REPORT OF CORPORATE SOCIAL RESPONSIBILITY OF BANK OF CHONGQING

Environmental/Social/Governance
Chairman’s Address

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

Over the past year, we succeeded in carrying out the assignment and supporting the victory of the critical battle against the pandemic. We quickly responded to the tough tests, timely granted emergency loans to the epidemic prevention guarantee entities, and built up the invariable defense line to safeguard the life and health of our employees and clients. We fully secured the “Six Stabilization” and “Six Security”, in place, actively implemented the relief and beneficiary policies, supported micro and small private enterprises with preferential interests, and adopted diversified means to contribute to the work resumption of all walks of life.

Over the past we enhanced our capacity and improved clients’ “Sense of Gain” by financial services. The Bank concentrated on the development of inclusive finance and constantly resolved difficulties of difficult, costly and slow financing for the micro and small businesses and the agriculture, rural areas and peasants. In the critical battle against poverty, the Bank provides package products of poverty alleviation by credit loan, donation and consumption. Under the concept of green development, the Bank adopted the “Equator Principles”, diversified green service modes and better supported the sectors like energy conservation, environmental protection, clean energy and ecology governance. Focusing on the national major strategies, the Bank fully participated in the construction of Chengdu-Chongqing dual-city economic circle and the regional development. We upheld the philosophy of “Think Alike, Grow Together”, to create value and help clients succeed by our financial services of higher quality, efficiency and professionalism.

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

Over the past year, we worked hard to safeguard the baseline and strengthened the “firewall” for overall risk prevention and control. The Bank followed the requirements on preventing and mitigating major risks, strengthened overall risk management, and achieved balance among safety, liquidity and cost efficiency. The Bank persisted in the main principle of operation compliance, built overall risk prevention and control capacity, and reinforced intelligent risk control so that the credit approval and post-loan management got further improved and upgraded plus a good level of asset quality among the public listing banks. The Bank promoted corporate governance according to law, enhanced institutional construction, tightened the superintendence network and streamlined the internal control compliance system.

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

LIN JUN
Chairman of the Board of Directors
Bank of Chongqing Co., Ltd.
President’s Address

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

By the end of 2020, the Bank had total assets of CNY561.641 billion with a year-on-year increase of 12.1% the loan balance of CNY283.27 billion, up 16.5%, the deposit balance of CNY114.500 billion, up 11.9% and the annual net profit of CNY14.56 billion, up 5.7% plus only 1.27% of non-performing rate. All the major business indicators meet the regulatory requirements. During the period of the Thirteenth Five-year Plan, the Bank’s asset scale gained an accumulative growth of over 70% and the profitability increased by over 50%. The Bank continuously improved the asset quality, and maintained fast and robust growth of scale, performance and quality.

Combating the pandemic at full capacity for “Six Stability” and “Six Security”, the Bank holistically planned epidemic prevention and operation management, fully implemented the package financial policies on work resumption, developed over 30 measures for both epidemic prevention and work resumption, advanced “Four Optimized Services, Direct Access to Real Economy”, and totally granted CNY3.9 billion of dedicated refinancing fund. CNY2 billion special financial debt of microloan, CNY463 billion of inclusive finance credit loan to micro and small businesses and CNY4.28 billion of initial loan to micro and small businesses. Over the past year, the Bank transferred a portion of profit of CNY1.52 billion by various means to corporate entities.

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

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

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

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

RAN HAILING
President
Bank of Chongqing Co., Ltd.
STRATEGY

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

Remaining true to the origin and source: “Origin” refers to the real economy while “source” refers to the regional development. The Bank of Chongqing (hereinafter referred to as the Bank) assumes the mission of serving the real economy proactively gets involved in the development of national and regional strategies, remains true to the original aspiration with perseverance, adheres to the orientation of “serving local economy, serving micro and small businesses, serving urban and rural residents.”

Distinctive characteristics: The Bank goes deep into the distinctive and differentiated development, makes use of the resource endowment and market environment owned by “one municipality and three provinces”, advances reform and innovation in the aspects of product, channel, management, technology, mechanism, culture, talent, etc., provides optimized and featured services with enhanced support such as green finance, micro and small businesses finance, retail finance, culture and tourism finance, opening-up finance and green finance, and thus continuously improves the influence and competitiveness of products.

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

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

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

Corporate Culture Development

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

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

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

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

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

The Bank will make the entire training system more organized, pertinent and effective, and improves the headquarter-branch—sub-branch—branch three-tier hierarchical training system where the Head Office gives priority to the overall planning and training of senior talents. The concrete and practical systems of training courses and teaching staff will be established to meet the demand, and on the basis of overall strategic analysis, post-competency analyses and personal ability analyses, the “post-ability-training course” combined system will be created. A well-proven and efficient mechanism on selecting, training, certification, management and incentive of internal trainers will be set up to improve both quantity and quality of internal trainers. Developing the culture of internal teaching and training, and create a team of internal trainers with premium quality.

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

University of Bank of Chongqing

About University of Bank of Chongqing

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

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

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

Motto of University of Bank of Chongqing

Fun in Study • Fun in Sharing • Grow Together

Requirements on talent cultivation

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

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

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

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

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

--Lin Jun, Chairman, Bank of Chongqing Co., Ltd.
**SPECIAL TOPICS**

**Support to Epidemic Prevention and Control to Ensure “Six Stability” and “Six Security” in Place**

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

- **Bank of Chongqing Takes Action and Assumes Responsibility Proactively**
  - **Strengthening institutional guarantee**
    - The Bank developed serial policies such as Thirteen Measures to Support Micro and Small Businesses Survival the Hard Time, Twenty-two Measures to Support Work Resumption of Micro and Small Businesses, Eleven Measures to Support Development of Micro and Small Businesses and Nineteen Measures to Further Enhance Financial Services to Micro and Small Businesses, which ensured uninterrupted financial services and unchanged intensity during the pandemic period.
  - **Visiting and interconnecting proactively**
    - In light of the thematic activities of “100 Banks Support 10,000 Enterprises”, “100-Day Visit”, “100-Day Campaign of Care for Enterprises”, etc., the Bank conducted the financing connection activity for micro and small businesses, went deep into industrial parks and enterprises: face-to-face consultation of demand, and totally visited 5,000+ clients and 1,500+ enterprises engaged in epidemic prevention and supply guarantee. For the critical supply enterprises to guarantee epidemic prevention and the enterprises of work resumption, the Bank performed checklist management with one-on-one service so as to respond to their needs with optimal services as quickly as possible.
  - **Guaranteeing fund supply and financial service**
    - The Bank actively supported epidemic prevention and control via the inter-bank bond market. In Mar. 2020, the Bank issued an interbank negotiable certificate of deposit of CNY290 million dedicated to the fight against COVID-19 that all the funds raised were used to support the loans granted to the relevant enterprises. In Jul. 2020, the Bank subscribed CNY2.26 billion of special anti-epidemic treasury bonds that effectively supported the funding by the Ministry of Finance and contributed to the general planning of epidemic prevention and socioeconomic development.
    - The Bank took the initiative to meet the needs of foreign-exchange-related entities for cross-border financial service, effectively guaranteed 7*24 hours availability of cross-border settlement service for epidemic-related supplies, and provided more tailor-made services such as preferential exchange rate and exemption of bank’s service charge while ensuring efficiency and conveniance. In 2020, through the express channel of foreign exchange service, the Bank handled 64 cases of cross-border settlement and financing business valued USD22 million for more than 20 enterprises, mainly used to purchase masks and medical equipment.
  - **Improving service efficiency**
    - The Bank simplified the credit loan procedures, delegated the examination and approval authority to lower levels, established an express service channel, and uplifted approval efficiency by parallel operations, paperless approval, special authorization, etc., thus guaranteeing the efficient and accurate lending of credit fund.
    - The Bank also developed offline products to support epidemic prevention and control such as “Epidemic Prevention Loan” and “Relief Loan to Small Enterprises” with a total amount of CNY322 million and CNY1,308 million respectively. The “Expanding Coverage and Incremental Amount to Initial Loan” reinforced the loan support to the first-time borrowers. In 2020, the Bank supported 1,536 micro and small businesses gaining loans totaling CNY4.261 billion from the banking system. For the micro and small businesses with financing need after the maturity of loans, the Bank offered stronger support of non-repayment loan renewal. In 2020, CNY4.261 billion of non-repayment renewed loans were granted to 2,879 micro and small enterprises.
    - At the application end, users can get the loan service of “remote verification and online application” through various channels like mobile bank, WeChat Apps and mobile payment platform. The serial “Easy Loan” credit loans are featured with “online valuation, remote registration and self-served granting”. The quickest online registration can be completed within 2 hours while the loan is granted within the same day of application.
    - The Bank strictly prohibits any illegal charges in the process of loan collection and service, and proactively bears the mortgage valuation and registration charges for them. Based on the formation mechanism of lending market quotation rates, the Bank makes good use of the monetary policy tools such as targeted RRR cuts of inclusive finance and supported by the monetary policy tools of the People’s Bank of China. The policy benefited 2,292 micro and small businesses impacted by the pandemic.
    - The Bank also adopted the policies such as deferred repayment, reduction and exemption of interest and fees, and adjusted credit investigation by the People’s Bank of China for the individual clients impacted by the pandemic. Considering the actual situation of pandemic impacts, the Bank helped clients arrange repayment schedules rationally, and deferred their repayment for one billing cycle. If the pandemic-impacted clients were insolvent wholly or partly, the Bank adopted the policies of reduction and exemption of interests and fees, and adjusted credit investigation by the People’s Bank of China.
  - **Reducing charges reasonably in favor of clients**
    - In 2020, the Bank totally extended the principal repayment of CNY3.115 billion for the micro and small businesses covered by inclusive finance and supported by the People’s Bank of China. The policy benefited 2,292 micro and small businesses impacted by the pandemic.

