

2022 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

(a joint stock company incorporated in 2002 in Henan Province, the People's Republic of China with limited liability under the Chinese corporate name "中原证券股份有限公司" and carrying on business in Hong Kong as "中州证券")



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Compilation Instruction

This report is the seventh Environmental, Social and Governance Report issued by Central China Securities Co., Ltd (herein after referred to as "Central China Securities", "Company" or "Group" that carries out businesses in mainland China in the name of " 中原证券股份有限公司 ") and subsidiaries thereof. This report is compiled by combining the concrete practice of Central China Securities in strengthening party-building guidance, serving the real economy, deepening corporate governance structure, protecting shareholders' interests, maintaining employee' s rights and interests and facilitating public welfare in 2022, with the aim of disclosing the actions and the results achieved in economic, social and environmental governance to stakeholders.

Reporting period

This report covers the period from January 1, 2022 to December 31, 2022. To enhance the comparability and forward-looking of this report, some contents have been extended.

Reporting Scope

This report, with Central China Securities as the object, covers Central China Securities and its main holding subsidiaries, branches and business divisions thereof. Unless otherwise specified, the reporting scope is consistent with the scope of the Group' s annual consolidated financial statements.

Definitions

For ease of expression, "Central China Securities Co., Ltd." is substituted by "Central China Securities", "Company" or "Group" herein.

| Full Name | Abbreviation |
|--|--|
| Central China Securities Co., Ltd. | Central China Securities, Company, Group |
| Central China Futures Co., Ltd. | Central China Futures |
| Zhongding Kaiyuan Venture Capital Management Co., Ltd. | Zhongding Kaiyuan |
| Central China International Financial Holding Co., Ltd. | Central China International |
| Central China Blue Ocean Investment Management Co., Ltd. | Central China Blue Ocean |
| Central China Equity Exchange Co., Ltd. | Equity Exchange |
| Henan Kaiyuan Private Equity Management Co., Ltd. | Kaiyuan Private Equity |
| China Securities Regulatory Commission | CSRC |
| Shanghai Stock Exchange | SSE |
| Shenzhen Stock Exchange | SZSE |
| Beijing Stock Exchange | BSE |
| The Stock Exchange of Hong Kong Ltd. | HKSE |

Compilation Basis

- *Self-regulation Guide 1 for Listed Companies-Standard Operation* of SSE
- *Environmental, Social and Governance Reporting Guide* of HKSE
- *Sustainable Development Report Standards* (GRI Standards) of GRI
- *Guidelines for Compilation of Chinese Corporate Social Responsibility Report (CASS-ESG 5.0)* of Corporate Social Responsibility Research Center of Chinese Academy of Social Sciences Department of Economics

Data Description

Data and cases hereof are from original records or financial statements of Central China Securities and its subsidiaries and branches thereof. Unless otherwise specified, the financial data hereof should be expressed in CNY. In case of discrepancies, the financial statements should prevail.

Report Language

This report includes both Traditional Chinese and English versions, in case of any discrepancies between Chinese and English, the Traditional Chinese version shall prevail.

Report Compilation Principles

The Compilation of this report complies with the reporting principles of *Environmental, Social and Governance Reporting Guide* of HKSE, including:

Principle of materiality: The report identifies material issues that need to be responded to through a materiality analysis, and highlights important ESG issues that might significantly affect investors and other stakeholders.

Principle of quantitative: The report discloses and explains quantitative key performance indicators and specifies calculation basis and assumptions and conditions, in order to assess and validate the effectiveness of ESG policies and management systems.

Principle of balance: The report reflects objective facts impartially while disclosing both positive and negative indicators, and avoids any selection, omission or reporting format that may improperly influence the decision or judgment made by report readers.

Principle of consistency: The report clearly describes the statistical methods and statistical caliber of the quantitative key ESG performance indicators disclosed, keeps indicators and statistical methods used in different reporting period as consistent as possible to represent changes in performance.

Access to the Report

The report is issued in electronic form, which is available on the Group' s official website at www.ccnew.com, the website of the Shanghai Stock Exchange at www.sse.com.cn, and the website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk.

Feedback

If the reader has any doubts or suggestions about this report or Company' s social responsibility, you can contact the Company as follows.

Email: investor@ccnew.com

Tel: 0371-69177590

Fax: 0371-86505911

Address: 9F, Pingdingshan Coal Shenma Financial Center, Intersection between Ruyi West Road and Ruyihexisi Street, Jinshui District, Zhengzhou City, Henan Province, China

Statement of Chairman



The year of 2022 was an opening year that China built a modern socialist country in all respects and advanced towards the Second Centenary Goal. In this year, facing negative influences such as Russia-Ukraine conflict and stock market turbulence, we, under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, united and led all cadres and employees to earnestly implement the deployment of the CPC Central Committee, the State Council, the Party Committee and the People's Government of Henan Province, stuck to "Two Guarantees", facilitated with "Ten Strategies", and under the guidance of high-quality party building, persisted in "Three-Pronged" management and development, risks-dissolving, cost decreasing and benefit increasing, overcame difficulties, worked diligently, formed distinctive features and highlighting in the aspect of improvement of corporate governance level, economy contribution and social and environmental sustainable development, and actively contributed to the development of the capital market and economic and social development of Henan Province.

In this year, we deeply studied and implemented the spirit of the 20th CPC National Congress and made new achievements in party-building and construction of the party conduct and an incorruptible government. The Company persisted in political leadership, ideological guidance and demonstration pioneering, opened up special columns such as "Focusing on the 20th CPC National Congress" and "Flag Pilot", organized thematic activities such as "Strive for a New Journey, Achieve Merit in a New Era", earnestly carried out "Year of construction of capability and working style" activity and energetically implemented "Great Power" series projects. The Company firmly implemented "Two Implementations", deeply integrated party leadership and corporate governance, revised and improved Articles of Association, rules of procedure of shareholder's general meeting and board meeting, optimized the list of major business management issues that are priorities for the Party committee, implemented the executive committee system, identified the range of right and responsibility, further enhanced the leadership of the Party committee in controlling the direction, managing the overall situation and promoting implementation, better developed the role of the board in setting strategies, making decisions and preventing risks and the role of the executives in carrying out management, promoting implementation and strengthening management, and strove to convert advantages of modern enterprise system with Chinese characteristic into governance efficiency. The Company deeply carried out and deepened promoting reform through action and special governance of "Looking-back", and energetically promoted incorruptible enterprise establishment activity. With special governance of "Two Violations" as the means, the Company continuously solidified the spirit of Central Committee's eight-point decision, promoted the construction of "Three Don'ts" system, continuously sought both temporary and permanent solutions and consolidated clean and upright political ecology and development environment.

During this year, we made efforts to innovate, actively promoted the "Three-in-One" financial service mode of investment banking, investment and investment-lending linkage, and comprehensively integrated into the high-quality economic development pattern. The Company's investment banking exploited its professional advantages and helped enterprises to achieve direct financing of more than CNY14.7 billion, and the investment banking of the Company was ranked as Class A in the evaluation of investment banking service quality of securities companies which was disclosed by Securities Association of China for the first time, entering the advanced ranks of nationwide. The subsidiaries of private equity fund extensively communicated with governments, listed companies and several funds to promote the development of entity enterprises in Henan Province, with remarkable achievements in investment-lending linkage. The subsidiaries of alternative investment continued to deepen the strategy of "Walking with Giants" and invested in a number of excellent enterprises in the fields of new energy, biological medicine and high-end manufacturing, and many investment projects have been listed successfully. The total number of listed enterprises in the Equity Exchange exceeded 10,000, and the pilot project of block chain construction innovation was approved by the China Securities and Futures Commission, and the establishment of new board for "Specialized, Refinement, Differential" enterprises was actively planned. The "Three-in-One" financial service mode has been fully recognized by the Henan Provincial Party Committee and the Provincial People's Government and has been included in *Five-year Plan of Action to Promote the Listing of Enterprises in Henan Province*.

In the year, we continued to strengthen the construction of compliance and risk control culture, carry out compliance and risk control promotion and training, and establish the awareness of risk control among all employees. With the prevention of innovative business risks, the management of the Company's consolidated financial statements and the subsidiaries' risk penetration as the main methods, the Company continuously improve internal control management structure and control system that matched Company's development requirements and level. The Company enhances the rule of law, embeds legal control requirements into business process and job responsibilities, and firmly guards the bottom line of compliance and risk control, without major compliance risk matters occurring throughout the year.

In this year, we seized the most concerned, direct and realistic interests of the employees and focused on solving the problems of the employee's urgent difficulties and worries. We have always taken helping employees and party members in difficulty as an important task, helping more than 140 people throughout the year and effectively relieving the difficulties of some employees and party members. We also attach great importance to employee's health and medical care, arranging physical examination for female employees, and organizing all employees to participate in medical assistance activities for serious diseases of the provincial labor unions, which strongly protects employee's rights and interests. As the platform director unit of Henan Rural Revitalization Foundation, we gave full play to the advantages of the platform and promoted "Bookstore of Love", "Love for Leftover Children" "Lei Feng School Aid" and other public welfare projects. We have helped 447 high school seniors with 83.47% undergraduate admission rate under the "Morning Sun Program", which has a remarkable accomplishment.

In this year, we earnestly implemented the major decisions and deployment of the Party Central Committee and the State Council on "Reaching Peak Carbon Emissions and Achieving Carbon Neutrality" to facilitate with green finance. We strengthened our investment and financing support for green and low-carbon enterprises, and used professional financial services to facilitate "Reaching Peak Carbon Emissions and Achieving Carbon Neutrality" enterprises to finance their businesses. Our investment in LiYing Environmental Protection in the field of medical waste harmless disposal had achieved a significant result. We are major underwriter of the sustainability-linked corporate bond issued by Pingdingshan Tian'an Coal, which was the first sustainability-linked corporate bond for a coal company in China, and also the first sustainability-linked corporate bond in Henan Province.

The year of 2023 is an opening year of the comprehensive implementation of the spirit of the 20th CPC National Congress. Guided by Xi Jinping's Thought of Socialism with Chinese Characteristics in the New Era, we will fully implement the spirit of the 20th CPC National Congress and the Central Economic Work Conference, conscientiously implement the spirit of the Provincial Economic Work Conference and decisions and plans of the Provincial Party Committee and the Provincial People's Government, take the mission of serving the high-quality development of the real economy and preserving the value of social wealth, seek improvement in stability, adhere to the general principle of seeking progress in a stable manner, persist in the path of characteristic and differentiated development. With the new development concept leading to business restructuring, management improvement and professional advancement, we strive to become a boutique brokerage with a certain brand influence and unique competitiveness in the country, with the dual listing in both Hong Kong and Shanghai as the distinctive features, and to give back to the society and investors with even better performance.

About Central China Securities



Company Profile

Founded in 2002, Central China Securities is a comprehensive securities firm that specializes in investment banking and other investment businesses, and it mainly engages in securities brokerage service, credit service, futures service, investment bank service, investment management service, proprietary trading service and overseas service. The Company was listed on the main board of HKSE and SSE in 2014 and 2017 respectively. It was the 8th A+H securities trader of the national securities industry, and it is the first financial enterprise listed in SSE and HKSE in Henan Province and an important carrier of multilevel capital market development of Henan Province.

In 2022, the Company, under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, deeply implemented the spirit of the 20th CPC National Congress, stuck to "Two Guarantees", facilitated with "Ten Strategies", fully exploited the advantages of main board listing platforms in Hong Kong and Shanghai, closely followed the development pace of the capital market, promoted the "Three-in-One" financial service mode of investment banking, investment and investment-lending linkage in accordance with "Complete Plate, Comprehensive Service, Take Root in Henan and Make Layout Nationwide", built a core featured business system, further promoted upgrading of main businesses and achieved the sustainable development goal.

Up to December 31, 2022,



the Company had had a registered capital of
CNY **4.643** billion



total assets valued
CNY **50.183** billion



net assets attributable to parent company were
CNY **13.758** billion



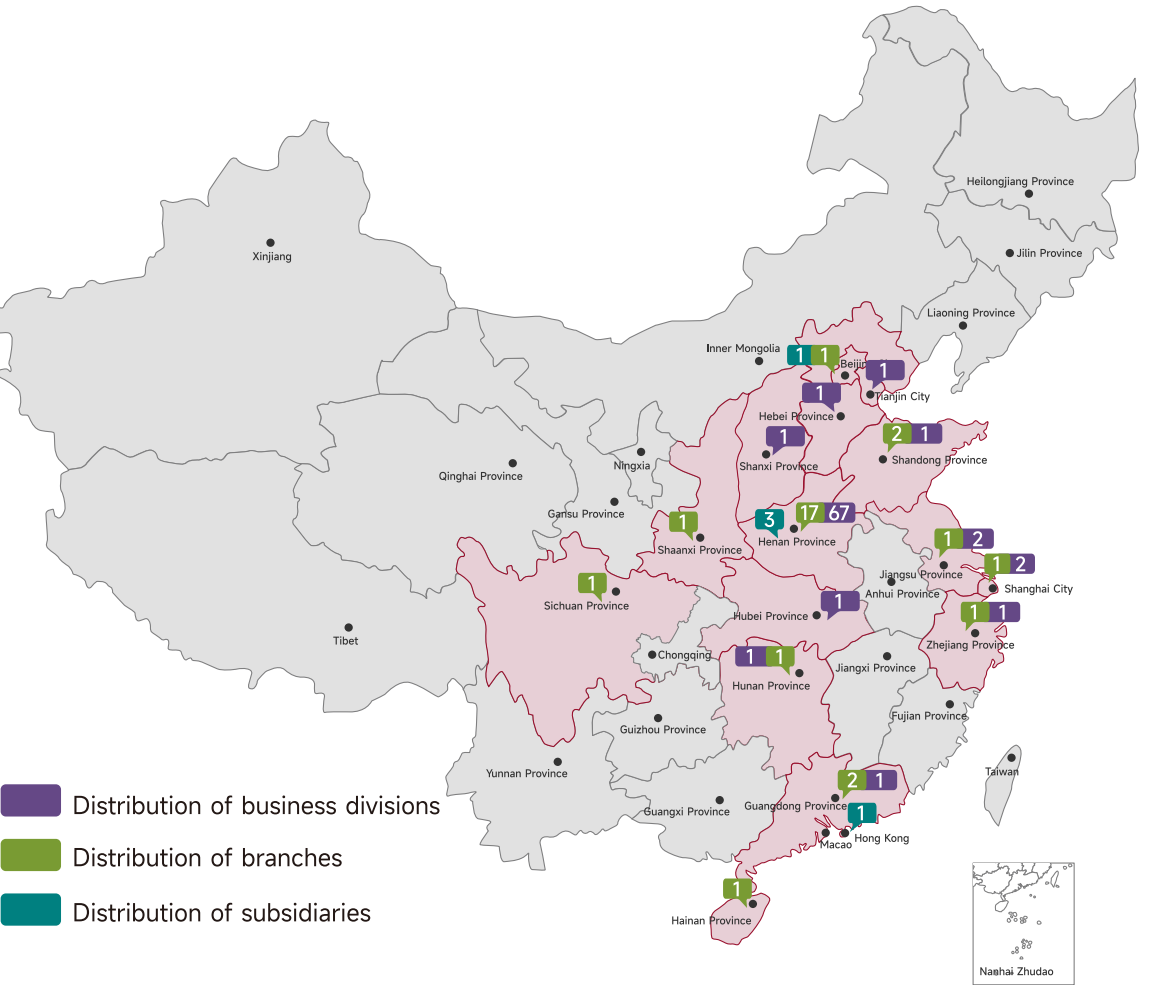
operation revenue of
CNY **1.881** billion

