



Bank of Jinzhou Co., Ltd.

2016

Environmental, Social and  
Governance Report

Stock Code: 0416

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2016  
**Bank of Jinzhou**  
Environmental, Social  
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# About this Report

This report describes the performance of Bank of Jinzhou Co., Ltd. ( "Bank of Jinzhou", "the Bank" or "we") in fulfilling its social responsibility in 2016, and provides key disclosures of information pertaining to the Bank's efforts to promote economic, social and environmental sustainability.

## Reporting Period

From 1 January 2016 to 31 December 2016 (the "Reporting Period")

## Reporting Cycle

This report is prepared annually.

## Reporting Scope

Unless otherwise stated, this report focuses on Bank of Jinzhou as a main reporting entity, covering its subsidiaries, branches, sub-branches and special institutions.

## Basis of Preparation

This report has been prepared in accordance with the disclosure recommendations of Appendix27-Guidelines for Environmental, Social and Governance Reporting to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and with the reference to:

The Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI4.0);

Opinions on Strengthening the Social Responsibility of Banking Financial Institutions of China Banking Regulatory Commission ("CBRC") ;

Guidelines of the Shanghai Stock Exchange on Environmental Information Disclosure of Listed Companies of the Shanghai Stock Exchange;

Guidelines of the China Banking Association on the Corporate Social Responsibility of Banking Institutions of China of the China Banking Association.

## Collection of Information

Part of the financial information contained in this report is based on 2016 financial statements prepared in accordance with the International Financial Reporting Standards ("IFRS") and audited by KPMG. Other information is sourced from statistical data of the Bank's internal systems and branches. Cases cited are real cases in the Bank's operations. Unless otherwise stated, renminbi is the functional currency throughout this report.

## Report Assurance

The board of directors of Bank of Jinzhou Co., Ltd. (the "Board") and all directors undertake that the information in this report contains no false record, misleading statement or material omission, and assume individual and joint and several liabilities to the authenticity, accuracy and completeness of the information in this report.

KPMG Huazhen LLP was appointed to perform independent limited assurance on the report in accordance with the International Standards on Assurance Engagements ("ISAE") 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information and issued an assurance report.

## Issuance Form

This report is issued in the form of printed version and published on the websites at <http://www.jinzhoubank.com> and <http://www.hkexnews.hk>.

This report is available in Chinese and English. If there is any conflict between the Chinese version and its English translation, the Chinese version will prevail.

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# Message from the Chairman

The year 2016 marks the first year of China's "13th Five-year Plan", as well as a critical year for China's supply-side structural reform. 2016 is also the first year following Bank of Jinzhou's successful listing. Faced with grave operating challenges, the Bank continued to deliver on the development concepts of Innovation, Harmonisation, Green, Openness and Sharing, complying with the five fundamental philosophy of "compliance with the laws and regulations is the footstone of our operations", and implementing the operation principle of "mode transfer, structural adjustment, risks control and stable development". In addition to vigorously seeking progress, deepening reform, seizing opportunities and promoting development through innovation, Bank of Jinzhou strived to become a socially responsible enterprise by advancing economic, environmental and social sustainability.

**Committing to building a valued bank by supporting the development of real economy.** The Bank answered to the call of state strategies and policies to unrelentingly explore and innovate new modes and models by which it supports the development of industrial enterprises and revitalise the old industrial base in Northeast China. It remained faithful to its time-honoured commitment to serving the regional economy, small and micro businesses and the general public. It devoted itself to serving the "Three Basis & Three Smalls" business and creating jobs, improved its capabilities of providing financial services to support agricultural development, farmers and villages, and lent stronger financial support to emerging industries in an effort to drive economic and social sustainability. The Bank ranked 250th by tier 1 capital according to the Top 1,000 World Banks ranking published by The Banker, a British magazine in 2016, having risen 100 from the previous year.

**Committing to building a reputable brand by improving products and services for customers.** The Bank adhered to a customer-centred strategy, accelerated its efforts to transform and upgrade its networked services, expanded customer service channels and improved customer experience. It continued to drive product and service innovation, optimise service standards and norms, and leverage a diverse range of financial products to provide customers with integrated and comprehensive financial services with supreme quality and efficiency. It actively protected customers' rights and interests and advanced IT technologies to safeguard customers' information security. As a fervent practitioner of financial inclusion, it committed to providing customers with high-quality, efficient and specialised financial services that make customers feel warm.

**Building a harmonious bank by attending to employee growth.** The Bank has always been committed to the concept of "Talents-Based Development". It built a sound performance appraisal and incentive system, having continuously optimised its allocation of human resources, maintaining and safeguarding employees' legitimate rights and interests, enhancing its efforts to foster and develop talents, sustaining a caring culture towards employees' health and growth, and enriching employees' spare-time activities. It endeavoured to provide employees with a safe and stable working environment, as well as a promising prospect for development, so that every employee's career development goal matches the Bank's development objective.

**Building a green bank by advancing green finance.** The Bank continued to improve its green credit policy, vigorously developed low-carbon finance, and actively carried out green public service activities in an effort to live up to the development concept centred on low carbon and environmental protection and promote the sustainable development of the ecological environment. It actively advocated low-carbon operations, ran its business in a green office, and incorporated ecological conservation into every aspect of the Bank's management and operation to reduce the impact of its operations on the ecological environment and build a green eco-home.

**Building a caring bank by committing to public service undertakings.** The Bank attached great importance to the work of poverty alleviation through financial services, enhanced its efforts to carry out poverty alleviation undertakings by providing financial services and advanced precision poverty. It remained a keen practitioner in public service undertakings, supported various poverty alleviation, volunteer service, and public welfare activities, and advocated wider participation in public service undertakings. It took actions to give back to society and continued to improve social well-being.

A look into the year 2017 reveals the coexistence of opportunities and challenges. Bank of Jinzhou will remain committed to the path of sustainable development with firm determination, full enthusiasm and strong steps. It will enhance accountability management, strengthen the sense of responsibility, fulfil its due responsibility, and perform its corporate social responsibilities. It will work in solidarity with various stakeholders in a symbiotic relationship to promote economic, social and environmental sustainability and harmony, and create and share a better future.

ZHANG WEI

Chairman

Jinzhou, China

14<sup>th</sup> July, 2017

# Message from the President

In 2016, guided by the philosophy of "Serving the Community, Benefiting the Public", Bank of Jinzhou focused on business development, risk management, reform and innovation, team building and other key areas of work, actively fulfilled its responsibilities to shareholders, customers, employees, the environment, society and other stakeholders, and made a positive contribution to the goal of maintaining sound growth, promoting reform, adjusting the structure, benefiting people's livelihoods and preventing risk.

In the past year, the Bank made new progress in operating performance by actively seizing new opportunities and effectively preventing and controlling risks. It focused on structural optimisation and business transformation, and recorded sound business growth and improved profitability that bore witness to the effective business operation and management. As of the end of the Reporting Period, the total assets of the Bank reached RMB539.06 billion a year on year increase of 49.1%, with a net profit of RMB8.199 billion, a year-on-year increase of 67.1%. It successfully executed its plan for the capital increase and completed the placement of 1 billion new H shares and the issuance of tier-2 capital debts worth RMB2.5 billion, increasing its capital adequacy ratio to 11.62%. It maintained sound credit asset quality and controlled its non-performing loan ratio within a reasonable range. It ranked 141th on the list of top 500 listed companies in China in terms of capitalization in 2016.

In the past year, the Bank responded to major strategic calls of the country, such as "the Revitalisation of the Old Industrial Base in Northeast China", "Beijing-Tianjin-Hebei Integration" and "Enterprising and Innovation by Everyone" and was committed to promoting coordinated development of regional economy. With an unshakable adherence to its market position of "Three Basis & Three Smalls", the Bank built special business institutions to improve the coverage and depth of financial services for small and micro businesses. It lent a total of RMB9.14 billion loans to institutions that fall within the scope of "Three Smalls". With expanded coverage of customers in the area of comprehensive financial services, it was named the Top Ten Commercial Banks Supporting the Development of Small and Medium-sized Enterprises for seven consecutive years.

In the past year, the Bank focused on improving customer service and building a service-oriented bank. It accelerated product and service innovation and transformation, and upgraded its financial services with science and technology. The development of e-finance sped up, with rich e-banking services and a significant increase in transaction volumes. It initiated Smart Banking 2.0 and optimised business processes to significantly reduce business processing time. It took initiative in advancing financial inclusion to the extent that financial services have been integrated with social security, health care, education, agent payment needs, and other areas and brought tangible benefits and convenience to people.

In the past year, the Bank continued to build a professional environment characterised by healthy development, positivity and harmony. It improved various working mechanisms for talent cultivation, career development, performance appraisal, democratic management and other areas, and strived to create learning, development and demonstration channels and platforms for employees to enhance employees' satisfaction and sense of belonging. The Bank was recognised as the Model Organisation of Corporate Culture Construction in Liaoning Province by the Publicity Department of the Communist Party of China (the "CPC" or the "Party") Liaoning Provincial Committee, the State-owned Assets Supervision and Administration Commission of Liaoning Province and the Trade Union of Liaoning Province in the People's Republic of China ("PRC").

In the past year, the Bank vigorously promoted industrial transformation and upgrading. It actively supported the development of energy conservation, environmental protection and other emerging industries, strictly controlled the credit support for enterprises with high energy consumption and high pollution, as well as those that operate in industries that are suffering from overcapacity, and fulfilled its environmental responsibility by lending support for low-carbon development. It accelerated its efforts to expand the electronic availability of financial services and significantly increased the e-banking replacement rate. It strived to enhance its energy conservation and environmental protection performance by adopting green offices and other measures, so that the concept of green development became part of every aspect of its operation and management.

In the past year, the Bank remained true to its time-honoured purpose, and maintained a positive presence in society. It carried out public services and donation activities, advocated a volunteer spirit, and held public welfare and charitable activities in various fields. It built the Bank of Jinzhou Poverty Alleviation Leading Group to focus on precision poverty alleviation and comprehensively promoted poverty alleviation campaigns to drive the economic development of poverty-stricken regions and to help poor people shake off poverty and increase their income.

In 2017, Bank of Jinzhou will ride the tide of time to seek innovation-driven, sustained and low-carbon development, create economic, social and environmental value, and continue to explore the path that leads to a win-win outcome for various stakeholders.

LIU HONG

President

Jinzhou, China

14<sup>th</sup> July, 2017



# I. About Us

## 1.1 Company Profile

Bank of Jinzhou was founded on 22 January 1997, and is headquartered in Jinzhou, Liaoning Province, the PRC. It was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 7 December 2015 (Stock Code: 0416). As of the end of the Reporting Period, the Bank had 14 branches and seven village and township banks, and owned the Bank of Jinzhou Financial Leasing Co., Ltd. It operates a total of 223 branches, and has entered into a correspondent banking relationship with 539 banks over 70 countries and regions.

Since its incorporation, Bank of Jinzhou has remained faithful to its commitment to serving the community and benefiting the public, and has never deviated from its time-honoured purpose of serving the regional economy, small and micro businesses and the general public. It devoted itself to serving the "Three Basis & Three Smalls" business and real economy, and advancing the development of financial inclusion. It focuses on uniqueness, differentiation and precision in seeking development, and is committed to providing quality, efficient and specialised financial services for its customers and making them feel warm.

With excellent business performance, management capabilities, service quality and corporate culture, Bank of Jinzhou has been widely recognised and praised by the business community and its customers. It was awarded the National Civilised Organisation, the Top Ten Commercial Banks in China for Supporting the Development of SMEs and other honorary titles. The Bank ranked 250th by tier 1 capital according to the Top 1,000 World Banks ranking by The Banker, a British Magazine, in 2016. This shows that the Bank has become a first-class modern commercial bank.



## 1.2 Honours and Awards

Awarders	Honours and Awards	Awarded Time
Liaoning Financial Union and CBRC Liaoning Bureau Union	2015 Outstanding Standardized Information Transfer Regulation Organization Unit of the EAST System Application Labour Emulation	January 2016
China UnionPay	2015 Most Potential Award for UnionPay Card Business	March 2016
2015 Inter-Bank Domestic Currency Market Excellent Members Selection	Best City Commercial Bank	March 2016
Liaoning Internal Security Society, PRC	2015 Advanced Unit for Security Management and Outstanding Member Unit	March 2016
Publicity Department of Liaoning Province, State-owned Assets Supervision and Administration Commission of Liaoning Province and Trade Union of Liaoning	Model Unit of Corporate Culture Construction in Liaoning Province	March 2016
CBRC Jinzhou Bureau of CBRC Liaoning Bureau	Advanced Unit of Financial Services for Small and Micro Enterprises	May 2016
Liaoning Banking Association	2015 Advanced Unit for China Banking Consumer Right Protection Knowledge Contest Internet Contest	May 2016
Jinzhou Municipal Party Committee and Municipal Government	2015 Jinzhou Meritorious Service Enterprises	June 2016
2015 Report on the Competitiveness of Commercial Banks in China prepared by The Banker, a Chinese magazine	Ranked first among city commercial banks with an asset size of over RMB300 billion in terms of overall competitiveness 2015 Best City Commercial Bank Award	September 2016
11th SME Owners Annual Summit	Top Ten Commercial Banks in China for Supporting the Development of SMEs	November 2016
7th Jinding Prize Selection	Excellent Asset Management Bank	December 2016
14th Award Ceremony of the Best Employer Selected by China College Students hosted by ChinaHR.com	Best Employer	December 2016
Liaoning Internal Security Society	2016 Model Enterprise for Security Management	December 2016

### 1.3 Key Performance Indicators

Type of KPI	Name of KPI	Unit	2016
Economic KPIs	Operating income	RMB100 million	164.14
	Net profit	RMB100 million	81.99
	Basic earnings per share	RMB	1.40
	Total assets	RMB100 million	5,390.60
	Total deposits	RMB100 million	2,629.69
	Loans and advances to customers	RMB100 million	1,268.00
	Returns on average assets	%	1.82
	Returns on equity	%	25.16
	Non-performing loan ratio	%	1.14
	Allowance coverage ratio	%	336.30
Social KPIs	Capital adequacy ratio	%	11.62
	Total taxes paid	RMB100 million	41.90
	Social contribution per share <sup>1</sup>	RMB	4.05
	Balance of loans to small and micro businesses	RMB100 million	610.44
	Customer complaints handling satisfaction rate	%	100
Environmental KPIs	Total number of employees <sup>2</sup>	Person	5,519
	Proportion of female employees <sup>2</sup>	%	59.03
	E-banking replacement ratio	%	62.66
	Head office power consumption	1 kWh	1,035,026
	Head office water consumption	Ton	5,423
	Head office paper consumption	Sheet	700,000

<sup>1</sup> Social contribution per share = (annual tax paid + staff salaries paid + loan interest paid to creditors + total outbound donations - other social cost arising from environmental pollution) ÷ total share capital+ basic earnings per share.

