



# CSR 2018

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## Social Responsibility Report

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Huishang Bank Corporation Limited

## Table of Content

<b>1. INFORMATION ABOUT THIS REPORT</b> .....	<b>2</b>
<b>2. LEADERS' MESSAGE</b> .....	<b>3</b>
<b>3. KEY PERFORMANCE</b> .....	<b>5</b>
<b>4. COMPANY PROFILE</b> .....	<b>6</b>
4.1. BRIEF INTRODUCTION .....	6
4.2. CORPORATE GOVERNANCE .....	7
4.3. COMPLIANCE OPERATIONS .....	10
4.4. RESPONSIBILITY MANAGEMENT .....	15
4.5. AWARDS AND ACCOLADES IN 2018 .....	20
<b>5. FULFILMENT ECONOMIC RESPONSIBILITY</b> .....	<b>24</b>
5.1. PROMOTION OF ECONOMIC DEVELOPMENT .....	24
5.2. FINANCIAL TARGETED POVERTY ALLEVIATION .....	28
5.3. INVOLVE INCLUSIVE FINANCE .....	31
5.4. INNOVATION-DRIVEN DEVELOPMENT .....	33
5.5. DEVELOPMENT GREEN FINANCE .....	34
<b>6. PROVIDE QUALITY SERVICE</b> .....	<b>36</b>
6.1. IMPROVE CUSTOMER SATISFACTION .....	37
6.2. SAFETY PROTECTION MEASURES .....	42
6.3. PREVENTION PAYMENT RISK .....	44
6.4. GUARANTEE SAFE CARD USE .....	47
<b>7. CONTRIBUTE TO THE SOCIETY</b> .....	<b>49</b>
7.1. INTENSIVE INVOLVEMENT IN PUBLIC WELFARE EVENTS .....	49
7.2. SUPPORT CULTURAL AND SPORT UNDERTAKINGS .....	51
7.3. SPREAD FINANCIAL KNOWLEDGE .....	52
<b>8. GROWING WITH STAFF</b> .....	<b>53</b>
8.1. FAVORABLE EMPLOYMENT ENVIRONMENT .....	54
8.2. HEALTH AND SAFETY .....	59
8.3. PROMOTE PROFESSIONAL DEVELOPMENT .....	60
<b>9. GOING GREEN</b> .....	<b>64</b>
9.1. EXPAND GREEN CHANNELS .....	64
9.2. PROMOTE GREEN OPERATION .....	64
9.3. STICK TO GREEN PURCHASE .....	68
9.4. PUBLIC WELFARE ACTIVITIES PROMOTING GREEN CONCEPT .....	68
<b>10. ESG REPORTING GUIDE</b> .....	<b>70</b>
<b>11. READERS FEEDBACK FORM</b> .....	<b>73</b>

# **1. Information about This Report**

## **About this report**

The Huishang Bank Corporation Limited (the “Huishang Bank”, “We” or “the Bank”) (HKEx Stock code: 3698) hereby issues the Bank’s Social Responsibility Report for the purposes of assisting all its stakeholders in understanding its concept and practices of sustainable development in 2018. This report is the 4<sup>th</sup> Social Responsibility Report we have published since 2015.

## **Reporting scope**

This Report includes the Huishang Bank Corporation Limited, its branches and sub-branches. This report covers the same scope as that covered by Social Responsibility Report for 2017 released on 25 April 2018. This Report is an annual report, and is for the period from 1 January 2018 to 31 December 2018.

## **References**

This report is written in accordance with the China Banking and Insurance Regulatory Commission’s “Opinions on Promoting the Social Responsibility of Financial Institutions”, the China Banking Association’s “Social Responsibility Guidelines for Financial Institutions in China’s Banking Sector”, the “Environmental, Social and Governance Reporting Guide” in Appendix 27 to the “Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited”, and the “Sustainability Reporting Guidelines” of the Global Reporting Initiative (“GRI”).

## **Data Sources**

The financial data in this report are from the Financial Report 2018, which has been independently audited by Ernst&Young LLP, others are from relevant statistical reports or official documents of the Bank. The currency involved in this report is measured in Renminbi (“RMB”).

## **Report availability**

This report is available in both hard and electronic copies. The electronic copies can be viewed on the bank’s official website at <http://www.hsbank.com.cn/> and the HKEx website <http://www.hkexnews.hk>. The Report is published in Chinese and English. In case of any discrepancy, the Chinese version shall prevail.

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## 2. Leaders' Message

In 2018, guided by the thoughts of socialism with Chinese characteristics in the new era of Xi Jinping, Huishang Bank earnestly implemented the central government's requirement of "six stabilising" and followed the financial development trend, which continuously consolidated its status as a mainstream local bank. At the same time, we paid constant attention to the expectations of stakeholders, and actively deepened the management of social responsibility, so as to achieve joint development with stakeholders on the road of accelerating high-quality development.

**Persisting in returning to the roots of finance and focusing on principal businesses, Huishang Bank rooted its transformation development in the real economy and actively responded to the national strategies.** In 2018, we took the responsibility of serving the local economy, continued to increase effective investment, and supported supply-side structural reform. To support the construction of a more innovative province, we focused on Hefei Comprehensive National Science Centre, Hefei-Wuhu-Bengbu Self-dependent Innovation Demonstration Zone and "Three Res and One Create", promoted the development of emerging industries, and supported the transformation and upgrading of traditional manufacturing industry. To propel regional coordinated development, we closely followed regional development strategies such as the Yangtze River Economic Belt, Hefei Economic Circle, Revitalisation of North Hefei and the Yangtze River Delta Integration, and launched a series of services accordingly. We actively participated in ecological civilisation and people's livelihood security project, focused on education, health care, pension and tourism culture, innovated service means and supported the construction of ecological civilisation model in Anhui, therefore improving residents' convenience and sense of gain.

**Persisting in the essence of financial services and taking customers as the top priority, we enhanced customers' financial experience by technology and continued to focus on creating a better life.** In 2018, through the development of technology finance and the upgrade of on-line channels, we accelerated the construction of intelligent outlets and demonstrated the image and meaning of "intelligent finance and professional services"; meanwhile, we further enhanced the support of IT to operation management and business transformation, with the new generation core platform going into operation successfully. To accelerate the development of consumption finance business, we launched "Car-E-Loan" & "Hui-E-Loan" and continued to promote "Fast-E-Loan" & "Micro-Connect-Loan"; we built diversified consumption scenarios by relying on "Huiyin-E-Payment" & preferential business areas; and we explored the business model for on-line light-assets by promoting credit on-line loans, carport loans as well as credit loans to mobile banking clients, meeting the diverse financial demands of customers.

**Persisting in fulfilling our responsibilities and focusing on people's livelihood, the Bank led the development of green finance with innovation and promoted the construction of harmonious society.** In 2018, the Bank vigorously promoted green finance and attached great importance to projects such as industrial energy saving, water saving, environmental protection, natural protection, ecological restoration and disaster prevention, garbage disposal and pollution prevention, renewable energy and clean energy, rural and urban water projects and green transportation. We actively carried out green public

welfare behaviours and advocated green operation, and delivered the modernisation concept of harmonious coexistence between human and nature, so as to build a green bank characterised by low carbon and environmental protection. We provided strong support to poverty alleviation and elimination by actively practising targeted poverty relief and devoting ourselves to areas such as industry, education and social poverty relief; we shouldered our responsibilities, bore in mind our mission and inherited the concept of public welfare by carrying out financial education, charity activities, volunteer services and other activities; we created a positive and harmonious corporate culture by adhering to the people-oriented concept, focusing on employee capacity building, giving full scope to the talents and caring for employees' physical and mental health.

The year of 2019 is a crucial year for Huishang Bank to comprehensively build itself as a high-quality modern bank, as well as the second year to implement the three-year action plan of “one body-two wings”. All the staff of the Bank will be firm in our faith, be brave for our responsibilities, and be determined to implement the development concept of “innovation, coordination, green, openness and sharing” with our practical actions. With strong social responsibility and firm strategic confidence, we will support the sustainable development of economy, society and environment.

The Chairman of the Board of Huishang Bank     Mr. Wu Xuemin

### 3. Key Performance

Areas	KPIs	Unit	2018	2017	2016
Economic Performance	Total assets	In RMB 100 million	10,505.06	9,081	7,547.74
	Business net revenue	In RMB 100 million	269.51	225.08	209.18
	Net loans and advances	In RMB 100 million	3706.61	3,052.09	2,693.36
	Shareholders' equity	In RMB 100 million	702.77	592.12	531.83
	Profit after tax	In RMB 100 million	88.6	78.12	69.96
	Return on average assets	%	0.9	0.94	1.01
	Non-performing loan ratio	%	1.04	1.05	1.07
	Provision coverage ratio of non-performing loan	%	302.22	287.45	270.77
	Capital adequacy ratio	%	11.65	12.19	12.99
Social Performance	Small and micro enterprise loans	In RMB 100 million	1,653.9	1,468.1	1,293.44
	Balance of agro-related loans	In RMB 100 million	760.9	636.6	466.6
	Satisfaction with complaints handling	%	99.08	98.36	90.08
	Total number of employees	/	9,515	9,520	8,957
	Ratio of female employees	%	51.72	52.38	52.67
	Training expenses per employee	Yuan	3,896	4,540	4,062
	Assistance funds to troubled employees	In RMB 10 thousand	21	22.	22.3
	Total number of outlets	/	424	417	392
	Total number of county outlets	/	166	164	142
	Automatic services machines	/	2,074	2,532	2,235
	Number of corporate online banking customers	In 10 thousand	19.47	14.76	11.58
	Number of phone banking customers	In 10 thousand	243.79	205	173.6
	Number of mobile banking customers	In 10 thousand	319.57	221	131.3
Number of personal online banking customers	In 10 thousand	377.47	293.86	219.49	
Environmental Performance	Headquarter water use	In 10,000 tons	6.5	5.8	7.15
	Headquarter electricity use	In 10,000 kWh	485	552.2	597.1
	Headquarter gas use	In 10,000 m <sup>3</sup>	32.5	29.2	29.4
	Number of Bank-wide video conference	/	211	248	177

## 4. Company Profile

### 4.1. Brief introduction

Headquartered in Hefei, Anhui Province, Huishang Bank is the first regional joint stock commercial bank in the PRC established through the merger and reorganization of city commercial banks and urban credit cooperatives with the approval of the China Banking and Insurance Regulatory Commission, as well as the sole provincial bank in Anhui. The Bank was incorporated on 4 April 1997, and changed its name to Huishang Bank Corporation Limited on 30 November 2005. On 28 December 2005, the Bank officially merged with the 5 city commercial banks of Wuhu, Ma'anshan, Anqing, Huaibei and Bengbu and the 7 urban credit cooperatives of Lu'an, Huainan, Tongling, Fuyang Technology, Fuyang Xinying, Fuyang Yinhe and Fuyang Jinda in Anhui Province. The Bank officially opened for business on 1 January 2006. On 12 November 2013, the Bank was listed on the Main Board of the Hong Kong Stock Exchange (stock code: 3698), among the nation's first batch of city commercial banks issuing H shares.

As at the end of 2018, the Bank had a registered capital of RMB 12,154,801,211 and 9,515 employees; besides headquarters, it had 17 branches, 424 operations, and 661 self-service zones. In 2018, the Bank paid special attention to economic and financial situation, and implemented national guidelines and policies in an earnest manner. It enjoyed an impressive leap in its business, a remarkable increase in comprehensive strength, and enhancement in its ability to sustain development. As of the end of 2018, the total assets of the Bank reached RMB 1050,506 billion at a growth rate of 15.68 % compared to that of the beginning of the year; its net profit grew to RMB 8.86 billion by 13.42%



The Huishang Bank building



The Bank business distribution



year-on-year. The Bank's non-performing loan ratio, capital adequacy ratio and provision coverage ratio were 1.04 %, 11.65 % and 302 % respectively and it maintained strong risk prevention ability.

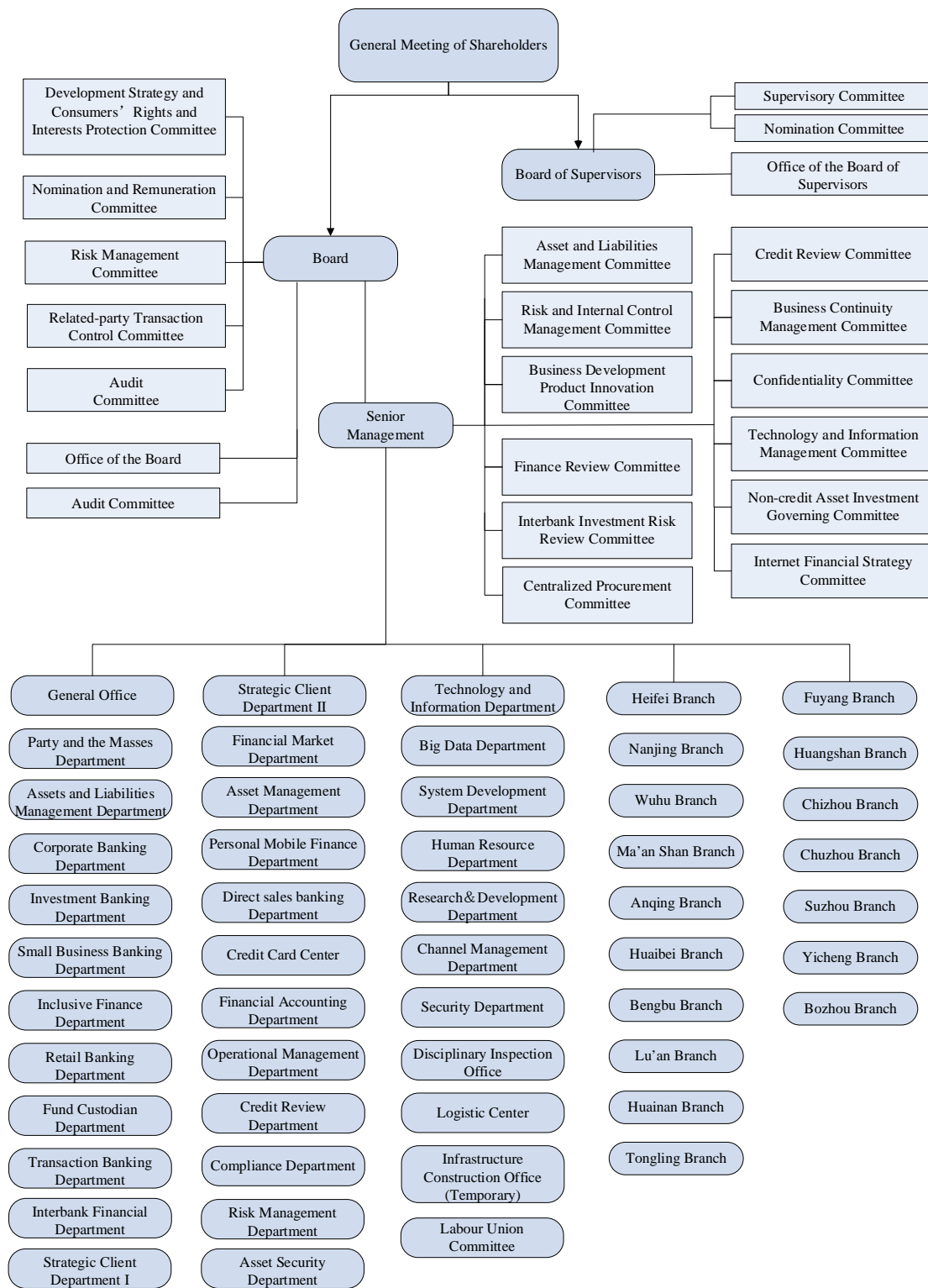
#### **4.2. Corporate governance**

The Bank believes that maintaining high standards of corporate governance mechanisms and high quality corporate governance is one of the key factors to improve our core competitiveness and to build a modern commercial bank. Therefore, the Bank focuses on high quality of corporate governance, abides by the best domestic and international corporate governance practice, to ensure the rights and interests of shareholders and improve the value of the enterprise.

The Bank has established a relatively comprehensive corporate governance structure, clearly setting forth the responsibilities of General Meeting of Shareholders, the Board of Director, the Board of Supervisors and senior management, constantly improving the Bank's decision-making, execution and supervision mechanism so as to ensure the independent operation of various parties and an effective check and balance.