Overview of Corporate Stock

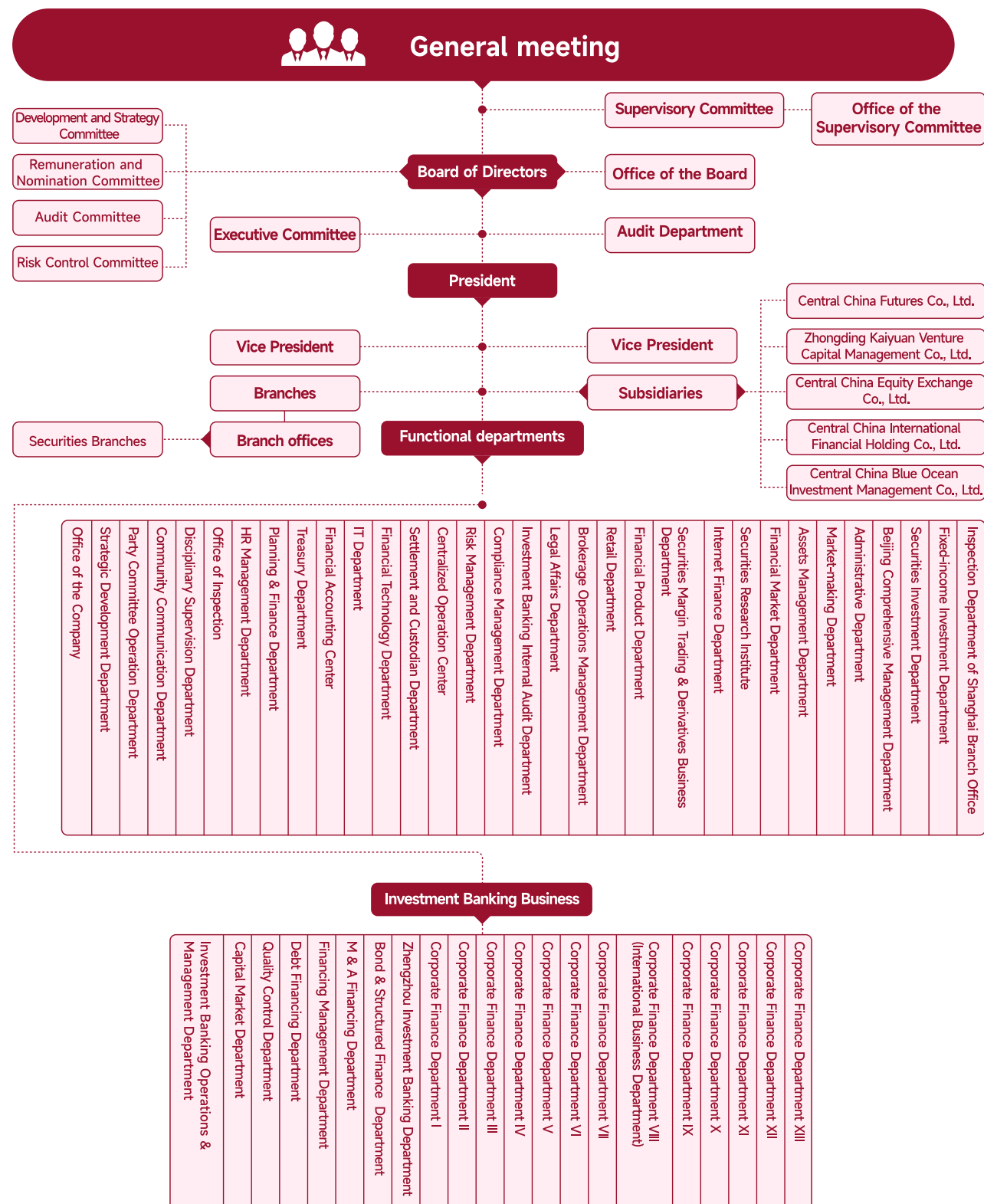
| Stock type | H Share | A Share |
|----------------------------|--------------------------|--------------------------|
| Year of listing | 2014 | 2017 |
| Stock Exchange | HKSE | SSE |
| Abbreviation of securities | Central China Securities | Central China Securities |
| Stock code | 01375 | 601375 |

Up to the end of the report period, the Company had had **5** direct holding enterprises and shareholding enterprises, **30** branches and **79** business divisions, which formed a market layout of Henan Province and even the whole country.

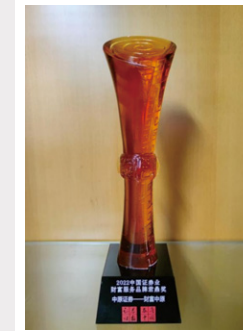
| Distribution of business divisions | | Distribution of branches | | Distribution of subsidiaries | |
|------------------------------------|--------------------------------|--------------------------|----------------------|------------------------------|--------------------------|
| Region | Quantity of business divisions | Region | Quantity of branches | Region | Quantity of subsidiaries |
| Henan Province | 67 | Henan Province | 17 | Henan Province | 3 |
| Shanghai City | 2 | Shandong Province | 2 | Beijing City | 1 |
| Zhejiang Province | 1 | Shanghai City | 1 | Hong Kong | 1 |
| Guangdong Province | 1 | Beijing City | 1 | | |
| Hubei Province | 1 | Jiangsu Province | 1 | | |
| Hunan Province | 1 | Hunan Province | 1 | | |
| Jiangsu Province | 2 | Guangdong Province | 2 | | |
| Shandong Province | 1 | Sichuan Province | 1 | | |
| Hebei Province | 1 | Hainan Province | 1 | | |
| Tianjin City | 1 | Shaanxi Province | 1 | | |
| Hunan Province | 1 | Zhejiang Province | 1 | | |
| Shanxi Province | 1 | | | | |



Organization Chart



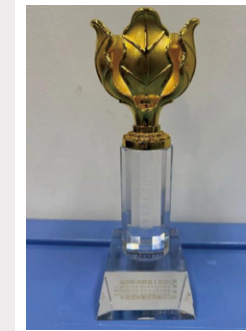
Honors and Awards



2022 Junding Award of Wealth Service Brands of China's Securities Industry



Leading Enterprise Award of 2022 the 6th "Stars Award" Data Drive Industry



2022 Listed Companies with the Greatest Investment Value



Advanced Collective of 2022 Enterprise Basic-level Theory Publicity of Henan Province



2022 Law Popularization Co-construction Unit



"2021 Pudong New Area Economic Outstanding Contribution Award" issued by the People's Government of Pudong New Area of Shanghai City



2022 Excellent Securities Companies with Brand Influence of Henan Province



Class A of "2022 Securities Company Investment Bank Service Quality Evaluation" of Securities Association of China



"2021 Best Advance Award of T-bond Futures (Self-support)" issued by China Financial Futures Exchange

Responsibility Management

ESG Management

Environmental, social and governance (ESG) is the driven factor for the development of corporate social responsibility. As a dual listed securities company in Shanghai and Hong Kong as well as the only corporate broker of Henan Province, while creating economic value, the Company always adheres to the value of serving the country and society through finance, closely integrates the performance of social responsibility and company development strategy, converts the commitment to stakeholders into specific actions and promotes high-quality and sustainable development.

Role of Board in ESG Management

The Company actively identifies the influence of management decision and operation activity, continuously improves the ESG management structure, and integrates ESG concept into development of strategy and daily operation to ensure sustainable and effective implementation of ESG management. The board comprehensively supervises the ESG matters and takes the final responsibility.

The Company has established the ESG management structure comprised of "Supervision level-Organization level-Execution level", and the board, ESG management team and ESG working group perform their responsibilities at different levels as follows:



ESG Management Policy and Strategy

The Company identifies, evaluates and analyzes ESG material issues based on securities industry features and combined with domestic and overseas macro policy and ESG standards. The Company establishes stable and transparent communication channel and feedback mechanism for stakeholders, carries out survey of internal and external stakeholders every year, identifies material ESG issues to acquire the priority of issues and disclose them in the report.

ESG Objective, Indicator and Review Progress

The Company will closely integrate social responsibility into development of strategy and operation activity and devote to converting responsibility concept and stakeholder's commitment into specific actions. During the reporting period, the Company should continuously and effectively carry out ESG work. The board should deliberate ESG issues concerning corporate governance, information disclosure, compliance management, risk management, and public charity, and comprehensively supervise ESG issues of the Group and take the final responsibility.

Communication with Stakeholders

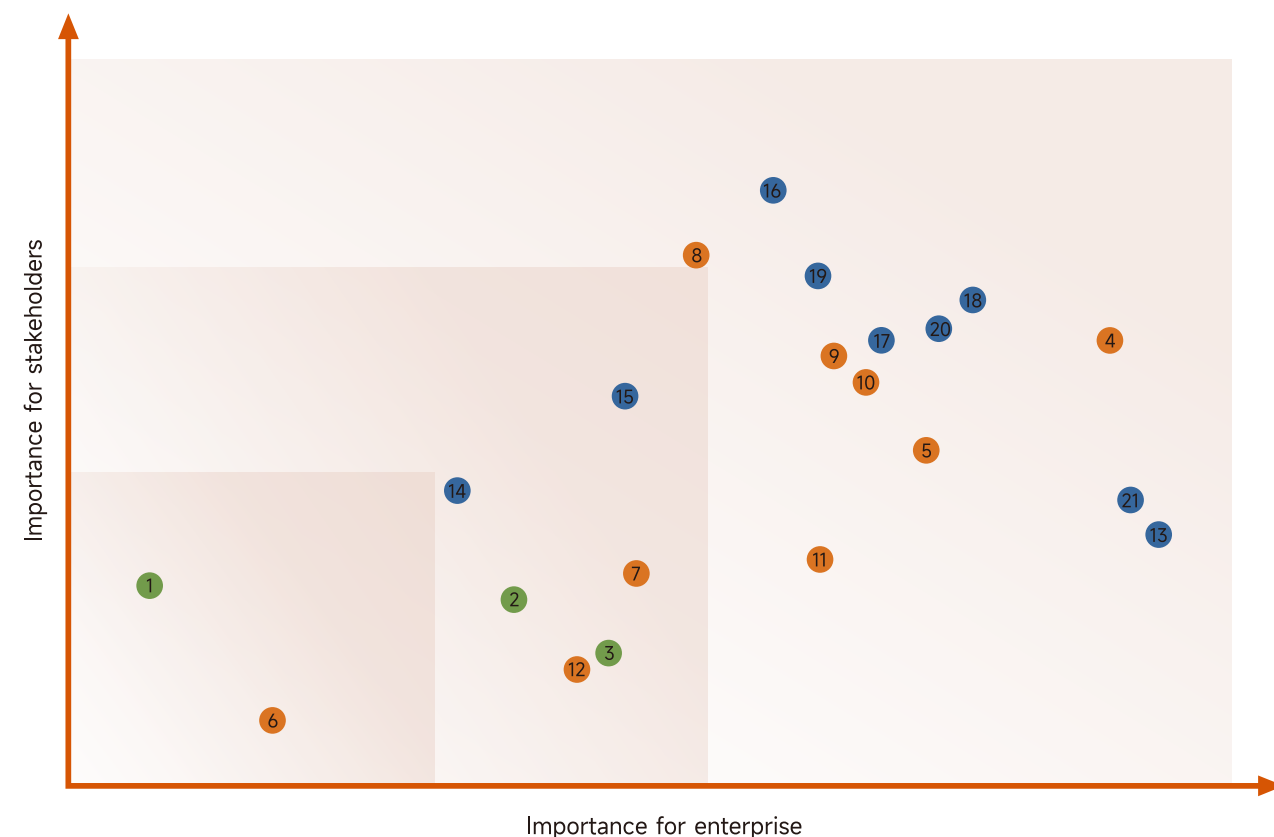
Communication with stakeholders is an essential part of our CSR management. The Group identified key stakeholders, including government and regulators, shareholders and creditors, customers, employees, suppliers and communities according to the characteristics of its actual business, management and operations. The Group has established regular communication mechanisms such as meetings, regular visits and questionnaires to learn about and respond to the expectations and demands of stakeholders.

| Key stakeholder | Issues of concern | Communication and response |
|--|--|---|
|  Government and regulators | <ul style="list-style-type: none">· Serving the real economy· Compliance management· Party-building leadership· Integrity in business· Industry culture construction | <ul style="list-style-type: none">· Policy implementation· Regular communication and reporting· Coordination with regulators in inspection· Engagement in government-led surveys· Information disclosure |
|  Shareholders and creditors | <ul style="list-style-type: none">· Corporation governance· Compliance management· Information disclosure· Protection of investor's rights and interests | <ul style="list-style-type: none">· Shareholder's general meeting· Periodical information disclosure on the website of stock exchange· Investor conference· Telephone, email and SSE E-interactive· Company website and WeChat Official Account, etc. |
|  Customers | <ul style="list-style-type: none">· Information security and customer privacy protection· Responsible marketing· Eligibility management· Financial technology· Industry trend and policy | <ul style="list-style-type: none">· Customer visit· Customer service and complaint hotline· Company website and WeChat Official Account, etc.· Investor education |
|  Employees | <ul style="list-style-type: none">· Employee's rights, interests and benefits· Employee training and development | <ul style="list-style-type: none">· Employee Suggestion box· Communication with labor union· Employee training· Employee activities |
|  Suppliers | <ul style="list-style-type: none">· Compliance management· Supplier management | <ul style="list-style-type: none">· Adoption of procurement management measures· Supplier Inspection· Biddings |
|  Community | <ul style="list-style-type: none">· Social welfare· Rural revitalization· Green operation | <ul style="list-style-type: none">· Community activities· Public welfare activities· Rural revitalization projects· Paperless operations |

Materiality Analysis

The Company identifies, evaluates and selects material issues in the operation process in 2022 according to interpretation of the latest macro policies, regulatory requirements, industry highlights, stakeholder's expectations and development needs and combined with 22 material issues of the last report and determines 21 material issues which are material for the Company and stakeholders.

The Company conducts survey of internal and external stakeholders to identify material issues, invites stakeholders to fill in the questionnaires, understand their concerns, perform assessment associated with field interview and expert judgment and build up an importance matrix for the issues (as shown below). Significant material issues should be disclosed emphatically in the report.



- | | | |
|---|--|--|
| ● 1 Respond to climate change | ● 2 Green finance | ● 3 Green office |
| ● 4 Protection of employee's rights, interests and health | ● 5 Employee training and development | ● 6 Supplier management |
| ● 7 Serving the real economy | ● 8 Financial technology | ● 9 Network information security and customer's privacy protection |
| ● 10 Customer service and complaint management | ● 11 Investor education | ● 12 Rural revitalization |
| ● 13 Party-building guidance | ● 14 ESG governance | ● 15 Risk management |
| ● 16 Protection of stockholders' interests | ● 17 Information disclosure quality | ● 18 Integrity in business |
| ● 19 Anti-money laundering | ● 20 Tax payment in accordance with laws | ● 21 Intellectual property protection |

Highly important issues

4 Protection of employee's rights, interests and health, 18 Integrity in business, 16 Protection of stockholders' interests, 20 Tax payment in accordance with laws, 13 Party-building guidance, 21 Intellectual property protection, 19 Anti-money laundering, 17 Information disclosure quality, 9 Network information security and customer's privacy protection, 10 Customer service and complaint management, 5 Employee training and development, 8 Financial technology, 11 Investor education

Moderately important issues

15 Risk management, 7 Serving the real economy, 3 Green office, 14 ESG governance, 2 Green finance, 12 Rural revitalization

General important issues

6 Supplier management, 1 Respond to climate change



“

We will improve the modern corporate system with distinctive Chinese features, encourage entrepreneurship, and move faster to help Chinese companies become world-class outfits.

——Report made by General Secretary Xi Jinping in the 20th National Congress of the CPC

”



Chapter I Enhancing Governance Efficiency

(I)

Strengthening Party-building Leadership



In 2022, Central China Securities, with the mainline of welcoming the 20th CPC National Congress and studying and implementing the spirit of the 20th CPC National Congress, enhancing cohesion and forging the Party's soul with the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, comprehensively strengthening the party leadership when deepening the reform, leading and guaranteeing the "primary task" of development by the "first responsibility" for party building, promoting party building, comprehensively advance our efforts to exercising full and rigorous self-governance, developing in depth and breadth and offering a strong political guarantee for high-quality company development.

