



盛京銀行  
SHENGJING BANK

Shengjing Bank Co., Ltd.\*

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

Stock Code: 02066



2022

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# Content

Opening

Body of the report

**About This Report** 2

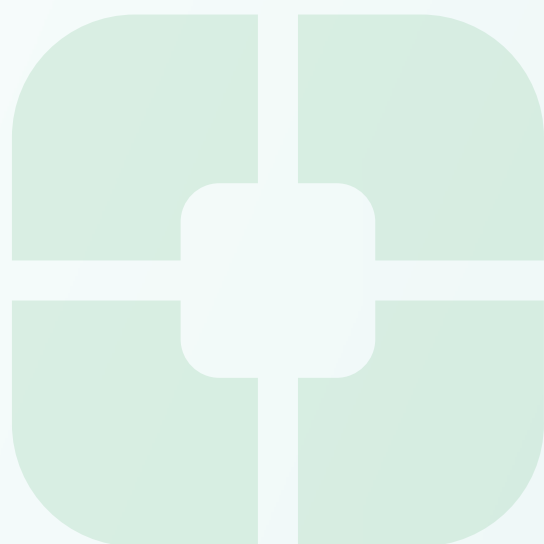
**About Shengjing Bank** 3

**Honors and Awards in 2022** 5

## **1** Responsible Governance, Building a Solid Foundation for Development

Responsible Governance 8

Business Ethics 11




## **4** Green and Low- Carbon, Guarding Green Mountains and Clear Waters

Developing Green Finance 30

Promoting Green Services 31

Practicing Low Carbon Operations 33






## Grounded in Its Roots, Serving High Quality Development

Serving Major National Strategies	14
Supporting for Industrial Optimization and Upgrading	18



## Deepening Inclusive Development and Strengthening the Foundation of People's Livelihood

Innovative Financial Products	22
Providing Warm Service	23



## Holding Together and Growing Together with Our Employees

Protecting Employees' Rights and Benefits	41
Training and Establishing a Career Development for Employees	43
Strengthening Employee Care	45



## Benefiting the Society and Practicing Responsibility

Building Beautiful Villages	50
Practicing Public Charity	52

Report Appendix

<b>Key Performance Tables</b>	<b>57</b>
<b>Report Index Table</b>	<b>61</b>
<b>Independent Assurance Statement</b>	<b>65</b>
<b>Reader Feedback Form</b>	<b>69</b>

\* Shengjing Bank Co., Ltd. is not an authorized institution under the Hong Kong Banking Ordinance (Cap.155), is not subject to the supervision of the Hong Kong Monetary Authority and is not authorized to carry on banking and /or deposit taking business in Hong Kong.

## About This Report

### DESCRIPTION OF THE REPORT

This is the seventh *Environmental, Social and Governance Report* (“ESG Report” or “this Report”) published by Shengjing Bank Co., Ltd. (“Shengjing Bank”, “the Bank”, “we”) since 2016. This report reflects the Bank’s environmental, social and governance (“ESG”) performance in 2022. The Board of Directors of the Bank warrants that the contents of this Report do not contain any false statements, misleading representations or material omissions and accepts responsibility for the truthfulness, accuracy and completeness of its contents.

### REPORTING BASIS

This report is based on the disclosure recommendations of the *Environmental, Social and Governance Reporting Guidelines* of the Stock Exchange of Hong Kong Limited and takes into account the *Guidance on Social Responsibility (ISO 26000)* of the International Organization for Standardization (ISO), the *GRI Standards 2021* of the Global Reporting Initiative. In line with the relevant requirements of the China Banking Insurance Regulatory Commission’s Opinion on *Strengthening the Social Responsibility of Banking Financial Institutions* and the China Banking Association’s *Guidelines on Corporate Social Responsibility of Banking Financial Institutions in China*, reporting focus on the work of the company in promoting sustainable social, environmental and ecological, economic and development. The preparation of the report is guided by the principles of materiality, quantification and consistency.

### REPORTING SCOPE AND REPORTING PERIOD

The reporting period for this report is annual. The time frame is 1 January 2022 to 31 December 2022 (referred to as the “reporting period”). Unless otherwise specified, the scope of this report is dominated by Shengjing Bank Co., Ltd., covering subsidiaries, branches, sub-branches and franchises. Given the continuity and comparability of the disclosures, some of the information may be traceable beyond the reporting period.

### DATA COLLECTION

The financial data covered in the report are partly derived from the financial statements prepared in accordance with IFRS in 2022, which are independently audited by Crowe Horwath (HK) CPA Limited. Other data are mainly from the Bank’s internal system and branch statistics, the relevant cases from the daily work practice summary. During the reporting period, due to the adjustment of statistical methods for some information, some information has been restated and please refers to this report for any inconsistency with information reported in previous years. Unless otherwise stated, the amounts involved in the report are in RMB as the measurement currency.

### REPORT ACCESS

You can download the electronic copy of this report on the website of the Stock Exchange of Hong Kong ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of Shengjing Bank Co., Ltd. ([www.shengjingbank.com.cn](http://www.shengjingbank.com.cn)) for more information. If you would like to learn more about us, you can do so by reading our annual report or browsing our website.

This report is published in both Chinese and English languages. If there is an ambiguity in the understanding of the two texts, the Chinese version will prevail.

### CONTACT INFORMATION

Address: 109 Beizhan Road, Shenhe District, Shenyang, Liaoning Province, the People’s Republic of China  
Postal code: 110013  
Tel: 024-22535633  
Fax: 024-22535930  
E-mail: [ir@shengjingbank.com.cn](mailto:ir@shengjingbank.com.cn)



# 1. COMPANY PROFILE

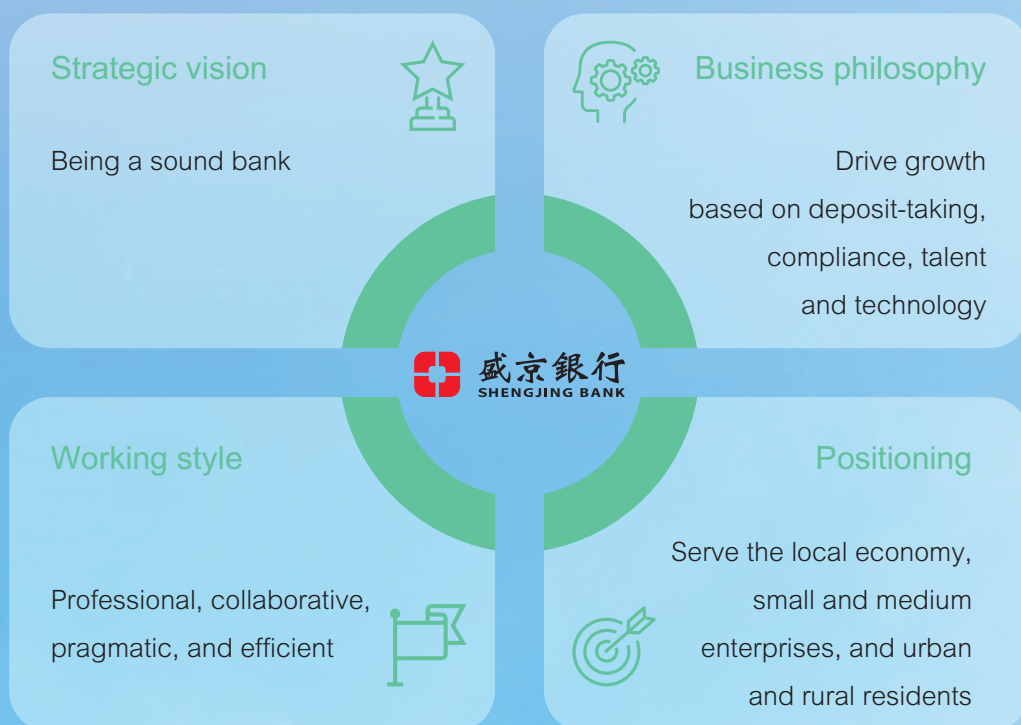
Shengjing Bank Co., Ltd. (“Shengjing Bank”, stock code: 02066. HK) was established in September 1997 and is headquartered in Shenyang, Liaoning Province, which is a strong headquartered bank in the Northeast region. Based in the northeast region, Shengjing Bank has always adhered to the market positioning of serving the local economy, small and medium-sized enterprises, and urban and rural residents. Achieving effective coverage of Beijing, Tianjin, Hebei, the Yangtze River Delta, and the northeast region, Shengjing Bank has established 18 branches in Beijing, Shanghai, Tianjin, Shenyang, Changchun, Dalian and other cities in Liaoning Province, of which 14 branches are in Liaoning Province to date. At the same time, we have set up three branch-level specialised institutions, including the Capital Operation Centre, Credit Card Centre and Small Business Financial Services Centre, as well as 187 traditional sub-branches and four micro-branches in the region; and initiated the establishment of Shengjing Bank Consumer Finance Co. Ltd. and 6 village banks. Relying on its institutional mechanism and decision-making advantages, Shengjing Bank actively fulfills its social responsibility as a financial enterprise, proactively matching with major national strategies and decisions, and strives to enhance its ability and quality of service to the real economy.



## About Shengjing Bank

## 2. DEVELOPMENT STRATEGY

Shengjing Bank focuses on advantageous industries and strategic customer groups, comprehensively promotes the industry finance strategy, and provides comprehensive services to high-quality customers and their upstream and downstream enterprises through a “four-in-one” service model of capital financing, resource integration, capital operation and asset management, as well as a portfolio of investment banking, transaction banking, asset management, government finance and public-private linkage, providing customers with professional and integrated financial services solutions.



## Honors and Awards in 2022



Type of KPI	Name of KPI	Unit	2022	2021
Economic KPIs	Operating income	RMB100 million	161.53	154.67
	Net profit	RMB100 million	10.19	4.31
	Basic earnings per share	RMB	0.11	0.05
	Total assets	RMB100 million	10,824.13	10,061.26
	Total deposits	RMB100 million	7,715.66	7,370.33
	Total loans	RMB100 million	6,133.62	5,860.33
	Return on average total assets	%	0.10	0.04
	Return on equity	%	1.26	0.54
	Non-performing loan ratio	%	3.22	3.28
	Provision coverage ratio	%	140.30	130.87
Capital adequacy ratio	%	11.52	12.12	
Social KPIs	Total taxes paid	RMB100 million	39.69	45.57
	Total charitable funds <sup>1</sup>	RMB100 million	4	537
	Balance of loans to small and micro enterprises	RMB100 million	1,241.48	1,339.58
	Total number of employees	People	8,553	8,099
	Proportion of female employees	%	55.52	55.08
	Number of trainings per person per year	In number	73	82
Environmental KPIs	Balance of green credit	RMB100 million	64.49	75.17
	e-Banking replacement ratio	%	89	87
	Head office power consumption	10,000 kWh	446.44	396.77
	Head office water consumption	Tonnes	40,695	52,890
	Head office natural gas consumption	Cubic meter	23,528	24,473
	Head office paper consumption	1 million sheets	2.99	3.75
Head office oil consumption <sup>2</sup>	Liters	62,423	64,580	

<sup>1</sup> Affected by changes in equity structure, the endowment programme deferred to 2023.

<sup>2</sup> Includes all business outlets in Shenyang area with oil consumption.

## Honors and Awards in 2022

### HONORS IN 2022

Honors and Awards	Awarders
Ranked 146th in the Top 1000 Global Banks	The Banker magazine
Most Valuable Investment Award	China Financing
China's Top 500 Enterprises in 2022	China Enterprise Confederation, China Enterprise Directors Association
2022 Outstanding Contribution Award	City Commercial Banks Clearing Co., Ltd
2022 Outstanding Growth Value Listed Company	21st Century Business Herald
Annual Award for Supporting Local Economic Development	National Business Daily
Golden Bridge Award "Annual Innovation Enabling High-quality Development Commercial Bank"	Investor.org.cn
2022 Outstanding Competitive Supply Chain Financial Bank	China Business Journal
Leading Regional Service Bank in 2022	Hexun.com
2022 pilot China "Outstanding Innovation Contribution Award" and "Outstanding Inclusive Financial Services Award"	JRJ.com
2022 ESG Green Company Star 2022 Excellent Retail Bank 2022 Excellent Digital Bank	Investment Times
Excellent Case of Financial Consumer Rights Protection of the Year	Finance.china.com.en
Most Socially Responsible Listed Company	Zhitong Finance
Outstanding Credit Card of the Year	ca1j1ng.com.cn
Core Dealer Impact of the Year Award Money Market Dealer Impact of the Year Award x-repo Market Innovation Award	National Interbank Funding Center
Top 100 Bond Investment and Trading Self-Clearing	Central Government Bond Registration and Settlement Co.





## Responsible Governance, Building a Solid Foundation for Development

Shengjing Bank is committed to promoting the integration of sustainable development into the company's operations and management and has established an efficient, multi-level ESG risk management and internal monitoring system. The company identifies material issues and responds positively to requests and expectations through its sustainable development strategy and its stakeholders, and continues to improve its sustainable development capabilities.

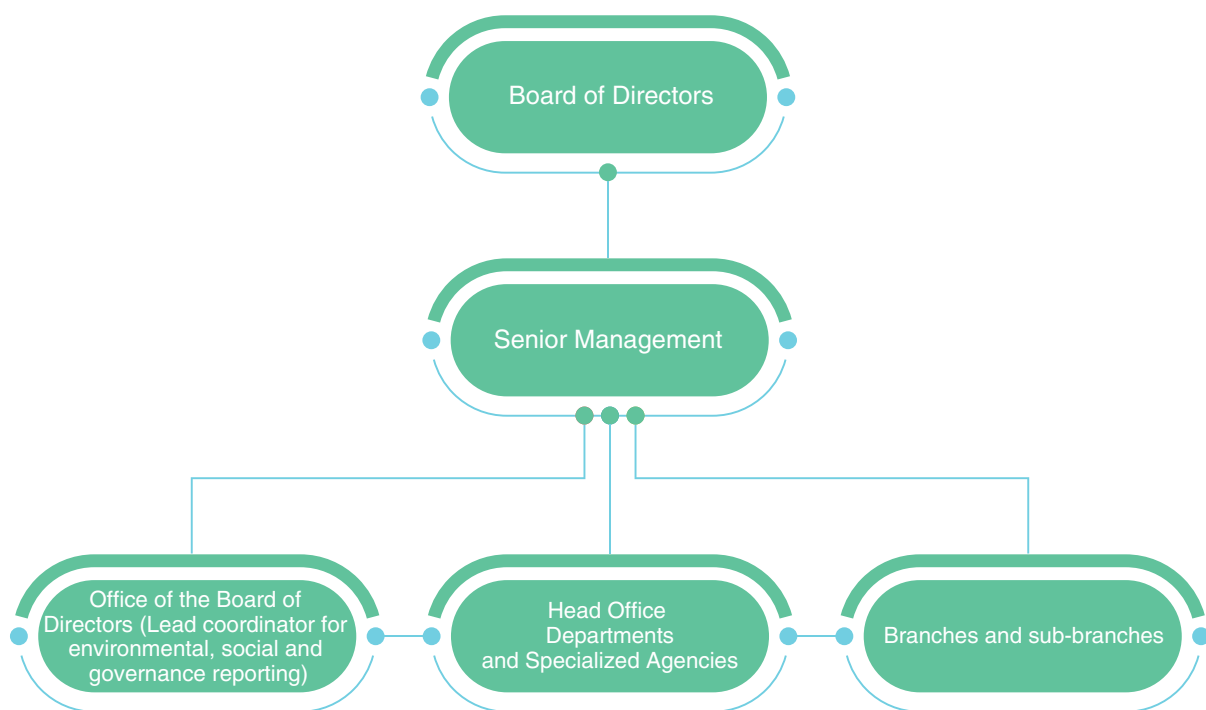


# Responsible Governance, Building a Solid Foundation for Development

## I. RESPONSIBLE GOVERNANCE

### 1. GOVERNANCE STRUCTURE

A sound governance structure is essential to ensure the sustainable development of Shengjing Bank's business. The Bank has continuously improved its corporate governance structure with the General Meeting of Shareholders as the highest authority, the Board of Directors as the decision-making body, the Supervisory Board as the supervisory body and the senior management as the executive body, which is implemented in collaboration with all relevant departments and branches of the Head Office, with each department working in collaboration and cooperating to promote and carry out various tasks to ensure an effective response to market development and stakeholder expectations.