<sup>2</sup> This indicator is the data of the Bank excluding subsidiaries.



## II. Social Responsibility Management

### 2.1 Social Responsibility Concepts

Committing to the mission of satisfying customers, creating value for shareholders and fulfilling social responsibilities, the Bank strived to forge a multi-dimensional social responsibility system in economic, social and environmental terms by building a valued bank, a reputable brand, a harmonious bank, a caring bank and a green bank. It integrated social responsibility management with the Bank's business development, built a sustainable development model and improved and fulfilled its corporate mission through its sense of responsibility. It is committed to building itself into city commercial bank with supreme social responsibility competitiveness and achieving harmony and a win-win outcome with stakeholders.



## 2.2 Social Responsibility Management System

### Social Responsibility Management System

The Bank have embedded the concept of sustainable development in its daily operations, and built a social responsibility management system at the decision-making, organisation and execution levels. It formulates implementation strategies based on social responsibility priorities, and mobilise relevant departments to honour its social responsibility commitments in their daily operations.



## 2.3 Stakeholder Participation

### Stakeholder Participation

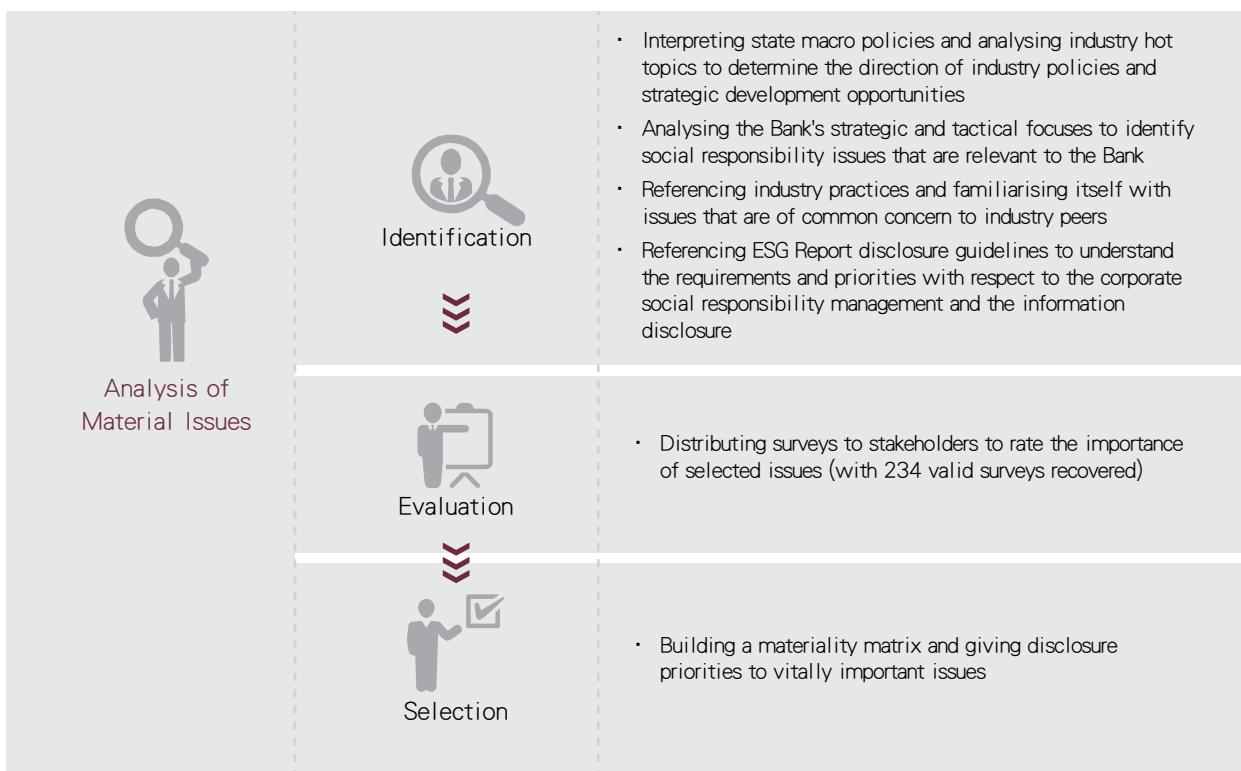
The Bank has put in place various means of communication in daily operations to enhance its communication with stakeholders. It remained attentive to the feedback from stakeholders and continued to improve its social responsibility governance capabilities and performance.

Stakeholders	Expectations and requirements	Means of communication	Responses and measures
Governments	<ul style="list-style-type: none"> <li>Support the sound development of real economy</li> <li>Deliver on macroeconomic policies</li> <li>Develop inclusive finance</li> </ul>	<ul style="list-style-type: none"> <li>Policy documentation and guidelines</li> <li>Work meetings</li> <li>Information distribution</li> <li>Seminars</li> </ul>	<ul style="list-style-type: none"> <li>Support regional strategies such as the Belt and Road Initiative and the Beijing-Tianjin-Hebei Integration</li> <li>Provide financial support for the revitalisation of the old industrial base of the Northeast China</li> <li>Better serve small and micro entities ("SME's) and agriculture-related affairs</li> <li>Support the development of emerging industries</li> </ul>
Regulators	<ul style="list-style-type: none"> <li>Compliance-based operation</li> <li>Maintain financial stability</li> <li>Fulfil social responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory policies</li> <li>Surveys and on-site visits</li> <li>Progress reporting</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen the compliance management</li> <li>Improve the comprehensive management system</li> <li>Advance precision poverty alleviation undertakings</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>Ensure sustained business operation</li> <li>Increase core competitiveness</li> <li>Increase corporate value</li> </ul>	<ul style="list-style-type: none"> <li>General meetings of shareholders</li> <li>Information disclosure</li> <li>Performance roadshows</li> </ul>	<ul style="list-style-type: none"> <li>Improve the corporate governance structure</li> <li>Formulate corporate development plans</li> <li>Improve the profitability</li> <li>Enhance investor relation management</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Improve service quality and efficiency</li> <li>Provide quality financial products</li> <li>Ensure information and fund security</li> <li>Expand service channels</li> </ul>	<ul style="list-style-type: none"> <li>Marketing activities</li> <li>Customer service hotline</li> <li>Surveys</li> <li>WeChat, e-banking and other digital platforms</li> </ul>	<ul style="list-style-type: none"> <li>Optimise the business procedure</li> <li>Innovate financial products</li> <li>Protect customer rights and interests</li> <li>Increase business establishments</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Improve employee benefits</li> <li>Protect employee rights and interests</li> <li>Provide career development opportunities</li> <li>Enrich free-time activities</li> </ul>	<ul style="list-style-type: none"> <li>Trade union</li> <li>General meetings of employee representatives</li> <li>Seminars</li> <li>President's mailbox</li> <li>Visits and interviews</li> </ul>	<ul style="list-style-type: none"> <li>Improve the compensation and welfare system</li> <li>Enhance the democratic management</li> <li>Improve the training system</li> <li>Organise rich recreational and sports activities</li> <li>Offer care to employees in need</li> </ul>
Vendors	<ul style="list-style-type: none"> <li>Fair procurement</li> <li>Performance in good faith</li> <li>Cooperation for win-win outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Negotiations</li> <li>Cooperation agreements</li> <li>Tendering and bidding</li> </ul>	<ul style="list-style-type: none"> <li>Build a procurement management system</li> <li>Enhance business cooperation</li> </ul>
Partners	<ul style="list-style-type: none"> <li>Mutually beneficial cooperation</li> <li>Communication and exchanges of ideas with industry peers</li> </ul>	<ul style="list-style-type: none"> <li>Meetings</li> <li>Project cooperation</li> <li>Daily communication</li> </ul>	<ul style="list-style-type: none"> <li>Conduct surveys and on-site visits</li> <li>Enhance exchanges and cooperate with industry peers</li> </ul>
Communities	<ul style="list-style-type: none"> <li>Organise community activities</li> <li>Help vulnerable groups</li> </ul>	<ul style="list-style-type: none"> <li>Visits and interviews</li> <li>Community service activities</li> </ul>	<ul style="list-style-type: none"> <li>Provide financial aid to students</li> <li>Popularise financial knowledge</li> <li>Organise volunteer activities supported by employees</li> </ul>
Environment	<ul style="list-style-type: none"> <li>Environmental protection with low carbon</li> <li>Sustainable development</li> </ul>	<ul style="list-style-type: none"> <li>Policies on energy conservation and emission reduction</li> <li>Green public service activities</li> </ul>	<ul style="list-style-type: none"> <li>Provide green credit</li> <li>Create a green office</li> </ul>

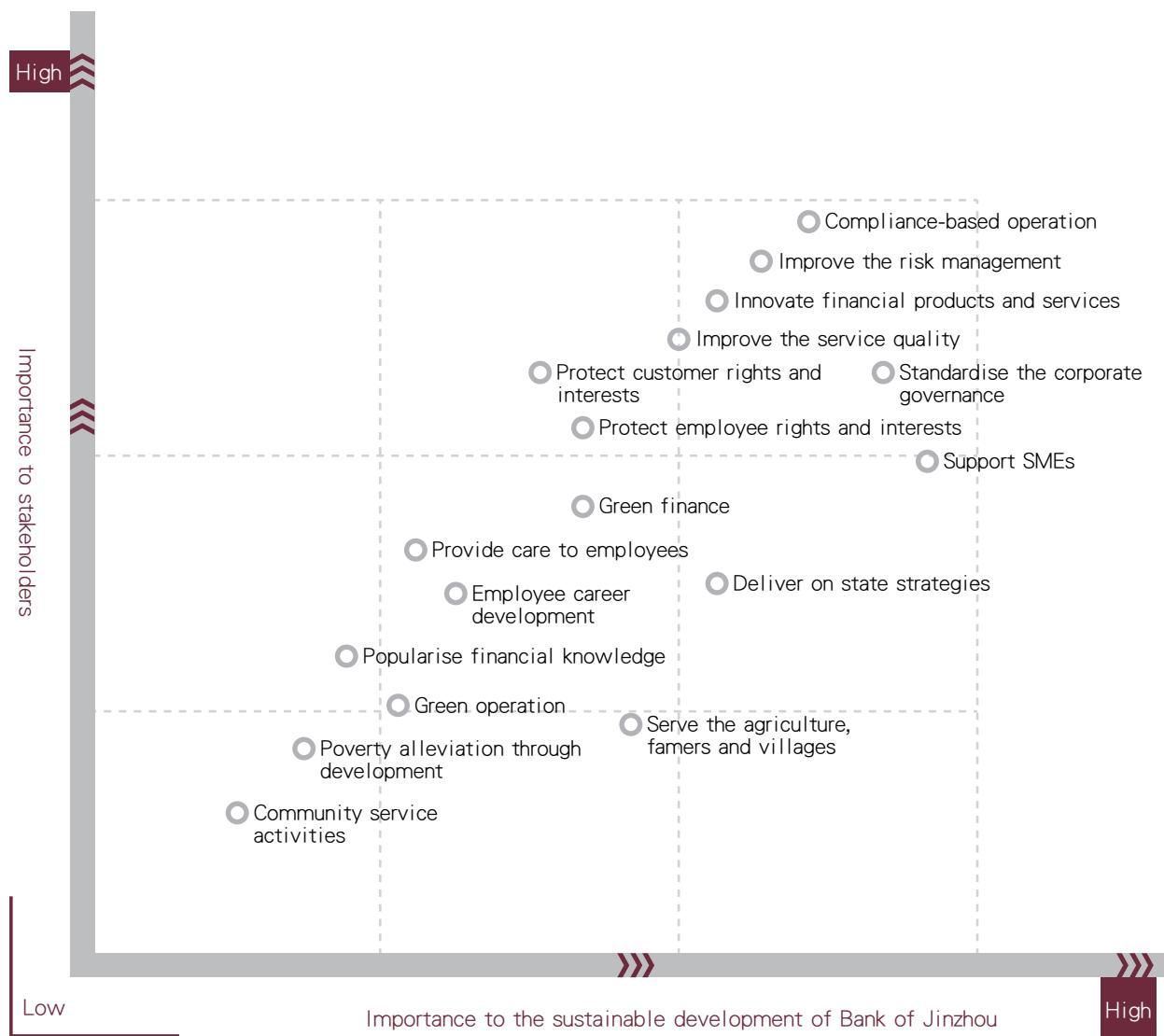
## 2.4 Analysis of Material Issues

### Analysis of Material Issues

The Bank identifies social responsibility issues by taking in account the expectations of stakeholders, interpreting state macro policies, analysing industry hot topics, examining the Bank's strategic and tactical focuses and referencing industry practices and ESG Report disclosure guidelines. It evaluates the importance of each social responsibility issue to its sustainable development and stakeholders, and determines the material issues to be disclosed in the report accordingly.