Political building

The Company focuses on political guidance and intensifies ideological development. The Party committee formulated the "First Issue" system, convened meetings 21 times, considered the overall situation, discussed major issues, grasped the key point, implemented 28 important decisions and deployments of the central government and the provincial Party committee, studied 54 major business management matters, and studied the spirit of the latest important speeches of General Secretary Xi Jinping and important articles 23 times.

Ideological building

The Company strengthens ideological control and builds the ideological line of defense. The Company convened ideology seminars 4 times to systematically analyze the ideological risk of the Company. Carrying out propaganda based on management key, reform highlights, development highlight, and party-building focus, publishing over 60 propaganda articles in mainstream media at different levels and distribute 61 issues of *Central China Securities Party Building Information*. The Company was awarded by the State-owned Assets Supervision and Administration Commission of Henan Province "2022 Advanced Collective of Primary-level Theoretical Propaganda of Provincially-Administered Enterprises" for its Party building propaganda work.

Organizational building

The Company solidifies primary-level Party building organizations and establishes a solid barrier. The Company also formulates a *Rigorous Party self-governance statement for Year 2022*, distributes essentials of yearly Party building initiatives, establishes a quarterly Party building meeting mechanism, and solidly promotes the implementation of key work. Comprehensively implement standardize projects, organize learning seminars, and continuously promote "Advance and Full Coverage" of standard projects of primary-level Party branches, with the Party branches of Xuchang, Louhe and Hebi awarded by the State-owned Assets Supervision and Administration Commission of Henan Province as Standard Construction Demonstration Unit of Provincially-Administered Enterprises. The Company supervises and guides general election of 7 Party branches, specifies the responsibilities of Party branch secretary and members, strengthen the development of the leading group and reinforce the implementation of responsibility. Strictly control the development of party member, implement "dual promotions, dual evaluations and triple whole processes" requirements and develop 45 probationary party members. The Company launches a Party building cloud platform, carries out systematic training, formulates *Common Function Guide* and improves the information level of Party building work.

(II)

Improving Corporate Governance

1、Governance structure

Standard and perfect governance structure is the cornerstone for corporate governance. The Company establishes and improves the corporate governance structure, comprised of the shareholders' meeting, the Board of Directors, the Board of Supervisors, and management, in strict accordance with the requirements of *Company Law*, *Securities Law*, *Code for Governance of Listed Companies*, *Listing Rules of Stock Exchange* and other laws, regulations and normative documents, in order to effectively ensure coordinated production and management activities and sustainable development.

In 2022, the Company was established in own practical situation, learnt from advanced industry experience, promoted innovation of internal governance structure, formulated and comprehensively implemented the executive committee system based on "Voting System", further improved the decision efficiency of major management matters, revised the rules of procedure for General Manager's office meeting, promoted the General Manager's office meeting and the Executive Committee to discharge their duties, and formed a balanced mechanism with clarified rights and responsibilities, mutual coordination and effective control for Party committee leadership, board decision, management implementation and supervisor's supervision to promote modernization of corporate governance system and ability.



During the reporting period, the Company made a substantive breakthrough in reforming the recruitment and selection of professional manager and took the lead in appointing the General Managers through public recruitment. This was an important procedure for the Company to become the first provincially-administered financial enterprise practicing the professional manager system of Henan Province and reform the market-oriented system.



2. Operations of three boards

Shareholders' General Meeting



During the reporting period  5 shareholders' general meetings  35 proposals were deliberated


During the reporting period, the Company convened five stockholders' meetings and deliberated 35 proposals. The Company revised its *Articles of Association and Rules of Procedure for Shareholders' General Meeting*, strictly abiding by *Company Law*, *Shareholders' Meeting Rules of List Companies* and other laws and regulations. Terms including the lead time of shareholders' meeting notice, voting method and deliberative procedures for appointment and dismissal of directors were revised and supplemented, and further standardizing the deliberation procedures of shareholders' meeting for the sake of protecting shareholders' core rights.

Board of Directors



During the reporting period  8 meetings of the Board of Directors  65 proposals were deliberated

The Board of Directors practically performs the duties given by the stockholders' meeting in strict accordance with relevant provisions of *Company Law*, *Securities Law* and other laws and regulations, as well as the *Articles of Association*. During the reporting period, the Company convened board meetings eight times, and passed 65 proposals such as professional manager systems, public recruitment of general managers, secondary private placement, and the appointment and selection of executive committee members.



During the reporting period  15 meetings of the special committees of the Board of Directors

The Board of Directors has established the Development Strategy Committee, Audit Committee, Remuneration and Nomination Committee and Risk Control Committee. During the reporting period, the Development Strategy Committee convened 4 meetings, the audit committee convened 5 meetings, the remuneration and nomination committee convened 4 meetings, and the risk control committee convened 2 meetings to review the annual work report, the compliance risk control report, and the relevant proposals submitted to the Board of Directors in advance and to offer opinions and suggestions for efficient decision made by the Board of Directors.

In 2022, Mr. Tang Jin and Mr. He Jun were appointed as directors of the seventh session of the Board, bringing new blood to the Board of Directors and further optimizing the organizational structure. The board members include experts in various fields and executives of large enterprises from the Mainland of China, Hong Kong and other regions, with professional background in economics, finance, and accounting. The complement of knowledge, skill, experience among directors achieves diversity in board members and professionalism in decision-making.

Board of Supervisors



During the reporting period  6 meetings of the Board of Supervisors  29 proposals were deliberated

The Board of Supervisors actively plays a supervisory role by focusing on the company's reform and development, organizing financial inspections, performance evaluations of directors, supervisors, and senior executives, internal control risk supervision, special research, asset impairment, and other important matters, solidly and effectively carrying out supervision and inspection work, and giving full play to its supervisory functions. During the reporting period, 6 meetings of the board of supervisors were held and 29 proposals were deliberated.

Composition of Board of Directors:

| | | |
|---|----|---------------------------------|
| Number of directors | 11 | Number of female directors 2 |
| Number of executive directors | 1 | |
| Number of non-executive directors | 6 | |
| Number of independent non-executive directors | 4 | |

Composition of Board of Supervisors:

| | | |
|-----------------------------------|---|-----------------------------------|
| Number of supervisors | 9 | Number of female supervisors 3 |
| Number of employee supervisors | 3 | |
| Number of independent supervisors | 2 | |

3、Information disclosure

The Company values information disclosure, continuously improves the information disclosure system, formulates and revises the *Information Disclosure Management System*, constantly improves the information disclosure mechanism, and optimizes the information disclosure procedure.

In 2022, the Company released announcements and documents over **300** times on SSE, HKSE and company website.

In 2022, the Company actively carried out information disclosure work and strived to improve the quality of information disclosure. The Company continues to pay attention to changes in laws and regulations and the latest requirements for information disclosure both domestically and internationally and compiles information disclosure operation manual; carries out training and propaganda of information disclosure regulations within the company to raise employee's awareness of information disclosure; improves periodic report quality and prepares important temporary announcements such as changes in equity in a timely manner to ensure compliance, timeliness and effectiveness of information disclosure, continuously improves company transparency and ensure investor's right to be informed; the Company innovates information disclosure form by preparing visualized annual reports, presenting investors performance highlights in an illustrated way so that investors understand the company in a more vivid way with 5,300+ online views..

The Company deeply implements the idea that "Compliance Creates Value, Everyone is Responsible for Compliance, and Compliance is the Lifeline", strengthens the "risk-oriented" compliance management mechanism and builds comprehensive compliance management systems with clear division of work. The Company has a well-established compliance management systems based on *Articles of Association*. The Company had had 55 compliance management regimes by the end of 2022.

In 2022, the Company continuously advanced compliance-related systems, optimized employee's securities investment behavior and customer's abnormal transactions and other system monitoring indexes; optimized compliance management procedure and elevated compliance management standardization and refined management level; continuously intensified audit and consulting of key businesses, carried out compliance supervision and management within the whole company, organized various compliance inspections, and deepened compliance propaganda and training to improve the level of compliance management.

In 2022, the Company formulated and revised 8 compliance regimes including compliance supervision and management measures, honest practice, integrity management, compliance manager management and investor's rights and interests protection; organized more than **1,100** compliance inspections in terms of corporate discipline, major decision as well as proposal about new product and business, and continuously provided daily compliance consulting service; organized to prepare and distribute more than **170** publicity materials, organized nearly **20** times of internal compliance management training and participated in nearly **30** times of external training organized by regulatory authorities and self-discipline organizations; released **180** compliance supervision documents, carried out internal and self-inspection more than **30** times, monitored the investment behavior of employees, information isolation, anti-money laundering, and client transaction anomalies, swiftly handled over **3,000** early-alarming messages, followed up and supervised the related parties, and took further actions when necessary in order to effectively prevent and mitigate the compliance risk. **55** compliance management systems by the end of 2022.

(III) Implementing Prudent Compliance Management

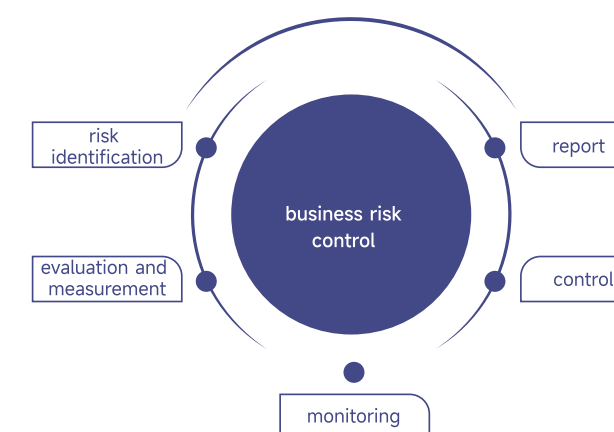


(IV) Building a solid Risk Control System

The Company highly values financial risk prevention and constantly strengthens its risk control systems. During the reporting period, the Company effectively implemented stable risk preferences. Risk tolerance indexes such as risk coverage and capital leverage ratio meet the standard throughout the year. The risk limits of all business lines of the headquarters and subsidiaries were effectively controlled, and the Company was managed steadily without any severe risk incidents.



Structure of comprehensive risk management



In 2022, the Company gradually deepened business risk control through risk management processes such as risk identification, evaluation and measurement, monitoring, control and report. The Company improved risk tolerance and risk limit index system and optimized resource allocation; started the construction of net assets consolidated management system, quickly promoted system construction of the same business and the same customer and promoted risk management digitalization level; strengthened risk management team building, improved risk management culture construction, authorized management system and risk quantitative index system, and strengthened professional degree of risk management; evaluated the effectiveness of valuation and impairment models for financial instruments and optimized valuation and impairment processes ensure the scientificity of valuation and impairment.

Reputational Risk Management

① Improve the reputational risk management system, optimize the reputational risk management structure, the division of labor, management procedures, emergency mechanisms, the worker's code of conduct, and the report system.

② Develop a reputational risk management system that can timely identify and dynamically monitor reputation risks.

Risk Management of Subsidiaries

① Revise the *Risk Management Method of Subsidiaries*, clarify the risk management responsibilities of the group and subsidiaries, and organize to sort out key points and improvement suggestions for subsidiaries.

② Formulate *the Risk Management Guide of Hong Kong Subsidiary*, further clarify specific requirements for risk control of subsidiaries in Hong Kong from the view of the headquarter, and improve the risk control index and system to further elevate the risk management level of the group and subsidiaries.

Operational Risk Management

The Company continuously explores the real-time monitoring and pre-warning plan in the information system for operational risk, and plans to set associated indexes in the key risk index modules of the operational risk system based on operational risk indexes of the internal control system, in order to collect and make statistics of pre-warning data from the internal control system indexes and realize systematic monitoring of operational risk.

New Business Risk Management

① Advance the development of the risk prevention and control systems for over-the-counter derivative business, non-fixed income securities business, standard bond forward business and quantitative investment business.

② Review the application materials of inter-bank bond market maker of Shanghai Branch Office and assist in improving system building.

By the end of the reporting period, the Company has formulated or revised 56 risk control systems, such as *the Comprehensive Risk Management System, Risk Preference Management Method and Market Risk Management Method (Trial)*.

In 2022, the Company formulated 241 risk monitoring daily reports, 50 monitoring weekly reports, 12 monitoring monthly reports, and 1 annual report; submitted 12 core monitoring reports on risk control indexes and risk event summary sheets of securities companies to the China Securities Regulatory Commission; gave 129 risk reminders for all businesses and subsidiaries; organized trainings on reputation risk, consolidated management, and credit investigation about 16 times; and carried out monthly inspection of IT risk management 12 times.



(V) Protecting Intellectual Property

The Company formulates and continuously improves its *Intellectual Property Management Method and Action Plan for Strengthening and Improving Intellectual Property Management* in strict accordance with the requirements *Trademark Law, Patent Law, Copyright Law, Regulations Reguon Protection of Information Network Dissemination Power and Regulations on Protection of Computer Software*, and protects intellectual property rights and business information of the Company, customers, and third-party organizations.

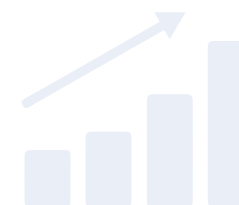
In 2022, the Company timely renewed the trademark and actively applied for trademark registration. The Company carried out intellectual property law propaganda through different channels and forms, prepared *Cases of Intellectual Property and 12 Tips about Intellectual Property Legal Risk Prevention*, summarized some essentials of intellectual property risk prevention, reminded related departments to strengthen management of key parts such as pictures, text, and software, raise awareness of intellectual property risk prevention and provide protection.

(VI) Deepening Investor Relations Management

1、Investor communication

The Company persists in providing investors with high-quality service, and continuously intensifies investor communication, both online and offline, to protect investors rights and interests. The Company establishes a comprehensive daily communication mechanism and has multi-channel and multi-dimension communication with investors through the SSE e-interaction platform, investor's email/hotline, on-site reception, performance presentation, investor meet-and-greet, and road show, in order to protect investors' rights to be informed and participation rights, especially medium and small investors, and maintain a good relationship with investors.

In 2022, the Company answered more than 350 questions through the investor hotline and the SSE e-interaction platform. The Company convened three performance presentations, actively participated in the online investor reception day activity organized by the China Securities Regulatory Commission and the China Association for Public Companies, introduced the company management situation to investors, and answered their questions about the company's strategic development, periodic report, and shareholder information to enhance investors' confidence.



The best listed company of investor relations management in 2022



In *Stockholders Are Coming* 2022 "Hello, Registration System" short video competition, the Company honorably won the "Bronze Prize".



Convene 2021 performance presentation



Convene 2022 semiannual performance presentation

2. Investor's return

The company has always followed the rules of the international capital market and has been committed to rewarding investors with practical actions, sharing the growth benefits of the company with them. On July 12, 2022, based on a total share capital of 4,642,884,700 shares, the company distributed a cash dividend of CNY 0.21 (taxes included) per 10 shares to all shareholders (including A-share and H-share shareholders), totaling CNY 97,500,600 (taxes included).

(VII) Promoting construction of Industry Culture



Industry culture is an important manifestation of soft power and core competitiveness of securities institutions, and the impetus and foundation for high-quality development of the securities industry. In 2022, Securities Association of China released *Evaluation Criteria for Implementation of Cultural Construction of Securities Companies (for Trial implementation) and Guidelines for Preparation of Annual Reports on Culture Construction Practices of Securities Companies* to carry out the assessment of culture construction practices and the preparation of annual reports on culture construction practices of securities companies in order to provide reference and guidance for securities companies to further practice culture construction.

The Company has deeply implemented the securities industry culture concept of "compliance, integrity, professional and stability", integrated the industry culture construction into corporate governance, and practiced the enterprise spirit of "simple and kind, honest and generous, rigorous and persistent, pragmatic and effective", and provided value leadership and spiritual support for the Company's high-quality development.



1、Enterprise culture construction

In 2022, the Company incorporated culture construction into its five-year development plan according to the requirements of China Securities Regulatory Commission and Securities Association of China on industry culture construction and its own operational demands, with reference to the *Ten Elements of Culture Construction in the Securities Industry*, to fully practice the elements of culture construction in the securities industry, present a good image of the Company, enhance corporate cohesion and attractiveness and boost high-quality development of the Company.