The Bank upheld the leadership of the Party, giving full play to the roles of the Shareholders' Meeting as an authority institution, the Board of Directors as a decision-making institution, the Board of Supervisors as a supervision institution, senior management as an executive institution and the party committee as the leading institution. Focusing on the political direction, leading body, basic rules, major decisions and party building, the Bank's party committee promoted the leadership of the party and improved the corporate governance structure of the Bank. The Bank continued to improve the duty performance ability of the Board of Directors, the Board of Supervisors and the management, strengthen the decision-making efficiency and implementation ability of each governance entity, and improve corporate governance model.





2018 Huishang Bank Organization framework

In 2018, the Bank put requirements for Party building into the articles of association, establishing the legal status of the party organisation in corporate governance; the Bank completed the change of term of office for the 3<sup>rd</sup> Board of Directors and the 3<sup>rd</sup> Board of Supervisors, providing a sound corporate governance environment for the reform and development of the whole bank. We have established the Inclusive Finance Department, the

Transaction Banking Department, the Personal Mobile Finance Department, the Direct Sales Banking Department, the Big Data Department, and the Discipline Inspection Office, further improving the governance system.

The Group highly valued the shareholders' equity and investor relations. In accordance with the resolutions passed at the 2017 General Meeting of Shareholders held on 30 June 2018, the Bank paid an annual cash dividends for 2017 in an aggregate amount of RMB 27,624.55 ten thousand, to all of its shareholders whose names appeared on the register of members on 11

**The Bank's 2017 General Meeting of Shareholders was held in Hefei**



On 30 June 2018, the 2017 General Meeting of Shareholders of Huishang Bank Corporation Limited was held in the auditorium on the 11th floor of the head office.

July 2018.

In 2018, the Bank held 2017 annual results announcement, 2018 interim results announcement and investors/analysts promotion conferences, where investors, analysts and the media exchanged ideas. It also kept in touch with foreign and domestic investors, analysts and small-and-medium investors via phone, E-mail, reception, investor relation module on company's website, to name but a few, so as to promote investor relation management. In order to disclose information in strict compliance with requirements of China Securities Regulatory Commission, Securities and Futures Commission of Hong Kong and Hong Kong Exchanges and Clearing Limited, the Bank formulated and revised policies concerning information disclosure including the Internal Information and Insider Management Policy and Major Information Misrepresentation Accountability Measures, with a view to further optimizing information disclosure regime and continuously improving the preparation and publication of regular reports and special reports. In 2018, it published more than 90 announcements including 2017 annual results announcement, 2018 interim report and circular of the general meeting of shareholders.

Areas	Milestone
General Meetings of Shareholders	In 2018, the Bank held the 2017 General Meeting of Shareholders and the first Extraordinary General Meeting of Shareholders for the year of 2018, which adopted over 20 proposals including work reports of the Board of Directors and the Board of Supervisors, final accounts, profit distribution plan, financial budgets, amendment of the articles of association, election of directors of the fourth Board of Directors, election of supervisors of the fourth

	Board of Supervisors, etc., contributing to the stable and robust development of the Bank's businesses.
Board of Directors	In 2018, the Bank held 13 Board meetings and discussed 88 proposals and reports such as Huishang Bank 2017 Annual Financial Report, which fully leveraged the strategic decision-making role of the Board. On top of that, the board special committees gave full scope to their role of expediting decision-making by convening 23 meetings when major resolutions were discussed such as internal audit reports and material related party transactions.
Board of Supervisors	In 2018, the Bank held 13 meetings of Supervisors where 52 proposals were reviewed and adopted including Annual Work Report of Board of Supervisors in 2017, the evaluation report by the board of supervisors about the performance of broad and directors. On top of that, the special committees of the Board of Supervisors performed their duties by holding 18 meetings when major items were discussed including 2017 annual audit report, 2017 annual internal control self-evaluation report, and 2017 annual report on the implementation of crime prevention, etc.
Senior Management	The Bank's senior management consists of the Bank President, Vice President and other senior managers who exercise functions and authorities in operation management according to laws, regulations and corporate charter and as authorized by the general meeting of shareholders and board of directors.

While making all-out efforts in serving Anhui's economic development, the Bank promotes the thought of "tax payment in accordance with the law shall be practiced and prided upon", and filing in strict compliance with national tax laws and regulations. Besides, it keeps close connection with the taxation, pays tax based on laws and declares tax in time, with total and individual tax payment increase in sync with the rapid growth of its business. In 2018, the Bank paid RMB 5107,04 million in tax fee. Since its inception, the Bank has been among the top 50 largest tax payers in Anhui Province, who pays all sorts of taxes in full in a timely manner. It has been rated Class A taxpayer for several consecutive years as a result of its great contributions to the stable fiscal revenue growth at various levels. On 18 April 2018, tax authorities of Anhui Province evaluated taxpayers' tax credit status for 2017 based on the tax credit information collected. The Bank was rated the Class A taxpayer again.

### **4.3. Compliance operations**

As a financial institution, the Bank always aligns clients' value with its own, consistently assumes responsibilities and maintains regulatory compliance when creating profits and values. For the purpose of implementation of responsibilities, improvement of efficiency, and

risk prevention and control, with the department synergy as the starting point, the Bank built a refined, intensive and market-oriented management system based on the capacity building of risk management, internal control compliance, comprehensive risk, and discipline inspection and supervision, etc.

#### **4.3.1. Risk management**

In 2018, the Bank actively responded to the demand for strong-regulation and high-quality development. Seeking for its original desire, the Bank focused on its main business and enhanced its foundation. Meanwhile, the Bank has been constantly perfecting its overall risk management system to further enhance refined risk management, so as to improve its risk control and hold the bottom line of risk:

**Continuous consolidation of risk policy system:** With the Statement of Risk Preference 2018 and the Guiding Opinions on Risk Management Policies 2018 and other regulations prepared, the Bank clarified the key control points and tolerance indexes for risk, and allocated the credit resources to low-risk customers, industries, regions and products.

**Continuous improvement of risk regulation system:** With such documents as the Interim Measures for Risk Preference Management and the Management Measures for Risk and Asset Consolidation prepared, the Bank further standardised its risk management system.

**Continuous optimisation of risk assessment rules:** The Bank took proactive action to adjust method of measuring control index regarding overdue loans, which further improved the authenticity of the branches' overdue loan assessment.

The Bank insisted on responsibility orientation, problem orientation and risk orientation, and prepared a 3-year action plan for internal control system based on the idea of “overcoming weakness, improving quality & efficiency and boosting development”, so as to clarify the direction and path for the future construction of internal control system. In 2018, the Bank constantly improved its internal control system by:

- Optimising employee behaviour monitoring system and improving the efficiency of employee abnormal behaviour investigation;
- Optimising the suspicious transaction monitoring and analysis system, promoting the informatisation of anti-money laundering;
- Realising system automatic transfer for judicial investigation and execution account, which made judicial investigation and freezing work much more efficient.

In 2018, the Bank was rated as an A-level (the highest level) institution in the appraisal for implementation of relevant regulations issued by the People's Bank of China, ranking the first among all the commercial banks in Anhui Province. In addition, 11 branches including Nanjing Branch, Wuhu Branch and Ma'anshan Branch were rated as A-level institutions by local branches of the People's Bank of China. On 20 April 2018, in the “2018 Bank Card Business Conference of Member Institutions” organised by Anhui UnionPay, the Bank won the “2017 UnionPay Risk Control Promotion Excellence Award” for its excellent performance in credit card risk management and control in 2017.

## Risk compliance knowledge contest underlining “strengthening management, enhancing foundation and boosting development”



In September 2018, the Bank held risk compliance knowledge contest of 2018 in the whole bank, underlining “strengthening management, enhancing foundation and boosting development”.

### 4.3.2. Compliance Internal Control

In 2018, by carrying out activities of “Year of Quality Improvement”, the Bank formed a weekly, monthly and quarterly reporting system and established the structure consisting of heads and contacts. Focusing on 8 areas prone to major risk events including credit business, teller operation and financial planning, the Bank carried out compliance risk investigation.



“Year of Quality Improvement” Mobilization Meeting

**Strengthening case prevention and control:** the Bank acted in accordance with the requirements of relevant laws and regulations, including the Law of the People's Republic of China on Commercial Banks and the Measures for the Prevention and Control of Cases in Banking Financial Institutions, and the case prevention requirements for banking financial institutions. The Bank strengthened the major responsibility of director in case prevention, formulated the annual case prevention and control responsibility letter, and signed the “responsibility certificate” level by level to further enhance the responsibility implementation. Meanwhile, each branch was required to urge its new employees to sign the Letter of Commitment for Crime Prevention and Legal Compliance, so that the employees’ awareness of prevention and control of crime risk could be enhanced. Besides, the Bank continuously improved case prevention system, carried out daily key crime risk investigation and constantly strengthened occupational behaviour management of all employees. By identifying the crime risk points of business areas, the Bank established a crime risk investigation system requiring efforts from both the head office and all branches. The Bank also formulated measures for management of employee behaviours and employee abnormal behaviours and developed regulations on forbidden employee behaviours, so as to improve the regulation system and clarify management responsibilities. In addition, the Bank urged its employees to sign the letter of commitment for occupational self-discipline and established the

management mechanism concerning employee self-discipline, linear management and special supervision.

**Anti-money laundering:** The Bank kept improving the anti-money laundering internal control system, and researched and formulated management rules such as the Guiding Opinions on the Construction of the Anti-money Laundering Internal Control System of Huishang Bank from 2018 to 2020 and the Management Measures for Customer Identification and Customer Identity Information and Transaction Record Preservation of Huishang Bank. The Bank took the subjective initiative in anti-money laundering, made innovation in the risk investigation methods for anti-money laundering, summarised and refined the monitoring and early warning rules, thus effectively enhancing the accuracy of suspicious transaction clues. Further promoting the new model of “listening, looking, checking and inquiring” for customer identification, the Bank intercepted the risk events such as telecommunication fraud, fund-raising fraud and attempts to impersonate others and hold false identity documents in handling businesses. Thus, the Bank effectively guaranteed the security of customer funds and received 3 commendatory letters from public security organisations and regulatory institutions. The Bank participated in the anti-money laundering information research competition organised by the People's Bank of China and submitted *Research on Improving the Effectiveness of Suspicious Transaction Reporting of Commercial Banks*, *Research on the Anti-money Laundering Internal Audit of Chinese Commercial Banks*, and *A Comparative Analysis of Commercial Bank Channels of Money Laundering Crimes: An Empirical Study Based on the SVAR Model*, which stood out from the many entries and won prizes. The Bank actively promoted its advanced practices and experience in anti-money laundering and demonstrated a good image. It also did a good job in monitoring, early warning, publicity and education of illegal fund-raising and carried out special campaigns against crimes and evils.

#### **Bozhou Branch: Enter the medicine market, promote activities to prevent illegal fund-raising and anti-money laundering**



On May 31 2018, Bozhou Branch organized staff to enter Kangmei traditional medicine market to propaganda activities of prevent illegal fund-raising and anti-money laundering.

**Elimination of illicit market phenomena:** Based on the *Notice on Further Elimination of Illicit Market Phenomena in Banking Industry* by supervision department, the Bank formulated its work plan in time with the consideration of own business development, carried out in-depth internal audit, and executed practical remediation, ensuring the efficient and orderly operation of the various special governance. At the same time, in order to further strengthen the internal control compliance management, the Bank integrated “deeping the



rectification of the banking market chaos” within the on-line inspection of the business line. To solve problems found in the inspection, the Bank urged relevant units to timely rectify and seriously hold accountable, to guarantee the compliance and stable of various lines operation. In order to strengthen basic management and actively adapt to the adjustment of regulatory policy, the Bank embedded compliance requirements into the Bank’s system and business process, modified 9 management rules including the Management measure for the seal of Huishang Bank, the Management measure for the administrative seal of Huishang Bank and Operation regulations for the Huishang Bank syndicated loan business, and improved the internal control system.

**Strengthening control of advertisement:** Facing the challenges and opportunities by the new normal of economic and social development, the Bank strengthened the advertising management. The Bank issued the Measures for Publicity Management of Huishang Bank and the Interim Measures for Advertising Management of Huishang Bank according to the Advertising Law of the People’s Republic of China, the Regulations on Control of Advertisement and other applicable laws and regulations, which regulated the distribution and posting procedures of advertisements and other marketing materials, and provided that staff of the publicity department shall abide by applicable laws and regulations and shall not resort to exaggeration, falsehood, misleading claims or hype, in order to boost reputation and prestige effectively.

#### **Protecting intellectual property**

The Bank strictly complies with the Patent Law of the People’s Republic of China, the Trademark Law of the People’s Republic of China, and the Copyright Law of the People’s Republic of China, to ensure intellectual property right management is implemented as per the principle of “clarifying ownership, encouraging innovation, and ensuring effective protection and legal exploitation”. Besides, with the Interim Measures on Intellectual Property Right Management of Huishang Bank, the Bank regulated and strengthened the management and utilisation of intellectual property right, and encouraged financial innovation and improved employees’ intellectual property right awareness.

#### **4.3.3. Discipline inspection and Supervision**

Following the trend of national supervision system reformation, the Bank strengthened the role of discipline inspection and supervision in internal supervision, and improved the system and mechanism of “no guts for corruption, no chance for corruption, no desire for corruption”, so as to continuously optimise upright political ecology and development environment and actively promote in-depth integration of discipline inspection and supervision into business management. The Bank stuck to operations in compliance with legal and supervisory requirements, and viewed cleanness and self-discipline as the underlying principles. The Bank paid great attention in all employees’ awareness and implement them in action, maintained a strong sense of responsibility and initiatives, and actively kept away from and against all kinds of unhealthy trends.

Facing the severe crime in the financial sector, the Bank earnestly implemented the requirements on strengthening integrity and self-discipline. Management of the Bank were



required to implement the “one post and two responsibilities”, work honestly, execute power honestly, achieve honestly, to make contribution to promoting the transformation and upgrading of the Bank and achieving reform and development. The Commission for Discipline Inspection of the Bank normalises holiday notices when major holidays, sent to middle-level assistants and above of the headquarters and branches via text messages and the like. Whistle-blower hot-lines are set up to demonstrate its resolution to oppose festival profligacy, and to further strengthen the political consciousness and action consciousness of honesty and self-discipline at all levels of the Bank. It endeavoured to solidify the achievements of operating the Communist Party in a strict manner and to construct clean political ecology and development environment of the Party.

### The Party Construction Discipline Inspection Meeting of Huishang Bank in 2018

On 3 April 2018, Huishang Bank convened the Party Construction Discipline Inspection Meeting of 2018, during which, the Bank reported the responsibility system assessment for construction of clean Party style and anti-corruption in 2017, and made schedule for Party construction and discipline supervision and inspection of 2018.



### The Party Committee of the Bank held a special warning and education meeting of democratic life underlining “Loyalty, Discipline and Virtue”



On 22 June 2018, the Party Committee of the Bank held a warning and education meeting underlining “Loyalty, Discipline and Virtue”, stressing that management of the Bank all levels, as Party members, should keep working on the abilities for self-purification, self-perfection, self-innovation and self-improvement.

## 4.4. Responsibility management

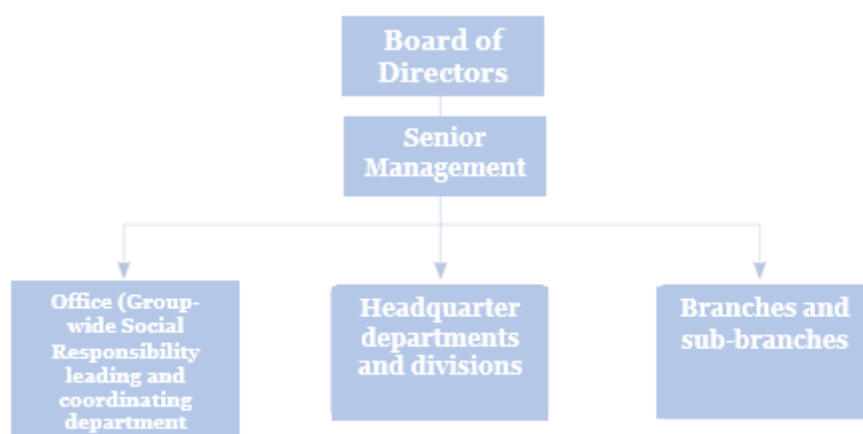
### 4.4.1. Social responsibility management framework

The Bank has established and improved a sound social responsibility management system, and continued to implement the Interim Measures for the Administration of Corporate Social Responsibility of Huishang Bank. It has been continuously improving its social responsibility regime, where the Board of Directors, senior management, the office and all

departments/branches/sub-branches work in conjunction playing the role of leading, to guarantee efficient and well-organised execution of social responsibility management.