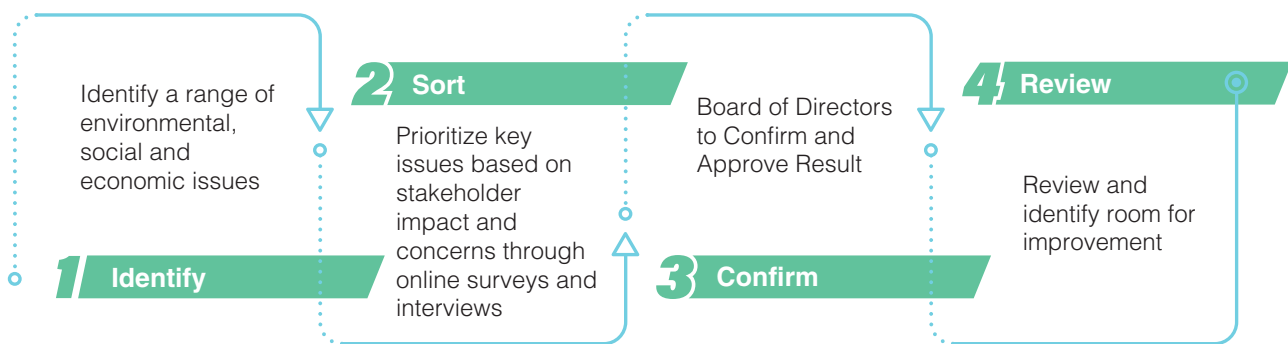
**Social Responsibility Management Structure**



# Responsible Governance, Building a Solid Foundation for Development

## 2. MATERIAL ISSUES IDENTIFICATION

A comprehensive understanding of significant ESG-related issues is an important reference for our sustainability planning, reporting and performance. We regularly dialogue with various stakeholders (including regulators, government agencies, investors, suppliers, customers and employees) to proactively respond to their expectations and requests and improve governance on sustainability-related issues. We identify materiality issues through the following four steps.








The results of the materiality evaluation are reflected in the following materiality matrix, which shows the impact of each topic on the company’s operations and internal and external stakeholders.



# Responsible Governance, Building a Solid Foundation for Development

## 3. STAKEHOLDER COMMUNICATION

We maintain active communication with our stakeholders, continuously improve the communication mechanism with our stakeholders, understand and respond to their expectations and demands promptly and continuously optimize our sustainable development strategies and plans.

Stakeholders	Expectations and Demands	Communication Channels	Response Initiatives
 <b>Government</b>	<ul style="list-style-type: none"> <li>• Response to national policy</li> <li>• Serve the real economy</li> <li>• Develop inclusive finance</li> <li>• Support the development of small and medium-sized enterprises</li> </ul>	<ul style="list-style-type: none"> <li>• Policy documents and guidelines</li> <li>• Featured reports</li> <li>• Information distribution</li> <li>• Work meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Support economic revitalization of Northeast China</li> <li>• Serve small and micro “three farmers”</li> <li>• Establish a consumer finance company</li> <li>• Promote the development of high-tech industries</li> </ul>
 <b>Regulators</b>	<ul style="list-style-type: none"> <li>• Compliance Management and Operations</li> <li>• Prevent financial risks</li> <li>• Promote the development of the industry</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory policies</li> <li>• Surveys and on-site visits</li> <li>• Data Reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen internal control</li> <li>• Sound risk management system</li> <li>• Strengthen daily inspection</li> </ul>
 <b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Sustain sound operation</li> <li>• Improve company value</li> <li>• Increase return on investment</li> </ul>	<ul style="list-style-type: none"> <li>• Shareholder meeting</li> <li>• Company announcement</li> <li>• Performance roadshows</li> </ul>	<ul style="list-style-type: none"> <li>• Improve corporate governance structure</li> <li>• Implement development strategies</li> <li>• Improve profitability</li> <li>• Timely Information disclosure</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>• Simplify business processes</li> <li>• Improve service quality</li> <li>• Enriching financial products</li> <li>• Protect consumer rights</li> </ul>	<ul style="list-style-type: none"> <li>• Marketing activities</li> <li>• Customer service hotline</li> <li>• Surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Optimize business processes</li> <li>• Enhance product innovation</li> <li>• Improve service quality</li> <li>• Promote financial knowledge</li> </ul>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>• Improve compensation and benefits</li> <li>• Protect the rights and interests of employees</li> <li>• Career training and development</li> </ul>	<ul style="list-style-type: none"> <li>• Trade Union</li> <li>• General meeting of employees</li> <li>• Consolation visit</li> <li>• Professional training</li> </ul>	<ul style="list-style-type: none"> <li>• Improve remuneration system</li> <li>• Strengthen staff training</li> <li>• Care for employees' life</li> </ul>
 <b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Fair procurement</li> <li>• Compliance with integrity</li> <li>• Win-Win cooperation</li> </ul>	<ul style="list-style-type: none"> <li>• Negotiation</li> <li>• Cooperation agreement</li> <li>• Tendering and bidding</li> </ul>	<ul style="list-style-type: none"> <li>• Improve the procurement management system</li> <li>• Strengthen business cooperation</li> </ul>
 <b>Partners</b>	<ul style="list-style-type: none"> <li>• Reciprocal cooperation</li> <li>• Industry communication and exchange</li> </ul>	<ul style="list-style-type: none"> <li>• Seminar</li> <li>• Project cooperation</li> </ul>	<ul style="list-style-type: none"> <li>• Surveys and on-site visit</li> <li>• Strengthening peer exchange</li> </ul>
 <b>Community</b>	<ul style="list-style-type: none"> <li>• Community activities</li> <li>• Helping vulnerable groups</li> </ul>	<ul style="list-style-type: none"> <li>• Condolence visits</li> <li>• Community service activities</li> </ul>	<ul style="list-style-type: none"> <li>• Social donation</li> <li>• Organize community activities</li> <li>• Employee volunteer activities</li> </ul>
 <b>Environment</b>	<ul style="list-style-type: none"> <li>• Supporting the low-carbon economy</li> <li>• Sustainable development</li> </ul>	<ul style="list-style-type: none"> <li>• Energy conservation and emission reduction</li> <li>• Green Finance</li> </ul>	<ul style="list-style-type: none"> <li>• Green Credit</li> <li>• Green Office</li> <li>• E-Banking</li> </ul>

## Responsible Governance, Building a Solid Foundation for Development

### II. BUSINESS ETHICS

Shengjing Bank complies with the *Criminal Law of the People's Republic of China*, the *Law of the People's Republic of China on Countering Unfair Competition* and various laws and regulations related to the protection of intellectual property rights, establishes a sound compliance management system, an anti-corruption system, improves the construction of a money laundering risk management system, strengthens the protection and management of intellectual property rights, further strengthens compliance operations, prevents the risk of intellectual property infringement and ensures the sustainable development of the enterprise.

#### 1. INTEGRITY AND ANTI-CORRUPTION

The Bank attaches great importance to the incorruptible construction and anti-corruption, establishes the management system and work pattern of party style and clean government construction led by the Party Committee, coordinated by the Discipline Inspection Committee. The departments and branches are responsible for the division of labor and unity and cooperation, comprehensively promoting strict governance of the Party and the Bank, and promoting the construction of party style and clean government and anti-corruption work in depth. Closely combined with the actual situation of overseas listed financial enterprises with mixed ownership, we strictly enforce discipline and accountability, severely punish crimes, and resolutely fight against internal and external collusion impairing the legitimate rights and interests of Shengjing Bank.

We empower risk screening through big data, develop and build an employee behavior monitoring system based on regular quarterly employee abnormal behavior screening and iterative optimization, formulate “*Employee Behavior Monitoring System Management Rules*”, use big data and information means to dynamically monitor employee abnormal behavior, provide real-time warning of internal risks, external risks, integrity risks and employee abnormal behavior, and significantly improve the quality and efficiency of employee abnormal behavior screening.

The Bank has formulated the “*Management Measures for Discipline Inspection and Supervision Work of Shengjing Bank*”, “*Management Measures for Exclusion of Abnormal Behavior of Employees of Shengjing Bank*,” and “*Management Measures for Accountability of Shengjing Bank*”, which have gradually formed a standardized system of accountability management. All employees are accepted to report in real names on issues that infringe on the legitimate interests of the Bank, violate laws and regulations and the Bank's rules and regulations, and objectively reflect the reported problems. The Supervision Office of the Head Office has set up a “Notice Board of Reporting Channels” in the offices of the Head Office and all branches, and whistleblowers can directly call the reporting telephone number, send emails to the reporting mailbox, or write letters and mails to the headquarters of Shengjing Bank. Shengjing Bank promises to investigate and verify the information reported in real names promptly, to keep the sources of reports and information strictly confidential, to hold the violators seriously accountable according to rules and regulations once the reported problems and clues are confirmed and to transfer them to the Judicial Office for criminal responsibility if they are suspected of violating laws and crimes.

During the reporting period, Shengjing Bank has not been involved in any corruption litigation that has had a material impact on the business of the Bank, and the head office and branches have organized anti-corruption education and training, with 77 training sessions, 104 hours of training, and 7,977 people trained. The training has improved employees' ideological and political quality, enhanced their ability to resist corruption and prevent changes, and educated and guided employees to work diligently and honestly and perform their duties in compliance with the law. Shengjing Bank has persistently corrected “formalism, bureaucratism, hedonism and extravagance”, resolutely corrected the “Four forms of decadence”, and actively created a good development environment with a clear and clean atmosphere to being a good bank.

# Responsible Governance, Building a Solid Foundation for Development

## 2. ANTI-MONEY LAUNDERING

The Bank strictly complies with national anti-money laundering laws and regulations and solidly fulfills its legal obligations and social responsibilities regarding anti-money laundering. During the reporting period, the Bank continued to deepen its money laundering risk management, deepen the implementation of the requirements of anti-money laundering regulatory opinions, improve its technical support capability, consolidate the results of rectification, further strengthen the foundation of anti-money laundering work and continuously improve the effectiveness of money laundering risk management.

Continuously strengthen the system construction	Strengthen the capacity of scientific and technological support	Solidly carry out anti-money laundering training work	Adopt multi-channel publicity	Implement the “risk-based” principle
In line with the Bank’s business development and risk management needs, we strengthen the “internalization” external policies of anti-money laundering regulatory policies and thoroughly implement the requirements of anti-money laundering laws and regulations.	Continuously promote the intelligent construction of the system, improve and optimize the monitoring model indicators, and continuously improve the monitoring and analysis capacity of the system.	Establish a regular training mechanism, do a good job of anti-money laundering talent reserve and professional echelon construction, and continuously improve the ability of business personnel and anti-money laundering personnel to perform their duties.	We actively carry out anti-money laundering promotion activities in the form of online media promotion, position promotion, and lectures on campus to continuously raise public awareness on money laundering risk prevention.	Strengthen monitoring and control of the high-risk business, enhance risk management of high-risk customers and products, and continuously improve risk control capabilities.

## 3. INTELLECTUAL PROPERTY PROTECTION

The Bank carries out intellectual property protection through the *Patent Law of the People’s Republic of China*, the *Trademark Law of the People’s Republic of China*, the *Copyright Law of the People’s Republic of China*, the *Civil Code of the People’s Republic of China* and other laws and regulations and fully play the role of intellectual property rights to support the protection of business operations, improve the construction of intellectual property management systems, and enhance the core competitiveness of enterprises. To prevent intellectual property infringement incidents, legal opinions on intellectual property protection and reasonable use within the authorization have been issued, and notices on standardizing the authorized use of promotional fonts have been issued. A prior review of external publicity has been implemented. While actively doing a good job in the application, management, and protection of intellectual property rights of the Bank, respect the legitimate rights of others and prevent the risk of intellectual property infringement.



## Grounded in Its Roots, Serving High Quality Development

Shengjing Bank implements major national regional strategies, fully supports local economic development, continues to increase its support to the real economy, continuously improves the quality and effectiveness of its precise services to the real economy, and promotes common prosperity in high-quality development.



# Grounded in Its Roots, Serving High Quality Development

## I. SERVING MAJOR NATIONAL STRATEGIES

Shengjing Bank has thoroughly implemented the decision and deployment of the provincial and municipal party committees and governments, and has fully supported local economic and social development by developing various programmes, serving the construction of local government projects, promoting the packaging and marketing of special bonds, and deeply promoting the reformation and transformation of development. At the same time, we provided support for the modernisation of the national governance system and governance capacity by serving the construction of digital government.

### 1. HELPING TO REVITALISE THE LIAONING PROVINCE

#### (1) OPTIMIZATION OF FINANCIAL SERVICES

Shengjing Bank thoroughly implemented the new round of the *Northeast Revitalisation Strategy* and issued the *Integrated Financial Services Programme to Assist the Development of Shenyang Municipal State-owned Enterprises and Optimization of the Layout of State-owned Assets* and the *Integrated Marketing Work Programme for Local Government Bonds of Shengjing Bank* to help the government optimise financing costs.

We actively promote special bond packaging marketing, and provide local government special bond packaging planning and other comprehensive financial services package. The Bank has set up a professional team to clarify key marketing links and workflows, with 17 packaging distribution projects in 2022 and 60 reserve projects total in 15.75 billion yuan.



#### CASE

##### Financial Services Help Liaoning Revitalize Development

In recent years, Liaoning Province has taken the construction of the business environment as a major issue concerning the overall revitalization and development strategy. At the beginning of 2022, Shengjing Bank launched the “Revitalization of New Breakthroughs, Finance as a Pioneer” Industry Exchange, which is about provincial and municipal governments major strategies, key projects, inclusive finance, and called on Liao-Shen Area to integrate resources and improve collaboration efficiency. As of to date, Shengjing Bank has accumulated 57.8 billion yuan, contributing to the economic and social development of the province.



Shengjing Bank Holds Special Meeting to Support Local Economic Development



## Grounded in Its Roots, Serving High Quality Development

### (2) PROMOTING ENTERPRISE-LOCAL GOVERNMENT COOPERATION



We actively provide financial support and a full range of financial services for the development of regional state-owned enterprises and continue to provide financial assistance for the reform of state-owned enterprises and their expansion and strengthening. We held an online forum on deepening cooperation between state-owned enterprises through “serving the collaboration between the central government and the local government to promote the integration of production and finance” to promote cooperation between the central government and the local government and deepen the reform of state-owned enterprises. During the reporting period, Shengjing Bank extended new credit facilities of 23.4 billion RMB to more than 30 key projects and enterprises, including Shenyang Metro and Shenyang Water, with a net new investment of 16.2 billion RMB.

During the reporting period  
new credit facilities of  
**RMB 23.4 billion**  
with a net new  
investment of  
**RMB 16.2 billion**

#### CASE

#### Online Forum on Deepening Cooperation with SOEs

On March 5, 2022, Shengjing Bank held the online forum “China Central Cooperation to Promote the Integration of Production and Finance and Deepen Cooperation with State-owned Enterprises”. State-owned Assets Supervision and Administration Commission of the State Council, Liaoning Provincial State-owned Assets Supervision and Administration Commission, the relevant leaders of the provincial municipal State-owned Assets Supervision and Administration Commission, Development and Reform Commission and the Financial Bureau, and more than 10 central enterprises, including Ansteel Steel Group, China Iron Construction, China Energy Conservation and Environmental Protection Group and China Energy Construction Group, Liaoning Energy Holding Group, Shenyang Aviation Industry Group and more than 20 local heads of state-owned enterprises were invited to attend the forum.



SOE Deepening Cooperation Online Forum

### (3) PROMOTING THE WELL-BEING OF PEOPLE

Shengjing Bank takes advantage of our own professional, characteristic management services, in financial technology, people’s livelihood improvement and other aspects of the full range of financial services and solutions. We actively carry out business cooperation in the field of pension, philanthropy and public welfare, and create a sound financial ecological environment by effectively integrating and sharing the resources of pension, helping, charity and social welfare. We work with the Liaoning Provincial Civil Affairs Office to broaden the field of cooperation, improve the civil administration governance system and governance capacity, expand the broad development space for the Liaoning Provincial Civil Affairs cause, and add new people’s livelihood and well-being.

# Grounded in Its Roots, Serving High Quality Development

## CASE

### Shengjing Bank signs strategic cooperation agreement with Liaoning Provincial Department of Civil Affairs

On 24 August 2022, Shengjing Bank and Liaoning Provincial Department of Civil Affairs signed a strategic cooperation agreement. To support the development of civil affairs in Liaoning Province, the two sides have made full use of their strengths in many fields, such as the protection of people's livelihood, grassroots social governance and services, and actively explored diversified cooperation models to comprehensively enhance Liaoning people's livelihood and financial service capabilities.



