complete the revision of the Articles of Association of the Bank with high quality so that the systematization level of system construction was elevated.

(IV) Performance of Supervisory Duties by the Supervisors

In 2021, all Supervisors put unremitting efforts in daily monitoring on the field of finance, compliance, risk and protection of consumer interests, with a focus on the effectiveness of supervision and risk prevention and control.

In the course of performance of duties, by attaching importance to the characteristics of systematicness, effectiveness and prospectiveness of supervision, all Supervisors guided the use of the supervision means of “one book and three letters” and incorporated supervision and service to put the functions of the Board of Supervisors to good use. Throughout the year, six supervision warnings were issued in relation to 10 professional aspects such as compliance administration, risk control, prevention of reputation risk and liquidity monitoring. Five supervision inquiries were conducted on the Board and the senior management and one supervision inspection of “looking back” on disposal of non-performing assets was conducted during the year to effectively promote the ability of risk governance on the basis of careful study on supervisory emphasis. All Supervisors could supervise key undertakings by drawing attention on the supervision of liquidity management, anti-money laundering management and protection of consumer interests, so as to contribute to the practice of social responsibilities. With the concerted efforts in the supervision on the “asset quality improvement” activity of the Bank, all Supervisors actively carried out consultation, research and negotiation to timely conduct on-site inquiry on the disposal of non-performing assets and potential risk resolution of the Bank, in a position to guide and issue supervision opinions and suggestions, thus propelling safe development of the Bank. The investigation, supervision and inspection were put into place during the year, for which the supervision and investigation on the promotion of the rule of law and the optimization of non-performing asset litigation disposal process throughout the Bank were organized and carried out to form a special report and to improve the institutional and process construction throughout the Bank.

**APPENDIX IV REPORT OF THE BOARD OF SUPERVISORS ON
ASSESSMENT ON THE PERFORMANCE OF
DUTIES BY SUPERVISORS DURING 2021**

(V) Supervisors Strengthening Self-Construction

All Supervisors continued to strengthen their capability of performing their duties and strictly implement the requirements for the construction of the collective learning mechanism, earnestly conduct learning of the Central, provincial Party committees and regulatory departments on corporate governance policies and systems, ensure timely understand the direction of regulatory policies, and strengthen the construction of a learning board of supervisors. All Supervisors actively participated in external training and improved the effectiveness of external training. Moreover, they attended the special training organized by professional institutions such as the AFCA Finance Academy during the year, at which they actively communicated with industry peers, with the quality and efficiency of their own professional capacity-building improved.

**III. OVERALL EVALUATION ON THE PERFORMANCE OF THE SUPERVISORS IN
2021**

The Board of Supervisor believed that during the year of 2021, all Supervisors fully implemented the various decisions and arrangements from the Party Central Committee, the provincial party committee and government, resolutely implemented the resolutions of the shareholders' general meeting, scientifically performed supervisory responsibilities and continuously enhanced duty performance by strictly abiding by supervisory requirements in the course of business. All the Supervisors attended the shareholders' general meeting, the meetings of Board of Supervisors and the special committees in stringent accordance with laws and regulations, as well as the Articles of Association of the Bank, attended the meetings of the Board of Directors and senior management as required by the Board of Supervisors, actively implemented various work arrangements of the Board of Supervisors and continuously promoted the performance of supervisory duties in a legal and standardized manner, with the performance capability and effect further improved and contributing to enhancing the quality and efficiency of the governance of the Bank. All the Supervisors paid close attention to major issues of the Bank, earnestly expressed independent opinions, devoted time and energy with their best to performing their duties, faithfully fulfilled their duty with loyalty and diligence. All Supervisors strived for supervision and guidance as manifested by putting forward professional supervision opinions on major matters involving major related party transactions, profit distribution, nomination and removal of the Directors, appointment and removal of senior management, and paying more attention to safeguarding the legitimate rights and interests of minority shareholders and stakeholders of the Bank. Supervisors continued to meet the requirements of "risk management by the Party" in detail, work scrupulously to fulfill their supervision duties, and integrate the supervision requirements and measures into key businesses, thus effectively performing the supervision responsibilities and improving the work efficiency of the Board of Supervisors with their solid performance of duties.

**APPENDIX IV REPORT OF THE BOARD OF SUPERVISORS ON
ASSESSMENT ON THE PERFORMANCE OF
DUTIES BY SUPERVISORS DURING 2021**

To sum up, in accordance with the provisions of the Measures on the Performance Assessment of the Supervisors by the Board of Supervisors of the Jinshang Bank Co., Ltd. (《晉商銀行股份有限公司監事會對監事履職評價辦法》), the Board of Supervisors assessed the performance of duties by eight Supervisors of the Bank in 2021 to be “competent”.

For 2022, all Supervisors will focus on the following matters:

Firstly, all Supervisors must firmly uphold the overall keynote of “seeking progress while maintaining stability”. With the aim of the improvement of political judgement, perception and execution, on the basis of the balance of stability and advancement, all Supervisors should keep up with the latest regulatory policies and requirements which requires more efforts made in the management of micro-risks, to a lesser extent, research and judge on macro environment and benchmarking of medium requirements. “Governance and supervision” should be put into practice for the “efficiency” to serve smooth operation of the Bank through persistent devotion on supervision of the development of the Bank.

Secondly, the supervision should serve the safety development. Supervision is of significance to maintaining the safe operation of corporate governance with a purpose of identifying and promoting the solution of problems. Safety development serves as the “lifeline” for the operation and management of the Bank, and problem-solving is the “foothold” for supervision. The awareness of problem identification and resolution should be cultivated by upholding the problem-oriented principle in order to give full play to the “special responsibility” of supervision in corporate governance. The requirements of “risks of Party management” in all sectors of key areas will be complied with, including duty performance supervision, financial supervision, internal control supervision and risk management supervision, thus promoting the deepening and implementation of supervision.

Thirdly, quality improvement is the cornerstone of the supervision. Meeting supervision will be turned into the core of the quality and efficiency of proceedings. The requirements of the Board of Supervisors to “focus on important matters, deliberate major issues” should be abided by to ensure that the “one body and two wings” of the Board of Supervisors can effectively supervise the proceedings. Close attention to daily supervision is paid to extend the supervision chain. Efforts and focus on the supervision of “before”, “during” and “after” occurrence of events will be enabled to promote the effective coverage of supervision. All Supervisors should implement supervision with innovation and coordinate concerted supervision. Furthermore, all Supervisors are supposed to strengthen the cooperation with other supervision departments and realize the exchange of supervision and inspection results to form a multi-dimensional supervision network. Special supervision of “coordinated operation” also should be carried out by taking advantage of the supervision “toolbox” for risk prevention. The “looking back” of supervision should be implemented in the “second half of the article”, to develop the deterrence of rigor supervision, tighten the cage of compliance construction, enhance the consciousness of risk prevention, and effectively improve the quality and efficiency of safety development throughout the Bank.

**APPENDIX IV REPORT OF THE BOARD OF SUPERVISORS ON
ASSESSMENT ON THE PERFORMANCE OF
DUTIES BY SUPERVISORS DURING 2021**

Fourthly, stringent discipline and duty discharge should be the requisite of the supervision. For 2022, all Supervisors should further strengthen discipline and responsibility, and continue to speed up the fulfillment of their own responsibilities. In terms of meeting requirements, all Supervisors should strictly comply with the regulatory provisions and the Bank's system requirements to ensure that their personal attendance meets the regulatory requirements, so that they actively express their opinions and suggestions to promote the quality and efficiency of collective discussions, and perform their supervisory duties. In terms of the requirements of working time, all Supervisors should devote themselves in the work of the Board of Supervisors for not less than 15 working days every year, and carry out supervision work efficiently.

In accordance with the Company Law, the Guidelines on Corporate Governance of Banks and Insurance Companies (《銀行保險機構公司治理準則》), the Work Guidelines on the Board of Supervisors of Commercial Banks (《商業銀行監事會工作指引》) and other laws and regulations, and in accordance with the Articles of Association of Jinshang Bank Co., Ltd. and the Measures of the Board of Supervisors of Jinshang Bank Co., Ltd. for Supervision and Assessment on Performance of Duties of Senior Management Members (《晉商銀行股份有限公司監事會對高級管理層成員履職監督評價辦法》), the Board of Supervisors assessed the performance of duties of senior management members in 2021 from multiple dimensions based on the principles of compliance, fairness and objectivity by designating staff to attend relevant meetings, reviewing various reports submitted by senior management, referring to the 2021 written debriefing report of senior management members, inquiring of the staff in the relevant departments and branches of the Bank, verifying the performance-related documents and information of senior management members, reviewing annual work report of senior management members and following up on the implementation of regulatory opinions and supervisory suggestions of the Board of Supervisors and rectification results by senior management members. The assessment is now reported as follows:

I. COMPOSITION OF 2021 SENIOR MANAGEMENT MEMBERS

As of the end of 2021, the senior management of the Bank consisted of six members, including Mr. ZHANG Yunfei (performing the duties on behalf of the President), Mr. ZHAO Jiquan as Vice Presidents, Ms. HOU Xiuping as Chief Financial Officer, Mr. WEN Gensheng as Chief Human Resources Officer, Mr. NIU Jun as Chief Operation Officer and Mr. SHANGGUAN Yujiang as assistant to the President.

During the year, Mr. GAO Jiliang, Vice President, and Mr. ZHAO Fu, Chief Marketing Officer, were transferred out of the Bank to take post in accordance with the arrangement of the superior organization.

II. OVERVIEW OF SENIOR MANAGEMENT MEMBERS' WORK IN 2021

In 2021, faced with the complicated domestic and foreign economic situation, the senior management well accomplished various tasks delegated by the Board through focusing on safety development as the principal line, strictly implementing the requirements of the Board, accelerating the pace of transformation and enhancing the quality and efficiency of risk management and control.

(I) Fully Implementing the National Economic and Financial Policies to Forcefully and Effectively Serve the Real Economy

In 2021, the senior management actively implemented the requirements of the CPC Central Committee and the CPC Committee and government of Shanxi province and various regulatory requirements, and efficiently implemented the important strategic deployment of Shanxi province to promote high-quality development in a comprehensive manner. It took active steps to support the key areas, key projects and livelihood projects of the province, provided robust support to state-owned enterprises' reform in the province by offering loans in a convenient and efficient manner, and helped the development and construction of enterprises in the province through various financial methods. It continued to promote inclusive finance. It developed and launched the "Credit Loans for Core Upstream and Downstream Enterprises" and "Pledged Note Loans for Small and Micro Enterprises" and other products to further meet the various financing demands of small and micro enterprises. Through optimizing resource allocation and assessment incentives, it boosted the loan supply to small and micro enterprises, and guaranteed loans to small and micro enterprises increase in volume, coverage expansion, and quality improvement under inclusive finance. Focusing on consolidating and expanding the achievements in poverty alleviation to rural revitalization, the senior management explored the mode of financial support for rural revitalization, and actively liaised with government authorities and leading agricultural enterprises with fully financial support. It continued to strengthen and expand green finance by unswervingly incorporating the concept of green finance into all aspects of the development and promote the development of green finance from a strategic height. It also formulated a work plan for brand promotion of green finance and innovating green financial products to promote the transformation of traditional tools to green ones, thereby driving the rapid development of green financial business.

