



2021
Corporate Social Responsibility Report



China Minsheng Banking
Corporation Limited
2021
Corporate Social Responsibility
Report

1 About Us

Company Profile	6
Social Responsibility Highlights in 2021	7
Social Responsibility Awards & Honors	9

2 Social Responsibility Features

Feature I: Insisting on guidance of Party building, Doing Practical Things for the People	11
Feature II: Giving play to financial strength, supporting rural revitalization	16
Feature III: Responding to disasters and pandemic, working together to overcome difficulties	21

1. Enhancing Business Foundations and Serving National Strategies	4. Accelerating Digital Transformation and Deploying Future Innovations	55
1.1 Serving the Real Economy	4.1 Developing Digital Finance	57
1.2 Focusing on Major Areas	4.2 Safeguarding Digital Security	60
1.3 Supporting Key Sectors	5. Putting Customer First and Providing Excellent Services	61
1.4 Building a Better Life	5.1 Protecting Rights and Interests of Customers	63
1.5 Supporting Belt and Road Initiative	5.2 Popularizing Financial Knowledge	68
2. Enhancing Compliance Management and Strengthening Risk Control	6. Fostering Employee Growth and Stimulating Organizational Vitality	69
2.1 Improving Corporate Governance	6.1 Protection of Rights and Interests of Employees	71
2.2 Enhancing Risk Prevention and Control	6.2 Employee Growth and Development	73
2.3 Strengthening Social Responsibility Management	6.3 Work and Life of Employees	74
3. Implementing Green Concept and Building a Beautiful Homeland	7. Delivering Public Welfare Energy and Working Together to Build Better Communities	77
3.1 Developing Green Finance	7.1 Branded Public Welfare Programs	79
3.2 Insisting on Green Development	7.2 Contributing to Community Building	81

CONTENTS

3 Future Prospects

Future Prospects	83
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Appendix	
Appendix I: Key Performance Indicators	85
Appendix II: Reporting Specifications	86
Appendix III: Assurance Report	87
Appendix IV: Key Data Preparation & Reporting Basis	90
Appendix V: Suggestions & Feedbacks	92
Appendix VI: Notes on Terms	93



About Us

Company Profile

Established in Beijing in 1996, China Minsheng Banking Corporation Limited, China's first national joint-stock commercial bank initiated and founded mainly by non-state-owned enterprises (NSOEs), has developed into a banking group with financial licenses including commercial banking, financial leasing, fund management, overseas investment banking and others. Since its establishment 26 years ago, China Minsheng Bank has grown from a small bank with capital of only RMB1.38 billion into a large commercial bank with total assets of more than RMB6.95 trillion and over 57 thousand employees. During the reporting period, China Minsheng Bank had 141 branches, among which 42 were tier-one branches (including Hong Kong Branch), and 99 were tier-two branches (including remote sub-branches), realizing full coverage of provinces, autonomous regions, municipalities, and cities under separate State planning in the Chinese mainland. Among the 2021 Top 1000 World Banks published by the UK-based *The Banker* magazine, China Minsheng Bank ranked 26th. In the 2021 Global 500 list published by the U.S.-based *Fortune* magazine, China Minsheng Bank ranked 224th. In 2021, China Minsheng Bank was recognized as one of the 19 domestic systemically important banks (D-SIBs).

Adhering to the mission of "Serving the Public, Caring About People's Livelihood", China Minsheng Bank has forged ahead with determination and blazed new trails, becoming an important financial force in supporting economic development and social progress. In 2000, China Minsheng Bank was listed on the Shanghai Stock Exchange (A share stock code: 600016). In 2009, China Minsheng Bank was listed on the Hong Kong Stock Exchange (H share stock code: 01988). Insisting on giving back to the society with a heart of gratitude, China Minsheng Bank has placed greater importance on the fulfillment of social responsibility and the promotion of sustainable development, working as a major participant and driving force to contribute to the society with finance.

Social Responsibility Highlights in 2021

01

Vigorously promoted reform and transformation, deliberated and approved the *Five-Year Development Plan of China Minsheng Bank (2021-2025)*, and clarified the strategic positioning of the Bank.

03

Enhanced and reshaped compliance risk management, strengthened the building of the “three defense lines”, deepened reform on credit approval systems and mechanisms, and improved the risk management and control efficiency throughout the Bank.

04

Consolidated the achievements in poverty alleviation, promoted rural revitalization, donated RMB36.03 million assistance funds, innovated financial assistance products, and vigorously explored the new model for rural revitalization with the support of finance.

02

Carried out Party history learning and education in a deep-going way, effectively implemented the campaign of “Doing Practical Things for the People”, conducted 500 projects aiming at improving the people’s well-being, and made special efforts to solve “the most pressing difficulties and problems that are of great concern to the people”.

05

Energetically developed green finance, and formulated the *Five-Year Development Plan of China Minsheng Bank for Green Finance (2021-2025)*; the balance of green credit reached RMB107.317 billion, up 103.76% year-on-year.

06

Focused on the construction of national major strategic regions, and upgraded financial services in key areas.

07

Fully supported the development of micro and small-sized enterprises, and extended RMB570.529 billion inclusive loans to micro and small-sized enterprises cumulatively.

08

Accelerated digital transformation, established the Ecosystem Finance Department, and launched four major innovative projects of Supply Chain Data-Based Credit Enhancement Financing, Minsheng Express Loan, Internet Ecosystem Loan, and Ecosystem Finance Operation Platform.

Social Responsibility Awards & Honors



Recognized as one of the 19 domestic systemically important banks (D-SIBs)

The People's Bank of China (PBOC); China Banking and Insurance Regulatory Commission (CBIRC)



Advanced Collective for Targeted Poverty Alleviation by Financial Units for 2021

PBOC



"Excellent Case of the Briefings on Targeted Financial Assistance for Rural Revitalization"

PBOC



Second Prize of the Fintech Development Awards

PBOC



Top 10 Inclusive Finance Service Innovation Prize of 2021 Financial Innovation Awards

The Chinese Banker



"China Regulatory Technology Implementation Award for 2021"

The Asian Banker



"China Best AI Innovation Lab for 2021"

The Asian Banker



Top 10 Social Responsibility Projects for 2020

China Banking and Insurance News



"National Advanced Individual for Poverty Alleviation"

The CPC Central Committee; The State Council



Excellent Organizer for 2021 Joint Financial Education and Publicity Campaign

CBIRC



China's Top 10 Responsible NSOEs for 2020

Chinese Academy of Social Sciences



Top 3 Companies of the Banking Industry of China CSR Development Index for 2020

Chinese Academy of Social Sciences



Excellent Corporate Social Responsibility Report for 2020

China Banking and Insurance News



"Bank with Best Green Finance Services"

Financial News



"Low-Carbon Bank for 2021"

21st Century Business Herald



"Bank with Outstanding Supply Chain Financial Innovation of the Year" Award

The Economic Observer



"Top 10 Public Welfare Projects" of the Blue Book of Corporate Philanthropy (2021)

Chinese Academy of Social Sciences



Second Prize of Beijing Science and Technology Progress Award for 2020

The People's Government of Beijing Municipality



Market Influence Award for 2021

China Foreign Exchange Trading Center



Market Innovation Award for 2021

China Foreign Exchange Trading Center



Internet Finance Bank with Outstanding Competitiveness for 2021

China Business Journal



"Green Finance Prize of the Year" of 2021 China Golden Tripod Awards

National Business Daily



China Securities Golden Bauhinia Awards – Listed Company with the Best Investor Relations

Ta Kung Pao



Social Responsibility Enterprise for Carbon Peaking & Carbon Neutrality Goals and Low-Carbon Innovations for 2021

China Energy News



Excellent Award for UnionPay Mobile Payment Cooperation for 2021

China UnionPay



Outstanding Contribution Award for UnionPay Card Promotion for 2021

China UnionPay



Outstanding Contribution Award for Cooperation on UnionPay Card Risk Control for 2021

China UnionPay



"Best Open Bank Award"

China Financial Certification Authority and nearly 100 banks; China Securities Journal



"Excellent Financial Institution of China Supply Chain Finance"

Trade Finance; Scfvip.com; Sinotf.com



"China Supply Chain Finance Ecosystem – Digital Supply Chain Practice: Leading Eco-Bank"

10000link.com; UTOCO Institute of Supply Chain



China Digital Inclusive Finance Innovation Achievement for 2021

China Institute of Communications



Golden Jubilee Awards – Excellent Mobile Banking for 2021

Investment Times; Biaodian Finance and Economics Research Institute



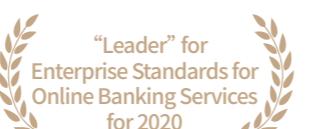
"Most Distinctive Mobile Finance Services Award"

China Financial Certification Authority and nearly 100 banks; China Securities Journal



"Leader" for Enterprise Standards for Application of Mobile Financial Client for 2020

Payment & Clearing Association of China; National Internet Finance Association of China



"Leader" for Enterprise Standards for Online Banking Services for 2020

National Internet Finance Association of China



2nd NIFD-DCITS Global Fintech Innovation Case (2021)

Research Center of Financial Technology of National Institution for Finance and Development



Best Financial Digitization Innovation Prize of the 7th Golden Pine Awards

Mpaypass.com.cn



Top 100 Employer Excellence of China for 2021

Selection Committee of Employer Excellence of China



Excellent Practice Case for Rural Revitalization for 2021

The Listed Companies Association of Beijing



Excellent Organizer for National Party History Knowledge Contest

Dangshi.people.cn; People.cn



"Responsible Golden Bull Award"

China Social Responsibility 100 Forum



"China Benefit Corporation" Award

QQ.com



Social Responsibility Features

Feature I

Insisting on guidance of Party building, Doing Practical Things for the People

By the time of the 100th anniversary of the founding of the CPC, China Minsheng Bank has always stayed true to its original aspiration and performed the corporate mission. We have always upheld the centralized and unified leadership of the Party over the financial work, constantly strengthened Party building, promoted the in-depth integration of Party building and business operation, and turned the political and organizational advantages of the Party into the development strength of the Bank, shoring up confidence in reform and development company-wide. We have made continuous efforts to “study the Party’s history, understand its theories, do practical work, and make new advances”, and strived to solve the most pressing difficulties and problems that are of great concern to the people, creating a new chapter of the Bank while contributing to the society and serving the people’s livelihood.