Materiality Matrix





# III. Supporting Real Economy

## 3.1 Revitalising the Old Industrial Base of the Northeast China

The Bank remained responsive to the calls of "Revitalising the Old Industrial Base of the Northeast China", having constantly explored and innovated the credit model suited for the financing needs of industrial enterprises, and effectively supported the development and expansion of industrial enterprises above a designated size in the area. By adopting such initiatives as promoting the transformation and upgrading of traditional industries, helping high-tech industries grow and expand and supporting wide participation in entrepreneurship and innovation, it actively supported the revitalisation of the Northeast China.

### Case 1

The Anshan Branch of Bank of Jinzhou has entered into cooperation with a machinery manufacturing company in Anshan since July 2015, providing working capital loans for it. The company operates in a traditional pillar industry in Anshan and even the Northeast China. The Bank closely watched its operating and manufacturing activities, and provided credits to meet its financing needs. In so doing, it supported the development of the local equipment manufacturing industry and made a contribution to supporting the development of real economy, which in turn powers the revitalisation of the Northeast China.

### Case 2

Delivering on China's Belt and Road initiative and the policy of the CPC Liaoning Provincial Committee and the Provincial Government of Liaoning on "relying on industries to drive the growth of Xinjiang, PRC", the Fuxin Branch of Bank of Jinzhou provided credit support for two leading enterprises in the wool deep processing business in the Northeast China. With such credit support, the enterprises successfully acquired two well-known state-owned textile companies in the PRC. This is the first pilot project after the CPC Liaoning Provincial Committee and the Provincial Government of Liaoning released the policy, and will drive the economic growth of Liaoning, Xinjiang and other regions.



### 3.2 Supporting the Growth of "Three Basis & Three Smalls"

Since its establishment, the Bank has been committed to its fundamental market position that focuses on "Three Basis & Three Smalls", and actively drove the coordinated development of the "Three Basis & Three Smalls" businesses. Guided by the notions of "standardised management, risk control and prevention, structural adjustments, customer base expansion and brand shaping", the Bank carried out its "Three Basis & Three Smalls" activities. As of the end of the Reporting Period, the Bank's balance of loans to "Three Smalls" was RMB9.14 billion; the number of "Three Smalls" customers was 10,515, accounting for 90.1% of the number of the total loan customers (excluding those of subsidiaries). The "Three Basis" business maintained a good growth momentum, with the number of settlement accounts reaching 64,300, an increase of 8,295 from the end of the previous year. The coverage of "Three Smalls" customers with respect to comprehensive financial services continued to increase.

#### Formulating independent policy systems

- Special credit plans: Giving priority to SMEs in terms of credit resources and making ad hoc credit plans for SMEs with a focus on the "Three Smalls" business at a loan value of no more than RMB5 million.
- Specialised management institutions: Establishing "Three Basis & Three Smalls" Management Department, Business Departments and Sections at the head office, branches and sub-branches respectively; setting up the "Three Smalls" Credit Service Centre, having upgraded it in 2015 to Small Enterprise Credit Service Centre; and building an independent technical team for micro-loans, as well as a team of highly competent micro-loan professionals.
- Special management systems: Formulating special "Three Smalls" credit management systems and guidelines, and building the credit management mechanism, the interest rate pricing mechanism, incentive and constraint mechanisms, the loan approval mechanism and the post-loan risk warning mechanism for the "Three Smalls" credit business.
- Professional customer manager teams: Placing professional "Three Smalls" customer managers who are responsible for marketing activities, risk management, and comprehensive administrative affairs relating to the "Three Smalls" credit business, building a system requiring "Three Smalls" customer managers to be properly certified before fulfilling their roles, and setting up professional "Three Smalls" teams.
- Special incentive and constraint mechanisms: Building a comprehensive "Three Smalls" performance appraisal and incentive mechanism, and holding "Three Smalls" credit business contests for several consecutive years to motivate the teams through objectives, honours and economic incentives.

#### Providing customised financial products

- "Entrepreneurship Plan": It provides a variety of credit products such as business start-up loans for college students, young people and women.
- "Growth Plan": It targets growing "Three Smalls" enterprises and provides them with flexible credit policies to achieve increased credit along with the growth of such enterprises.
- "Soaring Plan": It provides mature "Three Smalls" enterprises with various working capital loans and other credit products that are repayable at any time and can be provided on demand.
- "Quality Life Plan": It provides consumers with various credit products to meet their spending needs.

#### Providing convenient and efficient services

- Improving service channels and expanding the coverage of financial services for small and micro businesses

The Bank refined its service network and executed a region-specific accountability system. It set up a service network map for the "Three Smalls" corporate credit business, in which small enterprises, markets, small stalls, streets and small stores in the city were all served by the Bank's corresponding sub-branches based on their locations so that the full coverage was achieved, each account was recorded and managed, and all the requests and questions were responded to.

The Bank improved its service platform and enriched its business channels. It set up a 24-hour credit service line for "Three Smalls" enterprises, requiring customer managers to perform an on-site survey within six hours after an enquiry was made. It launched an online platform to provide online consulting, applications and replies, as well as other financial services.

- Improving service efficiency and enhancing financial service experience for SMEs.

The Bank strived to provide efficient and convenient comprehensive financial services for SMEs. It minimised customers' waiting time, walking distance, expenses and mental strain. By cutting such time, spatial, capital and psychological cost, it helped small and micro enterprises reduce financing cost in real terms. This gives rise to strong core competitiveness in terms of service capabilities.

### Case 1

In response to the state's call for wide participation in entrepreneurship and innovation, in 2016, Bank of Jinzhou set up a working group on business start-up and employment loans for women to carry out the related works. Leaders of the pilot institutions all attached great importance to business start-up loans for women. They designated special personnel to take charge of the issue and entered into sound cooperative relationships with local women's federations. As of the end of the Reporting Period, 256 business start-up loans were distributed to women in Jinzhou, with a balance of RMB19.74 million, which demonstrated an exponential growth.

### Case 2

In order to help a private community outpatient clinic in Tianjin overcome liquidity difficulties, the Tianjin Branch of Bank of Jinzhou collected the information of the operational status of the clinic by paying several field visits, checking outpatient accounts and observing patient flows. It rapidly customised a one-year short-term working capital loan for the clinic based on the repayment pattern of the clinic. It took only a week to go through the whole process from pre-loan investigation and collection of materials, reporting of potential businesses, examination and approval by the branch and the head office to final approval. This speedy process helped the customer meet its urgent needs for liquidity.

### Case 3

On 28 July 2016, a delegation led by the chairman of a construction group based in Fushun visited the Fushun Branch of Bank of Jinzhou to present in person a silk banner with the words "Timely Assistance for Economic Revitalisation" to the leader of the branch and the head of the "Three Basis & Three Smalls" Business Department. The banner was a token of gratitude to the branch for its unrelenting support and assistance that helped the company overcome difficulties and grow.

At the office of the head of the credit business, who is also the president of the branch, the delegation extended its sincere gratitude to the branch for its full support for the development of the company, with the following remarks: "We had some good orders, but due to a lack of working capital, we could not do anything about it. A lot of people are saying that loans are hard to get and the processing time is quite long. This is true as we have consulted several banks and they also told us that it would take at least a few weeks or a month to process. But it took Bank of Jinzhou less than one week to complete examination processes and to distribute the loan. This is highly efficient. Plus, its service is warm and convenient."

### 3.3 Improving the Capabilities of Providing Agriculture-related Financial Services

The Bank actively promoted the progress of financial inclusion in rural areas, extending the availability of its financial services to counties, townships and their surrounding villages. It strongly supported the development of rural economy through its retail and credit businesses. It increased its credit support for new rural economic organisations to meet the capital needs of farmers and to overcome financing difficulties. As of the end of the Reporting Period, the Bank (excluding its subsidiaries) has 59 business establishments at the county level or below, with 12 self-service equipments of various types at the county level or below in rural areas (including the equipments at or outside the business establishments).

The Bank actively responded to the call of the state of supporting the efforts to build a new socialist countryside and alleviate poverty. It invested in and set up village and township banks that operate on the purpose of "dedicating to towns and countryside, supporting small and micro businesses, serving agriculture-related affairs and benefiting the general public", made it its market position to support agricultural development, farmers and villages, as well as small businesses, and adopted a market-oriented, customer-centric and innovation-driven approach. The Bank strengthened its efforts to lay a sound foundation for development and enhance management and operating capabilities in its determination to build Bank of Jinzhou village and township banks into those that serve as leading models for their counterparts with their unique and unmatched services tailored specifically for agriculture-related needs and supreme competitive advantages. As of the end of the Reporting Period, the Bank has seven village and township banks, with a net value of loans and advances to customer of RMB3.339 billion, representing an increase of 39.3% compared with the end of last year.

The Bank relied on a market-oriented and demand-based approach to innovating financial products and service modes for rural markets. Taking into account the characteristics of the geographical location and industry in which a farmer operates, the Bank provided customised "agriculture-related loan" products with different risk control models. Such products include loans pledged by the right to the contracted management of land, forest ownership, farming machinery and certificates of deposits, loans under group lending for small enterprises and credit-insurance loans. In addition, the Bank delegated the power of examination and approval to its branches to streamline business approval processes, to improve lending efficiency and contribute in its own way to the development of rural economy.

#### Case 1

In order to respond to the peak sales season in spring, and mitigate cost increases arising from piecemeal purchases, an agricultural machinery and equipment company based in Liaoning, the largest agricultural machinery manufacturer in the Northeast China, entered into purchase and sale contracts with a steel pipe company in Anshan and a machinery company in Donggang at the beginning of the year to purchase castings, coils, rectangular steel tubes and other raw materials for manufacturing. This resulted in liquidity problems. Having gained an understanding of the situation, the Bank conducted a scientific calculation of the company's liquidity gap, and distributed a working capital loan to help it reduce its liquidity pressure at the beginning of the year and ensure its normal operation.

#### Case 2

Through the introduction of the village committee of Yanjia Village, Yanjia Town, Linghai City, Bank of Jinzhou made acquaintance with Ms. Ren, a local grain grower that has a sizable output. Based on the village committee's understanding of her family, business and credit situation, distributed an agricultural loan to her. In the meantime, Bank of Jinzhou made use of Ms. Ren's supply chain as the starting point to develop supply chain finance. Leveraging the influence of her enterprise, a leading agricultural business in the local market, as well as her understanding of other farmers that have entered into a cooperative relationship with her, the Bank provided credit support for over ten upstream farmers under the guarantee provided by Ms. Ren. The credit support ranged from RMB100,000 to RMB400,000, for which the Bank relied on the closed-loop flows of funds within the supply chain to regulate and reduce lending risks.

### 3.4 Supporting the Development of Emerging Industries

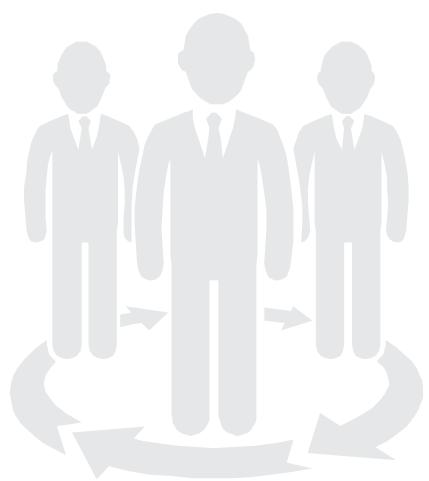
The Bank implemented the state policy of developing strategic emerging industries by increasing its financial support for the energy conservation and environmental protection industry, the next-generation information technology industry, the bio-industry, the high-end equipment manufacturing industry, the new energy industry, the new materials industry and other industries. As of the end of the Reporting Period, Bank of Jinzhou distributed a total of RMB2.369 billion in loans to strategic emerging industries, with a balance of RMB2.108 billion.

In order to provide better services for small and medium-sized technology enterprises, the Beijing Branch of Bank of Jinzhou made breakthroughs in service concepts and system functionality. In terms of service concepts, it integrated the operating idea of serving the community and benefiting the public with its commitment to supporting the sound development of real economy in the capital, and fulfilled its due social responsibility to help Beijing gain access to the dual driving forces of technology and culture and build itself into a metropolis bestowed with an advanced socialist culture. In terms of system functionality, the Bank expressly re-directed the target industries for its lending business, highlighting a shift from wholesale and retail businesses to the hi-tech industry, the cultural and creative industry and other industries that are in line with the prevailing direction of local development. It strived to increase the proportion of credit granted to such industries as long as the requirements and access standards of its "Culture-Technology Credit" products are met, and provided small and micro technology enterprises with pricing and other preferential policies to build a good brand image of the Beijing Branch.

As of the end of the Reporting Period, the Beijing Branch of Bank of Jinzhou distributed a total of RMB470 million in loans to the hi-tech industry during the year, with a balance of RMB525 million. Its total loans to the cultural and creative industry amounted to RMB527 million, with a balance of RMB183 million. The Beijing Branch continued to lend stronger support for the cultural and creative industries and expanded business types to meet customers' diverse financing needs.