Shengjing Bank and Liaoning Provincial Civil Administration strategic cooperation signing ceremony

## 2. SERVING THE REAL ECONOMY

To ensure that the policies and measures to help enterprises are effective, the Bank has formulated the *Shengjing Bank's Action Plan on Serving Shenyang's Economic and Social Development in a Comprehensive and In-depth Manner*. We strengthened our credit support and financial services to actively nurture and support growing corporate clients. The Bank has also launched innovative businesses to support the development of new technology and high-tech industries and support foreign trade micro and small enterprises to go global, forming a new model for banks, credit insurance and guarantees to jointly serve foreign trade micro and small enterprises. During the reporting period, Shengjing Bank's loans amounted to 613.4 billion RMB, playing the role of the main force of local finance.



During the reporting period  
Shengjing Bank's  
loans amounted to

RMB **613.4** billion

Electronic bid guarantee	Supplier financing	Ding Yi Rong (訂易融)	"Liao"(遼) series
With the bidders on the specific government bidding management platform as the guarantors, they occupy the credit granted by the guarantee company and issue electronic guarantee commitments to the platform bidders online. It has effectively solved the problems of difficult credit granting, expensive and slow issuance of guarantee letters for small and micro enterprises on the platform, and facilitated the participation of small and micro enterprises in government bidding projects.	Non-recourse receivables financing is provided to the seller by occupying the buyer's credit line on the premise that the underlying transactions and accounts payable are undisputed. It has effectively solved the problem of fragmented and scattered financing for small and micro enterprises and has been widely acclaimed by the groups and its upstream suppliers.	A short-term financing product is applied for by a domestic seller, with the payment made by the buyer under the order as the first source of repayment.	The series of products focus on the regional development layout of "one circle, one belt and two zones" in Liaoning Province, with emphasis on supporting high-tech, advanced equipment manufacturing and foreign trade export industries, enhancing scientific and technological innovation, stimulating intellectual property activity and strengthening the competitiveness of foreign trade exports.

### Featured, Digital Financial Products

## Grounded in Its Roots, Serving High Quality Development

### CASE

#### Shengjing Bank held “Liaoning Sci-tech Loan”“Liaoning IP Loan” Product Launch Conference

On August 25, Shengjing Bank’s “Liaoning Sci-tech Loan(遼科貸)”“Liaoning IP Loan(遼知貸)” product launch was successfully held in Shenyang. “Liaoning Sci-tech Loan(遼科貸)”“Liaoning IP Loan(遼知貸)” Financial Solution has credit or bank guarantee, combination guarantee and other modes, which can be used by enterprises according to their practical flexibility, with low threshold, more discounted, fast approval, collaboration and many other advantages, It can better meet the financing needs of enterprises, especially start-ups, growing technology enterprises and small and micro enterprises with intellectual property rights. Single-account loan amount up to RMB10 million (inclusive), the minimum interest rate can be 3.85%, the loan expiration enterprise can submit a no-repayment loan renewal application, all-round to meet the “short, small, frequent, urgent” financing needs of small and micro enterprises.



“Liaoning Sci-tech Loan(遼科貸)”“Liaoning IP Loan(遼知貸)”

### CASE

#### Supporting “Little Giant” Enterprise

“Specialized, Sophisticated, Special and New enterprises” are the main force of Liaoning in upgrading the industrial chain and stabilizing the economy to maintain growth, and they are also the direction of investment and key support of Shengjing Bank for inclusive finance. Shengjing Bank launched a green channel for loans to small and micro enterprises and granted a credit of RMB10 million to a Liaoning technology company, which helped the enterprise solve its practical difficulties and significantly reduced its financing costs.



Tieling County Sub-Branch Meets to Discuss Credit Management Concept

## 3. ENABLING DIGITAL PLATFORM CONSTRUCTION

Shengjing Bank has always been committed to industry financial strategy, actively invested in digital platform construction. The Bank has built our work around government-led basic digital platforms to promote smart governance by launching more digital application scenarios in key areas such as economic regulation, market regulation, social management and public services. We have strengthened our cooperation in bank and government, used financial technology to build a comprehensive service platform to help building “Digital Shenyang” and financial technology innovation, to flourish the development of the digital economy, and to empower the development of digital China.

## Grounded in Its Roots, Serving High Quality Development

Health insurance information platform expansion	Commercial housing pre-sale funds supervision	Housing provident fund	Special fund management for housing maintenance	Development of the “One-code City” project in cooperation with city information center
In the construction of Shenyang’s new medical protection information platform, Shengjing Bank, Shenyang City Information Center, Shenyang City Medical Protection Bureau, and Shenyang Municipal Finance Bureau jointly signed a cooperation agreement, Shenyang city medical protection information platform construction to give financial and technical support.	To regulate the order of the real estate market and safeguard the lawful rights and interests of the people who buy houses, and to freeze and deduct the supervised accounts, the Shengjing Bank is obliged to certify the nature of the pre-sold funds and the supervised accounts of the newly built commodity houses and to inform the fund regulator in writing promptly.	Shengjing Bank Provident Fund Card is mainly used to store funds in the Provident Fund account and to pay for daily consumption. The Provident Fund Card can be used in Shengjing Bank’s counter or online payment system and can be used to pay for shopping, purchasing services, paying bills, etc.	To facilitate the majority of customers to pay fees, Shengjing Bank has all branches to carry out POS special maintenance funds deposit business, any bank card can handle the payment of maintenance funds at the branches, and no charge.	Shengjing Bank gave full play to the advantages of branches layout and online -offline integration of settlement and used the “Shengjing Family Affairs Channel” App as a carrier to carry one-stop and integrated financial services to support the construction of Shenyang’s “Good Policy” platform, realizing the “direct access to the people and enterprises” for the issuance of government subsidies.

## II. SUPPORTING FOR INDUSTRIAL OPTIMIZATION AND UPGRADING

Shengjing Bank actively promotes strategic cooperation with various industries. We focus on the characteristics of the regional economy, plough deep into the field of inclusive finance, establish strategic partnerships with key customers, devote our efforts to supporting the agriculture, real estate and medical industries, enhance financing efficiency, reduce financing costs and contribute financial strength to boost the sustainable and sound development of the local real economy.

### 1. PROMOTING AGRICULTURAL DEVELOPMENT

We focus on the strategic vision of “being a sound bank”, actively respond to Liaoning Province’s promotion of the development of special industries, set up regional “special agricultural clusters”, and innovate to launch a financial services programme, the “Shengjing Yield Loan” which provides farmers with working capital loans for planting, breeding, agricultural processing and other production operations, as well as fixed asset loans and domestic trade financing. Through the establishment of the banking and government cooperation model, we will work together to maintain the stability of the agricultural industry chain and supply chain, and work together to promote the sound development of the agricultural and rural economy.



## Grounded in Its Roots, Serving High Quality Development

### CASE

#### “Key technological innovation and industrial demonstration of peanut whole industry chain to improve quality and efficiency” project launched

In August 2022, Liaoning Zhengye Peanut Industry Development Co., Ltd. started the project “Key technological innovation and industrial demonstration of peanut whole industry chain to improve quality and efficiency”, and the shortage of funds became a resistance to the rapid advancement of the project. Shengjing Bank Huludao Branch took the initiative to visit the company and introduced Shengjing Bank’s “one village, one industry, one town, one product” rural revitalization financial brand product “Shengjing Yield Loan (盛產貸)” to Zhengye Peanut, which was approved by the company. Soon, Zhengye Peanut obtained a loan of RMB10 million from Shengjing Bank.



Shengjing Bank Huludao Branch Introduces “Shengjing Yield Loan (盛產貸)”

## 2. MAINTAINING STABILITY IN THE REAL ESTATE SECTOR

We fully implemented the specific measures of the People’s Bank of China and the CBIRC on the requirements related to the work of financial support for the stable and healthy development of the real estate market, focused on protecting the demand for personal housing loans for immediate needs and improvements, deepened cooperation with key customers in the real estate industry, further met the reasonable housing needs of residents and continued to make positive contributions to the economic and social development of Liao-Shen Area and the construction of a long-term mechanism for the real estate market.

### CASE

#### Shengjing Bank held a strategic signing ceremony for bank-enterprise cooperation

On 19 December 2022, Shengjing Bank held a signing ceremony for strategic cooperation among key real estate enterprises, providing RMB8 billion of intended credit to the first batch of signatories. Shengjing Bank signed the first batch of comprehensive strategic cooperation agreements with four real estate development enterprises, including Longfor Group Holdings Limited, Huaxin Group, HuiLand Group and Zhongdekai Real Estate, and four construction enterprises, including China Railway No.4 Engineering Group Co., Ltd, Liaoning Baicheng Construction Company, Shenyang Songmao Construction Engineering Company and Shenyang No. 2 Municipal Construction Engineering Company and four real estate brokerage companies, including Beike, Mango Home, Shenyang Zhonglian Real Estate Agent and Huijia Home. A strategic signing was made to focus on supporting rigid and improved housing demand.



Financial support for the stable and healthy development of the real estate market and strategic signing ceremony for cooperation between banks and enterprises

## Grounded in Its Roots, Serving High Quality Development

### 3. BUILDING A SMART HEALTHCARE PLATFORM

We are committed to working together with the healthcare industry to build a future-oriented and scenario-based service system of smart healthcare and supply chain finance, driving innovation and integration of smart city, smart finance and inclusive healthcare. In the construction of smart hospitals, Shengjing Bank provides hospitals with intelligent hardware configurations on the one hand, and fully utilises our capital and technological advantages to fully support the construction of hospital informatisation and empower a wider range of regions and customers on the other hand. During the reporting period, Shengjing Bank has developed strategic cooperation with a number of hospitals in Liao-Shen Area, with hospitals being responsible for “ordering” and Shengjing Bank being responsible for financing and finding intelligence, working together to build smart medical projects.

#### CASE

##### Signing Strategic Cooperation Agreement with Neusoft Group

On 4 January 2022, Shengjing Bank went to Neusoft Group to investigate and sign a strategic cooperation agreement, to learn in detail about Neusoft’s achievements in high-tech medical equipment and other areas, and Neusoft Group demonstrated the transformation of scientific and technological software productivity, especially the application of civilian products. After the visit, the two sides carried out a friendly, practical, efficient and professional discussion and signed a strategic cooperation agreement.





## Deepening Inclusive Development and Strengthening the Foundation of People's Livelihood

Protecting the rights and interests of financial consumers requires persistent efforts. Shengjing Bank adheres to the people-centred development concept and strives to enhance the professionalism of consumer rights protection. We continue to raise the level for financial services for the people, constantly enhancing the sense of gain, happiness, and security of financial consumers, to make greater contributions to meeting the aspirations of the people for a better life through finance.



# Deepening Inclusive Development and Strengthening the Foundation of People's Livelihood

## I. INNOVATIVE FINANCIAL PRODUCTS

Shengjing Bank understands that innovative financial products are important means to enhance enterprise competitiveness, meet customer needs, expand new markets, and improve corporate image. Therefore, we attach great importance to accelerating product innovation and incubation and building a product factory. We closely focus on the bank-wide digital transformation work and proactively carry out architecture transformation. In addition, we optimize application system architecture, promote the progress of new core and data middle platform projects, and complete the function production of the enterprise-level general ledger system and customer relationship management system. Moreover, we iterate existing system functions to improve project management capabilities.

In 2022, Shengjing Bank completed a total of 1,685 business requirements going live, with a year-on-year increase of 16.21%. The innovative products drove a deposit growth of RMB3.599 billion.



a total of **1,685**  
business requirements  
going live

drove a deposit growth  
of RMB **3.599** billion

### Key innovative financial products and features in 2022

#### Elderly-care version mobile banking

In October, Shengjing Bank completed the construction of "Elderly Care Edition" mobile banking, providing an exclusive home page for senior citizen finance. This provides a simpler and more convenient exclusive service for elderly customers.

#### Converged payment platforms

In November, the first phase of the integrated payment business system was completed and put into production. At the same time, Shengjing Bank successfully implemented the first integrated payment business, providing online acquiring services for the "micro service hall" platform of Shenyang Gas Group and continuously developing access to cloud flash payment and intelligent POS.

#### Enriching online products for corporate customers and their functions

Throughout the year, more than 70 new functions were added, including Tax Loan, Shengyi Loan, Quick Payment, Commercial Bill Subsidy, InterBank Agency Payment, Internal Account Remodelling for Agency Payment, Cash-Type Wealth Management Product Change, OFD Receipts, National Cryptography Certificate Remodelling, etc.

#### Promoting mobile banking applications

We launched special sections for retired military personnel, MGM, and loyalty points, optimized the salary payment section, and deepened support for customer groups. We also added service features highly relevant to users' lives, such as national medical insurance electronic vouchers, social security payment, party fee payment, and labour union fee payment.

#### Smart Campus Construction

This year, 32 new cloud billing projects were added, including Shenyang No.120 Middle School, Zhujiang Five Schools in Huanggu District, etc., driving a daily average deposit of 2.7 billion yuan and enabling nearly 300 schools and nearly 100,000 parents in 10 administrative regions of Shenyang to pay school fees using cloud billing.

In addition, we have always adhered to the strategic vision of "being a good bank" and the fifteen-character policy of "expanding scale, improving quality, preventing risks, stabilizing expectations, and strengthening work style." Furthermore, we focus on customer experience and make unremitting efforts to create an integrated, digitalized retail bank that covers all products, channels, and scenarios.

# Deepening Inclusive Development and Strengthening the Foundation of People's Livelihood

## CASE

In 2022, the Retail Credit Department continued to improve the innovative mechanism and system construction, accelerating the promotion of product innovation and function optimization.

### Innovative mechanism and system construction

- Established the “Retail Credit Product Innovation Task Force”;
- Collaborated with other departments to collect real business needs and product feedback on a regular basis;
- Combined with industry research and the Bank's risk appetite to accelerate product innovation and optimization.

### Product innovation and functional optimization

- Developed 12 self-operated consumer loan products for “six customer groups and six industries” based on market demand, existing products, and branch requirements
- Enriched the product portfolio of Shengjijing Bank's self-operated online products, providing product support and marketing assistance for branch business promotion;
- Successfully launched the e-Xiang installment loan product. Developed and launched the online inclusive finance product “Smoking-e loan (煙e貸)” the second-hand house funds custody function, and the interest-free coupon function.

## II. PROVIDING WARM SERVICE

Shengjijing Bank attaches great importance to customer service and has formulated relevant regulatory guidelines such as the *Shengjijing Bank Credit Card Center Customer Complaint Management Implementation Rules* and the *Shengjijing Bank Customer Financial Information Protection Management Measures*. We put customers at the center and respond to their needs efficiently while protecting their privacy. In 2022, Shengjijing Bank did not experience any customer privacy leaks.

### 1. RECEIVING CUSTOMER FEEDBACK

We attach great importance to receiving customer feedback. We have clarified the principles for handling complaints, opened complaint channels, and standardized the complaint process to improve the quality of our services and the efficiency of complaint handling.

## Deepening Inclusive Development and Strengthening the Foundation of People's Livelihood

The Bank has established a consumer protection organizational structure comprising the Board of Directors, the Risk Control and Consumer Interests Protection Committee, senior management, the Consumer Rights Protection Committee and branches. The *Articles of Association of Shengjing Bank* specify that the Board of Directors is responsible for the protection of consumer rights and interests of the Bank, assumes the ultimate responsibility for consumer rights and interests protection, integrates consumer rights and interests protection into all aspects of corporate governance, and incorporates consumer rights and interests protection into business development strategies and corporate culture; senior management is responsible for establishing a consumer rights and interests protection management system with clear objectives and effective implementation, and coordinates consumer Senior management is responsible for establishing a consumer protection management system with clear objectives and effective implementation, coordinating consumer protection plans, programmes and tasks, and ensuring that the strategic objectives and policies on consumer protection are effectively implemented.

In 2022, the Bank further established and improved various rules and regulations on consumer rights and interests protection revised the *Management Measures on Financial Literacy and Education for Financial Consumers of Shengjing Bank (2022)*, *Implementation Rules on the Assessment of Consumer Rights and Interests Protection of Shengjing Bank (2022)* and *Implementation Rules on the Review of Financial Consumers' Rights and Interests Protection of Shengjing Bank (2022)*, and added new supporting systems *Shengjing Implementation Rules for the Protection of Consumer Rights and Interests of Banks in Marketing and Publicity (2022)* and *Implementation Rules for the Diversified Settlement of Financial Consumer Disputes of Shengjing Bank (2022)* to ensure the standardization and completeness of the institutional system.

The Bank actively plays a proactive role in complaint handling, regulates the whole process control of complaint acceptance, feedback and analysis, vigorously improves the timeliness and quality of consumer complaint handling, insists on problem orientation, stressing on the main responsibility, solves customers' "urgent, difficult and worrying" problems with care and affection through thematic promotion, joint supervision and monitoring and supervision, etc. The company also continued to improve the quality of its services and customer experience by continuously optimising its products, systems, systems and processes. We received 3,270 complaints from all channels, with a 100% completion rate for the year. The complaints mainly involved 12 types of business, with the top three categories being bank cards, loans and other business complaints. The complaints were mainly in the Liaoning, Jilin and Shanghai regions.