1. Staying true to original aspiration, performing corporate mission, and strengthening guidance of Party building

(1) Political guidance: Promoting integrated development of Party building and business operation

We have earnestly carried out the “First Topic” system of the Party committee, and effectively implemented the decisions and plans of the CPC Central Committee and the State Council into all aspects of operation, management, reform and development. We have improved the working rules and decision-making mechanism of the Party organization, formulated the ex-ante research list and procedures relating to “major issues, major personnel appointments and dismissals, and investments in major projects, and use of large sums of money” (“three majors and one large”) for the Party committee, and refined the “two-way access and cross appointment” system, giving full play to the core leadership and political role of the Party organization. We have conducted full and strict governance over the Party, implemented the responsibility system and signed the “Letter of Responsibility for Improving the Party Conduct and Clean Management” level by level, gave full play to the role of inspection as a sharp sword, and carried out post-inspection rectification.

▼ Case

China Minsheng Bank improves working rules of Party committee, refines standards for major issues

In December 2021, the Party committee of China Minsheng Bank further revised the working rules of the Party committee, improved the leadership mechanism of the Party, refined the decision-making standards relating “major issues, major personnel appointments and dismissals, investments in major projects, and use of large sums of money”. At the same time, the Bank required the Party committees at all levels to improve their working rules respectively, and integrate the “major issues, major personnel appointments and dismissals, investments in major projects, and use of large sums of money” into the main duties of the Party committees, and clarified the detailed standards for “major projects” and “large sums of money” at respective level. Through continuous improvement of the working rules of the Party committees, the Bank has fully integrated the “major issues, major personnel appointments and dismissals, investments in major projects, and use of large sums of money” into the working rules of the Party committees, defined and handled the relationship between the Party committees and other governing bodies in a reasonable manner, and promoted the organic integration of the Party’s leadership and corporate governance.

(2) In-depth learning: Improving theoretical level to a new height

Focusing on the central tasks and serving the overall interests, we have strengthened the study on the Party’s theories. In 2021, we took the study on Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as the top political task, and integrated the campaign on Party history learning and education and the celebrations on the centenary of the founding of the Party with the study and implementation of spirit of the Sixth Plenary Session of the 19th CPC Central Committee and other major tasks in an organic manner, putting learning outcomes into practices. In 2021, the theoretical learning center of the Party committee of the Head Office organized 22 collective learning activities, invited external experts to conduct four special topic workshops, covering more than 6 thousand Party members and cadres each time. In combination with Party history learning and education, it also carried out an online activity with the theme of “Learning Party History Every Day”, with daily average learners of over 50 thousand, which enhanced the study and work.

▼ Case

Celebrations for the centenary of the founding of the Party

Before the “July 1st”, the Head Office carried out a series of themed activities. The Party secretary of the Bank gave special topic lectures on Party history learning and education company-wide. A number of activities such as “July 1st” commendation conferences, oath-taking ceremonies for Party members, and red song singing activity. More than 50 thousand employees participated in those activities on-site or online. On July 1, 2021, over 50 thousand employees listened to or watched the ceremony marking the centenary of the CPC, and earnestly studied the important speech made by General Secretary Xi Jinping.



2. Effective implementation: Carrying out the campaign of “Doing Practical Things for the People”

We have effectively implemented the overall requirements of “making continuous efforts to study the Party’s history, understand its theories, do practical work, and make new advances”, carried out the campaign of “Doing Practical Things for the People” in a deep-going way, and conducted extensive investigation and research, and collected the demands of the people with focus to consolidate the achievements of poverty alleviation, guarantee the basic livelihood needs, strengthen risk control and compliance management, protect the legitimate rights and interests of customers, and solve the issues in the process of corporate operation and management. A total of 500 projects relating to people’s livelihood have been established, among which 40 key projects have been carried out under the leadership of the members of the Party committee of the Head Office and the leaders of China Minsheng Bank, effectively solving the most pressing difficulties and problems that are of great concern to customers, employees, and operating units.

(1) Implementing new development concept

In the process of carrying out the campaign of “Doing Practical Things for the People”, we fully implemented the new development concept, accelerated the building of digital finance through strengthening research and arrangements, improving management mechanisms, and optimizing resource allocation, so as to promote the continuous improvement of quality, efficiency and value output in terms of serving the real economy, regional development, rural revitalization, inclusive finance, green development, key industries, new-type urbanization, and so on.

▼ Case

Shenyang Branch provides carbon account opening service for customers

With the opening of domestic carbon market, more and more customers have delivered their demands to register and open account in the national carbon emissions registration system. Shenyang Branch of China Minsheng Bank took initiative to cooperate with key enterprises, and set up a team to serve customers with account opening needs. The team provided door-to-door services in a timely manner, as well as convenient account opening and settlement services for customers. Those efforts facilitated the achievement of the carbon peaking and carbon neutrality goals while helping customers solve their concerns.



(2) Guaranteeing basic livelihood needs

We have focused on the most pressing, most immediate and most practical issues that concern the people the most, and made special efforts to guarantee the basic livelihood needs, striving to make financial services more effective and warmer. We have continuously increased the coverage of consumer finance, and based on the “real consumption scenarios” of small business customers, provided them with more diversified consumer finance services. To relieve the development pressures faced by small and medium-sized enterprise, we have taken multiple measures, such as loan extension, loan renewal without repaying principal, adjustment of repayment plans, and loan refinancing, to help them overcome difficulties. To improve the service experience of elderly customers, we have constantly optimized and enriched the “most simplified version” (version for elderly customers) of mobile banking with simplified functions, larger fonts and simple interactions to solve the inconvenience of some elderly customers in using the mobile banking App.

We have constantly upgraded the services of remote banking to provide contactless banking services and enrich the service scenarios. We have released service standards and offered dedicated services to elderly customers, such as “big font version” App for customers aged above 60, with the aim of providing convenient services. As one of the main channels for remote banking customers to handle business, the customer flow of the “contactless services” increased rapidly to 4.967 million visits, with a daily peak traffic of 33 thousand visits, and the customer satisfaction rate reached 99.63%. The “95568” telephone banking has taken the lead to launch the “one-click direct access to staff services” function for elderly customers, and more than 130 thousand elderly customers have experienced the warm services.

(3) Strengthening risk control and compliance management

We have constantly enhanced the “three defense lines”, strengthened total risk management, and stabilized development and improved development quality with compliant operations. Special efforts have been made to strengthen internal control and compliance management, reshape compliance culture, deepen compliance mechanism, intensify investigation and rectification, clarify assessment orientation, enhance operational risk management, manage and control related-party transactions, consolidate anti-money laundering management, and upgrade compliance technologies. We have persistently enhanced discipline inspection and supervision, completed the establishment of discipline inspection commissions of subsidiaries and the discipline inspection and supervision offices of branches, and comprehensively sorted out the discipline inspection and supervision systems.

▼ Case

Nanning Branch enhances coordination between business development and risk management

Nanning Branch of China Minsheng Bank further enhanced risk management while vigorously developing small business. On the one hand, Nanning Branch conducted organizational adjustment and positioning research for the development of small business. On the other hand, the Branch focused on solving the problems such as insufficient risk personnel and great pressure on risk management and control, and handled and eliminated the risks relating to a number of customers, achieving the goals of advancement in both business development and risk defusing.

(4) Protecting legitimate rights and interests of customers

We have comprehensively implemented the “customer-centric” operation concept, established partnership with customers, and strengthened the sense of principal responsibility, constantly improving service level. To protect the rights and interests of borrowers, we have optimized the repayment time of individual loan business, vigorously carried out anti-fraud and scam works, and refined the “risk warning” of various products, so as to guarantee the legitimate interests of customers.

▼ Case

China Minsheng Bank establishes anti-fraud and scam work mechanism to guarantee legitimate rights and interests of customers

In regard to the frequently occurred financial fraud cases, all branches of China Minsheng Bank worked with local public security authorities to jointly establish anti-fraud work mechanisms. The branches also invited public security officers to conduct anti-fraud and scam trainings and drills for their employees, and took initiative to cooperate with public security authorities to handle relevant cases. Various measures were adopted to prevent suspicious card applications, transactions and remittance, and to reduce the occurrence of unlawful acts, so as to guarantee the rights and interests of customers.

(5) Enhancing operation management

In implementing the campaign of “Doing Practical Things for the People”, we took the needs of employees as the starting point, and constantly enhanced the operation management capabilities. Focusing on the prominent problems such as the obstacles from the systems and mechanisms in business development, we optimized the cultivation system and smoothed the communication channels for employees, improved their welfare and benefits, enhanced employee care, and strived to solve practical issues for them.

▼ Case

China Minsheng Bank enhances employee care with the “Voice of Minsheng”

China Minsheng Bank launched the “Voice of Minsheng”, a feedback platform for grassroots-level issues, which smoothed up the regular channels for employees to put forward problems and demands. The platform collects and solves grassroots-level issues, and makes public disclosure of solutions in a unified manner throughout the Bank. The supervisory system under the Executive Office of the Head Office supervises the handling of relevant issues. A good interaction between the upper and lower levels thus has been formed. This platform has facilitated the gradual and positive enterprise transformation and organizational evolution, and injects more positive energy into the Bank.

Feature II

Giving play to financial strength, supporting rural revitalization

Giving support to rural revitalization is a weighty responsibility that financial institutions should actively undertake. We have formed a leading group for rural revitalization and a working group to implement finance serving rural revitalization. We have formulated the *Work Plan for Finance Serving Rural Revitalization and the Guiding Opinions on Promoting Finance Serving Rural Revitalization in 2021*. We have also vigorously explored new pattern of finance serving rural revitalization, and launched financial products conforming to the industrial characteristics and regional features of modern agriculture to ensure related rural revitalization work is targeted and effective.