(II) Further Implementing the Requirements of High-quality Development in an All-round Way to Continuously Vitalize Business Operations

According to the development requirements of the Bank's third five-year strategic plan determined by the Board of Directors, the senior management actively promoted the orderly and vigorous development of all key tasks. It continued to deepen its efforts in the retail business market by accelerating the construction of a unified view of retail customers, strengthening the strategic management of retail customers, and further enriching our retail product line, with product offerings such as wealth management, insurance, funds, private banking and family trusts continuously expanded, making the Bank rank first in the province in terms of comprehensive financial management capability. It implemented cross-line linkage marketing and intra-line linkage marketing, to continuously promote the strategic layout of large-scale retailing. It continuously consolidated our business foundation by refining customer management, and establishing customer access system and comprehensive contribution management mechanism to fully explore and enhance customer value. It set up differentiated branches based on the features of government and institutional business and highlighted the advantages of short chain and quick decision-making in corporate banking, to push forward the

management of institutional customers to a new level. It strengthened its engagement with government functional departments, vigorously improved the synergies between policy research and industry research, and formulated marketing guidelines for corporate credit business, forming a good linkage pattern of support from the head office and implementation by branches. Relying on the “Jinyun Chain” supply chain system and the “JinYunTong” cash management platform, it continued to focus on new product research and development, new team building and new contribution promotion, to constantly expand the new growth path of trade and finance business. It gave full play to the Bank’s strength in featuring business, accelerated to build the brand influence of credit card business, and strengthened scientific and technological empowerment to gradually build the Bank’s credit card ecosystem. It accelerated the deployment of scenario-based financial ecology, continuously upgraded e-banking channels, and promoted the construction of convenience payment and cloud payment functions, to provide customers with better, faster and higher quality service experience and promote the Bank’s financial services to move towards a mobile, scenario-based, open, digital and intelligent direction. It continued to push forward the digital transformation and drove changes in the overall management mode to improve our financial service capability and market competitiveness. To strengthen data governance, it set up a special working group on data governance, which aims at promoting the online operation of the “Management Decision Cockpit” application system to support the effective improvement of data quality across the Bank. It strengthened the Bank’s abilities of business and technology integration and independent research and development, and a number of new products and systems, such as supply chain financial service platform, green financial management system and credit risk evaluation management system, have been put into operation, contributing to the Bank’s high-quality development.

(III) Improving Comprehensive Risk Management System to Protect the Safe Development of the Bank

The senior management was able to adhere to the realistic requirements of “safe development” and proactively prevented and controlled various risks. It continued to improve risk management mechanism. It incorporated “risk management by the Party” into all respects of the Bank’s work, actively explored to integrate party leadership into risk management comprehensively, and proposed the establishment of a management matrix based on five systems and eight mechanisms to ensure the effective implementation of “risk management by the Party” thoroughly. It actively promoted the liquidation and disposal of non-performing assets, and set up a special group for the liquidation and disposal of non-performing assets, which was fully cooperated with the coordination group for the liquidation and disposal of non-performing assets in the reform of commercial banks in our province, and intensified its efforts in liquidation and disposal of non-performing assets by pooling internal and external resources to strive to achieve results during the course of “winning the tough battle of improving asset quality”. It continued to consolidate the foundation of compliant operation, earnestly carried out self-examination and self-correction of audit issues and the “construction year of compliance management” activities, and further consolidated the “three lines of

defense” for risk prevention and control. It continued to carry out compliance education and training to promote compliance culture within the Bank and continued to consolidate the concept of safe development. It launched the “Three-Year Action for Safe Development”, and refined the work measures from eight aspects including the Party leadership, corporate governance, risk management and compliance operation to promote the safe development of the Bank.

The Board of Supervisors is of the view that in 2021, the senior management conscientiously implemented the economic and financial policies of the Central Committee of the Party and the province’s strategic deployment of promoting high-quality development in an all-round way, adhered to the objectives and requirements of the Bank’s “Third Five-Year Development Strategic Plan”, solidly promoted safe development, effectively strengthened risk management and control, improved the internal control system, deepened the quality and efficiency of compliance construction, and well completed the annual operation and management goals and tasks. The senior management members consciously abided by laws and regulations and the relevant provisions of the Articles of Association of the Bank, earnestly performed their duties of diligence and loyalty, and performed their duties with due diligence, and played an active role in promoting the high-quality development of the Bank.

III. EVALUATION OF THE PERFORMANCE OF DUTIES OF SENIOR MANAGEMENT MEMBERS

In 2021, all the current senior management members of the Bank were able to strictly abide by the laws and regulations and the Articles of Association of the Bank, conscientiously implemented the national financial guidance and policies and regulatory requirements, actively accepted the supervision of regulatory authorities and the Board of Supervisors of the Bank, and performed operational duties in compliance with the laws and regulations, constantly improved its own quality, conscientiously implemented the resolutions of the general meeting of shareholders and the Board of Directors, and actively implemented the supervision opinions and suggestions of the Board of Supervisors.

Over the past year, in the regulatory situation of strong supervision and strict accountability and the trend of promoting high-quality development across the Bank, the senior management members were able to adhere to the general work principle of seeking progress while maintaining stability, actively promoted the transformation and development of the Bank, and earnestly performed the functions of management, guidance, coordination, promotion and execution in strict accordance with the Articles of Association of the Bank and within the scope of the authorization of the Board of Directors. It adhered to prudent operation in work, continued to carefully implement various requirements of “risk management by the Party”, and promoted the stable operation and healthy development of corporate governance; strengthened the quality and efficiency of the construction of the Bank’s risk management system, increased the guarantee of authorization for business development, deepened the improvement of stress testing and strengthened system construction and other means,

continuously strengthened risk management and control in key areas such as credit risk, liquidity risk, market risk, and operational risk, and adhered to the bottom line of safe development; it strengthened internal control and governance, and solidly carried out various activities of the “construction year of internal control and compliance management” throughout the Bank to ensure that the Bank’s compliance construction is in-depth and practical; it continuously consolidated the foundation of operation and management of the Bank, improved the quality of assets, strictly prevented risks, continued to improve the construction of various systems and mechanisms, and steadily advanced various tasks to achieve continuous improvement in the Bank’s operating performance.

During the Reporting Period, the Board of Supervisors did not find any senior management members exercising their powers in violation of laws, regulations and the Articles of Association of the Bank, nor did it find any acceptance of illegitimate benefits, seeking personal gain or harming the legitimate interests of the Bank, shareholders, financial consumers and other stakeholders in their behaviors of performing duties. All senior management members of the Bank followed the principle of good faith and carried out business activities prudently, conscientiously and diligently.

During the Reporting Period, the evaluation results of the Board of Supervisors on the performance of duties by all the six senior management members in 2021 were “competent”.

In 2022, the senior management should continue to focus on the following:

First, it is suggested that more attention should be paid to the balance of financial resources in various regions of the province, and to precisely match the strategic deployment of the province’s “one urban agglomeration, two economic regions and three township circles” to help improve the balance and coordination of financial services; continuously improve the development of inclusive finance, continue to improve the coverage, convenience and availability of finance, and better fulfill the Bank’s social responsibilities.

Second, in the face of the fierce digital competition in the market environment, enhancing data governance and application capacity building has become a necessary factor to improve the competitiveness of the Bank. It is recommended to continue to strengthen the concept of data asset construction, deepen the application of data resources, give full play to the multiplication effect of data elements, improve the construction of data governance system, and enhance data quality and data value. At the same time, it is necessary to do a good job in the connection between data governance and data security and legal constraints across the Bank to ensure data security and compliance.

Third, preventing and defusing financial risks, especially preventing the occurrence of systemic financial risks, is the fundamental task of financial work. The important deployment of the tenth meeting of the Central Finance and Economics Commission on coordinating the prevention of major financial risks is the fundamental guideline for the prevention and resolution of financial risks under the new situation. It is recommended to strengthen the bottom-line thinking of risk prevention, continue to pay attention to key areas such as credit risk, case risk, anti-money laundering risk, information technology risk and business continuity risk, strengthen the study and analysis of risk situations, and scientifically develop normalized and institutionalized risks investigate, improve risk monitoring and early warning capabilities, achieve early identification, early warning, early detection, and early disposal of various risks, and resolutely do a good job in the prevention and control of various risks.

Fourth, strictly implement regulatory requirements and improve the level of internal control and compliance management. It is recommended that the senior management actively benchmark against regulatory requirements, continuously review its own business development and operation management, attach great importance to internal and external audits, check opinions and suggestions, further strengthen internal control and compliance management, anti-money laundering management and case prevention, and promote the safe development of the Bank with improved quality and efficiency.

According to the “Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions” implemented by the China Banking and Insurance Regulatory Commission (Yin Bao Jian Hui Ling [2022] No. 1) (銀保監會令[2022]1號) on March 1, 2022, “Corporate Governance Guidelines for Banking and Insurance Institutions” promulgated and implemented by China Banking and Insurance Regulatory Commission (Yin Bao Jian Fa [2021] No. 14) (銀保監發[2021]14號) on June 2, 2021 and the relevant regulatory requirements, combined with the actual situation of the Bank, the Articles of Association is proposed to be amended. The articles to be amended and the basis of amendments are stated as follows:

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 13 In any of the following circumstances, strict limits shall be imposed on performance appraisal results and remuneration of senior management staff:</p> <p>(I) Major regulatory indexes fail to satisfy the regulatory requirements;</p> <p>(II) Asset quality or profitability deteriorates significantly;</p> <p>(III) Other significant risks occur.</p>	<p>Article 13 In any of the following circumstances, strict limits shall be imposed on performance appraisal results and remuneration of senior management staff:</p> <p>(I) Major regulatory indexes fail to satisfy the regulatory requirements;</p> <p>(II) Asset quality or profitability deteriorates significantly;</p> <p>(III) Other significant risks occur.</p> <p><u>The performance remuneration of the Bank’s executive directors, senior management and personnel in key positions shall be deferred.</u></p> <p><u>The “personnel in key positions” mentioned in the preceding paragraph refers to the personnel who have a direct or significant impact on the operation risks of the Bank.</u></p> <p><u>If the Bank is exposed to excessive risk losses, it shall, in accordance with the relevant provisions of the performance remuneration recourse and deduction system, stop paying the unpaid part of the performance remuneration to the relevant responsible personnel and recover the performance remuneration paid within the corresponding period. The provisions on recourse and deduction apply equally to ex-personnel and retirees.</u></p>	<p>Article 85 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 69 The Shareholders’ general meeting is the supreme authority of the Bank and shall exercise the following functions and powers according to laws:...</p> <p>(III) electing and changing non-employee representative supervisors and determining the emoluments of supervisors;...</p> <p>(X) reviewing and approving extremely important external investment, extremely important asset acquisition and disposals, extremely important external guarantee and extremely important related party transactions of the Bank;</p> <p>...</p>	<p>Article 69 The Shareholders’ general meeting is the supreme authority of the Bank and shall exercise the following functions and powers according to laws:...</p> <p>(III) electing and changing non-employee representative——supervisors and determining the emoluments of supervisors;...</p> <p>(X) reviewing and approving extremely important external investment, extremely important asset acquisition and disposals, extremely important external guarantee and extremely important related party transactions of the Bank <u>which shall be considered and approved at the Shareholders’ general meeting as required by the laws, administrative regulations, rules and the securities supervision rules of the place where the shares of the Bank are listed;</u></p> <p>...</p>	<p>Article 18 of Corporate Governance Guidelines for Banking and Insurance Institutions, Article 14 and Paragraph 2 of Article 45 of Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions</p>