# Deepening Inclusive Development and Strengthening the Foundation of People's Livelihood

## Complaint Handling Principles

<b>Who is in charge, who is responsible</b>	After determining the responsibility department or person for the business or object of the customer complaint, the responsible department or person shall propose a reasonable solution until the customer's complaint is resolved.
<b>First responsibility</b>	The first department or person who receives the complaint when the customer complains is the person with the first responsibility. The first responsible person has the responsibility to ensure that the customer's complaint is resolved in a timely, prompt, and effective manner and cannot shirk their responsibility. They are responsible for solving the problem within their scope of authority. If the problem exceeds their scope of responsibility or authority, they should report it to the higher level in a timely manner for coordination and resolution.
<b>Reporting step by step</b>	If the customer complaint exceeds the processing authority of the department that received the complaint, it should be reported to the higher-level leader according to the principle of progressive reporting, and the first responsible person should be responsible for handling it after receiving guidance from the higher-level leader.
<b>Time-limited processing</b>	In the process of accepting customer complaints from any channel, it is necessary to respond or provide solutions within the prescribed time limit or the time promised to the customer in accordance with the principle of time-limited handling, and cannot be delayed.
<b>Business compliance</b>	When handling customer complaint events, it is necessary to comply with national laws and regulations, industry regulatory departments, and relevant rules and regulations of the bank.

## (1) COMPLAINT CHANNELS

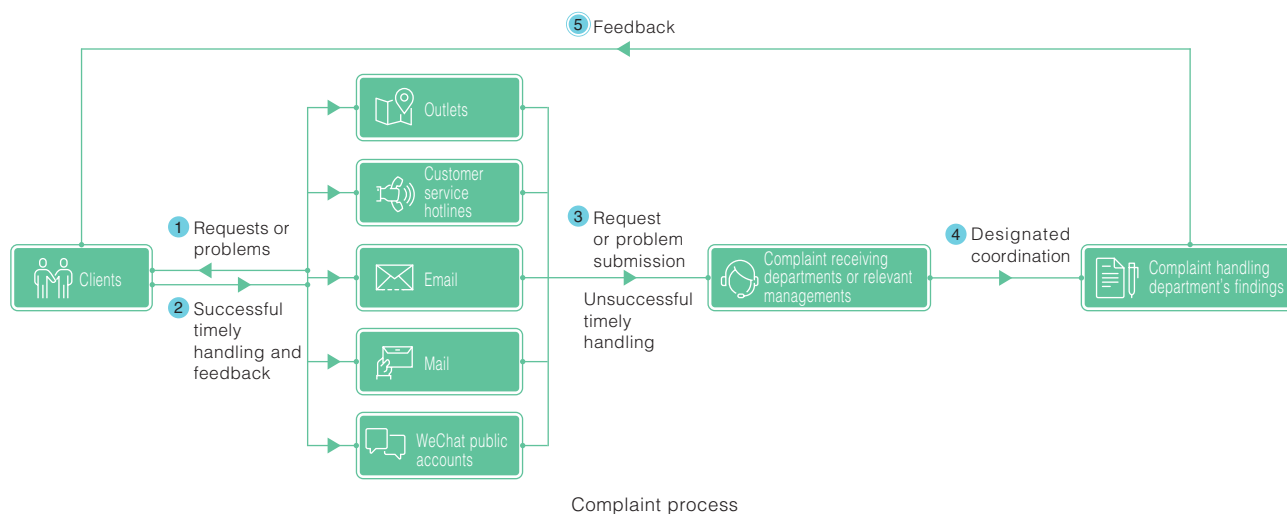
Our channels for receiving customer complaints include, but are not limited to, our various outlets, customer service hotlines, mail, email, WeChat public accounts, regulatory authorities, and various online media. The following are the ways in which customers can file a complaint with our bank:

 <b>Branches</b>	You can report customer demands or problems to the lobby manager or outlet manager, or leave a message in the customer feedback book
 <b>Customer service hotlines</b>	Call our 24-hour customer service hotline (95337 400-699-6666) and select speaking to a customer service representative
 <b>Mail</b>	Send a complaint letter to the Shengjing Bank Remote Banking Centre, No.37 Xishuncheng Street, Shenhe District, Shenyang, Liaoning Province, the People's Republic of China
 <b>Email</b>	shengjing@shengjingbank.com.cn
 <b>WeChat public accounts</b>	Follow the official WeChat account of "Shengjing Bank" and send your complaints or issues via text, images, voice, etc.

# Deepening Inclusive Development and Strengthening the Foundation of People's Livelihood

## (2) COMPLAINT PROCESS

Customer complaints can be submitted through different channels. The relevant department or management departments will assign designated personnel to handle the complaint. Based on mutual consultation, a solution or proposal will be proposed to effectively resolve the complaint in a timely manner. The following is our complaint handling process:



## 2. SAFEGUARDING CUSTOMERS LEGAL RIGHTS

We always adhere to the service concept of “customer-centric” and fulfil social responsibilities. We adhere to the principle of “risk-based approach” and continuously enhance the bank’s ability to control money laundering risks. Additionally, we innovate financial promotion methods and carry out financial promotion and education work in depth and detail. Lastly, we continuously enrich the financial services for special groups such as the elderly and children, and provide standardized, professional, and customized services sincerely.

### Big Data:

In 2022, Shengjing Bank made full use of our network advantages and conducted in-depth theme publicity activities such as “Law Enforcement and Governance of Anti-Money Laundering Criminal Activities” through various forms of online and offline channels.

distributed **38,000** promotional materials in total

conducted **87** financial consultations

**49** WeChat promotions

**69** internal lectures

visited **315** communities, campuses, and shops in person

actively guiding the public to enhance risk prevention awareness.



## Deepening Inclusive Development and Strengthening the Foundation of People's Livelihood

Category	Measures
 <b>Preventing Financial Crime</b>	<ul style="list-style-type: none"> <li>• We take multiple measures to carry out compliance culture construction activities.</li> <li>• We conduct compliance-specific training and warning education.</li> <li>• We innovate compliance culture carriers, such as establishing a compliance promotion platform and compiling internal control manuals.</li> </ul>
 <b>Promoting financial literacy</b>	<ul style="list-style-type: none"> <li>• We go into communities, visit merchants, and use various publicity methods, to popularize foreign exchange knowledge and regulations and enhance public awareness of the security of cross-border financial markets. Additionally, we remind the public to protect their “economic ID card.”</li> <li>• We adjust the focus of our educational campaigns in a timely manner and diversify our methods and channels, targeting citizens with financial knowledge based on social hotspots. For example, we produce original financial knowledge publicity materials combining popular elements and are fun to read, and distribute them on popular social media platforms such as WeChat, Weibo, and Tik Tok.</li> </ul>
 <b>Caring for special groups</b>	<div style="display: flex; align-items: center; margin-bottom: 10px;">  <div> <p>Financial Services for the Elderly</p> </div> </div> <ul style="list-style-type: none"> <li>• We are gradually establishing and improving elderly-friendly equipment and facilities, such as setting up barrier-free access, displaying emergency call numbers in prominent locations, and installing call buttons.</li> <li>• We have opened “care windows” and “green channels” to provide elderly customers with auxiliary facilities such as love seats and wheelchairs.</li> <li>• We have introduced a “large font” mode on ATMs to reduce the difficulty of reading ATM page information for elderly customers.</li> <li>• We have launched a dedicated “Yiyang Version (颐养版)” mobile banking service, creating a “user-friendly” interface.</li> <li>• We have launched the “Shengxiang Life, Jingxin Companion (盛享人生, 京心陪伴)” pension financial service system, providing elderly customers with a set of services covering wealth, health, lifestyle, culture, and inheritance.</li> </ul> <hr/> <div style="display: flex; align-items: center; margin-bottom: 10px;">  <div> <p>Rational Financial Thinking for Youth</p> </div> </div> <ul style="list-style-type: none"> <li>• We provide comprehensive financial knowledge to teenagers through financial education demonstration bases, interesting educational materials, and “first class of the semester” activities.</li> <li>• We organize practical activities for teenagers to improve their financial literacy through a combination of “invite in” and “online live broadcast” methods. These activities are held regularly.</li> </ul>

## Deepening Inclusive Development and Strengthening the Foundation of People's Livelihood



Yiyang Finance Salon Event



"Elderly Academy" Painting and Calligraphy Competition

### 3. PROTECTING INFORMATION SECURITY

We strictly abide by the provisions of laws, regulations, documents, and standards such as the *Cybersecurity Law of the People's Republic of China*, the *Commercial Bank Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Personal Financial Information Protection Technical Specifications of the People's Bank of China*. Also, we have formulated the *Shengjing Bank Customer Financial Information Protection Management Measures*. We have established a normalized management mechanism, implemented various security control measures, effectively protected the data security of our customers, and improved our information control level.

All departments of the head office, as well as all branches (including sub-branches and outlets), have established a system of rules and regulations for the protection of customer financial information (production data). We have clarified our work responsibilities and standardized our work processes.

#### Customer Information Protection System

- Develop management regulations for customer financial information protection (production data).
- Carry out customer financial information classification and grading management.
- Establish daily management and operating procedures.
- Establish an information system hierarchical authorization management mechanism.
- Establish customer financial information desensitization.
- Conduct security impact assessments of customer financial information (production data).
- Establish management systems for outsourced service providers and external cooperation institutions.
- Establish customer financial information security inspection and supervision mechanism.
- Incorporate the handling of customer financial information leakage and other related incidents into the institution's information security incident emergency response work mechanism, and develop dedicated processes and contingency plans.
- Establish customer financial information complaint and appeal processing procedures.
- Clarify the deadline for customer financial information (production data) sharing, storage, use, and destruction.



## Green and Low-Carbon, Guarding Green Mountains and Clear Waters

Shengjing Bank will fully incorporate the support for the development of green finance into our strategic planning. According to the relevant requirements of the *Green Finance Guidelines for the Banking and Insurance Industry*, we have formulated the *Shengjing Bank Environmental and Social Risk Management Measures*. While vigorously supporting projects and enterprises in the fields of green, low-carbon, and circular economy, we also practice green operations and accelerate our own green and low-carbon transformation.



# Green and Low-Carbon, Guarding Green Mountains and Clear Waters

## I. DEVELOPING GREEN FINANCE

Shengjing Bank deeply implements the strategic decision of “emission peak, carbon neutrality” by the Party Central Committee and the State Council. We continue to build a green finance mechanism system and innovate green finance practices. In addition, we incorporate and practice the concept of green and low-carbon development in all our business work, and play a good role of green finance in supporting low-carbon and green transformation as well as environmental protection.

### 1. GREEN FINANCE STRATEGY

Shengjing Bank focuses on implementing the central government’s carbon peak and carbon neutrality strategy, actively exploring the establishment and improvement of a green finance management system. We have introduced green finance management systems such as the *Shengjing Bank Green Credit Strategy and Shengjing Bank Green Credit Guidelines*, further clarifying the overall idea, development direction, implementation path, and specific requirements of green finance. In addition, we have established a green finance working committee composed of the board of directors and senior management. In addition to leading the overall strategic layout and planning for the development of green credit throughout the bank, strengthening the organization, coordination, and promotion of green credit, the committee also guides the bank to direct more funds towards green industries such as energy conservation, environmental protection, clean energy, and ecological environment, which strive to broaden the coverage of green finance and highlight our driving role.

#### Green Finance Working Committee Responsibilities



As the highest decision-making body for green finance in the bank, the boards of directors assume the main responsibility for green finance.

Responsible for providing support and services to the Green Finance Working Committee;

Responsible for monitoring the implementation of the green finance strategy and other relevant resolutions of the board of directors;

Responsible for green finance information disclosure management;

Responsible for publishing or forwarding the full range of green finance comprehensive evaluation results and guidance from regulatory authorities to the public.

Carrying out relevant work according to the decision of the board of directors.

Responsible for the specific implementation of green finance.

# Green and Low-Carbon, Guarding Green Mountains and Clear Waters

## 2. GREEN FINANCE PRACTICES

Shengjing Bank insists on creating a green finance brand and makes multiple efforts around the carbon peaking and carbon neutrality goal to promote the development of green finance. The bank actively and steadily carries out green credit work, supporting the development of the green credit industry from various aspects, such as loan placement, credit placement strategies, industry market access, business workflow processes, etc. We strictly limit credit placements in industries with “high-pollution and high-consumption, surplus,” implement a green loan priority time-limited review and approval policy, and improve credit approval efficiency from multiple aspects such as pre-loan investigation, loan approval, and loan disbursement audit. We innovate green financial products, enrich collateral types, and launch green services such as carbon emission rights pledge loans, renewable energy subsidy verification loans, and contract energy management loans to support green credit placement. We also study and establish a green finance performance evaluation index system and a reward and punishment mechanism, incorporating green credit indicators into branch KPI assessments to encourage branches to increase green credit placements. As of December 31, 2022, the total balance of Shengjing Bank’s green credit loans amounted to RMB6.449 billion.

### CASE

The Chaoyang branch selectively chooses green energy-saving projects and implements credit placements accurately.

In March 2022, Shengjing Bank issued a special loan of RMB9 million to a water conservancy equipment company to produce agricultural covering films. Through the widespread promotion and application of this product, we helped the company achieve better water and energy conservation, making efforts for the construction of ecological civilization.

## II. PROMOTING GREEN SERVICES

Shengjing Bank is promoting innovation in digital financial services, tracking industry trends and integrating customer, business, product, and channel resources. We have conducted innovation in digital financial services, mapped out digital customer journeys, and coordinated the overall financial technology innovation needs of the bank. These manage the entire process of digital financial innovation projects and promote the coordinated development of retail and corporate digital financial services.

### 1. INTELLIGENT CONSTRUCTION

We are actively promoting the intelligent construction of our branches, adding new intelligent devices such as intelligent counters, high-speed deposit and withdrawal machines, interactive desktops, and more. We also support convenient services such as rapid card issuance, activation of electronic banking, bank card activation, the printing of account statements, and large-sum cash deposit and withdrawal functions, forming a relatively complete financial technology intelligent service system. At the same time, we are strengthening the construction of 24-hour self-service branches, and clarifying the construction standards for branch equipment configuration, operation management, and external image. These can further enhance the self-service device service capabilities and improve our external service image.

# Green and Low-Carbon, Guarding Green Mountains and Clear Waters

## CASE

### Intelligent Branch Construction in Jinzhou

Shengjing Bank's Jinzhou Branch actively cooperated with the Jinzhou Market Supervision Administration to promote one-stop electronic services for business license registration. After obtaining approval through the all-electronic system for industrial and commercial registration, both individuals and businesses can print their business licenses at self-service printing devices located in the bank's service branches, achieving the goal of "cross-regional, non-face-to-face, and enterprise registration".



Self-service machine

## 2. DIGITAL SERVICES

We are committed to combining the development of digital banking business with environmental protection. Through various channels such as online banking, mobile banking, and WeChat banking, we provide customers with electronic financial services to save social resources and promote the development of a low-carbon economy.

### (1) ONLINE BANKING

We have been making rapid iterations and upgrades to our corporate online banking system. Throughout the year, we have added over 70 new features, including Tax e Loan, Sheng e Loan, Quick Pay, Bill Discount, inter-bank payroll payment, Internal Account Remittance, Cash Management Product Modification, OFD Receipt, and National Encryption Certificate Upgrades. In addition, we have enriched our online corporate products and functions, adding 8,049 new corporate online banking clients as of the end of the reporting period.

Our personal online banking uses internet technology to provide comprehensive, efficient, and secure banking services to customers through PC, enabling customers to manage their wealth safely and conveniently without going outside. As of the end of the reporting period, the number of personal online banking customers has accumulated to 677,000, an increase of 1.12% year-on-year.



as of the end of the reporting period:

Cumulative number of corporate internet banking customers:

**63,800**

Number of transactions:

**4.75** million

Cumulative RMB value of transactions:

RMB **3,153.4** billion

Year-on-year growth:

**49.3%**



## Green and Low-Carbon, Guarding Green Mountains and Clear Waters

### (2) MOBILE BANKING

We are closely focused on customer experience and accelerating the upgrade and iteration of mobile banking. We are also focusing on visual effects and business functions, continuously improving the service capabilities of mobile banking, and achieving sustained increases in customer engagement. In addition, we provide differentiated service capabilities by offering both a regular version and a wealth version of mobile banking. Finally, we have added customized areas such as salary payment and new wealth customers to achieve precise marketing for different customer groups.