Cultural construction activities of the Company in 2022

1 The Chairman of the Company published an article in the "High-end Perspective" section of the first issue of *China Securities* in 2022, entitled "Enriching Cultural Heritage, sticking to the Initial Mission, and gathering strength for a New Round High-Quality Development"

2 The Chairman of the Company published an article entitled "Adhering to the original heart of financial service to help the development of the real economy" in the activity of "Studying the report of the 20th CPC National Congress" held by Securities Association of China and CaiLian Press.

3 The Company held a competition for the production of compliance culture publicity materials on the theme of "Compliance is everyone's responsibility, compliance creates value", organized the production of compliance culture publicity materials, and continued to promote the core concept of compliance culture.

4 The Company carried out the integrity culture essay activity, summarized, selected and organized the relevant articles, printed the collection of integrity culture articles of the Company's corporate culture construction, and continued to carry out promotion of the core concept of integrity culture.

5 The Company published internal magazines of Central China Securities, collection of company news reports, to promote the corporate culture and intensify the cultural identity.

6 The Company practiced the concept of "professional" culture, conducted "Enjoy Reading" activity, selected professional financial books and prepared publicity materials of "Enjoy Reading" activity, and continued to promote the core concept of professional culture.

2、Anti-money laundering

The Company strengthens the organizational leadership of anti-money laundering work, continuously improves the systems and work-flow of anti-money laundering, optimizes the construction of anti-money laundering information system and improve the prevention and control capability of anti-money laundering risks in accordance with the requirements of various regulatory documents such as *Anti-money Laundering Law*, *the Administrative Methods for Customer Identification and Retention of Customer Identity Information* and *Transaction Record of Financial Institutions*, and *Administrative Methods for Large Transaction and Suspicious Transaction Reports of Financial Institutions*, etc.

The Company has established a sound anti-money laundering system and has a total of 17 existing anti-money laundering management systems. During the reporting period, the Company formulated and revised anti-money laundering guidelines for investment banking, stock pledging and assets management business, as well as 5 anti-money laundering systems such as anti-money laundering information security, large transactions and suspicious transaction reporting management, released 10 issues of anti-money laundering regulatory updates, penalty cases and new regulation express, and launched the anti-money laundering publicity materials collection activity on "Preventing Money Laundering Risks, Building a Strong Line of Defense", and displayed promotional videos and warning cases through WeChat Official Account.

In 2022, the Company organized branches to actively participate in anti-money laundering publicity materials collection activity on "Preventing Money Laundering Risks and Building a Strong Line of Defense" organized by Henan Securities Regulatory Commission, and screened out outstanding works and exhibited them in the official account of the Group's investment and education base. The Company advocated and promoted the culture of money laundering risk management and effectively enhanced the awareness of investor's rights and interests protection by conveying the latest anti-money laundering regulatory spirit and money laundering risk prevention and control risk to the Company's employees and investors through various channels such as the official website, investor education platform, WeChat Official Account, promotional videos, case display boards and knowledge manuals,

The Company completed the first self-assessment of money laundering risk based on new regulations in accordance with the *Provisions for the Supervision and Administration of Anti-money Laundering and Anti-terrorist Financing of Financial Institutions*, the *Guide lines for Self-Assessment of Money Laundering and Terrorist Financing of Financial Institutions* and the Company's Self-Assessment of *Administrative Methods for Money Laundering and Terrorist Financing Risks*.

Participated in external training on anti-money laundering

In 2022, the Company organized senior management and relevant staff of the Anti-money Laundering Management Department to participate in external trainings organized by People's Bank of China Zhengzhou Training College, Securities Association of China and Henan Securities Regulatory Commission. The training covered customer due diligence practices, regulatory situation and work requirements, case analysis and suspicious transaction monitoring and analysis, etc., to guide the standardization of the Company's anti-money laundering management and provide a practical model for the Company with self-check, self-correction, optimization and improvement.

Conducted internal special training on anti-money laundering

To implement anti-money laundering, anti-terrorist financing and anti-tax evasion regulation mechanism, enhance the awareness of money laundering risk management and master the policy requirements related to anti-money laundering work, the Company held a special training on the practice of anti-money laundering for compliance staffs in 2022. The training targets were mainly staff of key business such as stock pledge financing, investment banking and assets management and new employees of the Company. The training covered domestic and international anti-money laundering regulation, anti-money laundering management responsibilities and work priorities, case analysis of regulatory penalties and key business concerns on anti-money laundering, etc., to further improve employee's awareness of money laundering risk prevention and professional knowledge of anti-money laundering.

3、Integrity in Business

In 2022, the Company continued to deepen the management integrity in business, incorporated the construction of integrity culture, integrity management objectives and general requirements into the Company's *Articles of Associations*; strictly complied with the requirements of *Several Provisions on Integrity of Leading Personnel of State-owned Enterprises* and *Regulations on Integrity of Securities and Futures Trading Agencies and Their Staffs*, revised the *Integrity Management Measures*, improved integrity management system, and supervised all units to integrate integrity in business and ethics into business processes.

The Company vigorously promoted the construction of integrity risk prevention and control mechanism, enhanced "four styles" rectification, continuously strengthened integrity warning education for employees, seriously investigated and punished corruption and other disciplinary violations, resolutely prevented and eliminated behaviors regarding to transferring or seeking improper benefits prohibited by relevant laws and regulations; and combined with industry violation cases, we prepared and issued regulation updates, case compilations and various correspondences to convey the latest requirements of integrity management to all employees, effectively strengthening their awareness of integrity in business and building a culture of integrity. In 2022, the Company had no corruption litigation occurred.

The Company launched the "Professional Empowerment - Financial Supervision Seminar", compiled the key contents and methods of supervision, improved the "1+N" supervision pattern, exercised follow-up and embedded supervision, and conducted 5 integrity interviews with 32 persons in 2022.

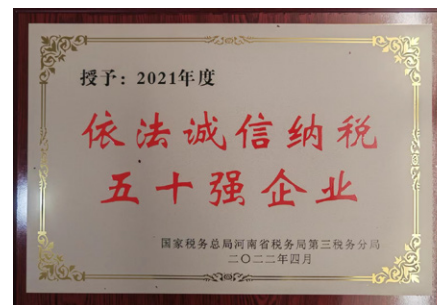
Central China Securities strengthened the management measures of integrity in business in 2022:

| | |
|---|--|
| 1 | The Company released the integrity in business initiative to all employees, revised and improved the Company's integrity in business commitment for all business lines and enhanced the awareness of integrity in business responsibility. |
| 2 | The Company organized annual special training on integrity, taking the case as a lesson, reaffirming the integrity requirements for all business lines to prevent the risks of integrity, firmly adhering to the bottom line of integrity and creating a clean culture of integrity. |
| 3 | The Company activated the mechanism of supervision letter on integrity in business for key business areas such as investment banking, investment, brokerage, stock pledge and relevant subsidiaries, distributed "Integrity Supervision Letter" to clients and third-party institutions as needed to fully inform them of integrity in business regulations for securities practitioners and request them to supervise the integrity of the Company's employees. |
| 4 | In addition to incorporating integrity in business into the scope of regular supervision and inspection, the Company organized an annual special inspection of integrity in business to fully develop the supervision role of front-line compliance managers to accurately and effectively identify and respond to risks. |

4、Legal tax payer

The Company firmly established the business philosophy of "Law-abiding operation and honest tax payment", insisted on the principle of "Paying taxes according to the law", strictly complied with tax policies, established a more complete tax management system and actively performed its social responsibility.

In 2022, the Company was awarded the honorary title of "2021 Top 50 Legal Taxpayers" by the Taxation Bureau of the Henan Province State Administration of Taxation, which was a full affirmation of the Company's business development and tax contribution for the year and a high evaluation of the Company's in-depth practice of its responsibility as a financial state-owned enterprise.



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Presently, China digital economy is booming. To offer high-quality service to the real economy, the capital market must further accelerate digital transformation, strive to elevate the digitalization level and jointly promote its high-quality development.

——Vice-chairman of China Securities Regulatory Commission
Li Chao said in 2022 Financial Street Forum

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Chapter II Enabling Value Sharing

(I) Serving the Real Economy

The mission and purpose of finance is to serve the real economy. The direction and responsibility of financial institutions is to offer better and more efficient financial service around the real economy.



Signing ceremony of "Dingyu Xiangbei equity investment fund"

Central China Securities, as an important carrier of the capital market of Henan Province, has adhered to its mission of serving the real economy through financial services. The Company closely focuses on the essentials for the development of real economy enterprises, and continuously promotes the "Three-in-One" financial service mode (namely Central China Securities invests in real economy enterprises and attracts social capital to invest in, the cooperative banks provide loan to the enterprises for implementing investment and loan linkage, and the Investment Bank Department of Central China Securities as the sponsor recommends the enterprise to go for listing). The Company has made a series of new development and breakthroughs. In 2022, the Company helped enterprises and local government to finance with equity and debt valued over CNY40 billion, which positively contributed to the development of the real economy.

In 2022, the Company comprehensively amplified the function of "Three-in-One" financial service mode, strengthened the effectiveness of investment in the real economy, established "Hebi electronic industry fund" and "Dingyu Xiangbei equity investment fund", constantly deepened "walking with giants" strategy, invested in a group of high-tech enterprises such as Origin Dynamics, Bluepha, Ruichips, Wittmann, TRANSIT NEW CAN and SHENGDA AUTO to facilitate with corporate finance and intelligence and promote regional economic development.

Case

invested
CNY**20.4168** million
in WEI-LONG

raised funds of approximately
HKD**900** million

Central China Blue Ocean helped WEI-LONG make great progress in the capital market

Central China Blue Ocean invested CNY20.4168 million in WEI-LONG on June 21, 2021 to help with equity financing before listing..This investment helped WEI-LONG expand products, channels and other businesses in 2022.

On June 27, 2022, WEI-LONG submitted an application for hearing to Hong Kong Exchanges and Clearing Limited (HKEX).

On December 15, 2022, WEI-LONG (09985.HK) was formally listed on HKSE, raising funds of approximately HKD900 million, which formally opened up the internationalized process and a new chapter for accelerating "go out" of enterprises of Henan Province.

During the reporting period, the Company continuously improved the investment and loan linkage mechanism and focused on solving the financing difficulties of micro, small and medium-sized enterprises. The Company cooperated with ZHONGYUAN BANK, China Merchants Bank, China Minsheng Bank and other commercial banks in supporting "Specialized, Refinement, Differential" enterprises with development potential, introducing funds from bank into excellent enterprises invested by the Company and solving the financial difficulties of middle and small-sized enterprises. The Company's holding subsidiaries including Zhongding Kaiyuan, Central China Blue Ocean and Kaiyuan Private Equity were included in the list of "Specialized, Refinement, Differential" investment cooperation institutions of the Department of Industry and Information Technology of Henan Province.

Case

Zhongding Kaiyuan helped many enterprises with the approval of bank credit

Zhongding Kaiyuan investigated TRANSIT NEW CAN, Origin Dynamics, DAHUA Security and other projects jointly with China Merchants Bank and the Department of Science and Technology of Henan Province, with bank credit of over CNY**200** million, which included CNY**10** million of Zhonghuaying Packing from INDUSTRIAL BANK, **10** million Yuan of TRANSIT NEW CAN from China Merchants Bank, CNY**10** million of Jiuru Feizhi from China Merchants Bank and CNY**3** million of Newbase from China Merchants Bank, and obtained solid results in investment and loan linkage.

The Company exploited the professional advantages of investment banking and strongly supported listing and re-financing of enterprises. The Company formulated differentiated and featured service standards to promote the implementation of key projects, such as "Ho Eye", "Ronshin Group" and "Beijing Waluer Information Technology" and continuously promoted the application and approval of re-financing project of "Henan Ancai Hi-tech", "Henan Bccy Environmental Energy", "Palm" and "Jiangsu Boamax Technologies" and IPO project of "Wuhan Lead Electric Power Technology".

During the reporting period, the investment banking of the Company helped with financing valued CNY14.742 billion by means of IPO, directional add-issuance of listed company, corporate bond and debt distribution, including equity financing of CNY4.583 billion, debt financing of CNY10.016 billion and NEEQ financing of CNY144 million. The underwriting income of IPO project of the Company ranked 25th, the total income of equity underwriting and sponsor business ranked 25th, and the investment bank business was rated A class.

Case

Continuously improve incubation service function of the Equity Exchange

The Equity Exchange increased 454 listed enterprises. By the end of the reporting period, the Equity Exchange had had over 10,000 listed enterprises and helped with corporate financing valued CNY23.207 billion, and assisted a number of enterprises such as Shenzhen Senior Technology, Zhengzhou Qianweiyangchu Food, Henan Jindan Lactic Acid Technology, Zhongjing Food, Henan Xiangyu Medical Treatment Equipment, to successfully list on A Share.

Case

A series of road show of excellent enterprises (projects) of strategic emerging industries of Henan Province-Road show of the Department of Industry and Information Technology

In July 2022, a series of road show of excellent enterprises (projects) of strategic emerging industries of Henan Province-Road show of the Department of Industry and Information Technology was successfully held. The road show helped 2 enterprises raise funds valued CNY215 million.



The Company has innovatively implemented a leadership group member responsibility system. With the leadership of company leaders and the assistance of department heads, investment bank, business team of investment company and relevant branches made up a capital market service team that connects with various provinces and cities, actively providing "one-to-one" accurate service and guiding regional economic development through the capital market. In 2022, main company leaders conducted in-depth research and investigation into enterprises in various regions to understand their development needs, expectation and urgency, intensified training for micro, small and medium-sized enterprises and actively promoted relevant knowledge of the capital market in local areas to enhance enterprise' s understanding of the capital market. The Company acted in cooperation with local governments of Hebi, Puyang, Jiaozuo and Anyang and assigned professionals to take a temporary post in financial management departments in Nanyang and Anyang, deeply cultivating the listing work of enterprise, actively integrating into the overall situation of serving social development and supporting the development of the real economy.

The "Three-in-One" financial service mode of Central China Securities was fully recognized by the Party Committee and the People' s Government of Henan Province. On June 29, 2022, the People' s Government of Henan Province released *Henan Province Five-year Action Plan for Promoting Listing of Enterprises*, which formally included the "Three-in-One" financial service mode of Central China Securities into the document of the provincial People' s Government.

In the future, the Company will continue shouldering the responsibility and great trust to serving the development of the real economy, further deepen the "Three-in-One" financial service mode, practically play the role of local securities traders, focus on improving the professional level of serving the real economy and regional development and promote industry development and empower development of the real economy by capital.



(II) Optimizing Customer Service

The Company improves online service platform and operation mechanism to improve online service capability and deepen customer service experience. The Company also strengthens the functions of APP, PC terminals and the construction of enterprise WeChat, and enhances online standardized service function and improves the convenience of online transaction and business processing; promotes the application of artificial intelligence technology in the counter operations, transforms the digital process of securities margin trading, securities lending, credit reporting and account opening, so that it can reduce the processing time. During the reporting period, the Company's securities brokerage business launched 56 smart customer operation scenarios, built a digital marketing network, and honorably won Leading Enterprise Award of 2022 the 6th "Stars Award" Data Driven Industry. The four major internet operation indicators of the Company's "Caishengbao" APP, including DAU and MAU, ranked 24th among securities traders.