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 75 An extraordinary general meeting may be held upon proposal by more than half of the independent directors to the Board (if there are only two independent directors, then the two independent directors unanimously agree to convene the meeting). Regarding the proposal of the independent directors to convene an extraordinary general meeting, the Board shall, pursuant to relevant laws, administrative regulations and the Articles of Association, give a written reply on whether to convene the extraordinary general meeting within 10 days after receipt of the proposal. Where the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. Where the Board does not agree to hold the extraordinary general meeting, it shall give the reasons.</p>	<p>Article 75 <u>The Bank shall convene an extraordinary general meeting within two months</u> An extraordinary general meeting may be held upon proposal by more than half <u>and not less</u> than two of the independent directors, to the Board (if there are only two independent directors, then the two independent directors unanimously agree to convene the meeting). Regarding the proposal of the independent directors to convene an extraordinary general meeting, the Board shall, pursuant to relevant laws, administrative regulations and the Articles of Association, give a written reply on whether to convene the extraordinary general meeting within 10 days after receipt of the proposal. Where the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. Where the Board does not agree to hold the extraordinary general meeting, it shall give the reasons.</p> <p><u>If the extraordinary general meeting is not convened within the period prescribed by the Company Law and the Articles of Association, the Bank shall submit a written report to the regulatory authorities and explain the reasons.</u></p>	<p>Article 20 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>
<p>Article 110 The following issues shall be approved by special resolutions at a Shareholders' general meeting:</p> <p>...</p> <p>(II) the issuance of bonds or listing of the Bank;</p> <p>...</p> <p>(VIII) any other matters confirmed by the Shareholders' general meeting by an ordinary resolution that they may have a material effect on the Bank and should be adopted by a special resolution.</p>	<p>Article 110 The following issues shall be approved by special resolutions at a Shareholders' general meeting:</p> <p>...</p> <p>(II) the issuance of <u>corporate</u> bonds or listing of the Bank;</p> <p>...</p> <p>(VIII) any other matters <u>required by laws and regulations, regulatory provisions or the Articles of Association and</u> confirmed by the Shareholders' general meeting by an ordinary resolution that they may have a material effect on the Bank and should be adopted by a special resolution.</p>	<p>Article 22 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 114 ... (I) A list of director candidates may be proposed by the Nomination, Remuneration and HR Committee of the Board or shareholders individually or jointly holding more than 3% of the Bank’s voting shares according to the number of directors to be elected to the extent of the number of members of the Board specified in the Articles of Association; a list of supervisor candidates (other than employee representative supervisors) may be proposed by the Nomination Committee of the Board of Supervisors or shareholders individually or jointly holding more than 3% of the Bank’s voting shares according to the number of supervisors to be elected to the extent of the number of members of the Board of Supervisors specified in the Articles of Association. ...</p> <p>(VI) Employee representatives in the Board of Supervisors shall be nominated by the Board of Supervisors and the trade union and elected by the employee representatives’ meetings.</p>	<p>Article 114 ... (I) A list of <u>non-independent</u> director candidates may be proposed by the Nomination, Remuneration and HR Committee of the Board or shareholders individually or jointly holding more than 3% of the Bank’s voting shares according to the number of directors to be elected to the extent of the number of members of the Board specified in the Articles of Association; a list of <u>non-employee</u> supervisor candidates (other than employee representative supervisors) may be proposed by the Nomination Committee of the Board of Supervisors or shareholders individually or jointly holding more than 3% of the Bank’s voting shares according to the number of supervisors to be elected to the extent of the number of members of the Board of Supervisors specified in the Articles of Association. ...</p> <p>(VI) Employee <u>supervisors</u> representatives—in the Board of Supervisors shall be nominated by the Board of Supervisors and the trade union and—elected by the employee representatives’ meetings.</p> <p>...</p> <p><u>The Nomination, Remuneration, and HR Committee of the Board shall avoid being influenced by shareholders and exercise the right to nominate directors independently and prudently.</u></p>	<p>Article 27 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 141 A director shall devote sufficient time to performing their duties. A director shall attend at least two thirds of the Board meetings in person every year. Where a director is unable to attend a meeting for any reason, he/she may appoint another director of the same class in writing to attend the meeting on his/her behalf. ...</p>	<p>Article 141 A director shall devote sufficient time to performing their duties. A director shall attend at least two thirds of the Board <u>on-site</u> meetings in person every year. Where a director is unable to attend a meeting <u>in person</u> for any reason, he/she may appoint another director of the same class in writing to attend the meeting on his/her behalf. <u>However, independent directors shall not entrust non-independent directors to attend the meeting on their behalf. In principle, a director may accept no more than two proxies from directors who did not attend the meeting in person. When considering related party transactions matters, non-related directors shall not entrust related directors to attend the meeting on their behalf. ...</u></p>	<p>Article 32 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>
<p>Article 144</p> <p>...</p> <p>The powers of the Board of Directors shall be exercised by the Shareholders' general meeting until the number of directors meets the requirements when the membership of the Board is lower than the minimum number specified in the Company Law or the minimum number required for voting by the Board of Directors due to the dismissal by the Shareholders' general meeting or death of directors, resignation of independent directors due to the loss of independence, or other circumstances where they cannot perform their duties as directors.</p>	<p>Article 144</p> <p>...</p> <p>The powers of the Board of Directors shall be exercised by the Shareholders' general meeting until the number of directors meets the requirements when the membership of the Board is lower than the minimum number specified in the Company Law or the minimum number required for voting by the Board of Directors due to the dismissal by the Shareholders' general meeting or death of directors, resignation of independent directors due to the loss of independence, or other circumstances where they cannot perform their duties as directors.</p> <p><u>If the Bank is in the process of disposing of material risks, the directors of the Bank shall not resign without the approval of the regulatory authorities.</u></p>	<p>Article 29 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 148 The Nomination, Remuneration and HR Committee of the Board or shareholder(s) individually or jointly holding more than 1% of the total voting shares of the Bank shall propose the independent director candidates and the Nomination, Remuneration and HR Committee of the Board shall make preliminary examination on the qualifications and conditions of the independent director candidates (including independent director candidates proposed by shareholder(s) individually or jointly holding more than 1% of the total voting shares of the Bank), and submit the qualified candidates to the Board for consideration. Upon consideration and approval by the Board, the independent director candidates shall be submitted as a written proposal to the general meeting for election. The same shareholder shall only nominate an independent director candidate or an external supervisor candidate, and shall not nominate an independent director candidate and an external supervisor candidate at the same time. The shareholder that has nominated directors or supervisors shall not nominate independent directors or external supervisors.</p>	<p>Article 148 The Nomination, Remuneration and HR Committee of the Board or Shareholder(s) individually or jointly holding more than 1% one percent of the total voting shares of the Bank shall propose the independent director candidates and, the Nomination, Remuneration and HR Committee of the Board, or the Board of Supervisors shall make preliminary examination on the qualifications and conditions of the independent director candidates (including may propose independent director candidates proposed by shareholder(s) individually or jointly holding more than 1 % of the total voting shares of the Bank), and submit the qualified candidates to the Board for consideration. Upon consideration and approval by the Board, the independent director candidates shall be submitted as a written proposal to the general meeting for election. The same shareholder shall only nominate an independent director candidate or an external supervisor candidate, and shall not nominate an independent director candidate and an external supervisor candidate at the same time. The shareholder that has nominated non-independent directors and his/her related parties or supervisors shall not nominate independent directors or external supervisors.</p>	<p>Article 35 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 151 The following persons shall not serve as an independent director of the Bank:</p> <p>(I) shareholders holding 1% or more of the Bank’s shares or persons who hold positions in the shareholders’ institutions of the Bank;</p> <p>(II) persons who hold positions in the Bank or in enterprises under the control or de facto control of the Bank;</p> <p>(III) persons who hold positions in the Bank or in enterprises under the control or de facto control of the Bank within the three years before assumption of post;</p> <p>(IV) persons holding positions in an enterprise having outstanding loans payable to the Bank;</p> <p>(V) persons who hold positions in an institution which has business connections with the Bank in law, accounting, audit or management consulting or is interested in the Bank;</p> <p>(VI) any other persons who can be controlled or can be significantly influenced by the Bank by various means;</p> <p>(VII) immediate relatives of the aforesaid persons.</p> <p>The immediate relatives as referred to in this article refer to the spouse, parents, children, siblings and grandparents.</p>	<p>Article 151 The following persons shall not serve as an independent director of the Bank:</p> <p>(I) shareholders holding 1% or more of the Bank’s shares or persons who hold positions in the shareholders’ institutions of the Bank;</p> <p>(II) persons who hold positions in the Bank or in enterprises under the control or de facto control of the Bank;</p> <p>(III) persons who hold positions in the Bank or in enterprises under the control or de facto control of the Bank within the three years before assumption of post;</p> <p>(IV) persons holding positions in an enterprise having outstanding loans payable to the Bank;</p> <p>(V) persons who hold positions in an institution which has business connections with the Bank in law, accounting, audit or management consulting or is interested in the Bank;</p> <p>(VI) any other persons who can be controlled or can be significantly influenced by the Bank by various means;</p> <p>(VII) immediate relatives of the aforesaid persons.</p> <p>The immediate relatives as referred to in this article refer to the spouse, parents, children, siblings and grandparents.</p>	<p>Article 11 of Measures for the Administration of the Office-holding Qualifications of the Directors (Council Members) and Senior Managers of Banking Financial Institutions</p>

Original Articles	Articles after the Amendments	Basis of Amendments
	<p><u>In addition to satisfying the requirements for serving as a director of the Bank, an independent director of the Bank shall not fall into any of the following circumstances:</u></p> <p><u>(I) he/she and any of his/her immediate relatives collectively hold more than 1% of the Bank's shares or equity;</u></p> <p><u>(II) he/she or any of his/her immediate relatives holds a position in the shareholders' institutions which hold more than 1% of shares or equity of the Bank;</u></p> <p><u>(III) he/she or any of his/her immediate relatives holds positions in any the Bank or institutions which are controlled or de facto controlled by the Bank;</u></p> <p><u>(IV) he/she or any of his/her immediate relatives holds a position in any institution which is unable to repay outstanding loans payable to the Bank;</u></p> <p><u>(V) he/she or any of his/her immediate relatives holds a position in any institution which has a relationship of business, liabilities or debts with, or any interests in the Bank by providing such services as legal, accounting, auditing, management consultancy and guarantee cooperation services to the Bank, thus impeding his/her independence in the performance of duties;</u></p> <p><u>(VI) he/she or any of his/her immediate relatives may be controlled or exercised significant influence by the Bank's substantial shareholders and senior management, thus impeding his/her independence in the performance of duties.</u></p> <p><u>The immediate relatives as referred to in this article refer to the spouse, parents, children, siblings, grandparents and grandchildren.</u></p>	

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 152 An independent director shall serve a term of three years. An independent director shall cumulatively serve a term of at most six years in the Bank, and shall not hold positions in more than two commercial banks at the same time.</p>	<p>Article 152 An independent director shall serve a term of three years. <u>A natural person may serve as an independent director in at most five domestic or foreign enterprises concurrently. For banking or insurance institutions with a common independent director, the relevant institutions shall neither be affiliated with each other nor have conflicting interest.</u> An independent director shall cumulatively serve a term of at most six years in the Bank, and shall not hold positions in more than two commercial banks at the same time.</p>	<p>Article 37 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>
<p>Article 153 An independent director shall perform the duties independently, without any interference by controlling shareholders or de facto controllers of the Bank, or other entities or individuals who have an interest in the Bank. ...</p>	<p>Article 153 An independent director shall perform the duties independently, without any interference by controlling shareholders or de facto controllers of the Bank, <u>the senior management</u>, or other entities or individuals who have an interest in the Bank. ...</p>	<p>Article 41 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>
<p>Article 160 Independent directors shall give independent opinions on the following important matters:</p> <p>...</p> <p>(IV) legality, fairness and justness of important and extremely important related party transactions of the Bank;</p> <p>...</p>	<p>Article 160 Independent directors shall give independent opinions on the following important matters:</p> <p>...</p> <p>(IV) legality, <u>regularity</u> and <u>the implementation of the internal approval procedure</u> of important and extremely important related party transactions of the Bank;</p> <p>...</p> <p><u>The independent directors of the Bank may elect one independent director who shall be responsible for convening special meetings attended by the independent directors to study issues related to the performance of their duties.</u></p>	<p>Article 39 and Article 43 of Corporate Governance Guidelines for Banking and Insurance Institutions, Article 49 of Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions</p>