The Board of Directors of Huishang Bank is the highest decision-making body of the Bank's corporate social responsibility management. The Board of Directors is responsible for proposing strategies, policies and targets of corporate social responsibility, and integrating social responsibility into the Bank's development strategy plan, making fulfilment of social responsibility one of the Bank's development strategy goals. In addition, the Board of Directors is responsible for evaluating and determining the Bank's corporate social responsibility risks and ensuring that the Bank has established appropriate and effective corporate social responsibility risk management and internal control systems to supervise, inspect and evaluate the Bank's fulfilment of corporate social responsibility.

Senior management is responsible for implementing the Bank's corporate social responsibility strategies, targets and measures, organising and implementing corporate social responsibility related work, and regularly reporting to the Board of Directors on development status and implementation results of the Bank's corporate social responsibilities. The leadership team of corporate social responsibility management has an office, which is subordinate to head office and responsible for the daily work of corporate social responsibility management.



Social responsibility management framework

#### 4.4.2. Stakeholder communications

Stakeholders	Communication mechanism	Stakeholders' expectations	The Bank's response
<b>Government</b>	<ul style="list-style-type: none"> <li>Regulatory documents</li> <li>Work report</li> <li>On-site inspection</li> </ul>	<ul style="list-style-type: none"> <li>Implement national economic policies</li> <li>Support real economy</li> </ul>	<ul style="list-style-type: none"> <li>Implement national economic policies and propel economic transition</li> <li>Step up efforts in leveraging finance to serve real economy</li> </ul>

	<ul style="list-style-type: none"> <li>• Off-site inspection</li> </ul>	<ul style="list-style-type: none"> <li>• Serve small and micro enterprises</li> <li>• Increase job opportunities</li> <li>• Ongoing tax revenue</li> </ul>	<ul style="list-style-type: none"> <li>• Achieve “two increase and two control” in small and micro enterprise loans</li> <li>• Create job opportunities</li> <li>• Create good business performance and pay more tax</li> </ul>
<b>Regulators</b>	<ul style="list-style-type: none"> <li>• Regulatory documents</li> <li>• Work report</li> <li>• On-site inspection</li> <li>• Off-site inspection</li> </ul>	<ul style="list-style-type: none"> <li>• Prudent and legal day-to-day operation</li> <li>• Effective risk prevention</li> <li>• Stable and orderly financial system</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Strengthen risk management</li> <li>• Maintain financial order and reinforce compliance and disciplines</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Shareholders’ general meeting</li> <li>• Board of directors</li> <li>• Roadshow</li> <li>• Result announcement</li> <li>• Daily communication</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous and reasonable Return on Investment</li> <li>• Thorough, timely and accurate information disclosure</li> <li>• Good corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>• Achieve good business</li> <li>• Disclose information in a thorough, timely and accurate manner</li> <li>• Promote corporate governance</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Product promotion and introduction</li> <li>• 4008896588</li> <li>• Customer service center</li> </ul>	<ul style="list-style-type: none"> <li>• Diversified products</li> <li>• Diverse service channels</li> <li>• Continuously improved service quality</li> <li>• Effective protection of consumers’ rights and interests</li> </ul>	<ul style="list-style-type: none"> <li>• Create diverse financial products</li> <li>• Promote the establishment of service channels</li> <li>• Improve civilized and regulated services</li> <li>• Protect financial consumers’ rights and interests</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Staff communication</li> <li>• Labour union</li> <li>• Workers’ Congress</li> <li>• Bank affairs disclosure</li> <li>• Corporate cultural activities</li> </ul>	<ul style="list-style-type: none"> <li>• Reasonable compensation and benefits</li> <li>• Satisfying work environment</li> <li>• Good professional development</li> </ul>	<ul style="list-style-type: none"> <li>• Endure staff’s lawful rights and interests</li> <li>• Enrich corporate culture</li> <li>• Expand professional development channels</li> </ul>
<b>Suppliers and partners</b>	<ul style="list-style-type: none"> <li>• Centralized procurement, bid &amp;</li> </ul>	<ul style="list-style-type: none"> <li>• Fair cooperation opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Stick to responsible purchase</li> <li>• Strengthen strategic</li> </ul>

	tender center • Business communication cooperation	• Honest contract fulfilment • Stable win-win situation	cooperation
<b>Public and communities</b>	• Financial community services • Financial knowledge dissemination • Community public welfare activities	• Harmonious social relations • Comprehensive and effective corporate citizen responsibility fulfilment	• Create diverse financial products • Disseminate financial knowledge • Establish harmonious community environment • Charity and public welfare activities
<b>Media</b>	• Media information disclosure	• Open and transparent information disclosure	• Enhance media communication • Disclose information in a comprehensive, timely and accurate manner
<b>Environment</b>	• Business activities • Environmental activities • Policy information disclosure	• Green financial services • Continuous reduction of energy consumption and carbon emission • Active environmental protection	• Develop green finance • Improve green services • Promote green operation • Involve in green public welfare undertakings

#### 4.4.3. Materiality assessment

The Bank has determined significant material issues through identification, assessment and selection of relevant issues, so as to disclose them in this report and give responses.

Through seeking feedback from internal stakeholders, conducting external consultation with third-party professional organisations, and taking account of relevant standards for social responsibilities, the Bank has collected relevant issues. Moreover, as per the Interim Measures for the Administration of Corporate Social Responsibilities of Huishang Bank, it has ranked such issues in terms of “materiality to Huishang Bank” and “materiality to external stakeholders”. The ranking results are presented as follows:



No.	Issue	Aspect	No.	Issue	Aspect
1	Improve business performance	Product responsibility	15	Overall risk management	Product responsibility
2	Propel economic development	Product responsibility	16	Favorable employment environment	Employment/Labour standards
3	Promote real economy	Product responsibility	17	Guarantee safe card use	Product responsibility
4	Guarantee shareholders' rights and interests	Product responsibility	18	Pay attention to Health and safety	Safety and health
5	Serve small and micro enterprises	Product responsibility	19	Build intelligent outlets	Product responsibility
6	Inclusive finance in rural areas	Product responsibility	20	Develop green finance	Environment and natural resources
7	Compliance with the legal and supervisory requirements	Product responsibility	21	Expand green channels	Emission
8	High-quality customer services	Product responsibility	22	Promote green operation	Use of resources
9	Monitor business risk	Anti-corruption	23	Prevent telecommunication	Product responsibility

				n fraud	
				Intensive	
10	Practice targeted poverty relief	Product responsibility	24	involvement in public welfare events	Community investment
11	Focus on mobile finance	Product responsibility	25	Stick to green purchase	Supply chain management
12	Safety protection measures	Safety and health	26	Disseminate financial knowledge	Community investment
13	Promotion of professional development	Training and development	27	Support cultural and sport undertakings	Community investment
14	Implement clean governance	Anti-corruption	28	Public welfare activities promoting green concept	Community investment

#### 4.5. Awards and accolades in 2018

Timeline	Honour	Awarded by
January	The direct banking platform “Huichangyoucai” was awarded “2018 Hurun New Finance Top 50” and “2018 Hurun New Finance Platform with the Best Customer Experience”	Hurun Report and Xiaotongren
January	Excellent Core Dealer in Interbank Local Currency Market for 2017	China Foreign Exchange Trade System & National Interbank Funding Centre
January	2017 Best Bank Award for Social Responsibility	<i>China Times</i>
January	Best Model Award for “Good News of Chinese Banking Industry in 2017”	China Banking Association
January	Outstanding Contribution Award for “Healthy Anhui” 2017 Tour de Jianghuai	Anhui Provincial Sports Bureau, Anhui Provincial Tourism Bureau and Anhui New Media Group
January	First, second and third prizes of Anhui Province’s internal audit theory seminar in 2017	Anhui Internal Audit Association
February	The Bank won the “First Prize in Non-Tax Revenue Agent Bank for Anhui Provincial Government in 2017” for the 12th consecutive year.	Anhui Provincial Department of Finance and Hefei Central Sub-Branch of People's Bank of China
February	Agent Bank for Non-tax Income of Provincial Government, First Class Award for 2017	Department of Finance of Anhui Province, the People’s Bank of China Hefei Central Sub-branch

<b>February</b>	2017 Technology Finance Investment and Loan Linkage Pilot Award	High-tech Zone, Hefei
<b>February</b>	The WeChat public account of credit card of the Bank was awarded “2017 Influential Enterprise New Media of Anhui”	Hefei Radio and Television Centre
<b>March</b>	“Tianjizhitou” was awarded “2017 Direct Banking Product Award”	<i>Internet Weekly</i> of the Chinese Academy of Sciences and the Informatisation Research Centre of the Chinese Academy of Social Sciences
<b>March</b>	Top 100 in RMB foreign exchange market	China Foreign Exchange Trade System & National Interbank Funding Centre
<b>March</b>	2017 Excellent Credit Card Centre of Anhui	Sina Anhui
<b>April</b>	2017 UnionPay Excellence Award for Risk Control Promotion	Anhui UnionPay
<b>April</b>	“Excellence Business Award for Inquiry Market” in Shanghai Gold Exchange in 2017	Shanghai Gold Exchange
<b>April</b>	The First Prize for Payment and Settlement Work Assessment in Anhui Province in 2017	The People’s Bank of China Hefei Central Sub-branch
<b>April</b>	2017 UnionPay Excellence Award for High-end Card Promotion	Anhui UnionPay
<b>April</b>	Excellent Bank Trader of the Year, Excellent Bill Trading Supervisor and Excellent Bill Trader	Shanghai Commercial Paper Exchange Corporation Ltd.
<b>April</b>	A-level Taxpayer of Anhui Province in 2017	National Tax Bureau of Anhui Province
<b>April</b>	Excellent Comprehensive Market Maker in Interbank Bond Market and Excellent Rate Securities Trial Market Maker for 2017	National Association of Financial Market Institutional Investors (“NAFMII”)
<b>April</b>	Top 100 “Advanced Units in Safety Management” in China	China Banking Association
<b>April</b>	First Prize in 2017 Research Project of Anhui Finance Association	Anhui Finance Association
<b>May</b>	The Bank was awarded “2017 Outstanding Enterprise of Financial Contribution in Luyang District, Hefei City” for the 3rd consecutive year	Luyang District Committee of Hefei City and Luyang District People’s Government of Hefei City
<b>May</b>	Class-A Institution to Implement Relevant Regulations of the People’s Bank of China in 2017	The People’s Bank of China Hefei Central Sub-branch
<b>June</b>	2018 Jun Ding Award for Financial Institution with Classic Targeted Poverty Alleviation Case	<i>Securities Times</i>



<b>June</b>	The VISA World Cup credit card was awarded the “VISA Product Development Award”	VISA China Headquarters
<b>June</b>	Mobile Bank with Best User Experience Honouring the 20th Anniversary of China Internet	<i>Internet Weekly</i> of the Chinese Academy of Sciences and the Informatisation Research Centre of the Chinese Academy of Social Sciences
<b>June</b>	Best Partner Bank for Trade Companies	China Banking Association
<b>June</b>	Class-A Principal Underwriter for Financial Institution Bonds during consecutive 2 years	The People’s Bank of China Hefei Central Sub-branch
<b>July</b>	“Active Dealer in Capital Market” & “Active Dealer in Bond Market”	National Interbank Funding Centre
<b>July</b>	The 2017 report of Financial management in China Bank, the top 20 in the three indicators of “revenue capability ranking”, “innovative ability ranking” and “comprehensive financial management ranking of city commercial bank”	China Banking Association
<b>July</b>	“Excellent Organisation Award” of the Ninth National Outstanding Wealth Manager Competition	China Banking Association, the Hong Kong Institute of Bankers and the Financial News
<b>August</b>	Brand marketing promotion case for the 10th Anniversary of Mount Huang credit card was awarded “2018 China Great Wall Award - Content Marketing Bronze Award”	China Advertising Association
<b>September</b>	First prize in the first "Excellent Financial Statistics Paper and Research Report" session	Anhui Financial Statistics Association
<b>September</b>	“2017 Excellent Unit of Information and Communication Work of Anhui Banking Industry”	Anhui Banking Association
<b>September</b>	First place in the assessment for government bond underwriting institutions in Q2 2018	Hefei Central Sub-branch of the People’s Bank of China
<b>October</b>	"Advanced Model Unit" & "Outstanding Innovation Unit" of Banking Customer Service Centre in 2018	China Banking Association
<b>November</b>	2018 City Commercial Bank on the TOP Financial List	The Paper
<b>November</b>	Best Employers of Growth Potential in China for 2018	Institute of Social Science Survey of Peking University, and Zhaopin.com

<b>November</b>	Heifei Huayuan Street Sub-branch, Wuhu Wuwei Sub-branch, Anqin People Road Sub-branch were prized Provincial Youth Civilisation, the title of Provincial Youth Civilisation Model for 2017; The personal mobile finance department of the head office was awarded the Provincial Youth Civilisation Pacesetter for 2017	Anhui Task Group for Creating Youth Unit Model
<b>November</b>	Demonstration Construction Site of Safety Production Standardisation	Construction Safety Branch of China Construction Industry Association
<b>November</b>	Excellence Award for Thesis on Financial Support for Rural Revitalisation	Anhui Finance Association
<b>December</b>	2018 Golden Dragon Award for Top 10 City Commercial Bank	<i>Financial Times</i>
<b>December</b>	2018 Outstanding Bank for Targeted Poverty Alleviation in Anhui Province	<i>Xin'an Evening Paper</i>
<b>December</b>	Ranked First in the Banking Industry in the Survey of "Residents' Satisfaction in Top Ten Service Industries in Anhui Province" in 2018, and won "the Residents' Most Satisfied Bank in Anhui Province"	Modern Provincial Investigation and Research Centre of Anhui Province
<b>December</b>	Hefei Huayuan Street Sub-branch, Wuhu Huangshan Road Sub-branch, Huainan Square Road Sub-branch, Ma'anshan Hunan Road Sub-branch, and Fuyang Taihe Sub-branch were awarded the "Top 1000 Organisations for Civilised and Standardised Service in China's Banking Sector for 2018"	China Banking Association
<b>December</b>	2018 Outstanding Contribution to Financial Technology Innovation	<i>Financial Computerizing</i>
<b>December</b>	Poverty Alleviation Contribution Award	China Economic Net
<b>December</b>	2018 Direct Banking Innovative Application Award	China Financial Certification Enter (CFCA)
<b>December</b>	2018 Most Influential Direct Bank	<i>Internet Weekly</i> of the Chinese Academy of Sciences and the Informatisation Research Centre of the Chinese Academy of Social Sciences
<b>December</b>	2018 Inclusive Financial Business Bank	21st Century Media
<b>December</b>	Nomination in the 2018 Internal Audit Theory Seminar	China Internal Audit Association
<b>December</b>	"Golden Wealth Management" Award for City Commercial Bank with Excellent Wealth Management	<i>Shanghai Securities News</i>

## 5. Fulfilment economic responsibility

The Bank pays close attention to the demands of the public for financial services in all fields and commits to building a favourable society with fairness, concord and prosperity by means of fulfilling social responsibilities through equal sharing of financial resources, serving the reform and development of the economy and the society, and driving the continuous creation of people's livelihood values. The Bank continues to improve its financial products and service system to provide appropriate and effective financial services for different groups, enable more people to appreciate benefits of financial services and jointly enhance social welfare.

### 5.1. Promotion of economic development

In recent years, the Bank proactively follows national policies, and fully exerts its edges as the first-class local bank, so as to boost economic development, serve the real economy and focus on people's livelihood finance by enhancing its serving capability and level in such aspects as rural revitalisation, science-education and culture & health as well as infrastructure construction.

#### 5.1.1. Concern people's livelihood

The implementation of rural revitalisation strategy is a significant arrangement made by the 19<sup>th</sup> National Congress of the Communist Party of China (the "CPC"). As a mainstream local bank, the Bank has firmly carried out various arrangements made by the Central Committee of the Communist Party of China as well as and the CPC Anhui Provincial Committee and the People's Government of Anhui Province. Focusing on the general requirement of "prosperous industry, liveable environment, rural civilisation, effective governance, and affluent life", we continuously strengthened finance innovation and solidly promoted financial poverty relief, motivating the development of Anhui's vast rural areas with non-stop financial supports. The Bank launched loan products for rural revitalisation in an innovative manner, and formulated and issued the Measures for Management of Loans for Rural Revitalisation of Huishang Bank (Provisional) and other documents. Meanwhile, it continuously guided its branches and sub-branches to strengthen marketing and to accelerate approving applications for mature projects. By the end of 2018, the Bank had approved loans of 8 rural revitalisation projects, amounting to RMB 3.7 billion.

