



# 2024

## Corporate Social Responsibility & ESG Report

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# REPORT INFORMATION

This report is Corporate Social Responsibility & ESG (Environmental, Social and Governance) 2024 report released by Chongqing Rural Commercial Bank Co., Ltd. (as "Chongqing Rural Commercial Bank", "CQRCBank", "the Bank", "We") to the public. This report focuses on practical achievements in environmental, social, and governance, aiming to respond to the expectations and concerns of stakeholders and promote sustainable development performance. The board of directors and all directors of this bank guarantee that there are no false records, misleading statements, or significant omissions in the content of this report, and assume individual and joint liability for the authenticity, accuracy, and completeness of this report.

## Reporting Scope

**Reporting Entity Scope:** This report covers all major operating locations of Chongqing Rural Commercial Bank Co., Ltd. and its subsidiaries. Unless otherwise specified, for the purpose of the report, "the Bank" refers to Chongqing Rural Commercial Bank Co., Ltd., "the Group" refers to Chongqing Rural Commercial Bank Co., Ltd. and its subsidiaries.

**Reporting Time Range:** From January 1st, 2024 to December 31st, 2024. Part of the contents may contain information that is beyond the above-mentioned period.

**Reporting Period:** This report is an annual report, with the most recent release date being March 2024.

**Report Published status:** This report is the fourteenth consecutive annual Corporate Social Responsibility Report of the Bank.

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## Compilation Basis

This report was prepared with reference to the Guidelines of Shanghai Stock Exchange of Self-Regulation for Listed Companies No.14 - Sustainability Report (Trial) released by the Shanghai Stock Exchange ("SSE"), Appendix C2: Environmental, Social and Governance Reporting Standards of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("ESG Reporting Code") released by the Stock Exchange of Hong Kong Limited ("HKEX"), Global Reporting Initiative Standards ("GRI Standards") issued by the Global Sustainability Standards Board ("GSSB") and Financial Services Sector Supplementary Guidelines. The report was prepared in compliance with the requirements in Opinions on Strengthening the Social Responsibility of Banking and Financial Institutions released by the former China Banking Regulatory Commission ("CBRC") and Guidelines on

Corporate Social Responsibility of Chinese Banking and Financial Institutions released by China Banking Association.

## Reporting Principles

**Materiality:** The Bank has identified, evaluated and ranked material ESG matters and disclosed material ESG matters in the report based on the results. Please refer to the "ESG Strategy and Management" chapter of this report for the information on the Bank's communication with stakeholders and the identification, assessment and ranking of material ESG issues.

**Quantification:** The Bank has formulated the goal of reducing the environmental impact of daily operations, made quantitative disclosure of applicable key performance indicators, and explained the sources of statistical standards, methods, assumptions and/or calculation tools and conversion factors for relevant emissions/energy consumption. Please refer to the "Environment: Pursue green development to drive low-carbon transformation" chapter for details.

**Consistency:** The way this report is prepared has not changed from previous years, as well as the statistical methods, calculation methods, key performance indicators, etc. There are no other changes that might affect meaningful comparisons with previous reports.

## Data Explanation

Parts of the financial data herein are extracted from the Group's 2024 Annual Financial Statements (A-share). The Annual Financial Statements for the year ended December 31st, 2024 of the Bank had been subject to audit by KPMG Huazhen LLP. In cases where there may be inconsistencies between data presented in the Corporate Social Responsibility Report and the 2024 Annual Financial Statements, the latter shall prevail. Other data relating to 2024 is primarily presented from the statistical data generated from internal system of the Bank and its branches. The currency amount referred to in this report is denominated in RMB, unless otherwise stated.

## Assurance of the Report

KPMG Huazhen LLP was engaged to conduct a limited assurance on selected key performance information of the report and issued an independent limited assurance report in accordance with the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial

Information.

## Forms of Release

This report is released in the form of electronic edition, which is available on the website of the Shanghai Stock Exchange (www.sse.com.cn), the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Bank (www.cqrcb.com). The report is published in simplified Chinese, traditional Chinese and English. Should there be any discrepancies among these versions, the simplified Chinese version shall prevail.

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# BOARD STATEMENT >>>

Under the guidance of China’s 14th Five-Year Plan, the Board of Directors of the Bank has continuously improved environmental, social and governance (ESG) management, supervised and steered ESG work, and regularly listened to reports on ESG-related matters from the Office of the Board of Directors, relevant committees and departments. We have also reviewed the Bank’s ESG development strategy, its identification and assessment of material ESG issues, its ESG objectives, and its identification and response to ESG-related risks; and we have regularly reviewed the Bank’s progress in relation to ESG targets.

The Bank has formulated an ESG strategy that aligns with its development strategy of “Anchoring the Bank with Retail, Propelling the Bank with Technology, and Empowering the Bank with Talents” as well as its development system of “all-in-one four-wheel drive”. This ESG strategy guides the implementation of the Bank’s ESG work and has been reviewed by the Board of Directors. We have identified and assessed ESG materiality issues through daily communication channels, questionnaire surveys and other forms of communication with stakeholders. The Board of Directors has supervised the implementation and management of the surveys, and reviewed the assessment, prioritisation and management of material ESG issues.

We have integrated the risk arising from climate change into the Bank’s understanding of environmental, social and governance risks, and has incorporated this risk into the comprehensive risk management system. The Board of Directors and senior management review the environmental, social and governance risk assessment every six months. The Bank attaches great importance to ESG work; promotes

exploration in the development of the ESG system, ESG risk management, green finance products and services, green operations, inclusive finance and other fields; and drives the implementation of related work.

On 25 March 2025, the Board of Directors reviewed and approved this report as a summary of the Bank’s ESG performance in 2024.





## MESSAGE FROM THE CHAIRMAN >>>

2024 marks the 75th anniversary of the founding of the People's Republic of China, and it is also a crucial year for achieving the goals of the 14th Five-Year Plan. This year, the Bank thoroughly implemented the spirit of the 20th National Congress of the Communist Party of China (CPC) and the Second and Third Plenary Sessions of the 20th Central Committee, closely followed the arrangement of the Central Financial Work Conference and the Central Economic Work Conference, fully implement the work requirements of Chongqing Municipal Party Committee and Chongqing Municipal Government, adhered to the people-oriented value, and pursued excellence in the Five Major Areas. The Bank integrated the ESG concept into the whole process of operation and management, and strived to achieve economic benefits and social values. Through multi-dimensional initiatives such as serving major strategies, developing green finance and inclusive finance, supporting rural revitalisation, and accelerating digital transformation, the Bank continued to create long-term value for shareholders, customers, employees, and society, and contribute to building a harmonious and sustainable future.

**Focusing on major national strategies and serving the real economy.** We maintain a relentless focus on fulfilling our main responsibilities and undertaking our main business by actively participating in local economic development and providing financial supports. The Bank conforms to the new pattern of dual cycle development, and serves the major strategic deployment including the new era of western development, high-quality development of the Yangtze River Economic Belt, Chengdu-Chongqing dual city economic circle, the construction of new International Land-sea Trade Corridor in the western region, and the construction of national strategic hinterland, as well as the "33618" modern manufacturing cluster system and the "416" technological innovation development, fully supporting the strategy of "six districts and one highland construction". As at the end of 2024, the Bank's loan balance for the construction of the Yangtze River Economic Belt reached RMB 233.6 billion; the Bank supported 176 major projects and municipal key projects of Chengdu-Chongqing dual city economic circle, with a loan balance of RMB 26.5 billion; the financing balance for the new International Land-sea Trade Corridor in western China was RMB 54.6 billion; the Bank supported more than 3,900 enterprises in the "33618" modern manufacturing cluster system, with a loan balance of RMB 66 billion; vigorously supported the cultivation and development of new quality productive forces by supporting technological enterprises with over RMB 76.9 billion of loans; the balance of loans supporting the "Belt and Road Initiative" was RMB 21.9 billion; more than 71 cross-border financing projects have been successfully launched, with a total value exceeding USD 2.6 billion.

**Focusing on green development and driving low-carbon transformation.** By adhering to the green development concept, we continue to optimise our green financial service model, improve our organisational action system, and participate in the establishment of green finance standards, so as to promote green finance, facilitate local economies, drive social advancement and improve people's livelihood, thereby achieving excellence in the Major Area of green finance. As at the end of 2024, the balance of green finance loans across the bank was RMB 73.2 billion, an increase of 18%. In 2024, RMB 1.7 billion of carbon emission reduction loans were granted, which led to over 780,000 tonnes of annual carbon emission reduction; the Bank successfully issued carbon-linked loans, launched the "Green Cross-border Loan for New International Land-sea Trade Corridor", with the first loan issued under this product category; as the only strategic local financial institutional investor in the central and western regions, Chongqing Rural Commercial Wealth Management (渝农商理财) participated in the first hydropower REITs project in China. The Bank won the award of "GF60 Green Finance - Best Financial Institution 2024"; and was listed on 2024 Green Finance Pioneer List of KPMG China's Second Top ESG 50 List.

**Serving "agriculture, rural areas and farmers" to facilitate rural revitalisation.** By focusing on serving the "agriculture, rural areas and farmers" (San Nong(三农)), the Bank provided financial support to promote rural revitalisation from multiple perspectives, such as mechanism support, leveraging digital technologies, adjusting to local characteristics, and providing diversified assistance. Based on the industrial planning of each district and county, the Bank implemented the service model of "one policy for one industry" and "one product for one town", creating 85 featured organisations for rural revitalisation, and launched more than 30 featured products, including "flour industrial loan", "pepper loan" and "mustard loan". The "Chongqing Agriculture Asset Smart Housekeeper" system services cover all agricultural districts and counties, and all rural collective economic organisations within the city, which forms a digital financial service platform for rural revitalisation, and achieves full coverage of the "whole village credit" service in agricultural districts and counties. The

credit of over RMB 23 billion has been pre-issued to more than 1.4 million farmer households; in 2024, more than 10,000 farmer benefiting activities were carried out to help strengthen the agriculture industry, improve rural beauty, and increase farmers' wealth. As at the end of 2024, the agricultural loan balance of the CQRCB Group totalled RMB 244.7 billion, ranked first among all banks in Chongqing.

**Improving people's wellbeing and contributing to social development.** With a people-oriented commitment, the Bank constantly improved the level of financial support for private, small and micro enterprises and individual businesses, paid attention to staff safety, wellness and talent training, protected data and information security, actively practised social welfare, deepened financial services for new citizens, and strengthened the protection and publicity of financial consumers' rights and interests. In addition, the Bank has deeply integrated financial services into social security, health care, educational aid and other aspects, explored consumer finance and elderly care finance scenarios, and worked hard to build ourselves into a "Caring Bank" to provide convenient and efficient banking and financial products and comprehensive services for people. As at the end of 2024, the Bank's inclusive small and micro enterprise loan accounts has exceeded 200,000, with a loan balance reaching RMB 139.9 billion, serving over 1 million of merchant accounts, ranking first in the city; a total of 7.1 million social security cards have been issued; our elderly customer accounts have exceeded 4.4 million. 250,000 special bank cards "Jiangyu Fanghua Card (江渝芳华卡)" have been issued.

**Accelerating digital and intelligent development through innovation.** The Bank insisted on accelerating digital transformation through innovation, and continued to increase the resources invested in digital transformation. In 2024, the Bank's financial technology investment amounted to around RMB 960 million, accounting for 5% of total investment; the Bank established and improved the digital product system, independently developed 14 digital products with an amount over RMB 140 billion; the Bank promoted the system construction of "Chongqing Agriculture Asset Smart Housekeeper" and treasurer system (a state-owned assets supervision platform); aimed to build ourselves into a "digital rural commercial bank" by steadily promoting the construction of AI middle platform and series of intelligent platforms, and vigorously empowering independent intellectual property innovation. As at the end of 2024, the Bank had 5 national pilot qualifications and more than 180 patents, forming a rural credit "patent pool". The "Distributed Credit Card Core Construction and Heterogeneous Data Smooth Migration Project" won the third prize of the People's Bank of China's Financial Technology Development Award in 2023 and was awarded an excellent case of security control in the 2024 national outstanding case selection regarding technological innovation of rural financial institutions. The "Rural Revitalisation Digital Financial Service Platform" was selected as the outstanding case of new digital services in 2024 of the Ministry of Industry and Information Technology of the People's Republic of China.

**Focusing on now and aiming for future success.** Looking into the future, the Bank will continue to prioritise the ESG concept and deepen our social responsibility practices to tap more momentum into the sustainable economic and social development. We are fully aware that the growth of enterprises cannot be achieved without the support of society. Only by working together with all parties can we achieve the long-term development goals. In 2025, we will maintain our focus, shoulder our mission bravely, and pursue excellence in the "Five Major Areas" of finance. With a more open attitude and more pragmatic actions, we will work with all sectors of society to create a better future and write a new chapter of high-quality development!

ABOUT US>>>

The total assets of the Group

RMB  
1,514.942billion

The Balance Of Deposits

RMB  
941.946billion

Total Loans

RMB  
714.273billion

Chongqing Rural Commercial Bank Co., Ltd., formerly known as Chongqing Rural Credit Cooperative, was founded in 1951 with a history of 70 years. In 2003, Chongqing was put on the list of the first batch of pilot provinces and cities regarding China’s rural credit cooperative reform. In 2008, the Rural Commercial Bank with the unified legal person in the city was established. In 2010, the Bank successfully listed on Hong Kong's H-share Main Board, becoming the first listed Rural Commercial Bank in China and the first listed Bank in Western China. In October 2019, the Bank was successfully listed on the main board of the Shanghai Stock Exchange, becoming the first A + H share listed Rural Commercial bank in China and the first A + H share listed Bank in western China.

As at the end of 2024, the Bank had 7 branches, 35 sub-branches, with 1,743 institutions in total; it also had established a financial leasing company, a wealth management company, and 12 village/town banks; and it had 14,000 employees in total. The total assets of the Group were RMB 1,514.942 billion, the balance of deposits was RMB 941.946 billion, and total loans were RMB 714.273 billion. The Bank ranked 119th among global banks, and 22nd in the 2024 Top 100 Chinese Banks, and was rated with an investment grade "Baa2" by Moody. The Bank is the financial institution with the largest capital scale, the strongest fund strength and the most extensive service network in Chongqing.

ESG PERFORMANCE 2024>>>

Economic Responsibility Performance

Indicator	2024
Group operating income (RMB100 million)	282.62
Green credit balance (RMB100 million)	732.19
Balance of agriculture-related loans (RMB 100 million)	2,416.30
Balance of inclusive finance loans to small and micro enterprises (RMB 100 million)	1,399.29

Environmental responsibility performance

Indicator	2024
Purchased electricity consumed by the Head Office (MWh)	22,959.25
Daily water consumption of the Head Office (tonnes)	90,456.00
Total energy consumption (MWh)	41,158.37
Total per capita energy consumption (MWh/person)	8.66
Per capita GHG emissions (Scopes 1 and 2)(tonnes/person)	4.28

Social Responsibility Performance

Indicator	2024
Number of customer complaints handled	1,662
Customer complaint handling satisfaction rate (%)	83.51
E-channel transaction ratio (%)	97.75
Number of online banking users (ten thousand)	328.40
Number of mobile banking users (ten thousand)	1,505.05





MAJOR HONOURS >>>>



ranked in honor  
No. **119**  
Ranked 119th in “Top 1000 World Banks 2024”

ranked in honor  
No. **314**  
Ranked 314th in Fortune China 500 in 2024

ranked in honor  
No. **880**  
Ranked 880th in “Global 2000 2024”

ranked in honor  
No. **22**  
Ranked 22nd in the Top 100 Chinese Banks in 2024

ranked in honor  
No. **445**  
Ranked 445th in “2024 Top 500 Chinese Enterprises”, the only awarded banking institution from central and western China

ranked in honor  
No. **11**  
Ranked 11th in "Top 100 Chongqing Enterprises" in 2024.

Awarding Institution

- ★ People's Bank of China
- ★ Minister of Industry and Information Technology
- ★ Rural Credit Banks Funds Clearing Centre
- ★ Rural Credit Banks Funds Clearing Centre
- ★ Chongqing Financial Trade Union
- ★ Chongqing Municipal Committee of the Communist Youth League
- ★ Green Finance Forum of 60 (GF60)
- ★ KPMG China

Awards And Honours

The "distributed credit card core construction and smooth migration of heterogeneous data" project **won the third prize in the 2023 Financial Technology Development Award.**

The "Digital financial service platform for rural revitalisation" project **was selected as an excellent case of innovative digital services in 2024.**

The "Enterprise customer inquiry - Comprehensive enterprise customer information inquiry system" project **was awarded the excellent case of data platform innovation in the 2024 national outstanding case selection regarding technological innovation of rural financial institutions.**

The “distributed credit card core construction and smooth migration of heterogeneous data” project **was awarded an excellent case of security control in the 2024 national outstanding case selection regarding technological innovation of rural financial institutions.**

The "Key to Innovation: Explainable Artificial Intelligence (XAI) Weaving a Robust Financial Security Network" is **awarded as an excellent project in the "Five Minors" Innovation Competition in the Chongqing Financial System Labour Contest 2024.**

The "Innovation Shield: Explainable Artificial Intelligence Guarding Financial Security" Project **won the first prize in the financial category of the 9th Chongqing "Five Minors" innovation demonstration and excellent project promotion activity**

Won the award of "GF60 Green Finance - Best Financial Institution 2024" in the **Third Green Finance North Bund Forum in 2024.**

Listed in "KPMG China's Second Top ESG 50 List - 2024 Green Finance Pioneer List".

Awarding Institution

- ★ National Business Daily
- ★ Chongqing Daily Newspaper Group
- ★ Office of the Finance Committee of the CPC Chongqing Municipal Committee, Chongqing Economic and Information Technology Commission, Chongqing Municipal Finance Bureau, and Chongqing Federation of Industry and Commerce

Awards And Honours

Won the "Most Socially Responsible Listed Companies" Award in the 2024 Public Praise of Listed Companies List.

Won the title of "Top Ten Annual Enterprises with the Biggest Influence regarding Social Responsibility in Chongqing".

2024 Chongqing Excellent Institution for Providing SME Financing Services

ESG STRATEGY AND MANAGEMENT >>>>

The Bank actively practised the new development concept by driving the integration of ESG governance with its own development strategy and business activities, while focusing on the "triple bottom line" around economy, environment and society. The Bank continued to strengthen social responsibility governance and improve the ESG strategy and management system, with an aim to integrating the ESG mindset into the corporate culture system.

ESG Strategy

The Bank took “devoting itself to become a leading regional bank in the country” as its strategic goal, comprehensively adopted the ESG concept, promoted the strategy of "Anchoring the Bank with Retail, Propelling the Bank with Technology, Empowering the Bank with Talents” in an orderly manner, and made great efforts to build a development system with "all-in-one four-wheel drive”. The Bank capitalised on its advantages to position the "Pan-retail" business as the main source of core competitiveness, and the corporate banking business, financial market business, fintech strength, and talent team as the bank-wide consistent "four integrated drivers" for the development of the Bank. We leveraged ESG to serve high-quality development, became more able to facilitate the real economy through financial services, responded to United Nation’s sustainable development goals (SDGs), and contributed to the implementation of the major national strategies of China.

Entity with "Pan-retail" business as the main source of core competitiveness



The Bank adhered to the working style of "Definite, Fast, Practical and Strict", with the purpose of "Rooting in the local area, serving the public", maintained the corporate spirit of "Truth-seeking and Enterprising", and actively undertook social responsibilities. In operation and management, it adopted the mission of "Serving Customers, Repaying Shareholders, Achieving Employees, and Contributing to Society", constantly improved the construction of corporate responsibility culture, promoted sustainable development, and strove to realise the vision of "Becoming a leading regional bank in the country".



ESG Management

The Bank attached great importance to ESG management and constantly improved the ESG management framework. The Bank has built an ESG management framework under which the Board of Directors is responsible for strategic decision-making, the Office of the Board of Directors is responsible for instruction and coordination, and relevant committees and departments are responsible for implementing and coordinating the ESG work, so as to ensure the practice of ESG management concepts in daily operation.

As the organisation responsible for the top-level decision-making of and accountable for the Bank's ESG agenda, the Board of Directors of the Bank supervises and guides the ESG work, regularly listens to reports on ESG-related matters from the Office of the Board of Directors, relevant committees and departments, reviews the Bank's ESG development strategy, identification and assessment of important ESG issues, ESG objectives and identification and response to ESG-related risks, and regularly reviews the progress on achieving ESG targets.

Stakeholder Engagement

The Bank attaches great importance to communication with stakeholders and constantly expands communication channels. The Bank establishes a regular communication mechanism with stakeholders and listens to the opinions and feedback of stakeholders through multi-channel and multi-form communication activities, and takes effective measures to address the concerns of stakeholders in a timely manner, with the goal of building a harmonious stakeholder relationship.

Stakeholders	Communication Mechanism	Key Requests of Stakeholders	Responses of the Bank
Government and regulatory agencies	<ul style="list-style-type: none"><li>• Policy guidelines</li><li>• Regulatory requirements</li><li>• Work reporting</li><li>• On-site inspection</li><li>• Daily review, approval and supervision</li><li>• Relevant research and discussion meetings</li></ul>	<ul style="list-style-type: none"><li>• Implementing national development strategies</li><li>• Regulating corporate governance and business ethics</li><li>• Preventing and mitigating financial risks</li><li>• Continuously increasing employment opportunities</li></ul>	<ul style="list-style-type: none"><li>• Supporting national strategies</li><li>• Serving the real economy</li><li>• Robust and compliant operations</li><li>• Identifying and managing risks</li><li>• Compliant information disclosure</li></ul>
Interbank and industry associations	<ul style="list-style-type: none"><li>• Normative document</li><li>• Special reporting</li><li>• Industry conferences</li><li>• Other daily communication</li></ul>	<ul style="list-style-type: none"><li>• Implementing national economic policies</li><li>• Facilitating industry sustainability development</li><li>• Facilitating the construction of a robust and orderly financial system</li></ul>	<ul style="list-style-type: none"><li>• Serving the real economy</li><li>• Innovating green finance</li><li>• Supporting small and micro businesses</li><li>• Preventing financial crimes</li><li>• Carrying out peer exchanges</li></ul>
Shareholders and investors	<ul style="list-style-type: none"><li>• General meeting of shareholders</li><li>• Regular reporting and information disclosure</li><li>• Roadshow</li><li>• Investor research and communication</li></ul>	<ul style="list-style-type: none"><li>• Regulating corporate governance</li><li>• Comprehensive, accurate and timely information disclosure</li><li>• Sustainable and reasonable investment return</li><li>• Preventing and mitigating financial risks</li><li>• Financial technology and digitalisation</li><li>• Developing green and sustainable finance</li></ul>	<ul style="list-style-type: none"><li>• Comprehensive and timely information disclosure</li><li>• Outstanding business performance</li><li>• Compliant and robust corporate governance</li><li>• Comprehensive and rigorous risk control</li></ul>
Client	<ul style="list-style-type: none"><li>• Company website</li><li>• WeChat, Weibo and other social media</li><li>• 95389 customer service centre</li><li>• Customer care activities</li><li>• Customer demand and satisfaction survey</li></ul>	<ul style="list-style-type: none"><li>• Diverse products</li><li>• Diverse service channels</li><li>• Protection of Consumers' legitimate rights and interests</li><li>• Privacy and information security protection</li><li>• Benefiting people's livelihood, serving the real economy and technological innovation</li></ul>	<ul style="list-style-type: none"><li>• Innovating financial products</li><li>• Improving service capability</li><li>• Developing financial technology</li><li>• Strictly protecting personal data</li><li>• Improving consumer feedback channels</li><li>• Responding to customer concerns</li><li>• Enhancing customer care</li></ul>



Stakeholders	Communication Mechanism	Key Requests of Stakeholders	Responses of the Bank
Suppliers and business partners	<ul style="list-style-type: none"><li>• Business exchange and cooperation</li><li>• Bid and Tender</li><li>• Bulk Purchase Management Committee</li><li>• Daily communication</li></ul>	<ul style="list-style-type: none"><li>• Fair cooperation opportunities</li><li>• Fulfilling obligations in good faith</li><li>• Stable and win-win cooperation</li><li>• Responsible Procurement</li></ul>	<ul style="list-style-type: none"><li>• Supplier due diligence</li><li>• Supplier anti-corruption supervision</li><li>• Supplier information disclosure</li></ul>
Non-profit charitable or community organisations	<ul style="list-style-type: none"><li>• Financial community service</li><li>• Financial Knowledge promotion</li><li>• Rural Revitalisation activities</li><li>• Community and volunteer services</li></ul>	<ul style="list-style-type: none"><li>• Harmonious community relationship</li><li>• Driving community development</li><li>• Participating in charity events</li><li>• Serving the Rural Revitalisation cause</li></ul>	<ul style="list-style-type: none"><li>• Serving the Rural Revitalisation cause</li><li>• Carrying out charity activities</li><li>• Financial Knowledge promotion</li><li>• Preventing financial fraud</li></ul>
Board of Directors and senior management	<ul style="list-style-type: none"><li>• Board of directors</li><li>• Management meetings</li><li>• Company activities</li><li>• Internal communication channels</li></ul>	<ul style="list-style-type: none"><li>• Compliant and sustainable development</li><li>• ESG governance</li><li>• Staff training</li><li>• Product liability</li></ul>	<ul style="list-style-type: none"><li>• Overseeing ESG work</li><li>• Compliant operations</li><li>• Strengthening business supervision</li><li>• Empowering employee growth</li><li>• Improving service quality</li></ul>
Staff	<ul style="list-style-type: none"><li>• Trade union</li><li>• Workers' congress</li><li>• Employee recreation and sports</li><li>• Reporting and complaint channels</li><li>• Employee satisfaction survey</li></ul>	<ul style="list-style-type: none"><li>• Reasonable and fair remuneration and benefits</li><li>• Fair and open promotion channels</li><li>• Promising human capital development</li><li>• Protecting the legitimate rights and interests of employees</li><li>• Caring for the employees</li></ul>	<ul style="list-style-type: none"><li>• Protecting employees' rights and interests</li><li>• Caring for employee health</li><li>• Enhancing employee training</li><li>• Expanding career development channel</li><li>• Building a positive corporate culture</li></ul>

Analysis Of Material Topics

The Bank integrated responsibilities with its development strategy and business characteristics. Based on the requirements of the ESG Reporting Code of HKEX, the understanding of concerns obtained through stakeholder communication, and its business nature, the Bank has identified, assessed, and disclosed material ESG topics.