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 165 ... The Bank shall have one chairman and two vice chairmen, who shall be elected by more than half of all the directors.</p>	<p>Article 165 ... The Bank shall have one chairman and two vice chairmen, who shall be elected by more than half of all the directors.</p> <p><u>Executive directors refer to directors who, in addition to serving as directors, also assume the responsibilities of senior management of the Bank.</u></p> <p><u>Non-executive directors refer to directors who do not hold any position in the Bank other than as a director and do not assume the responsibilities of senior management.</u></p>	<p>Article 46 and Article 47 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>
<p>Article 168 The Board of Directors shall be accountable to the Shareholders' general meeting, undertake final responsibility of operation and management of the Bank, and exercise the following functions and powers in accordance with law: ...</p> <p>(XIII) to formulate capital planning, and undertake final responsibility of capital management or solvency;</p> <p>(XIX) to decide the Bank's important external investment, important asset acquisition and disposals and write-off, important external guarantee, important trust management, important related party transactions, large loans, pledge of assets, data governance; to initially examine the Bank's extremely important external investment, extremely important asset acquisition and disposals, extremely important external guarantee, extremely important trust management, extremely important related party transactions, and submit them to the Shareholders' general meeting for approval;</p> <p>...</p>	<p>Article 168 The Board of Directors shall be accountable to the Shareholders' general meeting, undertake final responsibility of operation and management of the Bank, and exercise the following functions and powers in accordance with law: ...</p> <p>(XIII) to formulate capital planning, and undertake final responsibility of capital management or solvency;</p> <p>(XIX) to decide the Bank's important external investment, important asset acquisition and disposals and write-off, important external guarantee, important trust management, important related party transactions, large loans, pledge of assets, data governance; to initially examine the Bank's extremely important external investment, extremely important asset acquisition and disposals, extremely important external guarantee, extremely important trust management, extremely important related party transactions, and submit them to the Shareholders' general meeting for approval;</p> <p>...</p>	<p>Article 44 and Article 49 of Corporate Governance Guidelines for Banking and Insurance Institutions, Article 14 and Paragraph 2 of Article 45 of Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions</p>

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 177 ...</p> <p>Directors shall attend Board meetings in person. If any director cannot attend the meeting for any reason, he/she may issue a power of attorney to authorize another director of the same class to attend the meeting on behalf thereof, and the power of attorney shall specify the name of the proxy, the matters to be handled in proxy, the scope of authorization and validity period, and shall bear the signature or seal of the principal. ...</p>	<p>Article 177 ...</p> <p>Directors shall attend Board meetings in person. If any director cannot attend the meeting for any reason, he/she may issue a power of attorney to authorize another director of the same class to attend the meeting on behalf thereof, <u>while independent directors shall not appoint non-independent directors to attend the meeting on behalf thereof,</u> and the power of attorney shall specify the name of the proxy, the matters to be handled in proxy, the scope of authorization and validity period, and shall bear the signature or seal of the principal. ...</p>	<p>Article 32 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>
<p>Article 180 If any director or any of his/her close associates (as defined in Hong Kong Listing Rules) has any related party relationship with any resolution of the Board meeting or has a material interest in any contract, arrangement or any other suggestion proposed to be resolved on, the said director shall not exercise the right to vote on the said resolution for himself or on behalf of other directors. When determining whether a quorum for the meeting is attained, such director shall not be counted as part of the quorum. The Board meeting may be held when more than half of the non-related directors of no material interest attend the meeting. The resolution concerning approval of related party transactions made at the Board meeting shall be passed by more than half of the non-related directors of no material interest. If the number of non-related directors of no material interest attending the meeting is less than three, the matter shall be submitted to the Shareholders' general meeting of the Bank for consideration.</p>	<p>Article 180 If any director or any of his/her close associates (as defined in Hong Kong Listing Rules) has any related party relationship with any resolution of the Board meeting or has a material interest in any contract, arrangement or any other suggestion proposed to be resolved on, the said director shall not exercise the right to vote on the said resolution for himself or on behalf of other directors. When determining whether a quorum for the meeting is attained, such director shall not be counted as part of the quorum. The Board meeting may be held when more than half of the non-related directors of no material interest attend the meeting. The resolution concerning approval of related party transactions made at the Board meeting shall be passed by more than half <u>two-thirds</u> of the non-related directors of no material interest. If the number of non-related directors of no material interest attending the meeting is less than three, the matter shall be submitted to the Shareholders' general meeting of the Bank for consideration.</p>	<p>Article 45 of Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions</p>

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 198 The Bank shall have a president, vice president and assistant to the president, chief finance officer, chief risk officer, chief technology information officer, chief human resources officer, chief compliance officer. The president shall be nominated by the chairman and appointed or dismissed by the Board of Directors. The vice president and other senior management members shall be nominated by the president and appointed or dismissed by the Board of Directors.</p>	<p>Article 198 The Bank shall have a president, vice president and assistant to the president, chief finance officer, chief risk officer, chief technology information officer, chief human resources officer, chief compliance officer. The president shall be nominated by the chairman and appointed or dismissed by the Board of Directors, <u>and the chairman shall not concurrently serve as the president.</u> The vice president and other senior management members shall be nominated by the president and appointed or dismissed by the Board of Directors.</p>	<p>Article 76 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>
<p>Article 205 When exercising their powers, the president and the senior management members of the Bank shall observe the laws, administrative regulations and the provisions of the Articles of Association, and undertake the obligation to observe the principle of good faith and acting prudently and diligently. The president and other senior management members of the Bank shall indemnify the Bank for any losses incurred by the Bank resulting from their violation of the laws, administrative regulations, malpractice or other gross negligence when performing their duties.</p>	<p>Article 205 When exercising their powers, the president and the senior management members <u>staff</u> of the Bank shall observe the laws, administrative regulations and the provisions of the Articles of Association, <u>engage in proper professional conduct, abide by high standards of professional ethics, have obligations of loyalty and diligence to the Bank, perform duties in good faith, dutifully, and prudentially, and guarantee that he/she has sufficient time and energy to perform duties, and may not be slack in performing duties or perform duties beyond authority.</u> and undertake the obligation to observe the principle of good faith and acting prudently and diligently. The president and other senior management members of the Bank shall indemnify the Bank for any losses incurred by the Bank resulting from their violation of the laws, administrative regulations, malpractice or other gross negligence when performing their duties.</p>	<p>Article 75 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 209 A supervisor shall serve a term of three years. Shareholder representative supervisors and external supervisors shall be elected, removed and replaced by the Shareholders’ general meeting, and employee representative supervisors shall be elected, removed and replaced by employee representative meeting of the Bank. The supervisors can be re-elected and re-appointed.</p>	<p>Article 209 A supervisor shall serve a term of three years. Shareholder representative supervisors and external supervisors <u>Non-employee supervisors</u> shall be elected, removed and replaced <u>nominated</u> by <u>shareholders or the Board of Supervisors</u> the Shareholders’ general meeting, and employee representative supervisors shall be <u>nominated</u> elected, removed and replaced by <u>the Board of Supervisors and the trade union</u> employee representative meeting of the Bank. The supervisors can be re-elected and re-appointed.</p>	<p>Article 61 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>
<p>Article 212 Supervisors shall perform the following duties or obligations: ...</p> <p>Supervisors shall comply with laws, administrative regulations and the Articles of Association and shall fulfil the obligation of loyalty, honesty and diligence to the Bank. Supervisors shall possess good character and reputation, and knowledge, experience, capabilities and energy that match their respective position, maintain the independence required to perform their duties, and stability of personal and family finances. Supervisors shall not use their powers to accept bribes or other illegal income and shall not infringe the Bank’s property.</p>	<p>Article 212 Supervisors shall perform the following duties or obligations: ...</p> <p>Supervisors shall comply with laws, administrative regulations and the Articles of Association and shall fulfil the obligation of loyalty, honesty and diligence to the Bank. Supervisors shall possess good character and reputation, and knowledge, experience, capabilities and energy that match their respective position, maintain the independence required to perform their duties, and stability of personal and family finances. Supervisors shall not use their powers to accept bribes or other illegal income and shall not infringe the Bank’s property.</p>	<p>Expression adjustment</p>
<p>Article 213 An external supervisor of the Bank refers to the supervisor not holding any other positions in the Bank except for supervisor, and having no relationship with the Bank and its substantial shareholders that may affect his/her independent and objective judgment.</p>	<p>Article 213 An external supervisor of the Bank refers to the supervisor not holding any other positions in the Bank except for supervisor, and having no relationship with the Bank and its substantial shareholders <u>and de facto controllers</u> that may affect his/her independent and objective judgment.</p>	<p>Article 66 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 218 The Bank shall have a Board of Supervisors which shall be composed of 9 supervisors. Among them, there are 3 shareholder supervisors, 3 external supervisors and 3 employee representative supervisors. The Board of Supervisors shall have one chairman, the appointment and removal of whom shall be made with a resolution passed by above two-thirds of the all members of the Board of Supervisors. The chairman of the Board of Supervisors shall be a full-time staff with professional knowledge and financial work experience. External supervisors and employee representative supervisors shall not be less than one-third of the total number of members of the Board of Supervisors.</p>	<p>Article 218 The Bank shall have a Board of Supervisors which shall be composed of 9 supervisors. Among them, there are 3 shareholder supervisors, 3 external supervisors and 3 employee representative supervisors. The Board of Supervisors shall have one chairman, the appointment and removal of whom shall be made with a resolution passed by above two-thirds of the all members of the Board of Supervisors. The chairman of the Board of Supervisors shall be a full-time staff with professional knowledge and financial work experience. External supervisors and employee representative supervisors shall not be less than one-third of the total number of members of the Board of Supervisors.</p>	<p>Expression adjustment</p>
<p>Article 225 An extraordinary meeting of Board of Supervisors may be convened upon proposal by more than one-third of supervisors, and the chairman of the Board of Supervisors shall convene an extraordinary meeting of the Board of Supervisors within ten days upon acceptance of such proposal.</p> <p>...</p>	<p>Article 225 An extraordinary meeting of Board of Supervisors may be convened upon proposal by more than one-third of supervisors, and the chairman of the Board of Supervisors shall convene an extraordinary meeting of the Board of Supervisors within ten days upon acceptance of such proposal.</p> <p>...</p>	<p>Article 70 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>

**APPENDIX VII PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE SHAREHOLDERS' GENERAL MEETING**

**COMPARISON TABLE OF THE AMENDMENTS TO THE RULES OF
PROCEDURES FOR THE SHAREHOLDERS' GENERAL MEETING OF
JINSHANG BANK CO., LTD.**