The Bank extended its service scope to key industries and important fields such as education and health care, and cooperated with universities and hospitals in Anhui Province proactively and launched comprehensive financial services of "Smart Campus", "Medical Pass" and "One



Fulfilment economic responsibility

Card” to provide industry customers with comprehensive, three-dimensional and one-stop financial services.

In 2018, the Bank initiated the “Promotion Program for Five Organisations” and actively carried out strategic cooperation with governments, hospitals, schools and other institutional customers to help the development of science-education-culture-health undertakings. By the end of 2018, the number of science-education-culture-health customers of the Bank was 1,253, an increase of 206 compared with the beginning of the year.

#### **Huishang Bank and Hefei University of Technology signed the bank-campus strategic cooperation agreement.**



On 17 September 2018, Huishang Bank and Hefei University of Technology signed the bank-campus strategic cooperation agreement. As a local bank situated in Anhui, we insist on serving Anhui's local universities and helping them to achieve further development.

#### **5.1.2. Supporting infrastructure construction**

The Bank thoroughly implements policy requirements of the Central Committee and the State Council on “reinforcing the weaknesses” in infrastructure sector, accelerates product innovation, strengthens marketing of key projects, enhances the use of product portfolios, achieves the cooperation of public and private institutions, and continuously improves the financial service support to infrastructure construction.

The Bank is highly concerned about the government's investment and financing system reform in the PPP field and has developed a series of “PPP Quanchengtong” products through demand research and product innovation and with financial instruments, to support and guide social capitalists to participate in PPP projects. In reliance on provincial PPP funds and PPP industry alliances, the Bank renders the whole comprehensive financial services with full life cycle to PPP projects through such comprehensive financial products as funds, loans, guarantees, supply chains, retail and asset securitisation.

In 2018, the Bank promoted the development of PPP business in compliance with laws and regulations; it continuously optimised the selection criteria for PPP projects, and focused on projects with sufficient social capitals, regional demonstration influence and high comprehensive price, to ensure the orderly development of PPP business. At present, the implementation rate of PPP projects of the Bank is relatively high, and in terms of the quantity of PPT projects implemented, the Bank has ranked No.1 in Anhui Province.

## The PPP project of Zhonghu Mine geological environment treatment

Since 2016, the Bank has accumulatively loaned RMB 1,679 million to the Huaibei Zhonghu Mine Geological Environment Control Project. At present, the project has been successfully completed. This project has upgraded the regional water resources guarantee ability, restored the groundwater funnel,



improved the urban water ecological environment, and alleviated the shortage of land supply, which has a positive and important meaning for Huaibei City to build a socialist harmonious society, promote sustainable economic development and achieve the goal of building a well-off society in an all-round way.

### 5.1.3. Supporting real industries

With the commitment to develop comprehensive finance and serve the real economy, the Bank has become the mainstream bank that fully serves the local economic and social development. In recent years, by actively following the guidance of national policies, the Bank has taken investment banks and transaction banks as the breakthrough point, focused on strategic emerging industries, traditional advantage enterprises and science-education-culture-health industries, and provided five-in-one comprehensive financial services of “loan, debt, stock, agency, advisory” to serve the supply-side structural reform.

In 2018, Huishang Bank focused on the strategic deployment of the CPC Anhui Provincial Committee and the People's Government of Anhui Province to support the supply-side structural reform. Guided by the plan of five major developments, we attached great importance to supporting the leading economic projects such as “Three Res and One Create”, Manufacturing-oriented Province Construction, and strategic emerging industries, to promote the high-quality development of Anhui's economy.

**Supporting the development of strategic emerging industries.** The Bank has vigorously innovated financial services to help foster core industries. The Bank cooperated with Hefei Industry Investment Group to establish the “Hefei Industry Investment and Xieyingxinchang Industry Investment Fund”, supporting the “506 project”, which is one of the three major memory development projects in China.

**Supporting transformation and upgrading of traditional industries:** Per the requirements of “protecting key points, cores and the main business”, we enhanced the support to traditional backbone enterprises, with a view to promoting their transformation and upgrading. The Bank launched a “market-oriented debt-to-equity swaps + phased implementation” scheme, and cooperated with Wanbei Coal-Electricity Group Co., Ltd. to



carry out debt-to-equity swap project, which was the first project for market-oriented debt-to-equity swap in Anhui Province, as well as the first such project led by a city commercial bank in China.

**Supporting Anhui enterprises to grow bigger and stronger:** The Bank innovated and launched a debt financing plan to revitalize corporate stock assets effectively, playing the role of principal underwriter of Class A, to help enterprises to reduce financing costs and optimised balance sheets.

#### Huishang Bank and Huaibei Mining Group's strategic cooperation framework of "lowering leverage, reducing debts and improving quality"

On 24 May 2018, Huishang Bank and Huaibei Mining Group signed a strategic cooperation framework agreement on "lowering leverage, reducing debts and improving quality", with a view to supporting enterprises' transformation and development.



#### Chairman Wu Xuemin participated in the Economic Summit Forum of Financial Services Entities in Yangtze River Delta



On 11 November 2018, the Economic Summit Forum of Financial Services Entities in Yangtze River Delta was held in Shanghai. Chairman Wu Xuemin was invited to participate in the conference and delivered a keynote speech. He made in-depth communication with the government leaders and enterprises, and further strengthened the cooperation of

banks-securities and banks-corporates.

#### 5.1.4. Coordinated development of Regions

In 2018, the Bank kicked off its arrangement, served the national strategy and strongly supported "the Belt and Road" construction as well as the "going out" strategy. The Bank have provided a variety of cross-border loan portfolios. Through cross-border financial products such as internal insurance external loans, internal insurance external debt, cross-border direct loans, etc., we have effectively expanded the financing channel for enterprises, which was reduce the financing costs.

Following "the Belt and Road" development strategy, the Bank carried out cross-border syndicated finance for enterprises included



2

"The Belt and Road"  
coordinated development of Regions

in the “going out” strategy and launched the integrated financial service solution for “banks, trading companies and plants”, which focused on large import and export enterprises and provided complete financing solutions for their upstream and downstream enterprises. We have effectively provided enterprises with multi-channel financing sources, and carried out direct credit business for upstream and downstream enterprises such as provincial trading companies and Chery Automobile Corporation. The Bank provided integrated financial service solution to over 30 core enterprises and 177 small and medium-sized enterprises in accumulative.

The Bank actively participated in the financial cooperation related to the “the Belt and Road” and handled the cross-border RMB interbank syndicated loan business with the Trade and Development Bank of Mongolia, becoming the first financial institution in Anhui Province to successfully handle cross-border RMB interbank loan business.

### **The Bank joined the Asian Financial Cooperation Association**



In March 2018, the Bank was approved to join AFCA after the deliberation of the fourth meeting of the first AFCA council. The establishment of AFCA was listed in the achievement of the international cooperation summit forum for “the Belt and Road”.

### **5.2. Financial Targeted poverty alleviation**

The Bank profoundly understood the various financial poverty alleviation policies, adhering to the big picture of poverty alleviation, guided by the actual needs of poverty-stricken families and the concept of “really helping the real poor to successfully get rid of poverty”, focusing on three aspects including the “regions, industries and poverty-stricken families”, with the “six focuses” as starting point, with differentiated products and three-dimensional services as the basis, with specialised and on-line business models as the breakthrough point, and with the systematic risk control and long-term mechanism as a guarantee, the Bank made efforts to build poverty alleviation financial system and completed all financial poverty alleviation tasks with required quality and quantity.

With the goal of effectively increasing financial supply in poverty-stricken areas, the Bank, in accordance with the strategic aim of “building a modern bank with high-quality development”,



incorporated “poverty alleviation finance” into its construction of strategic system.



Financial Targeted poverty alleviation

### 5.2.1. Strengthening poverty alleviation

Targeted poverty alleviation is one of the three tough battles for building a moderately well-off society in an all-round way. The Bank attached great importance to financial poverty alleviation work, and successively formulated the Work Plan for Implementing Targeted Poverty Alleviation and Promoting Poverty Elimination by Huishang Bank and the Three-Year Action Plan for Poverty Alleviation Finance of Huishang Bank, which specified the future development goals, major work, and key projects of poverty alleviation finance. “Poverty alleviation finance” has become an important part of the future development plan of the Bank.

The Bank earnestly fulfilled its social responsibilities, vigorously implemented financial poverty alleviation, and gave full play to the role of the financial sector as a major force in poverty alleviation. In recent years, the Bank has actively promoted the execution of various poverty alleviation initiatives, and achieved initial results in financial poverty alleviation.

The bank innovated models in line with local conditions and promoted the release of petty loans for poverty alleviation. As required by poverty alleviation policies at all levels, on-site meetings for poverty alleviation in Anhui Province and related documents, it continued to innovate poverty alleviation micro-credit models to promote the accurate release of micro credits for poverty alleviation, helping the poor shake off poverty. As at the end of 2018, the Bank's balance of micro credits for poverty alleviation was RMB 841.35 million, an increase of RMB 303.04 million from the beginning of the year, helping 21,232 poverty-stricken households to get rid of poverty. There was no overdue or non-performing credit loans.

The Bank provided “petty loans for targeted poverty alleviation” for poor households registered by the government, like putting Huishang Bank, poor household borrowers, operational enterprises and government poverty alleviation departments together by bank loans, loans to poor households, money allocated to enterprises and interest subsidies provided by government, so as to guide the loans to be used in entity operation and obtain

income. Meanwhile, the Bank adopted the project recording management during the operational procedure and tightened the access management of enterprises, thus effectively reducing the probability of risk in bulk. The Bank has issued a total of RMB 947 million of petty loans for targeted poverty alleviation, benefiting 24,000 registered poor households.

#### **Tongling Branch: Carry out the “Warm Sun in Winter” Care Activity for Poverty Alleviation**



On 26 January 2018, Tongling Branch headed for the Lianhua Village of Tanggou Town, Zongyang County to carry out the “Warm Sun in Winter” activity, and brought office equipment such as computers, printers and printing papers to the Lianhua Village Committee. The branch officials visited the households under “in-pair” assistance, and brought milk, rice, oil, etc. to them.

#### **Suzhou Branch: A return visit to the poor households in Mawang Village, Sixian County, a targeted village needing assistance**



On 24 May 2018, Suzhou Branch revisited the poor households in Mawang Village, Sixian. Meanwhile, Suzhou Branch also publicised the policies and financial knowledge related to poverty alleviation.

#### **5.2.2. Special new poverty alleviation mode**

The Bank insisted on the fundamental strategy of poverty alleviation by developing competitive industrials, and actively explored the mode of "Four Led by and One Autonomous (i.e. led by industrial parks; led by leading enterprises; led by peasant cooperatives; led by households of large-scale operation; autonomous development of industry by the poor)", with a view to helping the poor obtain stable earnings, helping the poverty-stricken people get rid of poverty and helping the poor villages and counties be removed from the list of poverty. For example, Fuyang Yingshang Sub-branch actively explored the financial support mode of “ecological forestry construction + targeted poverty alleviation” for the professional ecological forestry cooperatives in Yingshang County, and granted a total of RMB 16.91 million of loans to 523 poverty-stricken households in 15 villages, which effectively enhanced the independent development of the impoverished groups.

The Bank strengthened communication with the government and promoted financial poverty alleviation. With the financial poverty alleviation as a starting point, the Bank increased cooperation with governmental departments at all levels, and actively strived for the support from various local government policies, realising the in-depth integration of the Bank's businesses with local economy. With achieving great performance in poverty alleviation finance, the Bank won the “Junding Award for Classical Poverty Alleviation Cases among Financial Institutions in 2018” and received extensive publicity and reports by numerous media such as Guangming Daily, 21st Century Business Herald, People's Daily Online, and Anhui News.

### 5.3. Involve inclusive finance

Based on the two major markets of “city” and “county”, the Bank focused on key target customers including urban residents, small micro-owners, migrant workers, and new citizens arising in the process of urbanization, their demands in consumption upgrading, wealth appreciation, small and micro financing, etc., in accordance with the principle of “online, mobile, intelligent”, strengthened business linkage and coordination, explored new business development mode for inclusive finance, and increased product innovation and marketing publicity, further enhancing the brand recognition and influence of the Bank's inclusive finance; it also made great efforts to improve customer experience, and strengthened team building and risk prevention and control, so as to promote the healthy, rapid and sustainable development of inclusive finance business through the whole bank.

By the end of 2018, the Bank has granted loans to 49,000 small and micro enterprises that is worth less than RMB 10 million (inclusive), with a total loan of RMB 40.81 billion, and completed "two increases and two controls". The balance of personal business loans and micro loans was RMB 29.64 billion, which represented credit support for 86,000 small and micro business owners, self-employed households, and customers related to “agriculture, rural areas and farmers”. Agricultural loans totalled RMB 76.09 billion, an increase of RMB 12.43 billion. The Bank served 720,000 rural individual customers, and county deposit-loan ratio is 72.7%, truly realizing funds involved were taken from the county and used in the county.



Involve inclusive finance

#### 5.3.1. Serving “agriculture, rural areas and farmers”

Conforming to the decisions made by the CPC Central Committee and the State Council, the Bank expands its business and outlets to rural areas to develop inclusive finance in rural areas with focus on living standards, “agriculture, rural areas and farmers”, and strategic emerging industries. It strives to make the effective and comprehensive financial achievement accessible to the public and help narrowing the gap between rural and urban areas. On top of that, it endeavors to bridge “the last kilometer” and offer financing services to rural areas,

thus boosting the harmonious and healthy development of economic society. The Bank set up a rural financial service system integrating Huinong sub-branch, Huinong Services Office, Huinong Card, Huinong Loan, Huinong Tong and Huinong Bao. By the end of 2018, the Bank had established 61 sub-branches in county level, 96 Huinong sub-branches, the total number of Huinong card issued is 1,860,700, and the total volume of inclusive deposit achieved to 775,300.

The Bank cooperated with and guided its branches to promote Research & Development of special products or customised solutions based on regional characteristic industries in local cities accordingly. It worked together with Lu'an Branch to develop "Tea Valley Loan", Suzhou Branch "Pear Loan", Huainan Branch "Straw Mat Loan", Hefei Branch "Longping Loan" and "Winall Loan" and other agricultural industry chain loan products, boosting rural revitalisation by characteristic industries. By the end of December 2018, "Tea Valley Loan", "Longping Loan", "Winall Loan" and "Straw Mat Loan" were all put into operation, with an investment amount of RMB 9.54 million.

### **5.3.2. Serving small and micro enterprises**

In 2018, the Bank continued to increase credit and financial services for private, small and micro enterprises, and strived to become a bank in Anhui Province handling most of the businesses required by such enterprises.

The Bank has treated the private and state-owned enterprises equally, in line with the principle of "being regardless of the form of ownership and size" and did not set any discriminatory standards such as division by ownership. By the end of 2018, the balance of the Bank's loans for the private enterprises was RMB 125.27 billion, more than RMB 11.88 billion in loans from the state-owned enterprises in the same period; the loan customers included large, medium, small and micro enterprises with a number of over 70,000. Therefore, the Bank was honoured as the "Financial Service Bank for Small and Micro Enterprises 2018".

The Bank endeavoured to provide integrated services for the large and medium-sized private enterprises. According to the financial needs of enterprises in such fields as settlement, financing, financial management, revitalisation of inventory assets and reduction of leverage. On the basis of credit services, it effectively integrate non-credit businesses such as M&A financing, industrial funds, asset securitisation, debt financing instruments, etc., so as to provide all-round, multi-level and personalised integrated financial services. In 2018, the Bank issued registered bonds of nearly RMB 3.5 billion to the private enterprises, accounting for 70% of the bonds issued in the interbank market of private enterprises in the province, and launched the province's first credit risk mitigation certificate for private enterprises, which was highly evaluated by the regulators.



## Huishang Bank carried out the “Thousands of Bank Presidents Visiting Enterprises under Finance in Action” campaign

Since August 2018, the Bank has been organising a special campaign named “Thousands of Bank Presidents Visiting Enterprises under Finance in Action” to understand the financing needs and operating conditions of enterprises, and to provide “one-on-one” and “face-to-face” financial services for small and micro enterprises.

### 5.4. Innovation-driven development

The Bank focused on the national key high-tech customer base, and promoted the specialised management of the professional branch of the Hefei-Wuhu-Bengbu Self-dependent Innovation Pilot Area, ensuring the rapid growth of all businesses related to technology finance of the Bank, improving the comprehensive service system of the technology-based enterprises, and continuously enhancing the development of technology finance.