1. Providing targeted assistance and building “Minsheng model”

Based on the work requirements of the “Four Do-Nots” (Do not stop shouldering the responsibility, do not stop obeying the policy, do not stop providing assistance, and do not stop implementing the supervision), we insist on effectively promoting the targeted assistance in Hua County and Fengqiu County of Henan Province with higher vision, higher standards and updated measures. We have gradually reached the overall achievement of “multiple measures, wide coverage, and deep focus” by focusing on the five aspects including industrial revitalization, talent revitalization, culture revitalization, ecosystem revitalization and organization revitalization.

We have innovated the assistance system of “One Bank Revitalizing One Township”, selected operating units in southeastern coastal areas and in tier-one and tier-two cities to be partnered with the 42 townships of the two counties, aiming to break the original “point-to-point” limits of targeted assistance and lead the branches and sub-branches to further exert their advantages and form a multi-aspect and multidimensional assistance pattern for a time-honored “Minsheng model” of rural revitalization.

In 2021, we invested RMB36.03 million free assistance funds, introduced RMB32.15 million free assistance funds, provided training for 2,563 grassroots cadres, 836 entrepreneurial leaders and trained 18,969 technicians. We directly purchased RMB30.24 million agricultural products from poverty-alleviated areas, and helped these areas sell RMB12.68 million agricultural products.

▼ Case

“Minsheng Art Empowerment Plan”

China Minsheng Bank deepened the implementation of “Minsheng Art Empowerment Plan” in combination with the cultural resources endowment of Hua County and Fengqiu County to dig deep into the intangible cultural heritage of the two counties. The Bank customized a batch of cultural products as public welfare publicity materials, such as Song Dynasty-Style Embroidery of Fengqiu County and the New Year-Themed Woodcut Picture of Hua County, and actively promoted those products to international stages and tier-one cities for exhibition and sales.



▼ Case

“Minsheng Class” facilitates talent revitalization

China Minsheng Bank has sponsored “Minsheng Class” students from low-income families in Hua County to attend school for consecutive 13 years. While continuously cultivating outstanding talents, “Minsheng Class” also played an active role in improving the soft power of local education and teaching. It organized teachers from rural areas to have learning exchanges, and introduced experts and professors to provide education and teaching guidance in Hua County and Fengqiu County, aiming to block the inter-generational transmission of poverty by means of education.



2. Innovating business,serving agriculture,rural areas and farmers

We have innovated financial assistance products to serve agriculture, rural areas and farmers. According to the actual financial service requirements in rural areas, we have launched six featured products, namely: “Agricultural Chain Express”, “Farmer Prosperity Loan”, “Agricultural Loan Express”, “Beautiful Village Loan”, “Agricultural Debt Express”, and “E-Agriculture Express”. We have established a new supply chain-based financial assistance measure of “core enterprises + upstream enterprises + poverty-alleviated households + bank” to improve the risk resistance capabilities of township enterprises and poverty-alleviated households. We also have built a new basic financial service pattern of “production + supply & marketing + credit” for poverty-alleviated areas to improve the basic financial service capabilities of deeply underdeveloped areas with greater efforts.

▼ Case

China Minsheng Bank customizes the “E-Grain Finance” product

China Minsheng Bank gave play to its financial advantages and customized the “E-Grain Finance” product for Hua County and Fengqiu County based on their industrial characteristics. This product can further provide whole-process financial services for planting, maintenance, and transaction of grain crops through connection with local grain transaction monitoring platform to accomplish “data-based credit enhancement”, thus to drive farmers to stabilize and increase their income and drive local employment by financial support on agricultural enterprises and planting cooperatives.



We have actively improved Minsheng rural banks and put the unique advantages of rural banks to good use in rural financial areas, providing dedicated services for agriculture, rural areas, and farmers. As at the end of December, 2021, the loan balance of the 29 Minsheng rural banks reached RMB24.472 billion, increased by RMB1.838 billion from the beginning of the year. A total of 34 rural revitalization business patterns and 84 exclusive products were developed. Our banking services has covered more than 500 rural communities and sub-districts, truly bringing high-quality financial services to the front line of rural revitalization.



▼ Case

Yinchuan Branch launches first rural revitalization card

In September 2021, Yinchuan Branch of China Minsheng Bank held the launching ceremony for the pilot programs for the “three-in-one” comprehensive cooperation of production, supply and marketing & the release ceremony of China Minsheng Banks “Rural Revitalization Card” together with local supply and marketing cooperatives. The “Rural Revitalization Card” provides cardholders with value-added benefits, including legal services, agricultural technology guidance and training, agricultural insurance, and so on. In the meanwhile, the Branch also constructed comprehensive agricultural service platform and intelligent platform with supply and marketing cooperatives to promote the “digital supply and marketing” of agricultural products, extending financial services to rural villages.

▼ Case

Harbin Branch innovates “Agricultural Loan Express” product

In combination with the regional and industrial characteristics of large-scale development trend shown in local agricultural economy, Harbin Branch of China Minsheng Bank launched the inclusive credit loan product of “Agricultural Loan Express” for planting farmers, on the basis of platform data application. It has built rural revitalization data platform that realized whole-process online operation to make products closer to farmers and markets under the premise of risk control, and to provide professional financial solutions for farmers.

▼ Case

China Minsheng Bank innovates agriculture-related asset financing model

China Minsheng Bank adopted “agriculture-related asset financing” model in rural banks of multiple regions. On the basis of farmer’s personal credit evaluation, this model makes comprehensive considerations on farmer household’s fixed assets, operating assets, rights assets, and other effective assets, and sets add-subtract items to increase or reduce line of credit, aiming to promote the organic connection between rural assets and financial resources, improve the scale of loan obtained by farmers, and expand rural financing channels.

▼ Case

Hefei Branch underwrites rural revitalization debt financing instrument for agricultural reclamation enterprise

In 2021, Hefei Branch of China Minsheng Bank succeeded in leading the underwriting of rural revitalization debt financing instrument for an agricultural reclamation enterprise. The successful issuance of this financing instrument effectively reduced intermediate links in the financing process and lowered financing cost. While promoting the benign development of the local agricultural reclamation enterprises, it indirectly drove the stabilization and expansion of rural crop planting scale and increased grain-growing farmers’ income.

Feature III

Responding to disasters and pandemic, working together to overcome difficulties

In 2021, disasters such as flood, typhoon and earthquake, and the pandemic outbreak in various regions caught the hearts of people across China. In the face of the disasters and the pandemic, we gave full play to our advantages and actively donated goods and materials to disaster-affected areas. In the meanwhile, in order to ensure people's normal life in disaster-affected areas, we made great efforts to overcome adverse conditions and guarantee the normal operation of financial services. We helped local enterprises maintain normal operation and worked hard to tide over the hard time together with disaster-affected areas.

1. Conducting emergency rescue and disaster relief

After the disasters occurred, we took rapid actions to launch emergency plans, understand the requirements of disaster-affected areas, and organize local operating units to support disaster relief work, actively giving back to the society with love. While carrying out disaster relief and guaranteeing personnel safety, we also actively opened up green channels for customers supporting disaster relief and suffered from the disasters to meet their needs to the greatest extent, fulfilling the mission and responsibilities of the Bank with continuous actions.

► Case

Zhengzhou Branch conducts disaster relief work in Henan Province

In July 22–26, 2021, Henan Province suffered extreme heavy rainfall. Zhengzhou Branch of China Minsheng Bank organized a volunteer team to participate in disaster relief in Zhengzhou city. They continuously fought for several days and travelled back and forth among seven supply distribution centers with a total distance of more than 300 kilometers. Meanwhile, the Business Department of Zhengzhou Branch continued to open up green channels, gave priorities to ensure effective disbursement of social security funds, and made over 126 thousand disbursement in total, fully supporting people's well-being and the normal operation of comprehensive social services.



► Case

Xining Branch conducts relief work in earthquake-hit Maduo County

In May 2021, an earthquake of magnitude 7.4 occurred in Maduo County, Guoluo Tibetan Autonomous Prefecture in northwest China's Qinghai Province. The disaster affected nearly 32,400 people. After the earthquake, Xining Branch of China Minsheng Bank immediately contacted relevant departments of Maduo County, and completed the mobilization of relief materials such as clothing, protective equipments, and food within 24 hours, alleviating the shortage of supplies after the disaster.

▼ Case

Shaoxing Branch conducts disaster relief work with financial services

In July 2021, Typhoon "In-Fa" landed in Shaoxing, east China's Zhejiang Province. Shaoxing Branch of China Minsheng Bank attached great importance to the post-disaster requirements from local enterprises, actively clarified responsibilities, detailed work assignments, implemented responsibilities, immediately arranged thorough screening of credit customers who might be affected within its jurisdiction, understood the impact left by "In-Fa" on production and operation and temporary financing demands of enterprises, and supported enterprises suffered with, among others, green channel service and fee reduction, to help them resume work and production.



2. Facilitating pandemic prevention and control, guaranteeing financial services

The prevention and control of COVID-19 is still in severe situation worldwide at present. In the face of pandemic resurgence, we have standardized emergency management, worked hard on resource coordination, and supported the anti-pandemic frontline by practical actions. At the same time, our employees have actively participated in pandemic prevention and control by carrying out volunteer service activities, such as sterilization for pandemic prevention and control, publicity of pandemic prevention and control knowledge, health status registration, temperature check, distribution of materials, and so on, to fight against the pandemic at the front and unite as one to overcome difficulties.

We have taken multiple measures to fight against the pandemic and provided non-stop and efficient support to operation and services. In response to the pandemic crisis, we leveraged the advantage of centralized operation of backup centers in multiple locations to guarantee the stability of our business operations and customer services. For needs of customers in some severely affected areas, we adopted prioritized responding mechanism by providing “green channel” services. The innovative service model of cross-regional collaborative operation, such as cloud operation, has strongly supported customers’ pandemic prevention and control, and their resumption of work and production.