The Company followed customer dynamics, timely responded to customer needs and established "General Manager hotline" of branches. Customers can consult and give opinions, suggestions, appeals and feedback on their demands 24/7 in the form of telephone, WeChat, QQ and email. The Company has formulated and improved *Customer Complaint Management Method* to standardize the processes of complaint acceptance, complaint handling, complaint feedback, and follow-up, clarify the responsibility of all units, improve the handling efficiency and ensure to handle customer complaints timely and effectively. According to 2022 statistical data of customer complaint hotline 95377, the customer service satisfaction reached 99.75%.

the customer service satisfaction reached

99.75%

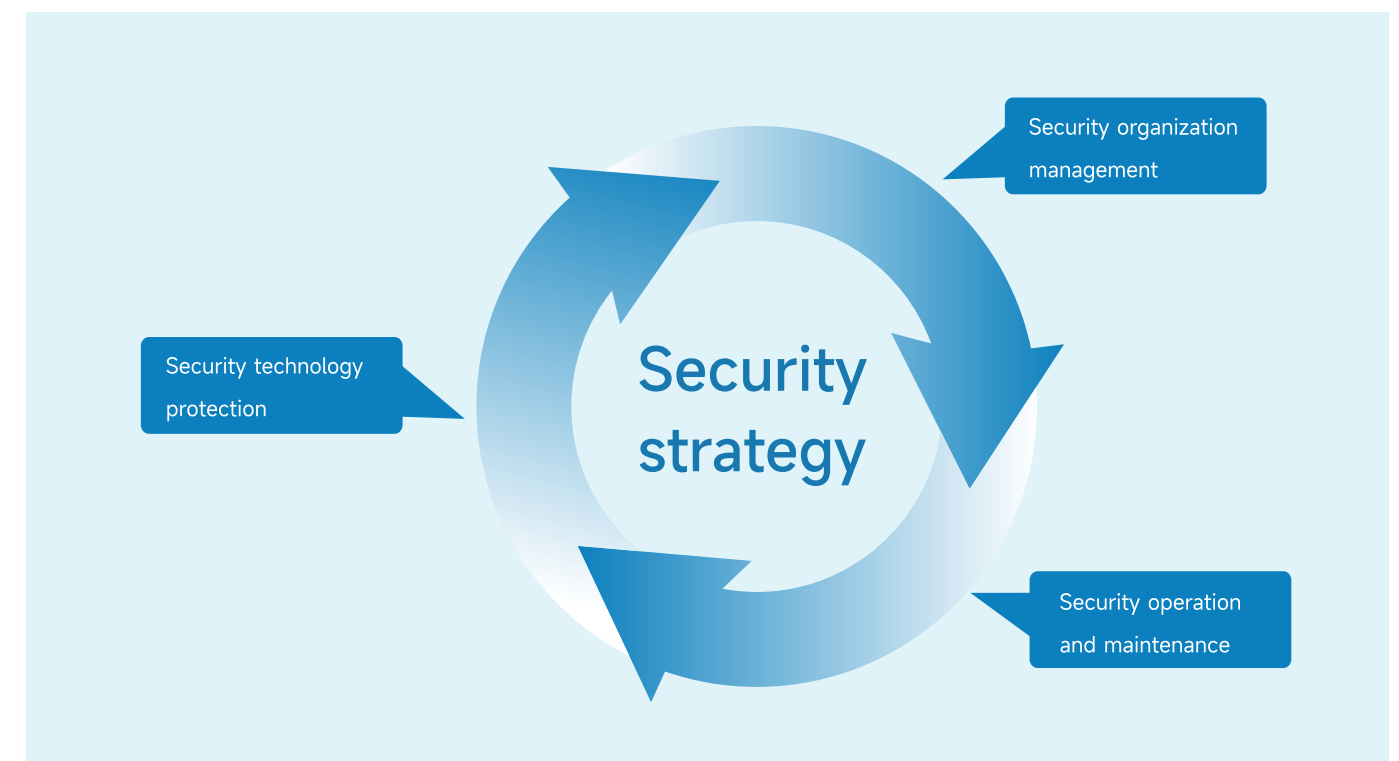


(III) Protecting Information Security

Customer privacy protection is a top priority in the Group's work, complies with the guideline of "Emphasis on Prevention, Security First, Full Engagement, Comprehensive Management, and Continuous Improvement" and implements information safety work to further protect customer privacy.

The Group acted on the guidelines of "Emphasis on Prevention, Security First, Full Engagement, Comprehensive Management, and Continuous Improvement" and developed the information security system and information security framework based on "one core, three basic points". The Group established the hierarchical structure composed of the information security leading group, information security management team, and information security personnel, implemented the security technology system for pre-event prevention, mid-event monitoring, and post-event audit, further regulated information security management, and reinforced the security assurance capabilities of network information systems.

Three-in-One information security assurance framework



In 2022, the Company revised and improved *Caishengbao Privacy Policy*, *Information Technology Management System* and *Information CTechnology Risk Management Method*, promoted normalization, standardization, process, refinement and automation of information system by virtue of new technology and continuously improved and optimized IT operation and maintenance system to ensure safe and stable operation of information systems. During the reporting period, the Company had no customer information and privacy leakage events.

| Main measures adopted to ensure information security in 2022: | |
|---|--|
| Optimize network security guarantee system | 1. Strengthen vulnerability scanning and repair, early warning against threats and prevention of viruses and improve network safety protection level. 2. According to early warning information released by National Network and Information Security Information Notification Center, accurately intercept and ban threatening IP addresses using network security scenario analysis approach of full flow and big data platform. |
| Conduct security assessment and attack penetration test | 1. Carry out attack penetration test and security protection to ensure safe operation of the information system of the 20th CPC National Congress in an all-round way. 2. Adopt measures such as self-check and professional on-site monitoring to ensure safe and stable operation of the information system of the Company. 3. Carry out emergency drills, continuously optimize and improve contingency plans and improve the capacity of the information system responding to emergencies. |
| Carry out employee training | 1. Invite information safety technology experts to train information technology employees to raise their security awareness and improve the network security management level. 2. Carry out network security training for all employees and form the culture of a good information security. |

(IV) Accelerating Digital Transformation

In 2022, Central China Securities actively responded to national policies, focusing on wealth management transformation, promoted the integration of business and technology through application of financial technology to accelerate digital transformation.

| Digital transformation measures adopted by Central China Securities in 2022: | |
|--|--|
| 1 | In term of digital management analysis, the Company built up digitized, online and intelligent data portal system and offered strong data support to the headquarters and branches through business data indicators, management analysis dashboard, automatic analysis report generation and attribution analysis, which greatly improved the business efficiency, reduced the cost and increased the benefit. |
| 2 | In term of customer's big data construction and intelligent operation, the Company built up customer behavior data system, collected customer behavior data and offered data supports for front-end customers operation and back-end technical operation and maintenance; set up intelligent operation platform to formulate a digital operation loop integrating customer analysis, operation strategy construction and automatic acquisition, and regressive analysis of operation effect. |
| 3 | As to customer service, the Company built up customer's assets analysis system, offered important indicators to customers, including investment profit and loss and cash flow, and helped customers better understand investment behavior, investment style and risk preference. |
| 4 | As to AI technology, the Company built digital employee platform, established automatic process robot for related departments, handled 132 daily work procedures and increased 40 "digital employees" for 19 departments in order that employees can withdraw from tedious work and focus on more valuable work. |

During the reporting period, The Company's "Digital and intelligent operation service and management" project honorably won 2022 National Big Data "Star River" Excellent Case Award. The Company became the only securities company ranked among "Excellent Cases of Industry Data Application".



"Top Ten Enterprises of the Digital Economic Industry of Henan Province" awarded by Henan Digital Economic Industry Association



SA analyst certification

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We should respect labor, knowledge, talent and creativity. We will adopt more positive, open and effective policies on talent, and encourage our talent to love the party, dedicate themselves to the country and contribute to its case, and serve the people.

——Report made by General Secretary Xi Jinping in the 20th National Congress of the CPC

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3 GOOD HEALTH
AND WELL-BEING



8 DECENT WORK AND
ECONOMIC GROWTH



10 REDUCED
INEQUALITIES



Chapter III Building a Dynamic Workplace

(I) Acquisition of Talent



Central China Securities takes the introduction of core business talents, leading talents and internationalized talents as an important direction to promote sustainable development and enhance core competitiveness of the Company.

The Company adheres to the principle of equal employment, strictly complies with *Labor Law*, *Labor Contract Law* and other laws and regulations, formulates and improves *Management Method for Employee Recruitment* and other company policies, and the selection of employees on the basis of their gender, race and nationality is strictly forbidden. The Company strictly verifies the authenticity of employee's identity information and completely eradicates the employment of child labors. During the reporting period, the Company had no violations of employment of child labors and forced labors.

In term of talent sources, the Company carried the social responsibility of ensuring stability in employment and basic living needs and built various talent recruitment channels. The Company introduced different levels of talents through different channels such as social recruitment, campus recruitment, internal recruitment and headhunting and encouraged employment of fresh graduates through cooperation with key colleges and universities and targeted promotion in the universities, with 157 new employees in 2022.

In terms of talent management, the Company standardized the selection and distribution processes. The Company printed and distributed *Opinions on Selection and Management of Different Levels of Managerial Staffs (Trial)*, which explicitly specified the selection, engagement and open recruitment of managerial staffs at different levels. During the reporting period, the Company organized open recruitment for two groups of medium managerial staffs and adjusted positions for 88 medium or above managerial staffs, organized open recruitment for person in charge of 6 branches and promoted 18 managerial staffs.



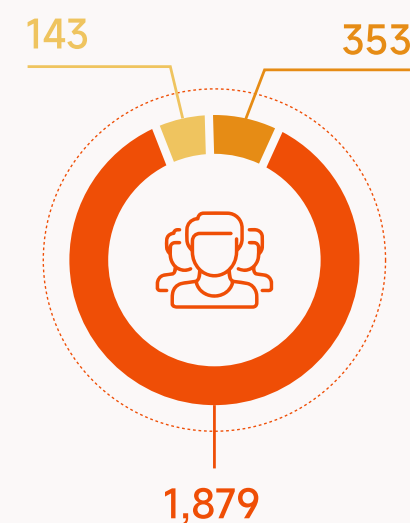
Composition of employees of company in 2022

| | | |
|--|---|-------|
| | Number of male employees | 1,316 |
| | Number of female employees | 1,059 |
| | Number of new employees during the year | 170 |
| | Number of minority employees | 71 |
| | Employee turnover rate | 7.29 |

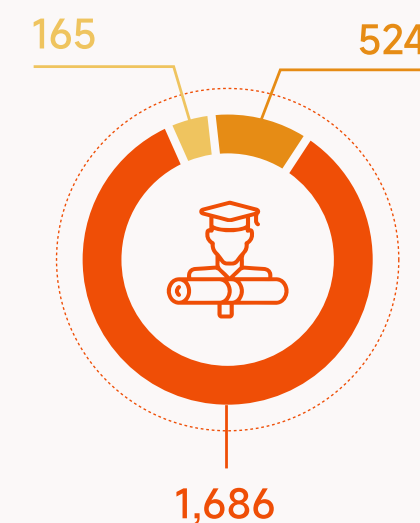


Note : 【Statistical caliber】 The statistical caliber of data is from the parent company of Central China Securities

- Number of employees aged 50 and above
- Number of employees aged 30-50
- Number of employees aged 30 and below
- Bachelor's Degree
- Master's Degree and above
- Others



Age of employees of the company in 2022



Educational background of employees of the company in 2022

Note : 【Statistical caliber】 The statistical caliber of data is from the parent company of Central China Securities




(II)
Protecting
Employee’ s Rights
and Interests



Employee’ s rights and interests have an impact on a company’ s long-term development. The Company adheres to the people-oriented principle, strictly complies with *Labor Law*, *Labor Contract Law* and other laws and regulations, formulates *Employees Attendance Management Method* and other company policies according to the said law, strives to build a harmonious office environment for employees and protects employee’ s legal rights and interests.

1、Basic guarantee

The Company has established and continuously improves its compensation and welfare system. The Company adopts market-oriented performance-based payroll system and implements multi-level and comprehensive assessment system on the basis of employee’ s performance and the Company’ s management objective; carries out a payroll cycle management system, adds the "operating income" as a linked indicator to assess payroll and calculates the payroll based on average weighting of the indicators of "operating income" together with "net profit", in order to avoid the effect of performance fluctuation arising from market environment on the payroll and ensure employee payroll stability.

| | |
|---|--|
|  Compensation and welfare | 1. The contributions of five social insurances and a housing provident fund are paid by the Company for employees according to the relevant law and regulations, with 100% coverage rate during the reporting period; 2. Provide enterprise pension plan to the employees, as well as supplementary medical insurances to improve the level of employee’ s welfare. |
|  Working hour and holiday | 1. Employees are entitled to statutory holiday, annual leave, sick leave, marriage leave and maternity leave, etc.; 2. The standard working hour is 40h/week, and special working hour system is for special type of work. |
|  Others | 1. Gift is distributed for traditional festivals; 2. Regularly hold seminars on health and safety for employees; 3. Care for employee’ s difficulties and offer help timely and properly. |

| | | |
|---|--|------|
| Protection of employee’ s rights and interests in 2022 | Labor contract signing rate | 100% |
| | Social insurnace payment coverage rate | 100% |

Relevant performance:

The total compensation amount of insurances for employees was approximately CNY2.80 million from 2021 to 2022, with loss ratio of about 133%. Following the principle of "voluntary and self-funded", the Company has provided supplementary medical insurances for over 800 immediate family members of employees.

The total compensation amount of insurances for employees was approximately CNY**2.80** million

With loss ratio of about **133%**

The total compensation amount of insurances for employee’ s immediate family members was about CNY870,000 from 2021 to 2022, with loss ratio of about 287%. During the reporting period, the Company renewed supplementary medical insurances for employees and their immediate family members thereof to protect their rights and interests.

The total compensation amount of insurances for employee's immediate family members was about CNY**870,000**

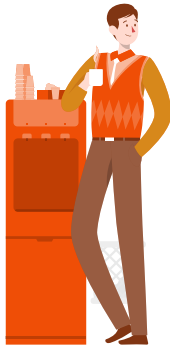
With loss ratio of about **287%**

2、Democratic management

The democratic management is great important to the Company, it can protect employees’ democratic rights. The Company has formulated *Implementation Measures for the Workers and Employees’ Congress* in accordance with relevant provisions of *Company Law*, *Labor Union Law* and *Labor Law* and improves employee’ s communication channel to safeguard employee’ s basic interests to ensure democratic management of the Company. The Company convened the 9th meeting of the first session workers and employees’ congress on December 13, 2022 and approved *Interim Measures for Proposal Management for Workers and Employees’ Congress* to further standardize the proposal on the appointment of employee supervisor and employees’ representative. The Company has established employee feedback system, regularly holds business analysis meeting and collects employee’ s suggestions for management. In 2022, the Company collected 74; concrete measures for performance appraisal, organizational structure optimization, R&D on products and business development, which have been implemented.



(III)
Building a
Satisfying
Workplace



The Company devotes itself to building a warm and harmonious work environment and gives employees sufficient humanistic care. In daily work, the Company carries out various recreational and sports activities and gives festival gifts to employees to enhance their loyalty. The Company actively concerns about employee’ s life and health and visits employees who get married, give birth to babies and get ill. In 2022, the Company helped 53 impoverished employees with CNY276,000 and 87 impoverished party members with CNY466,000 to effectively alleviate the living difficulties of some employees and party members to make them feel happy and secured.



helped **53** impoverished employees with CNY**276,000**




helped **87** impoverished party members with CNY**466,000**

Case

"Lantern Festival" online activity

On the Lantern Festival, the Labor Union held "Lantern Festival" online activity through the WeChat Official Account of CCYL Committee. The Company's employees took an active part in the activity and 300 employees got a souvenir. Such activity not only created a more casual working atmosphere, but also deepened employees' understanding of Chinese traditional culture.

 300 employees got a souvenir



Activity of Caring for Women on International Women's Day



China's Youth Day activity

(IV)
Empowering
Employee's
Development

The Company values employee's personal development and has comprehensive multi-level training system and incentive policy. The Company formulates *Employee Training Management Method*, which offers different training processes and contents to different types of employees, fully supports employee's long-term career planning and development and provides employees with adequate and equal training and promotion opportunities.