#### 5.4.1. Serving the technological innovation-based enterprises

The Bank vigorously developed technology finance to stimulate the development of technology-based enterprises. According to the characteristics of technology-based enterprises, the Bank launched the innovative on-line credit loans for such enterprises, and developed the management measures for patent pledge loan and order loan product. In order to enhance the influence of technology finance brands, the Bank participated in the 7<sup>th</sup> China Innovation & Entrepreneurship Competition, the Anhui Finals.

In 2018, the Bank's technology-based enterprise loans and investment/loan linkage business accounted for the largest market shares among the financial institutions in Anhui Province;



Innovation-driven development

the technology-based enterprise loans totalled RMB 20.16 billion and technology-based enterprise investment/loan linkage of totalling RMB 1.35 billion.

## Huishang Bank satisfied the most urgent needs of technology enterprises



Hefei Guangbo Quantum Technology Co., Ltd. (GBQ) is a typical light asset technology enterprise incubated by the Chinese Academy of Sciences (Hefei) Technology Innovation Engineering Institute Co., Ltd. Due to the lack of collaterals, GBQ failed to obtain bank financing after application for many times. After relevant due diligence, the Bank issued a start-up loan and an innovation loan to GBQ with the fastest

efficiency, which satisfied GBQ's most urgent need.

### 5.4.2. Exploring digital finance

In recent years, the Bank launched full-process on-line loan products, using big data technology to provide real and convenient credit services for small and micro customers, while aiming to solve the problems of small and micro loans such as high operating costs and difficulty in risk control. The Bank developed its first full-process on-line loan product “Micro-e-Loan”, which truly realised one-click easy application by customers, automated model approval, data-based risk control, and all on-line processing, greatly improving the efficiency of loan approval and customer experience.



“Credit-e-Loan” product launch Event

On 26 December 2018, the Bank issued the “Credit-e-Loan” product, based on the credit information of small enterprises and legal representatives, providing credit loan business for lawful small enterprises customers through on-line acceptance and approval

of application. It has issued credit loans of RMB 2.5 billion to nearly 1,000 private enterprises and small and micro enterprises, which is welcomed by small and micro enterprises and affirmed by local governments.



Development Green Finance

### 5.5. Development Green Finance

The Bank firmly upheld the concept of green development, and thoroughly implemented the

Five Development Initiatives of Anhui Province and the Action Implementation Plan for Green Development. In addition, the Bank insisted on the combination of fulfilling social responsibility and achieving commercial sustainability, adapted to new situation, new tasks and new requirements, and enhanced the awareness of green finance strategy in bank level. By focusing on “building brands, establishing platforms, seeking innovation, expanding markets and building teams”, it built a comprehensive green financial service and management system and further increased the innovation of green financial products, thus providing strong financial support to the building of a green and beautiful Jianghuai home.

### **5.5.1. Developing green loans**

The Bank firmly established the concept of green loans, formulated policies and strategies on green loans, specified the development plan for green loan business, and strictly implemented the “one-vote veto system for environmental protection”, initially establishing a green loan review mechanism. It strictly controlled the scale of loans to industries of “high pollution and high energy consumption” and industries with overcapacity, and gradually reduced the proportion of loans to industries with overcapacity. By optimising the allocation of loan resources, it promoted business transformation and structural adjustment and perfected the overall asset portfolio.

By the end of 2018, the Bank's green loan balance was RMB 11,019 million, an increase of 47.18% or RMB 3,532 million over the beginning of the year. The Bank's green loans covered eight areas including industrial energy conservation, water conservation and environmental protection, nature protection, ecological restoration and disaster prevention and control, waste treatment and pollution prevention, renewable resources and clean energy, rural and urban water projects, and green transportation; all these green loans fell in the scope of "Normal" under the five-level classification system of loans.

#### **The Bank invested in the first charging usufruct category ABS project for bus operation in Anhui Province**



On 16 December 2018, the Bank successfully launched the toll securitisation project for bus operation in Bengbu of RMB 500 million. The project is the first bus-type ABS in Anhui Province. The funds raised mainly helped Bengbu bus group to purchase new energy buses.



On 25 May 2018, the Bank successfully issued the “2018 First Tranche Financial Bonds of Huishang Bank Corporation Limited” in the national interbank bond market through bookkeeping document, with the amount of RMB 4 billion. All the funds raised were used exclusively for green project loans. The successful issuance of green financial bonds by Huishang Bank was conducive to increasing loan support for green industries establishing a good image of actively implementing green development and fulfilling social responsibilities. By the end of 2018, the Bank successfully issued RMB 5 billion of green financial bonds in accumulative, covering ecological restoration and disaster prevention, sewage treatment, waste treatment and pollution prevention, etc., which contributed to the building of green ecological model in Anhui Province with practical action.

**Ma’anshan Branch: Launched the “PPP Project for Comprehensive Treatment of Water Environment in Downtown in Ma’anshan City”**



On 21 September 2018, Ma’anshan Branch successfully launched the “PPP Project for Comprehensive Treatment of Water Environment in Downtown in Ma’anshan City”, implementing river improvement projects, water pollution control projects, water purification projects and water ecosystem construction projects.

**5.5.2. Launching “Environmental loan” through bank-government cooperation**

In 2018, the Bank signed the Cooperation Agreement on Anhui Province Environmental Loan Business with the Department of Finance of Anhui Province and the Environmental Protection Department of Anhui Province, and actively cooperated with the Anhui Institute of Environmental Sciences to successfully handle the deposit of fund of RMB 100 million in “risk capital pool” of the Bank, launching the new “environmental loan” business. The Bank formulated and issued the Notice on Preparation for the Promotion of “Environmental Loan”, and continued to organise its branches to increase reserves. By the end of 2018, the Bank has organised the submission of 16 applications for the first batch of proposed projects to the Anhui Institute of Environmental Sciences, with a total investment of RMB 226 million, of which the fixed assets loan issued by the Bank for the “Phase 2 of the Waste Treatment Centre of Anhui Deqi Environmental Protection Technology Co. Ltd.” was recognised as the first “environmental loan” project in Anhui Province.

**6. Provide Quality Service**

The Bank focuses on maximizing the interests of all stakeholders, continues to improve service quality and guarantees shareholders’ rights and interests. As a responsible financial enterprise, the Bank provides convenient and customized financial services for clients and caters to the diversified modern financial demands of citizens. The Bank is committed to safeguarding a secure and stable financial environment and building a fair and equitable

financial market. It pays attention to security construction, actively prevents telecommunications fraud to enhance consumers' sense of financial security and protect consumers' rights and interests in a practical way.

### **6.1. Improve customer satisfaction**

With the goal of retaining customer satisfaction and trust, the Bank puts great premiums on customer experience and strives to deliver sophisticated, convenient and considerate services as well as sincerity and warmth to customers through continuous service quality enhancement.

The Bank sets up the Development Strategy and Consumers' Rights and Interests Protection Committee in the Board of Directors level, strictly complies with Law of the People's Republic of China on the Protection of Consumer Rights and Interests and others related laws or regulations. In order to further strengthen the directorate's guidance function for the consumers' rights and interests protection, the Bank integrates the protection into the company's corporate governance, development strategy and corporate culture construction. In addition, as an attempt to fully meet the assessment and evaluation requirements of regulators on the protection of consumers' rights and interests at banking financial institutions, the Bank developed the Measures for the Administration of Assessment and Evaluation for the Protection of Consumers' Rights and Interests and the like, in an attempt to gradually establish and improve its mechanism for the protection of all consumers' rights and interests, which further enhanced the service connotation and guaranteed consumers' rights and interests.

**Huishang Bank ranked the first in the “Survey of Residents' Satisfaction in Ten Major Service Industries in Anhui Province” for 2018**



On 25 December 2018, the result reporting meeting for the “Survey of Residents' Satisfaction in Ten Major Service Industries in Anhui Province” for 2018 was held in Hefei. The Bank won the title of the "Best Custom Service of the Banking Industry" and the “Most Satisfactory Bank for Anhui Residents” with 91.03 points, 8.08 points higher than

the average of peers in Anhui Province.

### Improving mobile service

Promoting the construction of personal mobile financial portal is an important strategy for developing intelligent finance. Driven by users’ demands for both account management and mobile payment, the Bank provided customers with mobilize, intelligent and comprehensive mobile financial solutions to build multi-scenario and cross-channel platform for personal mobile financial services and operations, resulting in facilitate accurate and efficient service.



Personal mobile financial portal 4.0 of Huishang Bank release

The personal mobile financial portal (Mobile Banking) 4.0 of the Bank was successfully released in 2018. Adhering to the design philosophy of openness, sharing, intelligence and interaction, the new version of mobile banking featured all-round optimisation and upgrading in system framework, function innovation and user experience, in great efforts to create unified user experience design standard for mobile clients:

**Better user experience:** The Bank formulated consistent user experience design standards, recreated flat, personalised and intelligent financial service scenarios, deeply explored the advantages and features of current product and completed 41 optimisation items for user experience and product functions including fingerprint login.

**More comfortable user scenario:** The Bank launched the “Family Account Circle”, bringing an improvement to the quality of whole family wealth management with its convenient “Regular Transfer”, practical “Smart Repayment”, portable “Smart Wallet” and vivid “Smart Bills”.

**More convenient payment authentication:** Via proactive cooperation with Huawei and other leading manufacturers, the Bank successfully developed innovative application for terminal digital certificate signature, the “Cell phone Certificate”, which enabled large-amount capital transaction without additional equipment and impressively promoted the payment experience for our users.

**More comprehensive consumer protection:** The bank provided free “personal account security insurance” for clients, comprehensively securing capital in the clients’ debit card accounts and credit card accounts.

By the end of 2018, the number of the Bank’ personal mobile financial clients exceeded 4 million, achieving to 4,106,400. Compared to the number at the beginning of the year, there were 916,700 new clients in 2018, an impressive growth of 28.74%. For the current year, there were 985,900 new mobile banking clients, with 3,195,700 original clients and 1,988,400 effective clients, demonstrating a growth of 58.34% compared to the number at the beginning of the year.

### The Bank’s mobile banking rated as the “Best Mobile Banking for User Experience”



On 20 June 2018, the Bank’s mobile banking was rated as the “Best Mobile Banking for User Experience in Twenty Years of Chinese Internet History” at the “China Internet for 20 Years” award ceremony jointly held by the China Internet Weekly of the Information Research Centre, the Chinese Academy of Sciences Sciences.

### Building intelligent outlets

The Bank accelerated the intelligent construction, actively propelled the application of new technologies in self-service banking, rationally planned the use of self-service equipment and continuously explored the operation, maintenance and management modes. In 2018, the Bank actively developed a new mode of intelligent service for outlets, and realised the transfer of 51 services from the teller to the intelligent self-service terminal, finished the transfer of high-frequency services from the teller to the intelligent self-service terminal and the transfer of payment function to the intelligent self-service terminal. The system guaranteed that the service at the self-service devices operates efficiently, releasing tellers from heavy workload.



Outlets Convenient Service Facilities

As at the end of 2018, there were 302 intelligent self-service terminals in operation. The business of debit card, contracts of E-banking, debit card activation has increased significantly compared with the same period of last year. The Bank's replacement rate index of intelligent self-service transaction reached 86.51%.

### Improving outlet service

The Bank makes all efforts to convert customers from “coming to outlets” to “visiting outlets” by making full use of the service concept of retail business and innovating boldly consistently to create extreme customer experience of physical outlets and build outlets of extensive functions. The Bank put forward a series of specialised outlet service modes including “Cheongsam Branch”, “Theme Lobby” and

“Elegant Branch”, so that customers could experience the good atmosphere and unique design at outlets when handling their business. Thus, the Bank established the effective mode of interaction with customers and greatly improved the customer experience.

To further reflect the user-friendly service concept, the Bank equips lobbies at outlets with convenient services and facilities, including free tea, shredding equipment, presbyopic glasses, currency count machine, wheelchair, baby chair, umbrella, medicine cabinet, cash bag. The Bank also provides door-to-door service for special customers who are urgent but unable to get to the counter in person under the premise of risk control and compliance handling.

The Bank values customer privacy protection. The business outlets are required to set divisions for their E-banking experience zones. It is required to separate E-banking experience equipment from each other to ensure privacy. A one-meter line is required between the experience equipment with independent space spared. Otherwise, the following ways must be taken to protect the privacy: setting anti-spy film, separating with clapboard or blocking with green plants.

In 2018, the Bank formulated the Detailed Service Inspection Standards for Outlets, putting forward requirements for over 200 subjects, including dress etiquette, lobby service and teller service. To further perfect the service standard system of Huishang Bank, enhance the service standards and improve the service quality of outlets, the Bank entrusted the third party consultant to conduct secret visit monitoring on its outlets to evaluate the overall service quality of the current outlets and measure the gap between the actual service of the outlets and the standard service, and compare the service gap between branches and between all kinds of outlets.



### **Optimising work flows**

According to the Guiding Opinions of the People's Bank of China on Optimizing the Account Opening Services for Enterprises, the Bank actively takes business and technical measures to comprehensively improve its quality of enterprise account opening and strengthen the economic capability of the financial service entity.

In 2018, the Bank launched the function of online appointment for account opening for official website channel enterprises and no-form account opening service for corporate clients. This could shorten client's operation time for opening account, improving the efficiency of the Bank's account opening business and customer service experience.

### **Innovating service mode**

In order to prevent business operation risk and widen the application of human identity comparison in various channels, the Bank embedded the human identity comparison process in high-risk businesses including account opening and password resetting through intelligent self-service terminal and mobile marketing terminal. In 2018, the Bank carried out comprehensive optimisation and upgrading for the human identity comparison system, which improved the pass rate of the human identity.

The Bank vigorously explores the application of artificial intelligence technology. Through standardising and streamlining daily routine practices, the Bank achieves regular automatic backup and dump of all applications and logs and obviates human errors, guarantees the implementation of rules and regulations and processes, and improves the efficiency of operation and maintenance. Based on the "AI-based efficient automated operation and maintenance platform", the Bank was titled the "2018 Outstanding Contribution Award for Financial Technology Product Innovation".



Create Smart Service

Besides, the customer service centre actively launched the "Smart Service" program, forming an intelligent drive layout currently represented by intelligent robot, intelligent voice navigation and voice-to-text system. As an important platform for the construction of the customer service centre's "Smart Service", the intelligent robot platform provides language communication and business solutions for customers in an anthropomorphic way via applying artificial intelligence technologies like semantic recognition, semantic analysis and contextual semantic association, which reflects the enjoyment and interactivity of the service platform and constantly improves customer experience.

The intelligent voice navigation system sorts out the trading nodes in telephone banking self-service voice system to create a menu for the voice navigation system. After calling 96588, customers no longer need to listen to voice menu and make key selection. They only need to say their demands. Then, the system would automatically identify their demands and guide the



customers to corresponding business modules quickly and accurately. It reflects the intelligence features of the service, natural, convenient and functional, and it provides service functions, including intelligent guiding, fast positioning and layered serving.

### The customer service centre won the titles of the “Outstanding Model Organisation” and the “Organisation with Outstanding Innovation Results”

On 31 October 2018, the China Banking Association announced the results of “comprehensive assessment for the customer service centres of banking industry in 2018”. The customer service centre of the Bank was honoured as the “Outstanding Model Organisation” and the “Organisation with Outstanding Innovation Results”.



## 6.2. Safety protection measures

The Bank devotes itself to provide customers with a safe and secure service environment where outlets are safe and information security is robust. Besides, a variety of measures have been taken to minimize possible property losses that customers may suffer in case of telecommunication fraud.

### 6.2.1. Outlets safety

The Bank’s outlets make their safeguarding efforts in strict compliance with the “Security Requirements for Bank Commercial Premises” (GA38-2015) issued by the Ministry of Public Security, including installation of burglarproof door, anti-tail door, bullet-proof glass, surveillance camera, intrusion detector, special prevention and technology prevention facilities, which have been examined by the Ministry of Public Security and obtained safeguarding qualification certificates.

The Bank lays great emphasis on safeguards and sets up scientific and rigorous security structure. For example, a safeguarding department has been set up in the organisational structure for the head office and for each branch, with safeguarding personnel specially assigned; all outlets are equipped with part-time safety staff and safeguards, as well as an emergency response leading group and volunteer firefighting team. Remote monitor centres have been established by all branches, referring images, sound and alert of outlets and ATM booths, and the practice of 24 hour staff duty shifts is adopted.