▼ Case

Xi'an Branch intensifies support to the fight against the pandemic

In December 2021, the menacing COVID-19 outbreak disrupted people's daily life in Xi'an, northwest China's Shaanxi Province. Xi'an Branch of China Minsheng Bank made rapid response to establish an anti-pandemic agile team and quickly found out the shortage of anti-pandemic supplies and cold-resistant materials encountered by the front line. The team made timely selection of anti-pandemic and living materials, actively coordinated the purchase, delivery, and inventory of the materials, and finally delivered the donated anti-pandemic supplies and cold-resistant materials, such as fan heaters, warm pastes, electric warmers, and so on, together with living supplies to the front line, bringing warmth and care to the anti-pandemic fighters and delivering China Minsheng Bank's love to them.



We have introduced a number of innovative solutions to provide financial service guarantee during the pandemic. On the premise of effectively guaranteeing customers' and employees' health and safety, we firmly ensured non-stop financial services and strived to provide safe, convenient, and considerate financial services to customers, contributing our strength in maintaining local financial stability and economic development.

▼ Case

China Minsheng Bank provides special FTP support to help pandemic prevention and control

There was pandemic outbreak in many regions across China in 2021. China Minsheng Bank sorted out the key points of pandemic prevention and control, guaranteed corporate customers' financing demands, provided special FTP support to reduce corporate financing costs and assist anti-pandemic donation. In addition, for the special accounts opened for pandemic prevention and control in the Bank by enterprises, the Bank waived account opening fee and management fee for corporate accounts. For any enterprise that made donation to anti-pandemic special account through the Bank or remitted any special anti-pandemic funds via the Bank, service charges were exempted.

▼ Case

Quanzhou Branch puts customers first and safeguards financial services

During the pandemic, Quanzhou Branch of China Minsheng Bank made reasonable arrangement of service time at business outlets and scheduled disinfection off peak hours. The Branch guided customers to process businesses on self-service equipment or by online channels to reduce cluster risk at the outlets. The Branch actively promoted the business of “Direct Access to Credit” to ensure timely response to the credit demands from micro, small, and medium-sized enterprises, and opened up green channels to actively meet the financial demands of anti-pandemic enterprises and personnel, and satisfy their credit demands as soon as possible. These heart-warming measures effectively guaranteed customers' safety as well as their rights and interests, and were widely recognized by customers.



1.

Enhancing Business Foundations and Serving National Strategies

- 1.1 Serving the Real Economy
- 1.2 Focusing on Major Areas
- 1.3 Supporting Key Sectors
- 1.4 Building a Better Life
- 1.5 Supporting Belt and Road Initiative

China Minsheng Bank is committed to serving the overall situation of China's economic and social development, actively implements national strategies, and makes decisions and plans focusing on serving the real economy, facilitating regional coordination, and supporting key areas and the Belt and Road Initiative. The Bank grounds its efforts in the new development stage, implements the new development concept, deploys new development pattern, and gives full play to the strength of financial industry, contributing to the high-quality development during the 14th Five-Year Plan period.

1.1 Serving the Real Economy

1.1.1 Focusing on NSOEs

China Minsheng Bank spares no effort to support the development of NSOEs. A multi-level financial service system covering micro and small-sized enterprises, small and medium-sized enterprises, and medium and large-sized enterprises, as well as eco-chain enterprises, has been established through conducting product innovation, model exploration, classified management, and by offering integrated services. The Bank focuses on establishing partnerships featuring win-win results and common development with all NSOEs, and constantly improves the professional service capabilities for them. The Bank takes practical actions to fulfill its social responsibilities, and facilitate the NSOEs to achieve steady and sustainable development.

• Case •

China Minsheng Bank signs strategic cooperation agreement with a large e-commerce platform

In November 2021, China Minsheng Bank signed a strategic cooperation agreement with a large e-commerce company. According to the agreement, the Bank will provide customized and integrated services for the latter, which include credit support for key business segments, supply chain financing, liquidity management, inclusive finance, personal finance, rural revitalization, and green finance, as well as other “grand corporate business” and “grand retail business”, aiming at satisfying the multi-level and diversified financial demands of the customer. The Bank and the e-commerce company will jointly build an open, shared digital and intelligent cooperation platform, and explore to the creation of a new model for cooperation and development which features “science and technology + finance”, so as to better serve the high-quality development of the Chinese economy.

• Case •

Hohhot Branch enhances support for energy security

Since 2021, to address the issue of electricity and energy supply, the Hohhot Branch of China Minsheng Bank kept closely in step with the “Warm Winter, Sunny Spring” initiative launched by the Head Office, strived to provide financial support for energy and electric power enterprises. After learning the M&A strategic arrangements of a strategic customer, the Branch established a working group for promoting major projects immediately, and conducted on-site due diligence tours to the enterprise in a timely manner. With several rounds of negotiations with the customer on the service plan, the Branch completed the examination and approval of the loan application in one week. The origination of the M&A loans solved the pressing needs of the enterprise.



China Minsheng Bank has made special efforts to achieve breakthroughs in key areas such as the online business and corporate credit business for micro and small-sized enterprises, launched the four product systems of “Shang Dai Tong”, “Gong Dai Tong”, “Nong Dai Tong”, and “Wang Dai Tong”, and constructed the “1+4” brand system for small business, which covered the main brand of “Minsheng Small Business” and the sub-brands of the four product systems of the “Tong” series, aiming at building a new and unique service model for small business finance. During the reporting period, the balance of inclusive loans to micro and small-sized enterprises reached RMB504.815 billion, and the cumulative amount of inclusive loans to micro and small-sized enterprises reached RMB570.529 billion.

• Case •

Shantou Branch enhances small business finance services to support the real economy

Shantou Branch of China Minsheng Bank resolutely implemented the small business strategy, constantly explored the sustainable development model of small business finance, and continuously launched new and upgraded products based on the product of “Shang Dai Tong”, and released the value-added loan, high priced mortgage loan, large credit loan, and other loan products in accordance with the credit scores and settlement results of customers, persistently enriching financing product system. At the same time, the Branch vigorously promoted loan renewal without repaying principals for micro and small-sized enterprises and implemented other new measures relating to fee reductions to reduce the burdens of customers. The Branch also established a professional and effective customer manager team for small business customers, so as to improve its capabilities of serving those customers in an all-around way.

• Case •

Qingdao Branch promotes application of “Xiao Wei Bao” of mobile banking

Being keenly aware of the changes of financing demands of micro and small-sized enterprises, the Qingdao Branch of China Minsheng Bank intensified efforts to promote the application of “micro business loan” through the mobile app “Xiao Wei Bao.” The Branch allocated product portfolios according to risk ratings and in a reasonable manner, providing credit loan products such as “Tax-Based Online Loan” and “Value-Added Loan” for small business customers. Those products met the financing demands characterized by small amount, high frequency and mortgage free of inclusive finance customers. At the same time, the Branch actively expanded the service scope for micro and small-sized enterprises, and took initiative to provide medium and long-term credit loans, flexible repayment, and other financing services for high-quality customers.

• Case •

1.1.2 Providing Strong Support for Micro, Small and Medium-Sized Enterprises

China Minsheng Bank explores and innovates the business model with small and medium-sized enterprises (SMEs), and promotes the “Joint Hands Plan”, “SME Credit Plan”, and “Sparks Plan.” The Bank has constantly developed the demand scenarios of industrial park-located SMEs, explored and optimized the integrated service model for industrial parks, and fully improved the depth and breadth of the service for industrial park-located SMEs. The Bank has launched basic product packages for the full life cycle of micro, small and medium-sized enterprises, and continuously improved the financial service experience of micro, small and medium-sized enterprises through science and technology empowerment.

Wuhan Branch solves the “last mile” problems of small business finance services

The Wuhan Branch of China Minsheng Bank gave full play to its strength of small business finance services, and took the financial demands of micro and small-sized enterprises into full consideration, striving to solve the “last mile” problems of small business finance services. The Branch insisted on carrying out publicity activities at commercial circles, markets, commerce associations, industrial parks, and communities, providing considerate financial services for micro and small-sized enterprises. In addition, the Branch further alleviated burdens of micro and small-sized enterprises through reduction of fees and charges, thus improved the integrated service capabilities of small business finance.

1.1.3 Optimizing Supply Chain Finance

China Minsheng Bank has taken initiative to deploy supply chain finance, launched a series products under the brand of “Minsheng E Chains”, which took digital, ecosystem-oriented and online operation as the connotations, focused on the iterative upgrading of “E-Credit Finance” and “E-Bills Finance” and the end-to-end process optimization and reconstruction of “E-Procurement” and “E-Credit Sale”, aiming at offering differentiated and customized services to the enterprises along the industry chains. At the same time, the Bank has constantly improved the service level of supply chain finance through online and digital channels, enhanced the financing accessibility of small business customers, and reduced their financing costs. In 2021, China Minsheng Bank served a total of 30,768 micro, small and medium-sized enterprises at the upstream and downstream industry chains of core enterprises, up 105% from the beginning of the year.

• Case •

Zhengzhou Branch realizes fully automatic lending of “Minsheng Credit E Chains – E-Credit Finance” business

“Minsheng Credit E Chains – E-Credit Finance” is the first whole process online and automatic supply chain finance product for corporate business launched by the Zhengzhou Branch of China Minsheng Bank. The upstream suppliers who hold the “Minsheng Credit” e-credit certificate can realize online contract signing and financing initiation without separate examination and approval. After receiving the financing application submitted by suppliers, the system of the Branch can complete the automatic loan origination with intelligent review. The “Minsheng Credit E Chains – E-Credit Finance” effectively leverages the idle credit lines of high-quality customers, and solves their upstream suppliers’ financing demands featuring small amount, cross-location and high frequency.



• Case •

Urumqi Branch provides integrated financial services for supply chain customers

Centering on the settlement and financing scenarios of core enterprises in Xinjiang Uygur Autonomous Region, the Urumqi Branch of China Minsheng Bank took active measures to support the upstream and downstream micro, small and medium-sized enterprises along the supply chain, committing to providing settlement and financing services for supply chain customers. In 2021, the Branch vigorously promoted the development of supply chain finance, handled 31 transactions relating to supply chain finance, with a total amount of RMB140 million, and developed 21 upstream and downstream customers. At the same time, the Branch energetically fostered online business with fintech. Through the credit transmission of core enterprises, the Branch not only provided more convenient financial services for upstream and downstream micro, small and medium-sized enterprises, but also reduced their financing costs.