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◆ Investigating capital needs of key epidemic-related enterprises

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

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

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

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The year of 2020 witnessed the end of the decisive battle against poverty alleviation and the realization of building a moderately prosperous society in all respects. The Bank has thoroughly studied and implemented the spirit of the speech of Chinese President Xi Jinping at the Workshop of Decisive Victory in Battle of Poverty Alleviation; executed the decisions and deployments made by the Party Central Committee, State Council, Chongqing Municipal Party Committee, Chongqing Municipal People’s Government and other governing authorities, calmly and effectively responded to the impact of COVID-19 pandemic, and performed the duty of poverty alleviation steadfastly. By the end of 2020, the Bank’s loan balances for targeted poverty alleviation, industrial poverty alleviation and poverty loan for poverty alleviation reached CNY12.57 billion, CNY19.15 million and CNY138.71 million respectively plus poverty-alleviating loan of CNY5.43 million. In 2020, the Bank connected with the governments of poverty-stricken towns and villages like Pengshui, Xushan, Qianjiang, Wulong and Yunyang to build up nine inclusive villages like Pengshui, Xushan, Qianjiang, Wulong and Yunyang to build up nine inclusive villages.

For financial poverty alleviation and rural revitalization, the Bank adopted diversified financing schemes and flexible risk-mitigating measures, launched an express service channel, upheld the principle of “guaranteed acceptance, review and approval” and ensured the precision and its poor households and agriculture enterprises as quickly as possible. The bank created the policy guarantee system including separate credit line, inclinable internal pricing, preferential capital system including separate credit line, and the “priority list” of credit granting, and strengthened financial support to the poverty-stricken households and agriculture enterprises impacted by the pandemic.

The bank involved modern agriculture into the “poverty list” of credit granting and explicitly aimed up even stronger support to financial poverty alleviation and rural revitalization. The policy documents such as opinions on better use of microcredit for poverty alleviation policies to improve financial support to the decisive battle against poverty were formulated and implemented to strengthen financial support to the poverty-stricken households and agriculture enterprises impacted by the pandemic.

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

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Conclusively, the Bank held the principle of “scheduled risk management and control” and the “priority list” of credit granting, and properly addressed the risk by diversified measures.

Building self-sustained long-term poverty alleviation mechanism

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

Supporting the leading enterprises to lift rural households out of poverty

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

The Pengshui Sub-branch concentrated on the loans to poverty alleviation projects and industries, and combined various means like donation, education and publicity to actively advance poverty alleviation and rural rejuvenation. By the end of 2020, nearly CNY1.5 billion loans for poverty alleviation and rural rejuvenation were issued together with over CNY3 million donated fund that benefited more than 5,000 poor households in a dozen of towns and villages and offered job opportunities to over 1,000 poor people.

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Efficiently issuing targeted microloans for poverty alleviation

By utilizing financial technologies, the Bank upgraded the mode of microloan for poverty alleviation to “online application, review and approval, contract signing and loan grant” that the applicants in poverty can stay at home to experience the one-stop financial services of loan grant. In 2020, the Bank totally issued CNY267 million microloans to support 6,391 registered poor households, where the loans issued via the online channel amounted to CNY175 million. In addition, the Bank had a balance of microloans for poverty alleviation totaling CNY198 million that benefited 9,324 registered poor households.

The Bank of Chongqing, Tongliang Sub-branch took measures to alleviate poverty, aid the disabled, and loan contracting. If the applicant has prepared all necessary data, the loan may be issued in the next working day. This efficient whole-process service is praised by all the local poor households: “The Bank of Chongqing is so convenient!”

Tailor-made services enter villages and households

As the microloan arranger for poverty alleviation in Qijiang District, by various means like on-site visit, recommendation by village party committee and mobile banking vehicles, the Bank of Chongqing, Qijiang Sub-branch issued nearly CNY139 million of microloans to over 2,630 registered poor households to support them developing business. Through industrial poverty alleviation, they expanded income channels and expedited the pace of getting rid of poverty and becoming rich.

During the on-site visit in Shuahe Township, Dianjiang County, the Bank of Chongqing, Dianjiang Sub-branch learned that a poor young man in his twenties was the only child of the family but suffered paralyzed legs by polio, unable to go out to work. The family made a living on husbandry only but the scale was limited due to the shortage of fund. The client manager of the bank immediately contacted the local township government, and after taking account of the special situation granted a microloan of CNY20,000 for poverty alleviation.

By the end of 2020, the family totally had 4 heads of beef cattle raised over 10 years and 200 pheasants. repaired the shed for pigs and where part of the cattle and eggs were ready for sale. The family managed to get rid of poverty by hard work and planned to breed some fish. After the on-site visit once again the bank issued an additional microloan of CNY20,000. Considering the disability, the bank dispatched two employees to provide the most convenient and tailor-made home-delivery service.

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“Mobile promotional platform” supports financial poverty alleviation

The Bank of Chongqing, Tongliang Sub-branch took advantage of science and technology to enable the convenient service of “get done once and without need for a second trip” for impoverished households. The “mobile promotional platform” provided home-delivery services of card issuance and loan contracting. If the applicant has prepared all necessary data, the loan may be issued in the next working day. The efficient whole-process service is praised by all the local poor households: “The Bank of Chongqing is so convenient!”

Building platforms to support poverty alleviation through consumption

In 2020, the Bank purchased CNY7.625 million agricultural products from the poverty-stricken areas including the products of CNY 1.438 million from 18 severely impoverished villages and townships in Chongqing. By the third-party courier delivery, the Bank gave priority to the procurement of CNY1.1176 agricultural products from these 18 places for its careers. The Bank organized three events of “Exhibition Fairs Outside Villages”, of the agricultural products that the employees purchased CNY100.200 goods. The Bank also completed the targeted procurement of poverty-relief products valued CNY466,000 from the poverty-stricken villages and townships like Daju Township of Penghu County, Chongku County and Zhongkuan County.

Through the Wechat official account of “Bank of Chongqing Chongjiang Caifu”, the Bank opened a window of display to carry out the exclusive activity of “Happy Group Buying” and inside making videos to promote online sales. A “Special Zone of Poverty Alleviation” was launched in the “Credit (Electronic) Mall of Bank of Chongqing” that worked with the “integrated” vendors experienced in sales of agricultural products to avoid the poverty-stricken areas in selling their products. By the end of 2020, 3 enterprises and 11 agricultural products from the poverty-stricken areas were introduced, and the “Happy Group Buying” totaled CNY30,000.

A pairing system with charity donation

Though loan support, fund donation, channel building, financial service, etc, the Bank set up a pairing system with Yanhe Village, Longshu Township, Penghu County and realized high-quality poverty alleviation as scheduled. In 2020, the Bank totally donated CNY2.5 million for development of poverty alleviation projects in Youyang, Pengshui and Chongfu, the epidemic prevention supplies worth CNY243,000 to go primary schools in the poverty-stricken areas involved in the pairing system. CNY2.5 million of education donation for poverty alleviation in the southwestern and northeastern parts of Chongqing, as well as CNY300,000 to the fields of infrastructure, renovation medical treatment, and its critical illness and education in Maiku Township, Kaizhou District, Erong Town, Xuian County and Baidao Village, Qianjiang Township, Penghu County. In addition, the Bank contributed with the ‘sameing property management company and labor dispatch company to give priority to providing the job opportunities of service sector like janitor, kitchen staff and inside jobs. At the end of 2020, the Bank recruited 29 outsourced workers as a result of poverty alleviation through employment.