Identification of topics

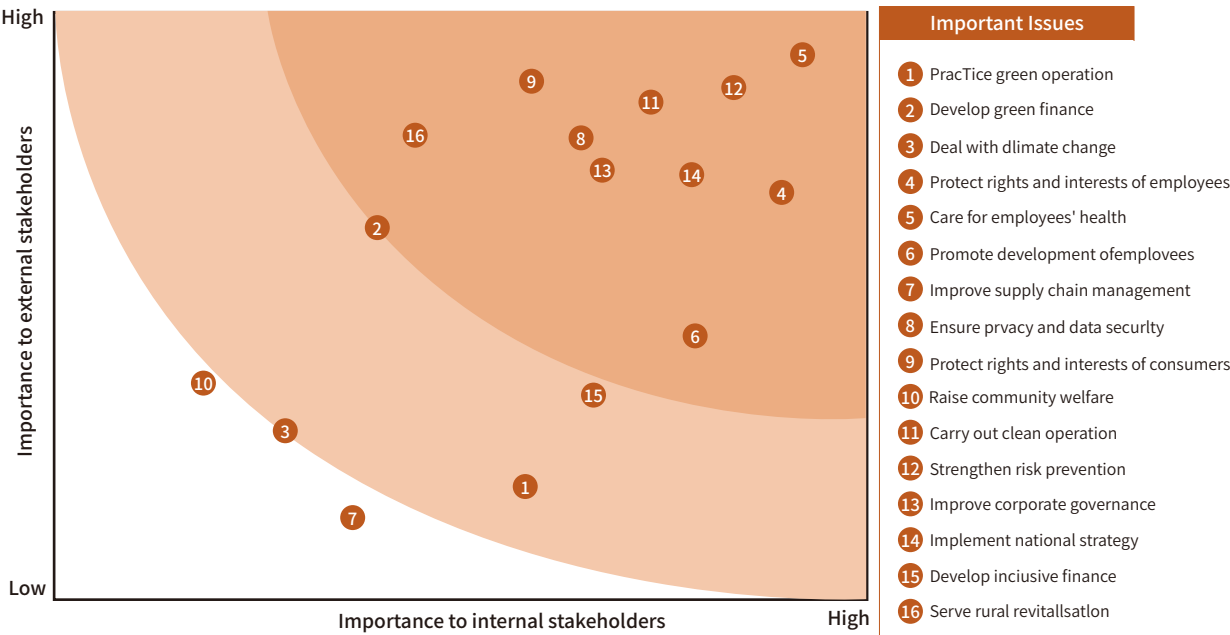
The Bank identified ESG indicators of concern to the capital market and investors through in-depth analysis and interpretation of macro policies, industry hot topics and development trends; based on the in-depth interviews with the management and industry experts, the Bank conducts stakeholder questionnaire survey to identify ESG topics that may have an impact on stakeholders' decision-making and evaluation.

Assessment of topics

The Bank assesses the importance of ESG topics on the basis the analysis of the results of the questionnaire survey and the feedback obtained from daily communication with stakeholders, comprehensively considers the relative importance of the topics to internal and external stakeholders and ranks the topics, taking into account opinions from industry experts.

Reporting of topics

A materiality matrix is constructed based on the topics evaluation results, and disclosures will be made targeting these topics in this report to actively address the concerns of the market and stakeholders.





# Environment ▶▶▶

## Pursue green development to drive low-carbon transformation

The Bank actively practices the concept of "ecological priority and green development", continuously improves the governance structure for green development, enhances green financial policies and systems, vigorously develops green financial business, comprehensively responds to the challenges of climate change, maintains an effective green operation, so as to promote ecological system construction and green and low-carbon development.



The United Nations Sustainable Development Goals ("SDGs")





# Addressing Climate Change >>>

The Bank actively responded to climate change by actively identifying, assessing and responding to the risks and opportunities brought by climate change, through referring to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), taking into account the Bank's actual situation and business characteristics. The Bank also incorporated climate related risk management into the comprehensive risk management system, took scientific measures to monitor and assess the impact of climate risk, and continued to explore climate related risk management tools and models, with an aim to improving our climate risk management capability and ensuring the Bank's healthy development.

## Climate change risk identification and response

Risk types		Description	Response
Physical risks	Acute physical risks	Climate changes, especially extreme weather conditions, will cause significant losses to the real economy, which could result in a sudden rise in the operating costs of business enterprises, or even bankruptcy threats.	<ul style="list-style-type: none"><li>The Bank has formulated Emergency Plan for Natural Disaster to clearly stipulate the procedures for reporting and handling natural disasters, so as to help its organisations and personnel at all levels control losses in a timely manner.</li><li>The Bank built an industry-leading disaster recovery system of "Three Centres in Two Places". The primary data centre, local secondary centre and remote secondary centre are located in the main urban area of Chongqing and Wanzhou. These centres are working in active-active mode for the important information system to effectively reduce the potential climate risks.</li></ul>
	Chronic physical risks	Climate changes may lead to damage or devaluation of collaterals in disaster-stricken areas, which may affect the operation and loan quality of banks.	
Transition risks	Policy and legal risks	Environmental standards and a series of rules and regulations have been issued to banks at home and abroad. Institutions that fail to achieve business transformation in time in accordance with regulatory requirements will face policy and regulatory risks.	<ul style="list-style-type: none"><li>We are strictly controlling the financing for "Two High" projects and continue to apply the "One-vote Veto" to financing projects that do not meet China's industrial policies or energy consumption and emission standards.</li></ul>
	Market Risk	With the development of sustainable investment, investors may change their investment preferences under the influence of sustainable investment and green investment mindsets; under the green development policy, customers' needs for banking products and services may change.	


## Climate change opportunity identification and response

Opportunities	Description	Response
Products and services	Climate changes drive the market demand for green finance. Banks can develop green credit, green bonds and ESG investment products to support renewable energy, energy conservation and environmental protection projects, which meets customers' needs for sustainable finance, and improves the banks' market competitiveness.	<ul style="list-style-type: none"><li>The Bank issued the Credit Orientation Guidelines Guidance, which was a credit policy prioritising the support for green credit industries; the Bank also prioritised its support for the green industrial transformation projects that meet the requirements of China's Green Industry Guidance Catalogue.</li><li>For the clean energy industry, we have launched green credit products such as "Clearing Loan", "Green Loan on Electricity" "Solid Waste Loan", and "Carbon Emission Quota-backed Loan" to strongly support green projects with significant environmental benefits. We also set up a green review and approval channel to provide preferential interest rate to green projects; and prioritised maintaining the credit scale for green enterprises and green projects.</li></ul>
Resource efficiency and energy sources	Banks can optimise the operation process, reduce energy consumption and reduce carbon footprint through digital technology.	We practice the low-carbon principle in daily operation, carry out green and energy-saving transformation, reduce resource consumption, carbon emissions, water consumption, electricity consumption,among other measures.among other measures.

## Climate change risk and opportunity management

The Bank fully implemented the new development concept, improved the capacity of system construction and implementation related to environmental risk and prevented various risks caused by high energy consumption and high pollution through strategic planning, internal control, risk management, product innovation and business development. With regard to the "carbon peaking and carbon neutrality" goals, the Bank focused on providing credit to support energy conservation and environmental protection industries, clean production industries, clean energy industries, ecological environment industries, green infrastructure upgrades, and green services, proactively explored new financial service models and approach for supporting green development. We actively prevented risks of industries related to overcapacity, high pollution, or high energy consumption, enhances credit management concerning these industries by controlling the total amount of credit and effectively identifying and resolving credit risks, so as to ensure the safety of credit assets. We also carried out stress tests related to environmental risks, properly disclosed environmental information on a regular basis, implements environmental strategies at all levels and business lines, and effectively controls the risks caused by environmental factors to operations and management.

The Board of Directors reviewed and approved the Basic Policy of Risk Management to include green finance and sustainable development as basic risk management principles. It stipulates that the Bank's comprehensive risk management system should be aligned with its green finance and sustainable development requirements, and be adjusted according to environmental changes. In March 2024, after the review and approval by the Board of Directors, the Bank issued the annual risk appetite statement and continued to characterise the "environmental, social and governance (ESG) risks" as an independent risk type, with the risk rating of "robust".



### Engaging in Proactive Management to Cope with Climate Change

- Explore new models and approaches of financial support for green development
- Prevent risks of industries related to overcapacity, high pollution, or high energy consumption, and enhance credit management concerning these industries
- Carry out stress tests related to environmental risks
- Properly disclose environmental information

## Stress tests on climate risks

In December 2024, the Bank actively carried out special stress tests on environmental risk to prudently assess the impact of environmental risk on the Bank's asset quality, including non-performing loan ratio, capital adequacy ratio and other indicators. The subjects of the tests were loans to corporate customers in three major carbon-intensive industries, i.e. electricity, non-ferrous metals and chemical industries. We applied stress scenarios on customers' operation levels using a bottom-up approach, assuming that with an increasing carbon price, paid allowances proportion and emission reduction technology cost, customers' operating income, profit margin and other indicators worsened, and the probability of default increased, which put pressure on the Bank's non-performing loans, net capital and risk weighted assets. It helped the Bank understand changes in its non-performing loan ratio and capital adequacy ratio under the stress scenarios. The test results showed that the Bank's non-performing loan ratio and capital adequacy ratio can still meet the regulatory requirements under severe stress, and the risks were generally controllable.

## Green Finance Development >>>

The Bank insists on carrying out the green development concept and continues to improve our professionalism in green finance by constantly optimising our green financial service model, improving our organisational action system, and participating in the establishment of green finance standards, so as to promote green finance, facilitate local economies, drive social advancement and improve people's livelihood, and ultimately achieve excellence in the "Major Area" of green finance. We have also stepped-up efforts to promote a more comprehensive green culture, build a green cultural brand, and become a benchmark for green finance.

In respect of the top-level design, the Bank has formulated a bank wide "14th Five Year Plan" for green finance development, setting forth a medium and long-term green finance development blueprint on the strategic level, thereby comprehensively driving the transformation towards a greener credit structure. The plan stipulates that, by the end of 2025, the balance of the Bank's green loans shall reach RMB 78 billion, and puts forth the implementation path of the green finance development blueprint.



As at the end of 2024, the balance of the Bank's green loans was RMB 73.219 billion, a net increase of RMB 11.237 billion over the beginning of the year, or 18.13%; In 2024, RMB 1.695 billion of carbon emission reduction loans were granted, which helped enterprises reduce the annual carbon emission by over 778,500 tonnes. **The Bank won the award of "GF60 Green Finance - Best Financial Institution in 2024"; and was listed in KPMG China's second Top ESG 50 List - 2024 Green Finance Pioneer List".**



Indicator	Emission reduction converted from green credit in 2024
Standard coal for emission reduction converted from green credit (tonnes)	127,559.87
Carbon dioxide for emission reduction converted from green credit (tonnes)	260,206.51
COD for emission reduction converted from green credit (tonnes)	5,091.53
Ammonia nitrogen for emission reduction converted from green credit (tonnes)	432.27
Sulphur dioxide for emission reduction converted from green credit (tonnes)	2,629.09
Nitrogen oxides for emission reduction converted from green credit (tonnes)	502.12
Water saving converted from green credit (tonnes)	7,871.33
Total nitrogen for emission reduction converted from green credit (tonnes)	222.88
Total phosphorus for emission reduction converted from green credit (tonnes)	47.55

Improving the green finance management system

The Bank built a "1+3+22+N" organisation system for the Group, set up a Green Finance Committee under the senior management, established three working groups of green finance, green culture and green operation, and created a Green Finance Department to plan and coordinate green development across the Bank. In 2024, the Bank revised the Detailed Rules of Work of the Green Finance Committee of Chongqing Rural Commercial Bank to clarify the responsibilities of all departments and ensure the continuous and effective operation of the Green Finance Committee.

"1+3+22+N" Green Finance System



The Bank strictly followed the Detailed Rules of Work of the Strategic Development Committee under the Board of Directors, defining the functions related to green finance development, submitting major issues and strategic plans related to green finance to the special committees and the Board of Directors for deliberation, and promoting the development of green finance at the corporate governance level with a top-down approach.

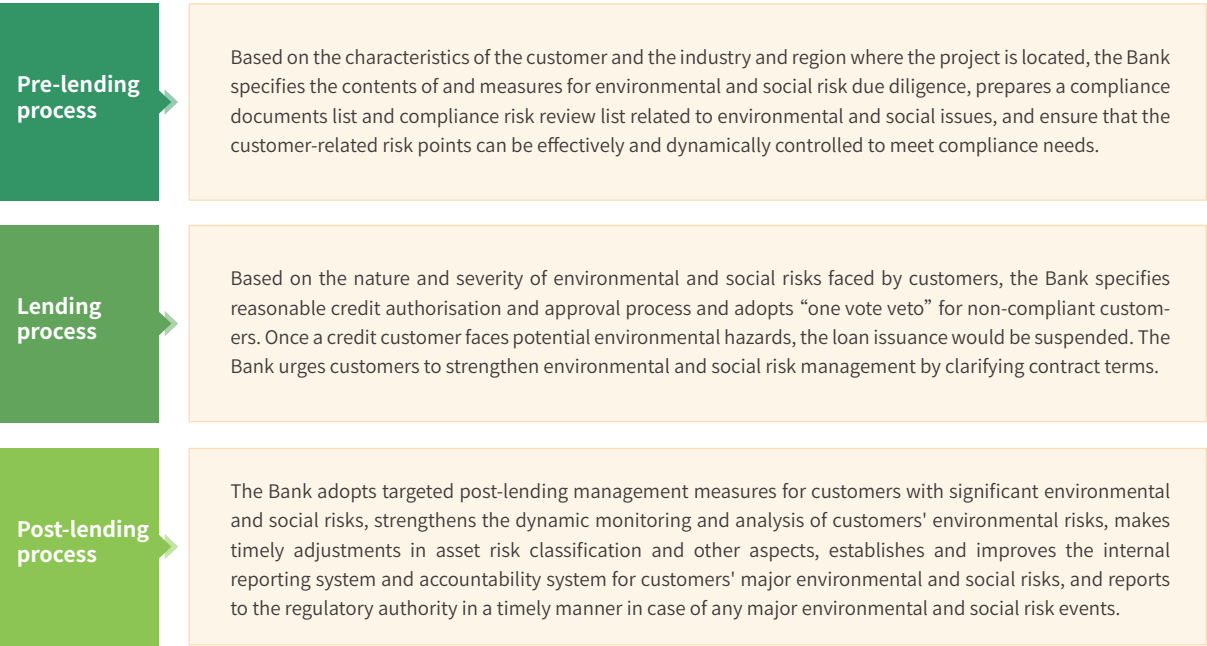
In 2024, the Bank established an incentive and restraint mechanism, carried out special green credit activities, built a bank wide green credit assessment and evaluation mechanism, regularly conducted performance assessment and evaluation to encourage branches and sub-branches to expand the green credit scale and green credit ratio. A bank wide green finance assessment and evaluation indicator system was established covering the branches/-sub-branches and Head Office levels. The indicators mainly include the net increase in green credit, increase in proportion, and application of new products, which help include green finance in KPI assessments. KPI assessment results serve as a basis for the position changes and compensations of relevant departments and department heads.

The Bank issued the Annual Internal Audit Plan for Green Finance to review and evaluate the business risk management covering green finance, green bonds and other businesses, focusing on the assessment of environmental and social risks.

Improving the green policy system

The Bank actively followed the ESG development trend and constantly improved the green financial policy system and the Bank's environmental and social risk management capability. The Bank issued documents to implement the relevant requirements, adopted the full-process management for environmental and social risks. We classified credit customers into three categories: A, B and C according to their environmental and social impact. We adopted dynamic management and applied the classification results to processes before, during and after loan issuance.

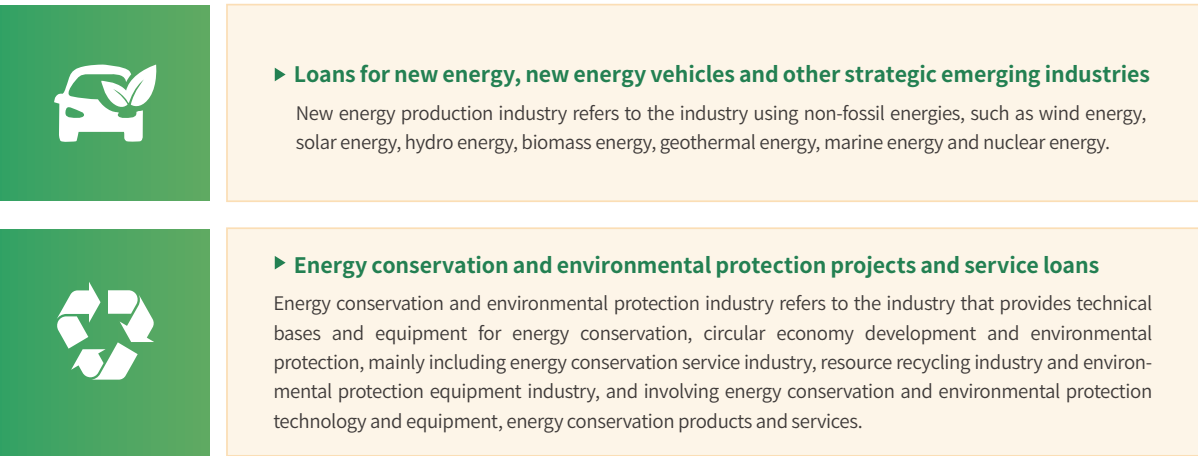
Full-process management of environmental and social risks



For environmentally sensitive industries, the Bank prudently assessed environmental risks and continuously improved corresponding credit policies in strict accordance with internal and external environmental policies. First, the Bank incorporates environmental information into the credit access criteria, that is, credit applicant should abide by the laws and regulations related to energy conservation and environmental protection, conscientiously fulfil the obligation to disclose energy use and environmental information, and strictly implement the national and local standards on energy conservation and waste discharge; second, the Bank actively supports projects that have made significant contributions to reducing the overall energy consumption of the industry and fulfilling environmental responsibilities, projects that reduce environmental pollution, and green investment projects approved by relevant national departments; third, the projects should strictly implement the environmental impact assessment system, and exhaust gas and waste water discharge should meet the national and local air and water pollutant discharge standards and total volume control requirements.

The Bank strengthened and improved the admission mechanism for environmental rights and interests collateral, and incorporated three environmental rights and interests, namely, "emission right", "forestry carbon sink expected earnings right" and "water intake right", into the Guidelines for Collaterals Admission of Chongqing Rural Commercial Bank.

The Bank continued to promote green credit, issued the 2024 Credit Orientation Guidelines, actively supported the green transformation and upgrading of "Two High" projects with green and low-carbon orientation, and focused on supporting two major directions: new energy, new energy vehicles and other strategic emerging industry loans; energy conservation and environmental protection projects and service loans, in accordance with the green financial policy guidance and the "14th Five Year Plan" of the Chongqing Municipal Government. At the same time, the Bank established a green channel mechanism for green credit business to improve the approval and issuance efficiency of green credit.



Innovating green financial products

In order to achieve the Bank's green finance development strategy, the Bank has continuously strengthened its green financial service capability and green financial business system construction, continued to explore the integration and development of green finance in credit, investment and other businesses, deepened the green finance incentives through innovative green financial products to promote sustainable development with green financial products.

The Bank attaches great importance to the innovation of green financial products and has included it in the performance appraisal of departments. In 2024, the Bank issued RMB 70 million of carbon linked loans, launched the "Green Cross-border Loan for New International Land-sea Trade Corridor", with the first loan issued under this product category amounting to RMB 4.82 million; and Chongqing Rural Commercial Wealth Management (渝农商理财) successfully invested in the clean energy public REITs of POWERCHINA (the first hydropower REITs in China).





Green credit

Based on the development characteristics of different industries, the Bank has tailored differentiated and personalised green credit products for companies in different industries, and encourage them to actively pursue green development opportunities and achieve green development goals.

Since 2022, the Bank has successively launched a series of green loan products, such as "Green Incremental Loan", "Green Credit Loan", "Green Commercial Truck Mortgage Loan", "Clean and Renewable Energy Earnings loan", "Green Loan on Electricity", "Carbon Emission-Quota-backed Loan" and "Solid Waste Loan" to support the development of green transportation, green manufacturing and clean energy industries. As at the end of 2024, the cumulative amount of carbon emission reduction loans has reached RMB 2.903 billion.



Case

Promoting the development of photovoltaic industry to support energy transformation and upgrade

A photovoltaic power generation company in Chongqing, an energy enterprise mainly engaged in power generation, transmission and power supply and distribution businesses, actively adopted the agricultural-photovoltaic complementary power generation mode, and leveraged the pollution-free and zero emission features of solar photovoltaic power generation to enable power generation while growing edible fungi and other crops. Projects of this sort are difficult to achieve financing by traditional mortgage guarantee. After understanding this situation, the Bank actively engaged with the company and strengthened the cooperation between the Head Office and Branches to provide a "Clean and Renewable Energy Earnings Loan" up to RMB 95 million for the company's 36MWP Agricultural-PV Power Station Project in Wuxi County by means of pledge of PV power generation income right. At the same time, the Bank effectively obtained policy support by applying for carbon emission reduction support instrument at the People's Bank of China right after loan issuance to ensure that the company can receive special loan support from the carbon emission reduction support instrument in a timely manner. As of now, the Bank has granted loans of RMB 55.90 million to the company through the carbon emission reduction support instrument.



Case

Issuing carbon-linked loans to drive low-carbon-transformation of enterprises

The Bank effectively enhanced customers' emission reduction awareness and attention to environmental issues through carbon-linked loans to promote energy conservation, emission reduction and low-carbon transformation of business enterprises.

A Chongqing new material technology company planned to further expand its production capacity in 2024 to achieve intelligent aluminium oxide production, but experienced a liquidity gap. Knowing the difficulty of the company, the Bank took the initiative to offer a working capital loan of RMB 70 million to the company. In order to encourage and guide customers' energy reduction initiatives and low-carbon transformation, by reference to the Wanzhou District Financially Supported Transformation Project Catalogue (2023), the Bank agreed with customers to link loan interest rate to customers' carbon emission standard applied for transformation, which effectively stimulated enterprises' awareness of carbon emission reduction, guided the low-carbon transformation of carbon-intensive and energy-intensive brown assets, and drove the high-quality economic development.



Case

The Bank's first "Green Cross-border Loan for New International Land-sea Trade Corridor"

The Bank innovated green financial services by customising service plans for import and export enterprises along the New International Land-sea Trade Corridor in western China. Through our services, funds were injected into the real economy in a manner based on "government guidance, risk sharing, and market operation".

In order to support the diversified financing needs of a green food group, expand its overseas business and boost the development of the green food industry, the Bank actively accommodated the company's financing needs and provided customised financial service plans. In April 2024, the Bank successfully issued its first "Green Cross-border Loan for New International Land-sea Trade Corridor" to the company amounting to RMB 4.82 million.



The Bank's staff visited the food company for a field study.

Green bond

The Bank formulated the Detailed Implementation Rules for Green Financial Bonds of Chongqing Rural Commercial Bank, specifying the division of responsibilities of the green financial bonds management department, project evaluation and screening, management of the raised funds, third-party certification, information disclosure and other management regulations, which standardised the issuance process of green financial bonds.

During the reporting period, based on the Green Bond Supported Project Catalogue, the Bank established a qualified project list for issued green bonds, and allocated raised funds to support green projects with significant environmental and social benefits in accordance with the approvals of applicable legal and regulatory authorities. In addition, the Bank tracked and managed the flow of raised funds and regularly disclosed the use of funds to ensure that the funds were truly and effectively used to enhance energy conservation and emission reduction benefits.

As at the end of 2024, the Bank had issued 4 green financial bonds with a total value of RMB 7 billion, including one carbon neutral green financial bond with a value of RMB 1 billion, and one green financial bond with EU-China Sustainable Finance Common Classification Catalogue as a benchmark, and a value of RMB 2 billion. One existing green financial bond with a balance of RMB 2 billion, which is a green financial bond with EU-China Sustainable Finance Common Classification Catalogue as a benchmark. The funds raised from this bond are invested in green industrial projects that comply with the Green Bond Supported Project Catalogue and the Common Classification Catalogue, mainly including energy conservation and environmental protection industry, clean energy industry, ecological environment industry and green infrastructure upgrade.

In 2024, Golden Credit Rating International Co., Ltd. rated the Bank's existing "22 Chongqing Rural Commercial Bank Green Bonds" as AAA.

Protection of biodiversity

The Bank signed the Joint Declaration of Banking Financial Institutions on Supporting Biodiversity Conservation, declaring our commitment to strengthening biodiversity risk control, establishing biodiversity preference, increasing biodiversity investment and innovation. We are also committed to fully exploring and developing the potential of banking financial institutions to invest in biodiversity and provide financial support, with the goal of achieving an eco-friendly, sustainable, green and inclusive development and building a place where man and nature coexist harmoniously.

Green financial cooperation

The Bank actively cooperates with various stakeholders, expands the green finance cooperation platform, provides support for the development of partners' green finance practices, and comprehensively assists China's green finance development.

In 2024, the Bank helped the release of green financial standard package in Chongqing and Chengdu-Chongqing region by actively participating in the preparation of standard package, including "Chongqing Green Small and Micro Enterprises Evaluation Indicator Specification", "Chongqing Carbon-linked Loan Business Operation Guide", "Evaluation Guide for Financially-supported Green Transformation of Power Consuming Enterprises", and "Evaluation Guide for Financially-supported Power Grid Supply Chain Green Enterprises".

In 2024, the Bank, as the only local legal-person bank in China, shared successful cases at the National Transition Finance Exchange Meeting; as the only representative of the city's commercial banks, the Bank made a thematic lecture on how green finance supported the development of forestry industry at the Green Finance Supporting Collective Forest Property Right System Reform Promotion Conference hosted by Chongqing Government; the Bank was visited by and held exchange-

es with financial industry peers, and fully demonstrated the achievements made in green finance in recent years.

The Bank's "A Review of Digital Development in Green Finance from the Perspective of a Commercial Bank" won the first prize of the 2024 Professional (Work) Committee Research Project of Chongqing Banking Association.

Promoting Green Operations

The Bank actively practices the concept of green operation, integrates energy conservation and emission reduction mindset throughout the service and office work processes, advocates a simple and moderate, green and low-carbon, civilised and healthy production and lifestyle, and strives to build a modern green bank that is resource-saving and environment-friendly. In 2024, the Bank was not subject to any administrative penalties or criminal liabilities imposed by the ecological environment department and other relevant authorities due to the occurrence of environmental incidents.

Green office

The Bank vigorously advocated green office, formulated annual energy conservation and emission reduction plans, promoted energy conservation and emission reduction in office space, continued to promote paperless office concept, properly disposed of waste generated in offices, and actively recorded, monitored and regularly disclosed relevant data.

In order to promote low-carbon operation in a down-to-earth manner, the Bank formulated and disclosed our five-year emission reduction goals. This year, in accordance with the 2023-2025 target list (special indicators), the goals include the head office's per capita power consumption not higher than 6000KWH/year and per capita water consumption not higher than 36 tonnes/year, and the Bank has taken targeted measures to achieve the annual target value.



per capita power consumption  
not higher  
6,000kWh/per year



per capita power consumption  
not higher  
36tonnes/per year







### Power use management

Full coverage of LED energy-saving lamps across all offices in the Head Office.

Develop and implement power saving measures, reasonably control indoor temperature, and encourage all staff to work green.

Issue the Notice on Implementing the Work Plan of Saving Electricity and Peak Load Management for the Office Space of the Municipal State-owned Assets System in the Summer of 2024, and the formulate and actively implement relevant plans for successfully completing the task of saving electricity in the summer of 2024.



### Water use management

Formulate detailed water-saving plan for the office building, utilise the old direct drinking machines and strengthen the publicity and guidance for employees to reduce the consumption of bottled water.