In 2018, the Bank comprehensively carried out security work, with the starting point of in-depth construction of “Safe Huishang Bank”:

- Focusing on the safety management for high building fire protection, cash box handover and self-service banking to ensure the safety of fund, property and employee;
- Providing safe and stable environment for business operation, with the measure of standard reconstruction, safety inspection, educational training and emergency drilling.

In order to further enhance the construction and management of the remote monitoring centre at the head office and give full play to remote monitoring in safety management, internal control, post supervision and standard operation, the head office took a series of measures:

- Increasing the number of cameras and hard disk videos in the key areas of the head office building and configuring network HD cameras for external environment;
- Enhancing the monitoring on the comprehensive management platform and carrying out real-time centralised monitoring to the key parts of the Bank, in order to ensure safe operation.

#### The headquarters carried out centralised training for the security management of 2018



In June 2018, the head office organized a 2018 security management training in Hefei branch to further improve the security management level of the security department employees.

#### 6.2.2. Information safety

To ensure the maintenance of the safety and stability of the Bank's information technology, the Bank formulated a series of management measures including the Measures for the Management of Technology Safety of the Huishang Bank and the Measures for the Management of Technology Information Confidentiality of the Huishang Bank pursuant to the Guidelines on the Risk Management of Commercial Banks' Information Technology, with a view to regulating the Bank's information safety management.

The Bank spares no effort in achieving the goal of standardisation and systematisation of enterprise information and technology information security management with its standardised information security control measures and process. In 2018, the new generation of core system platform was put into production and in continuous, efficient and smooth operation. It satisfied the technology innovation under the new technology situation, consolidated the basic platform and technical structure of science and technology, and gave

full play to the pioneering role of information technology. The average time consumption of single transaction, day-end batch processing and quarterly interest calculation was significantly reduced compared with that before the launch of the new core system, and the service efficiency was significantly improved, which strongly supported the business development of the Bank and enhanced the Bank's core competitiveness for information technology. The operation stability rates of the head office's core information system, the head office's key information system, the head office's production centre and the operation stability rates of both the head office's and branches' backbone network systems were all kept at 100%. There was no material fault, security incident or major complaint over the whole year, and the system kept operating smoothly.

### **6.3. Prevention payment risk**

The Bank energetically cooperates with regulators to carry out anti-fraud and anti-counterfeit currency publicity activities, with counters and halls as carrier, out-of-town and station-based promotion as supplementary means, WeChat and newspapers together with periodicals as extension approaches, striving to expand the range of publicity. In addition, the Bank improves the level of risk prevention through various technical means to maximise the protection for customers' property safety.

#### **6.3.1. Prevent telecommunication fraud**

Electronic information fraud has become an issue of central public concern in the information era. The Bank, as a responsible financial enterprise, regards as its duty maintaining financial safety and stability and building a fair and equal financial market, thus protecting consumers' rights and interests. In 2018, the Bank issued the Work Plan of Reinforcing the Payment & Settlement Management and the Prevention of New Types of Telecommunication and Cyber Crimes of the Huishang Bank. The management platform for new telecommunication network crimes of the Bank received 5,995 requests for investigation and control, and 4,668 regular inquiries, blocked 473 transactions with an amount of RMB 1.97 million, and terminated 854 payments in emergency.

For the purpose of defining the theme of anti-fraud promotion on telecommunication network , in 2018, based on its business outlets, the Bank established a variety of anti-television fraud campaigns in the community, schools, and rural areas, regarded interpreting relevant management documents, analysing typical fraud cases, identifying common fraud methods and enhancing awareness of risk prevention as propaganda content, to elevate the risk prevention ability of financial consumers for telecom fraud in an effective way. In 2018, the Bank did various publicity activities.

1. Branches shared their successful interception experience and the latest trends of criminal fraud tricks to business outlets in an effort to improve outlets' ability to deal with emergencies, and strengthened the management of account opening by conscientiously executing the duty to authenticate customers' identity and strictly implementing the requirements of "Real-name system" to prevent impersonation/false account opening and ensure effective prevention from the start.

### Successful detection and prevention of a telecommunication fraud



On 22 May 2018, two deaf-mute customers came to the branch located at the Zhuangyuan Street in Shouxian County and asked for opening online banking and UKEY. After inquiry into certain information of the customers, the teller there suspected that the customers may be defrauded. Through patient communication, the teller terminated the handling of such business and ensured the customer property safety.

2. Outlet resources were leveraged for continuous in-hall publicity. Regular propaganda to customers was realised at outlets by repeatedly displaying slogans, playing promotional videos and in other ways, and customers' confusion was solved by distributing specially designed brochures, setting up publicity booths in the hall and assigning dedicated personnel to explain relevant documents to customers. Promotional videos of typical cases regarding cyber fraud, fake card theft, illegal trading of bank cards and impersonation/false account opening were also played to help financial consumers to recognise the importance of the harmfulness of telecommunication fraud and personal information protection, and to improve their awareness of risk prevention.

3. Various site-specific activities for publicity purpose were carried out at the following places:

### Public places



The Bank actively spread general knowledge on preventing telecommunication fraud to communities through the establishment of publicity booths, distribution of brochures and on-site lectures in neighbouring plazas and event centres. People nearby actively participated in these activities by asking questions and asking for promotional materials, and spoke highly of the Bank's promotional activities.

### Campuses

With the back-to-school season arriving, the Bank entered campuses to carry out promotion in various ways such as arranging publicity boards and distributing fraud prevention brochures, which attracted students to participate in the financial knowledge spreading activities and improve their ability to identify payment risks, thus avoiding the recurrence of tragedies caused by telecommunication fraud.



### Drop-by publicity in rural areas



The Bank set up financial knowledge inquiry desks in rural towns and villages and other remote settlements to spread knowledge on safe payment and raise awareness of payment risks. For people in rural areas with low risk awareness, publicity for safe payment was carried out by setting up slogans and distributing publicity materials. Common tricks of fraud were shown to arouse risk prevention

awareness, which effectively improved financial consumers' ability to identify fraud.

### 6.3.2. Reinforcement of the anti-counterfeiting defense

The Bank has promulgated such management policies as the Operating Procedures for the Confiscation of Counterfeit Currency by Huishang Bank and the Plan for Promotion on Anti-Counterfeit Currency of Huishang Bank to strengthen cash management, standardise the confiscation of counterfeit currency, and construct a solid and basic defense for anti-counterfeit currency.

- **Employee training:** In 2018, for the purpose of ensuring that employees of lines could master anti-counterfeiting knowledge and requirements, the Bank organised anti-counterfeiting knowledge training pertinent to RMB and foreign currencies, with the number of the Bank' participants accumulating to 10,000 and of the branches' trainees to above 20,000.
- **Machine management:** All the business outlets under the Bank's jurisdiction were equipped with currency counters and sorting machines designated by the Hefei Central Branch of the People's Bank of China. All machines had the function of identification, recording and storage of serial numbers to satisfy the demands for cash management. In addition, on-site inspection and upgrade on a regular basis conducted by the manufacturer's maintainers was required and currency counters and detectors which is not upgraded should be substituted in a timely manner.



- **Anti-counterfeiting promotion:** All business outlets under the Bank's jurisdiction were required to publicise the Administrative Measures of the People's Bank of China for the Seizure and Authentication of Counterfeit Currency and other standards in accordance with the requirements by the State Council Anti-Counterfeiting Work Joint Conference Office. The Bank constantly provided publicity materials on anti-counterfeit currency at its business outlets for customers to learn and read, and place cash counters outside the counter to provide identification function for customers.

The Bank conducted concentrated publicity activities in such places as communities, schools and supermarkets around its outlets on a regular basis, so as to enhance people's awareness and falsification capabilities of anti-counterfeit currency. During the anti-counterfeit currency publicity month in 2018, all business outlets under the Bank's jurisdiction guided customers to participate in the theme activity named "Network Knowledge Q&A for 2018 Anti-Counterfeit Currency", with participants accumulating to 100,000. Through the official accounts, the Bank posted more than 60 times of Q&A contests and key anti-counterfeiting publicity to customers.

#### **6.4. Guarantee safe card use**

In order to ensure safe credit card use, the Bank continued to strengthen management and control measures before, during, and after the event, so as to provide high-quality service for customers and protect their interests to the greatest extent:

##### **❖ Access before the event:**

The Bank improved the review and approval efficiency by expanding the application of new technologies such as face recognition and device fingerprinting, fully exploiting the value of external data, constantly optimizing the application scoring model, building an automatic credit granting system, developing an automatic review and approval procedure for handling of submittals, and realizing whole-process automatic review and approval for part of the submittals on the premise of risk control, improving the efficiency of approval.

In 2018, the Bank realised the automatic review and approval of offline applications by developing its own credit granting model and optimizing the big data risk control strategies, and established an online application risk control system to ensure the online automatic real-time review and approval of online applications. Further, a regular dynamic staffing mechanism was formulated to realise flexible and effective division and combination of work so as to improve the efficiency of professional processing and ensure efficient and high-quality processing of consumer credit business.

##### **❖ Management during the event:**

The Bank established a 7\*24 hour risk transaction monitoring mechanism. By deploying and regularly optimizing and adjusting the transaction monitoring rules, the Credit Card Center maximized the monitoring of high-risk transactions and minimized the loss of fraudulent transactions; in regard to proactive risk inspection, the Credit Card Center fought against illegal cash withdrawals, credit card repayment with another credit card and other high-risk



card using behaviors by setting up the detection models of illegal cash withdrawal and abnormal transactions;

In regard to quantitative customer risk assessment, the Bank developed a customer behavior scoring model which evaluated the estimated risk loss by analyzing the customer's historical card using behavior and provided auxiliary reference for credit line adjustment and customer classification; in regard to customer credit risk warning, the Bank took full advantage of external data, introduced third-party information such as credit warning information from the PBOC and information from Tongdun Technology to evaluate the external credit status of customers, and took the initiative to take risk control measures to reduce the risk loss.

❖ **Credit card loss guarantee:**

The Bank expanded the scope of credit card loss guarantee business, including online payment compensation, ePOS compensation and withdrawal compensation, which improved the compensation scope of credit card fraud. Thanks to the commercial insurance compensation, a free value-added service, ensuring the safety use of cards was guaranteed, establishing a safety image for the Bank's credit card.

## 7. Contribute to the Society

The Bank has been making vigorous efforts to fulfil its social responsibility and repay the society, show concern for and offer help to the disadvantaged group, push ahead culture and sports undertakings, and seek development for remote and poverty stricken areas, so as to achieve a harmonious and better future for the society.

### 7.1. Intensive involvement in public welfare events

The Bank encourages all branches and sub-branches to carry out public welfare activities and fully demonstrate the Bank's good corporate image. All branches arrange pair assistance where money and goods are donated to left behind children of poverty stricken areas, college students in difficult, AIDS families, and disabled soldiers, as well as support local construction. In order to better strengthen the care and protection of left behind children in rural areas and children of rural migrant workers in the city, the Youth League committee and provincial Party committee of Anhui Province, as well as the headquarters of the Huishang Bank decided to build the "Huiyin Teenage Home" volunteer stations at schools or communities where left behind children and children of rural migrant workers assembled according to the principle of unified planning, unified declaration and unified logo. Staff volunteers carry out youth public welfare activities to display young staff's social responsibility

As an important part of the socialist core values, heroic deeds represent an important starting point for awakening emotional identity, building up healthy social atmosphere and converging positive energy. On 23 November 2018, the Bank held a donation ceremony for the Anhui Foundation for Justice and Courage. It made a donation of RMB 3 million to the fund to show its appreciation for the traditional virtue of gallantly rising to the occasion, aiming at promoting heroic deeds, advocating the custom of helping people in need, and contributing to the spread of positive energy and the building of a safe Anhui with rule of law.

#### Hefei Branch carried out "Small Schoolbag to Incubate Big Dreams" educational poverty-alleviation donation activities



On 14 March 2018, Hefei Branch held a "Small Schoolbag to Incubate Big Dreams" educational donation event in Sanli Primary School of Lujiang County. At the donation ceremony, Hefei Branch distributed new schoolbags and stationery to children one by one as a way to give back to the society with practical actions.

#### Tongling Branch visited the "Huiyin Youth Home" to carry out "Children's

### Day" condolence activities



On 1 June 2018, Tongling Branch went to the “Huiyin Youth Home” of Tongling City in Xinfeng Primary School, Tanggou Town, Zongyang County to carry out festival condolence activities.

### Suzhou Branch visited welfare institutes and carried out charity activities of “Promote Moral Civilisation, Care for the Elderly”



On 12 February 2018, Suzhou Branch visited the Suzhou Welfare Institute and brought them charity activities and gifts for purposes of promoting civilisation and showing care for the elderly.

### Chizhou Branch launched a "Warm Road Home" volunteer event for the Spring Festival travel season



On 12 February 2018, Chizhou Branch launched a "Warm Road Home" volunteer event for the Spring Festival travel season. Employees went to Jiuhuashan Airport and prepared various warm drinks for passengers in the waiting area to make them feel loved and cared in a special way.

### Chuzhou Branch actively organised employees to carry out voluntary snow removal and deicing activities



On 4 January 2018, heavy snow fell in Chuzhou, leaving roads covered with snow and ice. The Party Committee of Chuzhou Branch encouraged whole staff to participate in the voluntary snow removal activities to open a warm and convenient way for citizens.

**Ma'anshan, Anqing, Huaibei and Tongling Branches carried out “Volunteer Services for the College Entrance Examination of 2018” young volunteer service work**



On 7 June 2018, Ma'anshan, Anqing, Huaibei and Tongling Branches carried out young volunteer activities underlining “Volunteer Services for the College Entrance Examination”, preparing spare items such as mineral water, test pencils, signature pens for the candidates.

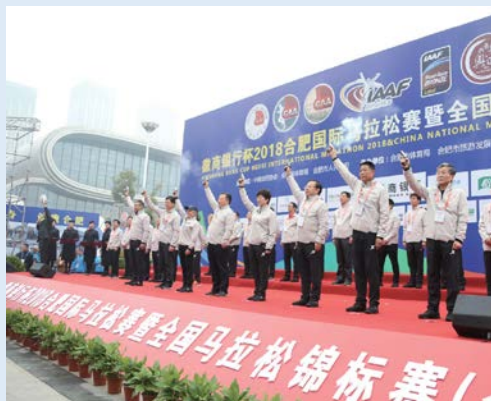
**7.2. Support cultural and sport undertakings**

In passionate support of cultural and sport development, the Bank has stepped up its efforts in sponsoring and participating sport and cultural activities. In addition to promoting healthy living style and disseminating arts and culture, the Bank encouraged the staff to actively



participate in such activities, so as to deliver a positive attitude towards life as a member of the Bank.

### “Huishang Bank Cup” Hefei Marathon of 2018 and National Marathon Championship (Hefei Station) was successfully held



On 11 November 2018, the Bank named the National Marathon Championship (Hefei Station), which demonstrates actively supporting the development of sports and giving full play to the Bank’s role in serving local economic and social development.

### Chuzhou Branch carried out a World Book Day event underling “A Good Book for You as Gift – Knowledge Spreading Action”



On 23 April 2018, in order to welcome the 23rd World Book Day, Chuzhou Branch launched the “A Good Book for You as Gift – Knowledge Assistant Action”

### 7.3. Spread financial knowledge

In order to further improve the knowledge spreading mechanism, the Bank formulated the Administrative Measures for Publicity and Education Regarding Protection of Consumers' Rights and Interests of Huishang Bank to establish principles of publicity and education regarding protection of consumers' rights and interests, the requirements of publicity, and the daily supervision and management measures, and standardised the work flow of publicity and education regarding protection of consumers' rights and interests.

In 2018, the Bank continued to carry out “Spread Financial Knowledge to the Public”, “Ten Thousand Journey to Publicise Financial Knowledge” and other activities in a deep-going way. Through imparting financial knowledge to the community, schools, enterprises and the rural areas, the Bank effectively promoted the spread of financial knowledge, contributed to

people's life, and brought financial knowledge into full play in bringing convenience and benefits to people. In March, June and September, the Bank organised activities underlining "3.15 Financial Consumers' Rights and Interests Day", "Spread Financial Knowledge, Help Protect 'Money Bag'", "Ten Thousand Journey to Publicise Financial Knowledge", "Month of Spreading Financial Knowledge to Households", "Supply Financial Knowledge into Campuses", etc.

#### Wuhu Branch launched the "3.15 Financial Consumers' Rights and Interests Day" publicity event



On 12 March 2018, Wuhu Branch launched a special "3.15 Financial Consumers' Rights and Interests Day" publicity event at the Citizen Service Centre to provide free financial knowledge consultation for citizens who came for government affairs.