#### Case

Starting from 2015, the Beijing Branch of Bank of Jinzhou granted credit to a technology company in Beijing for two consecutive years to support its construction of solar power stations in Haining, Jiaxing and other areas. In addition, it provided small enterprise-oriented credit for an energy technology company to support its construction of flue gas desulphurisation and heat recovery projects in Tianjin, Tangshan, Xingtai and other areas.



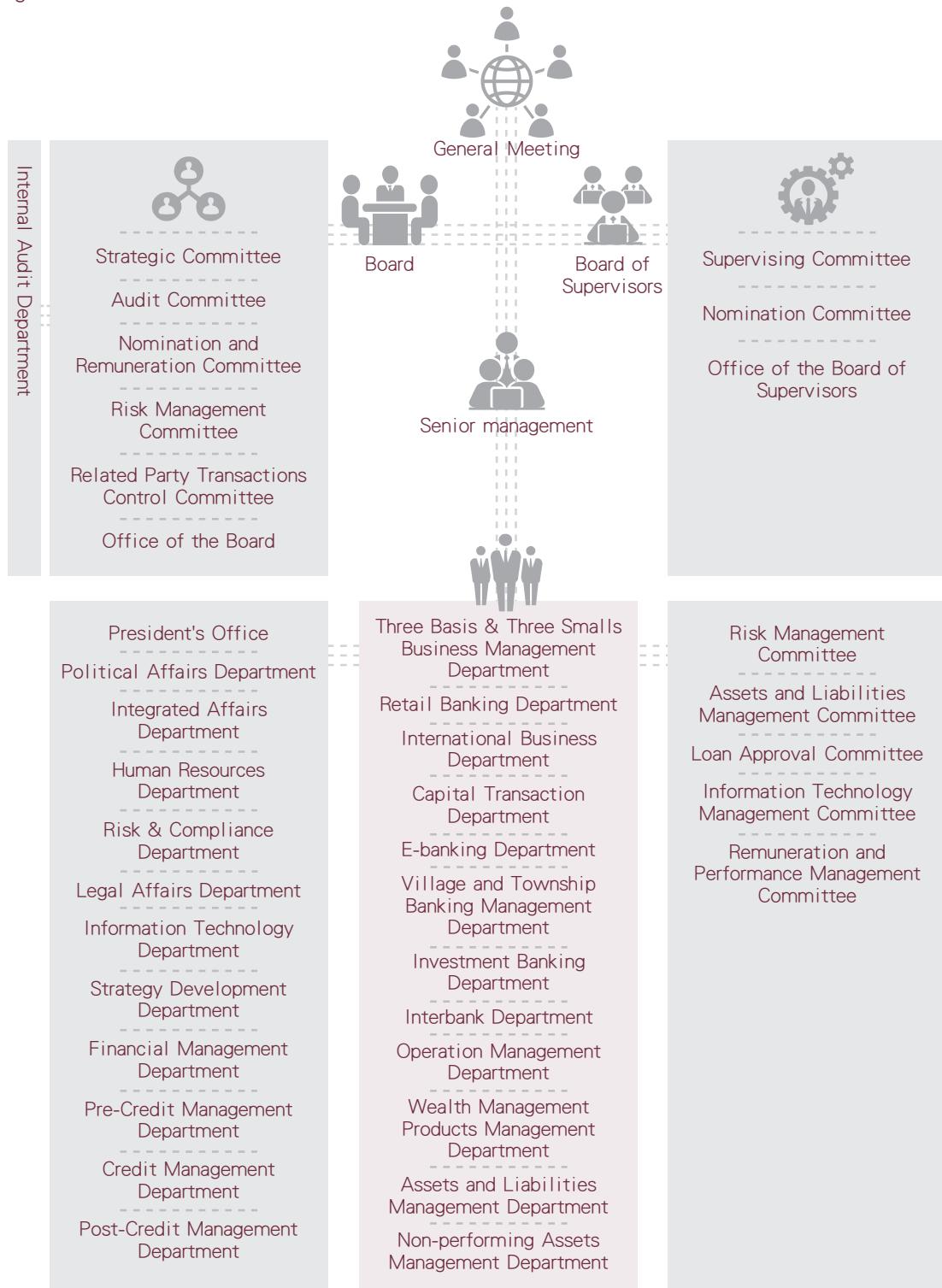
## IV. Shareholder Returns

### 4.1 Improving Economic Benefits

Actively delivering on the five-pronged development concept of Innovation, Harmonisation, Green, Openness and Sharing and fulfilling its business policies of mode transformation, structural adjustments, risk control and sound development, the Bank made sound and rapid progress in its various businesses. In 2016, the Bank achieved net profit of RMB8.199 billion, representing an increase of 67.1% compared with the last year. The basic earnings per share reached RMB1.40, not only bringing good returns for shareholders and investors, but also laying a solid foundation for its sustainable development. As of the end of the Reporting Period, the Bank's total assets reached RMB539.06 billion, representing a year-on-year increase of 49.1%. Its total loans and advance payments amounted to RMB126.8 billion, representing a year-on-year increase of 25.3%. Its deposit balance was RMB262.969 billion, representing a year-on-year increase of 54.5%.

## 4.2 Improving Corporate Governance

Organisational Structure of Bank of Jinzhou



The Bank actively implemented state industrial policies and guidelines, and strictly abided by laws and regulations, as well as regulatory requirements, with continuous improvement of corporate governance. With a corporate governance system that is centred on the general meeting of shareholders, the Board, the board of supervisors and senior management, the Bank boasts its clear distribution of responsibilities, standardised performance of duties and effective checks and balances. Focusing on its annual work topics, it carried out key works with efficient decision-making and a practical approach. This provided a solid decision-making safeguard for its sound and sustainable development. As of the end of the Reporting Period, Bank of Jinzhou had 14 directors, among whom five were executive directors, four were non-executive directors and five were independent non-executive directors. Independent non-executive directors accounted for over one third of the total directors in the Board. This is to ensure that the Board answers to all shareholders. As a supervisory body, the board of supervisors consisted of 13 supervisors, among whom five were external supervisors, with one chairman and one vice chairman.

During the Reporting Period, the Bank held the 2015 annual general meeting of shareholders, the 2016 first domestic shareholders' class meeting and the 2016 first H shareholders' class meeting on 29 June 2016.

During the Reporting Period, the Bank held eight board meetings (including teleconferences). The Board has five special committees, i.e. the strategy committee, the risk management committee, the related party transactions control committee, the nomination and remuneration committee and the audit committee, and held 19 meetings.

During the Reporting Period, the Bank held eight board of supervisors meetings. The Nomination Committee and the Supervising Committee held 12 meetings and discussed 34 resolutions.



Board meeting



Board of supervisors' meeting

### Information Disclosure and Investor Relation Management

The Bank continued to strengthen the investor relation management and maintained close communication with investors. In 2016, it held 2015 annual results and 2016 interim results release conferences respectively and other activities to interact and communicate with investors, analysts and the media. Through phone calls, e-mails, visits, receptions, its website, its investor relation column and other means, the Bank maintained close and efficient communications with domestic and overseas investors and analysts, as well as small and medium-sized investors. This shows its unfaltering commitment to enhancing its investor relation management.

The Bank standardised and performed information disclosure activities in accordance with the requirements of The Stock Exchange of Hong Kong Limited and other regulators, as well as the Measures for the Information Disclosure of Commercial Banks, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other laws and regulations. It formulated and revised the Administrative Measures of Bank of Jinzhou Co., Ltd. for Information Disclosure to further improve its information disclosure system. It continued to improve its work of preparing and releasing regular and interim reports, and released over 40 announcements and circulars, including the 2015 Annual Report, the 2016 Interim Report and the circulars for the general meetings.

### 4.3 Enhancing Internal Control

The Bank has always sustained an undivided attention to the all-round value of the Bank itself and its customers. In the process of creating wealth and value, it strived to honour the bottom line of responsibility at all cost and adhere to compliance-based operations. It strengthened its efforts in such areas as employee behaviour standardisation, Anti-Money laundering, anti-corruption and intellectual property protection on top of ensuring the growth of its business.

#### Employee Behaviour Standardisation

The Bank attached great importance to the management of employee code of conduct. It formulated and issued the Employee Code of Conduct of Bank of Jinzhou, the Punitive Rules of Bank of Jinzhou for Employees in Violation of Financial Rules and Regulations, the Measures of Bank of Jinzhou for Treatment of Employee Misconduct in Daily Operations and other rules and regulations to enhance daily management of employees, standardise employee behaviour, improve employee compliance, maintain the normal business management order, guard against financial risk and ensure compliance-based operation.

In 2016, the Bank carried out "Management and Business Standardisation" activities. Under the guidance of the Risk and Compliance Department at the head office, it prepared new rules and regulations that covered all business procedures and all key processes of every business activity and bound them together. It performed effective management of risk exposures, determined the in-charge department for a certain matter, clarified individuals' duties and prevented monitoring blind spots. In addition, it also raised employees' compliance awareness to the extent that made the compliance ideas of compliance being the cornerstone of development, compliance being the responsibility of everyone, compliance creating value and proactive compliance take root in people's mind. This gave rise to a bank-wide compliance culture of "Regarded Compliance as Honour and Violations as Disgrace".

#### Anti-Money Laundering

In order to strengthen Anti-Money laundering management and effectively prevent and control Anti-Money laundering compliance risks, the Bank formulated the Anti-Money Laundering Management Measures of Bank of Jinzhou in accordance with the Anti-Money Laundering Law of the People's Republic of China, the Provisions on Anti-Money Laundering through Financial Institutions, the Guidelines for the Assessment of Money Laundering and Terrorism Financing Risks and Categorised Management of Customers of Financial Institutions and other laws and regulations and regulatory requirements. By building and improving an Anti-Money laundering compliance risk management framework that is in line with Anti-Money laundering regulatory requirements, the Bank was able to effectively identify, evaluate, monitor, control and report on Anti-Money laundering risks and prevent and control Anti-Money laundering compliance risk. The Anti-Money laundering work was carried out under the principles of legal compliance, risk-based supervision, full participation and information confidentiality to ensure that effective due diligence was in place and that risk was controlled.

The Bank carried out activities to raise Anti-Money laundering awareness and also participated in such activities as organised by the People's Bank of China. In addition, it used its counters to help raise Anti-Money laundering awareness. It voluntarily engaged in various activities for the purpose, such as holding on-site presentations, sending out Anti-Money laundering materials, placing display boards and using LED screens to showcase Anti-Money laundering catchphrases. It required its employees to attend Anti-Money laundering training provided by the People's Bank of China before they could be assigned to positions relating to Anti-Money laundering. It strived to continuously improve the Anti-Money laundering business competence of its employees in an effort to build a team of Anti-Money laundering specialists.

#### Case

On 10 August 2016, the Jinzhou Branch of Bank of Jinzhou held an event to raise people's anti-money laundering awareness in the Constitution Square of the East Lake Park. The event disseminated the knowledge of the Anti-Money Laundering Law of the People's Republic of China and other anti-money laundering knowledge to residents, helping them gain an understanding of the consequences of anti-money laundering crimes and raising their anti-money laundering awareness to the extent that everyone was educated to be against anti-money laundering activities.



Jinzhou Branch carried out a popularity activity of anti-money laundering

## Anti-Corruption and Upholding Integrity

The Bank held regular supervisory activities and inspections on its subordinate organisations in respect of whether they have earnestly implemented "Two Responsibilities". It abided by a signatory commitment to the "Two Responsibilities", a dual-reporting system and an accountability system, and required personnel at all levels to sign their names on "One Book and One Card" as a symbol of their commitment so that the requirements of managing and governing the Party strictly in all respects have been met by Party organisations at all levels and all Party members. It reinforced integrity education and raised the political consciousness of Party cadres. It carried out enhanced educational activities that were directed to learning the Party constitution and discipline and Party General Secretary Xi Jinping's major speeches and becoming a qualified Party member so that an entrenched sense of ideal and faith started taking shape among Party members. It held routine warning-oriented educational activities and highlighted the role of wrongdoings in helping Party cadres learn from bad lessons and honour integrity at all times. It gave full play to the role of positive cases in guiding people's behaviour and presented clean and honest role models for people to follow suits. By giving lectures on Party discipline, holding seminars and interviews, paying home visits and making other efforts, the Bank continuously deepened and improved the political consciousness of Party cadres to the extent that they exercised self-discipline and discretion, committed to morality and self-respect and remained honest and upright, preserving Communists' political character of integrity. It strengthened intraparty supervision and made unrelenting efforts to comply with the Eight Rules of the Political Bureau of the CPC Central Committee. It held routine educational and supervisory activities, and mobilised Party cadres/employees to learn "Twelve Don'ts" and "Nine Don'ts", requiring them to comply with those rules in their professional behaviours.

### Case 1

On 28 January 2016, employees of the Fushun Branch of Bank of Jinzhou visited the Exhibition of Abuse of Power Crimes in State-Owned Enterprises in Fushun held by the People's Procuratorate of Fushun to be alerted against wrongdoings and to receive integrity education.



Fushun Branch visited the Exhibition of "Abuse of Power Crimes in State-Owned Enterprises"

### Case 2

In order to promote the educational activities to learn the Party constitution and discipline and Party General Secretary Xi Jinping's major speeches and how to become a qualified Party member, enhance Party cadres' resistance to corruption and compromise, and build an honest and clean culture to facilitate the Bank's compliance-based operation, on 6 September 2016, the Liaoyang Branch of Bank of Jinzhou mobilised all Party cadres and interested non-Party personnel to visit a warning education base in Liaoyang to receive education on combating corruption and on building integrity.