Employees enter villages and households to visit the impoverished people.

Sign a strategic cooperation agreement with Penghu County on financial poverty alleviation and rural rejuvenation.

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Improving Corporate Governance

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

In 2020, the Bank totally convened 78 meetings of the Board of Directors and ad hoc committees that deliberated and listened to 319 proposals and reports including annual budget, final account, profit distribution, strategic planning etc. The Bank actively guaranteed the duty performance of directors, gave prompt feedback to the opinions and suggestions proposed by the directors and supervisors, and timely tracked and secured the decisions in place. The Bank gave full play to the role of independent directors and invited more independent directors to act as the members or chairmen of ad hoc committees. The Bank also organized training of directors and supervisors to make them familiar with the latest policies on anti-money laundering, responsibilities and rules of directors, supervisors and senior management, their compliance after public listing, forensic smart assessment, etc.

Pursuant to the provisions of the Company Law of the P.R.C., the Board of Directors is the supreme organ of the Bank. In 2020, the Bank established eight dedicated committees in charge of strategy, credit review and approval, financial management and procurement, as well as the discussion bodies such as anti-money laundering leading group and performance appraisal leading group.

Deepening Accountability Management

Philosophy of social responsibility

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

Analysis of substantive topics

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

In 2020, the Bank followed up the major changes of the external environment, adjustment of macro policies and changes of regulatory requirements, took root in economic resurrection and social green transition, sorted out the core topics and hereby disclose the Bank's major progress in 2020 and future plans to all stakeholders in this report.
The Bank laid stress on the risk management of credit, market, operation, liquidity, IT and strategy, reputation, etc., kept improving the overall risk management system and optimizing the organizational structure, established and perfected various risk management mechanisms and guaranteed the effective management and control of all risks.

The Bank established clearly- defined organizational structure of professionalized risk management and integrated it into the corporate governance structure where the board of directors, board of supervisors, senior management and relevant departments/operating organs assume their corresponding duties and responsibilities. Meanwhile, the Bank clarified the overall risk management and categorized functions of risk management, designated the chief risk officer on the management level, dispatched risk officers and risk managers to the operating organs, and thus built and improved a professional team of risk management.

Under the all-round and foresighted principle, the Bank well performed risk identification and evaluation. The bank has established systematic risk identification and evaluation mechanism and process, and on the basis of effective identification of major risks evaluated the risk level and management competency. In view of higher overall risk level or weakness of management, the Bank developed and implemented the measures of optimization to improve the risk management competency and core competitiveness.

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

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

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

### Social recognition

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

Boost High-quality Economy Development

Serving Key National Strategies
Deepening Inclusive Financial Services
Connecting Rural Rejuvenation Effectively
Serving Key National Strategies

As the icebreaking local state-owned holding commercial bank in West China and the upper reaches of the Yangtze River, the Bank focused on the major strategies such as Chengdu-Chongqing twin-city economy circle, China-Singapore (Chongqing) Demonstration Initiative on Strategic Connectivity and construction of a new west land-sea corridor, proactively participated in the new development pattern of dual circulation, made use of its own strength in the new development pattern of dual circulation, made use of its own strength, and provided better financial service support and realized high-quality development. In 2020, the Bank issued over CNY110 billion loans in the twin-city region, and offered over CNY12 billion credit support to the engineering projects within the region.

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

In-depth investigation of enterprises for targeted financial services

The Bank built up the “1+1+1” advancement mechanism to organize the leading group of advancing construction of Chengdu-Chongqing twin-city economy circle by financial service, under which a leading group office was set up to work with other project leaders to secure the projects in place and conduct in-depth investigation of 100 major industrial parks. In addition, as the first bank in Central and Western China and the sixth in China directly linked to the cross-border financial blockchain platform of State Administration of Foreign Exchange, the Bank improved the convenience of payment, the Bank improved the convenience of interbank business to realize the interconnection of counter cash deposit and transfer remittance. Taking the initiative to participate in Chengdu-Chongqing interprovincial electronic tax payment, the Bank improved the convenience of tax payment. The Bank also facilitated buyers to apply for housing loans in neighboring districts and made contribution to the integrated development of Sichuan-Chongqing neighboring areas.

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

Supporting the construction of a “Smart Town of Key Position”

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

A new chapter of China-Singapore connectivity

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

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

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

The Bank actively implemented all policies and requirements on supporting the real economy especially micro and small businesses, proposed “quadruple optimized services”, and targeted financial service, and ensured the fund straightforwardly reaching the most needed parts of real economy. Meanwhile, the Bank built the digital-driven “five-in-one” inclusive smart financial service system for micro and small businesses, and the well-proven Big Data intelligent risk management system. Based on the holistic data governance, the Bank developed the digital-driven operation and management mechanism, and reshaped after-loan monitoring and alerting management system. In light of the characteristics of online credit, the Bank introduced new methods of internal control and compliance such as electronic evidence, online compulsory notary and cyber arbitration, and developed the insight mechanism of full lifecycle of microfinance business as well as prudent and efficient management and control mechanism. At the year-end of 2020, the Bank had CNY83.322 billion of loan balance to micro and small businesses as per the national standard caliber of MIIT, with a year-on-year increase of CNY3.459 billion. Among them, the balance of inclusive loans to micro and small businesses with the amount of single credit not higher than CNY10 million registered CNY36.451 billion for 47,252 applicants with year-on-year increase of CNY4.402 billion for 17,247 applicants, thus successfully attaining the goal of “double increases”.

The Bank always supported science and technology innovation and kept strengthening the enabling mechanism, R&D and promotion of products and improving the financial service quality and efficiency to startup technology entities. By the end of 2020, the loan balance to technology enterprises registered CNY17.661 billion with a year-on-year increase of CNY7.246 billion, among which the loan balance to the medium- and small-sized technology enterprises was CNY12.768 billion, increased by CNY5.157 billion year-on-year.

Supporting startup technology enterprises

In May 2020, in the form of online live streaming at Chongqing Innovation, Entrepreneurship and Venture Capital Service Platform, the Bank organized the activity of “Think Alive, Grow Together, Relief Policy Publicity by Bank of Chongqing” to introduce the supporting financial policies to the startup technology enterprises. In Dec. 2020, the Bank joined Chongqing Intellectual Property Rights Financial Service Alliance to provide sci-tech enterprises with business instructions, information and service support on using IPR to expand financial channels, and signed the Agreement of Strategic Cooperation on Promoting Intellectual Property Rights Pledge for Financing in Chongqing that actively explores the IPR pledge-financing model.

Drop-in service of “credit loan”

In Dec. 2020, a company that owned a number of utility model patents technologies of food production was producing at its full capacity, but the person in charge worried about the fund shortage of CNY830,000. The Bank’s customer manager happened to learn it in a drop-in visit, and immediately introduced the Bank’s credit loan of mortgage-free, low interest, flexible usage and convenient grant.

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

Targeted support of “drip irrigation type” to real economy

A construction materials company was in urgent need of fund to purchase raw materials. In Apr. 2020, the Bank issued CNY740,000 individual operating mortgage loan that effectively lessened its financial pressure. Owing to work resumption and incremental sales, the company again got stuck in a dilemma of soaring orders but drying-up of circulating capital. The Bank’s employees fully understood its difficult situation of no further mortgage for loan financing, and under the preferential policy of “stability in enterprise operation and security in employment” issued CNY170,000 “Reputation Credit Loan” that helped it get through the hard time and enlarge production scale in September 2020.

Constant follow-up to address difficulty of enterprise

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Connecting Rural Rejuvenation Effectively

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

Key Progress

**Improving fundamental financial services**

- **Developing convenient service sites**
  - Relying on the financial service tools like POS for rural residents, mobile banking vehicles and portable terminals, the bank built up the rural convenient financial service sites that integrated inclusive finance education, fundamental financial services and business promotion. In 2020, totally 61 sites were built with coverage of 526 administrative villages.

- **Diversifying payment and settlement channels**
  - The bank improved the payment and settlement service environment in rural areas, and met the routine financial needs of villagers such as bank card activation, small-amount deposit and withdrawal, and payment agency. In 2020, the bank utilized the business promotion platform to remotely activate 10,752 bank cards for rural residents, and handled 8,630 rural POS transactions with a total amount of CNY1 million.

- **Enlarging distribution of more petty cash**
  - Taking advantage of geographic location, the bank enlarged the distribution of more petty cash to small dealers and new agriculture operators. In 2020, totally CNY14.45 million yuan in petty cash was allocated to the rural areas.