1.2 Serving Major Areas

China Minsheng Bank has taken initiatives to implement the national development plans for major areas, deepened the understanding of the strategies for serving national and regional development, and focused on the construction of major national strategic regions such as Beijing-Tianjin-Hebei region, Yangtze River Delta, Guangdong-Hong Kong-Macao Greater Bay Area, and Chengdu-Chongqing Economic Circle. The Bank has also formulated operation strategies and implementation plans, and established a set of supporting mechanisms, sparing no effort to support high-quality and coordinated development of those major areas and regions.

• Case •

China Minsheng Bank launches “Yangtze River Delta Exclusive Card”

On August 26, 2021, China Minsheng Bank held a grand launch ceremony for the “Yangtze River Delta Exclusive Card” in Shanghai. Taking the “Yangtze River Delta Exclusive Card” as the carrier, the Bank released three major upgraded services aiming at urban integration, high quality of life and customer journey for customers in the delta area, launched services for better medical care, travel, accommodation and entertainment, and made contributions to continuously promote the development of digital finance and industrial integration.



• Case •

Hong Kong Branch becomes one of the first operators of “Cross-Border Wealth Management Connect” business

China Minsheng Bank participated in the financial development of Guangdong-Hong Kong-Macao Greater Bay Area in a deep-going way, and launched the business platform of “Cross-Border Wealth Management Connect”, which included a comprehensive product system comprising Northbound Connect and Southbound Connect. The Bank also matched it with convenient online fund management platform and high-level professional service teams. On October 18, 2021, the Bank obtained the approval from the regulatory authorities of Guangzhou, Shenzhen and Hong Kong, becoming one of the first batch of banks to operate the “Cross-Border Wealth Management Connect” business. The first transaction of the Southbound Connect business was conducted successfully in the morning of October 19.

1.3 Supporting Key Sectors

China Minsheng Bank has constantly increased investment in new high-tech enterprises, strategic emerging industries, foundational industrial infrastructure upgrading, and other key sectors, persistently improved long-term mechanisms and supporting credit policies to foster the development of manufacturing industry, and focused on the development of advanced manufacturing industrial clusters, industrial parks, and leading manufacturing enterprises. In 2021, China Minsheng Bank conducted the “Park Tours” theme activity, and launched seven major product systems under the umbrella of “E-Parks”, constantly improving the service quality for the essential customers. In 2021, the balance of loans of the Bank to the manufacturing industry reached RMB409.691 billion, increasing RMB61.741 billion, or 17.74%, from the beginning of the year, of which, the balance of medium and long-term loans reached RMB165.378 billion, increasing RMB34.359 billion, or 26.22% from the beginning of the year.

• Case •

Suzhou Branch enhances efforts to support emerging industries

In 2021, the Suzhou Branch of China Minsheng Bank launched the industrial park tours activity themed “E-Parks with Minsheng Bank” to support the development of the park-located emerging industries. Through professional product systems, dedicated marketing, specialized resource allocation, and integrated service solutions of “one park on policy”, the Branch comprehensively deepened the financial services for industrial parks and the enterprises there, contributing the power of Minsheng to the transformation and upgrading of regional industries.



• Case •

Shenzhen Branch supports the “dedicated, refined, distinctive and innovative” enterprises

To meet the demands of the micro, small and medium-sized new high-tech enterprises, the sci-tech innovation enterprises, and the “dedicated, refined, distinctive and innovative” enterprises for credit loan financing, the Shenzhen Branch of China Minsheng Bank launched guaranteed loans by National Guarantee Fund, providing “Sci-Tech Innovation Loan” product to high-tech enterprises with independent intellectual property rights, stronger innovation capabilities, and higher sci-tech level. The amount of credit lines of the “Sci-Tech Innovation Loan” has reached RMB1.045 billion cumulatively so far.

China Minsheng Bank has continuously enhanced efforts to support the construction of new infrastructure, green infrastructure, and traditional infrastructure. Under the premise of real background and closed-loop fund management, the Bank has provided credit support for infrastructure construction in a timely manner, facilitating the building of a modern infrastructure system that is complete, efficient and practical, smart and green, as well as safe and reliable. Those efforts have promoted stable progress of the society, constantly improved people’s livelihood, and fostered economic development.



• Case •

Shanghai FTZ Branch undertakes digital “new infrastructure” project

In 2021, the Shanghai FTZ Branch of China Minsheng Bank undertook the Bank’s first Internet data center M&A project in terms of digital “new infrastructure.” The project, which integrated land use and energy consumption indicators, actively responded to the national green credit policy and the new infrastructure strategy, achieving a significant stimulating effect on the development of infrastructure and telecommunication equipment industry.

1.4 Building a Better Life

China Minsheng Bank insists on putting people first and serving the people’s livelihood, striving to satisfy the people’s growing needs for a better life. The Bank has reorganized the business structure of retail finance, developed financial and non-financial beneficial product packages that are appropriate to financial assets and benefit levels, took retail finance as a long-term and fundamental strategic business, and constantly enhanced the service capabilities of retail finance, so as to meet the “financial + non-financial” diversified demands of customers.

Differentiated Post-Loan Management

China Minsheng Bank has implemented differentiated post-loan management system, and classified retail customers with the integrated approach of “automatic system identification” and “active manual identification.” Based on the full consideration of customers’ financial service demands, the Bank has implemented differentiated post-loan management strategies, optimized business process, and adopted diversified service models for customers at various levels. The Bank has also applied the customer classification into featured exclusive services, regular customer care and other aspects, striving to provide high-quality and efficient integrated financial services for customers.

“Minsheng Easy Loan” Business

China Minsheng Bank has launched the “Minsheng Easy Loan” consumer finance business, aiming at providing customers with convenient and efficient household consumption “reserve fund” product, which also features low interest rates. The Bank has made customized strategies for customers of different types and occupations. Whitelist was formed through data mining, and accurate online access was achieved for active credit granting, so as to improve the accessibility of financial services. In 2021, the “Minsheng Easy Loan” cumulatively offered RMB16.2 billion consumer loans to nearly 70 thousand employees from institutions with excellent credit records.

“Minsheng Butler” Integrated Platform

Centering on the actual demands of customers in daily life, the Credit Card Center of China Minsheng Bank has taken initiative to integrate payment scenarios, improved payment platforms, constructed the integrated platform of “Minsheng Butler” independently, supported rapid access to payment scenarios and channels of customers, and provided merchants with unified and efficient operation management. So far, the scenarios and channels of the “Minsheng Butler” platform have covered hundreds of cities across China, and the payment services have covered public utilities, transport, health care, entertainment, and other areas closely related to people’s lives. Personalized and convenient payment experience for customers thus has been achieved.



1.5 Supporting Belt and Road Initiative

China Minsheng Bank has continuously intensified efforts to support the infrastructure construction of the countries and regions along the Belt and Road, as well as the international finance business. The Bank has served the “going global” projects in a deep-going way, actively conducted innovation in financing approaches, optimized business layout, facilitated to the building of industrial, value and logistics chains connecting countries and regions along the Belt and Road, contributing to the effective implementation of the initiative.

China Minsheng Bank has constantly implemented the measures to facilitate international settlement, and formulated detailed rules for foreign exchange facilitation, striving to provide efficient and high-quality cross-border services for customers. Meanwhile, the Bank has responded to the initiative for internationalization of RMB, and offered low-cost overseas RMB funds to customers, facilitating the overseas layout of Chinese enterprises. In 2021, China Minsheng Bank handled tax and fee payments and cross-border remittance amounting to RMB55.2 billion for import and export enterprises through the platform of China International Trade Single Window.

• Case

Shanghai FTZ Branch intensifies efforts to support Belt and Road Initiative

The Shanghai FTZ Branch of China Minsheng Bank insisted on conducting innovation in products and services, and spared no effort to support the “going global” strategy of Chinese enterprises and the Belt and Road Initiative. Taking full consideration of the actual situation of the projects and the characteristics of overseas financing market, the Branch used export credit, overseas investment loans, syndicated loans and other models to offer “one account one policy” solutions to customers in accordance with the characteristics of the countries and regions, the industry, entity, and business models of the projects. Coordinating with the Beijing Branch, Hangzhou Branch, Suzhou Branch, Xiamen Branch and other branches, the Shanghai FTZ Branch supported the business layout of a number of enterprises in the countries and regions along the Belt and Road, contributing to the economic development of those countries and regions.





2. Enhancing Compliance Management and Strengthening Risk Control

China Minsheng Bank strictly abides by relevant national laws and regulations, attaches importance to high-quality corporate governance, insists on the guidance of Party building, effectively promotes the in-depth integration of Party's leadership and corporate governance, strives to build core competitiveness of compliant operation, and constantly enhances risk management capabilities, continuously advancing the sound, scientific and efficient corporate governance to a new level.

- 2.1 Improving Corporate Governance
- 2.2 Enhancing Risk Prevention and Control
- 2.3 Strengthening Social Responsibility Management



2.1 Improving Corporate Governance

2.1.1 Board of Directors and Board of Supervisors Governance

China Minsheng Bank has clearly specified the division of responsibilities of the shareholders' general meeting, the board of directors, the board of supervisors, and the management, and built a complete corporate governance structure. The Bank also clarifies that the shareholders' general meeting is the Bank's supreme authority, the board of directors is the core decision-making body, the board of supervisors is the core supervisory body, and the management is responsible for daily operation and management, all of which always follow the provisions of laws and regulations, as well as the Articles of Association, and exercise their rights and perform their duties under the principles of well-defined powers and responsibilities, effective check-and-balance, coordinated operation and independence.

In 2021, the board of directors of China Minsheng Bank consisted of 18 members, including nine shareholder directors, six independent directors, and three executive directors. The number of independent non-executive directors accounted for more than a third of board members, ensuring the scientific decision-making of the board of directors. Strictly abiding by the relevant rules and regulations of the CBIRC and the *Articles of Association*, the independent directors of the Bank gained insight into the operation and management of the Bank, as well as its internal control and risk management, and offered their opinions and recommendations actively.