### Vehicles use and business travel management

Stop the procurement of fuel vehicles, increase the proportion of new energy vehicles throughout the Bank, and actively promote the procurement of new energy vehicles.

Practise energy-saving and low-carbon travel, and install 55 sets of charging posts in the Bank's garage.

Strengthen the overall arrangement, reduce the car dispatching arrangements for less than 2 people per time, and in principle, no business vehicles and off-road vehicles would be dispatched for less than 4 people.



### Paper use management

Upgrade to intelligent meetings. In 2024, the Bank upgraded the digital intelligent conference equipment, vigorously promoted online meetings, made full use of tablet computers, mobile TV, online meetings and other digital equipment, reduced the use of paper office supplies, and promoted the green and low-carbon meetings across the Bank.

Implement online review and approval. Online review and approval process was used for office supplies use, physical asset adjustment, vehicle application, communication fee change and other purposes for the logistics line to reduce the use of paper.



### Waste management

Garbage classification was adopted in the office space; all hazardous waste generated was handled by a third-party organisation with professional qualifications. Regularly conduct asset count and promote the effective use of assets throughout the Bank.

Release green information regularly, communicate and coordinate the office material needs of all departments and offices as needed, handle 687 cases of asset allocation and transfer throughout the year to effectively improve resource utilisation.

## Green Outlets

The Bank comprehensively launched initiatives to establish green financial institutions, continuously advanced outlet transformation, and dedicated efforts to creating "Green Finance Demonstration Outlets." Environmentally friendly building materials were incorporated into outlet construction, while low-carbon operational requirements – including green working mechanisms, comprehensive energy consumption per unit output, green office practices, and energy-saving advocacy – were prioritised as key metrics for demonstration outlet development.

Leveraging its business halls as primary platforms, the Bank actively promoted green and low-carbon lifestyles alongside its green financial products, enhancing public awareness of environmental protection and sustainable practices.

The Bank intensified green and low-carbon operational training for employees through formats such as micro-seminars and micro-courses. These initiatives guided staff in the proper use, maintenance, and management of on-site green facilities, fostering stronger adherence to green development principles.

## Green Data Centre

The Bank prioritised the adoption of new technologies to reduce energy consumption, progressively installing energy-saving facilities and intelligent management systems in high-energy-use areas such as offices and data centres.

In 2024, the Bank implemented energy optimisation measures at its Yuzui data centre, including upgrades to intelligent lighting systems, airflow management in server rooms, and temperature regulation adjustments. These initiatives improved energy-saving infrastructure layouts and maximised energy efficiency. Calculations indicate that the intelligent lighting upgrades will save approximately 116,000 kWh of electricity annually, with projected lifetime savings exceeding RMB 1 million over the Yuzui data centre's operational lifespan. These measures reduced the data centre's Power Usage Effectiveness (PUE) from 1.61 to 1.53 post-renovation, while the annual average PUE was maintained below 1.60 (down from 1.67), achieving targeted energy-saving objectives.

## Environmental Performance

Unless otherwise stated, the statistical scope of environmental performance herein solely covers the Bank's Head Office and its branches and sub-branches<sup>1</sup> located in the main urban area of Chongqing. The other institutions of the Bank will be included in the future in due course. The statistical performance data presented below covers the period from 1 January 2024 to 31 December 2024.

### 1. Emission Data<sup>2</sup>

Indicator	Performance
Total SO <sub>2</sub> emissions (tonnes) <sup>3</sup>	0.0013
Total NO <sub>x</sub> emissions (tonnes) <sup>4</sup>	0.06
Total Greenhouse gas (GHG) emissions (Scope 1 and Scope 2) (tonnes) <sup>5</sup>	20,345.37
Per capita GHG emissions (Scope 1 and Scope 2) (tonnes/person)	4.28
GHG emissions per square meter of floor area (Scope 1 and Scope 2) (tonnes/m <sup>2</sup> )	0.06

1.Emission Data<sup>2</sup>

Indicator	Performance
Direct GHG emissions (Scope 1) (tCO <sub>2</sub> e)	790.60
Vehicle fuel consumption (tCO <sub>2</sub> e) <sup>6</sup>	213.20
Faciltiy diesel (tCO <sub>2</sub> e) <sup>7</sup>	3.21
Natural gas (tCO <sub>2</sub> e)	574.19
Indirect GHG emissions (Scope 2) (tCO <sub>2</sub> e)	19,554.76
Purchased electricity (tCO <sub>2</sub> e)	19,554.76
Total hazardous wastes (tonnes) <sup>8</sup>	38.28
Total hazardous wastes per capita (tonnes/person)	0.008
Total hazardous wastes per square meter of floor area (tons/m <sup>2</sup> )	0.00011
Total non-hazardous wastes (tonnes) <sup>9</sup>	528.03
Non-hazardous wastes per capita (tonnes/person)	0.11
Non-hazardous wastes per square meter of floor area (tonnes/m <sup>2</sup> )	0.002

2.Energy and Resource Consumption Data

Indicator	Performance
Total energy consumption (MWh) <sup>10</sup>	41,158.37
Total per capita energy consumption (MWh/person)	8.66
Energy consumption per square meter of floor area (MWh/m <sup>2</sup> )	0.12
Direct energy consumption (MWh)	3,747.30
Vehicle fuel consumption (MWh)	864.11
Faciltiy diesel (MWh)	13.14
Natural gas (MWh)	2,870.05
Indirect energy consumption (MWh)	37,411.07
Purchased electricity (MWh)	37,411.07
Purchased electricity power consumption of the Head Office (MWh) <sup>11</sup>	22,959.25
Daily water consumption (tons) <sup>12</sup>	203,510.48
Daily water consumption of the Head Office (tons) <sup>13</sup>	90,456.00
Daily water consumption per capita (tons/person)	42.84
Daily water consumption per square meter of floor area (tons/m <sup>2</sup> )	0.59
Total paper consumption (tons) <sup>14</sup>	135.92

Note:

1. The sub-branches in the main urban area of Chongqing include Yuzhong Sub-branch, Dadukou Sub-branch, Jiangbei Sub-branch, Shapingba Sub-branch, Jiulongpo Sub-branch, Nan'an Sub-branch, Beibei Sub-branch, Yubei Sub-branch, Liangjiang Branch, Banan Sub-branch, Science City Branch and the Head Office Business Department.
2. As the emission data and energy and resource consumption data in the data centre cannot be measured separately, the Bank's data in respect of greenhouse gas emission intensity, intensity of hazardous waste emissions, intensity of non-hazardous waste emissions, energy consumption intensity and daily water consumption intensity calculated per capita and per square meter of floor area have included both the office areas and data centre.
3. SO<sub>2</sub> emissions mainly come from vehicle fuel consumption, and are calculated according to the Technical Guidelines for Compiling Road Vehicle Air Pollutant Emission Inventories (Trial) issued by China's Ministry of Environmental Protection.
4. NO<sub>x</sub> emissions mainly come from vehicle fuel consumption, and are calculated according to the Technical Guidelines for Compiling Road Vehicle Air Pollutant Emission Inventories (Trial) issued by China's Ministry of Environmental Protection.
5. The GHG inventory includes carbon dioxide, methane and nitrous oxide, which mainly come from purchased electricity and fuel. Greenhouse gas emissions are calculated in accordance with the "Announcement on the Release of 2022 Electricity Carbon Dioxide Emission Factors" and "2019 Baseline Emission Factors for China's Regional Power Grids in Emission Reduction Projects" published by the Ministry of Ecology and Environment of the People's Republic of China, and the "IPCC 2006 National Greenhouse Gas Inventory Guidelines 2019 Revision" published by the Intergovernmental Panel on Climate Change (IPCC).
6. Vehicle fuel consumption includes consumption of gasoline and diesel.
7. Facility diesel refers to diesel used by backup generators.
8. The hazardous wastes involved in the operation of the Bank are handled and disposed of by qualified professional companies, which mainly include the waste toner cartridges, toner, ink cartridges, and ribbon cartridges, as well as the Head Office's waste fluorescent tubes.
9. The non-hazardous wastes of the Bank are delivered to recyclers for disposal, which mainly include office waste, kitchen waste, office consumables, and electronic waste. Among others, the office wastes of Yuzhong Sub-branch, Shapingba Sub-branch, Jiulongpo Sub-branch, Yubei Sub-branch, Liangjiang Branch and Science City Branch are centrally handled by property management companies and cannot be measured separately. This is estimated based on the First National Survey of Pollution Sources Handbook of Urban Living Source Sewage Coefficients issued by the State Council.
10. The energy consumption data is calculated based on the electricity and fuel consumption using relevant conversion factors provided in the General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020), and this mainly includes electricity, natural gas, vehicle fuel consumption and facility diesel.
11. Purchased electricity power consumption of the Head Office includes the purchased electricity power consumption of Chongqing Rural Commercial Bank Tower, Tongchuang office area, Erlang office area, Wanzhou disaster recovery centre and Yuzui data centre.
12. Daily water consumption includes tap water, reclaimed water, and water used for shared areas. The Bank's water is mainly from municipal water supply, and there is no problem in sourcing water.
13. Daily water consumption of the Head Office includes the daily water consumption of Chongqing Rural Commercial Bank Tower, Tongchuang office area, Erlang office area, Wanzhou disaster recovery centre and Yuzui data centre.
14. Paper includes A4 copy paper, A3 copy paper and ATM voucher paper.
15. The data of packing materials is not applicable to the Bank.





# Economy ▶▶▶

## Delving into Principal Business to Empower Economic Development

The Bank fully implemented the guiding principles of the Central Financial Work Conference, adhered to the general work keynote of making progress while remaining stability, and stuck to the market position of serving agriculture-related affairs and small and micro enterprises, by making continuous efforts on advancing the supply-side structural reform, promoting the upgrading of the nation's economic structure and proactively assisting enterprises in pursuing technological advancement, so as to serve more operating entities with financial resources and realise the sustainable development of the social economy.



The United Nations Sustainable Development Goals ("SDGs")



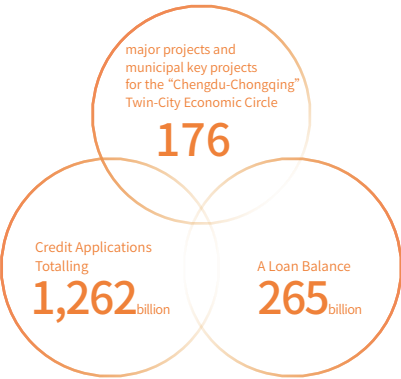


## Serving China's National Strategies >>>

The Bank intensively focused on the "two points" strategic positioning to achieve the "two high" strategic goals via the "two places" strategic path as proposed by General Secretary Xi Jinping for Chongqing. It fully implemented the guiding principles of the 20th CPC National Congress, by supporting high-quality development with excellency in Party building. As the largest local financial institution in Chongqing, the Bank adhered to its mission of serving local economic development and proactively responded to major national strategies. By integrating its resources, channels and strengths, it fully implemented major national strategies such as comprehensively serving western development in the new era in China, promoting high-quality development of the Yangtze River Economic Belt, constructing the "Chengdu-Chongqing" Twin-City Economic Circle, establishing a New International Land-Sea Trade Corridor in western China, building the National Strategic Hinterland, and building the "33618" modern manufacturing cluster system, implementing major strategic deployments such as the "416" scientific and technological innovation layout, and fully supporting the construction of the "Six Zones and One Highland". The Bank played its driving role from "three aspects", with a focus on serving entities in environmental protection, urban renovation and other fields. It consolidated and expanded its financial service strengths in the manufacturing, private business, consumption and other sectors, and customised a tailored and comprehensive "package" of financial services for major projects in Chongqing, so as to promote the high-quality development of the city's economy.

### Delving into the Construction of the "Chengdu-Chongqing" region Twin-City Economic Circle

With the strategic positioning of "two centres and two highlands", the Bank depended cross-region financial cooperation, integrated key projects for the construction of the twin-city economic circle into its entire business management cycle, established a list of Chengdu-Chongqing key cooperation projects, and formulated comprehensive financial service plans for the key projects, to enhance credit support for the infrastructure, modern industries, public services, and other projects in the Chengdu-Chongqing region. It also established an interregional cooperation mechanism and signed 7 strategic cooperation agreements with relevant institutions in Sichuan. As at the end of 2024, the cooperation rate for key projects in the "Chengdu-Chongqing" Twin-City Economic Circle exceeded 50%. The Bank had supported 176 major projects and municipal key projects for the "Chengdu-Chongqing" region Twin-City Economic Circle, with the amount of credit applications totalling RMB126.241 billion and a loan balance of RMB26.473 billion.



### Facilitating the Establishment of the New International Land-Sea Trade Corridor in western China

<b>Launch of new services supporting the New International Land-Sea Trade Corridor</b>	The Bank worked with the government to introduce government funds for risk compensation, granted credit to enterprises for risk mitigation via the risk sharing model, and successfully launched the first phase of "green cross-border loans for the New International Land-Sea Trade Corridor" amounting to RMB4.82 million, with a total of RMB18.71 million granted throughout the year.
<b>Incremental expansion of services for the New International Land-Sea Trade Corridor</b>	As at the end of 2024, the amount of facilities granted by the Bank to support the New International Land-Sea Trade Corridor was RMB 54.556 billion, an annual growth of RMB 7.493 billion from the beginning of the year.
<b>Remarkable results achieved from full-coverage services for foreign trade enterprises along the Corridor</b>	The Bank promoted the incremental expansion of "Land-Sea Chain Finance", "Corridor Railway Finance", "New International Land-Sea Trade Corridor Loans" and "Green Cross-Border Loans for the New International Land-Sea trade Corridor", and issued a total of RMB513 million of facilities under the above four service products. It provided cross-border settlement services for enterprises along the Corridor with countries and regions under the Regional Comprehensive Economic Partnership ("RCEP") amounting to USD472 million, including RMB1.202 billion of cross-border RMB settlement.

### Boosting the Development of the Yangtze River Economic Belt

As at the end of 2024, the balance of loans granted by the Bank to support the construction of the Yangtze River Economic Belt was RMB233.6 billion, including RMB2.1 billion for improving the traffic capacity of Yangtze River's prime waterway, RMB29.3 billion for construction of an integrated 3-D traffic corridor, logistics information hub, etc., RMB185.3 billion for construction of advantageous industrial clusters along the Yangtze River, and RMB12.7 billion for construction of ecological security barriers in the upper reaches of the Yangtze River.





Facilitating the construction of an integrated 3-D traffic corridor by focusing on constructing transport hubs

- The Bank enhanced its support for major infrastructure projects in Chongqing, including international railway hub construction and international aviation (freight) hub construction to help turn the city into an international comprehensive transportation hub. As at the end of 2024, the balance of the Bank's loans to support the construction of an integrated 3-D traffic corridor exceeded RMB29.2 billion.

Expanding green finance to promote ecological restoration and environmental protection

- The Bank actively engaged itself to support the construction of a green finance reform and innovation pilot zone in Chongqing, and was selected as a financial institution of the People's Bank of China Carbon Emission Reduction Support Instrument. As at the end of 2024, a total of carbon emission reduction support instrument loans amounting to RMB 2.903 billion was granted by the Bank, ranking among the top in terms of loan amount in Chongqing. It also launched a series of green loan products such as "Green New Loans (绿增贷)" and "Green Credit".

Promoting industrial upgrading via technological innovation

- The Bank focused on strategic emerging industries to expand its finance business. As at the end of 2024, the balance of the Bank's loans to support Chongqing's "6+1" pillar industry clusters was RMB47.2 billion, and the balance of loans to support the strategic emerging manufacturing industries and strategic emerging service industries was RMB15.7 billion and RMB60.2 billion respectively.

Making Joint Efforts to Pursue the Belt and Road Initiative

The Bank accelerated the construction of a landmark opening platform system with full-coverage service types, comprehensive functions, rational layout and complementary strengths, to give full play to the core carrier role of the platform in facilitating the construction of highlands in Chinese Mainland for opening. It fully implemented the "Belt and Road" strategy and took fulfilling corporate responsibilities as one of its essential missions, to promote the sustainable and harmonious development of the local economy. It launched 120 innovative products for settlement in small currencies such as THB and VND, realising a settlement system covering all ASEAN currencies, so as to promote domestic enterprises' economic and trade exchanges with countries and regions along the Belt and Road. As at the end of 2024, the balance of the Bank's loans to support the "Belt and Road" strategy was RMB21.9 billion, including RMB1.6 billion of loans to improve the roles of the "Chongqing-Xinjiang-Europe" Grand Channel.

Supporting Infrastructure Construction

As continuous efforts to support Chongqing's action plan for accelerating infrastructure construction and to step up marketing efforts of projects to minimise the disadvantages in infrastructure, the Bank granted interest rate concessions to major infrastructure projects and incorporated loans for infrastructure construction into the KPI assessment of sub-branch leaders. As at the end of 2024, the balance of the Bank's infrastructure loans amounted to RMB 79.9 billion, an annual growth of RMB 11.5 million from the beginning of the year.

In accordance with the 14th Five-Year Plan for the Development of Chongqing's Modern Logistics Industry (2021-2025), the Bank supported the construction of a digital multimodal transport system with a high concentration of logistics resources, and actively served the construction of Chongqing Port, Chongqing Highway Logistics Base, Chongqing International Logistics Hub Park and other parks, channels and ports, so as to further smooth international logistics. As at the end of 2024, the Bank granted loans of RMB4.112 billion to support the construction of logistics hubs, mainly including Chongqing Highway Logistics Base, Chongqing Orchard Port, Chongqing International Logistics Hub Park, New International Land-Sea Trade Corridor, China-Singapore Multimodal Transport, etc.

The Bank proactively aligned with and supported Chongqing's development as an international railway hub and an international aviation (cargo) hub, aiming to establish it as a comprehensive international transportation hub city. By the end of 2024, the loans supporting the construction of a comprehensive three-dimensional transportation corridor exceeded 29.2 billion yuan.

Supporting for Rural Revitalisation >>>

Under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Bank thoroughly implemented the major decisions and plans of the CPC Central Committee and the State Council on implementing the comprehensive rural revitalisation strategy, as well as the work requirements of the municipal Party committee and the municipal government of Chongqing, focused on the main responsibility of serving "agriculture, rural areas and peasants", and proactively improved the long-term mechanism for agriculture-related financial services, so as to promote rural revitalisation comprehensively through allocation of financial resources. As at the end of 2024, the Bank's outstanding agriculture-related loans totalled RMB241.630 billion.

Adhering to Mechanism Guarantee

Improving the Party-building guidance mechanism

- The Bank set up a strategic leadership group for serving the rural revitalisation strategy, which is consist of Party committee members who are responsible for providing targeted assistance to 17 key towns, districts and counties for rural revitalisation.
- We also implemented the accountability system for rural revitalisation, by clarifying the responsibilities of the Party committee secretaries at all levels as the persons in charge, strengthening special mechanisms of service teams, business processes, assessment and incentives, etc., so as to improve the effectiveness of our financial services.

Improving the grid service mechanism

- Based on its outlet and personnel strengths, the Bank implemented the "Party building + finance" grid services, to form an assistance pattern of expanding services in rural areas by mobilising front-line outlets, designating service grips, responsibilities and personnel, with the leaders of Party committees at all levels as the conveners and under instructions of business lines.
- We designated "financial grid staff(金融网格员)" to "visit village households (走村入户)" and provide them with convenient financial services through portable professional equipment and customised and trusted mobile phones.

Improving the resources inclination mechanism

- Focusing on effectively promoting "village-wide credit offering", supporting the development of ecological agriculture, and enhancing the construction of rural credit system, etc., we formulated special performance appraisal plans for rural revitalisation and business contest plans for a good start of the year, so as to mobilise front-line outlets and personnel to provide financial services for "agriculture, rural areas and farmers".
- We conducted agriculture-related credit offering plans separately, with preferential interest rates to farmers, and set a tolerance for non-performing agriculture-related loans to expand our financial support for key areas.

Sticking to Digital Empowerment

"Integrated" digital intelligence system

- The Bank undertook to launch the "Chongqing Agricultural Economic Management" application, a digital intelligent system provides rural grassroots organisations with comprehensive services such as management of "cash, assets and resources(三资)" and direct bank-farmer connection (银农直联). It also supports collective asset management, promotes circulation of rural property rights, enables collective economic development, and enriches methods for democratic decision-making and supervision, so as to promote the building of "one-stop rural credit services (农信一本账)".
- As at the end of 2024, the application had been introduced to all agricultural districts and counties in Chongqing, serving 100% of the city's rural collective economic organisations.

"Full-coverage" village-wide credit offering

- The Bank built a proprietary innovative digital financial service platform for rural revitalisation, and leveraged our digital service mode featuring "1 digital intelligence platform, 1 smart phone, and 1 credit rating and offering system" to promote "village-wide credit offering" in 100% of Chongqing's agricultural districts and counties, so that people could complete the whole borrowing process without leaving their villages.
- As at the end of 2024, we served 100% of administrative villages across the city, granting credits to more than 1.4 million farmers with an amount exceeding RMB23 billion.



"Omnichannel" financial services

- Of the outlets, employees, and equipment of the Bank, 80% were located in counties. We built an off-line service matrix of "1,743 physical outlets + 388 rural self-service locations", and upgraded our on-line services such as cloud signing and self-service loan renewal.
- The Bank launched the "rural version" mobile banking app, dialect banking app, air banking app (空中银行) and other digital agricultural assistance services, so as to provide all kinds of rural customers with omnichannel and 24/7 comprehensive financial services.

Insisting on Development with Local Features

Setting up professional service teams

The Bank established a top-down service system of "Special Committee for Rural Revitalisation + Rural Revitalisation Finance Department + Special Task Force for Rural Revitalisation", and applied a "1+N" service mode for the special task force for rural industry assistance, aiming to support local industrial development based on local conditions.

Establishing featured and dedicated outlets

Focusing on featured agricultural industries such as citrus, pickled mustard tuber and animal husbandry, the Bank built 85 featured outlets for rural revitalisation, and implement our 12 measures on characteristic development from 4 aspects. For example, we set up "pickled mustard tuber Bank" in Fuling, the cradle of pickled mustard tuber, and "Huanglian Bank" in Shizhu, to provide featured, professional and brand financial services for local agricultural industries.

Launching standardised credit products

Centring on the "One Major and Two Supportive (一主两辅)" industrial development plan for districts and counties, we implemented a service mode featuring "one policy for one industry" and "one product for one town". Accordingly, we launched more than 30 featured credit products such as pickled mustard tuber loans and pepper loans, and carried out credit services in a manner of "grid marketing + featured promotion", to realise the goal of "making the lending process more easier for customer managers and customers".

Continuing Efforts on Rural Assistance

Enhancing consumption assistance

- The Bank established the livestreaming sales brand of "Sale of Premium Agricultural Products to Promote Rural Revitalisation of Chongqing (乡村有好物·渝快助振兴)", which applied an innovative assistance mode of "consumption guidance + provision of subsidies". We carried out 12 rural-assistance livestreaming activities throughout the year, to drive the sales of featured agricultural products and sideline products such as camellia oil in Youyang and navel oranges in Fengjie.
- We carried out check-in activities to promote the construction of a beautiful countryside by stimulating tourism consumption in rural areas. We made extensive efforts to provide consumption assistance in diversified financial manners, such as credit point shopping mall and targeted procurements of materials.

Extensively introducing agricultural technology to villages

- We made full use of our advantages of "knowing people, places and situations well", set up an agriculture expert group of more than 100 larger-scale growers and livestock breeders financially supported by the Bank, to promote agricultural technology across regions and counties, and provide technical and intellectual support for the development of local featured industries.

Optimising knowledge promotion activities

- We carried out inclusive finance promotion activities for migrant workers by visiting their gathering places, with a focus on township service centres, remote rural areas, etc., so as to provide educational activities on financial knowledge popularisation and agricultural aid policy publicity for farmers, migrant workers, the elderly and other key groups. In 2024, we carried out more than 10,000 agricultural assistance activities to deliver positive financial messages.

Case Facilitating a bumper harvest with financial loans

Zhongxian County, located in the middle of Chongqing, boasts for a citrus planting area of 365,000 mu, and is known as the "City of Citrus". The seed industry in Zhongxian is characterised by extensive input, slow to produce output and high risk. It is often difficult for seed enterprises and farmers to obtain financial support due to their small scale, weak profitability and inability to provide sufficient and effective collateral. To address the above pain points, Zhongxian Sub-branch cooperated with the government and launched targeted credit products such as "agricultural loans", and "village-wide credit offering" for farmers without collateral, which lowered the access threshold, expanded our service coverage, and effectively eliminated the "financing difficulty" for seed industry operators.

Citrus is the main product of an agricultural development company in Chongqing. In recent years, it has been focusing on improving the citrus output and the added value of fresh fruit. Due to the long cycle of returns on investment in citrus planting and the drought in recent years, the company is facing financial difficulties for further development. Zhongxian Sub-branch learned about this situation in its visit as part of the grid services, and quickly carried out on-site investigation. Given that no sufficient collateral is owned by the company, the Sub-branch contacted a guarantee company at the first time to jointly provide credit fund for the company to overcome its development problems and concerns.



Staff of Zhongxian Sub-branch carried out field survey on citrus planting industry

Case Serving the "new farmers" on the "road to new agriculture"

In recent years, more and more hometown-returning business starters have chosen to take root in the countryside and devote themselves to agricultural development, becoming the "propeller" for the overall revitalisation of the countryside. To implement the strategy of serving rural revitalisation and focusing on the industrial layout of "one industry for one town" and "one product for one village", Nanchuan Sub-branch formulated special service plans to carry out "village-wide credit offering" activities, aiming to fully serve the new agricultural business operators within its service scope, promote the development of income-boosting rural industries, and contribute its financial efforts to promoting the comprehensive revitalisation of rural areas.

An agricultural development company in Chongqing was founded by He Guoyong, a hometown-returning entrepreneur. In 2022. After the failure of his first attempt to start a new business, He Guoyong planned to plant 1,100 mu of pepper in town and set up a pickled pepper processing plant to boost the annual output value in a self-sufficient way after in-depth research. However, he shared the same problem with most planters, namely inability to provide effective collateral, which made it difficult for him to seek financial support and bridge his fund gap. After learning this situation, Nanchuan Sub-branch immediately assigned special personnel to visit He Guoyong. After the discussion with him, we formulated a financing service plan, and soon granted a loan of RMB950,000 to him by working with a guarantee company.



Staff of Nanchuan Sub-branch carried out pre-loan investigation in the pickled pepper factory

Case Boosting income growth of farmers by supporting the development of "local specialties" of Chinese herbal medicines (CHM)

Wuxi County is known as the "Hometown of Authentic Chinese Herbal Medicines". Taking account into the advantages of local resources, Wuxi Sub-branch gave full play to its leading role in rural finance, and tried its best to serve the featured industries in Wuxi County, so as to promote the further development of "local specialties of CHM".

A pharmaceutical company in Chongqing is a local CHM processing enterprise, which was established in June 2020. The company was short of capacity due to fund shortage. Learning about the company's difficulties, Wuxi Sub-branch took quick responses to understand the company's operating conditions, financing needs through on-site visits, and developed a headquarters-to-headquarters (总对总) "national guarantee (国担)" business service plan, under which, we provided a loan of RMB2 million to the company for its smooth cooperation with a well-known pharmaceutical enterprise, and the significant improvement of its brand reputation.