**Supporting integrated development of agriculture and industries**

- **Supporting construction of beautiful countryside**
  - Relying on the financial service tools like POS for rural residents, mobile banking vehicles and portable terminals, the bank built up the rural convenient financial service sites that integrated inclusive finance education, fundamental financial services and business promotion. In 2020, totally 61 sites were built with coverage of 526 administrative villages.

- **Supporting reform of rural economic system**
  - The bank studied and developed the "Road Credit Loan" to support the infrastructure projects such as "Access to Every Village" and "Poverty Alleviation Roads". By the end of 2020, the balance of "Road Credit Loan" registered CNY210 million.

- **Supporting development of pig breeding business**
  - The Bank developed the “Three Changes Reform Loan” to support the joint development of leading agriculture enterprises with peasants by land equity and other means, and thus propelled organic combination of smaller rural households and modern agriculture. By the end of 2020, the balance of "Three Changes Reform Loan" reached CNY2.68 million.

- **Expanding the scope of loan collaterals**
  - The Bank launched the first pig breeding credit loan product "Pig Credit Loan" in Chongqing with the model of "bank + insurance + Internet of Things + rural household". It relied on the "Pig Grower Loan", a financial product of pig breeding industry chain of the dominant breeding enterprise, CP Agriculture and Husbandry, and contributed to the stable and orderly growth of pig market. By the end of 2020, the pig-related loan balance registered CNY184.14 million including CNY7.12 million of pig breeding loan balance that aided 2,044 breeding enterprises.

- **Enhancing support by special bonds**
  - The bank developed the "small hydropower loan" that took the accounts receivable and equity pledge as the guarantee, and the collection account as the risk control means to solve the difficulty of lack of collateral in rural areas. By the end of 2020, the "small hydropower loan" balance reported CNY58.63 Million.

Through the special and dedicated bonds such as poverty alleviation bond and green bond, the bank activated the economic vitality of poverty-stricken areas and consolidated the regional economic strength in a holistic approach. In 2020, the issued rural rejuvenation loan totaled CNY1.12 billion.
02

Led by Innovation

Advancement of High-standard Digital Transformation
Enhancing Development of Financial Science and Technology

In 2019, the Bank’s 71st Meeting of the 5th Board of Directors deliberated and adopted the Strategic Planning for Development of Bank of Chongqing in 2020-2022. It set ‘led by science and technology, driven by innovation’ as the key guiding philosophy, explicitly defined sci-tech innovation as the prime mover of high-quality development, proposed the utilization of fintech such as the Internet, Cloud Computing, Big Data and AI to guide innovation, and fully integrated innovation driver into all aspects of business development, operation and management.

Application of innovative technology

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

The Bank completed the rapid R&D of private and public structure deposit products, applied the distributed architecture and Big Data technology to the development of consumer credit system, and tried the micro-service architecture technology to improve the convenience and flexibility of new consumer credit financial product.

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

Creating Brand New Finance Ecology

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

In 2020, the Bank prioritized the dominant role of business value in Big Data intelligence work, implemented hierarchical and dynamic management systems, elaborately selected and supported 14 headquarter-level projects including “Innovation of Inclusive Financial Intelligent Service Support System for Micro and Small Businesses” and “Mobile Promotion Platform”. Two of them were included in the project database of intelligent manufacturing and intelligent application of key enterprises affiliated to the municipal government, while three were included in the list of key innovation-driven projects led by Big Data intelligence of the key state-owned enterprises affiliated to the municipal government.

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

Bilingual exhibition at virtual Smart China Expo

In the virtual Smart China Expo 2020, the Bank officially launched the bilingual online exhibition hall of “Think Alike with New, Grow Together with you”. Featured with the style of technology and sense of future, the exhibition included the major parts of “digital innovation ecology”, “smart risk control”, “digital mobile banking”, “electronic channel system” and “inclusive finance digital loan products” that presented the Bank’s achievements in Big Data intelligence driven innovation strategy and digital transformation on multiple dimensions and perspectives. In particular, it highlighted the bank’s practice in 2020 to support work resumption, empower micro and small businesses and contribute to the decisive battle of poverty alleviation by financial science and technology.

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Reinforcing Prevention and Control of Science and Technology Risks

The Bank innovatively applied new technologies to the basic work of sci-tech operation, kept improving the IT support capability and guaranteed the safety and stability of the whole information system. Firstly strengthening the support of infrastructure: the Bank deepened the application distributed and virtualized technologies, improved the disaster preparedness system of “Two Locations and Three Centers”, and promoted the deployment of dual active centers in the same city. Secondly optimizing the production and operation management: the Bank orderly advanced the integrated intelligent operation and management, comprehensively utilized new technologies like Big Data and AI, and realized “one-click intelligent switch” of disaster preparedness system, deep mining of operation and maintenance data and visualized operation as well as automatic intelligent scheduling of batch operation. The Bank studied and explored the visualized and intelligent monitoring management of system, network and computer room, and carried out fundamental research such as Big Data analysis and display of network log, and online intelligent pre-alerting. Thirdly deepening information security protection: the Bank reinforced cyber security, consolidated data security protection and safe operation management measures, preliminarily used the Big Data technology to analyze potential cyber vulnerabilities and high risks, and ensured alerting and resolution in advance. The Bank took part in Chongqing Cyber Security Defense Drilling 2019 and National Cyber Security Defense Drilling 2020 to testify and strengthen the prevention and control capability through practical exercises.

Enhancing capacity building of Big Data platform and data service

The Bank initiated the data governance program for the whole bank, and built the management system of data standard, data quality and metadata. Based on the Big Data platform, the Bank constructed the systems of intelligent assessment of associated risks, anti-fraud and risk pre-alerting, developed the Monkey King data analysis platform, and achieved the visualization service of management cockpit of a few critical business data. At the Data & AI Management Summit (DAMA) 2020 in Oct. 2020, the Bank won the Data Governance Innovation Award of DAMA China 2020 among the 174 competing candidates by its innovative concept of “Combining Governance and Usage, Promoting Governance by Usage” and the conclusive practical experience of customer data governance.

Fengling Smart Assessment System

The “Fengling Smart Assessment” system independently developed by the Bank has become the “second brain” of risk prevention and control. Relying on Big Data and knowledge graph technologies, the Bank built up the Big Data risk control system centered on mining of associated relations, which can be extensively applied in the risk control of credit businesses like pre-loan enterprise investigation, risk evaluation amid loan and post-loan risk alerting as well as corporate business risk management, internal audit and inspection, asset preservation, anti-money laundering, investigation of bidding risk, etc.

Personal consumption financial anti-fraud system

The Bank has completed the upgrading of the associated graph product of system that supported multiple scenarios and products. Meanwhile, the Bank plans to connect multi-dimensional transaction data, event data and client data to build up an overall retail knowledge graph, which will effectively support all the Bank’s online services and be an integral part of risk control decision.

Online intelligence risk control platform

The Bank has completed the comprehensive upgrading of online intelligence risk control platform and realized the overall migration of systems from V1.0 to V2.0 with stable operation. The transformation and shift to the second-generation credit investigation system of all serial products have been completed that guarantee business operation and satisfy regulatory requirements. The platform efficiently responds to the rapid business iteration and runs a number of products in 2020 that effectively serve the corresponding micro and small businesses in the locality.
03
Green and Low-carbon Way
Coordinated Promotion of Ecological and Environmental Protection
Advancing Green Finance

The Bank incorporated green development into the overall strategy planning and clarified the requirements for green finance development in the Thirteenth Five-year Development Plan in 2016–2020 and the Strategic Planning for Development of Bank of Chongqing in 2020–2022. By strategically developing green banking, circular and low-carbon economy development, the Bank has implemented several strategies, including:

1. Establishing green finance standards and policies
2. Setting up green finance service centers and departments
3. Establishing leading groups for green finance
4. Formulating strategies and policies for green finance development

The Bank also incorporated green development into its management of the office area, business operations, and the whole process of green business. By 2020, the Bank had achieved significant progress in green finance, with green loan balances reaching RMB 34.1 billion, and the proportion of green loans to total loans reaching 59%, up from 49% in 2018. In 2019, the Bank issued its first green finance bond of RMB 5 billion, with proceeds allocated to green industries such as renewable energy and energy conservation. The Bank has also signed agreements with various government and administrative bodies to support green projects and initiatives.

Supporting sewage treatment

Founded in 1996, Chongqing Kangla Environment Protection Industry (Group) Co., Ltd. specializes in urban sewage treatment, comprehensive management of water environment, rural sewage treatment, etc. It provides clients with comprehensive and customized sewage treatment solutions and services in the forms of licensed service operation agreement, BOT, TOT, PPP, EPC, and O&M. The Bank granted a credit of RMB 270 million to the company. By using the featured product “U-Loan”, the company received the working capital loan of up to six years, which strongly supports its routine operation and expands sewage treatment business.