Moreover, the Company actively promotes the management of ranking system to be more dynamic and normalized and creates the space for talent development. In 2022, the Company, as stipulated by *Rank Management Method* and combined with the assessment results for the past three years, unified the standard and consolidated the incentive effect, transformed "soft power" of ranking system reform into "hard support" for company development and strove to achieve common progress between the Company and employees. The Company assigned professionals to take a temporary post in the financial management department of local government and carried out annual performance assessment for the professionals in order to effectively develop and train them. Meanwhile, the Company encouraged employees to develop their professional skills and carried out "Personal development subsidy policy" for new employees who have worked for two years; offered expense reimbursement and allowances to the employees who have taken the qualifications of CIIA and CFA; gave monthly subsidies to employees with the qualification for sponsor representative. In 2022, the Company conducted 91 training sessions through a combination of online and offline methods, and organized over 600 employees to participate in the qualification examinations for securities and funds.

| | | |
|---------------------------|---|------|
| Employee training in 2022 | Employee training coverage rate | 100% |
| | Average training hours per year for each employee | 48.4 |

(V)
Safeguarding
Physical and
Mental Health

The Company values employee occupational health management, and provides annual physical examinations and conducts health monitoring for employees; declares chronic diseases for employees and renews supplementary medical insurances for employees to reduce their burden of medical expense; holds health and first-aid lectures to improve employee's health and first-aid skills and effectively protect their physical and mental health. The Company is a financial enterprise without occupational hazard factors such as dust, noise and radioactive substance, etc. In 2022, the Company had no violations relating to employee's occupational health.

Case

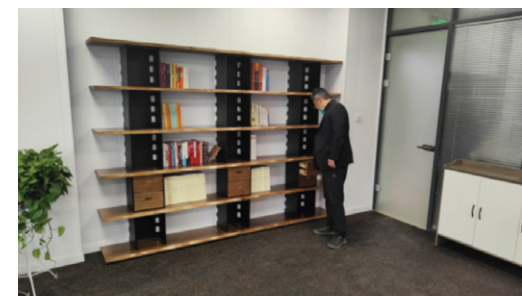
Organize to carry out physical examination of female workers

According to the requirements of document No. 186 of the People's Government of Henan Province *Special Regulations on Labor Protection of Female Workers of Henan Province*, the Labor Union carried out physical examination of breast cancer and cervical cancer for all female employees of the head-quarters. Physical examination projects included breast color ultrasound and human papilloma virus (HPV) examination. The physical examination fee was CNY600 for each person. There has been 286 female employees to conduct the physical examination as of May 31, 2022 and the physical examination fee was paid by the welfare expense of the Company.

The physical examination fee was CNY600 for each person 286 employees to conduct the physical examination

The Company emphasizes the balance between employee's work and health, setting up tea rooms and restrooms in the office area. Some units also conduct a home for employees services, build up service places and equipment for leisure, break, hobbies and interests and physical fitness, to create a new highland for employee services.

The Home for Employees

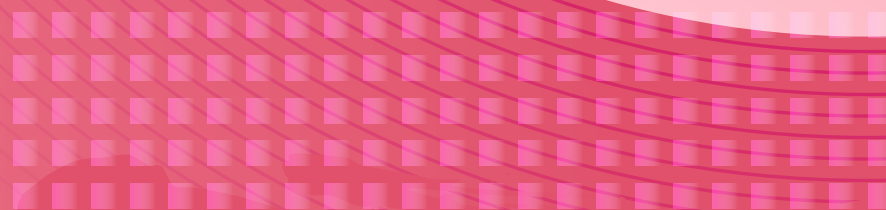


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Advancing rural revitalization across the board. Consolidate and expand our achievements in poverty alleviation, and help areas and people that have just shaken off poverty build their own momentum for growth.

——Report made by General Secretary Xi Jinping in the 20th National Congress of the CPC

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Chapter IV Contributing to Common Prosperity

The Company takes performing social responsibility as the obligation and actively participates in charities such as education and rural revitalization to repay the society. To strengthen management of donation, the Company formulates *Donation Management Method* to further standardize donation and effectively improve the efficiency of donation.

In 2022, the Company fully utilized the professional advantages and inclusive functions of financial institutions, made efforts for rural revitalization, poverty alleviation and mutual prosperity, conveyed warmth and power and manifested corporate responsibility by practical actions.

(I) Advancing Rural Revitalization

The Company actively responds to the call of the Party Central Committee to implement rural revitalization strategy and promote mutual prosperity, establishes a financial support leadership team, comprehensively advances rural revitalization and poverty alleviation, and deeply explores a feasible mode and path.

1、Finance support

The Company gives full play to new advantages of the "investment +investment banking + investment loan" Three-in-One financial service mode, actively recommends enterprises in fixed-point assisted counties such as Shangcai County, Lankao County, Gushi County and Tongbai County to be listed in the Equity Exchange and reduce or cancel the listing fee, enhances "hematopoiesis" function of enterprise and helps local industry development. In 2022, the equity trading center temporarily exempted the listing and exhibition service fees of 45 eligible enterprises such as Henan Wuduoyuan Agricultural Technology Co., Ltd. and Biyang County Newzhan Electrical Co., Ltd. to contribute to rural revitalization strategy.



Case

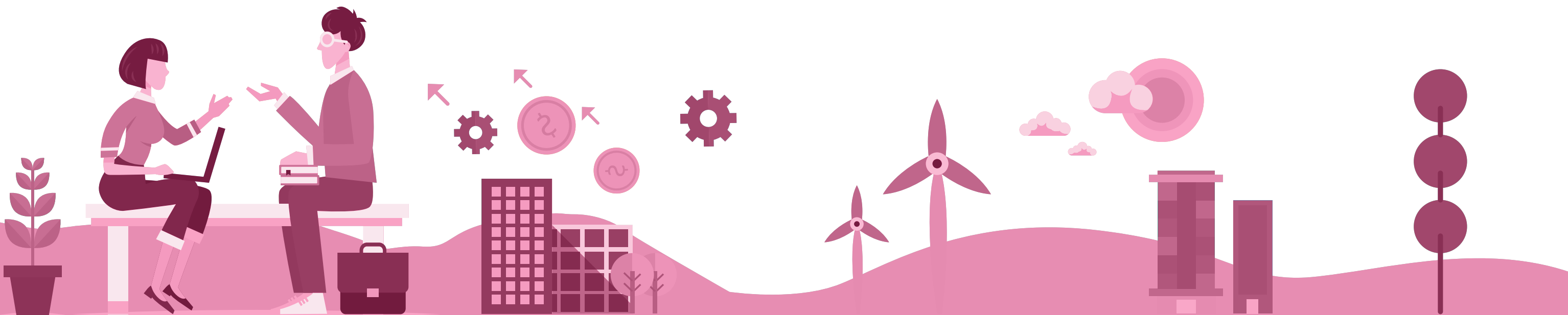
2、Education support

As a platform president of Henan Rural Revitalization Foundation, Central China Securities gave full play to platform advantages, and solidly promoted public welfare projects such as "bookstore of love", "care for leftover children" and "Lei Feng activity to assist the impoverished students". The Company donated money to educational assistance, poverty alleviation and other relief actions every year.

Continuously build "Morning Sun Program" senior high school student self-improvement project brand

The Company organized over 130 teachers and students of "Morning Sun Program" from the assisted counties to participate in the summer camp titled "Down presents gifts to the 20th CPC National Congress and fully displays the mien of youth" in Luoyang, Sanmenxia and Nanyang, distributed life supplies such as luggage case, backpack, vacuum cup and mask to assisted university students and bear their travel expenses to the universities to celebrate a new life journey of Dawn students.

In 2022, 447 assisted students of "Morning Sun Program" took the college entrance examination, with 200 admitted to key universities and 170 admitted to ordinary universities, the undergraduate admission rate was up to 82.7%. Among 30 assisted students of Neixiang County First Senior High School, 28 were admitted to key universities, 2 were admitted to ordinary universities, with undergraduate admission rate of 100% and a remarkable educational assistance effect.





3、Consumption support

The Company continuously provides consumption assistance and actively consolidates the poverty alleviation results. The Company persists in giving industry guidance through consumption assistance, gives collective welfare to employees on New Year' s Day, Spring Festival, Mid-Autumn Festival, National Day and other festivals, and purchases agricultural products valued CNY499,400 for impoverished villages of assisted counties such as Suiping County and Shangcai County of Zhumadian City, Yuanyang County of Xinxiang City, Guangshan County of Xinyang City and Lankao County of Kaifeng City.

(II) Promoting Common Prosperity

The Company actively responds to and implements the central government' s decision and deployment on promoting common prosperity, continuously enhances the capability of investment consulting, improves the service level for investor' s education, accelerates wealth management transformation, helps customers accumulate capital income in the high-quality development of the real economy and facilitates with common prosperity.

1、Improvement of capability of investment consulting

The Company gives full play to the advantages of numerous service points and strong investment consulting team, adopts measures to energetically develop investment consulting business, strengthens ability of product research, builds up scientific product classification and grading system to preserve or increases the investor' s wealth.

In 2022, the headquarter of Company established the investment consulting leadership group and work team, uniformly integrated advantageous resources such as research system, product system and financial technology of the headquarter, and formulated customer demand-oriented investment strategy, asset allocation proposal and customized solutions together with the investment consulting teams of different business divisions. The Company motivates investment consultants to take the international examinations such as Certified International Investment Analyst and Chartered Financial Analyst, and Licensing Examination for Securities Intermediaries (5 subjects) and Securities Practice Qualification Examination (2 subjects) to improve the professional skills of the investment consulting team; further improves fund investment strategy to different customers with life-cycle financing requirements, develops more differentiated and featured fund investment products, establishes a cooperative relationship with 44 fund companies, and according to the cycle of general assets strengthens sales of debt based products and inter-bank certificate of deposit products to meet financing needs of different investors; persists in the strategies of launch of own financial product and consignment of boutique fund to improve life-cycle management of product planning, product evaluation, product introduction, product shelf design, product matching, sales support and after-sales service tracking; cooperates with internal research, self-support, assets management and other resources, and provides wealth management service based on product combination and configuration to promote maintenance and appreciation of wealth of rural residents and facilitate with common prosperity.

2、Improvement of investment education level

The Company formulates *Investor Education System* and *Rules for the Implementation of Investor Education*, establishes and improves investor education system and process, integrates investor education into business development and customer service, strengthens the popularization of knowledge on financial management and securities investment, improves service level for investor education, and guides investors to correctly understand wealth, continuously create wealth and to effectively configure wealth.

Main investment teaching activities of the Company in 2022

1

"Rational understanding of market, investment within your capabilities" 3.15 investor education activity was successfully held by Central China Securities

2

"Keep your money safe and protect your happy family"-Central China Securities participated in prevention and treatment of illegal fundraising propaganda



3

Central China Securities summary report on "2022 World Investor Week" activity



4

Central China Securities 2022 "Financial knowledge popularization month, financial knowledge enters families, striving to be a rational investor and a legal financial netizen" activity

5

Central China Securities 2022 5.15 investor protection publicity day activity

6

Central China Securities 2022 prevention of illegal securities and futures publicity month activity



7

Central China Securities organized to carry out investor face-to-face Henan journey activity at the third anniversary of listed in Science and Technology Innovation Board jointly with SSE

8

Central China Securities investor education was included in a series of national education system activities -Walk into Business School of Zhengzhou University

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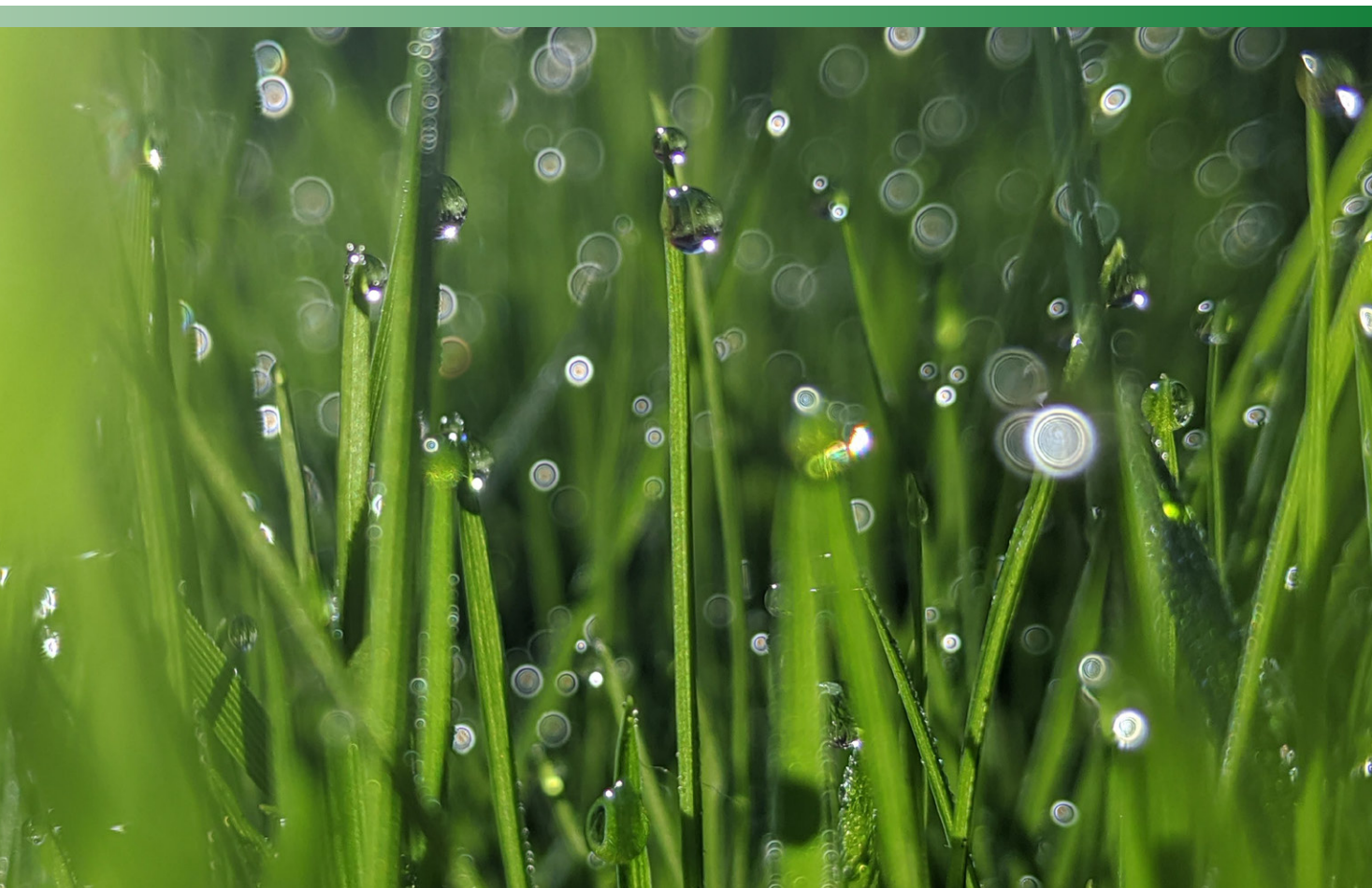
Pursuing green development and promoting harmony between humanity and nature

——Report made by General Secretary Xi Jinping in the 20th National Congress of the CPC

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Chapter V Contributing to the Dual Carbon Goals

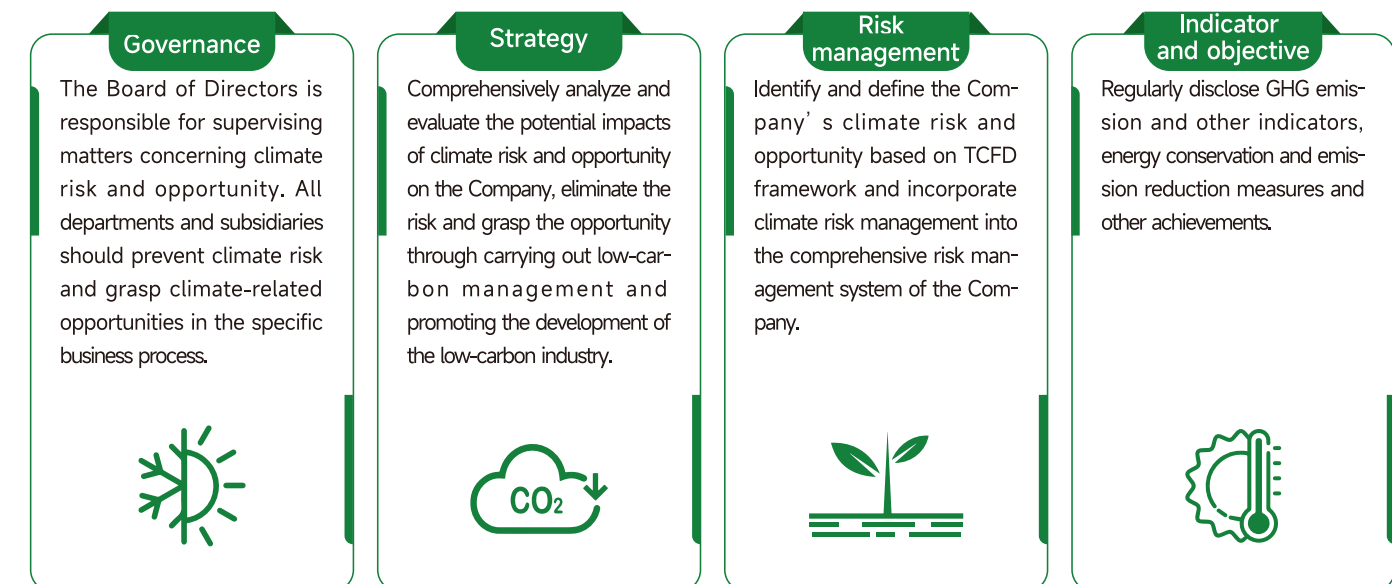


(I) Grasping Climate Opportunity

Nowadays, climate change has become a non-negligible global issue. The CPC Central Committee and the State Council distributed *Opinions on Implementing the New Development Philosophy in a Complete, Accurate and Comprehensive Way to Reach Peak Carbon emissions and Achieve Carbon Neutrality* and *Action Plan for Carbon Peaking before 2030* to construct the system of national peak carbon emissions and carbon neutrality and "1+N" policy and further promote green development of enterprise.