Staff of Wuxi Sub-branch carried out field survey



## Delving into Inclusive Finance >>>

The Bank adhered to the direction of socialist market economic reform, upheld the “two no irresolutions (两个毫不动摇)” principle, and resolutely implemented the Opinions of the CPC Central Committee and the State Council on Promoting the Development and Growth of the Private Sector, by enhancing its financial support for the private sector, and increasing its various types of loans to private, small and medium-sized micro enterprises on a yearly basis, ranking first in Chongqing in terms of loan balance, service quantity, and loan market share.

In 2024, the Bank firmly implemented the decisions and arrangements of the Party Central Committee and the State Council on supporting the development of small and micro enterprises, adhered to the customer-centric principle and enriched the exclusive credit products for small and micro enterprises, so as to promote digital transformation, and constantly improve the quality and efficiency of our financial services. During the reporting period, the Bank's inclusive financial services to small and micro enterprises continued with the trend of increase in volume, expansion in scope and decrease in price. As at the end of 2024, the Bank granted inclusive finance loans to 209,000 (breaking the record of 200,000) small and micro enterprises, with the loan balance increasing by RMB11.413 billion from the beginning of the year to RMB139.929 billion, ranking first in Chongqing. The Bank won the three awards of 2024 Excellent Organisation in Chongqing SME Financing Service Action, Excellent Product and Typical Case jointly sponsored by the Finance Committee Office of the CPC Chongqing Municipal Committee, Chongqing Economic and Information Commission, Chongqing Municipal Finance Bureau and Chongqing Federation of Industry and Commerce.



### Inclusive finance loans to small and micro enterprises

Indicator	2022	2023	2024
Balance of inclusive finance loans to small and micro enterprises (RMB 100 million)	1,130.38	1,285.16	1,399.29
Number of inclusive small and micro enterprise loans (by number of customers, in ten thousand)	17.6	19.7	20.9

## Improving Business Strategy

The Bank released the Action Plan of Chongqing Rural Commercial Bank for Excelling in the Inclusive Finance Major Areas and the Implementation Plan for Promoting the High-Quality Development of Inclusive Finance, determined the three-year planning goals and realisation path, and further improved the supporting mechanisms such as resource allocation, assessment and appraisal, and personnel cultivation. It also continued to improve the multi-level, multi-channel, and wide-coverage inclusive financial service system, implemented the “grid services” by industry and region, and increased its financial support for the private sector, small and micro enterprises and self-employed businesses, by deepening the construction of rural credit system, enhancing financial services for new citizens, and strengthening the protection of financial consumers' rights and interests, so as to prevent and control inclusive financial risks, and promote the high-quality development of inclusive finance.

Since the establishment of the financing coordination mechanism to support small and micro enterprises, the Bank has formed specialized task forces at two levels and introduced 20 key initiatives aimed at optimizing and enhancing credit supply. The Bank has also built a “four-level interaction service system” to strengthen collaboration between banks and government agencies. Through extensive outreach efforts such as the “Thousand Enterprises and Ten Thousand Households Grand Visit,” the Bank has provided loans totaling 41.32 billion yuan to 42,000 small and micro market entities.

### Case Visiting and serving enterprises and households with specialised services

Tongnan Sub-branch actively implemented the financing coordination mechanism to support small and micro enterprises. After learning about the financing needs of an agricultural development company in Chongqing, it carried out a pre-loan investigation as soon as possible to formulate a financing plan for the company. Meanwhile, it launched a green channel for small and micro credit business that demonstrated its advantages of specialised services as a branch dedicated for small and micro enterprise services, and granted the company a loan of RMB6 million in time at preferential interest rates.



Tongnan Sub-branch's financial grid staff and community grid staff jointly carried out field visits and investigations

## Case

**Encouraging a technology company to seek loans through digital empowerment**

A technology company in Chongqing, which mainly provides network technology services to major shopping malls, is an enterprise on the "white list" for financial support as recommended by Chongqing Local Financial Supervision and Administration Bureau (重庆金融监管局). After receiving the recommendation list, Lianfang Banking Office of Shapingba Sub-branch immediately paid on-site visit to the company and learned that the company had just undertaken a network project and was in urgent need of capital advances. Then our professionals immediately carried out on-site investigation and instructed the person in charge of the company to initiate a loan application by scanning QR codes. The relevant investigation data was entered and submitted by the Customer Manager for approval. After the approval, a loan of RMB300,000 with an annual interest rate of 3.1% was immediately granted to the company to help overcome its operating difficulties.

**Product and Service Innovation****Optimising loan renewals without repayment of principal to alleviate SMEs' refinancing difficulties**

The Bank quickly implemented a new policy on loan renewals, by optimising loan renewal conditions, expanding the scope of loan application, formulating an operation guide for loan renewals without repayment of principal, and conducting publicity activities through on-line and off-line channels simultaneously to improve the awareness of the policy. Meanwhile, we also urged branches and sub-branches to contact customers in advance for loans about to expire, to promote the "self-service loan renewal". For customers with real needs for loan renewals, we granted renewals for them all through seamless financing services.

## Case

**Optimising loan renewals without repayment of principal to ease the refinancing difficulties of "Specialised and Sophisticated" SMEs**

A coating company in Chongqing is an "specialised and sophisticated" SME engaged in the R&D and production of coatings. In late October 2024, it had a working capital loan of RMB10 million that would soon be in due. Tongliang Sub-branch, after knowing the company's demand for loan renewal, immediately guided the company's person in charge to apply for a loan renewal without repayment of principal through corporate online banking, and lowered the exercise interest rate, which provided strong support to guarantee the company's normal operations.



Tongliang Sub-branch visited a coating company in Chongqing to meet its demand for loan renewal

**Focusing on serving individual businesses to fully promote individual entrepreneurship and employment**

The Bank actively conducted the "individual business" service month activity, upgraded and launched "Yukuai Revitalisation Loan 2.0 (渝快振兴贷2.0)" in view of the wide distribution in various industries of individual businesses and their highly diversified customer groups. We continued to expand the customer group coverage, optimised the active credit strategy, and implemented pre-credit for merchant groups within the coverage of Yukuan Payment (渝快付), so as to increase loans granted to individual businesses, and further stimulate the vitality of all industries with financial support. The number of households received loans through Yukuai Revitalisation Loan increased by nearly 10,000 compared with the beginning of the year, with the balance increasing by more than RMB1.5 billion, driving the balance of inclusive small and micro loans received by individual businesses to increase by RMB3.076 billion. In addition, we optimised the process of secured loans for business startup, realised intelligent approval, achieved online data and information interaction with small and micro-sized guarantee companies for higher loan processing efficiency, and granted 80% of Chongqing's secured loans for business startup.

**Digital Empowerment Scenarios**

The Bank continued to improve the application of digital tools to empower the financing of private businesses and SMEs. We promoted the reform of marketing management system by focusing on the "customer-centric" and "digital transformation" principles. We also enhanced our management efficiency by improving system process from three aspects of "data, technology and scenario".

**Improving technology tools or marketing management**

We touched customers directly through the enterprise WeChat platform to realise product introduction, service display and policy publicity. We also integrated product catalog, activity area, online consultation and other functions on the platform, to provide tax, legal consultation and online business processing channels for private businesses and SMEs.

**Improving ecological customer service system**

To extend the ecological scenarios and give play to the driving role of core enterprises in marketing, we made use of the relationship display function of "To B Ecosphere (To B生态圈)", to establish three ecospheres regarding group, supply chain, and customer list based on core enterprises, and establish criteria for identifying and serving customer groups, so as to improve the efficiency of our financial services for private businesses and SMEs.

**Building up Strengthen to Promote Technology Finance >>>**

The Bank placed great emphasis on the development of technology finance and constantly stepped up its technology finance investments, with a focus on key areas such as the top-level design, system mechanism, policy guarantee and resource allocation. It also emphasised the cultivation of strategic emerging industries, the development of high-tech industries, and the transformation and upgrading of advantageous traditional industries, aiming to excel in the major areas of finance technology and promote the development of new quality productivity.

By building a multi-level technology financial service system covering Technology Finance Department (科技金融部), branches, subsidiaries, and technology sub-branches, the Bank gave full play to its advantages in terms of headquarters, channels and personnel, and built a grid marketing system to comprehensively improve its service quality and efficiency. For tech enterprises and enterprises of new quality productivity, the Bank issued the Guiding Opinions on Credit Business



Marketing for Loans to Support the Development of Enterprises of New Quality Productivity (《贷款支持新质生产力企业发展的授信业务营销指导意见》) in 2024, to strengthen financing support for tech enterprises by giving them differentiated preferences in collateral and other aspects.

Promoting Industrial Transformation and Upgrading

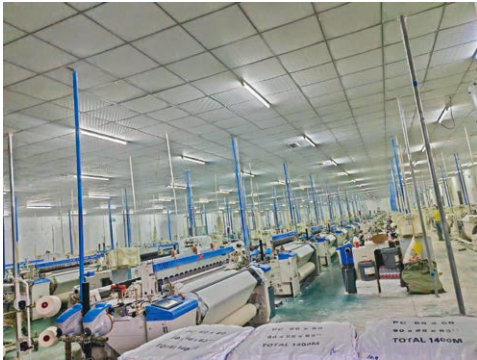
The Bank launched special marketing plans for key customer groups such as enterprises in the "33618" modern manufacturing cluster system and specialised and sophisticate enterprises, by encouraging branches and sub-branches to provide quality financial services, give priority to such enterprises in terms of credit resources, and lower the pricing of manufacturing loans, so as to effectively reduce the financing costs of the real economy and private enterprises. For loans to quality manufacturing enterprises and special loans for technological transformation, we formulated the Operation Guidelines on Credit Granting for Quality Manufacturing Enterprises 1.0 and the Operation Guidelines on Special Loans for Technological Transformation in Quality Manufacturing Industry 1.0, and guided branches and sub-branches to provide financial support to quality customers in key areas of manufacturing industry such as enterprises in the "33618" modern manufacturing cluster system through optimised credit policies. As at the end of 2024, the Bank provided loans to more than 3,900 enterprises in the "33618" modern manufacturing cluster system, with a balance of more than RMB66 billion.

Case Promoting the implementation of "special loans for technological transformation"

To further promote the implementation of relevant policies on "special loans for technological transformation", the Bank took the initiative to visit enterprises and understand their demand for financial service as well as the "difficulties" and "pain points" during their process to seek loans, so as to provided them with "tailored" exclusive financial services. In 2024, after learning that a gear company in Chongqing was in earnest need for intelligent transformation of its production line, the Bank actively contacted the company, deeply understood its requirement for technological transformation, and provided a "customised" exclusive lending plan for the company based on the policy of "special loans for technological transformation. Under the lending plan, we provided the company with PPE loans (固定资产贷款) of more than RMB100 million, so as to solve its problem of capital shortage in time. With such loans, the company completed its capacity expansion and equipment upgrading successfully, and significantly improved its production efficiency and product competitiveness.

Case Facilitating the implementation of the "Two New" policy (namely to promote a new round of large-scale old-for-new replacement of equipment and consumer goods ) with "special loans for technological transformation"

During the year, a textile company in Chongqing promoted its technological transformation by replacing the original rapier looms with air jet looms. The company suffered from fund shortage as the whole technological transformation project was heavily invested. Shapingba Sub-branch learned about this situation during its activity of "visiting enterprises and households", formulated a special-loan financing plan for the company's technological transformation, and successfully granted a five-year loan of RMB5 million to the company, which help effectively accelerate the company's transformation and upgrading project.



Shapingba Sub-branch supported equipment replacement project with "special loans for technological transformation"

Facilitating the Development of Tech Start-ups

The Bank focused on sci-tech innovation and supported the development of the real economy by optimising and strengthening its services in the key areas of technology finance. First, we made good use of our existing featured services, and successively launched new services such as knowledge value credit loans, special loans for specialised and sophisticated enterprises, R&D loans for pharmaceutical enterprises, etc., with the year-end balance of granted loans nearly RMB6 billion. Second, we continued to develop innovative services. With the newly launched "loans to enterprises of new quality productivity", we provided enterprises with credit lines based on assessment from multiple dimensions such as their R&D investments, intellectual property application and innovation capabilities, so as to lower the financing threshold and improve the availability of our loans. As at the end of 2024, the Bank provided financial support to more than 4,000 tech enterprises, with the loan balancing amounting to RMB76.9 billion, an increase of 473 and RMB 6.3 billion from the beginning of the year. In terms of loan balance, we ranked first among local banks and third among all banks in Chongqing.





### Case Serving tech enterprises with green channel for loans

An information technology company, one of the key enterprises to be invested in Chongqing, is mainly engaged in the R&D and application of domestic communication protocols and related technologies, and is a leading domestic provider of quality and highly-secured network communication technologies, products and services. In October 2024, the Bank learned that the company had settled in Yuzhong District of Chongqing and was in earnest need of financial support. In order to support the investment attraction activities in Chongqing and better serve the enterprises seeking investment funds, the Bank quickly set up a special team for the coordination between the Head Office and sub-branches, which was responsible for providing services with "priority in four aspects", namely priority in terms of loan application acceptance, pre-loan investigation, approval and loan granting, so as to reduce the cycle time to less than a week from project establishment (项目立项) through submission for approval to obtaining loan approval. Considering that the company is an asset-light high-tech enterprise, the Bank tailored a credit solution and approved a working capital loan of RMB200 million to the company with preferential exercise interest rates. The Bank was highly recognised by the company for its efficient and quality services of loan business, and reached strategic cooperation with the company to explore other business fields for further cooperation.



The Bank paid on-site visit to an information technology company

### Launching special loans for "specialised and sophisticated enterprises"

Focusing on Chongqing's major strategies such as the construction of "33618" modern manufacturing cluster system and the "416" sci-tech innovation layout, the Bank innovated the special loans for "specialised and sophisticated enterprises" to increase its financing support for "specialised and sophisticated" SMEs ("专精特新"中小企业), "specialised and sophisticated" little giant enterprises ("专精特新"小巨人企业), and top enterprises in various manufacturing fields (制造业单项冠军企业), and serve the development of new quality productivity. Such loans can be released based solely on customers' credits or guarantees provided by third parties, which made it more convenient for asset-light enterprises to seek financial support, serving more than one third of the "specialised and sophisticated" enterprises in the city.

### Case Facilitating the great-leap-forward development of "specialised and sophisticated" enterprises with green channels for approval

An industrial development company in Chongqing is mainly engaged in the R&D and manufacturing of auto lamps, rear-view mirrors and other parts. It owns 14 national invention patents and 37 utility model patents, and has grown into a high-tech enterprise and a "specialised and sophisticated" enterprise. In 2024, the company saw a significant increase in orders, and was in earnest need to bridge the funding gap. Yubei Sub-branch, after learning about the financing needs of the company, initiated a green channel for approval and granted RMB 10 million of special loans for "specialised and sophisticated" enterprises with a term of 2 years to the company, as a move to fully support the company's great-leap-forward development.



Production line of an industrial development limited company in Chongqing supported by Yubei Sub-branch's special loans for "specialised and sophisticated" enterprises

## Bringing Convenience to People with Financial Services >>>

The Bank adhered to the value of "people first", and built a customer-centric business system by deeply integrating financial services into social security, health care, educational assistance, convenient payment, daily consumption and other aspects. It delved into consumer finance and pension finance scenarios, and strived to create a "caring bank" which is committed to bringing convenience to people's daily life with efficient and comprehensive financial products and services.

Optimising Products and Services

Improving the management system for grid services

Scientific grid classification

The Bank adhered to the principle of "rational layout, clear bounding, seamless coverage, and convenient management" in its grid classification, and established a sound management system for grid services. It enhanced the grid management by "designating service grips, responsibilities and personnel" to build a from-top-to-bottom organisational framework for coordinating "grid" management at all levels.

Establishing a regular collaborative Party-building mechanism

We built a long-term mechanism for financial service grids, strengthened our cooperation with the government, and established a regular collaborative Party-building mechanism, to effectively meet customers' financial service needs, and enhance our financial service capabilities. We also carried out inclusive financial popularity, anti-fraud publicity, pension services, new citizen services and other services through educational activities, visits, theme activities and other forms to serve the people better.

Improving the marketing quality and efficiency of grid services

Based on the nature of the grids, we carried out a series of brand activities such as "free clinic", "check-in for beautiful countryside", "specific target customers", "visiting the gathering place of migrant workers", "cross-Chongqing distribution of QR codes for all-staff marketing", "pension finance", etc., to further expand the coverage of our financial services and build a grid marketing system. By the end of 2024, the Bank had carried out 25,000 grid marketing activities covering 246,000 customers.

Focusing on the needs of different groups

Optimising phase 2 of "solve one issue in one go" for withdrawal of small deposits of deceased depositors

- In April 2024, the Bank launched the optimised phase 2 of "solve one issue in one go" for withdrawal of small deposits of deceased depositors. The system supports withdrawal of time and demand RMB deposits via inheritance and account cancellation. Eligible heirs can initiate business applications through the Yukuai Handling (渝快办) APP, and with the Bank's approval, transfer the principal and interest of the deceased depositor's RMB deposits held in the Bank to the personal settlement account owned by the heirs in the Bank, before cancellation of the deceased depositor's account.

Contact service platform for migrated workers and entrepreneurs (在外人员)

- The bank launched an online contact service platform for migrated workers and entrepreneurs. The contact service platform for migrated workers and entrepreneurs of Kaizhou District was a fruit of the Bank's cooperation with the government of Kaizhou District, which was designed to help the government assist workers and entrepreneurs who left their hometown in promoting their access to resources, understanding of hometown policies, contact with fellow townsmen, and channel for feedback on hometown improvement. The platform is equipped with multiple functions, such as information registration and filing of migrated workers and entrepreneurs, organisational system construction, information interconnection, worry relief and assistance, visit and contact services, publicity of praises and incentives, back flow of human intelligence, back flow if project resources, public service feedback and financial services. It help build a digital bridge for the communication between 500,000 permanent migrated workers and entrepreneurs and 60,000 "enterprises operating elsewhere but owned by citizen of Kaizhou District (开商企业)", with more than 30,000 pieces of information being registered and filed within one week from the launch of the platform.

Vigorously enhancing financial support for people's livelihood

Credit fund guarantee

As at the end of 2024, the balance of corporate loans granted by the Bank to support for people's livelihood amounted to RMB 34.284 billion, an annual growth of RMB 1.846 billion or 5.69% from the beginning of the year. Among them, the balance of loans to guarantee the supply of water and electricity was RMB24.634 billion, the balance of loans to support the education field and the medical care field was RMB2.935 billion and RMB6.062 billion respectively, demonstrating part of our continuous efforts to support for people's livelihood.

Internal pricing mechanism

For loans to support for industries that are crucial to people's livelihood, including loans to Grade A tertiary hospitals, to the construction of Grade A tertiary hospitals (创三甲医院), to the power industry, clean energy wind power, and photovoltaic power generation projects, we prioritise financial resource to such areas through fund transfer pricing (FTP) mechanism and by strengthening differential pricing for interest rates. To fulfil our social responsibilities, we reduced financing costs of customers in the infrastructure and other areas concerning people's livelihood, aiming to serve the people better with reduced fees.

Promoting Scenario-Based Financial Development

The Bank continued to promote the construction of merchant consumption scenarios and expand the presence of "Yukuai" brands. We constantly created special sub-scenarios based on grid scenarios such as "outlets, residential areas, characteristic scenic spots, demonstration blocks, professional markets", as well as industrial scenarios such as catering, supermarket, medical care, education, travel, etc., and implemented a dual service mechanism of "exclusive customer manager + professional product manager".



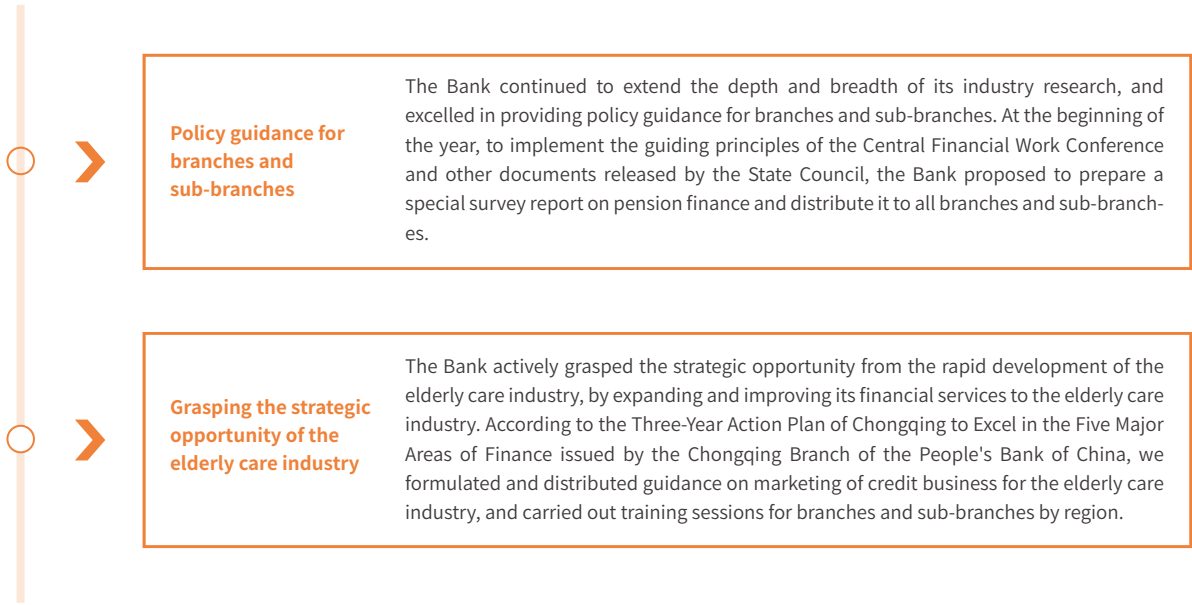
The Bank strengthened its cooperation with Chongqing Yuyin Financial Technology on information technology products, introduced the system service provider cooperation mode for merchant industries, and expanded the service coverage of "finance + industry solutions", to constantly solve the business pain points of merchants. We strengthened the overall management of Yukuai Life merchants, constantly improved the classified management of active merchants from the aspects of contribution, industry scope, scenario layout, etc., and improved the input-output rate of marketing activity resources to achieve cost reduction and efficiency enhancement. We made full use of the influence of merchant brands and their strength of transaction flows, and realised the transformation of transaction flows to revenue contribution through cooperation with third-party companies.

The Bank actively promoted the deep integration of "scenario-based" and "ecological" to facilitate the scenario construction throughout the entire value chain covering customer attraction, revenue contribution and ecology improvement. It clarified the two goals of "customer attraction" and "contribution enhancement", and optimised them by considering various assessment indicators. It also built six major banking and political ecosystems, including the housing and urban construction - housing and urban construction fund supervision (住建-住建资金监管), tax - social insurance collection, medical insurance - medical insurance collection and payment, civil affairs - pension capital verification (养老验资), human resources and social security - supervision on wages of migrant workers, and finance - escrow fund supervision.

Supporting the Elderly Care Industry

Pension finance is a crucial industry concerning people's livelihood. In order to thoroughly implement the decisions and arrangements of the Central Financial Work Conference on the "Five Major Areas" and practice the principle of providing financial service in the interests of the country and its people, the Bank continued to enhance its credit support to the pension industry, and formulated the Work Plan of Chongqing Rural Commercial Bank on Improving the Service Capability of "Pension Finance" for 2024-2025 to clarify objectives and implementation plan.

As at the end of 2024, the Bank had issued 7.1 million social insurance cards to customers, including more than 4.4 million elderly customers and issued 249,900 "Jiangyu Fanghua" special bank cards.



Case

**Wuxi Sub-branch successfully launched the "pension finance" loans for private enterprises**

In December 2023, an industrial group company in Chongqing was attracted by the government's investment policies and settled in Wuxi to build a multi-level elderly care model of "county elderly care homes + township elderly care homes", aiming to strengthen the supply of elderly care services by improving its elderly care infrastructure and service quality. After learning about the situation, Wuxi Sub-branch cooperated with all departments of the Head Office to carry out field research and customised a comprehensive and diversified pension financial service plan for the enterprise. On 14 June 2024, the Bank successfully granted RMB47.4 million of "pension finance" loans to the enterprise, to boost the high-quality development of the regional pension industry, and provide caring homes for the elderly.

# Social ▶▶▶

## Sharing Development Achievements with People First in Mind

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The Bank continues to create a friendly working environment, focused on protecting employees' rights and interests, and builds harmonious labour relations. We advocate the "customer-centric" philosophy, emphasise customer information security and privacy protection, continuously improve customer experience, relentlessly optimise and integrate on-line and off-line service channels, and accelerate digital transformation. Meanwhile, we take practical actions to benefit the society and people by protecting the rights and interests of consumers, standardising the management of customer complaints, actively participating in public welfare and philanthropy activities, and promoting financial knowledge. We firmly believe that we can achieve sustainable development only via win-win cooperation with all walks of life.



The United Nations Sustainable Development Goals ("SDGs")

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## Growing Together with Our Employees >>>

The Bank insisted on people-oriented values, strongly advocated the talent-driven development strategy, and provided talent and intellectual support for bank-wide high-quality development. We paid attention to the legitimate rights and interests and demands of employees with regard to employment, compensation and welfare, recruitment and promotion, and other matters, protected the rights and interests of employees, helped employees grow, attached importance to democratic management, and created a caring workplace.

### Protecting the Rights and Interests of Employees according to Laws

The Bank adhered to the people-centric development philosophy, formulated management measures concerning labour contracts, vacations, salaries, benefits, and other areas, improved the social security system to protect the legitimate rights and interests of employees.

#### Maintaining harmonious labour relationship

- Strictly implemented the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China and Provisions on Prohibition of Child Labour, other laws and regulations, formulated the Administrative Measures for Labour Contract Management, signed labour contracts with employees according to law, implemented the contract management system covering all employees, and prohibited any illegal employment or dismissal;
- Prohibited gender discrimination, ethnic discrimination, religious discrimination and other forms of inequality, and built a diversified talent team.

#### Protecting the Legitimate Rights and Interests of Employees

- Implemented the national regulations on employees' working hours, statutory holidays, anniversary holidays, paid annual leave, etc., and followed the policies such as Employee Leave Management Measures and Employee Attendance Management Measures, and effectively protected employees' right to take restand leave;
- Followed relevant laws and regulations such as the Social Insurance Law of the People's Republic of China, honoured the obligations and responsibilities conferred by the law, enrolled employees in the insurance system in a timely manner and paid various social insurance premiums for employees, effectively ensuring their right to social insurance.

#### Improving the salary and welfare system

- Provided employees with labour remuneration, social insurance, rest and leave, labour protection and other welfare policies;
- Established a unified salary system to determine differentiated position salary standards, and to facilitate the matching between employees and positions, salary and positions, as well as responsibilities and positions;
- Improved the welfare system, enterprise annuities and supplementary medical insurance system to continuously enhance employees' sense of security, fulfilment and happiness.