Major Sectors of Green Financial Services of Bank of Chongqing

<table>
<thead>
<tr>
<th>Project sector</th>
<th>Project results</th>
<th>Beneficiary</th>
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<tbody>
<tr>
<td>Green-updating of infrastructure</td>
<td>It improves the green levels of major infrastructure and livelihood</td>
<td>Chongqing Rail Transit (Group) Co., Ltd.</td>
</tr>
<tr>
<td>Ecology and environment</td>
<td>It protects and restores the ecological system; optimizes the ecology safety barriers and improves the quality and stability of ecological system</td>
<td>Chongqing Boksin Agriculture Development Holdings Co., Ltd.</td>
</tr>
<tr>
<td>Clean energy</td>
<td>It builds and operates the equipment manufacturing and associated facilities for clean, efficient and systematic energy production system</td>
<td>Chongqing Sanfeng Environment Group Holdings Co., Ltd.</td>
</tr>
<tr>
<td>Energy conservation and environmental protection</td>
<td>It is engaged in the equipment manufacturing and recycling use and ecological and environmental</td>
<td>Chongqing Renewable Resources Group Co., Ltd.</td>
</tr>
<tr>
<td>Clean production</td>
<td>It deals in the waste reduction and recycling</td>
<td>Bijie Haier Medical Waste Centralized Treatment Center Co., Ltd.</td>
</tr>
<tr>
<td>High and new technology</td>
<td>It provides intelligence support and professional services to the relevant green businesses</td>
<td>Chongqing Zhongping Science and Technology Co., Ltd.</td>
</tr>
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</table>

Performing Green Operation

The Bank vigorously advocated the concept of green and low-carbon office and deeply implemented the philosophy of energy conservation, consumption reduction and environment protection. In 2018, the Bank actively supported the pilot green finance reform and innovation. The Bank aims to establish a complete and efficient green financial reform and innovation system to promote the construction of green economy, cherish food and to eliminate waste, and to efficiently implement the philosophy of energy conservation and efficient use of resources. The Bank has implemented several initiatives, including:

1. Improving the green levels of major infrastructures and livelihoods
2. Protecting and restoring the ecological system
3. Building and operating equipment manufacturing facilities for clean, efficient and systematic energy production
4. Engaging in equipment manufacturing and recycling use
5. Dealing with waste reduction and recycling
6. Providing intelligence support and professional services to relevant green businesses

For the architectural energy conservation of all branch offices, the Bank applied energy-saving insulation materials to the exterior walls and selected environmental-friendly construction materials, and rolled out the intelligent control of interior lighting for effective energy-saving result. In accordance with the actual conditions of branch offices, natural ventilation and lighting were utilized as far as possible so as to further save energy and reduce consumption.
04 Human-oriented Principle
  Jointly Creating a Harmonious and Better Life
Improving employees’ capabilities

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

Unremitting hard work of Bank of Chongqing employees deserves the honors

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

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

Cheng Yu, a National Model Worker.

Commitment to Sustainable Growth of Employees

Strengthening democratic management

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

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

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

Improving employees’ capabilities

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Caring about employees’ life

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

The Bank has organized activities of “Visit to Employee’s Home” and “Inviting Employee’s Relatives to Bank of Chongqing” for consecutive years, and the season’s greeting activities each year such as “Warm New Year” and “Cool Summer” that visited over 4,000 person-times in 2020. Facing the outbreak of COVID-19 at the beginning of 2020, the Bank allocated special funds to the grassroots labor unions to purchase the supplies of epidemic prevention and control, and visited nearly 1,700 members of labor unions who worked on the forefront of fight against epidemic and had extraordinary performance, and whose family members worked on the forefront of epidemic.

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

Building “Smart Labor Union” and executing “Bookstore of Bank of Chongqing” project

In both online and offline forms, the Bank built up the “Bookstore of Bank of Chongqing” for the employees. The physical reading rooms were set up in the Head Office and branch offices to provide a place of learning and exchange. In addition, the Bank developed the digital reading platform of online “Bookstore of Bank of Chongqing” that offers over 200,000 electronic books, 200,000 episodes of audio books, 500 magazines, etc. In 2020, the Bank’s employees totally read over 1.8 million times and completed over 230,000 books.

In 2020, pursuant to the requirements in the Guiding Opinions of China Banking and Insurance Regulatory Commission on Banking and Insurance Organizations Strengthening the Construction of System and Mechanism on Protecting Consumers’ Rights and Interests, the Bank further improved the system and mechanism on protecting consumers’ rights and interests. The amendment was reviewed and approved on the Party Committee Meeting on Nov. 16, 2020 and by the Board of Directors on Nov. 20, 2020, which will be tendered to the Shareholders’ Meeting for deliberation and Chongqing Municipal Banking and Insurance Regulatory Administration for approval. The duties and responsibilities of the Board of Directors and the Consumers’ Rights and Interests Protection Committee contained in the Administrative Rules of Bank of Chongqing for Protecting Rights and Interests of Financial Consumers have been amended. The Emergency Plan of Bank of Chongqing on Sudden Incidents Concerning Personal Information Protection has been developed.

Securing consumer protection during the pandemic period

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

Perfecting convenient and facilitating measures

The Bank worked on the forefront of epidemic. In 2020, the Bank provided 160 times of on-site receiving service for hospitals, supermarkets and other livelihood-related units. By strictly separating the income channels from expenditures, the Bank urgently bought 127 cash disinfection devices that completed disinfection of collected cash of CNY 7,895 billion and ensured people using the ‘safe and clean money.’

Securing remote service to clients

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

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

Key Progress

Protection clients’ rights and interests in credit investigation

The Bank elaborately considered the possible impact of the pandemic to effectively protect the rights and interests of individuals impacted by the pandemic. For the confirmed patients infected with COVID-19 treated or quarantined in hospital, the suspected persons in quarantine and the working staff involved in epidemic prevention and control that were unable to effect repayment timely, the relevant overdue loans were not recorded in the personal credit and the reported overdue records were properly protected by credit information. For the clients temporarily losing source of income under the pandemic impact, the repayment deadline was properly postponed, and the credit record was not influenced after such adjustment. By the end of 2020, the Bank totally revised 345 credit records of impacted clients.

The Bank opened no effort to guarantee fundamental financial services during the pandemic period, and opened the express channel of account service and cash service, totaling 189 accounts related to epidemic prevention and control. The Bank associated the Red Cross Society in receiving and giving away donations totaling CNY 130 million. The Bank provided 160 times of on-site receiving service for hospitals, supermarkets and other livelihood-related units. By strictly separating the income channels from expenditures, the Bank urgently bought 127 cash disinfection devices that completed disinfection of collected cash of CNY 7,895 billion and ensured people using the ‘safe and clean money.’

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

During the pandemic, the Bank took full advantage of online methods to maintain smooth channels of consultation and complaint, optimize the consultation and complaint workflow, and secure the remote service to clients.
### Constantly improving consumers’ protection work mechanism

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

### Enhancing complaint settlement management


The Bank also strengthened data analysis of complaint, probed into the causes and present status of complaints, and proposed follow-up improvement. Thus, constantly reforming and improving the products and services. A complaint coordination team for consumer protection was established to analyze complaint cases from different perspectives of business, consumer, law, etc. and develop solutions to properly handle complaints.

### Popularizing financial knowledge

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

Considering the requirements on epidemic prevention and control, the Bank designed and worked out the instructions on epidemic control and financial service, and the blogs and online animations against telecommunication fraud, such as the animations of “Tightened Epidemic Prevention and Control; Caution about Telecommunication Fraud and Keep Six Measures in Mind to Ensure Both Work Resumption and Epidemic Prevention” and “Your Invulnerable Shield against Covid-19 is In Place, which were forwarded by all the Bank’s employees to spread financial knowledge to mass financial consumers. Besides reminding the adoption of epidemic control measures, the practice improved the anti-fraud and financial risk identification abilities of consumers staying at home.

The Bank produced diversified educational materials on the topics such as Online Payment Security, Rational Consumption, Prevention of Identity Theft of Bank Card, Learning Credit Investigation Knowledge, Staying Away from Illegal Financial Activities and Poverty Alleviation by Inclusive Finance and Support to Rural Rejuvenation, and created a publicity and education brand of “Yu Xiao Xuan” to improve the awareness of financial knowledge popularization brand. The Bank also organized the financial publicity and education events such as March 15 Consumer Rights Protection publicity Week, “Journey of Financial Knowledge Popularization and Popularization of Financial Knowledge in Publicity Month of 2020.” Combining poverty alleviation with enriching people’s knowledge, the Bank selected the crowded places in poverty-stricken villages like convenient service center, village party branch and comprehensive culture station to set up the outlets for publicity of financial knowledge and poverty alleviation policies, and arranged the experienced personnel to perform financial publicity and education by pairing aid and on-site visit. In 2020, the Bank organized over 200 times of financial knowledge publicity and education activities in the poverty-stricken areas.