2.1.2 Communication with Shareholders

China Minsheng Bank actively conducts exchanges and communication with investors through "online + offline" channels to guarantee the rights of shareholders, especially minority shareholders, to express their opinions and appeals. In 2021, the Bank actively conducted online and offline communication activities with investors, launched a new hotline for investors, and participated in the "2021 Meeting Day for Investors of Listed Companies in Beijing." During the reporting period, the Bank actively organized offline exchange activities with investors, received and visited investors more than ten times, participated in more than 30 large investment strategy conferences held by domestic and overseas investment banks or securities firms, and joint investigation and research activities held by large domestic and overseas institutions. During those activities, the Bank interacted with over 300 investors and analysts, fully communicating business trends and positively responding to market concerns.

China Minsheng Bank strictly abides by the domestic and overseas securities regulations, as well as the laws and regulations relating to information disclosure, and discloses all material information in a truthful, accurate, complete, timely and fair manner. The Bank has constantly enhanced information disclosure management, and improved the quality of information disclosure. During the reporting period, the Bank has released four regular reports and 76 interim announcements on the Shanghai Stock Exchange, and 129 information disclosure documents both in Chinese and English on the Hong Kong Stock Exchange.



2.2 Enhancing Risk Prevention and Control

2.2.1 Optimizing Risk Management System

Following the risk culture which emphasizes "soundness, prudence, comprehensiveness and activeness", China Minsheng Bank keeps improving its total risk management system to ensure it covers all institutions, all lines of business, whole process and all kinds of risks. The Bank has established a well-designed risk management structure that is complete with an operation mechanism of clearly-defined duties and mutual checks and balances, and has set up the "three defense lines" for total risk management and defined their scopes and duties, in an aim to put in place whole process and full coverage risk management. At the same time, the Bank keeps improving its risk preference, strategies and limit systems, and has established its three-layer management system for risk preference, strategies and policies. The Bank launched the industry limit management system, and has gradually realized computer control management. It also improved risk management policies and procedures, enhanced professional and refined management of main risk categories, and strengthened the prevention and control of emerging risks.

China Minsheng Bank keeps intensifying key steps of risk management, optimizing policy management mechanism and promoting the establishment of financial instruments system. The Bank carries out risk management reporting and improves the risk management system and the quality of data, completes the smart risk control system across the organization, intensifies data governance and promotes risk data aggregation. In addition, the Bank optimizes risk management talents and teams, enhances employees' awareness of risk management responsibilities, in an aim to improve professional level of risk management personnel.

During the reporting period, through various methods such as offline training, online live classes, intensive classes and case analysis, the Bank has held a total of 1,978 trainings on risk management concerning, among others, risk strategies, Basel III implementation, credit system reform, green finance, compliance risks, legal education, and asset recovery and disposal, with more than 190 thousand attendances, which improved the professional level of risk management of the whole bank.



2.2.2 Strengthening Risk Management in Key Areas

China Minsheng Bank keeps strengthening risk control in key areas to improve risk identification, monitoring and control capabilities. As one of the first batch of domestic systemically important banks in China, the Bank has met the requirements for capital adequacy ratio in different tiers stipulated under the *Additional Supervisory Regulations on Systemically Important Banks (Trial)* in 2021. Paying close attention to the optimization of asset and liability structure, the Bank continuously strengthens whole process risk management and control and implements credit risk management and control covering all steps from due diligence, compliance review, credit approval, contract management, funds payment to post-loan management. The Bank, devoted to promoting the reform of credit approval system and mechanism for corporate customers, adopts the new approval mode of "one review and one approval" and has set up a dedicated approval team to improve the quality and efficiency of review and approval. During the reporting period, the Bank has strictly conducted the assessment and review of environmental, social and governance risks, strictly controlled credit granting to and industries with high energy consumption, high pollution and overcapacity, and high carbon emission industries, and adopted the "one vote veto" system for customers or projects involved in violations of environmental protection.

2.2.3 Conducting Legal and Compliant Management

Putting the concept of “compliance operation is the core competitiveness” into practice, China Minsheng Bank kept promoting the establishment of internal control and compliance mechanisms, and carried out the “Internal Control and Compliance Management Year” activity to improve the long-term internal control and compliance management mechanism. To reshape the compliance management policy system, the Bank established four mechanisms, including the management of incorporating external rules into internal rules, management and control of rule-making process, compliance review of rules, and feedback on rule implementation. The Bank also set up a rule system featuring three-layer power hierarchy and four-class content classification, and completed the special screening, establishment, amendment to and abolishment of rules “over five years and two years”. In addition, the Bank continuously improved accountability identification system by releasing due diligence and liability exemption management measures and the relevant detailed rules in key areas. The Bank optimized compliance examination and rectification mechanism, and implemented special examinations on internal control and compliance. The Bank also promoted the digital transformation of compliance system by establishing smart anti-money laundering system and improving off-site inspection system for internal control and compliance.

China Minsheng Bank fully strengthened the compliance management and control of employees’ behaviors by issuing 150 prohibitions on employee behaviors, exploring to build a three-dimensional case prevention system and promoting grid-based employee management system. In addition, the Bank carried out special campaigns to address employee behavior management, monitored abnormal behaviors on a regular basis, intensified accountability for violations, and gradually formed a tough stance of “full coverage, zero restricted areas and zero tolerance”. The Bank continued to cultivate compliance culture and held 2,360 compliance trainings across the organization in total, with 159,578 attendances.



1

Anti-Money Laundering Risk Prevention

Keeping closely up with regulators, China Minsheng Bank strengthened internal control system for anti-money laundering (AML), accelerated IT empowerment on AML, consolidated AML foundations, in a bid to further improve internal control mechanism for AML. The Bank improved AML management rules and promoted to include money laundering risk into total risk management, and formulated and elaborated AML due diligence lists for institutions at all levels. The Bank continuously optimized the money laundering risk assessment system for its institutions, products and customers, and enriched the identification and testing rules for suspicious transactions to improve the quality and efficiency of examination, assessment and management. The Bank promoted AML examinations and the rectification of issues identified across the organization in a orderly manner, strengthened the identification of money laundering risks through the accounts of employees and effectively solved compliance issues. The Bank continued to improve joint money laundering risk control mechanism, promoted online assistance/investigation, and enhanced the application of smart AML technologies. The Bank carried out topic and case studies on money laundering risk, issued warnings for all kinds of money laundering risks and business risks, and hosted campaigns such as AML publicity month and AML knowledge competitions, which attracted more than 18 million attendances of the public and improved the public awareness of AML. In 2021, the Bank held 6,313 AML trainings in total, with more than 300 thousand attendances.

2

Business Ethics and Anti-Corruption

Sticking to that all staff “dare not, cannot and will not” to commit corruption, China Minsheng Bank strengthened the supervision on business ethics, gave full play to the duties of the discipline inspection commission and the accountability commission, and firmly deepened fight against financial corruption. The Bank continued to enhance anti-corruption education by various means, such as corruption cases warning education themed meetings, and collective watching of warning films, to educate staff with real cases, and to draw lessons from them for the purpose of “identifying problems, addressing warnings, curbing corruption and promoting development”. The Bank intensified self-supervision, kept the channels for letters and visits and tip-offs clear, received complaints according to applicable regulations and disciplines. It prohibited leak of information of informers in accordance with the confidentiality rules, and gave play to the supervision function of employees. In 2021, the Bank held 602 in-depth anti-corruption trainings, with 52,716 attendances.

2.2.4 Tackling Climate Change Risks

Putting climate risk management into total risk management system, China Minsheng Bank strengthened climate risk analysis, set up climate risk stress test mechanism, and conducted sensitivity stress testing of high carbon emission industries against climate risks to evaluate the impacts of climate change. In 2021, the Bank participated in the climate risk stress testing organized by the PBOC to assess the potential impacts of the transformation to reach carbon peaking and carbon neutrality goals on credit assets.

The testing focused on the Bank's corporate customers from the thermal power, steel and cement sectors with annual emission of over 26 thousand tons of CO₂ and equivalent. Three levels of stress scenarios, namely light, moderate and heavy, were set up in reference to the carbon price changes in the carbon trading market in China and the carbon price scenarios of the Network for Greening the Financial System (NGFS) by the central bank and the regulatory authorities. The testing results showed that the repayment capabilities of all the three customers would go down by some degrees under the stress scenarios, but the risks would be controllable as a whole.

2.3 Strengthening Social Responsibility Management

2.3.1 Sustainable Development Management

Social Responsibility Concept

1

China Minsheng Bank has fully integrated into and served national strategies, and earnestly implemented the requirements of regulatory policies. Insisting on the mission of "Serving the Public, Caring about people's Livelihood", and focusing on the strategic positioning of being "a bank for the NSOEs, an agile and open bank, and a bank with considerate services", the Bank has constantly deepened reform of systems and mechanisms, strengthened the banking cultural concept, and promoted economic development, social progress and environmental improvement with responsible financial services, and strove to create social value.



Social Responsibility System

2

China Minsheng Bank is committed to establishing a high-quality ESG management system, constantly improving the ESG governance structure, and enhancing the ESG management level. The board of directors of the Bank deliberated on the ESG reports on a regular basis, conducted research and discussion on ESG matters, and guided and supervised the management to carry out relevant ESG works. The board of directors has established the strategic development and consumer rights protection committee, which is responsible for deliberating matters relating to the performance of social responsibilities in the aspects of economy, environment, social welfare undertakings, and so on, provides professional advice and suggestions to the board, focuses on the implementation of policies and plans, supervises implementation results, and assists the board to urge the management team to carry out ESG works. To fully implement the ESG works, the Bank has set up an ESG working group, and established a three-level work mechanism consisting of "decision-making level – management level – execution level". An ESG leading group was established with the chairman as the head and the president as the deputy head, so to an ESG working group consisting of relevant departments. Thus, the ESG works were managed and organized from three levels of overall planning, coordinated promotion, and implementation.