#### Employee engaging in communication

- Implemented a democratic management system based on the employee representative assembly system, and continue to collect, review, and implement proposals for the employee representative assembly. In 2024, the labour union of the head office and branches held 61 workers' representative meetings, deliberated 76 major issues involving the personal interests of employees, and effectively protected the personal interests of employees;
- Strictly implemented the system of employee supervisors, organised employee supervisors to participate in 2 shareholders' meetings, 11 on-site board meetings, 9 supervisory board meetings, and 6 special committee meetings, and reviewed and approved financial budgets, profit distribution, internal control evaluation reports, and other proposals to ensure the rationality of decision-making and supervision procedures and the compliance of corporate governance operations;
- Continued to disclose our business and ensure that employees can keep abreast of the Bank's dynamics and policy changes in a timely manner. In the annual assessment of business disclosure, the comprehensive assessment score of the department undertaking the business disclosure was more than 98 points, and the democratic assessment of the business disclosure is "satisfactory".

#### Number of Employees

Indicators		As of 31 December 2024
Total number of employees		14,111
By gender	Number of male employees	7,449
	Number of female employees	6,662
By employee category	Number of full-time employees	14,111
	Number of part-time employees	0
By age	Number of employees under the age of 30	1,619
	Number of employees aged 31 to 50	9,916
	Number of employees over the age of 50	2,576
By region	Number of employees in Chongqing municipal area	14,029
	Number of employees outside Chongqing municipal area	82

Employee turnover rate

Indicators		As of 31 December 2024
Employee turnover rate (%)		1.3%
By gender	Turnover rate of male employees (%)	1.1%
	Turnover rate of female employees (%)	1.6%
By age	Turnover rate of employees under the age of 30 (%)	5.3%
	Turnover rate of employees aged 31 to 50 (%)	0.9%
	Turnover rate of employees over the age of 50 (%)	0.2%
By region	Turnover rate of employees in Chongqing municipal area (%)	1.3%
	Turnover rate of employees outside Chongqing municipal area (%)	2.5%

Continuously Promote Talent Cultivation

The Bank insists on the Party's management of talents, constantly gives play to the decisive role of the market in the allocation of human resources, further improves the talent introduction and management system mechanism, promotes the all-round development of talents, and gradually forms and develops a talent development and training system that aligns with building a high-quality and specialized financial workforce. The Bank invested over 30 million yuan to enrich the mobile learning platform, improved the education and training system, and promoted the dual focus on "theory+practice", "online+offline", and the approach of "going global+bringing in".

Building Training System

- Deeply promoted the implementation of the strategy of "Empowering the Bank with Talents", based on the new stage of reform and development of the Bank, built a standardised teacher and curriculum system by strengthening institutional support, internal trainer team, focusing on the training of management personnel, customer managers, financial technology, business teams, etc., improved the closed-loop management of planning, implementation, operation, and evaluation of training, and strived to comprehensively promote the improvement of quality and efficiency of education and training.
- Persisted in maintaining "user thinking, product thinking, data thinking, and service thinking" in training, and scientifically conducted training needs analysis through statistical analysis, research interviews, and other methods. Adhered to strategic and problem-oriented approaches, clarified goals and implemented targeted policies, and developed education and training plans annually.
- Constantly innovated the training form, comprehensively using various methods such as lecture, discussion, case study, scenario simulation, experience, interview, and learning to improve the training quality.

Building Training System

- Strengthened training operation management, created standardised processes for training project implementation, refined specific measures, strictly enforced training discipline requirements, and focused on training project process and goal management.
- Valued the effect inspection before and after the training, and made full use of knowledge tests, drills, interview evaluations, inspection, reporting and other methods to comprehensively evaluate the training effect of trainees. Conducted evaluation and satisfaction surveys on the implementation effectiveness of training institutions, training instructors, and training courses, and made full use of channels and tools such as enterprise WeChat and learning platforms to conduct training evaluations.

Key Project Achievements

Setting systematic courses

- **Developing specialised teaching** The Bank focused on independently cultivating excellent internal trainers and strived to build a standardised system of "internal teacher courses supplemented by external teacher courses". In 2024, more than 40 internal trainers participated in the special training of retail customer managers' credit business, with an average score of more than 98 points (percentage system).
- **Diversified training forms.** The Bank adopted a training mode of "on-site explanation+scenario exercise+case study+outcome report", supplemented by experience sharing, practical operation on the computer, and team building, to achieve diversified, specialised, and personalised training courses We used the "airing" point contest to create a competition atmosphere and encourage students to compete and catch up, and strive for excellence.
- **Process oriented management.** Clear, efficient, and controllable standardised process management was carried out in various aspects such as student selection, on-boarding, food and accommodation management, course arrangement, and graduation assessment. At the same time, a dedicated homeroom teacher is assigned to manage the entire process.
- **Refined assessment.** We focused on post training "practice+" learning, with the business department regularly tracking and ranking of training participants based on key performance indicators, testing the effectiveness of conversion and application, promoting the integration of "practice and training", achieving efficiency through learning, and transforming the role of training into practical results.



Customer manager training



Key Project Achievements

Providing systematic training

- The Bank improved the system of "Party theoretical education+ Party spirit education + performance ability training + knowledge training", and held nearly 1,500 training sessions with more than 255,000 participants.



Skill competition training for employees of Inclusive Finance Department

Strengthening the construction of mobile learning platform

- The Bank newly released 67 business courses, opened columns such as "Professional Title Learning" and "Qualification Examination", and launched 6 courses with over 3,400 questions. The courses had more than 340,000 attendees, further enriching the learning scenarios of "full time, multiple scenarios, and broad dimensions".

Supporting continuous learning

- Employees are encouraged to study on their own, such as obtaining professional titles and qualification certificates, and improving their academic qualifications. Employees who participate in various business-related qualification training and certification on their own in their spare time and obtain relevant certificates or professional titles will be given certain subsidies.

>>> Employee Training in 2024 <<<

Indicators	Unit	Data
Training of employees	Number of training sessions	1,469
Number of attendees	Attendance	255,450
Percentage of male employee in training	%	100
Percentage of female employee in training	%	100
Percentage of management employee in training	%	100
Percentage of non-management employee in training	%	100
Average hours of training	hours/person	85.82
Average training duration per male employee	hours/person	86.74
Average training duration per female employee	hours/person	84.79
Average training duration per management employee	hours/person	93.41
Average training duration per non-management employee	hours/person	83.96

Guarantee the Safety and Health of Employees

Security of Business Premises

The Bank strictly followed rules such as the Security Requirements for Banking Business Area, formulated and implemented security and safety systems and operation regulations such as the Basic Security System and Administrative Measures for Business Premise Safety, and strictly regulated the security organisation system, fire safety management, vault protection management, and security inspection management, so as to fully protect customers and employees' personal and property safety.

The Bank formulated the Overall Emergency Plan for Emergencies, Emergency Plan Management Measures, and Natural Disaster Emergency Plan, and established an emergency management mechanism for emergencies. Each business organs has refined its emergency response plan based on its own operational characteristics, in order to avoid, eliminate, or reduce losses caused by violence, natural disasters, and mass incidents.

Safety Production Guarantee

In 2024, the Bank carried out various work safety activities around the "Three Year Action Plan for Addressing the Root Causes of Safety Production Issues", with no safety responsibility accidents or theft cases throughout the year, achieving safety and stability. The Bank paid attention to daily inspections and hidden danger investigations, regularly and proactively carried out safety self-inspections and self-corrections, consciously conducted targeted special inspections on gas and electricity usage, and timely eliminated safety production risks and hidden dangers. The Bank actively carried out safety education and training, strictly followed external regulations to conduct fire safety training and emergency drills in the first and second half of the year, and effectively improved safety responsibility awareness and emergency response capabilities.

Daily Health Guarantee

The Bank collected opinions and suggestions on physical examination related matters throughout the Bank and optimised the physical examination service items. The Bank completed the procurement, contract signing, and subsequent medical examination arrangements for employees in 2024. The Bank actively promoted the daily operation of the head office's health cabin and successfully carried out Employee Health Day activities, providing strong support for the daily health of employees.



Health cabin in head office

Occupational Health and Safety

Indicators		Number
Number of fatalities due to work	Number of fatalities due to work in 2022	0
	Number of fatalities due to work in 2023	0
	Number of fatalities due to work in 2024	0
Proportion of fatalities due to work	Proportion of fatalities due to work in 2022 (%)	0
	Proportion of fatalities due to work in 2023 (%)	0
	Proportion of fatalities due to work in 2024 (%)	0
Hours of work lost due to occupational injury (days)		1,494

Comprehensively Strengthening Care for Employees

The Bank attaches importance to human-centred care. On the basis of ensuring a healthy and safe office environment, we continuously strengthen our care and condolences, enrich cultural and sports activities, and strive to enhance employees' sense of gain and belonging.

Strengthening employee care

- On the basis of the "four mandatory visits" to employees who were ill and hospitalised, lost direct relatives, got married or gave birth to children, or faced family difficulties, the Bank has built a condolence system of "sending condolences during festivals, providing care during illnesses, providing guarantees during worries, and sending blessings during happy occasions" for all employees; it also normalised the implementation of "sending warmth and condolences", during the year, the Bank sent condolences to a total of 656 hospitalised employees, 99 married employees, 194 childbearing employees, and 388 employees who lost their loved ones.
- The Bank convened 126 farewell parties for retired employees, offered condolences to those who were about to retire, and distributed retirement souvenirs, allowing retired employees to deeply feel the warmth of the organisation; in the summer, the Bank purchased RMB770,000 worth of cooling supplies and medicines, to send comfort and care to 10,418 frontline employees.
- The Bank cared for disadvantaged employees, and offered condolences to 503 party members and disadvantaged employees to help them overcome difficulties; it also cared for single employees, it organised more than 80 single employees to participate in blind dates and dating activities organised by the city's finance, trade, light industry and textile industry organisations, and state-owned assets commission, to help them find their life partner and have a happy marriage.

Enriching employee activities

- Cultural and sports activities.** The Bank organised the theme activities of "Spring Blossoms, Seeking Fragrance" on March 8th, and the series of activities of "Raise the Youth League Flag and Follow the Party to Forge Ahead in the New Era" on May 4th Youth Day. The trade union groups of the head office carried out 56 activities such as team building, movie watching, cultural and sports activities, and spring and autumn outings, while branch offices carried out 192 activities.
- Fitness programs.** The Bank organised employees to do work-break exercises, participated in the national online sports meet, regularly carried out national fitness activities such as basketball and football, established a table tennis activity group, and offered courses such as yoga, dance, Tai Chi, small groups, and fitness exercises. The number of participants exceeded 3,000.
- Internal and external communications.** The Bank organised employees to participate in the "Payment and Liquidation Cup" table tennis, bridge, poker games, badminton and other competitions, as well as the Jiangbei District Financial Industry Football Tournament, the Sports Meeting of the Finance, Trade, Light and Textile industry Labour Union and other competitions. We also participated in the city-wide radio gymnastics competition on behalf of these institutions of the city. Four employees were selected by the Chongqing Finance Labour Union Football Team to participate in the National Workers' Football Tournament and achieved excellent results. They were praised by their superiors and sent a letter of thanks.

Case

Unleashing nature and being the best - flower art theme activity at the head office employee activity centre

To enrich the spiritual and cultural life of employees, enhance team cohesion and centripetal force, and add colour to our work, the Bank uses interesting and creative art forms to improve employees' self-awareness and emotional management abilities. On 22 March 2024 and 29 March 2024, emotional healing themed activities were held at the head office and the support staff activity centre, with more than 80 employees enthusiastically participating. Professional senior psychological counselors were invited to serve as lecturers to provide professional guidance.



Live pictures of the theme event "Unleashing Nature and Being the Best"



Case The labour union of the head office carried out "March 8th Women's Day" spring outing activities

On the day of International Women's Day, the Bank held the "Spring Blossoms, Seeking Fragrance" Hanfu Spring Outing Activity in Bishan Xianxia Town, with a total of 100 female employees participating in the event. The event promoted traditional culture such as Hanfu, ancient music, and incense, and promoted the traditional culture of the Chinese nation, enhancing a strong sense of identity and belonging to traditional culture.



Activities to celebrate International Women's Day

Case The Bank represented the financial, trade, light industry, and textile systems of Chongqing to participate in the gymnastics competition of the city's workers' sports meeting

On 28 March 2024, the opening ceremony of the 3rd Chongqing Workers' Games, known as the "Chinese Dream Labour Beauty", was held in Qijiang District. The Bank represented the city's finance, trade, light industry, and textile trade unions in the gymnastics competition at the opening ceremony, competing with a total of 49 representative teams from various districts, counties, and industry trade unions, fully demonstrating the energetic and proactive spirit of our employee team.



The Bank attending opening ceremony of the third Chongqing Workers' Games under the theme "Chinese Dream Labour Beauty"

Case All branches and sub-branches carried out Spring Festival visit and condolence

During the 2024 Spring Festival, all branches and sub-branches visited party members in difficulties, employees in difficulties, and front-line employees working in difficult areas for rural revitalisation and remote outlets to understand their work and life conditions, listened carefully to their opinions and suggestions, offered financial aid and New Year greetings.



Branches and sub-branches visited employees in difficulties during Spring Festival

Improving Customer Experience >>>

Adhering to the "customer-centric" mindset, the Bank highly values customers' financial rights, continuously optimises online and offline service channels, promotes the development of rural financial services, and is committed to providing more convenient and comprehensive financial services to meet the diverse needs of customers at different levels. By optimising customer experience and maximizing customer benefits, the Bank aims to establish a long-term trust system.

Enrich the Product System

Expanding partner institutions and product Types

- The Bank strengthens in-depth cooperation with leading institutions, selects and customises high-quality wealth management products based on customer characteristics and risk preferences, and provides diversified, one-stop, and full-lifecycle wealth management services to meet the investment needs of different types of customers. By the end of 2024, the Bank had added 35 insurance products, 26 fund products, and 82 precious metal products, bringing the total number of wealth management products to over 300, catering to the diverse financial needs of customers.

Management system

- **Actively creating specialised deposit products**, such as those for rural revitalisation and elderly care. By the end of 2024, sales of rural revitalisation-specific products reached RMB 250 million, and the "Premium Savings - Exclusive Pension Disbursement" (臻享存-养老代发专享)" product was held by 190,700 customers, with a total holding amount of RMB 11.937 billion.
- **Introducing a variety of third-party products**. Based on customer attributes and risk tolerance, the Bank offers cash management, low-volatility, medium-volatility, and growth-oriented wealth management products to meet the needs of conservative investors. It also provides money market funds, amortised cost funds, and hybrid valuation funds to cater to customers with different risk preferences. Additionally, the Bank offers accident insurance, medical insurance, and annuity insurance to meet various insurance needs, as well as investment-grade and collectible precious metal products to satisfy investment and collection demands.

Optimising Service Channels

With the goal of providing excellent services, the Bank carried out comprehensive digital transformation of service channels, focused on the intelligent transformation of outlets to optimise service processes, and paid attention to the needs of senior customers and customers with special needs to develop easily accessible services. The Bank also promotes the construction of next-generation financial information infrastructure and continuously improves the customer service environment.



Improving Service Channels



Enhancing payment convenience

- Deepening "bank-school cooperation" by installing standalone ATMs at Chongqing University, Chongqing Jiaotong University, and Chongqing University of Science and Technology to provide convenience for faculty and students.
- More than 800 self-service devices for cash, certificates of deposit and passbooks were added, and the pilot cash devices were upgraded to support small denomination cash deposit and withdrawal functions, further meeting the cash use habits of rural and elderly customer groups.
- As at the end of 2024, the Bank deployed 6,175 self-service machines (2,709 smart teller machines (STM), 3,155 cash recycling systems (CRSs), 273 automated teller machines (ATMs), and 38 query machines). Among these, 2,119 STMs (78.22%) and 2,689 ATMs (77.58%) were located in county areas.



Deepening mobile financial services

- Continuously providing mobile banking services through mobile banking service vehicles, offering basic financial knowledge such as anti-telecom fraud and counterfeit currency awareness in remote rural areas. Activities like "Mobile Services on Campus" and "Social Security Services for All" were conducted, with over 360 debit cards issued at the Chongqing University of Science and Technology. Four mobile vehicles were deployed as "Social Security Direct Express" to 12 districts, including Jiangjin, Wanzhou, Wuxi, and Pengshui, to promote "financial + social security" services and strengthen financial service supply.
- The Bank provided rural customers with financial services such as petty cash deposit and withdrawal, transfer and bill payment through its 388 rural convenience service points and 5 mobile banking service vehicles. Leveraging the LED multimedia equipment of the mobile banking service vehicles, we broadcast financial knowledge to promote telecom fraud prevention and counterfeiting prevention among a greater audience.



Enhancing payment convenience

- Establishing the Yuzhong Liberation Monument Sub-branch as a smart flagship branch, guided by technology leadership and customer experience enhancement. The branch features digital navigation screens, digital columns, smart "magic mirror" walls, and dynamic digital elevators, innovating the hall layout and enhancing a futuristic atmosphere.
- Creating differentiated banking offices such as the Shapingba Fengtian Road Banking Office "Bookish Bank," and the Shizhu Xinkai Road Banking Office's "Ethnic Culture Outlet," showcasing regional historical and cultural characteristics through interior design and staff attire, enhancing the cultural and natural ambiance of the branches.
- By December 2024, the Bank had 1,743 business branches, including the Head Office, 7 branches, 35 sub-branches, 157 second-tier sub-branches, 1 community sub-branch, and 1,541 banking offices. Among them, 1,441 were county-level outlets, accounting for 82.67%.

Case

Kaizhou Branch's "Social Security Services for All" and "Social Security Direct Express" activities

This year, the Kaizhou Branch conducted the "Social Security Services for All" and "Social Security Direct Express" activities. Through consultation desks and distributing promotional materials, the Branch detailed policies on urban and rural residents' pension and medical insurance, including coverage, payment standards, and benefit claims. Professionals from the District Social Security Service Centre patiently answered residents' questions in simple terms.

The "Insurance Direct Enrollment Express" service broke down information barriers and processing limitations in traditional procedures, greatly facilitating residents. On-site services included issuing, activating, and reissuing social security cards, providing one-stop services that eliminated the need for residents to travel between banks and social security departments. The Branch also introduced the financial functions and usage of social security cards, transforming them into portable financial tools for residents.



Digital Channel Development



Launching the native HarmonyOS mobile banking app

- Providing a safer, more convenient, and intelligent service experience by leveraging the advantages of the HarmonyOS Ark Compiler to optimise storage efficiency, CPU utilisation, and energy consumption, creating a secure mobile financial environment and delivering a superior user experience.



Launching the Phase II project of the treasury management system

- Enhancing system functionality to provide next-generation corporate e-bill services, meeting customer needs for quick e-bill processing and management. The Bank is also advancing the bill pool project to fill gaps in its bill business and strengthen the competitiveness of its treasury system, deepening bank-enterprise cooperation.

Strengthening loan brand building and improving loan customer convenience

- By upgrading the mobile banking credit section, redesigning the loan homepage, iterating intelligent loan recommendation rules, and optimising the Q&A recommendation process to enhance operational convenience and product usability, driving the digital transformation of credit business.

Improving the mobile banking customer system and enhancing customer engagement

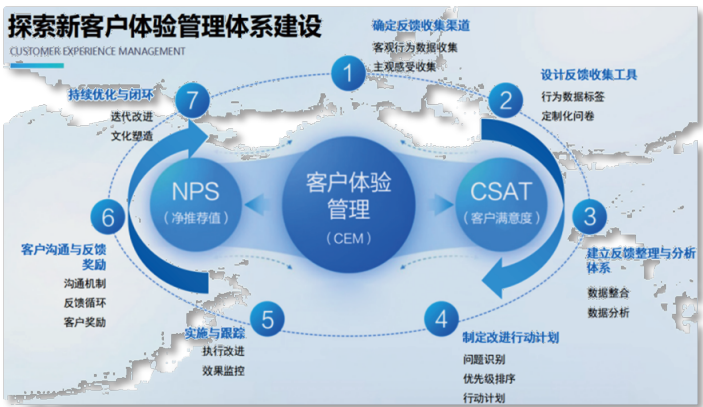
- Reconstructing the mobile banking customer system, targeting long-tail customers, and adding non-financial high-frequency scenarios such as life assistants and financial news.
- The Bank uses data models to calculate customer value for personalized recommendations, enriches marketing activities like "task flash sales," and optimises interactive guidance to lower the threshold for mobile banking use, continuously improving cross-platform integration, multi-channel reach, and intelligent operations.

Launching the Yuku-aijiao Convenient Payment Platform (渝快缴便民缴费平台), strengthening inclusive financial capabilities

- Integrating personal, corporate, and government payment services, connecting mobile banking apps, WeChat official accounts, and the official website, and incorporating internal payments, WeChat Pay, and Alipay, the platform covers government, corporate, education, and medical scenarios, offering features like payments, refunds, multi-account billing, and app-WeChat interoperability, simplifying business processes and enabling new digital business models.

Explore the establishment of a channel customer experience management mechanism and strengthen the value concept of "customer-centric"

- Reinforcing the "customer-centric" philosophy by using customer satisfaction feedback and Net Promoter Scores (NPS) to identify pain points, low-satisfaction areas, and growth opportunities through data analysis tools, continuously tracking and optimising to explore the establishment of a closed-loop customer experience management mechanism.



Closed-loop management mechanism of channel customer experience

Protecting Customer Rights

Customer Complaint Management

The Bank strictly complies with regulations such as the Measures for Handling Consumer Complaints in the Banking and Insurance Industry and the People's Bank of China Measures for Implementing Financial Consumer Rights Protection, and the Bank formulated policies such as the Administrative Measures of Chongqing Rural Commercial Banks for the Protection of Consumers' Rights and Interests, the Administrative Measures of Chongqing Rural Commercial Bank for Consumer Complaint Management, the Operating Procedures of Chongqing Rural Commercial Bank for Handling Telephone Banking Complaints, and the Operating Procedures of Chongqing Rural Commercial Bank for Consumer Complaints Handling by Business Outlets.

Building and optimising customer complaint channels

- Setting up a dedicated "Complaint Channels and Procedures" page on the official website, listing complaint hotlines, branch complaint numbers, financial consumer rights protection hotlines, and banking and insurance consumer rights hotlines. Posters and brochures in branches also display complaint channel information.
- Establishing a complaint handling process with clear timelines and responsible personnel for each step, from complaint acceptance to resolution and follow-up, ensuring timely and effective problem resolution. Regular analysis of complaint data identifies underlying issues and business risks, providing a basis for business improvement and product optimisation to reduce complaints at the source.

Optimising complaint handling mechanisms

- Implementing a "first contact accountability system": requiring prompt handling and risk assessment by complaint handlers to improve first-time resolution rates and avoid repeated complaints.
- Establishing a three-level complaint response mechanism: categorising complaints into levels 1-3 based on nature, frequency, and severity, with corresponding approval by team leaders, key complaint managers, and department heads to ensure effective resolution.
- Enforcing a "timely settlement system": strictly adhering to complaint handling deadlines and notifying customers of delays via SMS, email, or letter to prevent escalation, and retaining relevant supporting documents.
- Implement "regular analysis system": holding monthly complaint analysis meetings to strengthen complaint statistics and analysis, identify weak links and potential risks, and reduce complaints from the source.
- Improving work order processing efficiency: optimising workflows, clarifying requirements, and conducting irregular training and processing work orders quickly and effectively according to the three-level approval system to enhance customer satisfaction and reduce complaints.

Tracking and Optimising Customer Experience

Establishing and improving comprehensive customer experience mechanism

- Improving the "User Experience Management Measures for Chongqing Rural Commercial Bank" expanding the scope of user experience management to all products, systems, and services.
- Creating a dual-track experience management model combining "special experience improvement" and "routine experience management," supported by an "Experience Management Working Group" to achieve comprehensive user experience enhancement.
- Developing a management mechanism centred on user experience optimisation, multi-channel experience monitoring, product innovation, and post-evaluation of major systems.

Continuous customer experience monitoring

- Conducting baseline monitoring for 10 online loan products, such as Yukuaidai(渝快贷) and Fangkuaidai(房快贷), collecting over 30,000 questionnaires and identifying 62 experience issues.
- Conducting specialised experience research on the "Micro Bank Platform" and "YukuaiFu Broadcaster(渝快付播报器)," surveying 701 users and proposing 12 recommendations, with an adoption rate exceeding 50%.
- Establishing a routine user experience review mechanism for platforms like credit, micro-banking, and YukuaiFu, improving user experience from the root of demand and reducing development costs.

Leveraging big data for upgrades

- Continuously managing enterprise WeChat data and operational process indicators to promote platform indicator digitisation.

Providing Loan Modification Solutions

The Bank identifies customers with potential risks in advance through credit card post-loan management system warnings and branch risk inspections, aiming to prevent debt repayment issues. Branch post-loan management personnel provide consultation, negotiation, and handling services for debt resolution, primarily offering personalised instalment repayment plans to credit card users facing repayment difficulties.

A prepayment negotiation mechanism has been established. The Bank places high importance on customer requests for fee waivers. After research, the Bank has decided to no longer charge prepayment fees for new instalment customers. Additionally, the reductions and exemptions guidelines have been formulated, allowing eligible existing customers to apply for full or partial waivers of prepayment fees after negotiation.

Strengthening Employee Management

Conducting consumer protection training

- Training plans are developed based on the principle of integrating "learning, thinking, doing, and applying." Training sessions are conducted for senior management, middle and front-line managers, consumer protection staff, customer managers, and counter operators through various formats, including training camp, centralised in-person training, and on-the-job training.
- An online education platform for "Financial Consumer Rights Protection" has been established on the enterprise WeChat platform. Internal education activities such as "President Talks Consumer Protection" and "Consumer Protection Discussions" have been organised for 12 sessions, continuously promoting the development of consumer protection teams and improving the effectiveness of staff in their roles.

Professional qualification management

- Personnel selling wealth management products must obtain the Bank's wealth management sales qualification certificate or relevant certifications such as banking qualifications or APF certificates.
- Personnel selling fund products must hold fund qualification certificates issued or recognised by the Asset Management Association of China.
- Personnel selling insurance products must complete pre-job training and continuing education and register with regulatory systems.
- Personnel selling trust products must hold both wealth management sales qualification certificates and fund qualification certificates to ensure they possess professional financial knowledge and can provide objective, comprehensive, and professional financial advice to customers.

Marketing Compliance Management

Review of marketing materials

- The Bank reviews marketing materials based on hierarchical management principles. The Head Office is responsible for reviewing promotional advertisements issued under its name, while branches review materials issued under their names. The Operational Procedures for Compliance Review and Consultation of Chongqing Rural Commercial Bank has been established to clarify responsibilities and processes.
- In 2024, the Bank initiated compliance and consumer protection review processes for various products and promotional materials through the new internal control compliance information system and initiated the office marketing review process through the OA system. Approved materials were promoted through mobile banking apps, WeChat official accounts, branches, and merchant stores. In 2024, the Bank reviewed 558 marketing materials. The reviewed materials covered credit card product promotions, credit card marketing campaigns, and loan product advertisements.