Original Articles	Articles after the Amendments	Reference for Amendments
<p>Article 5 The Shareholders' General Meeting is the supreme authority of the Bank and shall exercise the following powers and functions in accordance with the law:</p> <p>...</p> <p>(X) To consider and approve any significant external investment, acquisition or disposal of assets, guarantees or connected transactions of a significant nature;</p>	<p>Article 5 The Shareholders' General Meeting is the supreme authority of the Bank and shall exercise the following powers and functions in accordance with the law:</p> <p>...</p> <p>(X) To consider and approve any significant external investment, acquisition or disposal of assets, guarantees or connected transactions <u>which shall be considered and approved at the shareholders' general meeting as required by laws, administrative regulations, rules and securities regulatory rules from where the Bank's Shares are listed</u> of a significant nature;</p>	<p>Article 14 and Paragraph 2 of Article 45 of Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions; Article 69 of the Articles of Association</p>
<p>Article 11 More than half of the independent Directors (subject to the unanimously agree where only two independent Directors exist) shall have the right to propose to the Board of Directors to convene an extraordinary general meeting. In respect of such proposal, the Board of Directors shall, in accordance with the laws, administrative regulations and the Articles of Association of the Bank, make a written response as to whether or not it agrees to convene the extraordinary general meeting within ten days of receiving the proposal. If the Board of Directors agrees to convene the extraordinary general meeting, a notice convening such a meeting shall be issued within five days after the resolution of the Board of Directors is passed. If the Board of Directors does not agree to convene the extraordinary general meeting, it shall give an explanation.</p>	<p>Article 11 If mMore than half of the independent Directors (subject to the unanimously agree where only <u>and no less than</u> two independent Directors exist) shall have the right to propose to the Board of Directors to convene an extraordinary general meeting, <u>the Bank shall convene an extraordinary general meeting within two months. Where the extraordinary general meeting fails to be convened within the time of period prescribed by the Company Law and the Articles of Association, it shall report to the regulatory authorities in writing with reasons.</u> In respect of such proposal, the Board of Directors shall, in accordance with the laws, administrative regulations and the Articles of Association of the Bank, make a written response as to whether or not it agrees to convene the extraordinary general meeting within ten days of receiving the proposal. If the Board of Directors agrees to convene the extraordinary general meeting, a notice convening such a meeting shall be issued within five days after the resolution of the Board of Directors is passed. If the Board of Directors does not agree to convene the extraordinary general meeting, it shall give an explanation.</p>	<p>Article 20 of The Corporate Governance Standards for Banking and Insurance Institutions</p>

**APPENDIX VII PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE SHAREHOLDERS' GENERAL MEETING**

Original Articles	Articles after the Amendments	Reference for Amendments
<p>Article 47 Independent directors shall give independent opinions on the following important matters:</p> <p>...</p> <p>(IV) legality, fairness and justness of important and extremely important related party transactions of the Bank;</p> <p>...</p>	<p>Article 47 Independent directors shall give independent opinions on the following important matters:</p> <p>...</p> <p>(IV) legality, fairness and justness, compliance and implementation of internal approval of important and extremely important related party transactions of the Bank;</p> <p>...</p>	<p>Article 49 of Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions; Article 160 of the Articles of Association</p>
<p>Article 51 The following matters shall be subject to approval by a special resolution of the Shareholders' General Meeting:</p> <p>(II) The issuance or listing of bonds of the Bank;</p> <p>...</p> <p>(VIII) Any other matters which the Shareholders' General Meeting may by ordinary resolution determine to have a significant impact on the Bank and which require a special resolution.</p>	<p>Article 51 The following matters shall be subject to approval by a special resolution of the Shareholders' General Meeting:</p> <p>(II) The issuance or listing of corporate bonds or listing of the Bank;</p> <p>...</p> <p>(VIII) Any other matters which are required by the laws and regulations, regulatory provisions or the Articles of Association and Shareholders' General Meeting may by ordinary resolution determine to have a significant impact on the Bank and which require a special resolution.</p>	<p>Article 22 of The Corporate Governance Standards for Banking and Insurance Institutions</p>

**APPENDIX VII PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE SHAREHOLDERS' GENERAL MEETING**

Original Articles	Articles after the Amendments	Reference for Amendments
<p>Article 55 List of director or supervisor candidates is submitted by way of proposal for consideration at Shareholders' general meetings. The director or supervisor candidates shall be voted on separately at the Shareholders' general meeting.</p> <p>(I) A list of director candidates may be proposed by the Nomination, Remuneration and HR Committee of the Board or shareholders individually or jointly holding more than 3% of the Bank's voting shares according to the number of directors to be elected to the extent of the number of members of the Board specified in the Articles of Association; a list of supervisor candidates (other than employee representative supervisors) may be proposed by the Nomination Committee of the Board of Supervisors or shareholders individually or jointly holding more than 3% of the Bank's voting shares according to the number of supervisors to be elected to the extent of the number of members of the Board of Supervisors specified in the Articles of Association.</p> <p>...</p>	<p>Article 55 List of director or supervisor candidates is submitted by way of proposal for consideration at Shareholders' general meetings. The director or supervisor candidates shall be voted on separately at the Shareholders' general meeting.</p> <p>(I) A list of non-independent director candidates may be proposed by the Nomination, Remuneration and HR Committee of the Board or shareholders individually or jointly holding more than 3% of the Bank's voting shares according to the number of directors to be elected to the extent of the number of members of the Board specified in the Articles of Association; a list of non-employee supervisor candidates (other than employee representative supervisors) may be proposed by the Nomination Committee of the Board of Supervisors or shareholders individually or jointly holding more than 3% of the Bank's voting shares according to the number of supervisors to be elected to the extent of the number of members of the Board of Supervisors specified in the Articles of Association.</p> <p>...</p> <p><u>The Nomination, Remuneration and HR Committee of the Board of Directors should avoid being influenced by shareholders, and exercise rights of nomination independently and prudently.</u></p>	<p>Article 27 of The Corporate Governance Standards for Banking and Insurance Institutions</p>

**APPENDIX VIII PROPOSED AMENDMENTS TO THE RULES OF
PROCEDURES FOR THE BOARD OF DIRECTORS**

**COMPARISON TABLE OF THE AMENDMENTS TO THE RULES OF
PROCEDURES FOR THE BOARD OF DIRECTORS OF
JINSHANG BANK CO., LTD.**

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 3 ...</p> <p>The terms of office of the Director is three years, and they can be re-elected and re-appointed. The Bank shall have one chairman and two vice chairmen, who shall be elected by more than half of all the directors.</p>	<p>Article 3 ...</p> <p>The term of office of the Director is three years, and they may serve a consecutive term upon re-election. The Bank shall have one chairman and two vice chairmen, who shall be elected by more than half of all the directors.</p> <p><u>Executive directors refer to directors who also assume other responsibilities as senior management personnel in addition to directors in the Bank.</u></p> <p><u>Non-executive directors refer to directors who neither assume responsibilities other than director nor the responsibilities of senior management personnel in the Bank.</u></p>	<p>Article 46 and 47 of the Corporate Governance Guidelines for Banking and Insurance Institutions</p>
<p>Article 4 The positions of the chairman and the president of the Bank shall be separated, and the chairman shall not be the legal representative or main person in charge of the controlling shareholder.</p>	<p>Article 4 The positions of the chairman and the president of the Bank shall be separated, <u>the chairman shall not hold the position of president concurrently,</u> and the chairman shall not be the legal representative or main person in charge of the controlling shareholder.</p>	<p>Article 76 of the Corporate Governance Guidelines for Banking and Insurance Institutions, and Article 198 of the Articles of Association</p>
<p>Article 9 The Board of Directors shall be accountable to the Shareholders' general meeting, undertake final responsibility of operation and management of the Bank, and exercise the following functions and powers in accordance with law: ...</p> <p>(XIX) to decide the Bank's important external investment, important asset acquisition, disposals and write-off, important external guarantee, important trust management, important related party transactions; to authorize the chairman to approve large loans exceeding the authority of the president, pledge of assets and data governance; to initially examine the Bank's extremely important external investment, extremely important asset acquisition and disposals, extremely important external guarantee, extremely important trust management, extremely important related party transactions, and submit them to the Shareholders' general meeting for approval;</p>	<p>Article 9 The Board of Directors shall be accountable to the Shareholders' general meeting, undertake final responsibility of operation and management of the Bank, and exercise the following functions and powers in accordance with law: ...</p> <p>(XIX) to decide the Bank's important external investment, important asset acquisition, disposals and write-off, important external guarantee, important trust management, important related party transactions; to authorize the chairman to approve large loans exceeding the authority of the president, pledge of assets and data governance; to initially examine the Bank's extremely important external investment, extremely important asset acquisition and disposals, extremely important external guarantee, extremely important trust management, extremely important related party transactions, and submit them to the Shareholders' general meeting for approval;</p>	<p>Article 44 of the Corporate Governance Guidelines for Banking and Insurance Institutions, Article 14 and Paragraph 2 of Article 45 of the Rules on Related-Party Transactions of Banking and Insurance Institutions; Article 168 of the Articles of Association</p>

**APPENDIX VIII PROPOSED AMENDMENTS TO THE RULES OF
PROCEDURES FOR THE BOARD OF DIRECTORS**

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 12 The Bank has established an independent director system. Independent directors shall fulfill the obligation of honesty and diligence to the Bank and all the shareholders thereof. An independent director shall perform their duties independently according to the requirements of the law, regulations and the Articles of Association of the Bank, and safeguard the overall interests of the Bank, especially concerning safeguarding the legitimate rights and interests of financial consumers and minority shareholders from infringement.</p>	<p>Article 12 The Bank has established an independent director system. Independent directors shall fulfill the obligation of honesty and diligence to the Bank and all the shareholders thereof. An independent director shall perform their duties independently according to the requirements of the law, regulations and the Articles of Association of the Bank, and safeguard the overall interests of the Bank, especially concerning safeguarding the legitimate rights and interests of financial consumers and minority shareholders from infringement.</p> <p><u>If there are major defects in the corporate governance mechanism or the corporate governance mechanism fails in the Bank, independent directors shall report relevant information to the regulatory authorities on time. Independent directors shall keep the Bank's secrets in addition to reporting relevant information to the regulatory authorities pursuant to the requirements.</u></p>	<p>Article 41 of the Corporate Governance Guidelines for Banking and Insurance Institutions, and Article 153 of the Articles of Association</p>
<p>Article 56 If any director or any of his/her close associates (as defined in Hong Kong Listing Rules) has any related party relationship with any resolution of the Board meeting or has a material interest in any contract, arrangement or any other suggestion proposed to be resolved on, the said director shall not exercise the right to vote on the said resolution for himself or on behalf of other directors. When determining whether a quorum for the meeting is attained, such director shall not be counted as part of the quorum. The Board meeting may be held when more than half of the non-related directors of no material interest attend the meeting. The resolution concerning approval of related party transactions made at the Board meeting shall be passed by more than half of the non-related directors of no material interest. If the number of non-related directors of no material interest attending the meeting is less than three, the matter shall be submitted to the Shareholders' general meeting of the Bank for consideration.</p>	<p>Article 56 If any director or any of his/her close associates (as defined in Hong Kong Listing Rules) has any related party relationship with any resolution of the Board meeting or has a material interest in any contract, arrangement or any other suggestion proposed to be resolved on, the said director shall not exercise the right to vote on the said resolution for himself or on behalf of other directors. When determining whether a quorum for the meeting is attained, such director shall not be counted as part of the quorum. The Board meeting may be held when more than half of the non-related directors of no material interest attend the meeting. The resolution concerning approval of related party transactions made at the Board meeting shall be passed by more than half two-thirds of the non-related directors of no material interest. If the number of non-related directors of no material interest attending the meeting is less than three, the matter shall be submitted to the Shareholders' general meeting of the Bank for consideration.</p>	<p>Paragraph 2 of Article 45 of the Rules on Related-Party Transactions of Banking and Insurance Institutions</p>

COMPARISON TABLE OF THE AMENDMENTS TO THE RULES OF
PROCEDURES FOR THE BOARD OF SUPERVISORS OF
JINSHANG BANK CO., LTD.