2.3.2 Material Issue Analysis

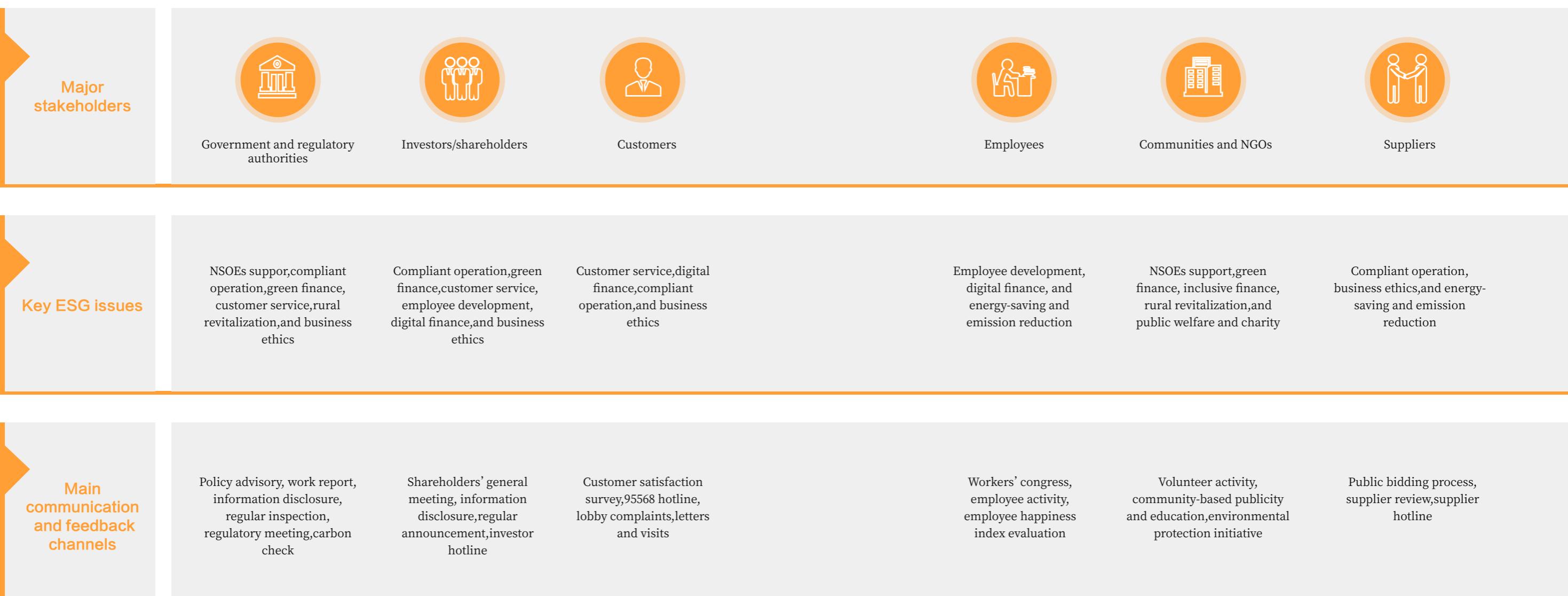
China Minsheng Bank integrated the ESG works into daily management in an all-around way, and conducted in-depth interpretation and analysis of macro policies and industrial development. Taking consideration of the concerns and suggestions of the board of directors, the management, employees, and key external stakeholders, the Bank identified and assessed 11 material ESG-related issues:

"NSOEs support", "inclusive finance", "compliant operation", "green finance", "customer service", "rural revitalization", "energy-saving and emission reduction", "business ethics", "employee development", "digital finance", "public welfare and charity"

2.3.3 Communication with Stakeholders

China Minsheng Bank has constantly improved the stakeholder management mechanism, and established regular communication mechanism to fully understand the demands and expectations of stakeholders and actively responded to their concerns.

Major stakeholders, key ESG issues and main communication and feedback channels





3.

Implementing Green Concept and Building a Beautiful Homeland

3.1 Developing Green Finance

3.2 Insisting on Green Development

China Minsheng Bank is dedicated to put the concept of green development into practice by promoting green finance, energy-saving and emission reduction, clean energy, low-carbon technology, and green lifestyle. At the same time, the Bank focuses on mitigating the impacts of operation on environment, and promoting green operation and improving energy efficiency, in hope of making the earth a better place where humans live in harmony with the nature.



3.1 Developing Green Finance

3.1.1 Focusing on Green Industry

China Minsheng Bank has made coordinated planning for the development direction and business layout of green finance at a strategic level. The Bank promotes the establishment of green finance and carbon management systems and the continuous improvement of credit policies for green finance, vigorously supports the development of six major industries including clean energy, clean production, energy-saving and environmental protection, green upgrading of infrastructure, ecological environment and green services. The Bank has launched tools supporting the reduction of carbon emissions in 23 sub-fields of three major fields of clean energy, energy-saving and environmental protection, and carbon reduction technologies, driving the stable growth of green and climate-related investments and financing.

As at the end of the reporting period, the balance of green financing of China Minsheng Bank reached RMB140.338 billion. The balance of green credit reached RMB107.317 billion, up 103.76% year-on-year, among which the amount of loans in relation to addressing climate change was RMB88.878 billion, accounting for 82.82%. The environmental assessment compliance rate of the approved green credit assets of the Bank reached 100%.



Conversion amount of energy-saving and emission reduction of green credit

Indicators	2021	2020
Saving of standard coal equivalent (10 thousand tons)	96.99	43.24
Reduction of CO ₂ equivalent emission (10 thousand tons)	169.67	76.72
Reduction of SO ₂ (10 thousand tons) emission	3.36	2.86
Reduction of NO _x (10 thousand tons) emission	0.56	0.51

• Case • Fiscal and financial service alliance for green and low carbon industries established

In May 2021, Xiamen Branch of China Minsheng Bank successfully held a release conference themed “financial services and alliance for green and low carbon industries” in Xiamen, marking the official establishment of China’s first fiscal and financial service alliance for green and low carbon industry chains. The establishment of the alliance enables the effective connection between fiscal and financial policies concerning credit, equity investment, guarantee, trust, property right transaction and other fields that support the development of green and low-carbon industries, improves the efficiency of investments and financing in the industry, optimizes the relevant financial services system, and facilitates the transformation and upgrade of and win-win cooperation with enterprises in the green and low-carbon industries, spurring the high quality development of green economy.



3.1.2 Innovating Green Products

China Minsheng Bank keeps innovating green products and optimizing green financial services system. Focusing on the goals of “carbon peaking and carbon neutrality” and aiming at developing clean energy, energy-saving and emission reduction, low-carbon technologies, carbon trading and other businesses, it has launched four major green products for “investment, financing, industry chains and operation”, to establish the green financial products system for the achievement of the goals.

For individual customers, China Minsheng Bank has developed and launched green mortgages, green consumer loans, low-carbon credit card, green wealth management and other products to meet the customers’ needs for purchasing green and energy efficient buildings, new energy vehicles and other green lifestyles. For corporate customers, the Bank has developed the innovative “China Minsheng Bank ESG Index Series” and launched the first ESG-themed green structured deposit product, which took comprehensive consideration on the economic returns and environmental benefits generated or to be generated by the relevant enterprises or projects.

• Case •

Shanghai Branch launches first equity-based carbon neutrality-themed index structured deposit product

In December 2021, Shanghai Branch of China Minsheng Bank launched the first equity-based carbon neutrality-themed index structured deposit product in China. It was a carbon neutrality strategies index developed independently by the Bank based on SSI.995035. It not only added a new innovative linked subject matter for the structured deposit products across the Bank, but also helped the strategic customers at the Head Office level explore the application scenarios of carbon neutrality index.



• Case •

China Minsheng Bank underwrites China's first carbon neutrality bonds

In September 2021, the NSOE's carbon neutrality green debt financing instrument underwritten by China Minsheng Bank, the first of its kind in China, was issued successfully, which marked another breakthrough made by the Bank. All the funds raised were to be used for project in relation to industrial low-carbon transformation, in hope of facilitating the transformation, upgrading and sustainable development of enterprises.

• Case •

China Minsheng Bank underwrites first sustainability-linked bonds

On June 11, 2021, the first sustainability-linked bonds underwritten by China Minsheng Bank in Anhui Province were successfully issued in the inter-bank market, becoming another new innovative green product launched by the Bank following green asset-backed notes and green financial bonds.



• Case •

Carbon neutrality bonds issued to support building of green transport

China Minsheng Bank issued earmarked green asset-backed bills (or carbon neutrality bonds) customized for a bus operating company in Jiangxi Province. The 318 buses in operation included in the underlying assets of this issuance were all electric new energy buses, with an annual passenger capacity of 40 million. The underlying assets of the above carbon neutrality bonds can save 23,434 tons of standard coal and reduce the emission of CO₂ by 61,865 tons each year.



• Case •

Wenzhou Branch launches “Photovoltaic Loan” business

The “Photovoltaic Loan”, a sub-brand of the “carbon peaking and carbon neutrality” products launched by China Minsheng Bank, was intended to offer convenient loan services to farmers and solve their financial problems in installing photovoltaic equipment. To promote the “Photovoltaic Loan” services, Wenzhou Branch of China Minsheng Bank set up a special working team and after four months of continuous efforts, it launched the first PV loan for farmers under the core enterprise model for the Head Office, and became a substantial action of the Bank in facilitating local NSOEs to practice green and energy-saving, serving rural revitalization and promoting common prosperity.

3.1.3 Serving Carbon Market

China Minsheng Bank actively performs its social responsibility for low-carbon development, carries out in-depth research and practice in clean energy, and offers comprehensive financial products and services to trading members of the carbon market in China. The Bank has been following the trends in the carbon trading market in China and communicating with the stakeholders in the market since its opening. In July 2021, the Bank signed a strategic cooperation agreement on supporting the development of the national carbon market, and innovated and iterated green financial product system covering “Green investment Express, Green Finance Express, Green Industry Chain Express and Green Operation Express”. It enriched and improved carbon financial products, delivered all-around financial support to the carbon trading market in China and its member units, assisted major carbon-emitting enterprises in liquidizing their assets under carbon emission quota, facilitated the efficient and low-cost financing of customers, improved the financial attributes of carbon assets and gave play to the regulating function of the carbon market as a policy instrument for achieving “carbon peaking and carbon neutrality”.