In 2022, we completed 182 upgrades to mobile banking functions and added/optimized 35 anti-fraud rules. We focused on strengthening risk prevention and control in mobile banking and enhanced security authentication in scenarios such as transfers and device binding. In addition, we added a facial recognition locking mechanism and optimized the limit management of mobile banking.

We actively enriched the service functions of WeChat banking, providing users with services such as dynamic account information notifications, account inquiries, provident fund inquiries, ETC management, the latest financial product information inquiries, utility bill payments, branch location searches, and manual customer service, to meet customer demands for convenient inquiries and quick payments. In addition, we use WeChat banking to push product information to users and conduct financial education. As of the end of the reporting period, our bank had a total of 985,000 WeChat banking customers, a year-on-year increase of 16%.



As of the end of the reporting period:

Total mobile banking customers:

**3,824,400**

Number of transactions:

**311.12** million

Cumulative RMB value of transactions:

RMB **344.681** billion

## III. PRACTICING LOW CARBON OPERATIONS

Shengjing Bank regards the protection of the environment and resources as an important responsibility and always strictly complies with relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China*. We have developed internal management systems such as the *Shengjing Bank Head Office Construction Opinion* to promote the concept of green office and improve energy management. During the reporting period, our bank did not have any serious violations of relevant laws and regulations regarding emissions of waste gas and greenhouse gases, discharges into water or land, or the generation of hazardous or general waste that would have a significant impact on our bank.

### 1. RESPONDING TO CLIMATE CHANGE

We identified and disclosed our bank's policies and actions in responding to climate risks and seizing climate opportunities in accordance with the framework of the Task Force on Climate-related Financial Disclosures (TCFD).

We conducted an industry-level risk assessment based on publicly available materials and industry analysis. By reviewing materials published by peers, industry reviews, media reports, and expert communication, we identified common industry risks. We identified the potential impacts of climate change on our business sectors at different time scales, including short-term (1-2 years), medium-term (3-5 years), medium-to-long-term (6-9 years), and long-term (10 years or more) by the TCFD climate risk disclosure framework. We used a qualitative assessment method to rank the identified risks based on the likelihood of occurrence, impact, adaptability, and recoverability, with impact intensity, ranked as "low," "medium," or "high."

# Green and Low-Carbon, Guarding Green Mountains and Clear Waters

## CLIMATE RISK IDENTIFICATION MATRIX

Type of risk	Climate risk factors	Risk classification	Examples of risks	Time dimension	Business areas covered	Impact intensity
Physical Risk	Heat waves	Acute Operational Risks	During heat waves, employees may be unable to work due to heat exhaustion, heat stroke or other health conditions caused by the extreme heat, resulting in higher operating costs.	Long-term	Company as a whole	Medium
	Earthquakes	Acute Operational Risks	The risk of earthquakes is low as the Bank's offices are not geographically located in areas prone to earthquakes.	Long-term	Company as a whole	Low
	Typhoons	Acute Operational Risks	The risk of typhoons is low as our offices are located away from typhoon-prone areas.	Long-term	Company as a whole	Low
	Mosquito breeding	Chronic Operational Risks	Rising temperatures and increased precipitation also lead to mosquito breeding, which increases the risk of mosquito-borne disease transmission.	Long-term	Company as a whole	Low
	Sea level rise	Chronic Operational Risks	The risk of sea level rise is low as the Bank's offices are not located along the coastline.	Long-term	Company as a whole	Low
Transition Risk	Energy	Acute Operational Risks	As the Bank is not involved in manufacturing, the main source of energy used by the Bank is purchased electricity and therefore the risk of energy stress is low.	Short-term	Company as a whole	Low
	Water resources	Chronic Operational Risks	The risk of water shortage is low as the Bank's offices are in a non-high water stress area.	Short-term	Company as a whole	Low
	New policies for low carbon economy transition	Market and Technology Risks	China's commitment to the 3060 dual carbon target and the introduction of new government policies to support the low carbon transition have increased the Bank's research and development costs and corresponding market competition in green finance.	Long-term	Company as a whole	High
	Mandatory regulatory disclosure of information	Operational and Reputational Risks Regulatory mandated disclosure	Regulatory mandated disclosure of climate-related financial information and the lack of historical data and accurate accounting methods affects the quality of disclosure.	Short-term	Company as a whole	Low

## Green and Low-Carbon, Guarding Green Mountains and Clear Waters

Our response measures to climate-related risks are as follows:

- To reduce greenhouse gas emissions, our main sources of emissions are purchased electricity, heating, and fuel. In the future, our main response measures will focus on improving resource efficiency, increasing the proportion of renewable energy, prioritizing the use of clean energy, building or leasing environmentally friendly and energy-saving buildings, and encouraging green commuting and online meetings.
- We actively respond to national environmental policies and have signed a strategic cooperation agreement with Liaoning Geological Exploration and Mining Group. We will share resources and complement each other's strengths in areas such as soil and environmental remediation, ecological protection and restoration of mountains, waters, forests, and fields, to jointly support the "dual carbon" transformation.
- When formulating emergency plans for related businesses and technology systems, we fully consider the impact of climate disasters. Based on the nodes, scope, and degree of impact, we divide emergency events into different levels and specify specific measures. We establish an emergency response leadership team and provide sufficient personnel, material, and system support.

## 2. IMPROVING ENVIRONMENTAL MANAGEMENT

In response to the national call for "building a resource-saving, environmentally friendly, and harmonious society," we have issued the *Shengjing Bank Office Agreement on Building a 'Green Office, Low-Carbon Life, Energy-Saving and Consumption-Reduction'*. We are gradually forming a corporate culture that advocates environmental protection and thriftiness. We actively promote green office practices, implement energy conservation measures, and improve energy utilization efficiency and economic benefits. In addition, we focus closely on the theme of "energy conservation and emission reduction, scientific development," tailor measures to local conditions, involve everyone, and use multiple forms to incorporate energy conservation and emission reduction work into daily management.

### ① ENERGY CONSUMPTION

During the operation of Shengjing Bank, the main source of energy consumption is electricity. To achieve our goal of green operations, we actively implement various energy-saving measures, and strictly monitor and manage energy use. During the reporting period, our total energy consumption was 5.27 million kilowatt-hours, with a per capita energy consumption of 0.54 kilowatt-hours per employee<sup>3</sup>. To reduce energy consumption year by year, we set different targets for energy saving, such as reducing electricity consumption, optimising energy use and increasing awareness of staff training. We have saved energy in the following ways:

#### Electricity saving

- Optimize the usage of electricity-consuming facilities such as air conditioning and lighting.
- Prioritize the use of environmentally friendly and energy-efficient appliances and equipment.
- Promote green and low-carbon office practices vigorously.



#### Fuel consumption saving

- Optimize the use of public transportation and reduce ineffective running without passengers.
- Strengthen vehicle maintenance and reduce fuel consumption during operation.



<sup>3</sup> During the reporting period, the total number of employees in the head office of Shengjing Bank was 968.

## Green and Low-Carbon, Guarding Green Mountains and Clear Waters

Year	Electricity consumption at headquarters (million kWh)	Oil consumption at headquarters (litres)	Natural gas use at headquarters (m <sup>3</sup> )	Total energy consumption at headquarters (million kWh)	Unit energy consumption (million kWh/employee)
2022	446.44	62,423	23,528	527	0.54
2021	396.77	66,453	24,473	482	0.51

### ② GREENHOUSE GAS EMISSIONS

Shengjing Bank's main operations take place in the office, and carbon emissions mainly come from external electricity purchases, central heating, and fuel consumption. We are committed to reducing greenhouse gas emissions, and during the reporting period, the total greenhouse gas emissions of Shengjing Bank amounted to 2,739.23 tonnes of carbon dioxide equivalent, an increase of 6.1% compared to the previous year. The per capita greenhouse gas emissions were 2.83 tonnes of carbon dioxide equivalent per employee.

#### CASE

##### Advocating green data centers

We continuously replace physical servers with virtual servers to save on procurement, electricity, and cooling costs and reduce energy consumption and cooling requirements. As of the end of the reporting period, Shengjing Bank's data center used 4,490 virtual servers (3,893 at the end of 2021), saving approximately RMB14 million in procurement costs and RMB35 million in operation and maintenance costs in 2022. We also saved approximately 8.6 million kilowatt-hours of electricity and reduced greenhouse gas emissions by approximately 4,905 tonnes of carbon dioxide equivalent.

Year	Headquarters Scope 1 Greenhouse gas emissions (tonnes of CO <sub>2</sub> equivalent)	Headquarters Scope 2 Greenhouse gas emissions (tonnes of CO <sub>2</sub> equivalent)	Headquarters total Greenhouse gas emissions (tonnes of CO <sub>2</sub> equivalent)	Greenhouse gas emission intensity (tonnes of CO <sub>2</sub> equivalent/employee)
2022	193.21	2,546.02	2,739.23	2.83
2021	197.33	2,385.08	2,582.41	2.73

## Green and Low-Carbon, Guarding Green Mountains and Clear Waters

### ③ EXHAUST EMISSIONS

Our air emissions are mainly caused by the consumption of gasoline by shared vehicles. We reduce air pollutant emissions by reducing the use of shared vehicles. During the reporting period, Shengjing Bank generated 0.918 kg of SO<sub>x</sub>, 262.547 kg of NO<sub>x</sub>, and 19.331 kg of PM.

Year	SO <sub>x</sub> (kg)	NO <sub>x</sub> (kg)	PM (kg)
2022	0.918	262.547	19.331
2021	0.977	262.547	19.331

### ④ WATER RESOURCES MANAGEMENT

We actively encourage employees to save water and reduce water waste. At the same time, we have set several water-saving targets, such as arranging a professional team for water management, rational planning of the bank's water consumption, and awareness and education for our staff. We strengthen daily maintenance of water-using equipment, conduct regular inspections and repairs to prevent running, leaking, dripping, and long-flowing water phenomena, and enhance education and communication with employees to gradually develop a civilized and water-saving behavior pattern. We urge employees to consciously cultivate good habits of saving water and avoid wasting water resources. All the water sources we use come from third-party tap water, and after use, they are discharged into the municipal network. During the reporting period, the total water consumption of Shengjing Bank's headquarters was 40,695 tons, with a per capita water consumption of 42.04 tons per employee, and there were no issues with accessing suitable water sources.

Year	Headquarters common water volume (tonnes)	Headquarters per capita density of common water (tonnes/employee)
2022	40,695	42.04
2021	52,890	62.52

### ⑤ WASTE MANAGEMENT

We insist on properly handling waste to reduce its impact on the environment during our operations, set several waste reduction targets, such as reducing waste paper, managing waste effectively and recycling electronics. We encourage employees to take practical actions to reduce waste, and advocate waste sorting and recycling. As a non-production enterprise and with our main business not involving high pollution or high emissions, we have not produced any significant hazardous waste. Limited hazardous waste such as batteries and waste fluorescent lamps generated in our daily operations are properly disposed of through waste disposal companies. During the reporting period, we generated 302 tonnes of non-hazardous waste (most likely household garbage) and 6.92 tonnes of hazardous waste, with a per capita generation of 0.31 tonnes/employee for non-hazardous waste and 7.15 kilograms/employee for hazardous waste.

## Green and Low-Carbon, Guarding Green Mountains and Clear Waters

### Save office supplies

We strengthen the management of office supplies to improve their utilization efficiency and avoid waste. Reusable office supplies such as document bags and envelopes should be reused as much as possible, and the use of disposable items should be minimized to prevent waste.

### Promote paperless office

We make full use of office systems such as OA instant messaging to reduce the use of paper documents and further improve the utilization rate of the office system. Printing should only be done when necessary, double-sided printing should be avoided unless explicitly required, and the use of paper and printer consumables should be minimized.



### Control consumables

We consciously take care of public area facilities and equipment and prevent them from being damaged by human factors. We also save the use of toilet paper and other paper products.

### Recycle terminal equipment

We also recycle replaced terminal equipment. In 2022, 352 devices were recycled (259 computers, 46 terminals, 32 storage printers, 4 dot matrix printers, 8 gold card keyboards, and 3 network devices).

	Unit	2022	2021
<b>Non-hazardous waste</b>			
Household garbage	tonnes	300	168
Destroyed production hard drives	kg	76	14
Laptop hard drives	kg	2	3
Desktop computer hard drives	kg	47	51
Discarded computers	kg	698	765
Discarded printers	kg	940	1,034
Other discarded electronic information products	kg	326	358
<b>Hazardous waste</b>			
Toner	kg	766	727
Toner cartridge	kg	3,564	3,386
Ink cartridge	kg	4.8	4.5
Ribbon cartridge	kg	2,585	2,455



## Green and Low-Carbon, Guarding Green Mountains and Clear Waters

### 3. GREEN SUPPLIER MANAGEMENT

In accordance with the *Interim Regulations on Centralized Procurement Management of State-Owned Financial Enterprises* and relevant policies and regulations, we have formulated the *Shengjing Bank Management Measures for Centralized Procurement of Goods and Services (Trial)* and other internal management systems. We implement the principle of unified management and unified bargaining throughout the bank, prioritizing the purchase of domestic materials, energy-saving and environmentally friendly products, and national support products. We select outstanding suppliers in the industry according to the characteristics of different projects, and comprehensively consider the supplier's social responsibility performance since adhering to the principles of "openness, fairness, and impartiality". We focus on whether the supplier can independently assume civil liability, whether it has good commercial reputation and sound financial accounting system, whether it has the equipment and professional technical capabilities necessary to perform the contract, whether it has a good record of paying taxes and social security funds in accordance with the law, and whether it has had major illegal records or significant fines in its business activities.

#### SUPPLIER MANAGEMENT

Supplier recruitment phase	Supplier pre-qualification phase	Supplier assessment and evaluation phase	Supplier communication
Our centralized procurement project demand department specifies requirements for suppliers' financial conditions, qualification authorization, implementation cases, illegal and disciplinary issues, and so on.	Based on a comprehensive presentation of project requirements and supplier selection by the project demand department, the pre-evaluation committee approves and compares the supplier registration information to ensure the fairness, openness, and impartiality of the supplier solicitation process.	We regularly conduct evaluations of winning (successful, shortlisted) suppliers and use the evaluation results as an important basis for supplier renewal, admission, and exit.	Strengthen two-way communication. We conduct periodic communication and exchanges with suppliers on internal needs and the latest industry standards, to clarify mutual goals and development directions.

We adhere to and implement the concept of energy-saving and environmental-friendly procurement, actively implement the green procurement policy, and encourage suppliers to incorporate environmental protection, energy conservation, and consumption reduction requirements into their management systems. In addition, we give priority to selecting suppliers who have obtained environmental management system certification and whose products have environmental labels. We actively convey our support and advocacy for green procurement to suppliers and promote the improvement of their production environment.

As of the end of the reporting period, the Bank has a total of 70 suppliers, of which:

	Northeastern China	27
	North China	22
<b>Number of suppliers by region</b>	Eastern China	13
	South China	6
	Southwestern China	2
<b>Sum</b>		<b>70</b>



## Holding Together and Growing Together with Our Employees

The development of Shengjing Bank cannot be achieved without the hard work and creation of each employee. We strengthen the career development of our employees, build a team of outstanding talents, and devote ourselves to enhancing the happiness and sense of belonging of our employees, and grow together with them.



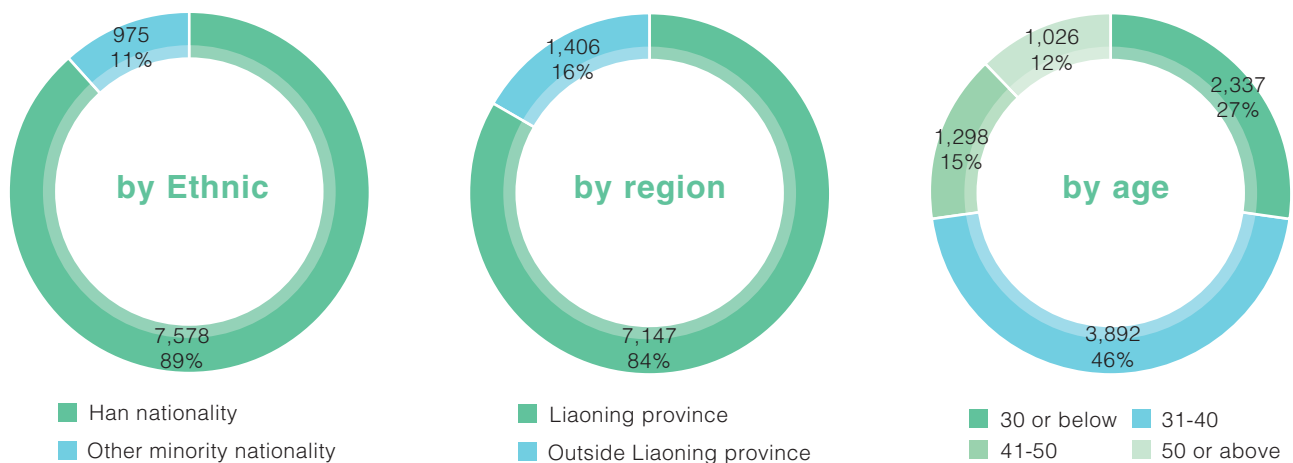
# I. PROTECTING EMPLOYEES' RIGHTS AND BENEFITS

Shengjing Bank is committed to protecting the basic rights and benefits of employees, strictly complying with the *Labor Contract Law of the People's Republic of China*, the *Provisions on Prohibition of Child Labor* and other relevant national and local laws, formulating and implementing regulations such as the *Statement of Responsibilities of the Head Office of Shengjing Bank*, the *Measures for the Management of Labor Contracts of Shengjing Bank (2022)* and the *Rules for the Implementation of Personnel Records Management of Shengjing Bank*, establishing a scientific and efficient talent management system. We eliminate any discriminatory behavior at work, adhere to the employment principles of equal employment and equal pay for equal work, and firmly oppose and prohibit human rights violations such as the employment of child labor and forced labor.