For financial enterprise, climate change and other environmental risks not only will directly affect company operation, but also will be spread to the Company from the real economy through investment and financing businesses. The Company, based on *Environmental Information Disclosure Guide* released by People's Bank of China and the proposed framework of the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board (FSB), identifies business operation-associated climate risks and opportunities, provides solutions based on identification result, grasps new opportunities of green development, actively promotes the construction of green finance and facilitates to meet the goals of reaching peak carbon emissions and achieving carbon neutrality.

Climate change management system



1. Climate risk

Continuous climate deterioration will raise the likelihood of climate disaster, which will directly affect business development and indirectly affect customers/underlying investments. As a result, it will lead to the failure of management of customers/underlying investments, increasing the risk of insolvency or decreasing of market value, and consequently the enterprise credit risk will increase and the portfolio value will decrease.

The introduction and supervision of relevant environmental protection policies are enhanced due to climate change, which will result in change of supply-demand structure. The environment-preferred and climate-friendly products and services are highly accepted by the market. Customers/underlying investments thus may face corresponding operational risks which will affect their solvency or market value. As a result, the Company may face an increase of credit risk and a decrease of portfolio value.



2. Climate opportunity

The introduction of relevant policies on carbon neutrality has a dominant role in the market, climate-friendly product and service will be more favored in the market, the market value of relevant underlying investment may increase, and the portfolio value will rise accordingly.

Such market shift will trigger a series of green finance products, such as green bonds and carbon neutrality bonds, etc., which will enlarge the business scope.

(II) Developing Green Finance

In 2022, the Company earnestly implemented major decision and deployment of the Party Central Committee and the State Council on reaching peak carbon emissions and achieving carbon neutrality, grasped the development opportunity of green finance, devoted to providing green low-carbon enterprises with more professional and more efficient investment and financing services, energetically promoted the development of green finance and facilitated to achieve the goals of "reaching peak carbon emissions and achieving carbon neutrality".

Case

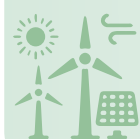
The bonds (2022 first issue) of Pingdingshan Tian' an Coal Company underwritten by the Company were successfully registered and issued

The Company actively responded to the call of "Reaching peak carbon emissions and achieving carbon neutrality" and deepened the financial support for a green-oriented transition of energy. During the reporting period, The bonds (2022 first issue) of Pingdingshan Tian' an Coal Company underwritten by the Company were successfully registered and issued, which was the first sustainability-oriented corporate bond of coal enterprises of China and Henan Province and had the lowest interest rate among various bonds in the same period of the past three years.

Case

The Company facilitated with green finance as the underwriter of JINGDA non-public placement project

The Company was the underwriter of JINGDA non-public placement project amounted CNY297 million, which was mainly used to supplement working capital. JINGDA, as a leading enterprise of the domestic electromagnetic wire industry, has played an industry leading role in technology, process upgrading and supporting national strategy. In the context of "reaching peak carbon emissions and achieving carbon neutrality", JINGDA firmly seized the significant development opportunity in the electromagnetic wire industry, implemented the strategy of "bipolar extension", expanded product coverage, actively accelerated the expansion of production capacity and promoted the development of national strategic emerging industries such as aerospace and national defense, 5G communication, NEV, photovoltaic power, wind power and nuclear electric power generation, which are benefits for the implementation of national strategy of "reaching peak carbon emissions and achieving carbon neutrality" and *Made in China 2025*.



Case

Industry-university-research cooperation promoted technological innovation of profitable environmental protection, reduced pollution and improved the environment

The profitable environmental protection project invested by the Company involved R&D of harmless disposal technology of medical waste, equipment manufacturing and investment in project and operation. In recent years, the profitable environmental protection project achieved remarkable results in cooperation with colleges and universities such as China University of Mining and Technology in development of microwave medical waste disposal equipment, etc. Due to excellent sterilization and environmental indicators, the R&D equipment had lower wastewater and waste gas emission than other non-incineration processes, weaker odor and lower noise that can improve the environment.



(III) Practicing Green Operation

1、Green purchasing

The Company formulates *Bidding and Purchasing System* and other internal rules and policies, actively manages environmental risk of supply chain, continuously standardizes supplier selection and screening process and improves supplier evaluation system in strict accordance with *Environmental Protection Law*, *Management Measures for Government Procurement Methods* and other relevant laws and regulations.

As a financial institution, the Group mainly deal with three categories of suppliers, namely software and hardware, office supplies, facilities and equipment, and services. The Group developed the Regulations on Bidding and Procurement, continuously improved the supplier access and selection processes, and strengthened the supplier assessment system. In line with the principle of green procurement, the Group pays close attention to the environmental and social risks of suppliers in the bidding process, requires the Group' s suppliers have good reputation and a complete service system, and refuses any entities listed as defaulters or involved in tax evasion cases to participate in the Group' s procurement and bidding activities.

2、Green office

The Company formulates *Tangible Assets Management Method* and other internal environmental policies according to the office concept of "Green office and environment-friendly" and the requirements of *Environmental Protection Law*, *Energy Conservation Law*, *Comprehensive Work Plan for "14th Five-year" Energy Conservation and Emission Reduction* and other relevant laws, regulations and policies on environmental protection, to reduce resource consumption through various energy conservation and emission reduction measures.

As a financial enterprise, the Company provides energy sources such as purchased power, natural gas and gasoline used by company-own vehicles, as well as water resource sourced from municipal water. The Company has no problems of water source and produces wastes, the wastes mainly include toner cartridge, computer and computer-related accessories in daily operations. In 2022, the Company had no environmental protection violations identified.

The Company has a deep understanding of environmental responsibility, focuses on sustainable development and is committed to reducing the environmental impact on daily operations through prudent management of energy consumption and resource utilization. The Company continuously improves the objective of 2025 environmental management, strives to gradually reduce annual GHGs per unit, power consumption per unit and water consumption per unit, gradually improves the source identification and statistics of hazardous and non-hazardous waste, and keeps the generation of hazardous and non-hazardous waste at a low level.

Paperless office



The Company comprehensively implemented paperless office in 2022. The Company devotes to reducing the use of paper and adopting Office Automation System (OAS) to application of purchasing and use of common seal for official documents; continuously improves system information construction of clearing and settlement, promotes the implementation of automatic application of clearing and settlement process using network office system (OA) and online Cross-Banking Solutions (CBS) based on Robotic Process Automation (RPA) project, to achieve paperless settlement in the whole process from application to approval and payment.

Meanwhile, the Company encourages employees to set printing on both sides and use electronic greeting cards to build a good atmosphere of paper saving and green office.



Energy conservation and emission reduction measures

The Company advocates low-carbon and environmental protection management method and actively promotes green and energy-saving management measures.



- ▶ Carry out energy-saving transformation of electrical appliances in the office area and seal the cold channel of some high-power cabinets to increase the refrigeration efficiency of air conditioner;
- ▶ In daily operations, advocate turning off lights when staff leave, assign the staff to manage power of the office building, carry out regular inspection and repair, and timely turn off electrical equipment in the idle area.

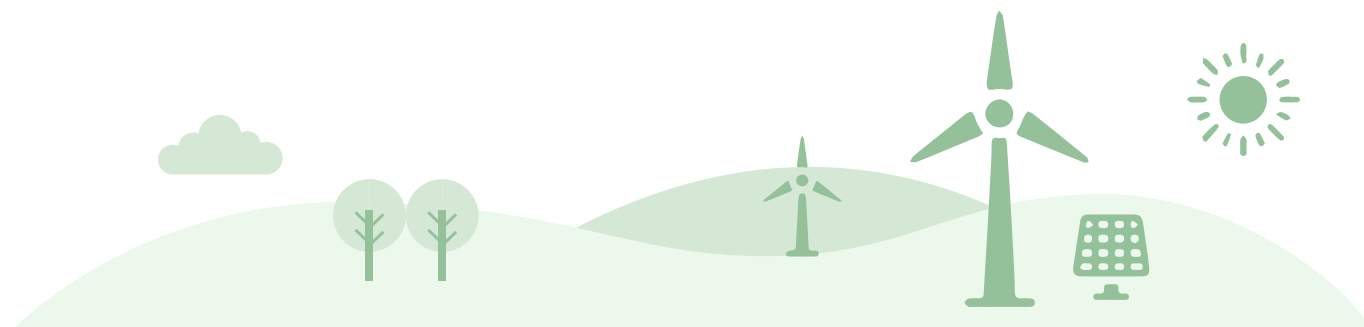


- ▶ Control the quantity of barreled drinking water purchased in a single time to avoid waste of drinking water;
- ▶ Post up water-saving signs in the restrooms to remind employees of saving water;
- ▶ Use infrared sensor faucets and timely repair leaky faucet or other leak devices to reduce waste of water.

Statistics of Company Energy Saving Tools/Equipment in 2022

| Indicator | Unit | 2022 |
|---|------|-------|
| Energy saving tools/equipment | | |
| LED lighting system/energy-saving lighting facilities | Pcs. | 4,500 |
| Faucet installed with water-saving device | Pcs. | 35 |

Note: The statistical caliber of environmental data of 2022 in this report is from the headquarters of Central China Securities Co., Ltd. (excluding Beihuan).



Solid waste of the Company mainly includes office waste. The Company adopts several measures to reduce harmless solid waste such as recycling office desks and chairs, etc. The Company also actively adopts measures to reduce harmful solid waste such as collecting overdue electronic wastes for eligible recycling companies.

Statistics of Company Waste and Recycling Equipment in 2022

| Indicator | Unit | 2022 |
|----------------------------|------|-------|
| Hazardous waste | | |
| Waste fluorescence | t | 0.065 |
| General waste | | |
| Kitchen waste | t | 9.90 |
| Office and household waste | t | 20.10 |
| Recycling equipment | | |
| Assorted dustbin | Pcs. | 3 |

Note: The statistical caliber of environmental data of 2022 in this report is from the headquarters of Central China Securities Co., Ltd. (excluding Beihuan).



Advocate safety utilization of electric power and turning off lights when you leave

Furthermore, the Company encourages employees to decorate the office environment using green plants to improve the quality of air in office. The Company builds green, low-carbon and energy-saving culture by setting up promotion booth, producing promotion board and distributing catalogue to advocate green travel and clean plate campaign and also motivate employees to integrate environmental protection concept into work and life.



Appendix

KPI table

Economic performance Economy¹

| Indicator | Unit | 2020 | 2021 | 2022 |
|--|----------------|--------|--------|--------|
| Profit before income tax | CNY100 million | 1.44 | 7.18 | 1.13 |
| Total tax payment | CNY100 million | 2.44 | 4.72 | 2.01 |
| Total assets | CNY100 million | 523.77 | 537.48 | 501.83 |
| Social contribution value per share ² | CNY | 0.44 | 0.64 | 0.47 |

Note 1: Data hereof is from the consolidated financial statements prepared by the Company according to Chinese Accounting Standards for Business Enterprises or is calculated based on data of the aforesaid statements.

Note 2: 【Formulas】 Social contribution value per share = (net profit attributable to ordinary shareholders after non-recurring profit and loss deduction + total tax payment + the total amount of wages and benefits paid by the Group + interest expenditure + the amount of value created for other stakeholders including social donations – other social costs caused by issues such as environmental pollution) / the total number of shares of the company.

Social performance Anti-corruption¹

| Indicator | Unit | 2020 | 2021 | 2022 |
|---|--------|------|------|------|
| Number of anti-corruption training sessions | Time | 6 | 6 | 1 |
| Number of employees participating in anti-corruption training | Person | 600 | 651 | 200 |

Note 1: 【Statistical caliber】 The statistical caliber of data is from special training for Integrity in business organized by the Compliance Department of Central China Securities.

Compliance management¹

| Indicator | Unit | 2020 | 2021 | 2022 |
|---|------|------|------|------|
| Number of anti-money laundering training sessions | Time | 13 | 14 | 14 |
| Number of people participating in anti-money laundering training ¹ | Time | 500 | 550 | 500 |

Note 1: 【Statistical caliber】 The statistical standard was the parent company of Central China Securities Co., Ltd.. The number of anti-money laundering trainees is estimated conservatively, and the actual number is higher than the number in the above table.

Employees¹

| Indicator | | Unit | 2020 | 2021 | 2022 |
|---|---------------------------------|--------|-------|-------|-------|
| Total number of employees | | Person | 2,427 | 2,386 | 2,375 |
| By gender | Male | Person | 1,354 | 1,336 | 1,316 |
| | Female | Person | 1,073 | 1,050 | 1,059 |
| By employment type | Full-time | Person | 2,427 | 2,385 | 2,375 |
| | Part-time | Person | 0 | 0 | 0 |
| By age | >50 years old | Person | 139 | 131 | 143 |
| | 40-50 years old | Person | 575 | 557 | 551 |
| | 30-40 years old | Person | 1,244 | 1,207 | 1,217 |
| | <30 years old | Person | 469 | 491 | 464 |
| By region | Within Zhengzhou City | Person | 1,110 | 1,129 | 1,150 |
| | Outside Zhengzhou City | Person | 1,317 | 1,257 | 1,225 |
| By educational level | Master’ s Degree and above | Person | 555 | 509 | 524 |
| | Bachelor’ s Degree | Person | 1,712 | 1,712 | 1,686 |
| | Other | Person | 160 | 165 | 165 |
| Number of new employees | | Person | 215 | 193 | 170 |
| Number of employees from ethnic groups | | Person | 79 | 83 | 71 |
| Number of employees from Hong Kong, Macao, Taiwan and overseas | | Person | 1 | 0 | 0 |
| Employee turnover rate ² | | % | 7.64 | 8.13 | 7.29 |
| By gender | Male | % | 7.78 | 8.39 | 7.26 |
| | Female | % | 7.49 | 7.90 | 7.35 |
| By age | >50 years old | % | 9.97 | 10.06 | 11.21 |
| | 30-50 years old | % | 6.07 | 6.29 | 6.13 |
| | <30 years old | % | 11.58 | 15.83 | 10.22 |
| By region | Headquarters | % | 5.6 | 7.95 | 5.54 |
| | Branches within Zhengzhou City | % | 7.68 | 8.00 | 7.31 |
| | Branches outside Zhengzhou City | % | 8.13 | 8.37 | 7.96 |
| Labor contract signing rate | | % | 100 | 100 | 100 |
| Number of penalties for violation of the laws and regulations on labor and employment | | Pcs. | 0 | 0 | 0 |

Note 1: 【Statistical caliber】 The statistical standard was the parent company of Central China Securities Co., Ltd..