Original Articles	Articles after the Amendments	Basis of Amendments
<p>Article 5 Supervisor shall serve a term of three years. Shareholder representative supervisors and external supervisors shall be elected, removed and replaced by the Shareholders' general meeting, and employee representative supervisors shall be elected, removed and replaced by employee representative meeting of the Bank. The supervisors can be re-elected and re-appointed.</p>	<p>Article 5 Supervisor shall serve a term of three years. <u>Non-employee representative supervisors shall be nominated by the Shareholders and the Board of Supervisors, while employee representative supervisors shall be nominated by the Board of Supervisors and the trade union of the Bank.</u> Shareholder representative supervisors and external supervisors <u>Non-employee representative supervisors</u> shall be elected, removed and replaced by the Shareholders' general meeting, and employee representative supervisors shall be elected, removed and replaced by employee representative meeting of the Bank. The supervisors can be re-elected and re-appointed.</p>	<p>Article 61 of Corporate Governance Guidelines for Banking and Insurance Institutions and Article 209 of the Articles of Association</p>
<p>Article 36 The Board of Supervisors shall convene an extraordinary meeting within ten days in any of the following circumstances:</p> <p>(I) proposed by more than one third of the supervisors;</p> <p>...</p>	<p>Article 36 The Board of Supervisors shall convene an extraordinary meeting within ten days in any of the following circumstances:</p> <p>(I) proposed by more than one third of the supervisors;</p> <p>...</p>	<p>Article 70 of Corporate Governance Guidelines for Banking and Insurance Institutions</p>

ADMINISTRATIVE MEASURES FOR SHAREHOLDERS' COMMITMENTS
OF JINSHANG BANK CO., LTD.

CHAPTER I GENERAL PROVISIONS

Article 1 These Measures are formulated in order to further strengthen the administration of the shareholders' commitments of the Bank, standardize shareholders' commitments, improve the binding effects of shareholders' commitments, consolidate the basis of corporate governance and promote the establishment of the faith-keeping rules on the financial industry according to the Interim Measures for the Equity Management of Commercial Banks (《商業銀行股權管理暫行辦法》), the Circular of the General Office of China Banking and Insurance Regulatory Commission on Further Strengthening the Administration for Shareholders' Commitments of Banking and Insurance Institutions (《中國銀保監會辦公廳關於進一步加強銀行保險機構股東承諾管理有關事項的通知》) and the Articles of Association of Jinshang Bank Co., Ltd. (《晉商銀行股份有限公司公司章程》) and in combination with the actual situation of the Bank.

Article 2 The shareholders making and performing commitments as mentioned in these Measures generally refer to major shareholders. Based on the requirements of the CBIRC or its local offices, it may also require non-major shareholders to make and perform relevant commitments when necessary.

Article 3 The Board of Directors of the Bank shall undertake the responsibility on the management of commitments of major shareholders and shall be responsible for the related work on the management of commitments, such as the formulation of systems on the management of shareholders' commitments, the management of archives of commitments and carrying out annual appraisal on major shareholders' commitments. The Office of the Board of Directors of the Bank is the daily administrative body responsible for the implementation of specific work for Shareholders' Commitments based on the requirements of the Board of Directors.

CHAPTER II CONTENTS OF SHAREHOLDERS' COMMITMENTS

Article 4 Shareholders' commitments are classified into three categories, namely commitments on statement, commitments on compliance and commitments on duty performance.

Commitments on statement refer to the confirmations or statements of shareholders on the status of certain previous or current facts, such as the truthful and legitimate sources of their own capitals, the truthfulness, accuracy and completeness of information provided and no records of significant violation of laws and regulations in recent years.

Commitments on compliance refer to the commitments of shareholders on carrying out certain activities in compliance with laws and regulations in the future, such as no interference with the operation of banking and insurance institutions, carrying out related party transactions in a standard manner, standardizing equity pledge and no transfer of equities held within the prescribed period.

Commitments on duty performance refer to the commitments of shareholders on performing relevant responsibilities and obligations in the future, including commitments on risk assistance and other commitments made based on other regulatory requirements. Commitments on risk assistance refer to commitments made by shareholders on cooperating in implementing risk assistance measures when necessary, such as capital replenishment, liquidity support and cooperation in the implementation of recovery and disposal plans.

Article 5 The Bank shall convey relevant regulatory requirements for Shareholders' Commitments to major shareholders in a timely, complete and accurate manner and assist major shareholders in standardizing the contents of their commitments and making commitments.

Article 6 The contents of the major shareholders' commitments of the Bank shall be accurate, standardized and enforceable. For commitments with definite time limit such as commitments on reduction in shareholdings of shareholders exceeding the limit on the maximum shareholding, the time limit for the performance of commitments shall be specified and vague terms such as "when suitable opportunities arise" shall not be used.

Article 7 The commitments made by corporate shareholders of the Bank shall be subject to necessary procedures for internal approval at the Board of Directors or the shareholders' general meeting in accordance with laws and regulations, regulatory requirements and the provisions of the Articles of Association of the Bank.

CHAPTER III PROCEDURES FOR SIGNING SHAREHOLDERS' COMMITMENTS

Article 8 Legal entities of all types qualified as shareholders of commercial banks shall fully understand the attributes, risk characteristics and rules of prudent operation of the banking industry, as well as the rights and obligations of shareholders when investing in the bank. They shall actively safeguard the steady operation of the Bank and the stability of the financial market, protect the rights and interests of consumers, support the Bank to better serve real economies, prevent and control financial risks and sign commitments in writing and fulfill them after becoming major shareholders of the Bank.

Article 9 Shareholders shall, after signing the commitments, scan the documents in relation to the sealed commitments and its internal approval procedures in color to the Office of the Board of Directors of the Bank on the signing date and deliver the original to the Office of the Board of Directors of the Bank within 5 days. The Office of the Board of Directors of the Bank shall, after signing the receipt, conduct the management of archives of commitments in accordance with the provisions of Chapter V of these Measures.

Article 10 The Bank has the right to, in accordance with the relevant provisions and the requirements of the regulatory authorities, urge the shareholders to make rectifications or amendments in order to comply with these Measures and regulatory requirements if the shareholders refuse to sign the commitments, issue false commitments or commitments which are not in compliance with these Measures and regulatory requirements.

CHAPTER IV APPRAISAL ON PERFORMANCE OF SHAREHOLDERS' COMMITMENTS

Article 11 The Bank appraises the performance of major shareholders' commitments by June each year and considers it as a part of the annual appraisal on major shareholders and corporate governance to understand and evaluate the performance of major shareholders' commitments. It shall report the appraisal of shareholders' commitments and major problems identified in the appraisal to the CBIRC or its local offices.

Article 12 Shareholders who have made commitments shall actively fulfill their commitments on duty performance such as capital replenishment and liquidity support, and cooperate with the Bank in dissolving risks in accordance with regulatory requirements. In the event of failure to perform their commitments on duty performance, shareholders shall notify the Bank in a timely manner, explain specific circumstances and reasons, and shall not prevent other investors from taking reasonable plans to invest in the Bank. The Bank shall, within 10 working days, formulate a response plan and report it to the CBIRC or its local offices after knowing that the relevant shareholders are unable to perform their commitments on duty performance.

Article 13 The performance of commitments by major shareholders of the Bank shall be determined by the Board of Directors. The Bank shall have the right to take corresponding restrictive measures against the major shareholders of the Bank who violate the commitments given by them in accordance with the requirements of the relevant laws and regulations and the regulatory authorities. Measures to be taken shall be proposed by the Board of Directors and implemented after being considered and approved at the general meeting. Relevant shareholders or shareholder representatives and their related parties shall abstain from voting.

Article 14 Based on the provisions of the CBIRC for Shareholders' Commitments, where major shareholders violate their commitments on statement and compliance, the CBIRC or its local offices may, according to the Interim Measures for the Equity Management of Commercial Banks and other relevant provisions, take appropriate measures such as ordering rectification, restricting shareholders' rights, issuing warning notices in the industry, public censure, prohibiting investment in banking and insurance institutions for a certain period or even for life. The relevant circumstances shall be included into the bad equity management record of the Bank.

Where major shareholders violate their commitments on duty performance, prevent other investors from taking reasonable plans to invest in banking and insurance institutions or refuse to cooperate in the implementation of regulatory requirements, the CBIRC or its local offices shall take measures against the shareholders as appropriate in accordance with laws.

Where major shareholders violate their commitments and are simultaneously involved in the violation of other laws or regulatory provisions, the CBIRC or its local offices may impose administrative punishment, regulatory measures or revocation of administrative licenses and other measures against the shareholders in accordance with relevant laws and regulations.

CHAPTER V MANAGEMENT OF ARCHIVES ON PERFORMANCE OF SHAREHOLDERS' COMMITMENTS

Article 15 The Bank has established archives of major shareholders' commitments to record the parties of commitments, the specific matters, the method and time for performing the commitments, the performance of commitments and the measures taken against shareholders who violate the commitments.

Article 16 The archiving requirements shall be implemented with reference to relevant administrative measures on archives of the Bank and the original archives shall not be destroyed permanently.

CHAPTER VI SUPPLEMENTARY PROVISIONS

Article 17 Major shareholders as mentioned in these Measures refer to shareholders who hold or control more than 5% (inclusive) of the Bank's shares or voting rights, or hold less than 5% of the total capital or total shares but have major impact on the operation and management of the Bank. The shareholding proportion of shareholders, their related parties and persons acting in concert shall be calculated on a consolidated basis.

The "major impact" as mentioned in the preceding paragraph includes, but is not limited to, the appointment of directors, supervisors or senior management members to the Bank, affecting the financial and operational management decision-making of the Bank through agreement or otherwise, and any other circumstances recognized by the regulatory authorities.

For PRC administrative authorities, government departments, Central Huijin Investment Ltd., NCSSF and shareholder entities that are exempted from application with the approval of CBIRC, the relevant requirements of commitments on duty performance under these Measures may not apply.

Article 18 Matters not covered in these Measures shall be implemented in accordance with relevant laws and regulations, normative documents and the Articles of Association of the Bank. In the event of any change in the PRC laws, regulations and the Articles of Association of the Bank, the relevant provisions of these Measures shall also be amended simultaneously.

Article 19 The system shall be interpreted by the Board of Directors of the Bank.

Article 20 These Measures shall become effective from the date of being considered and approved at the general meeting of the Bank.

Attachment:

LETTERS OF COMMITMENTS OF MAJOR SHAREHOLDERS OF JINSHANG BANK

The Company is a major shareholder of Jinshang Bank with a shareholding ratio of _____. It hereby solemnly makes the following commitments:

I. COMMITMENTS ON STATEMENT

(I) The Company has a good social reputation, integrity records, tax records and financial conditions and complies with laws, regulations and regulatory requirements. The purpose for the Company to invest in Jinshang Bank is _____.

(II) The relations between the Company and its controlling shareholders, actual controllers, related parties, persons acting in concert and ultimate beneficiaries are clear and transparent.

(III) The Company fulfills its obligations on capital contribution in accordance with laws and regulations and the provisions of the CBIRC. The funds invested in Jinshang Bank are self-owned funds with legitimate sources. It is not involve in investment with entrusted funds, debt funds and other non-self-owned funds or entrusting others or accepting the entrustment of others to hold equity interests in Jinshang Bank.

(IV) The Company, its related parties and persons acting in concert shall not hold shares in more than two commercial banks as major shareholders or more than one commercial bank as controlling shareholders.

(V) The Company's investments in other financial institutions (name of the financial institution, amount and proportion of shares. If yes, please explain with attachments. If not, please fill in nil): _____.

The investments of the Company's related parties and persons acting in concert in other financial institutions (names of related parties or persons acting in concert, name of the financial institution, amount and proportion of shares. If yes, please explain with attachments. If not, please fill in nil): _____.