### Popularizing financial knowledge in villages

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

The activity brought financial knowledge to the countryside, and helped the local householders of Sanjian Township enhance their awareness of financial risk prevention, use formal financial service and protect rights and interests according to law. The education personnel entered the stores along the street to set up financial knowledge publicity stations that popularized basic financial knowledge to the villagers on the market day. The skit of Crazy Loan made the anti-fraud knowledge easier to understand. Through diversified means of publicity video and mini classroom, the education personnel popularized the knowledge of Renminbi and personal credit, telling them the hazard of selling, leasing or lending personal account. The D&A session with prize deepened local people’s understanding of publicity contents with better learning effect.

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

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

Facing the outbreak of COVID-19, the Bank took the lead in donating 10 million yuan of special fund for epidemic prevention and control to Chongqing Red Cross Society, which effectively supported the epidemic prevention and control work in a timely manner and actively assisted Chongqing Red Cross Society in developing the online donation channel, launched the “COVID-19 real-time aid platform” and quickly responded to the needs of epidemic prevention and control of the poverty-stricken counties so as to win the critical battle against the pandemic. Meanwhile the Bank continued to devote our care and company such as educational donation, charitable support and volunteer service. For the special group like migrant workers, disabled people, laid-off workers and senior citizens, the Bank provided express channel, barrier-free ramp and window of love plus the facilities like priority seats, LCD display and voice broadcast. Where conditions allowed, some sub-branches set up convenient service sites to convey our warmhearted care of “Think Alike, Grow Together”.

Key Progress

Assisting Red Cross Society developing online donation channel

To meet the needs of online donation during the pandemic period, the Bank assisted Chongqing Red Cross Society in developing the online donation channel. Overcoming difficulties like tight schedule and personnel allocation, the Bank employees worked day and night for 40 hours to complete the development work including demand setting, function developing, payment channel creating and online testing. As of the end of donation period, the platform received 11,000 donations with a total amount of CNY2,036,100.

Launching “COVID-19 real-time aid platform”

During the lunar New Year in 2020, the Bank worked with WDoor Group to launch the “COVID-19 real-time aid platform” at the Bank’s WeChat account to provide free services including real-time epidemic information, online consultation, epidemic screening and examination, popularization of epidemic prevention knowledge, guidance on suspected case, guidance on ‘stay-at-home’ quarantine, philological advice, etc. that conveyed the Bank’s care and support to clients.

Care of Bank of Chongqing

The Zhongshan Road Sub-branch in Liaocheng starts small to convey the care of Bank of Chongqing. The sub-branch provides the channel and call button for the disabled people to ensure quick and effective service, and sets a convenient zone in the hall with facilitating items like wheelchair, baby carriage, first-aid box, reading glasses, umbrella, magazines and environmental marks, environmental protection tips, books and battery recycling box. A mini book bar is deployed with the books on parenting, children and health. In addition, the blood-pressure meter is available to the public in the controlled area. The sub-branch creates a warmhearted rest place for the community residents and clients.

Donation of epidemic prevention supplies to impoverished primary schools

The Bank actively responded to the call for targeted poverty alleviation and deployment of epidemic prevention and control by Chongqing CFC Municipal Committee, the Municipal Government and the Municipal State-owned Assets Supervision and Administration Commission. The Bank formed joint deployment of epidemic prevention and control, call for targeted poverty alleviation and supplies to the primary schools located in the remote pairing impoverished areas. The six primary schools including the Central Primary School of Yanhe Township, Chengkou County received 38,000 masks, 3,000 pairs of disposable gloves, 1,200 bottles of hand sanitizer, 570 barrels of alcohol and 90 bags of disinfectant powder that helped the local teachers and students reopen schools as schedules and fight against COVID-19.

Charitable donation to schools

On October 29, 2020, Xi’an Branch held a charity donation ceremony at the playground of Xiangxiao Town Primary School. The amount of CNY44,368 was all donated by the employees of Xi’an Branch and used to improve the school’s infrastructure e.g. purchase of water apparatus and heating equipment in summer.

Since 2018, Xi’an Branch donated street lamps to solve the lighting problem on the roads to schools and 12 sets of chairs and tables to improving the working conditions of teachers. The Bank also organized summer camps for impoverished children to broaden their horizon, and donated books and rain shelters that created a haven of knowledge and protection, and greatly improved the reading environment of schools.
The Bank of Chongqing followed the Appendix XXVII of Hong Kong Stock Exchange Guides on Environment, Social and Governance Report to finish the ESG disclosure.

Environmental

Level A1: Emissions

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

The Bank of Chongqing remains true to the original aspiration of serving green development, studies and implements the theory of "Lush Mountains and Lucid Water", follows the path of "Ecology-oriented Development of Industry and Industrialization of Ecology Business", strengthens the guarantee of green finance policies and resources, and provides strong financial support to the green transformation of key industries and key sectors. The adoption of Equator Principles demonstrates the Bank’s determination of developing green finance, and reflects the Bank’s voluntary responsibility as a public listed city commercial bank. Becoming an "Equator Bank" is an effective way to get the best practice of world-class financing sustainability and improve the competency of green financial service. It is an inevitable choice to achieve sustainable development and consolidate market competitiveness.

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

Level A2: Use of Resources

The Bank will seize the policy opportunity of Chongqing establishing a pilot zone of financial reform and innovation, closely align with the key reform pilot zone, work with the government to jointly serve the high-quality green enterprises, support transformation and upgrading traditional industry, uplift service level of strategic emerging industry, and take active action to mitigate climate change.

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

Enhanced process management: the Bank will grasp the opportunity of building an Equator Bank to develop the general environmental and social risk management system, and grant differentiated credit loans in accordance with the environmental and social risks of applicant enterprises.

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

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

Clarified development goals: the Bank will further take advantage of the group’s strength, simultaneously promote green loan, green bond, green leasing and green consumption, and thus improve the comprehensive service capability of green energy.

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

Level A3: Environment and Natural Resources

Adopting the Equator Principles

For this part, please refer to the parts of Improving Corporate Governance, Promoting Green Finance, Protecting Consumers’ Rights and Interests.
Records of epidemic prevention and control

In the tough time of epidemic prevention and control, the Bank’s employees at all levels volunteered to suspend annual leave to secure the responsibility, manpower and execution of overall epidemic prevention and control in place. They guaranteed the epidemic-related supplies to maintain both the personal health and environmental sanitation, actively forwarded all kinds of notices and documents of superior authorities to make all staff clear about policies, strengthened management of office space to apply flexible working hours like online office and decentralized office with strict temperature checks, collected the information of all employees, daily activities to keep abreast of their health status, and reasonably arranged business hours to guide the public handling business through other channels like online bank and mobile bank.

In the fight against the pandemic, some security and service staff’s stories are touching. Zhao Dingliang, a security guard of Jiulongpo Sub-branch, comes from the countryside of Fuling, Chongqing and has old parents in their seventies and a small kid. His family is poor. After the outbreak of COVID-19, he volunteered to stay on the forefront. To relieve the work pressure of his colleagues, he often shuttled among three branch offices. He strictly implemented the regulations of epidemic prevention and control, helped take temperature of colleagues and clients, sterilized office areas, business space, self-served equipment and accommodation areas, registered the clients entry & exit record and provided home-delivery security defense at the collection sites. He is ranked as the “Anti-pandemic Pioneer” of the sub-branch.

In the evening of Dec. 29, 2020, the Fuling Sub-branch organized the drill of sudden safety incident attended by all its employees. In the preset pressure of natural weather, the employees fully understood the necessity of drill and precaution as well as the ability of handling emergency cases.
Perfecting organizational structure to improve operational and managerial efficiency: with respect to the adjustment and change of departmental duties and responsibilities of the Head Office, the Bank will revise and optimize the descriptions of duties and posts. The Bank will also enhance and standardize the settings of internal structure and management posts of the branch offices; build a standardized structural system; improve the operational and managerial efficiency of branch offices; and realize scientific setting and streamlined and efficient structure up to the same standard.