Note 2: 【Formulas】 Employee turnover rate of a particular type = the number of employees of a particular type who left /the total number of employees of the type.

Employee health and safety¹

| Indicator | Unit | 2020 | 2021 | 2022 |
|---|--------|------|------|------|
| Number of work-related fatalities | Person | 0 | 0 | 0 |
| Percentage of employees who die due to work | % | 0 | 0 | 0 |
| Lost days due to injury | Day | 0 | 0 | 0 |
| Number of safety training for employee | Time | 6 | 2 | 2 |

Note 1: 【Statistical caliber】 The statistical standard was the parent company of Central China Securities Co., Ltd..
Note 2: 【Calculation method】 Ratio of employees who die due to work = Number of employees who die due to work/ total number of employees.

Employee training¹

| Indicator | | Unit | 2020 | 2021 | 2022 |
|--|--|--------|-------|-------|-------|
| Employee training coverage rate ² | | % | 100 | 100 | 100 |
| By gender | Number of trained male employees | Person | 1,354 | 1,335 | 1,316 |
| | Training coverage rate for male employees | % | 100 | 100 | 100 |
| | Number of trained female employees | Person | 1,073 | 1,050 | 1,059 |
| | Training coverage rate for female employees | % | 100 | 100 | 100 |
| By employee type | Number of trained general employees and junior managers | Person | 2,190 | 2,152 | 2,186 |
| | Training coverage rate for junior managers and general employees | % | 100 | 100 | 100 |
| | Number of trained middle and senior managers | Person | 237 | 233 | 189 |
| | Training coverage rate for middle and senior managers | % | 100 | 100 | 100 |
| Average annual training hours for all employees ³ | | Hour | 41.3 | 42.5 | 48.4 |
| By gender | Average training hours for male employees | Hour | 41.6 | 42.7 | 48.8 |
| | Average training hours for female employees | Hour | 41.1 | 42.3 | 48.1 |
| By employee type | Average training hours for general employees and junior managers | Hour | 38.1 | 39.7 | 46 |
| | Average training hours for medium and senior managers | Hour | 70.5 | 68.8 | 76.2 |

Note 1: 【Statistical caliber】 The statistical standard was the parent company of Central China Securities Co., Ltd..
Note 2: 【Formulas】 Employee training coverage rate of a particular type = the number of employees of the type participating in training / the total number of employees of the type
Note 3: 【Calculation method】 Average training hours of trainees = Total training hours of employees of this type/ total number of employees of this type.

Supplier¹

| Indicator | Unit | 2021 | 2022 |
|--|----------|------|------|
| Number of suppliers from mainland | Supplier | 7 | 4 |
| Number of suppliers from Hong Kong, Macao, Taiwan and overseas | Supplier | 0 | 0 |

Note 1: 【Statistical caliber】 The statistical standard was the parent company of Central China Securities Co., Ltd..The Company started to count the quantity of suppliers from 2021.

Customer service¹

| Indicator | Unit | 2021 | 2022 |
|--|------|-------|-------|
| Number of customer complaints received | Case | 52 | 26 |
| Complaint handling rate | % | 100 | 96.15 |
| Complaint handling satisfaction rate | % | 76.92 | 76.92 |
| Number of violations of laws and regulations on marketing (including advertising, promotion and sponsorship) | Case | 0 | 0 |
| Number of violations of laws and regulations on products and services labeling | Case | 0 | 0 |

Note 1: 【Statistical caliber】 The statistical standard was the parent company of Central China Securities Co., Ltd..

Community Service

| Indicator | Unit | 2020 | 2021 | 2022 |
|--|-----------|------|------|-------|
| Value of agricultural products in purchased from low-income regions ¹ | CNY10,000 | 75.6 | 66 | 49.94 |

Note 1: The Company purchased agricultural products in low-income areas valued CNY499,400 from impoverished villages of assisted counties such as Suiping County and Shangcai County of Zhumadian City, Yuanyang County of Xinxiang City, Guangshan County of Xinyang City and Lankao County of Kaifeng City.

Environmental performance

Environmental¹

| Indicator | Unit | 2020 | 2021 | 2022 |
|--|---------------------------|-----------|--------------|--------------|
| Total GHG emissions ² (Scope 1 and Scope 2) | CO2 equivalent (t) | 500.50 | 1,192.28 | 932.43 |
| Scope 1 GHG emissions | CO2 equivalent (t) | 43.80 | 66.09 | 64.55 |
| Scope 2 GHG emissions | CO2 equivalent (t) | 456.70 | 1,126.19 | 867.88 |
| Total GHG emission per person (Scope 1 and Scope 2) | CO2 equivalent (t)/person | 0.20 | 0.40 | 0.35 |
| Total Electricity consumption | KWH (kilowatt hour) | — | 1,938,371.47 | 1,521,796.47 |
| Electricity consumption per person | KWH/person | — | 729.53 | 569.96 |
| Total natural gas consumption | m ³ | — | 11,553.57 | 16,121.00 |
| Natural gas consumption per person | m ³ /person | — | 4.35 | 6.04 |
| Gasoline consumption of vehicles owned by the Company | L | — | 15,170.28 | 11,161.44 |
| Gasoline consumption of company- owned vehicles per person | L/person | — | — | 4.18 |
| Total water consumption | t | — | 5,348.54 | 9,645.80 |
| Water consumption per person | t/person | — | 2.01 | 3.61 |
| Amount of office domestic wastes generated | kg | 23,120.30 | 22,806.24 | 27,524.00 |
| Office’ s domestic waste generation intensity | kg/person | 9.60 | 8.58 | 10.31 |
| Amount of toner cartridges and ink cartridges generated | Pcs. | 124 | 328 | 379 |
| Generation intensity of toner cartridges and ink cartridges | Pcs./person | 0.05 | 0.12 | 0.14 |
| Amount of toner cartridge generated | Pcs. | 255 | 246 | 117 |
| Generation intensity of toner cartridges | Pcs./person | 0.10 | 0.09 | 0.04 |

Note 1: 【Statistical caliber】 The statistical caliber of data is from the parent company of Central China Securities, Central China Futures, Zhongding Kaiyuan and Equity Exchange.

Note 2: 【Calculation method】 GHGs emissions (Scope 1) included direct GHG emissions from the companies’ natural gas consumption and gasoline consumption of vehicles owned by the companies. In 2022, the natural gas’ s carbon emission factors refer to the "Methodology and Reporting Guidelines for GHGs Emissions of Enterprises in Other Industrial Sectors (Trial)" issued by the National Development and Reform Commission, and the carbon emission factors of gasoline for company-own vehicle refer to the unleaded petrol emission factors in the HKSE’ s "How to Prepare an ESG Report Appendix II: Reporting Guidance on Environmental KPIs". GHGs emissions (Scope 2) included indirect GHG emissions from purchased electric power. The carbon emission factor of purchased electric power applied in 2022 is in accordance with the 2022 National Grid emission factors of "Notice on the Management of GHGs Emissions Reporting by Enterprises in the Power Generation Industry from 2023 to 2025" issued by Ministry of Ecology and Environment of the People’ s Republic of China.

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Guidelines of Self-regulation of Companies Listed on Shanghai Stock Exchange No. 1 – Standard Operation

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| | Chapter II Enabling Value Sharing |
| | Chapter III Building a Dynamics Workplace |
| | Chapter IV Contributing Common Prosperity |
| | Chapter V Contributing to the Dual Carbon Goals |
| 8.2 | Chapter I Enhancing Governance Efficiency |
| 8.3 | Responsibility Management |
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| 8.5 | Meet the requirements |
| 8.6 | Chapter I Enhancing Governance Efficiency |
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| | Chapter III Building a Dynamics Workplace |
| | Chapter IV Contributing Common Prosperity |
| | Chapter V Contributing to the Dual Carbon Goals |
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| | Chapter III Building a Dynamics Workplace |
| 8.8 | Chapter V Contributing to the Dual Carbon Goals |
| 8.9 | Chapter V Contributing to the Dual Carbon Goals |
| | KPI Table |
| 8.10 | Chapter V Contributing to the Dual Carbon Goals |
| 8.11 | Chapter V Contributing to the Dual Carbon Goals |
| 8.12 | N/A |
| 8.13 | N/A |
| 8.14 | Chapter III Building a Dynamics Workplace |
| 8.15 | Meet the requirements |

Environmental, Social and Governance Reporting Guide of HKSE (effective as of January 1, 2022)

| Aspects, General Disclosures and KPIs | | Disclosure Chapter |
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| A Environment | | |
| A1. Emission | Contributing to the Dual Carbon Goals | |
| KPI A1.1 | KPI Table | |
| KPI A1.2 | KPI Table | |
| KPI A1.3 | KPI Table | |
| KPI A1.4 | KPI Table | |
| KPI A1.5 | Green Operation | |
| KPI A1.6 | Green Operation | |
| A2. Use of Resources | Contributing to the Dual Carbon Goals | |
| KPI A2.1 | KPI Table | |
| KPI A2.2 | KPI Table | |
| KPI A2.3 | Green Operation | |
| KPI A2.4 | Green Operation | |
| KPI A2.5 | Company products are financial products only, not applicable to this indicator | |
| A3. The Environment and Natural Resources | Contributing to the Dual Carbon Goals | |
| KPI A3.1 | Green Operation | |
| A4. Climate change | Contributing to the Dual Carbon Goals | |
| KPI A4.1 | Grasping Climate Opportunity | |
| B. Society | | |
| Employment and Labor Practice | | |
| B1. Employment | Building a Dynamic Workplace | |
| KPI B1.1 | KPI Table | |
| KPI B1.2 | KPI Table | |
| B2. Health and safety | Building a Dynamic Workplace | |
| KPI B2.1 | KPI Table | |
| KPI B2.2 | KPI Table | |
| KPI B2.3 | Safeguarding physical and mental health | |

| Aspects, General Disclosures and KPIs | | Disclosure Chapter |
|---------------------------------------|---|--|
| B3. Development and Training | Building a Dynamic Workplace | |
| KPI B3.1 | KPI Table | |
| KPI B3.2 | KPI Table | |
| B4. Labor Standards | Building a Dynamic Workplace | |
| KPI B4.1 | Talent Aquisition | |
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| Operating Practices | | |
| B5. Supply Chain Management | Contributing to the Dual Carbon Goals | |
| KPI B5.1 | KPI Table | |
| KPI B5.2 | Green Operation | |
| KPI B5.3 | Green Operation | |
| KPI B5.4 | Green Operation | |
| B6. Product Responsibility | Enhancing Governance Efficiency Enabling Value Sharing | |
| | KPI B6.1 | Company products are financial products only, not applicable to this indicator |
| | KPI B6.2 | KPI Table Optimizing Customer Service |
| | KPI B6.3 | Protecting Intellectual Property |
| | KPI B6.4 | Company products are financial products only, not applicable to this indicator |
| | KPI B6.5 | Protecting Information Security |
| B7. Anti-corruption | Enhancing Governance Efficiency | |
| KPI B7.1 | KPI Table | |
| KPI B7.2 | Promoting Construction of Industry Culture | |
| KPI B7.3 | Promoting Construction of Industry Culture | |
| Community | | |
| B8. Community Investment | Contributing to Common Prosperity | |
| KPI B8.1 | Contributing to Common Prosperity | |
| KPI B8.2 | KPI Table | |

Global Reporting Initiative (GRI) Standards (2021) Index Table

| Indicator | Disclosed item |
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| 102-2 | Company Profile |
| 102-3 | Company Profile |
| 102-4 | Company Profile |
| 102-5 | Company Profile |
| 102-6 | Company Profile |
| 102-7 | Company Profile |
| 102-8 | KPI table |
| 102-9 | Green Operation |
| 102-10 | Company Profile |
| 102-11 | Enhancing Governance Efficiency |
| Ethics and integrity | |
| 102-16 | Promoting Construction of Industry Culture |
| Governance | |
| 102-18 | Company Profile |
| 102-20 | Description of board’ s social responsibility management |
| 102-21 | Responsibility Management |
| 102-22 | Improving corporate governance |
| 102-29 | Communication with Stakeholders |
| 102-30 | Building a Solid Risk Control System |
| Stakeholder Participation | |
| 102-40 | Communication with Stakeholders |
| 102-42 | Communication with Stakeholders |
| 102-43 | Communication with Stakeholders |
| 102-44 | Communication with Stakeholders |

| Indicator | Disclosed item |
|---------------------------|--|
| Reporting Practice | |
| 102-45 | Compilation Instruction |
| 102-46 | Materiality Analysis |
| 102-47 | Materiality Analysis |
| 102-48 | Not involved |
| 102-49 | Materiality Analysis |
| 102-50 | Compilation Instruction |
| 102-51 | Compilation Instruction |
| 102-52 | Compilation Instruction |
| 102-53 | Back cover |
| 102-54 | Compilation Instruction |
| 102-55 | Global Reporting Initiative (GRI) Standards (2021) Index Table |
| Economic performance | |
| 201-1 | KPI Table |
| 201-2 | Grasping Climate Opportunity |
| Indirect Economic Impacts | |
| 203-1 | Promoting rural revitalization |
| Anti-corruption | |
| 205-2 | Promoting Construction of Industry Culture |
| Materials | |
| 301-1 | Green Operation |
| Energy | |
| 302-1 | KPI Table |
| 302-3 | KPI Table |

Global Reporting Initiative (GRI) Standards (2021) Index Table

| Indicator | Disclosed item |
|---------------------------------|---|
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| 401-1 | KPI Table |
| 401-2 | Protecting employee’ s rights and interests |
| Occupational Health and Safety | |
| 403-3 | Safeguarding physical and mental health |
| 403-6 | Safeguarding physical and mental health |
| 403-10 | KPI Table |
| Training and Education | |
| 404-1 | Promoting employee’ s development/KPI Table |
| 404-2 | Promoting employee’ s development |
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| 405-1 | KPI Table |
| Marketing and Labeling | |
| 417-2 | KPI Table |

Feedback form

Thank you for reading *2022 Environmental, Social and Governance (ESG) Report of Central China Securities*. To continuously improve ESG work and sustainable development management, we sincerely invite you to fill in the relevant questions of the feedback form and return it to us by the following methods.

Your opinions are an important basis for us to continuously improve ESG work and sustainable development management. Thank you for your strong support for our ESG work!

Tel: 0371-69177590

Fax: 0371-86505911

Email: investor@ccnew.com

Address: 9F, Pingdingshan Coal Shenma Financial Center, Intersection between Ruyi West Road and Ruyihexisi Street, Jinshui District, Zhengzhou City, Henan Province, China

Contact person: Zhu Qiben (Secretary of the Board of Directors), Zhao Jinqi (Representative for Securities Affairs)

1. Which category of stakeholders are you:
- ☐Employee

☐Consumer

☐Shareholder and Investor

☐Partner

☐Government and Regulatory authority

☐Society and the public

☐Other (please indicate _____)
2. Your overall evaluation of current year’ s ESG report:
- ☐Very good

☐Good

☐Fair

☐Bad

☐Very bad
3. What do you think of information disclosed in this report
- ☐Very good

☐Good

☐Fair

☐Bad

☐Very bad
- Layout and design
- ☐Very good

☐Good

☐Fair

☐Bad

☐Very bad
- Readability
- ☐Very good

☐Good

☐Fair

☐Bad

☐Very bad
4. Which issues have attracted your attention the most? (Any 3 options can be selected)
- ☐Protection of employee’ s rights, interests and health

☐Integrity in business

☐Protection of stockholders’ interests

☐Obligation to pay taxes according to law

☐Anti-money laundering

☐Quality of information disclosure

☐Financial technology

☐Cyber security and protection of customer’ s privacy data

☐Customer service and complaint management

☐Employee training and development

☐Risk management
5. Is the information that you concern reflected in the current year’ s ESG report:
- ☐Yes

☐No (other information that you expect _____)
6. Are there any opinions or suggestions for our ESG report or ESG work and sustainable development management?