Liaoyang Branch paid a visit to a warning education base in Liaoyang

## Intellectual Property Right Protection

The Bank has always been committed to fulfilling its social responsibilities. It has always respected and protected others' intellectual property rights in its daily operations and publicity activities. In order to standardise its publicity activities and prevent the risk of legal incidents relating to intellectual property rights in marketing and publicity activities, it issued the Announcement on Ex Ante Inspections on Marketing and Publicity Materials for Intellectual Property Right Matters to perform intellectual property right ex ante inspections and set specific requirements for designing and preparing publicity materials. It is required that all pictures, special fonts and other elements shall be permitted and authorised by their copyright owners before they can be used in publicity materials independently designed and prepared by the Bank, unless the copyright owner has expressly stated that they can be freely used for commercial purposes, and that the Bank shall pay royalties as required before such pictures, special fonts and other elements can be properly used within the permitted scope. In addition, the Bank must strictly verify material sources and refuse to use suspicious materials. It shall set up an intellectual property right inspection and a recordkeeping group, put in place an intellectual property right inspection mailbox and carry out inspection and recordkeeping work with respect to publicity and marketing materials to ensure that all pictures, videos, portraits, articles, fonts and other elements used in the Bank's daily operations and publicity activities are in line with relevant rules and regulations and subject to no intellectual property right violations.

In addition, in order to fully protect its intellectual property rights, standardise and enhance the management and use of intellectual property rights and build a good brand image, the Bank strived to carry out registration and maintenance work in respect of its trademark, Chinese and English domain names and the internet keyword in accordance with the Trademark Law of the People's Republic of China, the Copyright Law of the People's Republic of China and other laws and regulations.

## 4.4 Enhancing Risk Management

In order to effectively enhance its risk management capabilities, and satisfy the risk management requirements of the CBRC for the banking sector as set out in the Guidelines on Comprehensive Risk Management by Financial Institutions in the Banking Sector, the Bank performed a comprehensive evaluation on and diagnosis of its current situations based on its existing "Three Defence Lines" risk management system in such key areas as the organizational structure and division of responsibilities, policies and systems, management processes and procedures, risk monitoring and reporting, model measurement tools, data management and IT systems to determine the gap from regulatory requirements and leading industry practices. It formulated the 2017-2019 Three-year Plan for Comprehensive Risk Management based on the issues identified in the gap analysis and the Bank's current development level, with the purpose of further elevating its risk management level and improving its comprehensive risk management capabilities.

The Bank has a sound organisational structure for risk management with a mature institutional regime, and has put in place a vertical risk management system that exercises a double-line management approach and adopts "Four Strict Principles". It carried out regular credit risk and compliance risk checks, stress tests on credit risks on a quarterly basis and real estate stress tests as per regulatory requirements.

The Bank completed an internal rating consulting project with Moody's Corporation, one of the world's top three rating agencies. Seven credit rating models for general corporate customers and one credit rating model for "Three Smalls" customers were developed under the project based on the technical standards on internal rating methodologies set out in the Basel Capital Accord and by the CBRC. The models can achieve a scientific measurement of a customer's probability of default (PD). In addition, a stress test plan, a risk limit plan and a template for collecting data losses were also completed under the project. The Bank also successfully launched Moody's Corporation's "Risk Analyst" system (internal rating system), by which the Bank put in place its customer rating system and its application system to identify, measure and warn against customers' credit risk and achieve credit rating automation. The launch of the system laid a solid foundation for system-based management of customer credit rating, execution of internal rating methodologies and capital measurement of credit risk. This demonstrates the Bank's continued efforts to develop and implement credit risk management systems and tools, with sound progress in improving management capabilities.

All personnel at the Bank from leadership to grassroots employees are keenly aware of the importance of operational risk management, and are sustaining an unfaltering commitment to operational risk management and compliance. The Bank strived to improve, update and specify business procedures and position-specific duties and responsibilities in a timely fashion, improve internal control and build an organisational structure for operational risk management that is based on the Three Defence Lines and a double-line escalating mechanism, as well as operational risk management procedures that follow the steps from risk identification, evaluation, control and mitigation, monitoring to reporting.

In order to effect better control over its operational risk, the Bank adopted qualitative and quantitative approaches to evaluate risks of various types, and through self-assessment on risk and control effectiveness, analysis of data losses and other means, built an operational risk evaluation system. It monitored key risk indicators of its branches and sub-branches and collected data losses, and preparing an operational risk report accordingly. It regularly collected data relating to incident prevention efforts and mobilised all functions to identify incident-related risks across the entire bank. It performed an annual evaluation on its incident prevention work, and reported the results to regulators. This shows the Bank's unwavering commitment to materialising risk management and control.



# V. Serving Customers

## 5.1 Innovating Financial Products

To better serve the local citizens, the Bank, cooperating with the Ministry of Human Resources and Social Security, developed the social security card which has been adopted in various businesses of human resources and social security on 7 January 2015. The card not only is a certificate for the cardholders to enjoy social securities and rights and interests of public employment services, but also has a debit function. As of the end of the Reporting Period, the total number of the issued Social Security Cards was 99,543.

In addition, the ETC "the IC Card used to make the toll payments when motor vehicles (passenger cars) go through highways" business is an electronic non-stop payment business developed by the Bank and the Highway Administration of Liaoning Province. Through binding Liactong Cards and bank cards, vehicles just need to slow down when passing the highway toll stations without stopping or manual payment. The tolls would be deducted automatically from the bank cards bound by the customers. Through creating a quick credit card charging model for highways, this business was able to deliver more convenient and faster financial services for customers. As of the end of the Reporting Period, the number of issued ETC Liactong Cards reached 9,599.

During the Reporting Period, the first portable card issuance machine, with advantages of portability, operation without external power supply, 4G communication and paperless processing, was implemented successfully. Its implementation satisfied customers' demands of mobility, efficiency and high quality, provided an advanced electronic channel to support the optimisation of service model, effectively reduced the Bank's service costs and increased the Bank's brand image.

On 19 September 2016, the Bank successfully issued the first inter-bank certificate of deposit on the inter-bank market. The inter-bank certificate of deposit was issued via public offering, with the amount of RMB200 million, maturity of 6 months and a coupon rate of 3.1%. The issuance was significant on improving the Bank's management ability of initiative debt, reasonably allocating the capital quantity and arranging the structure of maturity. As of the end of the Reporting Period, the Bank issued 36 inter-bank certificates of deposit with the total amount of at RMB26.229 billion.



## 5.2 Improving Service Quality

Bearing a concept of customer-oriented services in mind, the Bank transformed the process of customer services, opened up a smooth customer communication channel, protected customers' rights and interests, and improved the customers' experience and satisfaction.

- The Bank built a grand service system, where the frontline staff serve the customers, the second-line staff serve the frontline staff and the senior officers serve the staff. An activity called Become Frontline Staff for One Day enabled the management to better understand the customers' needs, improve their service quality, and to enhance the communication between the management and the grass-root staff.
- The Bank issued a standardised service guidebook stipulating in details the service standards for various positions. The guidebook offered rules for the staff to follow when providing services and improved the standardised level of services.
- The Bank relentlessly carried out training regarding service philosophy and service skills for staff. Through engaging professional trainers in teaching the staff the basic etiquettes and standards, and inviting experts and excellent staffs to share serving experiences and skills, the training improved the overall serving level of the staff.
- The Bank implemented a standardised system of unified system, clothing, name badge, hair style and polite language.
- The Bank enhanced the service supervision. In addition to the remote surveillance which covered all jurisdictions and would be checked regularly by specific staffs each day, the Bank performed supervision and evaluation on various positions, by carrying out such campaigns as "Service Evaluation and Scenario Simulation Competition for Counter Services", and employing mystery customers. The evaluation results were associated with the performance, in order to boost the implementation of the service standards.

With a tenet of "Satisfying Every Customer" and goals of "Creating Excellent Service Quality and Building a First-class Service Centre", the Bank's customer service centre kept improving its operating efficiency and the satisfaction degree of the customers. The auto voice response function of the Phone Banking realised inquiry, payment, transfer, bank statement fax and other services. The manual response platform had functions including business processing, inquiry, reconciliation and loss reporting. The business consulting content covered saving, accounting, credits, international settlement and other areas, which met the needs of various customers.

In terms of barrier-free facilities, 105 sub-branches of the Bank operating in Jinzhou established barrier-free ramps, posted SOS numbers and installed buttons for help in addition to the previous service facilities for helping the disabled. The outlets also had queuing machines, seats and service windows for those who need help and put braille guidebooks, to care for the elderly, the weak, the sick, the disabled and other special customer groups. For those who could not come to the counters in person due to health issues, the Bank opened up a green channel of visiting service to meet their needs with the compliant operation.

To give full play to exemplary effect of the excellent outlets, in accordance with the Assessment Standards for the top 100 outstanding units of China Banking Association, the Bank compiled and published braille guidebooks and the English version of service price handbooks, set up shades at non-working windows, provided the assessed units with cards and keypads for the blinds and placed presbyopic glasses of various diopters and frames at the working windows, to offer convenience to the special customer groups.

### Sign Language Training

On 2 June 2016, Beijing branch of Bank of Jinzhou invited sign language teachers from the Disabled Federation to carry out on-site training. After learning the basic sign language commonly used by the deaf or mute customers in banking businesses, the staff could provide better services and helps to them. The training not only improved the comprehensiveness of the Bank's personal financial services, but also created a special group-friendly business environment as well as service experience filled with humanism, and brought the serving level of the Bank to a new level.

### Activity of Watching and Evaluating Surveillance Videos

On 30 June 2016, Jinzhou Branch of Bank of Jinzhou carried out an activity of watching and evaluating surveillance videos for all the staff, which enabled them to put forward reasonable suggestions by watching, evaluating and learning from the videos of each other.



Jinzhou branch carried out an activity of watching and evaluating surveillance videos

### 5.3 Expanding Service Channels

During the Reporting Period, the Bank established two branches on Huludao and Benxi, Liaoning Province and thus further deepened its layout of foreign institutions. As of the end of the Reporting Period, the Bank (excluding its subsidiaries) had 201 outlets, 14 branches, 185 sub-branches and 1 franchise in total. The outlets were mainly located in Beijing, Tianjin, Harbin, Liaoning Province and other provinces and cities.

As of the end of the Reporting Period, the Bank (excluding subsidiaries) was equipped with 113 self-service banks and self-service areas, having increased by 17 compared with those of the previous year. The Bank (excluding subsidiaries) had 635 self-service facilities, including 478 ATMs with an increase of 52 over the previous year, 106 multimedia inquiry facilities with an increase of 26 over the previous years and 51 self-service card issuance facilities, up having increased 18 compared with that of the previous years. The number of ATM transaction amounted to 10.20 million during the Reporting Period, with a total transaction amount of RMB12.965 billion.

In 2016, the Bank entered into an era of Smart Banking 2.0. With the intelligent equipment, digital media and the computer-human interaction technology, the Smart Banking 2.0 realised more than 10 new functions of five categories, including intelligent integrated navigation, modern payment experience, e-banking experience, marketing service support and change machine. After upgrading, the Smart Banking optimised the functional zones in the outlets, completed the channel integration of electronic banking business, self-service channel and manual channel, which significantly improved the service quality and marketing efficiency and led to great progress in meeting the customers' demands and in improving service quality and marketing efficiency.



Responding to the strategy of Internet Plus, the Bank adopted a service philosophy of innovative thinking and orientation to people, tried to open up mutual promotion of online finance and offline consumption, and developed four banking projects, namely Payment Platform, E-commerce Platform, Credit Point Platform and Direct Bank. The Payment Platform went live first with a highlight function of college payment on 28 January 2016. The E-Commerce Platform, went live on 17 December 2016, aiming at becoming a one-stop daily shopping website. The management system of the Credit Point Platform went live in May 2016. After the implementation, functions of credit point exchange and price deduction could be realised and customer stickiness would be enhanced greatly. The development of the direct bank was completed. It would break the boundaries between traditional banks, reduce management levels, directly face the customers and make contributions to the inclusive finance.

## 5.4 Protecting Customers' Rights and Interests

The Bank formulated Measures of Bank of Jinzhou for Dealing with Complaints of Customers, which further specified an interacting structure of complaint management among the head office, branches and sub-branches, set up a rapid and efficient system for dealing with customers' complaints, and unified, standardised and systematised all kinds of complaints. In addition, the Bank established such systems as Management Measures of Bank of Jinzhou for Protection of Rights and Interests of Consumers and Management Measures of Bank of Jinzhou on Protection of Personal Financial Information (for trial implementation), to ensure that there were applicable regulations and rules to abide by when the Bank carried out the work for protecting the rights and interests of the consumers.

The Bank attached great importance to dealing with the customers' complaints. Starting from service standards, service efficiency and service complaints, the Bank improved the service management ability from diversified dimensions including complaint acceptance time, complaint feedback, complaint types. During the Reporting Period, the number of complaints continued to decrease and the customer complaints handling satisfaction rate reached 100%.

### Open up Consulting and Complaining Channels

- Call Centre of 96178 is responsible for receiving the queries and complaints from customers. When receiving complaints, the Call Centre sented complaint transfer forms to the complained units and tracked the results.
- Direct Dialling Phones were installed in the hall of the outlets and self-service areas to deal with the queries and complaints from the customers. The hall manager was responsible for dealing with on-site queries and complaints. These measures strengthened the efforts to serve the consumers and created a fair and equal transactional environment for the Bank and the consumers.
- Customers' Message Column was set up in the official website, covering queries, suggestions, complaints and compliments, to ensure that the customers send feedback of their opinions, suggestions and complaints to the President Office via the internet.