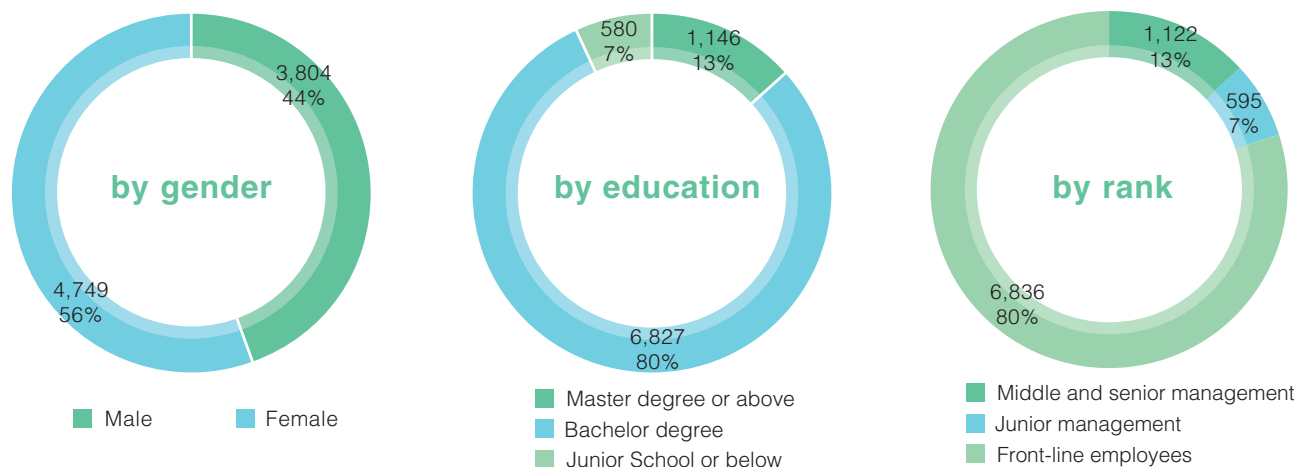
## 1. EMPLOYMENT

Shengjing Bank is fully committed to building an information-based, institutionalised and long-term labour management system for the entire Bank, ensuring that the Bank's labour practices are in line with the requirements of labour laws, policies and regulations. We practice a fair, equitable and non-discriminatory employment policy and make every effort to ensure that there is no discrimination in recruitment on the basis of gender, age, religion, nationality, etc., and that child labour and forced labour are avoided, and are reflected in internal system documents such as the *Shengjing Bank Labour Contract Management Regulations*. During the recruitment process, we strictly enforce national laws and regulations on the prohibition of child labour and forced labour, and strictly verify employees' identity information. If such cases are identified and confirmed after investigation, the Bank will take appropriate action, including but not limited to disciplinary action, initiation of legal proceedings and/or reporting to the appropriate government and regulatory authorities.

At the end of the reporting period, there have been no incidents of child or forced labor in the bank, and the labor contract signing rate was 100%. The total number of employees is 8,553, including 4,749 female employees, accounting for 56%. Details regarding the Bank's employees in terms of ethnicity, region, age, gender, education, and rank are shown in the following chart.



## Holding Together and Growing Together with Our Employees



We attach importance to protecting the legitimate rights and interests of our employees, insist on treating all employees equally in human resources management such as recruitment, training and promotion, providing equal employment and development opportunities for each employee, and building a high-quality financial talent team with both moral and talent through two channels of social recruitment and campus recruitment.

### Social recruitment:

The head office conducts written examinations and branches conduct interviews to ensure that the quantity and quality of talents recruited meet the standards. In 2022, 269 employees were recruited by social recruitment, of whom 113 (42%) had a working background in state-owned banks, including graduates from Peking University, Hong Kong University, Hong Kong Polytechnic University, Renmin University of China, Fudan University and other famous universities. For talents who have outstanding performance but do not meet the requirements due to education or years of working experience, the branch is authorized to carry out special approval work, this year a total of 48 people were approved for special approval.



### Recruitment:

Recruitment information was released on various channels such as our official website and employment network of 51 universities. The recruitment module of Shengjing Bank built by our human resource management system was used to realize the whole recruitment process functions such as job posting, resume collecting, personnel selection and offer releasing, which reduced the cost of recruitment expenses without reducing quality. During the reporting period, 200 people signed employment contracts during the spring campus recruitment, which was 100% of the planned recruitment number.

## Holding Together and Growing Together with Our Employees

### 2. EMPLOYEE SALARY AND BENEFITS

In accordance with the regulations and market conditions, Shengjing Bank has formulated employee compensation management methods. We implemented the *Management Measures of Shengjing Bank for Employee Assessment*, *Management Measures of Shengjing Bank for Professional Sequence and Salary Grade* to establish a long-term mechanism for dynamic adjustment of fixed salaries with a focus on improving the overall capability of employee. The Bank follows the guiding principle of cost reduction and efficiency enhancement, implements salary management, employee assessment and salary grade, gradually realizing the scientific, institutionalized and standardized of salary management.

We provide employees with comprehensive basic social insurance and benefits, provide for enterprise annuities (supplementary pension) and supplementary medical insurance in addition to the basics of social insurance, improving the welfare and remuneration and fully protecting their various rights and interests. During the reporting period, we have offered 33 times of condolences to the employees for their marriage and childbirth, sickness and hospitalization, etc. We have also prepared the Spring Festival, Labor Day, Mid-Autumn Festival and National Day benefits for the employees, issued birthday cards, cake coupons and movie vouchers to meet the spiritual and cultural needs of the employees, and carried out the “ Sending cool and refreshing to employees in the summer “ and “Sending Caring” during year-end accounts period to enhance the sense of belonging and happiness of employees.

## II. TRAINING AND ESTABLISHING A CAREER DEVELOPMENT FOR EMPLOYEES

A solid training mechanism and a clear career development path are important guarantees for giving full play to the advantages of talents. We are committed to building a high-quality talent team, training and discovering talents, working together to create a better future.

### 1. EMPLOYEE TRAINING

Shengjing Bank attaches great importance to employee training, we building a training management team to enhance the management ability and professional quality of our employees through the implementation of an internal communication and coordination mechanism. The Bank vigorously carries out compliance training to enhance compliance awareness through system studies and training tests. We customize training materials and exam questions and use the online learning platform to provide all employees with a full range of training resources, including courses on party building, compliance, financial inclusion and professional knowledge, to support employee growth and development.



# Holding Together and Growing Together with Our Employees

New employees	Employees from various departments
<p>Carrying out pre-job centralized training using face-to-face instruction, videos, scene drills, skill instruction, group confrontation and carrying out training on rules and regulations, corporate culture, professional skills, workplace etiquette, etc.</p>	<p>Organizing key training at different levels, including Party knowledge, professional skills and ethics, internal control and compliance, risk management, marketing and other aspects of training.</p>

## CASE

### New Employee Training

On 20 July 2022, the opening ceremony of the “Xin Sheng Power” training for new employees hosted by Shengjing Bank Training Center and organized by Liaoning Finance Vocational College was successfully held. A 32-day intensive training program for new employees was conducted to help them to master the professional skills and meet the requirement of professionalism, helping them shorten the adaptation period and complete the role transition.



New Employees Training Opening Ceremony



New Employees Listen to the Experiences Shared by Their Predecessors

## 2. EMPLOYEE PROMOTION

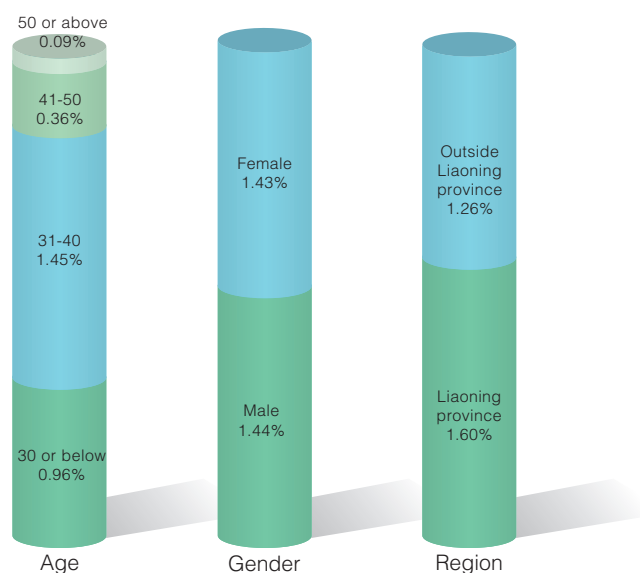
We strictly follow the procedures of the selection and appointment of management employee, giving full play to the allocation of human resources, making the best use of talents and improving the construction of the internal deployment management system base on the business development needs. The Bank has set clear qualifications, selection procedures, appointment management, discipline and supervision for management personnel to further strengthen employee appointment management, optimizing the promotion of professionals and enhancing the professionalism of cadre construction. We strengthen the management of cadre appointment, strictly follow the work procedures for the selection and appointment of managers, and further standardize the workflow of cadre appointment motion, democratic recommendation, internal inspection, external inspection, discussion and decision, and posting, etc. In 2022, the head office organized and completed the inspection of 57 cadres.



## Holding Together and Growing Together with Our Employees

### 3. EMPLOYEE RETENTION

Shengjing Bank focuses on humanistic care and takes various measures to retain talents. We adopt employee incentive policies and formulate the *Shengjing Bank Employee Appraisal Management Measures*, adhering to the principle of open and transparent appraisal, using a combination of performance appraisal and evaluation to provide a basis for salary, promotion, and award. The appraisal results directly apply to salary allocation, salary adjustment, award and dynamic adjustment to fully stimulate the work potential and enthusiasm of employees and enhance the professional and refined management level of the talent team. At the same time, all branches signed the *Supplementary Agreement on Labor Contract* for all employees of the bank to strengthen the management of the declassification period of employees. As of the end of the reporting period, the total number of employee turnover was 245, and the employee turnover rate was 2.86%. The employee turnover rate by gender, age group and region is shown in the following chart.



## III. STRENGTHENING EMPLOYEE CARE

Shengjing Bank strictly abides by the relevant regulations of the *Trade Union Law of the People's Republic of China*, the *Constitution of Chinese Trade Unions* and the *Rules for the Implementation of the Measures for the Management of the Income and Expenditure of Basic-level Trade Unions in Liaoning Province*, and has formulated and implemented the *Management Measures for Employee Care of Shengjing Bank*. We hold regular employee representative meetings to provide effective ways for employees to participate in business management and major decisions and to effectively help them solve practical problems. At the same time, Shengjing Bank strictly abides by the laws and regulations such as *the Law of the People's Republic of China on Production Safety*, *the Law of the People's Republic of China on Fire Fighting*, *the Regulations on Internal Security and Protection of Enterprises and Institutions*, as well as industry safety standards such as *the Requirements for Bank Safety Precautions*, and constantly improves measures to protect the health of employees.

### 1. ENRICHING THE LIFE OF EMPLOYEES

We actively participate in cultural and sports activities organized by trade unions and conduct cultural and sports exchanges with various sectors of society to gather and spread positive energy. During the reporting period, we carried out the initiative of "Welcome the 20th National Congress Sports and Fitness" and held various activities such as calligraphy, art, photography, badminton, table tennis, Go, and cultural and sports associations within the bank; at the same time, branches regularly held basketball, soccer, calligraphy and photography, table tennis, badminton, yoga and other association activities to relieve employees' work fatigue. We creatively carry out employee cultural and sports activities, set up employee bookstores to enrich the amateur cultural life of employees and help build the Bank's culture.

## Holding Together and Growing Together with Our Employees

### CASE

#### Go Tournament for Employee

In September 2022, Shengjing Bank held a Go tournament for employees. The tournament was played online and 24 players from 10 branches signed up. The tournament not only provided a platform for the players to exchange game skills, but also motivated the employee to be aggressive and keep striving.



Liu Lu of Beijing Branch Won the First Place in the Women's Group



Zhang Runchuan of Tieling Branch Won the First Place in The Men's Group

### CASE

#### Employee Badminton Competition

To enrich the cultural life of the employee, the trade union of the head office organized a badminton competition for the employee to stimulate the employee to be physically fit, improve their physical quality, sharpen their willpower, create a good atmosphere of striving for excellence and positivity, show the full spirit of employee in Shengjing Bank, and add momentum to the high-quality development of the bank.



Employee Badminton Match in Tieling Branch



Employee Badminton Match in Dandong Branch

# Holding Together and Growing Together with Our Employees

## 2. HELPING EMPLOYEES IN DIFFICULTIES

Shengjing Bank strengthened the care of employees, provided major medical assistance and hardship assistance to employees, and made every effort to address the urgent problems and worries of the public. During the reporting period, we actively promoted the work of relieving the hardship of employees in difficulty, allocating RMB246,000 in condolence money to various grassroots trade unions and helping 64 employees in difficulty in 2022.

## 3. CARING FOR THE HEALTH OF EMPLOYEES

In 2022, the Bank invited several health experts to give talks on occupational health. Through annual medical check-ups, we are building a line of defence for the health of our employees. On top of this, we focus on the physical and mental health of female employees, inviting experts to give talks on women's health on Women's Day and providing special medical insurance for female employees. At the same time, we safeguarded the legitimate rights and interests of female workers, organised talks on mental health for female workers, and provided 1,641 female workers at the branch with special sickness mutual insurance.

## 4. SAFEGUARDING EMPLOYEES' SAFETY PROVIDING A SAFE PLACE

Shengjing Bank provides a safe working environment for employees. In 2022, the Bank newly issued the *Implementation Rules for Emergency Drills of Safety and Security Incidents of Shengjing Bank (2022)*, *Implementation Rules for Outsourcing Security Services of Shengjing Bank (2022)*, and revised and improved the *Management Measures for Safety and Security Work of Shengjing Bank (2022)* and *Emergency Plan for Safety and Security Incidents of Shengjing Bank*. The Bank regularly conducts on-site security inspections at all business branches and holds security risk analysis meetings to correct any deficiencies and make practical suggestions for rectification, effectively preventing and defusing the occurrence of security risk events. At the same time, we use our remote video monitoring system to conduct off-site inspections on the daily security management of business branches and the duty of branch monitoring centers, inspect key matters at different times, communicate with branches on deficiencies and problems timely, implement solution measures and eliminate risk hazards.

### CASE

#### Lecture on Bone health

On 22 June 2022, Shengjing Bank invited Zhang Chengliang, a famous soft injury expert from Shenyang Orthopedic Hospital, to hold a lecture on bone health for all employees of the bank. The lecture taught prevention, diagnosis and rehabilitation methods from cervical and lumbar spondylosis, knee and shoulder pain, sports injuries, etc., which enhanced the employees' general health knowledge and established a scientific and healthy working lifestyle for them.



Conducting Medical Consultation and Answering Questions for Employees



During the reporting period,

the Bank carried out **1,241** safety inspections of various types and found

**552** safety hazards of various types.

**5** work-related accidents occurred and there was no work-related death of employees.

## Holding Together and Growing Together with Our Employees

### SAFETY EDUCATION AND TRAINING

Shengjing Bank continues to strengthen our safety culture and conducts various forms of safety education and training according to the *Shengjing Bank Safety Precaution Education and Training Management Regulations* on each position.

To improve the vocational knowledge of security personnel, we formulate training plans for security personnel within the Bank, organize regular remote training, job exchange and centralized training activities for security personnel, and organize security personnel to attend training of external supervisory departments at appropriate times according to work needs.