(VI) The proportions of equity interests in Jinshang Bank held by the Company, its related parties and persons acting in concert are in line with the regulatory requirements.

(VII) The connected relationships or relations on acting in concert between the Company and other shareholders of Jinshang Bank (if any, please explain the names of other shareholders, the amount and proportion of shares held with attachments. If not, please fill in nil) _____.

The total proportion of equity interests in Jinshang Bank held by the Company, its related parties and persons acting in concert is _____.

(VIII) The Company does not hold shares of Jinshang Bank by issuing, managing or otherwise controlling financial products, nor does it control the shares or voting rights of Jinshang Bank by other means.

(IX) The Company, its controlling shareholders and actual controllers are not involved in any of the following circumstances: being listed as the object of joint punishment on incredibility by competent departments; seriously evading or rejecting bank debts; providing false materials or making untrue statements; bearing major responsibilities for failure in operation of commercial banks or major violations of laws and regulations; refusing or hindering the regulatory authorities in implementing supervision in accordance with laws; being investigated and punished by financial regulatory authorities or competent government departments due to violations of laws and regulations with baneful influence; and other circumstances which may have adverse impacts on the operation and management of Jinshang Bank.

(X) The information provided by the Company to regulatory authorities or Jinshang Bank regarding the qualifications, connected relationships and investment funds is truthful, valid, complete and accurate.

(XI) The Company bears the consequences caused by the provision of false information or untrue statements.

II. COMMITMENTS ON COMPLIANCE

(I) The Company shall exercise the rights and fulfill the obligations of investors in strict compliance with laws and regulations, regulatory requirements and the Articles of Association of the Bank. It shall not abuse the rights of shareholders, interfere with the routine operation of Jinshang Bank, impose improper indicator pressures on Jinshang Bank, interfere with the decision-making and management rights entitled by the Board of Directors and senior management of Jinshang Bank, directly interfere with or affect the operation and management of Jinshang Bank bypassing the Board of Directors and senior management or otherwise damage the legitimate rights and interests of depositors, Jinshang Bank and other shareholders.

(II) The Company shall abide by laws and regulations and relevant provisions of the CBIRC on related party transactions and report changes in connected relationships to Jinshang Bank in a timely manner. The Company shall not conduct illegal or improper related party transactions with Jinshang Bank, seek related party transactions superior to similar transaction conditions with other shareholders and non-related parties or obtain illegitimate benefits with its influence on the operation and management of Jinshang Bank.

(III) The Company shall establish an effective mechanism on risk isolation to prevent risk transmission and transfer among the Company, Jinshang Bank and other affiliated institutions of the Company.

(IV) The Company shall effectively manage the cross-appointment of members of the Board of Directors, the Board of Supervisors and senior management of Jinshang Bank and other affiliated institutions to prevent conflicts of interest.

(V) The Company shall abide by laws and regulations and relevant regulations of the CBIRC on the pledge of equity interests in commercial banks. It shall not damage the interests of other shareholders and commercial banks when pledging the equity interests in Jinshang Bank.

(VI) Except for the special circumstances stipulated by laws, regulations and regulatory requirements, the Company shall not transfer its equity interests in Jinshang Bank within 5 years from the date of acquisition. The Company may transfer its equity interests in Jinshang Bank under the conditions permitted by laws and regulations and shall inform the transferee that it shall comply with laws and regulations and meet the conditions provided by the CBIRC.

(VII) The Company shall comply with laws, regulations and regulatory requirements, report relevant information to commercial banks in a timely, accurate and complete manner, fully disclose relevant information and accept social supervision.

(VIII) In case of the violation of the Commercial Banking Law, the Interim Measures for the Equity Management of Commercial Banks and other laws and regulations, the Company shall voluntarily accept regulatory measures as may be taken by the CBIRC or its local offices, such as ordering controlling shareholders to transfer their equity interests, restricting or prohibiting Jinshang Bank from conducting related party transactions with the Company, imposing restrictions on the limit of equity interests in Jinshang Bank held by the Company and the proportion of equity pledge, restricting the rights of the Company as a shareholder such as the right to convene, vote, nominate, propose and dispose at general meetings, and bear the corresponding adverse consequences incurred.

III. COMMITMENTS ON DUTY PERFORMANCE

(I) The Company shall replenish capital to Jinshang Bank when necessary and report its capabilities on capital replenishment to the CBIRC or its local offices annually through Jinshang Bank. In case of no capabilities on capital replenishment, the Company shall not prevent other investors from adopting reasonable plans to invest in Jinshang Bank.

(II) The Company shall not withdraw its capital when Jinshang Bank has liquidity difficulties and shall provide liquidity supports as much as possible.

(III) The Company shall support the Board of Directors of Jinshang Bank in the formulation of the recovery and disposal plan and perform necessary obligations.

(IV) Where the CBIRC or its local offices take measures such as risk disposal or takeover against Jinshang Bank due to major risk events or serious violations of laws and regulations, the Company shall actively cooperate with the CBIRC or its local offices in carrying out risk disposal and other work.

Company Seal (Corporate Shareholder):_____

Signature of Legal Representative:_____

Date:_____

Since 2021, the Bank has continued to attach great importance to related party transaction management, further optimize the review procedure of related party transactions, promote the fine management of related party transactions, improve the daily monitoring and statistics analysis of related party transactions, enhance the training on related party transaction management and spare no efforts to improve the management of related party transactions so as to ensure the continuous and effective operation of the related party transaction management mechanism and support the rapid business development of the Bank. The details of related party transaction management across the Bank during 2021 are reported as follows:

I. WORK PERFORMED BY RELATED PARTY TRANSACTIONS CONTROL COMMITTEE

The Related Party Transactions Control Committee held three meetings in 2021, in which the Committee mainly approved proposals such as credit for material related party transactions, confirmation of the cap of the related party transactions conducted with connected persons, report on related party transactions for the first half of 2021 and the list of related parties, and reported to the Board of Directors and the Board of Supervisors.

II. IMPLEMENTATIONS OF RELATED PARTY TRANSACTION MANAGEMENT SYSTEM

(I) Optimizing management of the related parties to lay solid foundation for related party transaction management

Since 2021, the Bank has further strengthened the internal identification and penetrating capacity for related party transactions to improve the related party management of the Bank. The Bank managed the list of related parties on a dynamic basis. The Bank identified the list of related parties comprehensively twice to ensure the integrity, accuracy and timeliness of related party information. In August 2021, the Board of Directors determined 660 related natural persons and 2,154 related legal persons in terms of CBIRC; 281 connected natural persons and 5,361 connected legal persons in terms of listing.

In order to improve the timeliness and effectiveness of collection of the related party information, the Bank actively optimized the related party management mechanism. The list of related parties was distributed throughout the Bank after being reviewed by the Board of Directors. The related party transaction management was conducted on the basis of that list. At the same time, the Bank supervised the related party management department to update the list of related parties in real time, actively collect related customer information and add such information into the credit management system to ensure that the related party ID information in the system is consistent with the account opening information, thus realizing effective collection of related party transaction data. In addition, the Bank identified the connected relationship of its shareholders in various ways. In addition to relying on the list provided by shareholders, the Bank also identified related parties through third-party platforms (Qichacha (企查查), Qixinbao (启信宝) and Tianyancha (天眼查)).

(II) Improvement of the measures for the related party transaction systems to enhance the quality of related party transaction management

According to the requirements of internal and external regulatory rules, with aim to further improve the quality of related party transaction management of the Bank, the Bank amended the Administrative Measures of Jinshang Bank Co., Ltd. for Related Party (Connected) Transactions (《晉商銀行股份有限公司關聯(連)交易管理辦法》) and the Detailed Rules for the Implementation of Management of Related Party (Connected) Transactions of Jinshang Bank Co., Ltd. (《晉商銀行股份有限公司關聯(連)交易管理實施細則》) in the third quarter of 2021, and filed with the regulatory authorities pursuant to the requirements.

Pursuant to the regulatory requirements, the Bank further strengthened the internal audit of related party transactions, explicitly required the Audit Department to conduct special audits of related party transactions for the previous year across the Bank at the beginning of each year and report the audit results to the Board of Directors and the Board of Supervisors. The Board of Directors of the Bank reported the implementation of the related party transaction management system and the special report on related party transactions for the previous year to the general meeting on an annual basis. In the first half of 2021, the Bank has completed the special report on related party transactions for 2020 and submitted it to the general meeting for consideration and approval. The Audit Department of the Bank has completed the special audit of related party transactions for 2020.

(III) Strengthening daily monitoring of related party transactions to strictly control risks of related party transactions

In strict accordance with the requirements of the Administrative Measures of Jinshang Bank Co., Ltd. for Related Party (Connected) Transactions (《晉商銀行股份有限公司關聯(連)交易管理辦法》) and the Detailed Rules for the Implementation of Management of Related Party (Connected) Transactions of Jinshang Bank Co., Ltd. (《晉商銀行股份有限公司關聯(連)交易管理實施細則》), the Bank identified related party transactions, which achieved regularly monitored related party transactions including both single related party transactions and continuous transactions to satisfy the external laws, regulations and regulatory requirements on pricing, approval and regulatory indicators of related party transactions and ensure that the Bank's related party credit limit does not exceed the regulatory limit.

(IV) Strictly implementing the regulatory stipulations to ensure the compliance of related party transactions

According to the regulations of CBIRC, the credit balance of a commercial bank to a related party shall not exceed 10% of the net capital of that commercial bank. The total credit balance of a commercial bank to the group customers of a related legal person or other organization shall not exceed 15% of the net capital of that commercial bank. The credit balance of a commercial bank to all related parties shall not exceed 50% of the net capital of that commercial bank. As of the end of 2021, related party transaction indicators of the Bank

met the regulatory requirements of CBIRC. The related party credit balance to the largest single customer was RMB1.119 billion, accounting for 4.3% of the net capital of the Bank. The related party credit balance to the largest single group customer was RMB3.71 billion, accounting for 14.24% of the net capital of the Bank. The total related party credit balance amounted to RMB7.455 billion, accounting for 28.62% of the net capital of the Bank, satisfying the regulatory requirements.

In 2021, the related party transaction management mechanisms of the Bank operated smoothly and all related party transactions operated in a standardized manner, ensuring the compliance of related party transactions.

III. OVERVIEW OF RELATED PARTY TRANSACTIONS DURING 2021

(I) Overview of Related Party Transactions in Terms of the CBIRC

1. Overall related party transactions

The Bank conducts its related party transactions in the form of granting credit to major non-natural person shareholder customers. During the Reporting Period, according to the Administrative Measures for the Related Party Transactions between the Commercial Banks and their Insiders or Shareholders (《商業銀行與內部人和股東關聯交易管理辦法》) of the CBIRC and the Administrative Measures of Jinshang Bank Co., Ltd. for Related Party (Connected) Transactions (《晉商銀行股份有限公司關聯(連)交易管理辦法》), major non-natural person shareholder means any non-natural person shareholders who directly, indirectly, jointly hold or control more than 5% of the shares or voting rights of a commercial bank.

As of the end of 2021, the balance of related party transactions between the Bank and its related parties was RMB7.455 billion, accounting for 28.62% of the net capital of the Bank, meeting the regulatory requirements. Moreover, our credit business to related shareholders and related credit risk exposure were normal loans with good business quality. In terms of quantity, structure and quality of transaction, the related party transactions did not have material effects on the normal operation of the Bank. The non-performing loan ratio of related party loans of our shareholders is zero, and the quality of related party credit is better than the average credit level of the Bank as a whole.