Strengthening sales behaviour control

- Upgrading sales channels. The Bank's sales system now automatically verifies the match between customer risk tolerance and product risk levels, ensuring "the right product for the right customer." A sales behaviour traceability function has been implemented to record the entire product purchase process. Online sales channels are required to display key terms, provide risk disclosures, and remind customers that "sales personnel must not intervene in operations," ensuring customers can protect their rights.
- Sales compliance inspections. The Bank conducts annual inspections of intermediary business cases and requires branch business managers to regularly inspect sales behaviour. Non-compliant sales practices are strictly penalised according to relevant regulations.



Promoting Financial Knowledge

The Bank continued to engage in financial knowledge promotion and education, helping financial consumers improve their understanding of financial products and services and ability of self-protection. Leveraging our advantages including a large number of outlets, understanding of the local people and areas, and diversified services, we innovated publicity approaches based on the characteristics of outlets, characteristics of areas and needs of audiences, created an "online + offline" comprehensive promotion and education model, used business outlets as the main channel to carry out universal financial promotion and education, and set up promotion and education areas in our official website, official microblog account and mobile banking app as supportive measures to achieve "one focus three channels" promotion and education. In terms of the form of promotion and education, we distributed four categories of publicity leaflets and released WeChat pictures, articles, and short videos with the image of "Yu Xiaomei" (渝小妹) to cover key groups such as "new, junior, senior, and rural citizens".

The Bank actively cooperated with the regulatory authorities to carry out education and publicity activities during key periods and for key groups and participated in "3.15 Consumer Protection Education and Publicity Week", "Financial Services for the People, Protecting Rights and Preventing Risks," and "New Mission: Consumer Protection in Counties." During the activities, we arranged more than 21,000 online and offline education and publicity events attended by more than 3.65 million consumers, which further increased the coverage of publicity and education efforts, improved the result of publicity and education, and created a harmonious and healthy financial consumption environment.

Case

Financial knowledge in Miao village — "I paint a wall for the community"

The Bank conducted a financial knowledge campaign in Jinzhu Miao Village, Meijiang Town, bringing financial education to ethnic minority areas. The Bank's professional team provided on-site lectures, distributed financial knowledge fans, and painted a financial knowledge wall with vivid illustrations and concise text, using local cultural elements to effectively communicate financial concepts.



Financial knowledge campaign in Miao Village

Protecting Information Security

In 2024, the Bank's Board of Directors and senior management fulfilled their responsibilities for information security governance. The Financial Technology Management Committee reviewed reports such as the 2024 Information Security Assessment Report of Chongqing Rural Commercial Bank. The Party Committee and Executive Office deliberated and approved the Proposal on Strengthening Data Security and Information Confidentiality, issuing the Notice on Strengthening Data Security and Information Confidentiality (CQRCB Circular [2024] No. 556). This document further clarified departmental responsibilities, advanced organisational frameworks for data security, and mandated that all business units and branches adhere to the principles of "business owners are responsible for business data and its security" and "ownership, management, usage, collection, and approval entail corresponding accountability" to define data ownership and security management duties.

The Bank established a Cybersecurity Leadership Group to oversee bank-wide cybersecurity, information security, and data security governance, ensuring full implementation of accountability. This group provides guidance, supervision, and inspection for related initiatives. The group leader serves as the primary accountable person for cybersecurity, the deputy leader serves as the directly accountable person for cybersecurity.

System Construction

The Bank attaches importance to data security management, Formulate the Basic System for Data Control of Chongqing Rural Commercial Bank, the Data Security Management Measures of Chongqing Rural Commercial Bank, the Data Lifecycle Management Measures of Chongqing Rural Commercial Bank, the Personal Financial Information Protection Management Measures of Chongqing Rural Commercial Bank, the Overall Emergency Plan for Personal Financial Information Protection of Chongqing Rural Commercial Bank, and the Data Classification and Classification Management Measures of Chongqing Rural Commercial Bank, the Emergency Plan for Data Security Incidents of Chongqing Rural Commercial Bank, and continued to follow the latest regulatory requirements, revised relevant measures in combination with the actual situation of the bank, and improved the data security system. In 2024, the Bank aligned with the Measures for Data Security Management of Banking and Insurance Institutions (Draft for Public Comment) to finalise the Data Classification and Grading Measures and initiate revisions to the Data Security Management Measure.

Data Security Risk Mitigation and Emergency Response

The Bank conducts regular bank-wide vulnerability scans, penetration testing, and targeted vulnerability assessments. Identified risks are categorised, graded, and escalated for remediation. Per the Notice on the Ninth Round of Security Assessment for CQRCB and Notice on Strengthening Data Security and Information Confidentiality, the Bank formulated a Data Security Incident Emergency Plan and 2024 Drill Schedule, issuing the Notice on Conducting 2024 Data Security Emergency Drills. On-site inspections were conducted to evaluate data security and confidentiality compliance Data security incident workflow includes: Monitoring and early warning, preliminary response, root-cause analysis, impact assessment, recovery measures, emergency resolution and reporting On-site inspection mainly includes implementation of data security and personal financial information protection, and information confidentiality compliance, aiming to understand the implementation of data security and information confidentiality protection measures within the Bank, enhance staff awareness of data security and information confidentiality, and prevent internal data leakage.

In November 2024, the Bank executed two rounds of disaster recovery switchover drills, covering core systems, counter operations, unified identity authentication, e-signature systems, wealth management dual-recording systems, financial management platforms, and telephone banking. Operations were transitioned from the Yuzui Production Data Centre to the

Shuitong Disaster Recovery Centre for validation.

The Bank rigorously manages IT outsourcing, enforcing outsourcing supplier admission. Before signing outsourcing contracts with service providers, we conduct multi-dimensional due diligence and cautiously introduce outsourcing services. The Bank fully implemented the outsourcing classification and grading management strategy, strengthened outsourcing identification and security control, regularly conducted network and information security assessments, strengthened outsourcing process supervision, continuously monitored service providers' compliance with laws, financial health, personnel turnover, regulatory penalties, and other aspects, timely identified abnormal risks of service providers to mitigate service disruptions or sharp quality declines due to poor management or personnel changes.

Information Security Audit

In 2024, in accordance with the "Guidelines for Information Technology Risk Management in Commercial Banks", an information technology audit was conducted. This audit focused on the implementation of information security management and control measures, issuing audit opinions and urging the audited units to implement corrective actions to enhance the level of information security management.

Digital and Intelligent Financial Innovation >>>

The Bank actively implements the Guidelines on Digital Transformation for Banking and Insurance Sectors and Financial Technology Development Plans, accelerating digital innovation through increased technological investment and resource integration. It aims to establish itself as a “Digital Rural Bank” and lead the digital transformation of rural financial institutions nationwide.

Innovation Resource Allocation

The Bank intensified resource allocation for digital transformation, driving financial service innovation and strategic advancement. In 2024, the Bank invested about RMB 960 million (over 3% of total revenue) in Fintech, with cumulative investments exceeding RMB 3.5 billion over five years. At the same time, the Bank paid attention to the training and introduction of scientific and technological innovation talents, initially established a professional and dynamic financial technology talent team by building a multi-level and all-round talent training system, and provided strong intellectual support for the digital transformation of the Bank. By the end of 2024, the Bank built a multi-tiered talent cultivation system, fostering a 700+ member fintech team (5% of total workforce) through the Bank and its subsidiary Chongqing Yuyin Financial Technology Co., Ltd.



Innovative Product Development

Establish and improve digital product system

- The Bank's digital product system covers conventional business categories such as credit, mortgage, pledge, discount and instalment, and multiple businesses such as services for individuals, microenterprises, credit cards, agriculture, rural areas, direct sales and corporate clients. It has independently launched 14 proprietary digital products with a total scale exceeding RMB 140 billion.
- Intelligent risk control has implemented online strategies for retail loans, deploying anti-fraud systems, digital decision-making platforms, big data post-loan monitoring, electronic evidence preservation, and online arbitration and other systems, achieved full lifecycle management (pre-, during, and post-loan) and dynamic interest rate pricing to enhance credit risk control.

Building financial services platform for rural revitalisation

- The Bank has integrated online/offline channels, precision matching, government-bank collaboration, and dynamic intelligent monitoring, with a 100% village credit coverage, serving more than 60,000 rural clients.

Promoting the smooth implementation of the "Chongqing Agricultural Asset Smart Management" system

- The Bank's "Chongqing Agricultural Asset Smart Management" system had connected with the data from Ministry of Agriculture and Rural Affairs, aligning the the integration and uploading of data between the platform and Ministry of Agriculture and Rural Affairs.
- This system cooperates with the Chongqing Municipal Agricultural Commission to promote the integration of the "Chongqing Agricultural Asset Smart Management" system into the "Digital Chongqing One Account", helping the system achieve full coverage in Chongqing.
- This system developed automated data conversion tools to automatically summarise raw data, add, combine, and transform at the field level, and automatically generate the basic asset resource data required by the "Chongqing Agricultural Asset Smart" platform, significantly reducing the time for data processing work.

Promoting the construction of treasury system (state-owned assets supervision platform )

- The system was comprehensively optimised and upgraded, enhanced functionalities: financial reporting, fund management, major decision oversight, asset management, Party building, HR analysis, and project monitoring to realise the monitoring of enterprise details by SASAC.



Research Key Technologies

Steady advancement of AI middle platform construction

- The "121" project plan has been formulated, where the first "1" refers to a financial-grade AI technology middle platform, the "2" denotes two major AI model applications, and the second "1" represents the development of a digital workforce.
- Efforts are concentrated on building 1 financial-grade AI middle platform to establish large-scale intelligent service infrastructure. This platform will feature a comprehensive lifecycle management system for intelligent models and a service configuration framework. Based on a privatised deployment solution, it will manage AI computing resource pools, support model/algorithm library reuse, and provide end-to-end AI development support—from data processing, model development, and training to evaluation and deployment—enabling rapid delivery of intelligent services for front-end operations.
  - Two vertical-domain large models with proven effectiveness—a code assistant and a knowledge base—have been introduced. Leveraging their domain-specific expertise, these models address targeted challenges in areas such as intelligent coding assistance, corporate compliance knowledge bases, client manager training, product knowledge libraries, and smart customer service.
  - 1 digital employee system was developed for diverse application scenarios. Built on the intelligent middle platform and integrated with fintech capabilities, this system featured highly anthropomorphic digital workers with distinct personalities. Designed for multi-role, large-scale operations, it was deployed in customer service, marketing, risk control, and other business domains to deliver productised digital labour solutions across the organisation.

Promotion of intelligent platform development

- The "Zhiyin" Platform has been launched, building 9 unstructured data analysis models. Through three core functions—online intelligent quality inspection, intelligent assistance, and intelligent analysis—it empowers frontline staff in customer service and product marketing scenarios such as sales openings, etiquette protocols, service taboos, credit card bill instalments, and "YuKuai Loan" outbound calls.
- Progress has been made in intelligent call platform scenarios for automated marketing. Key functionalities include intelligent calling, customer profiling, unified routing, softswitch platforms, and operational management, applied to outbound scenarios like marketing, collections, risk control, and voice notifications. As of the end of January 2025, six new service scenarios have been added: SCRM marketing outbound calls, dormant account activation calls, borrower IVR collection calls, guarantor IVR collection calls, borrower IVR overdue reminders, and guarantor IVR overdue reminders.
- Video banking infrastructure platforms have been integrated with 10 channels, including virtual counters, VTM smart devices, mobile banking apps, direct banking systems, mobile sales tools, micro-banking platforms, credit systems, and anti-fraud systems, enhancing customer interaction experiences while reducing staff workload.
- Promoting localisation of video platform. A domestically developed video platform upgrade has advanced video AI and security inspection capabilities, facilitating intelligent migration of services. The Smart Voice 2.0 Project addresses accuracy gaps in existing voice recognition systems, elevating foundational capabilities and overall performance.
- A facial liveness detection platform is under development to establish a full-cycle anti-fraud and anti-black-market system. It will effectively intercept image injection, data tampering, data theft, and AIGC-based attacks, providing comprehensive liveness verification for APP and H5 interfaces while adapting to emerging threats.

Intellectual Property Protection

In accordance with the laws and regulations such as the Civil Code of the People's Republic of China, the Trademark Law of the People's Republic of China, the Patent Law of the People's Republic of China, the Copyright Law of the People's Republic of China, and the Law of the People's Republic of China Against Unfair Competition, and based on the needs of internal operation and management, the Bank formulated the Administrative Measures for Intellectual Property Rights of Chongqing Rural Commercial Bank, which defined IPR-related

responsibilities, ownership principles, application processes, and dispute resolution method.

Focusing on products and services, the Bank prioritises independent IP innovation through patents and copyrights. By the end of 2024, the Bank had five national pilot qualifications, over 180 patents (including pending applications), comprising 22 authorised invention patents, 61 design patents, 14 utility models, and 22 software copyrights, forming a rural financial institution-focused "patent portfolio".The Bank participated in the formulation of a total of 18 financial industry standards, 6 of which have been published, participated in the formulation of 25 group standards, 17 of which have been published, and completed the formulation and updating of 11 corporate standards. Three enterprise standards were included in the list of "leaders" of enterprise standards in the financial field for consecutive years.

Key IP Protection Initiatives for 2024

Clarifying IP protection responsibilities across all staff

All employees are obligated to safeguard the Bank's IP rights, enhance awareness, monitor potential infringements, and report findings promptly to the IP management department.

Strengthening IP protection awareness

Departments initiating branding or related activities must conduct trademark/patent searches and IP-specific analyses to establish protection goals and prevent violations. Unauthorised use of non-Bank IP (including rights with unclear ownership) is prohibited until proper verification. For IP rights with unclear sources of rights, the decision to use them should be made after identifying the relevant rights holders to avoid infringing on the IP rights of others.

In 2024, the Bank secured 11 new trademark registrations and renewed 88 trademarks.

Establishing IP protection mechanisms

Upon receiving reports of infringement from internal monitoring or external sources, the IP management department shall take immediate legal action to halt violations and protect the Bank's rights.

Enhancing full-cycle IP management

Integrated with the new internal control and compliance management system, the Bank implements lifecycle controls covering IP applications, reviews, approvals, filings, renewals, and archival management. This systemic approach ensures robust protection of the Bank's legal interests.

Focus on Technology Ethics

The Bank established a cross-departmental Technology Ethics Working Group, led by the fintech head office and involving departments such as Risk Management Department, Legal Compliance and Consumer Rights Management Department, and Data Asset Department. The working group holds regular meetings to centrally review and make decisions on technology ethics issues related to major technology projects. For complex technology ethics challenges, the working group actively invites external experts and scholars to participate in discussions and guidance, incorporating professional opinions and industry best practices to ensure scientific rigour, fairness, and foresight in decision-making. Through flexible and efficient organisational mechanisms, the working group coordinates technology ethics management and provides decision-making support, promoting systematic implementation across the Bank.

Practising Social Responsibility >>>

The Bank upholds the volunteer spirit of dedication, fraternity, mutual aid, and progress, encouraging staff participation in volunteer activities. As of the end of 2024, the Bank registered 45 volunteer organisations and over 1,000 individual volunteers on the “Shancheng Volunteer” system. In 2024, the Bank organised 176 volunteer initiatives, including community service, elderly care support, and environmental hygiene campaigns. The Bank donated 4.8 million yuan in cash to Huatian Township of Youyang County in Chongqing, to support rural revitalization efforts in Youyang County.

Case Learning from Lei Feng volunteer activity

During the year, Fengjie Branch launched the “Learn from the 20th Party Congress, Follow the Party, Forge a New Journey” volunteer activity to carry forward the spirit of Lei Feng. The event featured free haircuts, appliance repairs, medical consultations, and advisory services, creating a warm and community-driven atmosphere. Residents actively participated, and the initiative received widespread praise.



Learning from Lei Feng volunteer activity

Case “Care for the elderly during the Double Ninth Festival” activity

Wulong Branch partnered with Liufangping Community in Baima Town to host a festive event at a local elderly care home. Activities included cultural performances, free haircuts, dumpling-making sessions, and financial literacy workshops, embodying the traditional virtues of “respecting, assisting, and prioritising the elderly.” The branch refined its elderly-friendly services, strengthening connections with senior clients through thoughtful financial support.



Voluntary elderly care services



# Governance ▶▶▶

## Consolidating the Foundation in Order to Go Far

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The Bank is committed to building a modern corporate governance system in an orderly manner and attaches importance to the role of party building in high-level governance. The Bank continued to enhance corporate governance and introduce standards for the Board of Directors to improve the governance hierarchy, strengthen internal control and compliance management, step up anti-corruption efforts and consolidate risk management and lines of defence to lay a solid foundation for high-quality development.

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United Nations Sustainable Development Goals (SDGs)



# Attaching Importance to the Role of Party Building >>>>

The Bank unswervingly adheres to the leadership of the Party and relies on party building to motivate employees to actively implement major national strategies and policies, continues to deepen party building, insists on integrating it into corporate governance, and drives the Bank's high-quality development with high-quality party building.

## Putting Party Building First to Promote Integrated Development

The Bank has always supported the leadership of the CPC Central Committee over financial work, implemented the requirements for party building to be incorporated into the articles of association at all levels, revised the Measures for the Implementation of Decisions on “Three Important and One Key Matters”, defined the decision-making responsibilities and authorities of those charged with governance, and effectively integrated the Party's leading role into the corporate governance structure to ensure that the Party Committee is at the helm and supervises implementation.

Incorporating party building into the Articles of Association	The Bank has embedded party building into the corporate governance structure, and dynamically optimises the “two lists” of matters for early discussion and decision-making by the party organisation to ensure that the role of the party organisation is institutionalised and specific.
Improving and implementing the Top Priorities system for Party committee meetings	In line with General Secretary Xi Jinping’s latest speeches and instructions, the Bank discusses and implements measures to ensure that decisions and arrangements made by higher-level authorities are consistently implemented.
Improving related system	The “Two-way Appointment” leadership system has been improved. The four-step approach is strictly implemented to ensure that major business management matters are discussed by the Party Committee first
Strengthening party building assessment	Performance ratings are linked to KPIs, one of which is contribution to party building.

## Empowering Employees with Theories

The Bank attaches high importance to theoretical knowledge and encourages party members to put what they’ve learned into practice. Leaders are required to set an example in learning and internalising Xi Jinping’s thought on socialism with Chinese characteristics for a new era.

Developing annual learning plan

- An annual study plan for the theoretical learning center group of the Party Committee was developed. Eight topics were further divided into 12. A variety of methods such as individual self-study, learning seminars, special lectures, reading classes, and surveys were employed to enforce learning on more than 100 items, and there were more than 40 participants. The head office's example led to 571 learning sessions of theoretical learning of the Party Committee in the form of learning center group by branch Party committees.

Adding variety to content and form

- Four issues of Reference Materials for Learning for Party Members were released, which collected more than 80 key items for organisational learning activities. Party branches across the Bank held more than 7,440 “Three Meetings and One Lesson themed party day activities. A Look Back-themed special democratic life seminar designed to enforce remedial actions by case study was held.

Strengthening propaganda and ideological work

- We organised and carried out meetings and seminars on the spirit of General Secretary Xi Jinping’s speeches during his inspection tour in Chongqing, the spirit of the Third Plenary Session of the 20th CPC Central Committee, the spirit of the Fifth and Sixth Plenary Sessions of the Sixth Municipal Party Committee, and the “Learning new ideas, Building a new Chongqing and Breaking new grounds” programme. We carried out the 2024 reading day activity, other activities focused on the family’s role in ensuring integrity, created more than 100 integrity-themed works, and prepared and distributed 23 issues of the Corporate Culture Window.

## Establishing a Strong ideological Line of Defence

The Bank attaches importance to shaping cadres’ Party spirit with innovative Party theories and consolidating the achievements of learning and education programmes on Party discipline in line with learning and education goalsfor Party discipline. We strengthen supervision and implementation, guide Party members and cadres to learn and abide by party discipline, and effectively implement learning and education activities on Party discipline.

Setting up dedicated teams to draw implementation plans	We defined 13 key tasks in 5 areas, organised 45 Party committees across the Bank to carry out 107 thematic studies of the central group, held 129 thematic reading classes, carried out 557 warning and education sessions, and 680 disciplinary Party learning sessions for Party organisation secretaries at all levels.
We issued the Notice on Promoting the Normalisation and Long-term Effect of Party Discipline Learning and Education	We formulated 13 measures in 7 areas to strengthen learning and education on Party discipline.

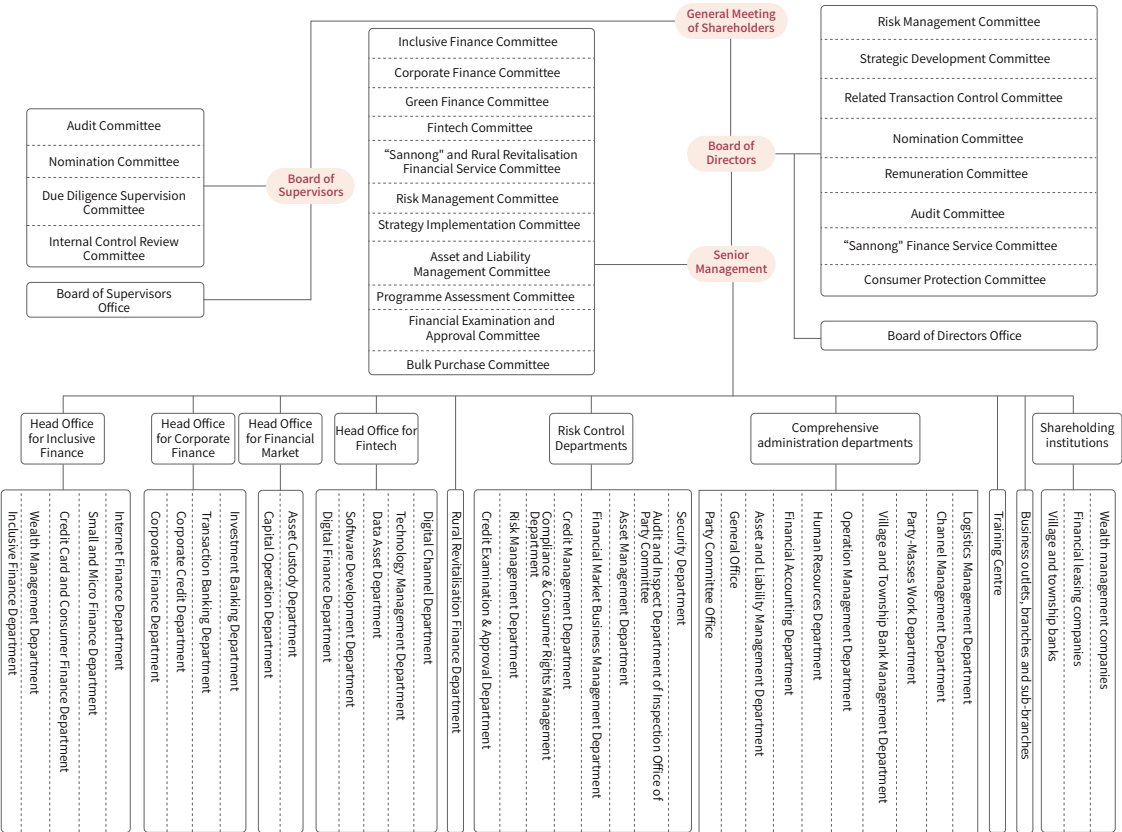
## Optimising the Governance Structure >>>>

The Bank strives to modernise its governance system and its capability for governance, improve its corporate governance on an ongoing basis, leverage the organisational structure to deepen communications with investors and information disclosure and improve the robustness and effectiveness of corporate governance to provide a solid guarantee for development.



## Corporate Governance Structure

The Bank has leveraged the Articles of Association as the core of its corporate governance framework system, and the Rules and Procedures of the Shareholders' Meeting, the Rules and Procedures of Board of Directors Meetings, the Rules and Procedures of Board of Supervisors Meetings, and other working rules of each special committees as supporting rules to guide the implementation of corporate governance. At the same time, the Bank has established an organisational structure consisting of the Shareholders' Meeting, the Board of Directors, the Board of Supervisors and senior management, with clear division of responsibilities and mutual checks and balances to jointly improve governance efficiency.



Corporate Governance Structure of Chongqing Rural Commercial Bank

The Bank's Board of Directors has eight professional committees: the Strategic Development Committee, the Risk Management Committee, the Audit Committee, the Nomination Committee, the Remuneration Committee, the Related Party Transaction Control Committee, the Rural Area, Agriculture and Farmers Financial Services Committee and the Consumer Rights Protection Committee. These committees provide decision-making suggestions for matters in relevant areas and manage the Bank's day-to-day operations.

## Board Diversity

The Bank attaches importance to the diversity of board members and has formulated a diversity policy for board members and makes it clear that the board will consider the diversity of members from multiple aspects when determining the composition of members, including but not limited to gender, age, cultural and educational backgrounds, professional experience, skills, and knowledge. The Board of Directors is composed of executive directors, non-executive directors and independent non-executive directors, and their proportion shall comply with the provisions of domestic laws and regulations and administrative rules and Hong Kong listing rules. The Nomination Committee evaluates the structure and composition of the Board of Directors and the number of members from time to time to determine whether the diversity goal has been achieved to implement the diversity policy. As of the disclosure date of this report, the Bank's Board of Directors had 8 directors, including 1 executive director, 3 non-executive directors (1 female), and 4 independent non-executive directors (1 female) who account for more than 1/3 of the total number of board members.



## Board Capability Building

The Bank has developed a continuous professional development programme for the directors who are encouraged to participate in order to develop and update their knowledge and skills. During the reporting period, the Bank continued to improve the directors' ability to perform their duties and required all of them to participate in diversity training.

## Investor Relationship Management

The Bank carries out investor relationship management through multiple channels, with a focus on strengthening effective communication with investors, effectively protecting their rights to know and participate, and establishing a long-term, stable and trusted relationship with investors.

Information Disclosure Management

The Bank strictly abides by regulations such as the Administrative Measures for Information Disclosure of Listed Companies issued by the CSRC and has formulated rules and standards such as the Administrative Measures for Information Disclosure of Chongqing Rural Commercial Bank and the Administrative Measures for Registration of Insider Information of Chongqing Rural Commercial Bank. The Bank continuously improves the working systems and management measures for information disclosure, standardises the process for information disclosure management, and establishes a mechanism for regular communication to ensure steady implementation of information disclosure.

Communication with Investors

The Bank continues to improve the multi-level investor engagement and communication mechanism, actively discloses relevant information to assist investors' judgment and decision-making, and constantly improves the quality, timeliness, and transparency of information disclosure.

The Bank actively communicates business management information and highlights of business development to market participants through regular reports and performance results briefings, the SSEINFO platform, the IR mailbox, the investor hotline, the Investor Reception Day and other channels, listens to investors' opinions and suggestions in a timely manner, and has achieved breakthroughs in the frequency and form of communication with investors. In terms of frequency, the number of exchange meetings between the Bank and investors and the number of visiting institutions increased significantly in 2024, hitting a record high; In terms of form, the Bank held the 2023 annual performance briefing and the 2024 semi-annual performance briefing which were broadcast live and for which the Bank engaged with viewers online. The Bank also organised investors to visit grass-roots level institutions to conduct field research on the Bank's financial work in counties, towns, and villages, held "I am a Shareholder of a Listed Company"-themed activities to establish a good image. The Bank received good feedback from capital market participants on these activities.