To improve the security awareness and skills of all Bank employees, the Bank conducts induction security education and pre-employment special security education to provide comprehensive security knowledge and training for different categories of employees.

We organize regular emergency drills to continuously improve employees' awareness of safety precautions and emergency handling ability. The Bank conducts security drills at least once a quarter and fire drills once every six months and carries out targeted emergency drills for emergencies in the light of the actual situation and security priorities to ensure that all emergency work can be activated quickly in the event of a safety accident to avoid or mitigate the maximum extent possible any casualties or property damage caused by sudden production safety accidents.



During the reporting period,

the Bank conducted **1,166** safety education and training

sessions, **997** fire training sessions and

**948** various security and fire drills.

#### CASE

#### Tianjin Branch of Shengjing Bank launched a joint construction and exchange activity of "Police and Bank Hand in Hand with Safety"

On August 14, 2022, the Shengjing Bank Tianjin Branch and the Second Branch of the Tianjin Public Security Bureau Special Police Force carried out the theme of "Police and Bank Hand in Hand with Safety". During the activity, members of the special police gave a detailed explanation of internal fire safety and how to deal with emergencies, systematically introduced the usage, application scenarios and techniques of police equipment such as anti-riot shields, arrest forks and restraining belts, and gave a real-life demonstration of the disposal process in case of emergencies. Through live observation, the bank security personnel would be familiar with the use of equipment skills, fully combine theoretical knowledge with the actual work, to improve the overall emergency response capabilities of security personnel.



Popularize the Knowledge of Security Prevention



Special Police Instructors Demonstrate the Use of Police Equipment





## Benefiting the Society and Practicing Responsibility

Shengjing Bank always upholds the strategic vision of “being a good bank”, takes the initiative to assume the social responsibility of financial enterprises, and devotes itself to repaying society. The Bank carries out charitable activities by the guidelines of *the Charity Law of the People’s Republic of China*, *the Law of the People’s Republic of China on Public Welfare Donations* and other relevant laws and regulations, and strives to share its resources with society.



## Benefiting the Society and Practicing Responsibility

### I. BUILDING BEAUTIFUL VILLAGES

Shengjing Bank conscientiously implements the strategy of rural revitalization and gathers financial strength to take up the mission of promoting agriculture. The Bank implements the linkage mechanism of agricultural finance work and continues to carry out innovative social responsibility practices such as supporting the development of special industries, innovative financial services to help farmers, and taking “finance plus e-commerce” consumer assistance to promote the development of agricultural and rural economies.

#### 1. SOWING HOPE BY SUPPORTING AGRICULTURE THROUGH INDUSTRY

Shengjing Bank closely focuses on the implementation of the central and local policies related to supporting industrial development based on the advantages of regional special agricultural industries, takes industrial poverty alleviation as an important grasp of financial poverty alleviation, supports the construction of new rural areas and the upgrading of agricultural industrialization. The Bank promotes the “one county, one product” and “one village, one product” rural revitalization financial service model with Shengjing Bank’s characteristics, and implements a “one-stop and standardized” service process. Focusing on the advantageous industries in poor areas, we have focused on the agriculture-related business in districts and counties, promoted cooperation with provincial and municipal agricultural guarantee companies, and successfully launched the “Shengjing Yield Loan (盛產貸)” series of products to support agriculture and small businesses, opening up a green channel for loans to agriculture-related enterprises, delivering more than RMB80 million of credit support.



2022

delivering more than

RMB **80** million of credit support.

#### CASE

##### Huludao Branch Supports the Development of Mushroom Industry in Yangmadianzi

In December 2022, Huludao Branch went to Yangmadianzi to research the mushroom industry and matchmaking with enterprises. The annual output of mushrooms in Yangmadianzi is 150 million catty, with an output value of RMB600 million and employment of 11,000 people. The branch analyzed the specific situation of cultivation, acquisition, deep processing and capital demand, and actively participated in the development and construction of mushroom facility agriculture in Yangmadianzi, gradually forming the credit cooperation of the whole industry chain.



Investigator Visit Village Group’s Economic Mushroom Planting Base



### 2. WATERING FERTILE SOIL BY SERVICING FOR AGRICULTURE

Shengjing Bank continues to expand the depth and breadth of rural inclusive financial services, relying on the six village banks to extend its rural services and promote the construction and development of the “agriculture, rural areas, and farmers “. Each village bank adheres to the positioning of being “rooted in the countryside”, actively explores operable financial products and services according to the current trend of rural economic and social development and the local financial needs of the “agriculture, rural areas, and farmers”. We innovate and launch loans for planting, breeding, agricultural processing and other production operations, and use a variety of products such as “agricultural machinery loans” and “land contract management rights loans” to provide financial services. We provide financial services and do our best to help the farmers to increase their income and get rich.

#### CASE

##### Dandong Branch Innovative Credit Model to Solve the Financing Problems of Strawberry Greenhouse Operation Farmers

The strawberry industry in Dandong has a strong production, which complies with the agricultural credit policy of Shengjing Bank, but there is no other collateral except the greenhouses. After visiting the strawberry greenhouses and the newly established agricultural facilities transfer centre, the research team evaluated the business process and legal compliance, and innovated the credit model by registering the strawberry greenhouses as agricultural facilities transfer mortgage, which effectively solved the financing difficulties of local strawberry greenhouse operators due to lack of collateral measures.



The Research Team Conducted Pre-credit Investigation

### 3. ENRICHING THE FARMERS BY TECHNOLOGY

Shengjing Bank not only facilitates financing for rural revitalization but also provides policy and information support for the development of industries in poor areas by exerting its strengths such as familiar with industrial policies and master industry information analysis technology. We strive to play the role of a linker and integrate customer resources to facilitate the marketing of products.

## Benefiting the Society and Practicing Responsibility

### CASE

#### Shengjing Bank Launched A Live Broadcast Activity of “Public Welfare and Rural Revitalization”.

To further help revitalize the countryside, Shengjing Bank and Department Store jointly launched a live broadcast activity of “Public Welfare Helping Farmers and Revitalizing the Countryside” to build a platform for supply and sales, contributing to broadening the sales channels of agricultural products, alleviating the stagnant sales of agricultural products and promoting farmers’ income.



Shengjing Bank Promotes Agricultural Products to Netizens

### CASE

#### Tieling Branch Carries out Sales of Agricultural Products

Since March 2022, the export sales of agricultural products in Tieling City have been hampered. Shengjing Bank took the initiative to share the worries of society and immediately organized the work of helping the poor and farmers. The cadres and employees of the Tieling Branch actively contributed to the sale of agricultural products and purchased 670 catty of cherries, amounting to RMB53,600, to help farmers to reduce their losses through practical actions.



Employees Enthusiastically Purchased the Agricultural Products

## II. PRACTICING PUBLIC CHARITY

Shengjing Bank takes the promotion of social harmony as an important goal in fulfilling its social responsibility. While focusing on its development, Shengjing Bank actively engages in charity and continues to give back to society such as relief for small and micro enterprises, public financial education and charity activities.

### 1. RELIEF FOR SMALL AND MICRO ENTERPRISES

Shengjing Bank has launched the mobilization order of “Serving Small and Micro Enterprises”, increased credit support and fee reduction, strengthened financial service guarantee, and helped small and micro enterprises and individual entrepreneurs to overcome difficulties. Shengjing Bank contributed its power to serving small and micro enterprises with practical actions.

## Benefiting the Society and Practicing Responsibility

### CASE

Shanghai Branch increased fee reduction to help small and micro enterprises and individual entrepreneurs to overcome difficulties

Shanghai Branch has put the fee reduction and benefit into practice by posting service price posters at prominent locations in business premises and disclosing service price information in various channels such as the official website, app and branch WeChat account for customers to check. In addition, each branch has arranged a specially-assigned person to take the initiative to explain the preferential policies on fee reduction and exemption for customers who come to do business, to fully protect customers' right to know.



Arranging Specially-assigned Person to Announce Preferential Policies for Customers

## 2. HOLDING PUBLIC EDUCATION ACTIVITIES

Shengjing Bank attaches great importance to consumer financial literacy education, establishes a regular publicity and education mechanism, and continuously carries out online and offline financial literacy education activities to enhance consumers' financial literacy and strengthen their awareness of risk prevention.



### Online education

Focusing on rational consumption and prevention of telecom fraud, designing educational materials such as sand paintings, WeChat long diagrams, cartoons and short videos with strong interest and universality, and carrying out online educational activities with the official website, WeChat account, APP, Weibo and other online channels as the main publicity positions.



### Intensive education

By the requirements of the regulatory authorities, we will carry out activities such as the "3·15" Consumer Rights Protection Education and Publicity Week, the "Long Journey of Financial Literacy" campaign, the "Prevention of Illegal Fund Raising" campaign and the "Joint Financial Education and Publicity Month" campaign to popularize "rational consumption and reasonable borrowing" and "prevention of telecommunication fraud", "prevent telecommunication fraud", "stay away from illegal financial activities" and other financial knowledge, issued "prevention of agents to protect their rights" "preventing loan fraud" and "preventing epidemic-related fraud".

## Benefiting the Society and Practicing Responsibility



During the reporting period,

the Bank issued **83** times of financial literacy, risk tips and case studies to educate consumers in total, reaching **50,000** people. The Bank visited **1** school, **4** communities and **394** enterprises and distributed **1,000** copies of financial literacy brochures.

### CASE

Shengjing Bank and Shenyang Public Security Bureau launched the “Anti-Fraud Train” for public welfare in the subway

Shengjing Bank worked closely with Shenyang Public Security Bureau to plan and launch the “Anti-Fraud Train” in Shenyang Metro. The “Anti-Fraud Train” has 156 poster booths to show the public anti-fraud information in an all-round and all-angle immersive way. Shengjing Bank widely and intensively carried out network fraud prevention publicity activities to enhance the awareness of all people and jointly create a strong atmosphere of anti-fraud for all people.



Anti-fraud posters posted on trains

### CASE

Jinzhou Branch launched “financial knowledge in the community” volunteer service activities

Shengjing Bank Jinzhou Branch, together with Shengshi New Town Community, carried out “Financial Knowledge in the Community” volunteer service activities. The staff explained common telecommunication network frauds in easy-to-understand manner, and at the same time, guided the elderly in the community to pay attention to the government number of the National Anti-Fraud Center, download and install the “National Anti-Fraud” APP to help them to protect their property. The activity not only improved the community residents’ awareness of financial fraud prevention but also increased the public’s financial knowledge of scientific financial management.



Our employees explained financial knowledge to the community residents



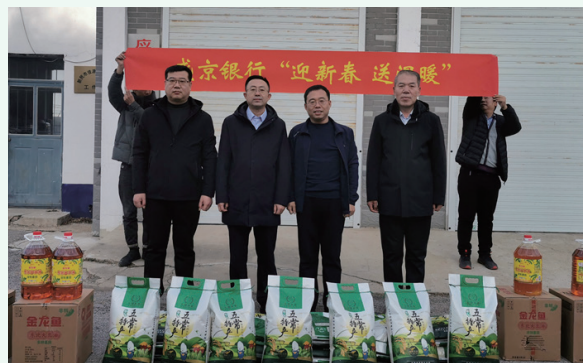
### 3. COMMITMENT TO SOCIAL WELFARE

Shengjing Bank guides employees to always pay attention to social welfare and encourages them to participate in social service activities, practising charity by carrying out public welfare activities such as volunteering for the entry examinations of middle and high school, community dedication days for Communist Party members and helping and sending warmth to the people.

#### CASE

##### Shengjing Bank went to the designated poverty alleviation areas to carry out condolence activities

On the eve of the Spring Festival of the Year of the Rabbit, the trade union of the head office went to the targeted poverty-alleviation area in Zhoutuozi Town of Xinmin City to carry out helping and condolence activities, sending the necessities of life and blessings for the New Year, which received praise and thanks from the local town government and the needy people. This is a specific measure to fulfill the social responsibility of the bank, which will play a positive role in building up the corporate image of the bank and creating a good external development environment.



Shengjing Bank's Support and Condolence Activities

#### CASE

##### Shengjing Bank actively carried out volunteer service activities to help the "Two Examinations"

Based on the principle of "Bank of the People and Bank of the City", Shengjing Bank actively carried out the volunteer service activity of "Hell of a Good Start and Building Dreams" to service the middle and high school entrance examination", and conveying the warmth with practical actions. The branches of Shengjing Bank have set up service stations at the examination sites to provide exclusive green channels in the business branch ring for "fulfilling dreams of two examinations", becoming a warm port for candidates and parents.



Mobile supply station outside the examination site of Shengjing Bank

## Benefiting the Society and Practicing Responsibility

### CASE

#### Shengjing Bank launched the “CPC Member Community Dedication Day” activity

Shengjing Bank has been practicing the concept of “two neighbors”, innovatively building a “through train” for financial services, and actively organizing party organizations and members at all levels of the bank to carry out the “CPC Member Community Dedication Day”. Party organizations at all levels and Party members actively responded by going into the communities and responding to the needs of the public.



①



②



③



④

- ① Fushun Branch Organized Party Members to Go to the Surrounding Communities for Voluntary Cleaning
- ② Changchun Branch Organized Party Members to Carry Out Financial Policy Promotion
- ③ Wealth Management Department Organized Party Members to Help the Community Place Bicycles
- ④ Small Business Financial Service Center Organized Party Members to Clean Up the Garbage in the Community Building

### CASE

#### Shengjing Bank joined hands with Huimin Community to carry out the activity of sending warmth like Lei Feng

On 3 March 2022, Shengjing Bank joined hands with Huimin Community to carry out the activity of “sending warmth like Lei Feng”, visiting old party members and residents in difficulty in the community and sending them condolence goods. Shengjing Bank volunteers started from themselves to carry forward the spirit of Lei Feng, pass on the positive energy of the society, and contribute their strength to build a civilized and harmonious society.



Volunteers sent condolence goods to residents



## I KEY PERFORMANCE TABLES

Indicator Name	Unit	2022	2021	2020
<b>Environmental Performance<sup>4</sup></b>				
<b>Emissions</b>				
Nitrogen oxide emissions	kg	262.547	262.547	–
Sulfur oxide emissions	kg	0.918	0.977	–
Particulate Matter emissions	kg	19.331	19.331	–
Greenhouse gas emissions (Scope 1)	tonnes of CO <sub>2</sub> e	193.21	197.33	203.95
Greenhouse gas emissions (Scope 2)	tonnes of CO <sub>2</sub> e	2,546.02	2,385.08	2,451.90
Greenhouse gas emission density	tonnes of CO <sub>2</sub> e/ employee	2.83	2.74	2.81
Non-hazardous waste (total)	tonnes	302	170	172
Density of non-hazardous waste	tonnes/employee	0.31	0.18	0.18
Household waste	tonnes	300	168	170
Destroyed production hard disk	kg	76	14	35.25
Laptop hard Drives	kg	2	3	2.7
Desktop Computer hard drives	kg	47	51	56
Discarded computers	kg	698	765	841
Discarded printers	kg	940	1,034	1,137
Other discarded electronic information products	kg	326	358	394
Hazardous waste (total)	tonnes	6.92	6.57	6.24
Hazardous waste density	kg/employee	7.15	6.96	6.61
Toner	kg	766	727	690
Toner cartridge	kg	3,564	3,386	3,216
Ink cartridge	kg	4.8	4.5	4.3
Ribbon	kg	2,585	2,455	2,332

<sup>4</sup> Please refer to this report for adjusting some environmental data in 2021.

## Report Appendix

Indicator Name	Unit	2022	2021	2020
<b>Resource Usage</b>				
Headquarters electricity usage	million kWh	446.44	396.77	315.60
Head office oil consumption	Liters	62,423	66,453	71,713
Head office natural gas consumption	Cubic meter	23,528	24,473	22,355
Head office water consumption	tonnes	40,695	52,890	–
Water usage density	tonnes/employee	42.04	62.52	–
<b>Social Performance</b>				
<b>Employment<sup>5</sup></b>				
Total number of employees	Person	8,553	8,199	7,556
Number of male employees	Person	3,804	3,639	3,412
Number of female employees	Person	4,749	4,460	4,144
Number of employees under 30 years old	Person	2,337	1,931	1,587
Number of employees between 31-40 years old	Person	3,892	3,739	3,446
Number of employees between 41 and 50 years old	Person	1,298	1,294	1,303
Number of employees over 50	Person	1,026	1,135	1,220
Number of employees with graduate degrees and above	Person	1,146	1,084	1,047
Number of employees with bachelor's degree	Person	6,827	6,424	5,976
Number of employees with high school education or below	Person	580	591	533
Number of senior management employees	Person	1,122	1,019	960
Number of junior management employees	Person	595	565	579
Number of general employees	Person	6,836	6,515	6,017
Number of employees in Liaoning Province	Person	7,147	6,741	6,262
Number of employees outside Liaoning Province	Person	1,406	1,358	1,294
Number of Han nationality employees	Person	7,578	7,396	6,846
Number of employees from other minority nationality	Person	975	803	710

<sup>5</sup> The data for 2022 is adjusted to the Group's caliber in line with the caliber of the annual report; the data for 2021 and 2020 is adjusted to the Shengjing Bank's caliber instead of the Group's caliber in line with the caliber of the annual report.