Overview of related party transactions in terms of CBIRC at the end of 2021

Unit: RMB0'000

No.	Name of related groups	Credit balance	Credit concentration
1	Jinneng Holding Group Ltd. (晉能控股集團有限公司)	371,007.80	14.24%
2	Lu'an Chemical Engineering Group Co., Ltd. (潞安化工集團有限公司)	224,792.00	8.63%
3	Changzhi Nanye Industry Group Co., Ltd. (長治市南燁實業集團有限公司)	53,900.00	2.07%
4	Taiyuan Haixin Asset Management Co., Ltd. (太原市海信資產管理有限公司)	48,700.00	1.87%
5	Shanxi Financial Investment Holdings Co., Ltd. (山西金融投資控股集團有限公司)	27,000.00	1.04%
6	Huaneng Capital Service Co., Ltd. (華能資本服務有限公司)	19,113.17	0.73%
7	Natural person	1,029.96	0.04%
	Total	<u>745,542.93</u>	<u>28.62%</u>

2. Pricing of related party transactions

Since 2021, the related party transactions between the Bank and its related parties have been priced objectively and fairly. Prices and charges of all related party transactions were determined on normal commercial principles and in a market-oriented manner. The related party transactions were conducted on terms no superior to the terms available to similar transactions with non-related parties. The relevant transaction terms are reasonable and are in the interests of the Bank and the shareholders as a whole. According to the Administrative Measures of Jinshang Bank Co., Ltd. for Related Party (Connected) Transactions (《晉商銀行股份有限公司關聯(連)交易管理辦法》), for related party transactions that is a credit granting, the corresponding price was determined in accordance with the relevant credit pricing management measures and considering the ratings and risks of related party customers so as to ensure the legality and fairness of the pricing of related party transactions of the Bank. The Bank has strictly implemented the regulations of CBIRC on forbidding the issuance of unsecured loans to related parties, forbidding the provision of guarantees for financing activities of related parties, and forbidding the acceptance of the Bank's equity as pledge to provide credit.

(II) Overview of Connected Transactions in Terms of Listing

1. Application of caps of connected transaction

According to the Hong Kong Listing Rules, the term of written agreement for continuing connected transactions must be fixed and reflect the normal commercial terms or better. The agreement term shall not exceed three years except in special circumstances.

The connected transaction agreement entered into by the Bank, Shanxi State-owned Capital Operation Co., Ltd (山西省國有資本運營有限公司) and its associates (“SSCO Group”) and Huaneng Capital Service Co., Ltd. (華能資本服務有限公司) and its associates (“Huaneng Group”) has expired at the end of 2021. In the fourth quarter of 2021, the general meeting of the Bank considered and approved resolutions regarding caps of connected transactions conducted by the Bank with connected persons SSCO Group and Huaneng Group, which agrees the limits of fees and volume of each transaction for 2022-2024 conducted by the Bank with SSCO Group and Huaneng Group. Details are as follows:

Caps of connected transactions of the Bank in 2022-2024

Unit: RMB0'000

No.	Connected persons	Type of transaction (caps)	2022	2023	2024
1	SSCO Group	Fees income	27,820.00	31,150.00	35,490.00
2	Huaneng Group	Investment amount	1,034,000.00	1,262,400.00	1,393,640.00
		Return of Investment	47,880.00	57,360.00	62,260.00
		Management fees and trust remuneration	2,830.00	3,420.00	3,720.00
		Fees and commissions	2,120.00	2,730.00	3,240.00
		Fees expense	500.00	700.00	900.00

2. Overview of the connected transactions conducted by the connected persons in 2021

As of the end of 2021, the fee income, fee expense and transaction volume in terms of listing conducted by the Bank with SSCO Group, Huaneng Group, Shanxi Financial Investment Holdings Co., Ltd. (山西金融投資控股集團有限公司) (“Financial Holding Group”) and Changzhi Nanye Industry Group Co., Ltd. (長治市南燁實業集團有限公司) (“Nanye Group”) were set out in below table:

Each transaction limit of connected persons at the end of 2021

Unit: RMB0'000

No.	Type of transaction in 2021	SSCO Group		Huaneng Group		Financial Holding Group		Nanye Group	
		Caps	Actual situation	Caps	Actual situation	Caps	Actual situation	Caps	Actual situation
1	Fee income	28,500.00	14,977.13	57,000.00	8,943.57	7,300.00	19.89	6,000.00	639.04
2	Fee expense	0.00	0.00	5,400.00	845.37	1,200.00	0.00	0.00	0.00
3	Transaction volume	0.00	0.00	1,234,000.00	148,027.48	0.00	0.00	0.00	0.00

Note: The equity of the Bank held by Financial Holding Group has been transferred to Shanxi Finance Bureau in June 2021, and the Board of the Bank has determined Financial Holding Group has been eliminated from the list of connected persons in August 2021, thus its status of caps used statistics were as of the end of August 2021.

As a local corporate financial organization, the Bank is duty-bound to take serving and supporting the economic development in whole Province as its responsibilities and missions. The Bank will support the business development of each related party and make its due contribution to facilitate the state-owned enterprises reform and support the economic transformation in Shanxi Province while strictly controlling each indicator of related party transactions in order to meet the regulatory requirements.

NOTICE OF THE 2021 ANNUAL GENERAL MEETING

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JINSHANG BANK CO., LTD.*

晉商銀行股份有限公司*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(stock code: 2558)

NOTICE OF THE 2021 ANNUAL GENERAL MEETING

References are made to the circular of Jinshang Bank Co., Ltd.* dated May 11, 2022 (the “**Circular**”). Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Circular.

NOTICE IS HEREBY GIVEN that the 2021 annual general meeting (the “**AGM**”) of Jinshang Bank Co., Ltd.* (the “**Bank**”) will be held at Conference Room, 22nd Floor, No. 59 Changfeng Street, Xiaodian District, Taiyuan, Shanxi Province, the PRC at 10:00 a.m. on June 10, 2022 (Friday).

The following resolutions will be considered and, if thought fit, approved by the shareholders of the Bank at the AGM:

ORDINARY RESOLUTIONS

1. To consider and approve the Work Report of the Board of Directors for 2021;
2. To consider and approve the Work Report of the Board of Supervisors for 2021;
3. To consider and approve the Profit Distribution Plan for 2021;
4. To consider and approve the Report of Final Financial Accounts for 2021;
5. To consider and approve the Financial Budget for 2022;
6. To consider and approve the Report of the Board of Supervisors on Supervision and Assessment on the Performance of Duties by Directors during 2021;
7. To consider and approve the Report of the Board of Supervisors on Assessment on the Performance of Duties by Supervisors during 2021;

NOTICE OF THE 2021 ANNUAL GENERAL MEETING

8. To consider and approve the Report of the Board of Supervisors on Supervision and Assessment on the Performance of Duties by Senior Management during 2021;
9. To consider and approve the proposed amendments to the Rules of Procedures for the Shareholders' General Meeting;
10. To consider and approve the proposed amendments to the Rules of Procedures of the Board of Directors;
11. To consider and approve the proposed amendments to the Rules of Procedures of the Board of Supervisors;
12. To consider and approve the proposed formulation of Administrative Measures for Shareholders' Commitments of Jinshang Bank Co., Ltd.;
13. To consider and approve the appointment of auditors to audit financial statements for 2022; and

SPECIAL RESOLUTION

14. To consider and approve the proposed amendments to the Articles of Association.

By order of the Board of Directors
Jinshang Bank Co., Ltd.*
LI Weiqiang
Joint Company Secretary

Taiyuan, the PRC

May 11, 2022

As at the date of this notice, the board of directors comprises Ms. HAO Qiang and Mr. ZHANG Yunfei as executive directors; Mr. LI Shishan, Mr. XIANG Lijun, Mr. LIU Chenhang, Mr. LI Yang and Mr. WANG Jianjun as non-executive directors; Mr. JIN Haiteng, Mr. SUN Shihu, Mr. WANG Liyan, Mr. DUAN Qingshan, Mr. SAI Zhiyi and Mr. YE Xiang as independent non-executive directors.

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

NOTICE OF THE 2021 ANNUAL GENERAL MEETING

Notes:

1. For more information about the above resolutions, please refer to the Circular.
2. **Registration Procedures for Attending the AGM**

Individual shareholders who wish to attend the meeting in person shall produce their identity cards or other effective document(s) or proof of identity and stock account cards. Proxies of individual shareholders shall produce their effective document of identity and proxy form. A corporate shareholder should attend the meeting by its legal representative or proxy appointed by the legal representative. A legal representative who wishes to attend the meeting should produce his/her identity card or other valid document(s) evidencing his/her capacity as a legal representative. If being appointed to attend the meeting, the proxy should produce his/her identity card and an authorization instrument duly signed by the legal representative of the corporate shareholder.

3. **Proxy**

Any shareholder entitled to attend and vote at the AGM is entitled to appoint one or more person(s) (if the shareholder holds two or more issued shares), whether (each of) such person(s) is a shareholder of the Bank or not, as his/her/its proxy or proxies to attend and vote on his/her/its behalf at the AGM. The instrument appointing a proxy must be signed by the shareholder or his/her attorney duly authorized in writing. For a corporate shareholder, the proxy instrument must be affixed with the common seal or signed by its director or attorney duly authorized in writing. If the power of attorney of the proxy is signed by the authorized person of the appointer under a power of attorney or other authorization document(s) given by the appointer, such power of attorney or other authorization document(s) shall be notarized and served at the same time as the power of attorney. To be valid, the form of proxy, together with a notarially certified copy of the power of attorney or other authorization document(s) must be delivered by H shareholders to the Bank's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 24 hours before the scheduled time for the holding of the AGM (i.e. 10:00 a.m. on June 9, 2022 (Thursday)) or any adjournment thereof (as the case may be). In case of registered joint holders of any shares, any one of the registered joint holders can vote on such shares at the AGM in person or by proxy as if he/she is the only holder entitled to vote. If more than one registered joint holders attend the AGM in person or by proxy, only the vote of the person whose name appears first in the register of members of the Bank relating to such shares (in person or by proxy) will be accepted as the sole and exclusive vote of the joint holders. After the completion and return of the form of proxy and the power of attorney, you can attend and vote in person at the AGM or any adjournment thereof should you so wish. In this case, the power of attorney will be deemed to have been revoked.

4. **Closure of Register of Members**

The Bank's register of members will be closed from June 7, 2022 (Tuesday) to June 10, 2022 (Friday), both days inclusive. The shareholders whose names appear in the Bank's register of members as at the close of business on June 6, 2022 (Monday) shall be entitled to attend and vote at the AGM. H shareholders of the Bank who intend to attend and vote at the 2021 AGM shall deliver all transfer document(s) together with the relevant share certificates and other appropriate document(s) to our Bank's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on June 6, 2022 (Monday).

The Bank's register of members will be closed from June 16, 2022 (Thursday) to June 21, 2022 (Tuesday), both days inclusive, during which period no transfer of the shares will be effected. The shareholders whose names appear in the Bank's register of members on June 21, 2022 (Tuesday) shall be entitled to receive the 2021 final dividend.

For a shareholder to be eligible for receiving the 2021 final dividend, all transfer documents together with the relevant share certificates and other appropriate documents must be delivered to the H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for the H shareholders) or the office of the Board of Directors at No. 59 Changfeng Street, Xiaodian District, Taiyuan, Shanxi Province, the PRC (for the domestic shareholders) no later than 4:30 p.m., on June 15, 2022 (Wednesday).

NOTICE OF THE 2021 ANNUAL GENERAL MEETING

5. **Publication of Poll Results**

Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), all resolutions at the AGM will be voted by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands). The results of poll will be published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Bank (<http://www.jshbank.com/>) in accordance with the Listing Rules.

6. **Miscellaneous**

The AGM is expected to last for no more than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own traveling, dining and accommodation expenses.