Protecting the Rights and Interests of Minority Shareholders

The Bank attaches importance to safeguarding the legitimate rights and interests of all shareholders, ensuring that they exercise their rights equally and effectively and continuously improving the Rules of Procedure for the Shareholders' Meeting. We attach importance to the legitimate rights and interests of minority shareholders. When we hold investor relations activities, we create opportunities for minority shareholders to participate and treat all investors equally.



Strengthening Internal Control and Compliance

In 2024, in accordance with the Basic Norms for Enterprise Internal Control, the Guidelines for Enterprise Internal Control Evaluation, the Guidelines for Commercial Banks on Their Internal Control and other provisions, the Guidelines for the Evaluation of Internal Controls in Commercial Banks, the Bank carried out internal control evaluation around the five elements of internal control to objectively reflect the level of internal control of the whole bank, strictly adhere to the prescribed procedures, standards, content, and methods to develop an internal control evaluation report and disclosed it as required, and capitalised on the evaluation results to promote high-quality development.

Key Compliance Actions in 2024

Implementing the internal control improvement programme	<ul style="list-style-type: none"><li>The Bank issued the Notice on Matters Related to the Construction and Supervision of the Internal Control System in 2024 and the Notice on Printing and Distributing the Work Plan for the Year of Compliance Management Improvement during the year to comprehensively carry out self-inspection and self-evaluations in relation to internal control management, take timely actions to remedy issued identified, and gradually improve internal control management</li></ul>
Improving the organisational structure for compliance management	<ul style="list-style-type: none"><li>The Bank has developed a compliance risk management system consisting of the Board of Directors, the Board of Supervisors, senior management, the compliance management department, branches and subbranches, which covers all business lines and levels. At the same time, the Bank has set up compliance posts at different levels to perform compliance management responsibilities, pass on compliance management requirements and improve compliance risk control capabilities.</li></ul>
Enhancing compliance risk management	<ul style="list-style-type: none"><li>The Bank strictly carries out compliance reviews to manage compliance risks in advance and conducts compliance reviews different levels on major issues communicated to the public, advertisements released to consumers, financial service programs with commitments to ensure compliance.</li><li>The Bank implements compliance monitoring and reporting mechanism and carries out compliance risk identification and assessment and has created compliance risk logs to ensure that control measures are implemented. At the same time, the Bank collects compliance reports prepared at different levels on a regular basis to divide compliance management-related work among various levels and lines.</li><li>We improve internal control and compliance systems to better manage risks systematically. The Bank continuously carries out iterative optimisation of its internal control and compliance management systems and expands system functionalities to transform the system so that it can function as a compliance work platform, a data platform, a learning platform, and a self-discipline platform, and improve the Bank's IT capabilities for compliance management.</li></ul>
Carrying out supervision and evaluation of the internal control system	<ul style="list-style-type: none"><li>The Bank performed supervision and evaluation on the internal control system for 2023 in terms of system building, monitoring and assessment to identify internal control deficiencies, risks and compliance issues in business management, strengthen the implementation of remedial actions, and drive optimisation and improvements across the Bank.</li></ul>
Continuing to build a compliance culture	<ul style="list-style-type: none"><li>Carrying out the Year of Compliance Management Improvement activity, which focused on key areas to consolidate the foundation, enforce accountability, optimise processes and mechanisms, and promote compliance management efficiency.</li><li>Strengthening training, publicity, and education: eight lectures on the rule of law and compliance were held for employees at different levels; 52 sessions of Weekly Reference for Compliance were uploaded onto the Legal and Compliance module of the internal control and compliance management system; examinations on rule of law were held; and Constitution Publicity Week-themed publicity and education activities were organised.</li><li>Carrying out warning education, with the theme of "professional ethics and compliance awareness", which was delivered for more than 2,400 relationship managers under the retail banking line across the Bank.</li></ul>



Preventing Financial Crimes

Strengthening top-level design

- A leading group for the construction of a long-term mechanism for case prevention has been established and is headed by the chairman, the president and the head of the Bank's discipline inspection and supervision group, and other group members serve as deputy group leaders. The group members include 35 in-house departments such as business, risk management, compliance, credit, and audit. The discipline inspection and supervision group provides supervision and guidance to comprehensively promote related to case prevention across the Bank.
- The relevant departments of the Head Office and key business development officers at branches and subbranches were selected to form a special team for investigation into cases and leads, which is managed by the Legal Compliance and Consumer Rights Management Department.

Improving long-term mechanisms

- The Bank revised the Administrative Measures for Prevention and Control of Risks Related to Criminal Cases to further improve the design of the risk prevention and control system; initially built a grid-based management system for employees ranging from underlying grid-based management systems, monitoring of abnormal behaviour, to compliance point management;
- The Bank issued the Notice on the Work Plan for Improving the Long-term Mechanism for Case Prevention, carried out the "Building a long-term mechanism for case prevention" programme across the Bank to comprehensively improve case prevention across the Bank.

Driving synergies between the three lines of defence

- Encouraging branches to conduct self-inspections and take remedial actions. All institutions are expected to actively report leads for breaches. For findings in self-inspections which an institution takes the initiative to report, the offender will be treated leniently or exempted from punishment according to relevant requirements. For cases that occur after investigations, the offender will be punished heavily or with the utmost rigour.
- Establishing a lead transfer mechanism. The risk management, compliance, audit and other departments and the Bank's discipline inspection and supervision group transfer leads between themselves to improve joint supervision and the Bank's ability to identify and deal with cases.
- The Bank thoroughly investigates leads handed over by inspection authorities and regulators and those coming from whistle-blowers in order to prevent, detect, and handle issues before they deteriorate into breaches.

Anti-corruption

The Bank strictly abides by the Constitution of the Communist Party of China, the Code of Integrity and Self-discipline of the Communist Party of China, the Disciplinary Regulations of the Communist Party of China and other rules and disciplines of the Party, as well as laws and regulations such as the Constitution of the People's Republic of China, the Supervision Law of the People's Republic of China, and the Law of the People's Republic of China on Administrative Punishment of Public Officials, conscientiously implements the strategic plans of the Central Committee of the Communist Party of China, and strongly promotes the overall strict governance of the Party, the improvement of Party conduct and moral integrity, and the fight against corruption. We integrate the strength of relevant functional departments, carry out supervision and inspection in key areas such as credit system implementation and financial expense management, and consciously turn the CPC Central Committee's anti-corruption decisions and plans into concrete actions.

Anti-corruption training in 2024

- Every year, a meeting on Party conduct and clean government and anti-corruption work is held to regularly discuss relevant matters and ensure collaboration between supervisory bodies in the party such as discipline, inspection and audit teams to ensure timely transfer of and attention to leads.
- The Bank has established a mechanism for reporting incorruptibility and a mechanism for reminding employees to perform their duties to keep abreast of findings from day-to-day daily supervision and promote a targeted approach to governance. Party organisations at all levels throughout the Bank are urged to resolutely shoulder the "two responsibilities". The secretary of the Party Committee conscientiously shoulders the responsibility as the first responsible person, and party group members actively perform their responsibilities for business development and party building, to further promote comprehensive and strict governance of the Party.
- The Bank spares no effort to build an accountability system as a state-owned financial enterprise and build itself into a clean financial institution. We promote mindset changes, conduct publicity campaigns, and take real actions for clean governance purposes, so as to make new progress and achieve new breakthroughs in building a state-owned financial enterprise free from corruption.

Anti-Money Laundering

Key Anti-money Laundering Measures in 2024

Continuously improving the customer due diligence system

- The Bank revised the Administrative Measures for Anti-money Laundering and Anti-terrorist Financing to clarify anti-money laundering responsibilities at various levels, refine the due diligence requirements for individual customers, corporate customers and interbank customers, and the standards for customer information registration and dynamic management, and define the key points in anti-money laundering due diligence for major businesses.
- The Bank revised the Management Measures for Customer Identification and Customer Identity Data and Transaction Record Retention and embedded the rules on customer due diligence, customer identity data and transaction record retention, list management into business processes.
- The Bank revised the Administrative Measures for Customer Grading Based on Money Laundering Risks, which introduced standards for the approach to customer grading based on money laundering risks, and grade setting, timing, process and by-category approach to risk control.

Continuously improving technological support for anti-money laundering system

- The Bank employs AI and other technologies to enable the digitalisation of anti-money laundering and continues to optimise the functions of the anti-money laundering system to provide strong support for monitoring and reporting of suspicious transactions.
- Based on machine learning algorithms, the Bank has built an intelligent scoring system for suspicious cases and established a re-evaluation model for excluded cases, and traces excluded cases monthly to ensure that no potential risks are missed in the suspicious transaction report submitted.
- The anti-money laundering system is connected with the Bank's internal and external data platforms, and third-party data are used to assist in the screening of suspicious customers. For the system-generated list of suspicious customers, the Bank can automatically access data from third-party sources including industrial and commercial registration information, judicial data and risk-related information, to verify customer identity information in one go, which has significantly improved efficiency.
- The Bank has developed intelligent due diligence report functionalities which can prepare a summary of customer's identity information, account information, transaction information and other data and integrate manual due diligence, conclusions from investigations, and measures taken. The system automatically generates customer due diligence reports to enable the branches and subbranches to perform their duties in anti-money laundering.

Continuously carrying out self-inspections on performance in anti-money laundering	<ul style="list-style-type: none"><li>Special anti-money laundering inspections were carried out on seven subbranches and five village banks, to identify potential risks and strengthen remedial actions against operational problems. The Bank continues to incorporate the performance of duties in anti-money laundering into risk identification across the Bank which focuses on key areas such as customer due diligence, customer risk rating, beneficial owner identification and high-risk customer management to strengthen remedial actions against operational problems.</li></ul>
Continuing to strengthen training and publicity on anti-money laundering	<ul style="list-style-type: none"><li>Nearly 60 anti-money laundering training sessions were organised for more than 8,900 participants across 33 departments of the Head Office, 43 branches and subbranches, 12 village banks and 2 subsidiaries.</li><li>We involved 43 branches and subbranches in special publicity campaigns, released propaganda pictures and texts such as “Deepening Anti-money Laundering Awareness to Enhance Lines of Defence” on the Bank’s WeChat account, printed more than 100,000 copies of anti-money laundering brochures, posted more than 1,600 posters, and carried out more than 400 publicity campaigns to warn customers against money laundering risks and create a good anti-money laundering atmosphere.</li></ul>

In 2024, the Bank printed and distributed the Notice on Launching Anti money Laundering Publicity in 2024 (email [2024] No. 2 of Chongqing Rural Commercial Bank's Anti-money Laundering Leading Group), involved 43 branches and sub branches in special publicity campaigns, released propaganda pictures and texts such as “Deepening Anti-money Laundering Awareness to Enhance Lines of Defence” on the Bank’s WeChat account, printed more than 100,000 anti-money laundering brochures, posted more than 1,600 posters, and launched more than 400 publicity campaigns,, which has enhanced the public’s risk awareness.

Anti-Counterfeit Currency



In accordance with the Administrative Measures of the People's Bank of China for Currency Identification and Counterfeit Currency Collection and Identification and other regulatory requirements, the Bank strictly performs cash collection and checking and strengthens the management of cash equipment to improve the quality of cash services.

Key Anti-counterfeit Measures in 2024

Carrying out self-inspections and self-corrections against counterfeit currency	<ul style="list-style-type: none"><li>Strengthening clearing management, paying close attention to the quality of cash, carrying out special inspections to avoid receipts and payments with counterfeit currency. Based on the differences in the funds handed over by the branches to the People’s Bank of China in 2024 and findings from internal and external inspections, special inspections on the quality of cash clearing were carried out on six branches including Wanzhou and Zhongxian Branches.</li></ul>
Carrying out anti-counterfeit currency training	<ul style="list-style-type: none"><li>The Bank carried out anti-counterfeit currency training for cashiers to demonstrate how to identify counterfeit currency and improve their ability to identify counterfeit currency. There were a total of 12,658 participants. From May to August 2024, a total of four on-site hands-on training sessions on anti-counterfeit currency were organised, with a total of 1,039 participants.</li></ul>

Carrying out RMB publicity activities	<ul style="list-style-type: none"><li>In accordance with the requirements of the Notice of the Office of the Joint Conference of the State Council on Counterfeit Currency Work on Launching the Counterfeit Currency Publicity Month Campaign in 2024 (Guo Fan Jia Ban [2024] No. 6), the Bank’s branches and subbranches carried out the Counterfeit Currency Publicity Month campaign in 2024 in Chongqing. Under the PBOC Chongqing Branch’s guidance, WeChat images and texts were produced and released on the PBOC’s WeChat account; the Bank was involved in the production of the promotional video titled “Preventing props-type counterfeit currency to maintain order in the circulation of RMB”, which was broadcast in the First Eye news programme (also known as Western Financial Weekly) by Chongqing Satellite TV. The Bank’s outlets had a participation rate of 100%. The number of clicks for videos reached 229,600 and that for graphics and texts reached 769,000. A total of 541 publicity activities were carried out in key areas exposed to counterfeit currency risks, and a total of 2664 publicity activities were carried out in rural areas, of which 2446 were targeted at key consumer groups. These activities reached an audience of 1,045,000. The 2024 Anti-counterfeit Currency Publicity Month enriched the public’s monetary and financial knowledge and effectively enhanced their anti-counterfeit awareness.</li></ul>
Promoting the application the RMB numbering system	<ul style="list-style-type: none"><li>In strict accordance with the relevant regulations of the People’s Bank of China, the Bank collected and stored the numbers of RMB and major foreign currencies, tracked the numbers of RMB notes circulating throughout the Bank to effectively improve the Bank’s cash management and service capabilities and produce valid evidence in disputes involving counterfeit currency.</li></ul>
Upgrading the Bank’s counterfeit currency detection machines	<ul style="list-style-type: none"><li>The Bank upgraded its counterfeit currency detection machines, purchased cash machines aligned with industry standards to fill up gaps and further improve the Bank’s cash services and anti-counterfeit capabilities. In 2024, 10,925 counterfeit RMB notes were confiscated by the Bank.</li></ul>

Recognition for Anti-counterfeit Work in 2024

 <p>The academic project of the Bank’s Banan Subbranch - Exploring Anti-counterfeit Measures in Rural Areas from an Investigation into Anti-counterfeit Measures in China’s History - won the Conclusion award by the Chongqing Numismatic Society.</p>	 <p>In 2024, the Operations Management Department of the Bank was recommended by Chongqing Branch of the People's Bank of China to the Joint Conference of the State Council on Counterfeit Currency Work and was commended as an Outstanding Team for Excellence in Counterfeit Currency Work.</p>
	 <p>Hechuan Branch won the second prize for group in the RMB collection and payment and anti-counterfeit knowledge and skills competition in 2024.</p>



Case

employees from Wanzhou Branch visited locations where there were agglomerations of migrant workers to carry out anti-counterfeit publicity

In September 2024, Wanzhou Branch visited three agglomerations of migrant workers in Luliang, Linfen and Hongdong, Shanxi Province, and carried out an anti-counterfeit currency publicity campaign targeting more than 300 workers on the construction site, which featured a variety of forms and content and achieved a great outcome.

Carry out centralized sessions and improving workers' knowledge through Q&A sessions. Propaganda banners were hanged at the accommodation sites for migrant workers, platforms were set up, leaflets were distributed to publicize anti-counterfeit knowledge. During the sessions, there were Q&As and awards were offered to encourage participation and improve the workers' ability to identify counterfeit currency.

The Bank's employees illustrated with real RMB notes and guided the workers through the leaflets. Anti-counterfeit features for different denominations, such as watermark, safety line, colour-changing ink, were explained in detail, and real and fake RMB notes were compared to show how to identify counterfeit currency using the three-step method (First, turn the RMB note around; second, touch it; third, allow light to pass through it and then look at it).

Sessions on RMB-related laws were integrated to explain the authorities' measures against merchants who reject RMB notes and how to use RMB patterns legally and report crimes involving counterfeit RMB notes, to enhance the legal awareness of migrant workers.

Typical cases were analysed to improve the workers' awareness and illustrate the common methods used to trap victims of counterfeit currency frauds. This publicity campaign by Wanzhou Branch lasted for 4 days, during which more than 300 copies of publicity leaflets were distributed to an audience of more than 100, and which was highly spoken of by the migrant workers.



Anti-counterfeit currency campaign

Supplier classification

- According to service differences, suppliers were divided into engineering suppliers, product suppliers and service suppliers.

Supplier admission

- During supplier admission, the Bank preliminarily identified their environmental and social risks to make sure that suppliers had good business reputation and sound financial accounting systems, they had a good track record of tax payments and social security contributions, they were not ordered to suspend their business and their business licenses were not temporarily confiscated or revoked, they were not being wound up or declared bankrupt or in any other situation where they could not perform their contractual obligations, and they were not operating in industries categorised as "high pollution, high energy consumption or overcapacity".

Supplier assessment and selection

- When inviting suppliers for specific projects, we defined unified standards for supplier review and screening, and conducted big data-driven checks on them, with a focus on information such as administrative penalties, business abnormalities, serious violations of laws and issues of credibility, major tax violations, and serious violations of laws.
- Second, in the bidding documents, we required that the bidders had not been ordered to suspend production or business, their business licenses had not been suspended or revoked, and they had not entered liquidation procedures, been declared bankrupt, or been facing other issues that prevented them from performing contracts. The Bank has defined Ten Prohibitions for suppliers participating in our procurement projects. Any bidder who is found to have colluded with other bidders and provided false information will be disqualified, even if it has won the project.
- In terms of contract performance, we checked the contract performance ability of the winning bidders, including whether there were major changes in business and financial conditions, or whether there were illegal acts.

Supplier exit

- The Bank has established a supplier assessment and evaluation mechanism, developed assessment indicators, and defined the evaluation process. The Bank implements dynamic management of the supplier base to identify any supplier which has been subject to penalties imposed by relevant government departments due to poor environmental and social risk management. Any suppliers that are detrimental to the Bank's interests and image are replaced and removed from the supplier base in a timely manner. Any supplier who is found to have colluded with other bidders and provided false information will be disqualified, even if it has won the project, and will be blacklisted

Supplier Management

The Bank formulated the Chongqing Rural Commercial Bank Procurement Management Measures, the Working Rules of Bulk Materials Procurement Management Committee of Chongqing Rural Commercial Bank, and Detailed Rules for the Implementation of Supplier Management of Chongqing Rural Commercial Bank, clarified the basic requirements of ensuring quality and prioritising energy-conservative and environment-friendly products, abided by the supplier management principles of "unified leadership, collective decision-making, strict admission, dynamic management, and mutual supervision", implemented the principle of internal resources sharing and prioritising suppliers in the supplier database as well as suppliers with energy-conservative and environment-friendly products, adhered to the principles of openness, fairness and impartiality, established a supplier admission, assessment, and exit mechanism, and clarified the requirements and standards for supplier admission and exit, so as to implement the green finance development concept.

Number and Distribution of Suppliers

Indicator	As at 31 December 2024
Number of major suppliers	597
Number of suppliers in Chinese Mainland	597
Suppliers from Hong Kong SAR, Macao SAR, and Taiwan region	0
Number of overseas suppliers	0
Number of suppliers who have completed environmental and social risk assessment	597
Review coverage rate of suppliers for central procurement	100%
Number of supplier social responsibility training sessions	12

# Comprehensive Risk Management >>>

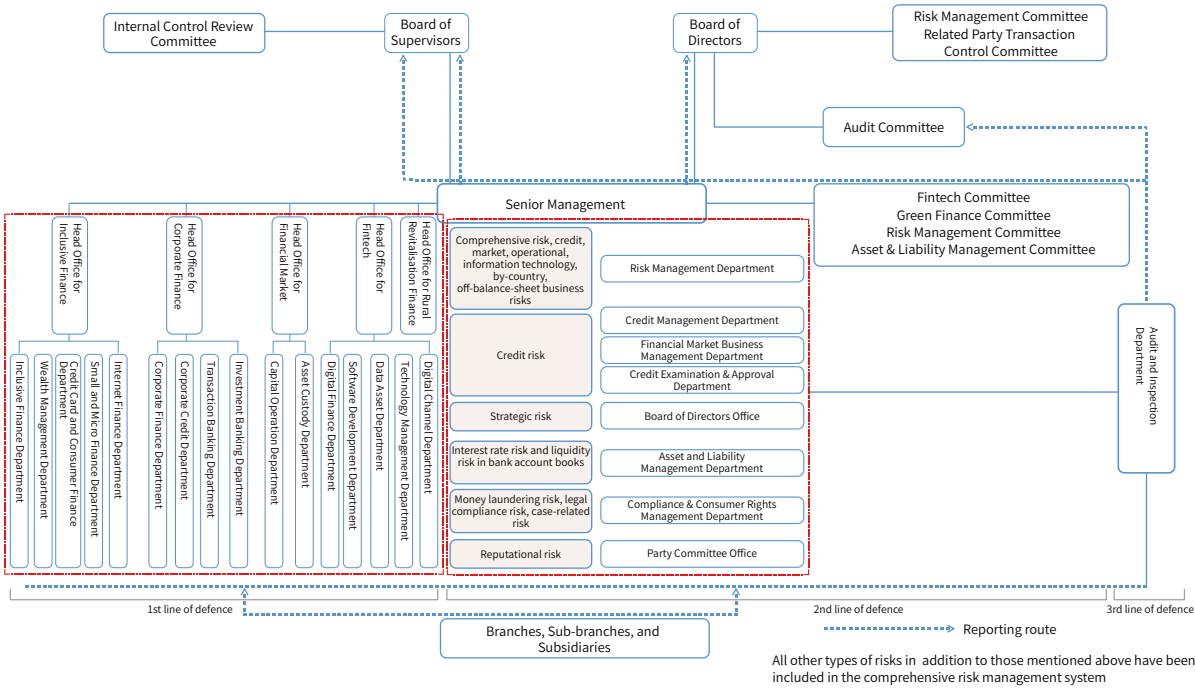
In 2024, the Bank improved its comprehensive risk management system and continued to build risk management capabilities based on regulatory requirements, the macroeconomic situation and market environment, as well as its development strategy and risk appetite, effectively ensuring the soundness and robustness of its operations.

## Risk Management Governance Structure

The Bank formulated Chongqing Rural Commercial Bank’s Internal Control Management Framework, the Basic Risk Management System of Chongqing Rural Commercial Bank and other systems and established a risk management and internal control framework with a sound organisational structure and well-defined responsibilities and reporting procedures. The Board of Directors is responsible for the establishment, improvement and effective implementation of risk management and internal control management systems; The Board of Supervisors supervises the establishment and implementation of risk management and internal control by the Board of Directors and senior management; Senior management is responsible for bank-wide day-to-day operations in relation to risk management and internal control.

### Organisational structure for risk management

The Bank’s organisational structure for comprehensive risk management consists of the Board of Directors, the Board of Supervisors, senior management and their authorised specialised committees, the risk management department of the head office, other relevant functional departments, the audit department, and branches and subsidiaries.



Risk Management Organisation Structure

## Risk Management System Building

The Bank continued to improve its comprehensive risk management system, move in line with new regulatory requirements, promote the implementation of new regulations such as the Measures for the Classification of Financial Assets Risks of Commercial Banks, the Measures for the Management of Operational Risks of Banking and Insurance Institutions, the Measures for Capital Management of Commercial Banks across the Bank, formulated the Implementation Rules for External Credit Rating Agency Management, revised the Measures for the Classification of Financial Assets Risks and the operating procedures, the Measures for the Management of Non-credit Asset Risk Classification and the operating procedures, the Measures for the Management of Operational Risks, and the Detailed Implementation Rules for the Division of Transaction Books and Banking Books to further optimise systems for comprehensive risk management.

The Bank has set up three lines of defence for risk management consisting of business units, risk management related functions, and the internal audit department.

### 1st line of defence

- Business units are directly responsible for risk management. They should effectively control customer access, actively identify, assess and manage risks in business operations and processes, monitor and report risk points, take timely actions to address weaknesses, so as to keep risks related to their own operations under control.

### 2nd line of defence

- Risk management related functions formulate risk management systems, provide methods, tools, processes, training and guidance for the first line of defence for risk management purposes, independently monitor, evaluate and report risk profiles, issue timely warnings to business departments, propose improvement recommendations and follow up to build a closed-loop of “risk monitoring and identification - warning and reporting - follow-up”.

### 3rd line of defence

- The internal audit department is responsible for auditing the performance of the first and second lines of defence in risk management, and conducting objective and independent supervision, audit, evaluation and reporting on the effectiveness of risk management.





Progress in Risk Prevention and Management

Credit risk stress testing

In 2024, the Bank improved the design of credit risk stress testing scenarios, expanded the coverage of stress tests, took full account of the impact of concentration risk, regularly carried out credit risk stress tests and reported relevant findings. The Bank's capital adequacy ratio met regulatory requirements under the severe stress scenario.

Off-balance-sheet limit management

The Bank established a limit management system for off-balance-sheet activities that bear credit risks. While incorporating such activities into large exposure concentration management, the Bank added further variety to limit indicators based on actual circumstances, and regularly carried out monitoring.

At the same time, the Bank evaluates risk management by functional departments, branches, and subsidiaries every year to assess levels of inherent risks and the departments' overall risk management capabilities. In 2024, the Bank printed and distributed the annual Risk Management Assessment Plan and optimised the weightings of indicators based on actual operations and management to guide branches to focus on risk management in key areas.

Risk Culture Building

The Bank adheres to a risk-based, capital-constrained approach to risk management, promotes a sound risk culture, and encourages employees to acquire an understanding of and implement the Bank's policies through training, evaluation, supervision, and other mechanisms. In 2024, the Bank organised special training sessions on risk management for branches and subsidiaries, which took actual management practices into consideration and focused on the expected credit loss method, operational risk management and other key areas to strengthen team building and improve the Bank's risk management capabilities.



Case

Special training on risk management for branches

In the first half of 2024, the Bank organised special training on risk management, with nearly 130 participants, including heads of risk management departments and key business development personnel at branches across the Bank.

The Head Office decided on the training courses based on key focuses for business lines and new regulations, including risk classification, authorisation management, internal assessment for non-retail business and impairment management. Each course not only covered relevant new regulatory requirements, the Head Office's systems, and key points to focus on in practice, which employees should know and understand, but also elaborated on the risk landscape under the new normal. At the same time, it also highlighted findings from relevant inspections and emphasised the importance of "learning for application". In order to promote exchanges between branches, some of them shared their risk management experience and practices on site. At the end of the training session, the Head Office organised an assessment.

Through this training session, employees under various lines of defence have deepened their understanding of changes in the current operation, risk and regulatory landscape, enhanced their knowledge and skills, defined the key tasks for the next stage, which contributed to further refining compliance and risk management across the Bank.