Level B3: Development and training

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

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

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

The Bank incorporates the concept and requirement of corporate social responsibility into the whole procurement process, and compiles the Regulations of Bank of Chongqing on Procurement Management and the Regulations of Bank of Chongqing on Procurement Bidding Supervision and Management that clarify the procurement process and regulatory provisions. The involved employees are required to sign on the Job Responsibility Agreement on Procurement Bidding Supervision and Management. The Bank has established and implemented a comprehensive and transparent procurement management system, and adopted a procurement platform that has the functions of process monitoring and double recording (audio & video) in sales of banking products.

Enhancing all-covering training on consumer protection

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

The Bank carried out uninterrupted routine training. Owing to the impact of the pandemic, the previous training mode of ‘learning one case of consumer protection each day’ was changed from a morning meeting to the learning via WeChat group, and employees were required to share study notes and ideas, which continuously consolidated the employees’ awareness of proactively learning and practicing consumer protection and preventing financial risks.

The Bank strengthened interactive training and competition. On the learning platform of ‘Palm Academy’, the Head Office organized the knowledge test of senior management, dedicated for new recruits was designed from Consumer-Theory and Practice of Financial Consumer’s Rights and Interests; the Bank periodically conducted the consumer-protection-related training competition of senior management, middle-level management, designated posts of consumer protection and grassroots staff, which effectively enhanced the employees’ awareness of proactively learning and practicing the consumer protection, and strongly supported the Banking fulfilling the main responsibility of consumer protection and preventing financial risks.

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

The Bank strengthened interactive training and competition. On the learning platform of ‘Palm Academy’, the Head Office organized the Knowledge Test on Protecting Consumer’s Rights and Interests’ attended by 3,445 employees, which expanded the training coverage, verifies the training effect, and selected the winners to attend the qualifier competition of Chongqing Knowledge Test of Banking and Financial Consumer Protection Training. The Bank actively and thoroughly secured the Implementing Rules of the People’s Bank of China for Protection of Financial Consumer’s Rights and Interests in place, and organized the themed training of all the employees covering the Head Office, member departments of consumer protection leading group, all levels of branch offices and front-middle-back ends.

Enhancing all-covering training on consumer protection

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

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Intensified efforts to combat corruption and build a clean bank

In 2020, the discipline inspection and supervision team to the Bank of Chongqing of Chongqing Municipal Discipline Inspection and Supervision Commission considered the present operation and management situation of the Bank, adhered to the principle of “improvement in stable progress” and “tightened supervision”, implemented the reform requirements of the group, gave full play to the role of execution guaranteed by supervision and development boosted by perfection, and advanced the Bank’s building good conduct and political integrity and fighting corruption steadfastly and proactively. With solid fulfilment of responsibility as the key mission, the Bank has profoundly exercised full and strict party governance, established the leading group of full and strict party governance, deepened the supporting systems of duty fulfilment report, interview, report on accountability and integrity, examination and appraisal, etc., and taken special action to strengthen oversight and discipline enforcement in light of the Head Office’s party committee in fulfilling the principal responsibility.

Cultivating financial culture free from corruption

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

—Jiang Xuan, Member of Party Committee of Bank of Chongqing, Head of Discipline Inspection and Supervision Team to Bank of Chongqing

Fulfilling review and audit duties and responsibilities

Earnestly conducting compliance review under the guidance of “risk control and value creation by compliance”, the Bank regarded the compliance review as a necessary step in formulating rules and regulations, developing new business and products and making decisions on major issues. Effectively integrated in the business process and operation activity, the compliance serves as a solid pillar of business development and operation management. Effectively fulfilling audit and supervision duties and responsibilities from the perspective of the third defense line of risk prevention and control, the Bank strived to win the critical battle of “preventing and mitigating major risks” and “targeted poverty alleviation”, positively implemented the policies of “supporting real economy” and “promoting work resumption” in the regular epidemic prevention and control stage, and performed the tracking audit for the implementation of “supporting real economy” and “refinancing for micro and small businesses” of the People’s Bank of China so that the funds were used in the most needed places. The Bank enlarged audit input in key areas, highlighted the risk-oriented approach, focused on the critical steps and effectively prevented the occurrence of financial risks.

Level B7: For community investment, please refer to the Actively Carry Out Social Public Welfare

Deepening anti-money laundering work

The Bank further perfected the organizational structure and internal control system against money laundering by issuing the documents such as the Regulations on Risk Management against Money Laundering and Terrorist Financing of Subsidiaries Controlled by Bank of Chongqing, Notice of Bank of Chongqing on Monitoring and Management of Anti-Money Laundering. The Bank timely tendered the critical suspected transaction report to the local branch of the People’s Bank of China, and at the same time followed the risk instructions of the People’s Bank of China to investigate risk of enterprises suspected of wildlife trafficking and pyramid selling. No client of the Bank has been found to be directly or indirectly involved in the aforementioned illegal acts.

Organizing “Learning Systems, Ensuring Duty Performance” anti-money laundering access training; the Bank organized nearly 300 employees involved in anti-money laundering work to attend the access training of China Center for Financial Training and all of them have passed the examination, which further consolidated the work foundation of anti-money laundering.

Organizing “Learning Practice, Ensuring Duty Performance” knowledge contest of anti-money laundering: by the internal “Palm Academy” platform, the Bank organized the knowledge contest attended by more than 3,900 employees with an attendance rate of over 90%. The event popularized the basic knowledge of anti-money laundering, and created better working environment in the whole Bank.
Key Performance

Comprehensive performance

<table>
<thead>
<tr>
<th>Economy</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets (thousand yuan)</td>
<td>561,641,997</td>
<td>501,231,864</td>
<td>455,346,976</td>
</tr>
<tr>
<td>Net profit (thousand yuan)</td>
<td>4,565,695</td>
<td>4,321,457</td>
<td>3,820,095</td>
</tr>
<tr>
<td>Shareholders’ equity (thousand yuan)</td>
<td>40,174,997</td>
<td>36,949,429</td>
<td>33,051,012</td>
</tr>
<tr>
<td>Capital adequacy ratio (%)</td>
<td>12.54</td>
<td>13.00</td>
<td>13.21</td>
</tr>
<tr>
<td>Balance of agriculture-related loans (100 million yuan)</td>
<td>413.05</td>
<td>310.13</td>
<td>284.6</td>
</tr>
<tr>
<td>Balance of microloans (100 million yuan)</td>
<td>833.22</td>
<td>798.67</td>
<td>749.43</td>
</tr>
<tr>
<td>Balance of targeted poverty alleviation loans (100 million yuan)</td>
<td>29.75</td>
<td>22.49</td>
<td>12.63</td>
</tr>
<tr>
<td>Social contribution value per share (yuan)</td>
<td>6.47</td>
<td>6.21</td>
<td>5.95</td>
</tr>
<tr>
<td>Total number of employees (person)</td>
<td>4,401</td>
<td>4,274</td>
<td>4,199</td>
</tr>
<tr>
<td>Proportion of female employees (%)</td>
<td>56.30%</td>
<td>56.06%</td>
<td>55.96%</td>
</tr>
<tr>
<td>Proportion of female leaders (%)</td>
<td>28.53%</td>
<td>27.27%</td>
<td>26.29%</td>
</tr>
<tr>
<td>Bank outlets</td>
<td>145</td>
<td>142</td>
<td>140</td>
</tr>
<tr>
<td>Substitution rate of electronic transaction volume (%)</td>
<td>91.6%</td>
<td>85.6%</td>
<td>86.6%</td>
</tr>
<tr>
<td>Customer satisfaction (score)</td>
<td>92.42</td>
<td>91.41</td>
<td>92.51</td>
</tr>
<tr>
<td>Customer complaints</td>
<td>1,300</td>
<td>959</td>
<td>990</td>
</tr>
<tr>
<td>Customer satisfaction of complaint settlement (%)</td>
<td>86.9%</td>
<td>74.1%</td>
<td>93.9%</td>
</tr>
<tr>
<td>Charity donation (thousand yuan)</td>
<td>17,543</td>
<td>9,460</td>
<td>9,562</td>
</tr>
</tbody>
</table>

Social dimension—employees structure

<table>
<thead>
<tr>
<th>Data scope</th>
<th>Employees by gender</th>
<th>Employees by type</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Head Office</td>
<td>490</td>
<td>518</td>
</tr>
<tr>
<td>The whole bank</td>
<td>1,922</td>
<td>2,479</td>
</tr>
</tbody>
</table>

Social dimension—training of employees

<table>
<thead>
<tr>
<th>Head Office</th>
<th>Employees by gender</th>
<th>Employees by type</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Trained employees</td>
<td>490</td>
<td>518</td>
</tr>
<tr>
<td>Training hours</td>
<td>11,368</td>
<td>12,017</td>
</tr>
</tbody>
</table>