### Safeguard the Customers' Assets

- To protect the personal and wealth safety of the customers, the Bank invested plenty of funds in employing security guards for the outlets to enhance the security.
- Attention lines, baffles, self-service facilities and alarming apparatus were established in the business windows and self-service areas.
- The Bank improved the security regulations and systems, enhanced the staff training, arranged regular rehearsals against robbery, theft, fraud and fire, and strengthened supervision and inspection.

### Spread Financial Knowledge

The Bank has set up a leading group specialised in spreading financial knowledge. The leading group established an office which is responsible for making implementation plan of activities, coordinating and organising various units to carry out the activities, and overseeing the implementation of the activities in separated groups. The head office developed and issued promotion plans for protecting the rights and interests of consumers in advance, further specified the promotion themes, content, methods and requirements, formulated promotion materials about prevention from phone frauds, bank cards, self-service machine and other aspects and made good use of the wechat platform of the Bank for public promotion.

- Regular promotion. The Bank innovatively carried out activities of Financial Knowledge Courses and Bringing Financial Knowledge into Communities. All outlets selected an employee to give lectures on the financial products or services the customers concern about, phone frauds, how to use bank cards safely and other aspects, at a fixed time and fixed place every day, to improve the consumers' financial knowledge.
- Concentrated promotion. Through such activities as Special Month for Spreading Financial Knowledge, Spreading Financial Knowledge, Bringing Financial Knowledge into Thousands of Families and Promotion on International Day for Protecting Consumers' Rights, we not only took the outlets as the frontlines for promotion, but also visited communities, campuses, shopping malls and other public places, to introduce banking and financial knowledge to financial consumers. The activity further improved the consumers' awareness of financial risk prevention, narrowed the distance between the Bank and the public and enhanced the confidence of the public on banking institutions.

### Case 1

To arouse the students' awareness of safety precautions, Beijing branch of Bank of Jinzhou held workshops on preventing phone frauds in Beijing Normal University on 25 September and 3 November 2016. Role plays showed the common tricks of the defrauders with the specific cases to introduce precaution techniques and solutions. The professional and practical workshop gained the appreciation from the teachers and students.

### Case 2

On 17 March 2016, the first promotion activity of "Bringing Financial Knowledge into Communities" was kicked off in Beimeixi Community, Zijing Road, Linghe District. The speakers of the Bank explained how to recognise and prevent financial frauds with simple language and vivid cases. The Bank also prepared the Handbook of Financial Knowledge for the residents in the community.



Jinzhou Branch held a "Bringing Financial Knowledge into Communities" activity

### Protect the Customers' Privacy

The Bank attached great importance to protecting customers' information and safeguarding customers' fundamental interests. It protected customers' privacy and upheld the legitimate rights and interests of its financial customers in strict compliance with the Guidelines on the Protection of Banking Consumer Rights and Interests and the Measures on the Assessment and Evaluation on the Protection of Consumers' Rights and Interests by Banking Financial Institutions (for Trial Implementation). In order to protect customer information, the Bank formulated and issued the Provisional Administrative Measures of Bank of Jinzhou for the Protection of Consumers' Rights and Interests, continuously improved its rule-based management system and work management mechanisms, strengthened the implementation of rules and regulations, and carried out sound work to protect financial information. In such areas as personally identifiable information, account information and transaction information, the Bank formulated the Administrative Measures of Bank of Jinzhou for the RMB Saving Business, the Measures of Bank of Jinzhou for the Administration of Saving-related Businesses with High Risk and other regulations in accordance with the Regulations on the Administration of Savings, the Measures for the Administration of RMB Bank Settlement Accounts, the Measures for the Administration of Customer Identification and Custody of Customer Identification Data and Historical Records of Financial Institutions and other laws and regulations to effect enhanced protection and management of personal financial information in the personal account business and risk-prone businesses.

In order to protect classified information and standardise the management of such information, the Bank formulated the Administrative Measures of Bank of Jinzhou for Confidentiality. In order to protect consumers' rights and interests, it formulated the Provisional Administrative Measures of Bank of Jinzhou for the Protection of Consumers' Rights and Interests, offering stronger protection of the rights and interests of financial consumers. In addition, the Bank required employees in key positions to sign the Agreement on Intellectual Property Rights, Confidentiality and Restraint of Trade to hold them accountable for the need to abide by relevant requirements in the non-disclosure agreement and perform due obligations to keep personal financial information confidential. Pursuant to the requirements of the agreement, departing employees should hand over all financial information in their possession and complete all necessary procedures; they are still obligated to keep such information confidential after their departure. The agreement also prescribes that in the event of an employee's violations of confidentiality terms resulting in losses, the employee in question should be subject to compensation and liabilities for breach of contract.





# VI. Caring for the Staff

## 6.1 Protecting the Rights and Interests of the Staff

Statistics of Staff <sup>3</sup>		As of 31 December 2016	
		Number	Percentage (%)
Total		5,519	—
By gender	Male	2,261	40.97
	Female	3,258	59.03
By type of employment	Contract-based employee	4,289	77.71
	Dispatch system employee	1,230	22.29
By age group	Below 30 years old (inclusive)	2,188	39.64
	From 31 to 40 years old (inclusive)	1,505	27.27
	From 41 to 50 years old (inclusive)	1,330	24.10
	Over 50 years old	496	8.99
By region	Within Liaoning province	4,801	86.99
	Beyond Liaoning province	718	13.01

<sup>3</sup> Figures in the above table are the data of the Bank excluding subsidiaries.

For human resources management, the Bank attached importance to upholding and protecting the employees' rights and interests and treated employees equally, regardless of their nationalities, genders, religious beliefs and cultural backgrounds. In terms of recruitment, training, remuneration, career development, promotion and other aspects, the Bank upheld equality and resolutely fought against discrimination. The employment of all positions across the Bank complied with the Labour Law of the People's Republic of China. The Bank signed labour contracts with all contract-based employees and paid the five types of social insurance and one housing fund for them. During the Reporting Period, the Bank employed no child labour or forced labour.

The Bank strictly observed the Fire Control Law of the People's Republic of China, the Regulations Regarding the Public Security of Enterprises and Institutions and other relevant laws and regulations and industry standards and requirements, and established a sound safety production management and supervision mechanism, providing the employees with a safer workplace.

#### **Remuneration, Welfare and Dismissal:**

The Bank's remuneration, performance and welfare management were in line with the Bank's strategic operating objectives, competitiveness enhancement, personnel cultivation and risk control. The Bank formulated Remuneration Management Measures of Bank of Jinzhou in accordance with Regulatory Guidelines for the Stability of Remuneration in Commercial Banks and other related national laws and regulations, to fully mobilise the enthusiasm and creativity of the employees, establish a scientific and reasonable incentive and restraint mechanism, strengthen internal risk control, improve economic efficiency and management level, promote the healthy and rapid development of the business and ensure the Bank achieves its management objectives.

The Bank attached great importance and strengthened the management of employee turnover. In accordance with relevant laws and regulations of the state and in light of the Bank's actual situation, the Bank formulated Employee Resignation Management Approach of Bank of Jinzhou to standardize the procedures, safeguard the legitimate rights and interests of resigned employees and guarantee the stable operation of the Bank.

#### **Recruitment:**

To strengthen the recruitment management, ensure scientific, systematic and standardised recruitment processes, meet the increasing needs of human resources allocation and promote sustainable and healthy development of the business, the Bank developed Management Measures of Bank of Jinzhou on Employee Recruitment, which specified a recruitment principle of fairness and objectiveness, selection of the best and person-post matching. The Bank strictly carried through the human resources allocation plans and the management system of manning quotas, followed a principle of streamlining, unity and effectiveness, and thus achieved results of reasonable institutional structure, tight-knit organisation, clear responsibility and capable personnel. The measures clarified the organisation and responsibilities, recruitment conditions, recruitment procedures and selection procedures. The employing units put forward their annual plans of human resource demand according to their annual business strategies, business development needs and job vacancies. With reference to the above plans, the human resources department of the head office complied an annual human resource allocation plan and a plan of manning quotas before carrying out the personnel recruitment and allocation.

#### **Working Hours:**

Under the Labour Law of the People's Republic of China and the Labour Contract Law of the People's Republic of China, the Bank implemented a standard working hour system—working for no more than 8 hours a day and no more than 40 hours a week. If needed, the staff could work overtime under a principle of voluntariness and were entitled with overtime pay under national regulations.

#### **Holidays:**

Pursuant to the regulations related to labour discipline, labour protection and holidays and the Marriage Law of the People's Republic of China, the Bank established Management Measures of Bank of Jinzhou on Leaves and Holidays and Management Measures of Bank of Jinzhou on Annual Leaves.

#### **Protection of the Staff's Rights and Interest:**

The Bank formulated Management Measures of Bank of Jinzhou on Safety and Sanitation, to protect the physical and mental health of the staff and ensure the smooth progress of the work. Management Measures of Bank of Jinzhou for Occupational Injury was formulated to ensure timely medical treatment and economic assistance for the staff who were injured due to work. The Bank established the Management Measures of Bank of Jinzhou for Medical Treatment Period, standardized the management of employee in medical treatment period; The Management Measures of Bank of Jinzhou for Leave and The Management Measures of Bank of Jinzhou for Annual Leave are formulated to standardize the management of employee leave and safeguard the employees' legitimate rights and interests of leave and resting. The Bank established Management Measures of Bank of Jinzhou for the Treatment of Labour Disputes and Rules of Procedures of Labour Disputes Mediation Committee of Bank of Jinzhou, established and improved an employee complaint system and a democratic management system, opened up internal channels for the staff to express their needs and interests, maintained a harmonious and orderly labour relation, and protected employees' reasonable demands and their lawful rights and interests. During the Report Period, the Bank had no employee who was injured or dead due to work.

## 6.2 Supporting Career Development

The Bank adhered to the philosophy that the quality of the staff is the first index of the enterprise, laid emphasis on the overall improvement of the leadership of management personnel and the business skills of the staff and carried out training to promote the realisation of the various business goals. Through making the annual training plans, it combined the focal training with the daily operation, gradually improved the training management systems of different levels, boosted the implementation of the online and offline training projects and ensured the training cover all staff. It also built an optimised learning and development platform, opened up promotion channels and boosted the mutual development of the staff quality level and the competitiveness of the Bank.

The Bank continued to help the staff to develop their value. Through building a training system with full coverage and multi-perspectives, the Bank carried out different types of training for the staff from different levels, including management officers, new entrants, and business personnel. During the Reporting Period, the Bank further strengthened the management of hardware facilities and the upgrading software environment in the training centre, and thus gradually formed a standardized management system of trainees' archives. Through establishing school with Bank School of Bohai University, the Bank launched a systematic model for training the management trainees and has already cultivated a number of high quality talents. The implementation of Internet College offset the weakness of the limited training time and space of the on-site training, provided a vehicle of internal training and demand survey, and fostered the self-directed learning ability of the staff.

### Case 1

From 19 to 21 August 2016, Jinzhou branch of Bank of Jinzhou held the third Business Skill Competition. The competition had six professional areas, namely retail, operation, credit, foreign exchange, finance and statistics, and 14 events. In total, 25 teams and 280 players took part in the competition.



Jinzhou branch held the third Business Skill Competition

### Case 2

On 15 July 2016, Beijing branch of Bank of Jinzhou held the Final Competition for Operation and Credit Lines Regulations and Business Skills for 2016. The competition greatly boosted the passion of the branch staff to learn business skills. All staff of Beijing branch will improve their business knowledge and skills in the atmosphere of comparing, learning, competing, helping and surpassing.



Beijing branch held the 2016 Regulations and Business Skills Competition of Operation and Credit Lines

### 6.3 Enhancing Humanism

The Bank actively carried out activities of caring for the staff and attached importance on mobilising the proactivity and initiative of the staff. The Bank has organised annual medical examination for all employees in first-class hospitals at Grade 3, to show concerns for the staff's physical health, create a healthy, positive, united and friendly working environment and improve the staff's happiness.

#### Mental Health Workshop

In 2016, Beijing branch of Bank of Jinzhou carried out a mental health workshop for the staff and invited a professional psychological trainer to give lecture series of two topics, namely "Love, the Golden Law for Improving Self-energy" and "Rapid Stress Relief". The training, which focused on psychological experience, had abundant and interesting content and catered to the needs of the staff. The training gained significant effect, helped relieve their pressure from work and life, guided them to pay attention on their mental health and improved their happiness.



Beijing branch carried out lecture series of mental health

#### Home Visit

Jinzhou branch of Bank of Jinzhou has carried out home visit activity since mid-February 2016, in order to effectively implement the Bank's work plan of crime prevention and compliance, further deepen the management over the daily behaviours of the cadres and employees in Jinzhou branch, consolidate the long-term mechanism of the Bank on crime prevention and compliance, improve the internal control system of the Bank and let the employees and their families experience the Bank's culture of Home. The Bank enhanced the standardised management over the staff's daily behaviour through family letter, home visit, assessment of the mind-set and work status of the staff, and other methods.

#### Youth Workshop

On 4 May 2016, the Youth League Committee of the head office held a youth workshop to celebrate the 97th anniversary of the May Fourth Movement, leading the members of the China Communist Youth League to study the League's Constitution and review the League's vows. In the workshop, the fundamental task of the League, the rights and duties of the members, the organisational systems of the League were clarified. The participants exchanged their views on the knowledge of the Youth Day and discussed about how the League members should take the lead to make more contribution based on their own work responsibilities. They also gave many opinions and suggestions on the development of the Bank and the work of the League. The participants were inspired through exchanging ideas and sharing experience and views, which further enhanced the political awareness and learning awareness of the members, mobilise their initiative and strengthen the cohesiveness of the League.