Special training on risk management



# PROSPECTS FOR THE FUTURE



The year 2025 marks the end of the 14th Five-Year Plan, and in the year, we will need to get prepared for the 15th Five-Year Plan. Under the guidance of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, the Bank will comprehensively implement the spirit of the 20th CPC National Congress and the Second and Third Plenary Sessions of the 20th CPC Central Committee, continue to adopt a people-centric approach, focus on serving the real economy and the people's livelihood as our top priority, actively implement our development strategy built on "retail banking, technology, and talent", and our integrated development system with four pillars in order to achieve our goal of "leading in rural banking and catching up in urban areas", contribute to the local government's reform targets of "leading in the west, moving up in national ranking and making Chongqing more visible", and make every effort to do a good job in the Five Key Areas.

## Economy

The Bank will continue to provide financial support for the real economy, increase credit support for small and micro enterprises, tech and innovative enterprises, and those engaged in rural revitalisation, and help enterprises drive savings and efficiency; promote structural transformations across industries, vigorously support the development of new quality productive forces, and help tech and innovative enterprises grow; actively participate in major local projects and inject vitality into regional economic development.

## Environment

The Bank will deepen its green finance practices, expand the scale of green credit, and continue to support clean energy, energy conservation and emission reduction and environmental protection projects; step up its own energy conservation and emission reduction efforts, promote the concept of green office to reduce its carbon footprint, and contribute to China's carbon goals.

## Society

The Bank will continue to fulfil its social responsibilities, focus on the people's well-being and social development, deepen inclusive financial services, and empower rural revitalisation; provide support for educational programmes, support the weak and relieve the poor and engage in public welfare activities in communities, encourage employees to volunteer and give back to the society; strengthen the protection of customers' rights and interests, improve service quality, ensure the security of customers' information, and provide customers with more high-quality and convenient financial services.

## Governance

The Bank will further strengthen risk management and compliance in operations, improve its corporate governance structure and ensure sound and transparent decision-making; optimise its risk management systems, carry out regular risk assessments and compliance inspections to safeguard against financial risks; strengthen training for employees to improve their compliance awareness, and ensure steady and robust operations; promote digital transformation, and leverage financial technology to improve our governance efficiency and risk management capabilities.

Through the journey is long and difficult, we will make it to the end with persistent efforts. In the new year, the Bank will comprehensively implement the new development philosophy, deepen reforms, optimise financial services, work hard to address practical matters related to the people's livelihood so that the public can benefit more equitably from China's modernisation, and we will strive to play our part in China's development into a socialist modern power.





Key Performance Information

Performance Indicators	2022	2023	2024
Total assets (RMB hundred million) ※	13,518.61	14,410.82	15,149.42
Net profit (RMB hundred million) ※	104.78	111.25	117.89
Total Equity (RMB hundred million) ※	1,150.16	1,235.02	1,336.09
Average return on assets (%) ※	0.80	0.80	0.80
Book balance of customer loans and advances (RMB hundred million) ※	6,326.77	6,767.11	7,142.73
Non-performing loan ratio (%) ※	1.22	1.19	1.18
Provision coverage (%) ※	357.74	366.70	363.44
Capital adequacy ratio (%) ※	15.62	15.99	16.12
Green credit loans balance <sup>2</sup> (RMB hundred million)	487.15	619.82	732.19
Agriculture-related loans balance <sup>3</sup> (RMB hundred million)	2,127.08	2,297.62	2,416.30
Balance of inclusive financial loans to smalland micro enterprises <sup>4</sup> (RMB hundred million)	1,130.38	1,285.16	1,399.29
Total number of employees (persons)	14,760	14,590	14,111
Proportion of female employees (%)	46.79	47.23	47.21
Number of training sessions	2,049	2,098	1,469
Customer Satisfaction of Consumer Complaint Handling (%)	97.58	86.07	83.51
Number of handled customer complaint	1,541	1,615	1,662
Number of institutions	1,755	1,751	1,743
Number of outlets located in counties	1,450	1,447	1,441
Number of self-service machines	6,395	6,311	6,175
E-channel transaction ratio ※	97.14	97.53	97.75
Number of online banking customers (ten thousand) ※	327.44	327.92	328.40

1. Except for those ended with “※”, all the figures in this table are under the scope of the Bank.

2. The statistics of green credit loans are based on the revised statistical system of the Notice of the People's Bank of China on the Revision of the Special Statistical System for Green Loans (Yinfa [2019] No. 326).

3. The "Notice of the People's Bank of China on Matters Related to Financial Statistics of Financial Institutions in 2024" (Yinfa [2024] No. 1) and the "Notice of the Department of Survey and Statistics of the People's Bank of China on Issuing the Revised Contents of Financial Statistics for Financial Institutions in 2024" (Yintiaofa [2024] No. 2) have revised the criteria for dividing rural and urban areas for agricultural-related loans and other contents. The revised contents for the special statistics of agricultural-related loans will be implemented starting from the submission in July 2024 of data at the end of June 2024.

4. According to the Notice of the General Office of the China Banking and Insurance Regulatory Commission on Further Promoting the High-quality Development of Financial Services for Small and Micro Enterprises 2021, since 2021, the regulatory assessment criteria of "two increases" of inclusive small and micro enterprise loans do not include data related to bill discount and transfer discount, and the data in 2021 is not comparable with the data in previous years.

Appendix1:

HKEX ESG Guide Content Index

Aspect	Contents	Disclosure Location
Mandatory Disclosure Requirements		
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board’s oversight of ESG issues; (ii) the board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses.	Board of Directors Statement
Reporting principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement. Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	Declaration

Aspect	Contents	Disclosure Location
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	Declaration
<b>“Comply or explain” Provisions</b>		
<b>A. Environment</b>		
Aspect A1: Emissions	General Disclosure Information on: (a)the policies; and (b)compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	Exploring Green Operations
	A1.1 The types of emissions and respective emissions data.	2024 Environmental Performance Indicators
	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).	2024 Environmental Performance Indicators
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2024 Environmental Performance Indicators
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2024 Environmental Performance Indicators
	A1.5 Description of emission target(s) set and steps taken to achieve them.	2024 Environmental Performance Indicators

Aspect	Contents	Disclosure Location
Aspect A1: Emissions	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.	2024 Environmental Performance Indicators
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Exploring Green Operations
	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	2024 Environmental Performance Indicators
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	2024 Environmental Performance Indicators
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Exploring Green Operations
	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.	Exploring Green Operations
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer’s significant impacts on the environment and natural resources.	Exploring Green Operations
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Exploring Green Operations
Aspect A4: Climate Change	General Disclosure Policies on identifying and addressing major climate-related issues that have already had or may have an impact on the issuer.	Addressing Climate Change



Aspect	Contents	Disclosure Location
Aspect A4: Climate Change	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.	Addressing Climate Change
<b>B. Social</b>		
<b>Employment and Labour Practices</b>		
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) 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.	Protecting the Rights and Interests of Employees according to Laws
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Protecting the Rights and Interests of Employees according to Laws
	B1.2 Employee turnover rate by gender, age group and geographical region.	Protecting the Rights and Interests of Employees according to Laws
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) 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.	Guaranteeing the Safety and Health of Employees
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Guaranteeing the Safety and Health of Employees
	B2.2 Lost days due to work injury.	Guaranteeing the Safety and Health of Employees
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Preventing Financial Crimes

Aspect	Contents	Disclosure Location
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Continuously Promoting Talent Development
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Continuously Promoting Talent Development
	B3.2 The average training hours completed per employee by gender and employee category.	Continuously Promoting Talent Development
Aspect B4: Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Protecting the Rights and Interests of Employees according to Laws
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	Protecting the Rights and Interests of Employees according to Laws
	B4.2 Description of steps taken to eliminate such practices when discovered.	Protecting the Rights and Interests of Employees according to Laws
<b>Operating Practices</b>		
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	Supplier Management
	B5.1 Number of suppliers by geographical region.	Supplier Management
	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.	Supplier Management
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supplier Management

Aspect	Contents	Disclosure Location
Aspect B5: Supply Chain Management	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supplier Management
Aspect B6: Product Responsibility	General Disclosure Information on: (a) the policies; and (b) 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.	Improving customer experience
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
	B6.2 Number of products and service related complaints received and how they are dealt with.	Protecting the Rights and Interests of Customers
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	Intellectual property protection
	B6.4 Description of quality assurance process and recall procedures.	Not applicable
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Protecting the Rights and Interests of Customers
Aspect B7: Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Preventing Financial Crimes Anti-corruption Anti-money Laundering
	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.	Preventing Financial Crimes Anti-corruption Anti-money Laundering
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Preventing Financial Crimes Anti-corruption Anti-money Laundering

Aspect	Contents	Disclosure Position
Aspect B7: Anti-corruption	B7.3 Description of anti-corruption training provided to directors and staff.	Preventing Financial Crimes Anti-corruption Anti-money Laundering
Community		
Aspect B8: Community Investment	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.	Practising social responsibility Driving rural revitalisation
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Practising social responsibility Driving rural revitalisation
	B8.2 Resources contributed (e.g. money or time) to the focus area.	Practising social responsibility Driving rural revitalisation





Appendix2:

GRI Content Index

Instructions	Chongqing Rural Commercial Bank Co., Ltd. reported the information in this GRI Content index with reference to GRI standards from January 1, 2024 to December 31, 2024.	
Used GRI 1	GRI 1 Foundation 2021	

GRI Standards	Disclosure Contents	Location
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GRI 1 Foundation

1 Foundation 2021	Report basis, including publishing GRI content index, providing instructions for use, etc	Declaration
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GRI 2 General disclosure 2021

Organization and its reporting practices

2-1	Organisational details	About us
2-2	Entities included in the organisation’ s sustainability reporting	About This report
2-3	Reporting period, frequency and contact point	About This report
2-4	Restatements of information	The Bank has no such disclosure
2-5	External assurance	Independent Limited Assurance Report

Activities and workers

2-6	Activities, value chain and other business relationships	Optimising Governance Structure
2-7	Employees	Growing Together with Our Employees
2-8	Workers who are not employees	Growing Together with Our Employees

Governance

2-9	Governance structure and composition	Optimising Governance Structure
2-10	Nomination and selection of the highest governance body	Optimising Governance Structure
2-11	Chair of the highest governance body	Optimising Governance Structure

GRI Standards	Disclosure Contents	Location
Governance		
2-12	Role of the highest governance body in overseeing the management of impacts	Optimising Governance Structure
2-13	Delegation of responsibility for managing impacts	Optimising Governance Structure
2-14	Role of the highest governance body in sustainability reporting	Optimising Governance Structure Managing Information Disclosure
2-15	Conflicts of interest	Stakeholder Engagement
2-16	Communication of critical concerns	Stakeholder Engagement Communication with Investors
2-17	Collective knowledge of the highest governance body	ESG strategy and management
2-18	Evaluation of the performance of the highest governance body	Please refer to 2024 Annual Report
2-19	Remuneration policies	Please refer to 2024 Annual Report
2-20	Process to determine remuneration	Please refer to 2024 Annual Report
2-21	Annual total compensation ratio	Please refer to 2024 Annual Report
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	ESG strategy and management
2-23	Policy commitments	The Bank has no such disclosure
2-24	Embedding policy commitments	The Bank has no such disclosure
2-25	Processes to remediate negative impacts	The Bank has no such disclosure
2-26	Mechanisms for seeking advice and raising concerns	The Bank has no such disclosure
2-27	Compliance with laws and regulations	ESG strategy and management
2-28	Membership associations	The Bank has no such disclosure
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Stakeholder Engagement
2-30	Collective bargaining agreements	The Bank has no such disclosure

GRI Standards	Disclosure Contents	Location
GRI3 Material Topics 2021		
3-1	Process to determine material topics	Analysis of material issues
3-2	List of material topics	Analysis of material issues
3-3	Management of material topics	Analysis of material issues
GRI 201 Economic Performance 2016		
201-1	Direct economic value generated and distributed	Please refer to 2024 Annual Report
201-2	Financial implications and other risks and opportunities due to climate change	Addressing Climate Change
201-3	Defined benefit plan obligations and other retirement plans	Please refer to 2024 Annual Report
201-4	Financial assistance received from government	Please refer to 2024 Annual Report
GRI 202 market performance 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	The Bank has no such disclosure
202-2	Proportion of senior management hired from the local community	The Bank has no such disclosure
GRI 203 Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Serving China’ s National Strategies
203-2	Significant Indirect Economic Impacts	ECONOMY: DELVING INTO PRINCIPAL BUSINESS TO EMPOWER ECONOMIC DEVELOPMENT
GRI204 Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	The Bank has no such disclosure
GRI205 Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Strengthening Internal Control and Compliance
205-2	Communication and training about anti-corruption policies and procedures	Strengthening Internal Control and Compliance
205-3	Confirmed incidents of corruption and actions taken	The Bank has no such disclosure

GRI Standards	Disclosure Contents	Location
GRI206 Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	The Bank has no such disclosure
GRI207 Tax 2019		
207-1	Approach to tax	Please refer to 2024 Annual Report
207-2	Tax governance, control, and risk management	Please refer to 2024 Annual Report
207-3	Stakeholder engagement and management of concerns related to tax	Please refer to 2024 Annual Report
207-4	Country-by-country reporting	The Bank has no such disclosure
GRI301 Materials 2016		
301-1	Materials used by weight or volume	The Bank's products are only financial products and do not apply to this indicator
301-2	Recycled input materials used	The Bank's products are only financial products and do not apply to this indicator
301-3	Reclaimed products and their packaging materials	The Bank's products are only financial products and do not apply to this indicator
GRI 302 Energy 2016		
302-1	Energy consumption within the organisation	Promoting green operations
302-2	Energy consumption outside of the organisation	Promoting green operations
302-3	Energy intensity	Promoting green operations
302-4	Reduction of energy consumption	Promoting green operations
302-5	Reductions in energy requirements of products and services	The Bank has no such disclosure
GRI 303 Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Promoting green operations



GRI Standards	Disclosure Contents	Location
303-2	Management of water discharge-related impacts	The Bank's products are only financial products and do not apply to this indicator
303-3	Water withdrawal	The Bank's products are only financial products and do not apply to this indicator
303-4	Water discharge	The Bank's products are only financial products and do not apply to this indicator
303-5	Water consumption	The Bank's products are only financial products and do not apply to this indicator
GRI 304 Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The Bank has no relevant operations
304-2	Significant impacts of activities, products, and services on biodiversity	Biodiversity conservation
304-3	Habitats protected or restored	The Bank has no relevant operations
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	The Bank has no relevant operations
GRI 305 Emissions 2016		
305-1	Direct (Scope 1) greenhouse gas emissions	Promoting green operations
305-2	Indirect (Scope 2) greenhouse gas emissions	Promoting green operations
305-3	Other indirect (Scope 3) GHG emissions	Promoting green operations
305-4	GHG emissions intensity	Promoting green operations
305-5	Reduced greenhouse gas (GHG) emissions	Promoting green operations

GRI Standards	Disclosure Contents	Location
305-6	Emissions of ozone-depleting substances (ODS)	The Bank has no such disclosure
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Promoting green operations
GRI 306 Waste 2020		
306-1	Waste generation and significant waste-related impacts	Promoting green operations
306-2	Management of significant waste related impacts	Promoting green operations
306-3	Waste generated	Promoting green operations
306-4	Waste diverted from disposal	The Bank has no such disclosure
306-5	Waste diverted to disposal	The Bank has no such disclosure
GRI 308 Supplier Environmental Assessment 2016		
307-1	New suppliers that were screened using environmental criteria	Supplier Management
307-2	Negative environmental impacts in the supply chain and actions taken	Supplier Management
GRI 401 Employment 2016		
401-1	New employee hires and employee turnover	Growing Together with Our Employees
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Growing Together with Our Employees
401-3	Parental leave	Growing Together with Our Employees
GRI 402 Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	The Bank has no such disclosure
GRI 403 Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Guaranteeing the Safety and Health of Employees
403-2	Hazard identification, risk assessment, and incident investigation	Guaranteeing the Safety and Health of Employees
403-3	Occupational health services	Guaranteeing the Safety and Health of Employees

GRI Standards	Disclosure Contents	Location
403-4	Worker participation, consultation, and communication on occupational health and safety	Guaranteeing the Safety and Health of Employees
403-5	Worker training on occupational health and safety	Guaranteeing the Safety and Health of Employees
403-6	Promotion of worker health	Guaranteeing the Safety and Health of Employees
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Guaranteeing the Safety and Health of Employees
403-8	Workers covered by an occupational health and safety management system	The Bank has no such disclosure
403-9	Work-related injuries	Guaranteeing the Safety and Health of Employees
403-10	Work-related ill health	The Bank has no such disclosure
GRI 404 Training and Education 2016		
404-1	Average hours of training per year per employee	Growing Together with Our Employees
404-2	Programs for upgrading employee skills and transition assistance programs	Growing Together with Our Employees
404-3	Percentage of employees receiving regular performance and career development reviews	Growing Together with Our Employees
GRI 405 Diversity and Equal Opportunity 2016		
405-1	Governance Body and Employee Diversity	Growing Together with Our Employees
405-2	Ratio of basic salary and remuneration of women to men	Security restriction
GRI 406 Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	The Bank has no such disclosure
GRI 407 Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	The Bank has no such disclosure
GRI 408 Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	The Bank has no such disclosure

GRI Standards	Disclosure Contents	Location
GRI 409 Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	The Bank has no such disclosure
GRI 410 Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	The Bank has no such disclosure
GRI 411 Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	The Bank has no such disclosure
GRI 413 Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Practising social responsibility Driving rural revitalisation
413-2	Operations with significant actual and potential negative impacts on local communities	The Bank has no relevant operations.
GRI 414 Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Supplier Management
414-2	Negative social impacts in the supply chain and actions taken	Supplier Management
GRI 415 Public Policy 2016		
415-1	Political contributions	The Bank has no such disclosure
GRI 416 Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	The Bank's products are only financial products and do not apply to this indicator
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	The Bank's products are only financial products and do not apply to this indicator
GRI 417 Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Protecting the Rights and Interests of Customers



GRI Standards	Disclosure Contents	Location
417-2	Incidents of non-compliance concerning product and service information and labeling	The Bank has no such disclosure
417-3	Incidents of non-compliance concerning marketing communications	The Bank has no such disclosure
GRI 418 Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	The Bank has no such disclosure



Appendix3:

Independent Limited Assurance Report

KPMG Huazhen Tong Zi No. 2500088

To the Board of Directors of Chongqing Rural Commercial Bank Co., Ltd.

Report on Selected Information in the 2024 Corporate Social Responsibility & ESG Report (hereafter referred to as the “CSR Report”) of Chongqing Rural Commercial Bank Co., Ltd.

Conclusion

We have performed a limited assurance engagement on the following key performance information in the CSR Report of Chongqing Rural Commercial Bank Co., Ltd. (hereafter referred to as the “Bank”) as of and for the year ended 31 December 2024 (hereafter referred to as the “Assured KPI”):

The Assured KPI	Point in time of period subject to assurance
Green credit loans balance (RMB hundred million)	As of 31 December 2024
Agriculture-related loans balance (RMB hundred million)	As of 31 December 2024
Balance of inclusive financial loans to small and micro enterprises (RMB hundred million)	As of 31 December 2024
Total number of employees (persons)	As of 31 December 2024
Proportion of female employees (%)	As of 31 December 2024
Number of training sessions	For the year ended 31 December 2024
Customer Satisfaction of Consumer Complaint Handling (%)	For the year ended 31 December 2024
Number of consumer complaints handled	For the year ended 31 December 2024
Number of institutions	As of 31 December 2024
Number of outlets located in counties	As of 31 December 2024
Number of self-service machines	As of 31 December 2024

## Conclusion (Continued)

The Assured KPI (Continued)	Point in time of period subject to assurance (Continued)
Purchased electricity power consumption of the Head Office (MWh)	For the year ended 31 December 2024
Daily water consumption of the Head Office (tons)	For the year ended 31 December 2024
E-channel transaction ratio (%)	For the year ended 31 December 2024
Number of online banking customers (ten thousand)	As of 31 December 2024

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Assured KPI of the Bank’s CSR Report has not been prepared, in all material respects, in accordance with the standards set out in the Appendix: Basis of Preparation of the KPI (the "Basis of Preparation") to this report.

Our conclusion on the Assured KPI does not extend to any other information that accompanies or contains the assured sustainability information and our report (hereafter referred to as “other information”). We have not performed any procedures as part of this engagement with respect to the other information.

## Basis for conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under this standard are further described in the " Our responsibilities " section of our Report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Restriction on use

This report is made solely to you, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Our conclusion is not modified in respect of this matter.

## Responsibility for the Assured KPI

The directors of the Bank are responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Assured KPI that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparation the Assured KPI and making appropriately referring to or describing the criteria used;
- and prepare the Assured KPI in accordance with the Basis of Preparation.

## Inherent limitations

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

## Our Responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Assured KPI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained;
- and reporting our conclusion to the Board of Directors of Bank.

### Summary of the work we have performed as a basis for forming our conclusions

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Assured KPI that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Assured KPI and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

1. Interviewing with relevant departments of the Bank involved in providing information for the Assured KPI within the CSR Report, and inquiries about how the Assured KPI were collected and summarised and about the logics and methods underlying the retrieval of data from relevant systems or manual data retrieval procedures;
2. Implementing analytical procedures for the Assured KPI within the CSR Report
3. Carrying out sampling inspection on the Assured KPI within the CSR Report and verify the samples against the Bank’s relevant internal documents or publicly available information disclosed to regulators;
4. Performing recalculation of the totals or related results for Assured KPI within the CSR Report

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



Appendix4:

## Basis of Preparation of the KPI

### Green credit loans balance (RMB hundred million):

Refer to the loan balances of total investment on energy-saving and environmental protection, cleaner production, clean energy, ecosystem, green upgrade of infrastructure and green service fields of Chongqing Rural Commercial Bank Co., Ltd. (including all branches, sub-branches, excluding village Banks) as of 31 December 2024.

### Agriculture-related loans balance (RMB hundred million):

Refer to the balances of various agriculture-related loans as of 31 December 2024 calculated based on regulatory criteria and denominated in RMB & foreign currencies of Chongqing Rural Commercial Bank Co., Ltd. (including all branches, sub-branches, excluding village Banks), including the balances of farmer’ s loans, balances of rural business & various organization loans, balances of urban business & various organization agriculture-related loans and balances of non-farming personal loans of agriculture, forestry, animal husband-ry & fishery.

### Balance of inclusive financial loans to small and micro enterprises (RMB hundred million) :

Refer to small & micro enterprise loan balances of Chongqing Rural Commercial Bank Co., Ltd. (including all branches, sub-branches, excluding village Banks) as of 31 December 2024 calculated based on regulatory criteria, namely the balance of small and micro businesses loans with an individual credit value totalling RMB 10 million or less (exclude balance of bill discount and transfer discount), including the inclusive financial loan balances of small & micro enterprise legal person, inclusive financial operating loan balances of individual businesses and small &micro business owners. The enterprises are categorized according to the Standard for the Classification of Small and Medium-size Enterprises (Ministry of Industry and Information Technology).

### Total number of employees (persons):

Refer to the total number of employees ) as of 31 December 2024 signing full-time labour contracts with Chongqing Rural Commercial Bank Co., Ltd., including on-the-job employees, probationary employees, long-term sick leave and industrial injury employees, excluding dispatched employees.

### Proportion of female employees (%):

Refer to the proportion of female employees ) as of 31 December 2024 signing a full-time labour contract with Chongqing Rural Commercial Bank Co., Ltd. to the total number of employees.

### Number of training sessions:

Refer to the total number of various training sessions organized by Chongqing Rural Commercial Bank Co., Ltd. for the year ended 31 December 2024.

## Basis of Preparation of the KPI (Continued)

### Consumer complaints handling satisfaction rate (%):

Refer to the proportion of the number of consumer complaints evaluated as “satisfaction” to the total number of evaluated consumer complaints handled by Chongqing Rural Commercial Bank Co., Ltd. for the year ended 31 December 2024.

### Number of handled consumer complaints:

Refer to the number of customer complaints received and handled by Chongqing Rural Commercial Bank Co., Ltd. through the regulatory transfer, customer service centre, the Head Office departments and branches for the year ended 31 December 2024.

### Number of institutions:

Refer to the number of institutions (with their financial licenses in favour of Chongqing Rural Commercial Bank Co., Ltd.) which have been in official operation, including Qujing Branch and its sub-branches, excluding the business outlets of all village Banks held by the Group as of 31 December 2024.

### Number of outlets located in counties:

Refer to the total number of outlets of Chongqing Rural Commercial Bank Co., Ltd., which have obtained financial licenses and located outside main urban area of the Chongqing municipality, as of 31 December 2024.

### Number of self-service machines:

Refer to the total number of operating ATMs, self-service cash recycling systems (CRSs) and self-inquiry terminals in all branch offices (excluding village Banks) of Chongqing Rural Commercial Bank Co., Ltd. as of 31 December 2024.

### Purchased electricity power consumption of the Head Office (MWh):

Refer to total electricity power consumption of the Head Office of Chongqing Rural Commercial Bank Co., Ltd., for the year ended 31 December 2024, including the purchased electricity power consumption of Chongqing Rural Commercial Bank Tower, Tong Chuang office area, Erlang office area and Yuzu data centre.

### Daily water consumption of the Head Office (tons):

Refer to total water consumption of the Head Office of Chongqing Rural Commercial Bank Co., Ltd., for the year ended 31 December 2024, including the daily water consumption of Chongqing Rural Commercial Bank Tower, Tong Chuang office area, Erlang office area and Yuzui data centre.

# Basis of Preparation of the KPI (Continued)

## E-channel transaction ratio (%):

Refer to the ratio of the number of electronic channel accounting transactions to the total number of transactions of Chongqing Rural Commercial Bank Co., Ltd. for the year ended 31 December 2024.

## Number of online Banking customers (ten thousand):

Refer to the number of customers accessing the function of online Banking as of 31 December 2024, including both corporate and individual users of Chongqing Rural Commercial Bank Co., Ltd.

# Feedback from Readers

Thank you for reading the 2024 Corporate Social Responsibility & ESG Report of the Bank. To provide more valuable information for you and other stakeholders and improve the Bank’s capabilities for corporate social responsibilities, we would like to hear from you regarding this report. You can contact us via the following:

**Tel:**

023-61110853

**E-mail:**

cqrcb@cqrcb.com

**Address:**

36 Jinshamen Road, Jiangbei District, Chongqing

**Postal Code:**

400023

**contact:**

Office of the Board of Directors of Chongqing Rural Commercial Bank Co., Ltd.

## 1. Which type of stakeholder do you belong to?

- A.Government and Regulatory Bodies B Peers and Industry Associations
- B.Peers and Industry Associations
- C.Shareholders and Investors
- D.Customers
- E.Suppliers and Partners
- F.Not-profit Organizations, Charities or Community Organizations
- G.Directors and Management
- H.Employees

## 2. Do you think the report has fully covered what you expected of the Bank?

- A.Yes
- B. No(please provide the details)



3. Do you think the Bank has responded in a satisfactory manner to your expectations?

A.Yes                      B.No (please provide the details)

4. Do you think the report is presented in a way that is easy to read?

A.Very Convenient    B.Convenient            C. Average                D. Not Convenient

5. What are your views and your suggestions for the Bank concerning the Bank’s social responsibilities or the report itself?

CQRCBank

CHONGQING RURAL COMMERCIAL BANK

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