Social dimension—death of and injury to employees in work

<table>
<thead>
<tr>
<th>The whole bank</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Death in line of duty (person)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Lost time of work injury (day)</td>
<td>240</td>
<td>0</td>
<td>150</td>
</tr>
</tbody>
</table>

Social dimension—Suppliers’ data

<table>
<thead>
<tr>
<th>Quantity of partnering supplies in 2020 by region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Region</td>
</tr>
<tr>
<td>--------</td>
</tr>
<tr>
<td>Quantity</td>
</tr>
</tbody>
</table>

Environmental dimension

<table>
<thead>
<tr>
<th>Index</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Projects of green agriculture development</td>
<td>4.26</td>
<td>2.38</td>
<td>0.87</td>
</tr>
<tr>
<td>2. Projects of green forestry development</td>
<td>25.24</td>
<td>8.88</td>
<td>1.72</td>
</tr>
<tr>
<td>3. Projects of industrial energy and water conservation, and environmental protection</td>
<td>8.06</td>
<td>3.78</td>
<td>0.51</td>
</tr>
<tr>
<td>4. Projects of natural protection, ecological restoration and disaster prevention and control</td>
<td>15.46</td>
<td>13.13</td>
<td>17.24</td>
</tr>
<tr>
<td>5. Projects of resource recycling and utilization</td>
<td>7.53</td>
<td>1.14</td>
<td>0.73</td>
</tr>
<tr>
<td>6. Projects of garbage treatment and pollution prevention</td>
<td>11.37</td>
<td>7.53</td>
<td>5.33</td>
</tr>
<tr>
<td>7. Projects of renewable energy and clean energy</td>
<td>12.08</td>
<td>11.16</td>
<td>8.06</td>
</tr>
<tr>
<td>8. Rural and urban water projects</td>
<td>16.08</td>
<td>9.99</td>
<td>4.29</td>
</tr>
<tr>
<td>9. Building energy conservation and green building</td>
<td>17.02</td>
<td>9.57</td>
<td>0.02</td>
</tr>
<tr>
<td>10. Green mobility project</td>
<td>16.97</td>
<td>21.44</td>
<td>13.34</td>
</tr>
<tr>
<td>11. Energy conservation and environmental protection services</td>
<td>9.76</td>
<td>3.59</td>
<td>1.76</td>
</tr>
<tr>
<td>12. Balance of green bonds(Sum)</td>
<td>144.10</td>
<td>90.30</td>
<td>53.83</td>
</tr>
<tr>
<td>13. EIA rate of loan project</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
## 2020 Report of Corporate Social Responsibility (Environment, Social, Governance)

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

<table>
<thead>
<tr>
<th>Item</th>
<th>Unit</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emission of vehicles (scope 1)</td>
<td>Ton</td>
<td>25.28</td>
<td>30.96</td>
<td>50.74</td>
</tr>
<tr>
<td>Emission of canteen LNG emission (scope 1)</td>
<td>Ton</td>
<td>67.43</td>
<td>92.17</td>
<td>90.69</td>
</tr>
<tr>
<td>Emission of electricity use (scope 2)</td>
<td>Ton</td>
<td>1,481.74</td>
<td>2,024.90</td>
<td>1,731.79</td>
</tr>
<tr>
<td>Total GHG emission</td>
<td>Ton/m² floor area</td>
<td>0.01</td>
<td>0.02</td>
<td>0.02</td>
</tr>
</tbody>
</table>

Note 1: The GHG emission is calculated as per the Instructions on Carbon Dioxide Baseline Emission Factor (OM Calculation for the Power Grid) in China in 2019.

**Air pollutant emission of public vehicles owned by the Head Office**

<table>
<thead>
<tr>
<th>Item</th>
<th>Unit</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx</td>
<td>kg</td>
<td>3.16</td>
<td>15.26</td>
<td>21.78</td>
</tr>
<tr>
<td>SOx</td>
<td>kg</td>
<td>0.18</td>
<td>0.20</td>
<td>0.33</td>
</tr>
<tr>
<td>CO</td>
<td>kg</td>
<td>67.25</td>
<td>147.58</td>
<td>237.50</td>
</tr>
<tr>
<td>PM2.5</td>
<td>kg</td>
<td>0.30</td>
<td>0.70</td>
<td>1.08</td>
</tr>
<tr>
<td>PM10</td>
<td>kg</td>
<td>0.30</td>
<td>0.77</td>
<td>1.18</td>
</tr>
</tbody>
</table>

**Resource consumption and intensity of the Head Office**

<table>
<thead>
<tr>
<th>Item</th>
<th>Unit</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity consumption</td>
<td>10MWh</td>
<td>281.86</td>
<td>331.90</td>
<td>329.35</td>
</tr>
<tr>
<td>Electricity consumption density</td>
<td>kWh/m² floor area</td>
<td>26.50</td>
<td>31.21</td>
<td>47.05</td>
</tr>
<tr>
<td>Water consumption</td>
<td>10,000 tons</td>
<td>3.93</td>
<td>6.26</td>
<td>3.27</td>
</tr>
<tr>
<td>Water consumption density</td>
<td>ton/m² floor area</td>
<td>0.31</td>
<td>0.59</td>
<td>0.47</td>
</tr>
<tr>
<td>Gas consumption</td>
<td>10,000 m³</td>
<td>3.19</td>
<td>4.36</td>
<td>4.29</td>
</tr>
<tr>
<td>Gas consumption density</td>
<td>m³/m² floor area</td>
<td>0.90</td>
<td>0.41</td>
<td>0.61</td>
</tr>
<tr>
<td>Gasoline consumption (by vehicle)</td>
<td>10,000 l</td>
<td>1.18</td>
<td>1.33</td>
<td>2.19</td>
</tr>
<tr>
<td>Gasoline consumption density (by vehicle)</td>
<td>Vehicle</td>
<td>1,072.73</td>
<td>1,219.53</td>
<td>1,290.59</td>
</tr>
</tbody>
</table>

**Quantity and density of harmless wastes of the Head Office**

<table>
<thead>
<tr>
<th>Item</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity of kitchen wastes</td>
<td>3.95 tons</td>
<td>87.120 (liters)</td>
<td>86.400 (liters)</td>
</tr>
<tr>
<td>Density of kitchen wastes</td>
<td>0.004 (tons per capita)</td>
<td>89.26 (liters per capita)</td>
<td>97.19 (liters per capita)</td>
</tr>
</tbody>
</table>

Note 1: The statistical unit was adjusted to "tons" in 2020.
III. Scope of work, approach, and limitation

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

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

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

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

IV. Conclusion

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

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

V. Our Independence, quality Control and assurance team

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

Ernst & Young Hua Ming LLP
Beijing Office
26 March 2021
Appendix

Notes to Report

Scope of report
Organizational scope of the report: Head Office and branches of the Bank of Chongqing. The 'Bank of Chongqing' and 'the Bank' herein both refer to Bank of Chongqing Co., Ltd.
Time scope of the report: from Jan. 1, 2020 to Dec. 31, 2020 with part of contents beyond this time scope.
Publishing cycle of the report: the report is published annually.

Basis of compilation

Data specification
The financial data in the report are extracted from the Annual Report of Bank of Chongqing Co., Ltd. in 2020 (A-share) while other data are mostly within the year of 2020 with part of them beyond the time scope. All the current amounts in the report are in the unit of Renminbi yuan.

Publication form
The report is published in both hard copy and soft copy. The soft copy is available at: http://www.cqcbank.com.

Contact information
Office of Board of Directors, Bank of Chongqing Co., Ltd.
Address: 6 Yong Ping Men Street, Jiangbei District, Chongqing, China
Zip code: 400024
Phone: +86 (0)23 63799024

Feedback Form for Readers

Dear readers,
Thank you very much for taking time to read the Report of Corporate Social Responsibility (Environment, Social, Governance) of Bank of Chongqing 2020. We look forward to your valuable comments and feedback, which help us improve the report.
Best regards!

Bank of Chongqing Co., Ltd.
March, 2021

Single choice question (please tick the option □)

Does the report comprehensively and accurately show the Bank’s major impact on economy, society and environment?
□ Excellent  □ Good  □ General  □ Bad  □ Very Bad

Does the report respond to and disclose the most concerned issues of stakeholders?
□ Excellent  □ Good  □ General  □ Bad  □ Very Bad

Are the information, indicators and data disclosed in the report clear, accurate and complete?
□ Excellent  □ Good  □ General  □ Bad  □ Very Bad

What is the readability of the report the logic thread, content, language and format of the report?
□ Excellent  □ Good  □ General  □ Bad  □ Very Bad

Open questions

What information you intend to know is not contained in the report?

What is your advice on our future reports?
This report is made of renewable environmental protection paper