## 6.4 Enriching the Leisure Life of the Staff

In order to keep a balance between work and life for the staff, we strove to create a healthy, positive and friendly working atmosphere. The Bank not only organised various kinds of cultural activities such as sports competitions and cultural performance, but also carried out hobby activities such as reading and photography, to enrich the staff's leisure life and improve their happiness and sense of belonging.

### Badminton Competition

From 20 to 22 May 2016, the Bank held the fifth "Wantong Cup" Staff Badminton Competition, which was one of the important events of the amateur sports activities organised by the Labour Unions of the Bank. The competition aimed to improve the fitness of the staff, cultivate spirits of "daring, self-challenge, fearlessness and teamwork" and further promote the Bank's recreational and sports activities with mass participation. In total, 18 representative teams and 189 players and coaches took part in the competition. The competition provided a platform and an opportunity for the staff to show their specialities and created a stage for the staff from different institutions to communicate with each other, make mutual progress, develop friendship and present themselves.



The Bank held the fifth "Wantong Cup" Staff Badminton Competition

### Basketball Competition

The eighth "Wantong Cup" Basketball Competition was not only a traditional gala of the recreational and sports activities with 180 players and coaches from 16 teams of the head office, branches, direct sub-branches and rural banks participating in the competition, but also a great event in the staff's leisure life which provided a stage for the staff to communicate with each other, make mutual progress, develop friendship and present themselves.



The Bank held the eighth "Wantong Cup" Basketball Competition

### Singing Competition

On 25 October 2016, Dalian branch of Bank of Jinzhou held a singing competition with a theme of "Igniting the Passion in Autumn and Singing out the Spirits of Bank of Jinzhou", to celebrate the seventh anniversary of the Bank. All cadres of the branch celebrated this festival through singing. This competition showed the positive spirits of the staff. In the seventh anniversary, the staff, singing out loud, looked back at the history and strove for a brighter future.



Dalian branch held a singing competition to celebrate the seventh anniversary of the Bank

### Reading Club

On 29 July 2016, Fushun branch of Bank of Jinzhou organised young staff to carry out a reading and exchanging activity with a theme of "Read in Youth and Fill the Bank with Fragrance of Books" in the Leifeng Library of the branch. The staff each expressed their views, shared their thoughts and discussed their experience of reading. They also exchanged and shared their reflections, recommended their favourite books to each other, experienced the resonance and different opinions generated by reading, and enjoyed the happiness from their growth along with the Bank.



Fushun branch organised a reading and exchanging activity

### Photography Activity

From 4 to 8 July 2016, Fuxin branch of Bank of Jinzhou carried out a photography activity, with a theme of "Good Family Tradition Helps Me Grow", which attracted many young staff to participate in and submit their works. The Youth League Committee of the branch decorated the theme wall with 30 selected works. The staff of the branch put the precept of "viewing the Bank as my family and loving and building my family" into practice and created a good cultural atmosphere of family.



Fuxin branch carried out a photography activity with the theme of "Good Family Tradition Helps Me Grow"





# VII. Protecting Environment

## 7.1 Supporting Green Credits

The Bank actively carried through the national policies related to energy saving and emission reduction and formulated Guidelines of Bank of Jinzhou for Credit Investment Direction to increase support for green credit projects. The Bank included wind power, green transportation and urban sewage treatment into our priority projects and steadily support the investment in the green credits on the premise of strictly controlling the risks. The Bank set up strict environmental standards when granting credits for the enterprises which were engaged in non-ferrous metal metallurgy, electroplating, pulp, printing and dyeing, heavily polluting chemicals and other heavily polluting industries, and implemented a one-ballot-veto system.

The Bank strictly controlled the new loans to such industries as steel, iron ore, coal, coal mine, coke, ferroalloy, non-ferrous metal metallurgy, plate glass, papermaking, and printing and dyeing, and gradually withdrew the existing loans. The enterprises of which the primary production equipment, techniques or major products were included into the related restriction lists by the national policies could not apply for new loans. The enterprises of which the primary production equipment, techniques or major products were included into obsolete lists could not be approved and the existing loans would be gradually reduced until the withdrawal of the loans.

### Case

The Bank provided credit support for a transportation group based in Tianjin, in purchasing new energy buses. Pursuant to the requirements of the national industrial policies and financial regulation and control, the Bank implemented differentiated pricing for credit customers. For the credit customers with the characteristics of green credit and those engaging in the industries encouraged by the country, the Bank would increase the support to them and offer them certain preferential interest rates taking consideration of cost-effectiveness and risk mitigation methods. During the credit period, the Bank's operation steadily increased and the sales revenue and assets in the past two years rose significantly.



## 7.2 Developing Electronic Banking

The Bank laid stress on electronic and intelligent development. With the construction of the electronic banking foundational platform as the focus of the work, business innovation and service enhancement as the starting point, system construction and improvement of risk control as the foothold, product upgrading and cooperation expansion as the centre of effort, the Bank successfully built a service system of electronic banking channel featured with online banking, mobile banking, wechat banking, phone banking and offline self-service channel and created a business workflow and a service mode integrating online and offline business, to provide more thoughtful and convenient services for the customers.

### Online Banking

The Bank continued to optimise the online banking, attached great importance on customer experience and improve the applicability and usability of the online banking system. As of the end of the Reporting Period, the number of the corporate online banking customers amounted to 22,861, representing an increase of 31.7% year-on-year. In 2016, the transaction amount reached RMB1,654.664 billion, representing a year-on-year increase of 30.5%, and number of transactions was 1.6210 million, representing an increase of 4.7% year-on-year.

During the Reporting Period, the new version of personal online banking system with younger and more fashionable web pages, went live. The system made it more convenient for transaction and created smoother experience. The product functions and user experience was improved significantly. As of the end of the Reporting Period, the personal online banking customers of the Bank amounted to 206,564, representing an increase of 14.6% compared with last year. During the Reporting Period, the transaction amount of the Bank reached RMB184.762 billion, with a year-on-year increase of 18.0% and the number of transactions was 4.2420 million, recording a year-on-year growth of 68.9%.

### Mobile Banking

Following the development direction of mobile finance, we kept optimising the process and services of the mobile banking and integrating the versions of mobile banking to satisfy diversified business demands of the customers. During the Reporting Period, the transaction amount of the Bank reached RMB19.352 billion, with a year-on-year growth of 107.3%, and the number of transactions was 1.6946 million, representing an increase of 76.9% year-on-year.

### Wechat Banking

The Bank not only kept improving the business functions of the wechat banking to provide a boarder payment channel for the customers, but also distributed information from time to time to provide an integrated service of notification, interaction, information promotion and business query. As of the end of the Reporting Period, the customers of wechat banking amounted to 51,913, representing an increase of 83.6% compared with last year. During the Reporting Period, the transaction amount of the Bank reached RMB690 million, with a year-on-year increase of 248.5% and the number of transactions was 211.1 thousand, recording a year-on-year growth of 101.6%.

### Phone Banking

The Bank's national customer service hotline of +86-400-66-96178 provides round-the-clock services for the customers. The Bank kept optimising the business process and improved the security of the system, to further cater to the needs of the customers and meet the compliance requirements.

### E-commerce Platform

The e-commerce platform went live in 2016, integrated with product sales and financial services. The platform enabled its business owners to sell products, demonstrate their shops and promote their brands on line, provided the customers with various services such as product purchasing, phone expense payment and further enhanced the stickiness between the Bank, and the customers and business owners.

### 7.3 Advocating Low-carbon Operation

The Bank always bears the concept of environmental protection, lays emphasis on the harmonious development of civilisation and environment, practises the requirements of the national policies related to energy saving and environmental protection. Through increasing the utilisation of energy and reducing the consumption of energy and resources, the Bank promotes a working philosophy of saving energy and protecting the environment in daily life and commits itself to the virtuous circle of natural environment.

Category	2016
Electricity consumption of the head office (KWh)	1,035,026
Water consumption of the head office (Ton)	5,423
Paper consumption of the head office (Piece)	700,000

#### Emission Reduction

The Bank strictly complied with Environmental Protection Law of the People's Republic of China, Energy Conservation Law of the People's Republic of China and other related laws and regulations and attached importance to environmental protection in its daily operation. As a financial institution, the Bank did not generate industrial waste water, waste gas or emit hazardous waste. Also, the Bank only generated small amount of office and household waste water and household garbage. The Bank advocated its staff pay attention on details; for example, the staff should not wash their cups or other objects with the water in the drinking fountains; the crew on duty of maintenance team should inspect and examine the water network after 17:00 each day; the lights should be turned off and the electricity should be cut off when people leave the office. Through these methods, the staff's awareness of environmental protection was strengthened.

#### Resource Conservation

The Bank issued Initiative for Frugality in 2014, which covered green operation, green office, green procurement and other related system. The staff across the Bank responded actively to the initiative and strictly complied with the initiative, reducing the consumption of resources and energy and controlling the emissions of greenhouse gas and pollutants, so as to minimize the impact of business operation on environment.

1. Procurement application of all units should be approved according to the standards of equipment, office furniture and vehicles of branches and sub-branches. The procurement beyond the standards should not be approved, except in special circumstances.
2. The head office should perform open tendering for single large-amount procurement and bulk large-amount procurement within the standards, announce the controlling prices of single items for the purchased assets under the authority of the branches monthly and strengthen the vertical management of the head office over the procurement of the branches and sub-branches.
3. The Bank should keep a record for the vacant office furniture and make adjustment across the Bank. Those purchased equipment and vehicles beyond the new standards should be allocated among the branches to fully and effectively utilise the assets.
4. The procurement authority of laptops of the branches and sub-branches should be revoked, except for the iPads used for wealth management in the halls of the retail line. It is forbidden that the branches and sub-branches purchase new laptops.
5. Mobile storage device including portable hard drives and USB flash disk should no longer be distributed as office supplies. Toner cartridges, ink cartridges, mark pens, pens, scissors, glue and glue sticks should be traded with the old ones. The types and number of the issued office supplies should be reduced to ensure repeated use. Bulk and sudden application for the office supplies should be forbidden unless under special circumstances.
6. The procurement and distribution of duplicating paper should be managed by usage purposes. High-quality paper should be purchased at 20% of the actual usage amount of the previous year and should be only used to print the materials submitted to the regulatory departments. Low-cost paper used in daily work should be purchased at 80% of the actual usage amount of the previous year, and both sides of the paper should be used.

### Green Procurement

The Bank implemented centralised procurement and management by different levels, to standardise the tendering and agency and improve the quality of procurement. Procurement Management Measures of Bank of Jinzhou put forward clearer and stricter requirements for managing the suppliers. The suppliers with environmentally friendly certificates should be the first choice. The repeated use and recycling of the products and energy saving should be the focus of the procurement. The Bank carried through a concept of life cycle cost in the equipment procurement, included procurement cost, consumption cost and other costs into the total costs and realised systematic green procurement.

## 7.4 Organising Environmental Protection Campaigns

Over the years, the Bank has consistently persisted in advocating and organising employees to participate in environmental protection campaigns and promoting them to create green life, in order to convey philosophies of low carbon and environmental protection to the communities, protect the environment and fulfil the social responsibilities.

### Case 1

On 22 April 2016, Harbin branch of Bank of Jinzhou participated in a voluntary activity of protecting the tributary of Songhua River in Alejin Island of Songbei District. The activity was jointly held by the Financial Voluntary Services Crop of Heilongjiang province and the provincial Environmental Protection Department and was divided into three sessions: The first session was opening ceremony. The Alejin Island became a provincial base for environmental protection activities. Promotion and various public service activities related to environmental protection would be carried out regularly. In the second session, the promotion ambassador put forward an initiative of promotion of environmental protection. In the third session, the volunteers from the branch recycled the garages to avoid pollution to the river. Regardless dirtiness and tiredness, they picked up the plastic bags, cans and waste paper along the river and put them into the bags, to clean and beautify the environment with actions.



Harbin branch organised an environmental protection campaign

### Case 2

Huludao branch of Bank of Jinzhou carried out promotion campaign for environmental protection and public welfare in communities, parks, squares and other crowded places. The use of publicity boards not only attracted people's attention, but also highlighted the theme of the campaign and triggered people to think. By handing out leaflets, the staff explained the campaign's theme and spread common knowledge of environmental protection to the residents in the communities and passers-by. With the patient introduction and guidance by the volunteers, the customers comprehended the explanation in a short time and spoke highly of this campaign.

### Case 3

On 18 June 2016, Nanta sub-branch of Shenyang branch of Bank of Jinzhou, together with a property company, carried out a running activity, with a theme of "love, health and public welfare". According to the rules, the host of the activity would donated funds to environmental protection based on every kilometres the participants ran. The staff from the sub-branch and branch, bearing the intense heat of summer, completed the whole journey of 5 kilometres with sweats spread on the road. The Bank harvested the sixth place of the group for single person match as well as the appreciation from the host and the Environmental Protection Bureau.



# VIII. Reciprocating the Society

## 8.1 Promoting Targeted Poverty Alleviation

The Bank carried through Implementation Opinion of the People's Bank of China on Finance-helped Poverty Relief, attached great importance to the financial service for poverty alleviation and put efforts in the financial support and services for developing poverty alleviation, with an aim of tackling the problem of poverty. In additions, the Bank proactively established aiding relationship with the poor areas, fully mobilised the initiative, proactivity and creativity of the poor people, carried out multi-layered, multi-form poverty alleviation projects and activities, kept expanding the connation and extension of the voluntary poverty alleviation of the Bank and actively performed its social responsibilities.