## Report Appendix

Indicator Name	Unit	2022	2021	2020
Employee turnover	Person	245	303	243
Male employee turnover rate	%	1.44%	1.78%	1.52%
Female employee turnover rate	%	1.43%	1.96%	1.69%
Turnover rate of employees under 30 years old	%	0.96%	1.48%	1.20%
Turnover rate of employees aged 31-40	%	1.45%	1.16%	1.22%
Turnover rate of employees aged 41-50	%	0.36%	0.53%	0.40%
Turnover rate of employees over 50	%	0.09%	0.57%	0.40%
Turnover rate in Liaoning province	%	1.60%	2.15%	1.79%
Turnover rate outside Liaoning province	%	1.26%	1.55%	1.43%
<b>Health and Safety</b>				
Deaths on duty	People	0	0	0
Percentage of death on duty	%	0	0	0
Number of workdays lost due to work-related injuries	Day	366	567	288
<b>Development and Training</b>				
Total training attendance	person-times	540,826	522,886	625,018
Total training hours	Hours	27,565	32,330	43,151
Total investment in training in 2022	RMB	81,200	–	–
Number of male employees trained	person-times	207,190	209,127	221,230
Number of female employees trained	person-times	333,636	313,759	403,788
Number of middle and senior management employees trained	person-times	75,405	38,577	48,476
Number of junior managers trained	person-times	90,186	40,153	77,092
Number of general employees trained	person-times	375,235	444,156	499,450
Employees training coverage ratio	%	100%	100%	100%
Average number of training hours for male employees	Hours	52	82	64
Average number of training hours for female employees	Hours	67	95	96

## Report Appendix

Indicator Name	Unit	2022	2021	2020
Average number of training hours for middle and senior management employees	Hours	64	45	50
Average number of training hours for junior management employees	Hours	145	85	131
Average number of training hours for general employees	Hours	53	98	82
<b>Supply Chain Management</b>				
Total number of suppliers	Number	70	76	74
Number of suppliers in Northeast China	Number	27	13	24
Number of suppliers in North China	Number	22	35	27
Number of suppliers in East China	Number	13	17	14
Number of suppliers in South China	Number	6	8	8
Number of suppliers in Central China	Number	0	1	0
Number of suppliers in Southwest China	Number	2	2	1
<b>Product Liability</b>				
Number of complaints about business operations	Number	3,270	2,462	2,870
Complaint handling rate	%	100%	100%	100%
Customer privacy leakage incidents	Number	0	0	0
<b>Anti-Corruption</b>				
Number of employees involved in anti-corruption education	people	7,977	–	–
Total hours of employee participation in anti-corruption education	Hours	104	–	–
<b>Community Investment</b>				
Total amount of public welfare expenditure	RMB	42,250	5,370,000	5,280,000

## II REPORT INDEX TABLE

### THE CONTENT INDEX OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE OF HKEX

Aspect	Description	Disclosure Location
<b>A. Environmental</b>		
<b>Aspect A1: Emissions</b>	General disclosure Information on: the policies; and compliance with the relevant laws and regulations that have a significant impact on the issuer relating to exhaust gas and greenhouse gas emissions, discharges into water and land, and the generation of hazardous and non-hazardous waste.	Page 33 ∙ 35 ∙ 38
	A1.1 The types of emissions and respective emissions data.	Page 37
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Page 36
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Page 38
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Page 38
	A1.5 Description of emissions target(s) set and steps taken to achieve them.	Page 36
	A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Page 38
<b>Aspect A2: Use of resources</b>	General Disclosure Policies on the efficient use of resources, including energy, water, and other raw materials.	Page 33 ∙ 35 ∙ 37 ∙ 38
	A2.1 Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in 16 total (kWh in '000s) and intensity (e.g., per unit of production volume, per facility).	Page 36
	A2.2 Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Page 37
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Page 35

## Report Appendix

Aspect		Description	Disclosure Location
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Page 37
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	NA <sup>6</sup>
<b>Aspect A3: The Environment and Natural Resources</b>	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Page 33 · 35 · 39
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Page 35-39
<b>Aspect A4: Climate Change</b>	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Page 33
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Page 34
<b>B. Social</b>			
<b>Aspect B1: Employment</b>	General Disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Page 41-48
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Page 41 · 42
	B1.2	Employee turnover rate by gender, age group and geographical region.	Page 45
<b>Aspect B2: Health and Safety</b>	General Disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Page 47-48
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Page 47
	B2.2	Lost days due to work injury.	Page 59
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Page 47-48

<sup>6</sup> Shengjing Bank is primarily a financial services company and does not address this disclosure indicator.



Aspect		Description	Disclosure Location
<b>Aspect B3: Development and Training</b>	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Page 43-44
	B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	Page 59-60
	B3.2	The average training hours completed per employee by gender and employee category.	Page 59-60
<b>Aspect B4: Labour Standards</b>	General Disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Page 41
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Page 41
	B4.2	Description of steps taken to eliminate such practices when discovered.	Page 41
<b>Aspect B5: Supply Chain Management</b>	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Page 39
	B5.1	Number of suppliers by geographical region.	Page 39
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Page 39
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Page 39
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Page 39
<b>Aspect B6: Product Responsibility</b>	General Disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Page 23-28

## Report Appendix

Aspect	Description	Disclosure Location	
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	NA <sup>7</sup>
	B6.2	Number of products and service related complaints received and how they are dealt with.	Page 25-26
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Page 12
	B6.4	Description of quality assurance process and recall procedures.	NA <sup>8</sup>
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Page 28
<b>Aspect B7: Anti-corruption</b>	General Disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Page 11
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Page 11
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Page 11
	B7.3	Description of anti-corruption training provided to directors and staff.	Page 11
<b>Aspect B8: Community Investment</b>	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Page 50-56
	B8.1	Focus areas of contribution (e.g., education, environmental concerns, labor needs, health, culture, sport).	Page 50-56
	B8.2	Resources contributed (e.g., money or time) to the focus area.	Page 50-56 、 60

<sup>7</sup> Shengjing Bank is primarily a financial services company and does not address this disclosure indicator.

<sup>8</sup> Shengjing Bank is primarily a financial services company and does not address this disclosure indicator.

# III INDEPENDENT ASSURANCE STATEMENT

## Independent Assurance Statement

The target stakeholders of this statement: Government Non-Government Organization Clients  
Suppliers Investors Customers  
Other stakeholders:

Responsibilities of the reporting organization and assurance provider: CTI certification Co., Ltd. (hereinafter referred to as "CTI") is entrusted by Shengjing Bank Co., Ltd. (hereinafter referred to as the "Reporting Organization") to assure the sustainable development information disclosed in its 2022 Environmental, Social and Governance Report of Shengjing Bank Co., Ltd. (hereinafter referred to as the "Report"). The purpose of this process is to provide reasonable assurance for the sustainable information disclosed by the reporting organization, and to provide confidence for stakeholders to make decisions based on the information provided by the reporting organization.

This independent assurance statement is available in both traditional Chinese and English versions. In case of any differences, the traditional Chinese version shall prevail.

Assurance Standard: AA1000 Assurance Standard (v3)

- Scope:
- Assure the content, background, and application of the report, as well as the quality of sustainable development information presented during the reporting period;
  - Evaluate the compliance of the report with the AA1000 Accountability Principles (2018) in terms of inclusivity, materiality, responsiveness, and impact;
  - Review the sustainability initiatives, practices, implementation, maintenance, and performance information described in the report;
  - Assess the reporting mechanism of sustainability information and its consistency with applicable reporting standards;
  - Evaluate the applicability and appropriateness of data collection, quantification, and data management included in the report.

Assurance type: Type 2

Subject matters and depth of review:	Subject Matters	Level of Assurance
	Degree of compliance with AA1000 Accountability Principles (2018)	Moderate Level
	Usage of water resource	Moderate Level
	Staff employment	Moderate Level
	Staff training	Moderate Level




1/4

**CTI 华测认证**  **AA1000**  
Licensed Assurance Provider  
000-669

Tel: 400-830-5800 / 0755-82720533  
 Web: www.cti-cert.org  
 CTI Mail: www.ctimail.com  
 CTI Academy: www.a.ctimail.com  
 Company: one A 8F CTI Building, No.4 Liu Xian San Road,  
 Address: Xin'an Street, Bao'an District, Shenzhen, China.



# Report Appendix

Reference to criteria used:	<input checked="" type="checkbox"/> GHG Protocol	<input checked="" type="checkbox"/> GRI	<input type="checkbox"/> SASB
	<input type="checkbox"/> ISO 14064-1:2018	<input type="checkbox"/> IFRS	<input type="checkbox"/> UNSDG
	<input checked="" type="checkbox"/> TCFD	<input type="checkbox"/> IIRC	<input checked="" type="checkbox"/> HKEX ESG Guidelines
	<input checked="" type="checkbox"/> Others: Guidelines for Corporate Social Responsibility of Chinese Banking and Financial Institutions		
Sources of Disclosures Covered:	Name of report: Year 2022 Environmental, Social and Governance Report of Shengjing Bank Co., Ltd		
	Source: Reporting Organization		
Methodology:	<p>CTI formulated an engagement plan based on the assurance process and conducted the engagement according to the plan. CTI conducted inspections with a professional skepticism attitude, and the assurance activities included the following procedures:</p> <ul style="list-style-type: none"> <li>• Based on the process of sampling, understanding, testing and judging the degree to which the reporting organization adheres to the AA1000 Accountability Principles, an evaluation is made of the degree to which the reporting organization adheres to the AA1000 Accountability Principles ;</li> <li>• Conducting management interviews on the effectiveness of the processes that have an impact, including the company's top management, department managers, and managers responsible for sustainable development;</li> <li>• Based on sampling, reviewing and inspecting the management practices, business processes, and evidence collection processes of the reporting organization;</li> <li>• Collecting and assessing documentary evidence and management representations that support adherence to the AA1000 Accountability Principles.</li> </ul>		
Conclusions:	<p>According to the AA1000 Assurance Standard (v3), CTI conducted a Type 2 assurance on the sustainable development information disclosed in the 2022 Environmental, Social, and Governance Report of Shengjing Bank Co., Ltd. prepared by the reporting organization. According to the requirements of the AA1000 Accountability Principles (2018), the conclusions are as follows:</p>		
<b>The conformity of reporting organization and the report against AA1000 Accountability Principles (2018)</b>			
Inclusivity:	<p>CTI did not find any deviation between the report and the inclusive principle of AA1000 Accountability Principles (2018). The reporting organization regularly identifies and participates stakeholders, incorporating the concerns of key stakeholders into important considerations for the company's sustainable development. The report basically meets the requirements of inclusivity.</p>		
2/4			
 <b>CTI 华测认证</b>		 <b>AA1000</b> Licensed Assurance Provider 000-669	Tel: 400-830-5800 / 0755-82720533 Web: www.cti-cert.org CTImall: www.ctimall.com CTI Academy: www.a.ctimall.com Company: one A SF CTI Building, No.4 Liu Xian San Road, Address: Xin'an Street, Bao'an District, Shenzhen, China.
			

**Materiality:** According to the AA1000 Accountability Principles (2018), CTI conducted a substantive evaluation of various aspects of the reporting organization, both internally and externally. CTI believes that the report proposes various issues and boundaries of different business operations of the reporting organization, and that the report meets substantive requirements.

**Responsiveness:** After the assurance of CTI, it is believed that the reporting organization's response to major issues has been defined and reflected in the report. The report meets the responsiveness requirements of the AA1000 Accountability Principles (2018).

**Impact:** The reporting organization has clear procedures to regularly monitor and measure their sustainable development impact, and has professionals to effectively promote the sustainable development agenda. During the assurance process, CTI did not find any situations or issues that had an impact on the ecosystem and surrounding infrastructure, and the reporting organization met the impact requirements of the AA1000 Accountability Principles (2018).

**The quality of sustainability information disclosed in the report**

For the sustainability performance disclosed in the report, no material errors were found by CTI, as described below:

Water resource usage of Shengjing Bank Co., Ltd. headquarters building:

Year	Total water resource usage (tons)	Per capita water resource usage (tons per person)
2021	52,890	62.52
2022	40,695	42.04

**Staff Employment:** Total number of employees: 8,553, of which 4,749 are female, or 56%.

**Staff Training:** Total training hours during the reporting period: 27,565 hours  
 Accumulated number of participants: 540,826  
 Per capita training duration: 60.38 hours  
 Trainee coverage rate: 100%

**Limitations and mitigation methods**

The limitations and mitigation methods of CTI in the assurance process:

- CTI did not conduct assurance on economic performance indicators, and only confirmed the accuracy of economic performance indicators through the verification of audited financial reports;
- CTI did not verify sustainability performance indicators other than water resource usage, employee employment, and employee training in the headquarters building. It only confirmed through interviews and factual evidence that all sustainability performance indicators have clear data sources;

3/4



Tel: 400-830-5800 / 0755-82720533  
 Web: www.cti-cert.org  
 CTImall: www.ctimall.com  
 CTI Academy: www.a.ctimall.com  
 Company: one A SF CTI Building, No.4 Liu Xian San Road,  
 Address: Xin'an Street, Bao'an District, Shenzhen, China.





# Report Appendix

- CTI was unable to provide assurance opinions on the opinions, beliefs, inferences, wishes, expectations, future intentions, and other viewpoints described in the report. However, CTI conducted assurance and issued assurance opinions on both quantitative and non quantitative factual evidence supporting the above viewpoints.
- CTI will further focus on improving and enhancing the disclosure and management of ESG report information based on the purpose of continuous improvement in future assurance engagement.

### Competence and Independence of CTI

Established in 2004, CTI has been approved by the China National Certification and Accreditation Administration (CNCA) and accredited by the China National Accreditation Service for Conformity Assessment (CNAS). It is an independent and impartial third-party professional certification institution with extensive experience in conducting management system certification for quality, environment, safety, occupational health and energy, and validation and verification of environmental information such as greenhouse gases.

Except for the assurance and verification of sustainability data and the report, no member of the assurance team has any business relationship with Shengjing Bank Co., Ltd., its directors, executives, or department managers. After the internal impartiality assessment conducted by CTI, we believe that there is no conflict of interest in this assurance engagement.

Assurance Team Leader

Zhou Lu



Technical Reviewer

Lin Wu



Signed by

General Manager: Zhou Lu



**AA1000**  
Licensed Report  
000-669/V3-5HV13



4/4

**CTI 华测认证**



**AA1000**  
Licensed Assurance Provider  
000-669

Tel: 400-830-5800 / 0755-82720533  
Web: www.cti-cert.org  
CTI mall: www.ctimall.com  
CTI Academy: www.a.ctimall.com  
Company: one A 8F CTI Building, No.4 Liu Xian San Road,  
Address: Xin'an Street, Bao'an District, Shenzhen, China.





# IV READER FEEDBACK FORM

Dear readers.

Greetings!

Thank you very much for reading “Shengjing Bank 2022 Environmental, Social and Governance Report”, we very much hope that you can evaluate this report and give us your valuable opinions, your comments and suggestions are an important basis to help us make continuous improvements to the report. Please fill in the survey comment form below and give us your feedback through the following methods.

Tel: 024-2253 5633

Fax: 024-2253 5930

E-mail: [ir@shengjingbank.com.cn](mailto:ir@shengjingbank.com.cn)

Address: No. 109, North Station Road, Shenhe District, Shenyang, Liaoning Province, the People's Republic of China

Zip code: 110013

Shengjing Bank 2022 Environmental, Social and Governance Report Feedback Form

Name

Position

Phone number

E-mail

**1. Your overall evaluation of this report is:**

very good     good     fair     poor     very poor

**2. What do you think about the accuracy, completeness, timeliness and clarity of the information disclosed in this report?**

very good     good     fair     poor     very poor

**3. Do you think this report's content layout and style are easy to read?**

very good     good     fair     poor     very poor

**4. What are the issues you are concerned about?**

**5. What do you think is the need-to-know information not reflected in the report?**

**6. Do you have any other comments on the environmental, social and governance aspects of Shengjing Bank's work?**



盛京銀行  
SHENGJING BANK