#### Anqing, Suzhou and Huainan Branches carried out publicity and education activities underlining "Spread Financial Knowledge, Help Protect 'Money Bag'"



In June 2018, Anqing, Suzhou and Huainan and other Branches launched publicity and education activities underlining "Spread Financial Knowledge, Help Protect 'Money Bag'", enhancing awareness of risk prevention, curbing blind investment impulses, staying away from illegal financial activities and protecting self-rights and interests, and encouraging them to actively participate in the building of a safe and stable financial environment.

## 8. Growing with Staff

The Bank regards its employees as its most valuable asset as well as inexhaustible driving force for its continuous and healthy development. The Bank plays an active role in discharging



social responsibilities whilst propelling its own development. Catering to staff's needs concerning their life and professional growth, it strives to create an optimistic, uplifting and harmonious work environment.

The Bank took the initiative to make innovation and achieved significant results in regard to improving the assessment of cadres and the selection and appointment mechanism, optimizing the performance appraisal and salary and welfare system, improving the organisational structure and the construction of the post system, expanding the employee growth channel and paying close attention to employee quality improvement, thus providing sustained and stable organisational guarantee and talent support for the development of the Bank.

### 8.1. Favorable employment environment

The Bank invariably promotes the management culture of “putting people first” and conforms to applicable laws and regulations including the Labor Law of the People’s Republic of China and the Labor Contract Law of the People’s Republic of China in remuneration, recruitment, promotion, termination, working hours, holidays, equal opportunities, diversification, anti-discrimination and other benefits.

The Bank regards human resources as the primary resource of corporate development and recognizes the importance of their roles in its progress. It puts into practice the talent philosophy of “attracting the ambitious, cultivating the malleable, leveraging the competent”. In 2018, the Bank stood out from the 30,854 participating companies and was awarded “Best



Awarded “Best Employers of Growth Potential in China for 2018”

Employers of Growth Potential in China for 2018”.

#### ❖ Compensation and benefits

According to the Supervisory Guidelines on Sound Compensation in Commercial Banks, the Bank formulated the Measures for the Management of Employees’ Compensation of the Huishang Bank, which matched with the implementation of operational strategies and goals, competency elevation, talent cultivation and risk control of the Bank.

The Bank continued to optimise the existing compensation management system to match the internal and external market environments and the Bank's business development level, improve the compensation incentive and constraint mechanism to achieve a balance between the Bank's staff management and talent incentive mechanism to make the compensation

management system more rational and sophisticated, and better promote the common development of the Bank and employees.

❖ Recruitment and termination

The Bank was in strict compliance with the Labor Law of the People's Republic of China and Provision on the Prohibition of Using Child Labor. To regulate and strengthen the Bank's recruitment management, refined market-oriented employee selection mechanism, promote the adjustment and optimization of staff structure. The Bank formulated the Measures for the Management of Employee Recruitment of the Huishang Bank, Measures for the Management of Employee Turnover of the Huishang Bank and other rules and regulations relating to recruitment and termination, which specifies the recruitment principle of "setting up posts and prescribing staffing quota; filling vacant posts with qualified personnel; upholding equality, fairness and openness and practicing two-way selection; selecting the superior and ensuring quality".

❖ Promotion

To better ensure sources of talents for the Bank's business development and maintain a scientific and standard middle-level management selection and employment mechanism, it formulated the Management Measures for the Middle Management Selection and Employment of the Huishang Bank. In selection and appointment, the Bank stuck to the principle of "the Party supervises cadres" and "Democratic centralism"; carried forward the fine practice of "Attaching importance to moral status and ability and the former shall prevail"; adopted performance-oriented approach where performances shall be recognized by the masses and vacant posts be filled with qualified personnel; upheld democracy, openness, competition, and meritocracy; and fulfilled duties in compliance with regulatory rules. Priority was also given to cultivating and selecting excellent young managerial staff, taking advantage of the reserve of talents and exploiting managerial staff of various age groups.

To accelerate professional team building, the Bank improved management of specialized talents and widen the road for employees to develop and progress, the Bank promoted the establishment of the management system of job hierarchy covering all staff subject to the principle of "Overall planning, unified designing, multi-level management, dynamic adjustment, and effective motivation". It formulated the "Interim Measures for the Management of Job Hierarchy of the Huishang Bank", which built the basic framework for Bank-wide management of job hierarchy and defines 4 levels including management, profession, agency and marketing.

The Bank has always attached great importance to the construction of talent pools and the discovery and training of elites. A standardised system for selecting and appointing management personnel has been established, which generally works on the principle that managers are promoted step by step. The head office conducted quality assessments on the second-level team leaders and senior managers of each department and office to identify high-potential and high-performance talents, which formed an important basis for the training and selection of middle management personnel. In 2018, to further enhance the selection of outstanding young talents, the Bank revised the Management Measures for

Middle Management Selection and Appointment of Huishang Bank with optimised requirements on years of service to help outstanding talents grow faster.

❖ Working hours

In strict compliance with the Labor law of the People's Republic of China and the Labor Contract Law of the People's Republic of China, the Bank adopted the Standard Working Hour System, which provided that an employee may work no more than 8 hours per day and, as such, working hours were capped at 40 hours per week. Voluntary overtime shall be practiced and employees working overtime shall be compensated under national laws and regulations.

❖ Holidays

In accordance with the Labor law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Regulations for Paid Annual Leave of Employees, the Regulations on Population Restriction and Planned Birth-Giving of Anhui Province, and the Special Provisions of Labor Protection of Female Employees in Anhui Province, the headquarters of the Bank formulated the Attendance Management Policy for Huishang Bank Headquarters Employees, and each branch made its detailed rules for the implementation of attendance management policies according to those of the headquarters. All the employees were entitled to weekends as well as national statutory holidays under applicable national regulations. In addition, employees were granted paid annual leave, maternity leave, nursing leave, marriage leave, compassionate leave, casual leave, sick leave and home leave.

❖ Equality and diversification

The Bank stuck to the principle of fairness and equality and provides employees with equal job opportunities and working environment, allowing no discrimination based on national origin, race, gender or religious beliefs.

To implement the Regulations Concerning the Labor Protection of Female Staff of Anhui Province, safeguard their lawful rights and interests, and show care about their work, the Bank has held discussion about the Attendance Policy, arranged forums intended for female staff, installed feeding rooms at headquarters, formed female yoga hobby club, so as to maintain the underlying rights and interests of their central concern.

**The head office held "Huishang Bank Goddess Festival - A Flower Trip to Chaohu" outdoor development activities**



On 17 and 18 March 2018, the head office organised female employees to participate in the "Huishang Bank Goddess Festival - A Flower Trip to Chaohu" outdoor development

activities in two batches. The trip included a variety of activities such as relaxation exercises, games and flower trips.

#### ❖ Democracy and communication

The Bank positively built harmonious labour relationship, put emphasis on democratic management and actively listened to the voices of employees, so that employees can execute the rights to know and to make decisions more effectively. The Bank's labour union set up and enlarged the "Huiyin E Home" WeChat official account and took the construction of the official account as an opportunity, through various publicity, activities and services to build a communication platform,, enhanced the pertinence, flexibility and inclusiveness of labour union activities, discovered employee stories, promoted the power of role models and publicise the Bank's culture.

#### The second employee representative meeting and the third labour union member representative meeting of Huishang Bank were held successfully



On 14 and 15 June 2018, the second employee representative meeting and the third labour union member representative meeting of Huishang Bank were held in Hefei, further mobilizing the enthusiasm of the staff and promoting the steady development of Huishang Bank.

#### ❖ Caring for employees

The Bank carried on its fine norms concerning traditional festivals and important visits. All grass-roots trade unions implemented the "Five must-visits" policy by conducting follow-up and visited to employees troubled with severe illnesses, hospitalization and poverty.

#### Chairman Wu Xuemin visited front-line employees



On 11 February 2018, Chairman Wu Xuemin led a group of bank leaders to go to the "Project 826" site and branch, expressed condolence to the staff of the project team that still stuck to their posts on the eve of the Spring Festival.

The Bank has established a bank-wide enterprise annuity plan in accordance with relevant national laws and regulations to guarantee and improve the post-retirement compensation level of employees, mobilise the enthusiasm of employees, form a long-term incentive mechanism for talents, enhance the cohesiveness of the company, and promote the healthy and sustainable development of the company. In addition, the Bank has established a bank-wide supplementary medical insurance mechanism in accordance with relevant national laws and regulations to serve as a powerful supplement to employees' basic medical insurance, which fully reflects the Bank's people-oriented corporate culture.

The development of Huishang Bank is inseparable from the efforts of loyal employees. To share the achievement of the Bank's development with them and in line with the principle of "care for employees", the Bank gives its retired employees guarantees with complementary medical insurance and critical illness insurance and guarantees on medical reimbursement for treatments in other districts, thus strengthening the medical security for retired employees and improving their quality of life.

The Bank is committed to creating "a happy Huishang Bank". Trade unions send festival greetings on the New Year's Day and the Spring Festival and send birthday greetings, creating a sense of belonging for and communicating the concept of "a happy Huishang Bank" to all employees. The Bank also provides employees with a wide array of fitness and entertainment facilities at the workplace, such as table tennis tables and billiard tables, and arranges various activities to offer a relax and harmonious environment for employees after work.

#### The head office successfully held the Poker Card Tryout for 2018



On 18 August 2018, the head office held a poker card tryout in the auditorium on the 11th floor of the office building. The workers and staff enhanced friendship in the sharing of card tricks, mutual learning and enhanced communication.

#### The head office held the 2018 Lantern Festival riddle solving event



On 2 March 2018, Huishang Bank held the 7th Lantern Festival riddle solving event at the head office, which enriched the cultural life of employees and also allowed employees to feel the charm of Chinese traditional culture.



## 8.2. Health and safety

The Bank is committed to creating a safe and comfortable work environment for its employees. Based on its nature of financial institution, the Bank outlines key points in handling occurrences of explosion, robbery, theft, fraud etc., which are highly relevant to the sector and formulated the Key Points of Safety Emergency Response of the Huishang Bank. To implement the Emergency Response Law of the People's Republic of China in an earnest manner, the Bank issued the Natural Disaster Emergency Response Plan of the Huishang Bank and the Office Building Fire Emergency Response Plan for the Huishang Bank Headquarters.

The Bank improved security information management system, enhanced security records management and information collection, orderly promoted safety verification for cash box handover, organized and carried out site tests. In order to build a safe and comfortable working environment, the Bank also made the following efforts:

- **Constantly enhanced fire control management for headquarters building.** The headquarters organized staff to carry out firefighting training and drills, so as to instruct employees in knowledge and skills about fire suppression and escape, increase their awareness and improve their skills of security, and issued the Fire Emergency Response Plan of the Huishang Bank. In addition, the branches carried out activities relating to firefighting based on practical situations, including drills, trainings, and knowledge contests.

### The head office conducted fire safety knowledge training and fire escape drills



On 16 August 2018, the head office invited experts from Hefei Fire Brigade to conduct fire safety knowledge training and fire escape drills. The training emphatically described how to eliminate workplace fire hazards through inspections, how to effectively extinguish the initial fire, how to quickly escape the fire, and other topics.

- **Took exceptional care in employee wellness.** To effectuate regulations and requirements set out in the Opinions of the State Council on the Promotion of Red Cross Cause Development, the Bank invited the Red Cross Society of China to train its employees on first-aid, in a bid to equip them with basic first-aid knowledge and skills, empower them to prevent disasters, avoid risks and save themselves and their fellows, and eventually sharpen their public safety preparedness which can be mutually reinforcing with emergency reaction readiness.
- **Regularly organized Corporate Culture activities.** The Bank carries out sports events and physical fitness activities for employees to take part in. Given that employees



are emotionally stressed in handling complaints, Customer Service Center develops psychological guidance course and psychological counselling program for employees to alleviate their psychological pressure, demonstrating its concern for the physical and mental health of its staff and echoing its slogan of Creating a Happy Huishang Bank.

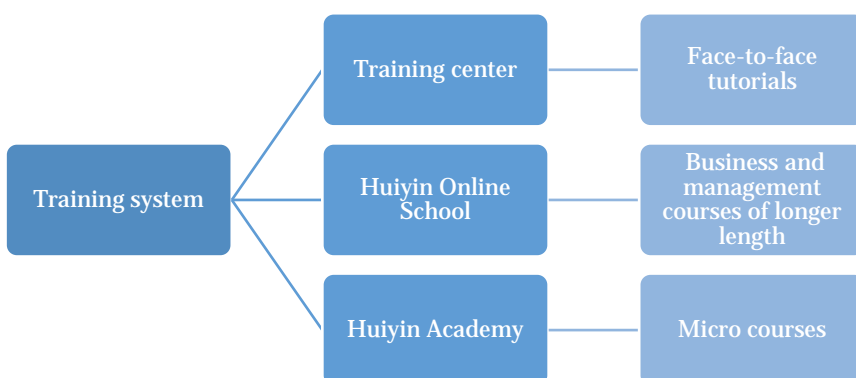
#### Huishang Bank participated in the 8th Sports Meeting of Provincial Organs



In May 2018, 95 sports enthusiasts were selected by the head office across the bank and took part in the 8<sup>th</sup> Sports Meeting of Provincial Organs. These players participated in a variety of competitions such as football, basketball, badminton, table tennis, tug-of-war and skipping ropes and achieved outstanding results.

### 8.3. Promote professional development

The Bank attaches great importance to staff development and strives to build a professionalized and diversified training system. The Bank has established two education brands, i.e., “Huiyin Online School” and “Huiyin Academy” to meet different needs of new staff, staff of various positions, the management, etc., so as to achieve diversified talent development. The Bank has established omni-channel training system composed of Huiyin Online School, online course of Huiyin Academy and face-to-face tutorials provided by training center. The Bank conducted a total of 1,279 concentrated training sessions in 2018, amounting to 873,931.34 training hours with a total enrolment of 111,987 people. For the year, the hours and sessions per capita were 91.86 and 11.76 times respectively.



In 2018, the Bank is continuously optimizing the existing three platforms, namely, the Training Center, Huiyin Online School and Huiyin Academy.

- **Online:** To meet the new demands for education and training in the era of mobile Internet and push forward transformation and upgrade of the Bank’s education and training, the

headquarters launched “Huiyin Academy” mobile learning platform. Course providers get more skilled at business through summary and sharing, while learners rapidly increase their working efficiency through course learning, which promote work efficiency rapidly. In 2018, the Bank held a “Risk Compliance” micro course contest to push forward the “Year of Quality” event. A total of more than 300 micro-courses were received for the contest, 26 of which were finally elected the "Best Micro-course" and "Most Popular Micro-course".

### The head office successfully held mobile live training about retail business relying on the Huiyin Academy



The head office held the first mobile live training relying on Huiyin Academy on 26 January 2018, 1,500 staff in total from the whole bank joined. The mobile live training about retail business was the first time that the Bank innovatively and successfully held training by way of live streaming, which effectively solved the problem that the offline training is limited by time and space and made it more convenient to carry out training. In 2018, the Bank held a total of 22 times of mobile live training relying on Huiyin Academy, getting around 30,000 hits in total.

- **Offline:** With sustained attention paid to construction of internal trainer team, the Bank, according to the Management Measures for Education and Training of the Huishang Bank, divides internal trainers into three levels as lecturer, senior lecturer and experienced lecturer and conducts dynamic management, based on their education background, coaching skills and experience. In 2018, 92 employees were elected to be internal line trainers, which reinforced the Bank’s internal trainer team.

The Bank's Training Centre set up a “Q&A” column in the Huiyin Academy in an effort to promote bank-wide knowledge sharing among employees, encourage grass-roots employees and new employees to ask questions about business issues and key staff of each business line to answer the questions correctly. Further, the Bank invited the business departments of the head office to assign dedicated personnel to answer in real time the questions in the “Q&A” column raised by colleagues from branches and sub-branches.

With mature training system, the Bank stepped up its training efforts and formulated targeted training plans based on its talent composition as well as different levels of professional lines, management sequence and professional sequence. It set up scientific talent cultivation mechanism to effectively attract, select, exploit, promote, motivate talents as well as offer them professional development, etc., thus giving renewed boost to its overall human resources management level on an ongoing basis:

### ❖ Middle and senior management



In order to change the development concept, deepen the ideological understanding, and further enhance the quality and ability of the Bank's middle and senior management personnel, the head office launched special training in Shanghai, Beijing and Hangzhou from September to October 2018, involving 3 sessions for middle and senior management personnel. A total of 133 persons, including head office executives, department and office heads and branch leaders, participated in the training. Based on the Bank's business development status and current economic hotspots, the training was designed around three subjects of "strategic transformation and risk management and control", "financial innovation and financial technology" and "cross-border management and innovation management". Three top universities in China were invited to co-organise the training.