### Case 1

The Bank's subsidiary, Liaoning Heishan Jinyin Village and Township Bank Co., Ltd. offered loans to a husbandry company in Heishan County and thus solved the financial problem of the company. With the loans from the Bank, the company embarked on a road of development, with its production expanding, operational conditions improving and productivity developing. Now, all workers in the company are from the local rural area, 18 of whom has shaken off poverty. It is expected that 41 households will be lifted out of poverty in 2017. The result is recognised by the county government and the county's poverty alleviation office.

### Case 2

In August 2016, the Bank's subsidiary, Liaoning Kazuo Jinyin Village and Township Bank Co., Ltd., Liaoning province signed Cooperation Agreement on Financial Poverty Alleviation of Government Credit Enhancement with the Development Bureau for Poverty Alleviation of Kazuo County, providing financial support for customers who established account or applied for bank cards in Laoyemiao Village, Kazuo County, and helping them to develop the industry of raising beef cattle based on the conditions of the county. The bank also opened up an easy access of approval to first approve the loans of targeted poverty alleviation reported in the poor areas and first issue loans for production and living of the poor groups. The bank launched small-amount credit loan products for poverty alleviation to realise "the simplest procedures, the most flexible service cycle, the lowest costs and the greatest availability" and to provide rapid and high quality services for the poor families.



### Case 3

To actively respond the call for targeted poverty alleviation by Youth League Committees on provincial, municipal and the head office levels, and help the poor children to complete their education, Huludao branch of Bank of Jinzhou preparation team organised all cadres to participate in an one plus one student aid project called Ignition Action to raise money for the poor children in Yi County. In the activity, the practical actions of the cadres helped the children to grow healthily and happily and finish their education and the staff had an opportunity to contribute their love and to help those in need.

### Case 4

Since seven years ago when Shenyang branch of Bank of Jinzhou was established, the senior officers of the branch continued to visit and help the poor families in the adjacent communities and form pairs with Kaixuan and Wangyuan communist. During the Spring Festival in 2016, the staff from Shenyang Branch visited 3 poor families with materials and consolation money and expressed solicitude for them. The activity gained the recognition and appreciation of the senior officers and residents of the communities. The first Party Branch of Shenyang branch has subsidised Anying Primary School. In 2016, when Anying Primary School put forward the plan of increasing the number of poor students, the Party branch responded at once and organised donation for the school, delivered caring and warmth to the students in time.

## 8.2 Helping Disadvantaged Groups

With an aim of serving the society and benefiting the public, the Bank strengthened the staff's awareness on society, responsibility and devotion and actively carried out donations, student aid and other diversified public service activities, to reciprocate the society, deliver positive energy and build a bank filled with love.

### Case 1

Harbin branch of Bank of Jinzhou carried out a student aid activity in Jianguo Community. Four staffs including senior officers and employees from Harbin branch brought school bags, stationeries and Bursaries of RMB1,000 to two underprivileged children in Jianguo Community of Harbin City. The senior officers of Harbin branch decided to build a long-term aid system to these two poor children. This action of kindness rooted love and warm image of Bank of Jinzhou in the public.

### Case 2

Huludao branch of Bank of Jinzhou persisted in taking the construction of the Party as its key work, actively carried through the policies and requirements from the Party committee of the head office, and implemented the activity of Party Members' Day. The Party cadres of Huludao branch had close conversations with people in straitened circumstances, expressed concerns, learned about their living conditions and encouraged them to live a life with positive attitude. After learning that they suffered from sickness, the cadres encouraged them to fight against the diseases and adhere to treatment. In additions, the cadres of the Bank considerately brought rice, oil and other consolation supplies as well as warmth to them in person.

### Case 3

On 4 March 2016, the service crop of Fushun branch of Bank of Jinzhou visited underprivileged students who were excellent in character and learning in Haiyang Primary School, Nankouqian Town, Qingyuan County, Fushun, delivering warmth to them as their family.



Fushun branch held an activity with the theme "Visiting Haiyang Primary School, Delivering Warmth"

### Case 4

On 24 June 2016, Fushun branch of Bank of Jinzhou donated 30 sheep as student aid to 10 poor families in Hedong Village, Tangyuan Township, Fushun County, to encourage the students to study hard, become useful and change their fate by learning. The students promised they would reciprocate the society with excellent grades.



Fushun branch donated "alleviation sheep" to students from poor families in Hedong Village

### 8.3 Carrying out Voluntary Services

The Bank continuously improved the construction of its volunteer teams, integrated resources of volunteer organisations and inspired the staff to devote to voluntary services. Also, the Bank involved customers, the public and social resources and attracted social forces of voluntary service to construct the public civilisation. During the Reporting Period, the Bank organised diversified voluntary activities such as charity sales, poverty alleviation and visits, and blood donation, in order to realise harmonious development of enterprises and society and spread the kindness of the Bank to more people. The activity achieved a good social effect.

#### Case 1

Since establishment, Anshan branch of Bank of Jinzhou had established a long-term system of voluntary activities and found Guo Mingyi Caring Team. The Bank persisted in carrying voluntary activities pragmatically and considerately for a long time, which won the appreciation of the Association of Voluntary Service of Anshan City. The Bank was awarded with a pennant by the Association in March 2016, which fully demonstrated the Bank's corporate philosophy of serving the society and benefiting the public as well as the good reputation.

#### Case 2

On 13 January 2016, volunteers from Beijing branch of Bank of Jinzhou visited elderly persons of no family in Sanfengli Community and Yabaoli Community, with rice, oil and other consolation supplies. The elderly fully appreciated the kindness from Bank of Jinzhou.

#### Case 3

To respond the call of the government of Chaoyang City for blood donation, Chaoyang branch of Bank of Jinzhou organised over 30 cadres and employees to donate blood on 26 January 2016.



Chaoyang branch organised a blood donation activity

#### Case 4

On 17 January 2016, Chaoyang branch of Bank of Jinzhou organised an activity to deliver warmth to sanitation workers. The young volunteers brought Laba porridge and Spring Festival couplets to 40 sanitation workers in the morning and spent a happy and warm Laba Festival with them. In the activity, one of the sanitation workers, enjoying the delicious food, expressed his sincere gratitude to the volunteers.



Chaoyang branch brought Laba porridge to sanitation workers



# Prospect for 2017

The year 2017 is a key year of the "13th Five-year Plan". The economic and financial situation will remain complicated and changing in 2017. It is also a crucial juncture for Bank of Jinzhou to transform and develop. We will continue to follow the philosophy of serving the society and benefiting the public, proactively adapt ourselves to the new normality of the economic development, adopt a customer-centred and market-oriented approach, keep improving the financial services, emphasise the innovation-driven development model and optimise the comprehensive value of economy, society and environment.

We will created greater economic value. We will give full play to the financial leverage effect, support actively the development of the national real economy, serve the development of the small and middle enterprises, boost the coordinated development of regions, support the Chinese enterprises to go global and improve the shareholders' ability to create value.

We will created greater social value. We will innovate the types of the products, improve service and management ability, take an active role in the social welfare activities, innovate the form of voluntary activities, expand the social benefit platform and spread the philosophy for public benefit. We will concern about the development and growth of the staff and encourage them to manage themselves as a business owner.

We will created greater environmental value. We will keep enhancing the green credit policies, promote development of green credit through product and service innovation, stick to green operation, play an active role in promoting electronic bills, perform green public welfare activities, and devote ourselves into the construction of a green eco-friendly homeland and the coordinated development of the Bank and the environment.

In 2017, we will perform actively our social responsibilities by the continuous service upgrading, strengthen the communication and exchanges with stakeholders and make contributions to the economic and social development with better products and service.

# Independent Limited Assurance Report

## Independent Limited Assurance Report

To the Board of Directors of Bank of Jinzhou Co., Ltd.

We were engaged by the Board of Directors of Bank of Jinzhou Co., Ltd. ("the Bank") to provide limited assurance on the 2016 Environmental, Social and Governance Report of the Bank for the year ended 31 December 2016 ("the ESG Report").

### Responsibilities of the Board of Directors

The Board of Directors of the Bank is solely responsible for the preparation and presentation of the 2016 ESG Report, including the information and assertions contained within it, in accordance with the disclosure recommendations of The Stock Exchange of Hong Kong Limited's Guidelines for Environmental, Social and Governance Reporting ("SEHK's Guidelines").

The Board of Directors is also responsible for designing, implementing and maintaining internal control that enables the preparation and presentation of the ESG report that is free from material misstatement, whether due to fraud or error.

### Responsibilities of KPMG

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. We conducted our work in accordance with International Standard on Assurance Engagements 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.

We have complied with our independence and other relevant ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and complied with the applicable requirements of International Standard on Quality Control 1 to maintain a comprehensive system of quality control.

Our independent limited assurance report is made solely to the Bank in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the Board of Directors of the Bank those matters we have been engaged to state in this independent limited assurance report and for no other purpose. We do not accept or assume responsibility to anyone other than the Bank for our work, for this independent limited assurance report, or for the conclusions we have reached.

## Independent Limited Assurance Report (continued)

### Summary of work performed

A limited assurance engagement on an ESG report consists of making inquiries, primarily of persons responsible for the preparation of information presented in the ESG report, and applying analytical and other procedures, as appropriate. Our procedures included:

- Inquiries of management to gain an understanding of the Bank's processes for determining the material issues for the Bank's key stakeholders;
- Interviews with management and relevant staff at the Bank implementation of these across the business;
- Interviews with relevant staff at the Bank responsible for providing the information in the ESG Report;
- A media analysis and an internet search for references to the Bank during the reporting period;
- Inquiries about the design and implementation of the systems and methods used to collect and process the information reported, including the aggregation of data into information as presented in the ESG Report;
- Comparing the information presented in the ESG Report to corresponding information in the relevant underlying sources by limited testing to determine whether key information contained in such underlying sources has been included in the ESG Report;
- Reconcile key financial data and figures with the audited financial statements;
- Reading the information presented in the ESG Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of the Bank.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore, a lower level of assurance is provided. In addition, our work was not undertaken for the purpose of opining on the effectiveness of the Bank's systems and procedures.

### Conclusions

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the ESG Report of the Bank for the year ended 31 December 2016 is not prepared, in all material respects, in accordance with the SEHK's Guidelines.

KPMG Huazhen LLP

Beijing

14<sup>th</sup> July, 2017



# ESG Indicator Index

## ESG Indicator Index

Subject Areas and Aspects	General Disclosures	Disclosure location
A. Environmental		
A1 Emissions	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	47
A2 Use of Resources	Policies on the efficient use of resources, including energy, water and other raw materials.	47
A3 Environment and Natural Resources	Policies on minimising the issuer's significant impact on the environment and natural resources.	45-48
B. Social		
B1 Employment	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	37-38
B2 Health and Safety	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	37-40
B3 Development and Training	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	39
B4 Labour Standards	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	37-38

KPIs	Disclosure location
A1.1 The types of emissions and respective emissions data.	Note 1
A1.2 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Note 1
A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Not Applicable
A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Note 1
A1.5 Description of measures to mitigate emissions and results achieved.	47
A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Note 1
A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	47
A2.2 Water consumption in total and intensity (eg. per unit of production volume per facility).	47
A2.3 Description of energy use efficiency initiatives and results achieved.	47
A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Note 1
A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not Applicable
A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	45-48
B1.1 Total workforce by gender, employment type, age group and geographical region.	37
B1.2 Employee turnover rate by gender, age group and geographical region.	Note 2
B2.1 Number and rate of work-related fatalities.	38
B2.2 Lost days due to work injury.	38
B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	37-38, 40-42
B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Note 2
B3.2 The average training hours completed per employee by gender and employee category.	Note 2
B4.1 Description of measures to review employment practices to avoid child and forced labour.	37-38
B4.2 Description of steps taken to eliminate such practices when discovered.	Not Applicable

## ESG Indicator Index(Continued)

Subject Areas and Aspects	General Disclosures	Disclosure location
B5 Supply Chain Management	Policies on managing environmental and social risks of the supply chain.	48
B6 Product Responsibility	Information on:(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	26, 33-34
B7 Anti-corruption	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	24-25
B8 Community Investment	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	49, 51-54

KPIs	Disclosure location
B5.1 Number of suppliers by geographical region.	Note 2
B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	48
B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not Applicable
B6.2 Number of products and service related complaints received and how they are dealt with.	33
B6.3 Description of practices relating to observing and protecting intellectual property rights.	26
B6.4 Description of quality assurance process and recall procedures.	Not Applicable
B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	34
B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Not Applicable
B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	24-25
B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	49, 51-54
B8.2 Resources contributed (e.g. money or time) to the focus area.	49, 51-54

Note 1: The Bank has not yet established the statistical system of this KPI and plans to establish gradually in the future.

Note 2: The Bank plans to gradually disclose in the future

# Feedback from Readers

## Feedback from Readers

Thank you for reading the 2016 Environmental, Social and Governance Report of Bank of Jinzhou. With the aim of enhancing the Bank's work for performing social responsibilities, we hope that you can evaluate this report and provide us with your valuable comments and suggestions. You can fill out the below feedback form and choose any of the following ways to send us your opinions.

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Postcode: 121013

1. Your general evaluation on this report:

Poor

Average

Good

Excellent

2. Your evaluation of Bank of Jinzhou in performing social responsibilities for stakeholders:

Poor

Average

Good

Excellent

3. Do you think the information disclosed in this report is complete?

No

Average

Yes

4. Do you think the content and typography is clear and suitable for reading?

No

Average

Yes

5. Do you have any other comments or suggestions on the report and on the improvement and development of Bank of Jinzhou for performing social responsibilities?

Thank you for your caring and support for Bank of Jinzhou!





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