### ❖ Young and middle-aged management

The Bank launched trainings in the Hubin Training Center exploiting external excellent trainers, with focus on team management proficiency, financial product innovation, business transformation, performance management, enhancement of revolution and strategy implementation abilities, honesty and work ethics, etc.



"Huiying Project" Special Training

In 2018, to further support the Bank's development goals of "Build a Modern Bank of High-quality Development with Enhanced Management, Deepened Innovation and Optimised Structure" and cultivate new motivations for the Bank's development, the Bank launched "Huiying Project" special training in four sessions which aimed at improving of management ability and regarded the second-level team leaders of the head office departments and offices as trainee, and achieved sound training results.

### ❖ Young talents

Young talents are irreplaceable backup sources of workforce for the Bank's sustainable development in the future, so it is important to track and cultivate new recruits from campus. The Bank arranged trainings for outstanding newly-hired staff (with term of employment of 3-5 years) on knowledge of professional line businesses, team building and management skills,

marketing know-how, as well as communication and negotiation techniques, allowing them to become the major booster for the ongoing development of the Bank.

### Huangshan Branch organised young employees to attend quality development training



On 13 May 2018, Huangshan Branch organised young employees to carry out a quality development event underlining “stay true to the mission, keep in mind the mission, keep rejuvenated and forge ahead with Huiyin”.

#### ❖ New recruits from campus

The Bank made an elaborate plan of concentrated pre-job trainings, which took full advantage of the Hubin Training Center to help new recruits with the adaptation to the new role of professionals from college students, as well as enable them to fit into the Bank, and understand and identify with its culture; to familiarize them with businesses and products of the industry, relevant industrial policies and roles and responsibilities of all business lines, and empower them with operational skills that are conducive to their future work performing; to help them improve comprehensive ability, and foster professional ethics, dedication and team spirit, so as to become a qualified member of the Huishang Bank.

### Closing ceremony of pre-post training for new employees from campus recruitment



On 14 August 2018, the closing ceremony of the pre-post training for new employees from the 2018 campus recruitment was held at the head office. The Bank employed a total of 153 college graduates in 2018, injecting vitality into the overall construction of a modern bank under high-quality development.

#### ❖ Bank tellers

The Bank offered consistent training to staff to introduce knowledge about teller operation businesses and inclusive financing products, as well as raise their awareness of risk compliance. It leveraged the audio-visual rooms and model bank of the training centre to



conduct teller business operation training so as to enhance teller business operation level and facilitate the business operation of new sub-branches. In 2018, the Bank made arrangements for employees to take qualification examinations related to all the posts within the Bank, improved the system of employment with certificates, organized qualification examinations, which further expanded the scale of employment with certificates within the Bank.

## **9. Going Green**

As a responsible financial institution, the Bank, despite non-involvement in large-scale production, sticks to the concept of sustainable development and presses ahead with the development of green finance and low-carbon economy, against a backdrop of mounting natural resources consumption and carbon emissions. On top of that, it manages its environmental impact during its operational and office activities and delivers the concept of going green to the public, in an effort to defend our green homeland.

### **9.1. Expand green channels**

With commitment to the co-development of E-banking business and environmental protection, the Bank endeavors to expand its E-banking channels (On-line Banking, Mobile Banking, Self-service Banking, and Telephone Banking) and ceaselessly enrich E-banking products/services, so as to reduce costs for customers, conserve social resources and mitigate its undesirable environmental impact. With the continued improvement of customer service capacity and standards, the Bank's services have seen development onto a stage of green operation.

In order to improve the efficiency of counter services, the Bank's new core system realised paperless handling of some counter transactions in 2018, and realised paperless handling of 249 transactions in total, which further optimized business processes, promoted the improvement of customer service experience, and saved social resources.

### **9.2. Promote green operation**

The Bank has been improving its environmental and social performance and promoting green operation. It breathes the concept of environmental friendly, energy saving, low-carbon and sustainable development into day-to-day operation activities of the Bank, strictly follows laws and regulations including the Environmental Protection Law of the People's Republic of China, fully implements energy saving and resources conservation, and disseminates the green concept among the public for the purposes of defending our green homeland concertedly.

#### **9.2.1. Reduce emissions**

As a financial institution, the Bank produces little emission of industrial effluent, waste gases or hazardous waste, and only a limited amount of office waste water and household waste.

In the aspect of waste water, the Bank complies strictly with applicable laws and regulations including the Water Pollution Prevention and Control Law of the People's Republic of China,



and discharges its waste water into urban sewer systems after preliminary sedimentation. The impurities in the sediment are to be cleaned by municipal sanitation office.

Greenhouse gas emission of the Bank is mainly attributed to scope 2 purchased electricity. In strict compliance with the 13th Five-Year Plan Work Scheme for Control of Greenhouse Gas Emissions, the Bank takes measures to preserve energy and increase power use efficiency, such as promoting energy conservation, adopting LED light sources, etc., so as to reduce greenhouse gases emission.

In the respect of household waste, the Bank strictly complies with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste. All waste in its office buildings is sorted by cleaners on a daily basis. Non-recyclable waste will be timely placed at temporary sites by municipal cleaning companies and recycled by specialized recycling companies.

During the reporting period, the Bank's KPI in the aspect of emission are as follows:

<b>Emissions</b>	<b>2018</b>	<b>2017</b>
Wastewater discharge (10 thousand tonnes)	2.3	2.0
Total GHG emissions (Scopes 1 and 2) (tonnes)	4,218.8	4,637.0
Direct GHG emissions (Scope 1) (tonnes)	806.8	753.0
Including: Natural gas (tonnes)	702.9	631.4
Including: Petrol (tonnes)	103.8	121.6
Energy Indirect GHG emissions (Scope 2) (tonnes)	3,412.0	3,885.0
Including: Electricity purchased (tonnes)	3,412.0	3,885.0
Total GHG emissions per employee (tonnes/employee)	3.4	3.7
Total Non-hazardous waste emissions(tonnes)	12.0	8.5
Non-hazardous emission intensity (tonnes/employee)	$9.6 \times 10^{-3}$	$6.8 \times 10^{-3}$

Note:

1. Based on the Bank's operational characteristics, our greenhouse gas emissions are mainly derived from direct GHG emissions caused by gasoline and fossil fuel combustion consumption of the Bank's commercial vehicles (Scope 1), and energy indirect GHG emissions caused by purchased electricity (Scope 2)).
2. Greenhouse gases include carbon dioxide (CO<sub>2</sub>). Greenhouse gas emissions are presented as CO<sub>2</sub>e and accounted for according to the Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Public Building Operators issued by the National Development and Reform Commission ("NDRC").
3. Since the hazardous waste generated during the operation of the Bank is mainly a small amount of discarded toner cartridges and ink cartridges produced by office printing equipment, which are all recycled by the supplier and have no substantial impact, KPI A1.3 (hazardous waste generated in total) is not disclosed in this report.

### 9.2.2. Conserve resources

In strict adherence to the Energy Conservation Law of the People's Republic of China, the Bank commits itself to upgrading the use efficiency of energy, water resources, and materials. To better meet the requirements set out in applicable national and local laws and regulations, further reduce use of all sorts of natural resources and protect the environment, the Bank issued the Interim Measures for the Management of Energy Conservation of the Huishang Bank, which specifies management scope and measures relating to water, electricity, oil and gas conservation, with the goal of effective implementation of energy conservation.

In response to national call for "Building a resources conserving, environmental friendly and harmonious society", it works hard to promote green practices at workplace, enforce energy saving, and enhance the use efficiency and economic benefits of natural resources. Centered on the theme of "Practice energy conservation and emission reduction, and achieve scientific development", it involves all staff in putting the strategy of energy conservation and emission reduction into practice in routine work based on reality.

- Conserve air-conditioning power consumption: set air-conditioner operating temperature above 26°C in summer and below 22°C in winter; the air conditioning mainframe shall be closed at 17:00. The Bank exerted strict control over access to air conditioner and adjusted the running time of air conditioner based on real-time weather changes, to minimize natural gas consumption on the premise of comfortable office environment.
- Conserve office equipment power consumption: reduce the stand-by time of computers, printers, photocopiers and other office equipment; take advantage of natural light where possible to reduce electricity consumed for lighting; the property management companies shall check lightings from floor to floor, and then turn off lights of floors clear of staff at 19:00 and turn off all lights at 24:00 every working day. Power consumption decreased by 7.5% as compared with last year.
- Conserve elevator power consumption: discourage the use of elevators from the 5th floor down and have only one elevator in operation at the south and north door each after 19:00 of every working day and during holidays.
- With active use of telecommuting to reduce unnecessary business travel, the Bank held 211 video conferences during the reporting period.
- Introduce water saving apparatus gradually: induction faucets have been applied in areas such as the restaurants and restrooms; strengthen water management in key areas by putting up logos, conducting routine patrolling, etc., and avoid water running out, bubbling, leaking or dripping.
- Set up office supplies purchase and receipt policies to regulate the procedures of office supplies maintenance, receipt, recycling and disposal etc.; circulate documents through the OA system and default to double-sided printing, in an effort to cut paper waste.



### **9.3. Stick to green purchase**

In order to strengthen the Bank's management of centralized procurement of bidding agencies, regulate their behaviors, and improve the quality of centralized procurement, the Bank formulated the Interim Measures on the Management of Centralized Procurement of Bidding Agencies of the Huishang Bank pursuant to applicable laws, regulations and policies including the Bidding Law of the People's Republic of China and the Regulation on the Implementation of the Bidding Law of the People's Republic of China and the Bank's regulatory rules.

The Bank sticks to green and environmentally friendly standards in its routine purchase. In its bidding documents, the Bank specifies unified supplier access standards, which are compliant with national environmental criteria, where certain amounts of bonus points will be granted to suppliers who have obtained the environmental management system certification and quality management system certification. It is also set out in the bidding documents that bidders shall prepare a statement explaining the reality of the bidder as well as the green, energy saving, low-carbon and environmentally friendly elements in its projects. Requirements have been laid out asking bidders to practice thrift in preparing tender documents, such as adopting double-sided printing, avoiding luxurious cover, and implementing green purchase policy. The Bank spares no effort in constructing green and energy efficient buildings, and invariably practices the low-carbon and environmental concept throughout the implementation of its projects, aiming at the completion of first-rate environmentally friendly programs.

### **9.4. Public welfare activities promoting green concept**

The Bank advocates green life style via an assortment of activities and takes active part in various public welfare events promoting green concept, such as tree planting and street cleaning, as part of its effort to ameliorate the environment in practice and improve environmental awareness of the staff and the public alike.

#### **Organised youth volunteers to participate in voluntary tree planting activities**



In March 2018, Lu'an Branch, Chizhou Branch, Bengbu Branch and other branches organised volunteers to participate in voluntary tree planting activities.





## 10. ESG Reporting Guide

KPI	Description	Chapter
<b>A1 Emissions</b>		
<b>General disclosure</b>	<b>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</b>	<b>9.2. Promote green operation</b>
<b>A1.1</b>	The types of emissions and respective emissions data	9.2.1. Reduce emissions
<b>A1.2</b>	Greenhouse gas emissions in total and intensity	9.2.1. Reduce emissions
<b>A1.3</b>	Total hazardous waste produced and intensity	Not relevant
<b>A1.4</b>	Total non-hazardous waste produced and intensity	9.2.1. Reduce emissions
<b>A1.5</b>	Description of measures to mitigate emissions and results achieved	9.2.1. Reduce emissions
<b>A1.6</b>	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	9.2.1. Reduce emissions
<b>A2 Use of Resources</b>		
<b>General disclosure</b>	<b>Policies on the efficient use of resources, including energy, water and other raw materials</b>	<b>9.2. Promote green operation</b>
<b>A2.1</b>	Direct and/or indirect energy consumption by type in total and intensity	Refer to “Key Performance Indicators”
<b>A2.2</b>	Water consumption in total and intensity	Refer to “Key Performance Indicators”
<b>A2.3</b>	Description of energy use efficiency initiatives and results achieved	9.2.2. Conserve resources
<b>A2.4</b>	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	9.2.2. Conserve resources
<b>A2.5</b>	Total packaging material used for finished products and with reference to per unit produced	Not relevant
<b>A3 Environment and Natural Resources</b>		
<b>General disclosure</b>	<b>Policies on minimizing the issuer’s significant impact on the environment and natural resources</b>	<b>5.5. Developing Green Finance</b>
<b>A3.1</b>	Description of the significant impacts of activities on the	<b>9.1. Developing</b>

	environment and natural resources and the actions taken to manage them	<b>Green Finance</b>
<b>B1 Employment</b>		
<b>General disclosure</b>	<b>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare</b>	<b>8.1. Favorable employment environment</b>
<b>B2 Health and Safety</b>		
<b>General disclosure</b>	<b>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to providing a safe working environment and protecting employees from occupational hazards</b>	<b>8.2. Health and safety</b>
<b>B3 Development and Training</b>		
<b>General disclosure</b>	<b>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities</b>	<b>8.3. Promote professional development</b>
<b>B4 Labor Standards</b>		
<b>General disclosure</b>	<b>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 labor</b>	<b>8.1. Favorable employment environment</b>
<b>B5 Supply Chain Management</b>		
<b>General disclosure</b>	<b>Policies on managing environmental and social risks of the supply chain</b>	<b>9.3. Stick to green purchase</b>
<b>B6 Product Responsibility</b>		
<b>General disclosure</b>	<b>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</b>	<b>5. Fulfilment Economic Responsibility 6. Provide Quality Service</b>

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**and services provided and methods of redress**

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**B7 Anti-corruption**

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<b>General disclosure</b>	<b>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</b>	<b>4.3 Compliance operations</b>
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**B8 Community Investment**

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<b>General disclosure</b>	<b>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</b>	<b>7. Contribute to the Society 5.2. Financial Targeted poverty alleviation</b>
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## 11. Readers Feedback Form

Thank you for reading the “Huishang Bank Corporation Limited 2018 Social Responsibility Report”. In order to provide more valuable information to the Bank’s stakeholders and improve its ability and level of fulfilling social responsibilities, the Huishang Bank would welcome any feedback or suggestions you might have about this report.

You can send this form to any of the following:

E-mail address: bangongshi@hsbank.com.cn

Mailing address: Block A, Tianhui Mansion, No.79, Anqing Road, Hefei City, Anhui Province, the PRC

1. How would you rate your opinion of the Huishang Bank Corporation Limited 2018 Social Responsibility Report?

Very High    High    Neutral    Low    Very Low

2. How would you rate your opinion of the economic, social and environmental responsibilities of the Huishang Bank?

Economic responsibility	<input type="checkbox"/> Very High	<input type="checkbox"/> High	<input type="checkbox"/> Neutral	<input type="checkbox"/> Low	<input type="checkbox"/> Very Low
Social Responsibility	<input type="checkbox"/> Very High	<input type="checkbox"/> High	<input type="checkbox"/> Neutral	<input type="checkbox"/> Low	<input type="checkbox"/> Very Low
Environmental responsibility	<input type="checkbox"/> Very High	<input type="checkbox"/> High	<input type="checkbox"/> Neutral	<input type="checkbox"/> Low	<input type="checkbox"/> Very Low

3. Please rate the effectiveness of this Report in reflecting the economic, social and environmental impact the Huishang Bank has brought about through its social responsibility practices?

Excellent    Good    Fair    Poor    Terrible

4. How would you rate your opinion of the clarity, accuracy and completeness of the information, data and indicators this Report has disclosed?

Clarity	<input type="checkbox"/> Very High	<input type="checkbox"/> High	<input type="checkbox"/> Neutral	<input type="checkbox"/> Low	<input type="checkbox"/> Very Low
Accuracy	<input type="checkbox"/> Very High	<input type="checkbox"/> High	<input type="checkbox"/> Neutral	<input type="checkbox"/> Low	<input type="checkbox"/> Very Low
Completeness	<input type="checkbox"/> Very High	<input type="checkbox"/> High	<input type="checkbox"/> Neutral	<input type="checkbox"/> Low	<input type="checkbox"/> Very Low

5. Do you find this Report in easy-to-read contents and formatting?

Yes    Neutral    No

6. Feel free to share any comments or suggestions you may have on the Huishang Bank and this Report:

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