• Case •

China Minsheng Bank connects to the national carbon trading registration and clearing system

On July 16, 2021, China officially launched its carbon trading market, and China Minsheng Bank successfully connected to the national carbon trading registration and clearing system by virtue of its spirit of innovation and professional services. It has made rounds of tests and optimization before the launch, providing strong support to the carbon trading and clearing across the country. The success of this project marked that the Bank has fully engaged in the new business pattern of “green finance”.

• Case •

China Minsheng Bank facilitates to activate carbon quota assets

On August 23, 2021, China Minsheng Bank issued guaranteed loans for carbon trading to several power generation companies affiliated to three central state-owned enterprises through the national carbon trading registration and clearing system, marking the first issuance of its kind in the market in China and an innovative attempt after the official launch of the carbon trading market.

Guiyang Branch of China Minsheng Bank, giving full play to its execution capacity and professional advantages, issued a secured loan with carbon rights as the collateral, the first of its kind in China, to a power generation company in Guizhou Province, allowing it to obtain low-cost financing of RMB28.17 million, which effectively relieved its cash flow pressure.

3.2 Insisting on Green Development

3.2.1 Green Operation

China Minsheng Bank has practiced the concept of green development, actively developed online service models, and pushed forward the green development of value chains by improving capabilities of digital products and services. The remote banking services offered by the Bank made multiple offline services available online, thus reduced unnecessary carbon emissions of customers in the process of transport and business handling, so as to effectively promote energy-saving and environmental protection while providing more convenient services to customers.

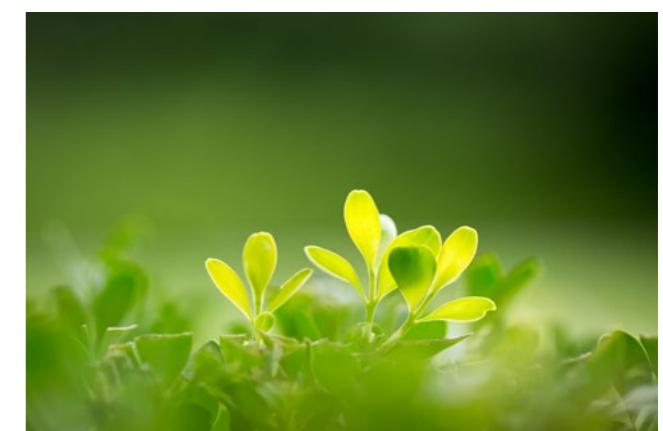
China Minsheng Bank has actively conducted green publicity and managed its publicity channels at all office areas in a green manner. It set up vertical electronic advertising screens at all institutions, business outlets and office areas to display internal publicity materials, including brand promotion videos, business promotion videos, posters, roll-ups and print advertisements, in an aim to promote a green and low-carbon lifestyle.



• Case •

Remote banking fosters green lifestyle

China Minsheng Bank kept upgrading its remote services and enriching its service scenarios to facilitate business handling by customers without leaving their homes through online services platforms, online products and online service promotion. At the same time, through new online service models including “Cloud Witness”, “Cloud Mortgage Express”, and “Cloud Account” customers can do online proceedings, such as business willingness confirmation, mortgages and pledges, and account opening applications. With these efforts, the Bank strove to push forward document digitalization and online review and approval of businesses to reduce waste of resources.



• Case •

E-document initiative boosts green development

China Minsheng Bank promoted document digitalization to enable online management and use of business records in different categories, greatly improved the efficiency of various tasks such as business expansion and internal and external inspections, and minimized the use of paper and business trips, facilitating the implementation of carbon peaking and carbon neutrality goals by the Bank.

3.2.2 Green Office

China Minsheng Bank has actively handled self-service equipment and other special assets, tightened the whole process management and control of its fixed assets in terms of purchase, use, storage, maintenance, allocation, inventory, disposal and recycling, aiming to extend the service life of the fixed assets through maintenance, increase their use efficiency and save resources. At the same time, the Bank actively saved electricity and water, and promoted paperless office and waste sorting. The Bank also emphasized on the education and publicity of ecological and environmental protection, and hosted trainings on environmental protection and energy-saving to improve its employees' environmental protection awareness.

• Case •

China Minsheng Bank implements energy-saving measures and strengthens control over disposal and recovery of fixed assets

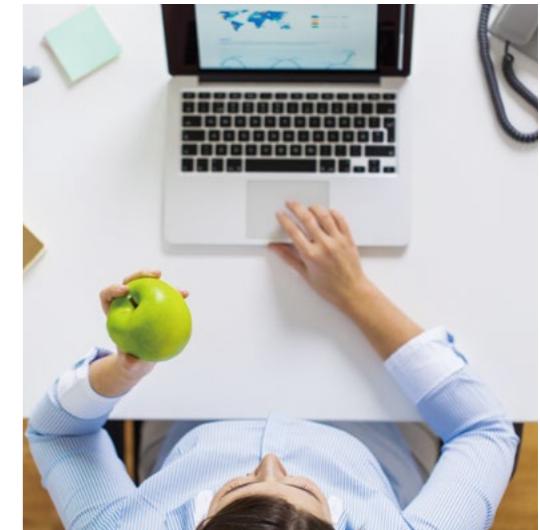
China Minsheng Bank replaced the high energy-consuming and outdated mechanical equipment at Xidan North Building, Hangnan Mansion, and Shunyi Base. To prevent the discarded equipment from being sold in other cities, it entrusted specialized companies to dismantle the replaced equipment and issue dismantling reports.



China Minsheng Bank not only pushes forward green operation by itself, but also helps its customers and partners reduce the impacts on environment by various means such as digital services. The Bank encouraged its partners to have online meetings to reduce the waste of resources and carbon emissions during transport. During the reporting period, the Bank had held 933 video conferences and the "Cloud Meeting" App was used for 5,972 times, which reduced its own use of resources and further promoted the concept of green development.

3.2.3 Green Procurement

China Minsheng Bank has put the concept of green procurement into practice. The Bank formulated various management rules, such as the *Administrative Measures on Centralized Procurement*, the *Administrative Measures on Suppliers*, and the *Administrative Measures on Bidding and Tendering*, to ensure normative and standardized supplier management. The review on suppliers covered all projects and suppliers of procurement of the Bank, and continuous supervision over supplier performance were in place. The Bank required that priority shall be given to energy saving and eco-friendly products on the same terms and conditions. In addition, the Bank clearly defined the conditions and standards for green and environmental protection, energy-saving certification, and environmental management system certification for procurement of engineering projects, sci-tech equipment, office furniture and supplies, printed materials, display screens and construction of outlets, in hope of leading its suppliers to perform social responsibilities for green development together.



3.2.4 Green Building

China Minsheng Bank has revised the *Guiding Principles for Decoration and Design of Office Areas of China Minsheng Bank*, added special chapters on prefabricated decoration and green buildings, guided project constructions on the basis of "people-oriented, long-term and low-carbon" green building philosophy, in an aim to minimize demolition, maximize reuse, accelerate construction and support renewal. The Shunyi phase II cloud computing & data center of the Bank has passed the Uptime Tier IV design certification and was rated two-star for green building design. In addition, the aluminate plates, stainless steel plates, luxury vinyl planks and tiles and other kinds of green materials which are hard, inorganic and environment compatible were used as main materials at the major functional areas in the office buildings and lobbies of the Bank to satisfy the requirements for "healthy, environment-friendly, safe, non-toxic or hazardous, fireproof and dust proof and degradable" conditions. The lighting equipment at lobbies, anterior chamber and public walkways adopted acousto-optic control system, time delayed switch, or area- and group-based intelligent control system, with energy-saving LED bulbs as the primary source of light.

Performance of green operation in 2021

Indicators	Consumption amount
Office water consumption (ton)	159,725
Office electricity consumption (kWh)	39,628,272
Natural gas (m³)	1,159,358
Gasoline (ton)	44.25
Diesel (ton)	0
Heat consumption (million kJ)	5,204

Note: The statistical scope covers seven office areas in Beijing.



4.

Accelerating Digital Transformation and Deploying Future Innovations

Digital transformation is critical to the long-term development of an enterprise. Taking systematic and all-around digital transformation as a new starting point for its future, China Minsheng Bank has prepared its digital finance strategy to speed up the development as an eco-bank and intelligent bank, and apply new technologies to all aspects of services and management, aiming to build into a digital bank with agile and efficient services, ultimate customer experience and value growth.

- 4.1 Developing Digital Finance
- 4.2 Safeguarding Digital Security

4.1 Developing Digital Finance

4.1.1 Strengthening Digital Foundation

China Minsheng Bank has prepared and promoted the implementation of the *Plan for the Strategic Development of Fintech*, and has established the Ecosystem Finance Department to lead the digital transformation, improve supporting capability of technology and data, and to turn banking technologies from production tool in supporting business development into the source power in driving business development and innovation.

Promoting the enterprise-level business system architecture, China Minsheng Bank has set up its integrated middle office platform for operation, and formed a platform-based IT system with “middle-tier business PaaS, middle-tier data PaaS, middle-tier AI PaaS” as the core. It has built and put into use a unified product pool management platform, which carried out full life cycle management of products and fostered data governance and application. In addition, the Bank kept inputting more resources in digital transformation, strengthened the building of talent teams and the relevant mechanisms, promoted the research on technologies such as AI, block chain, cloud computing, big data, and IoT+5G, aiming to provide solid support to the digital transformation.

4.1.2 Full-Scenario “Eco-Bank”

China Minsheng Bank has endeavored to building up an “eco-bank” covering full-scenarios. It has established four major innovation projects including supply chain data-based credit enhancement and financing, Minsheng Express Loan, Internet ecosystem loans and ecosystem finance operation platform, took the innovative form of agile project team to build up data-driven risk control strategies and models as well as relevant product processes, in an aim to fill up the vacancy of big data-based credit financing products of the Bank. At the same time, by adopting digital and standardized approval, the Bank simplified approval process and improved service efficiency, which facilitated the batch acquisition of and comprehensive service provision to micro and small-sized enterprises in different scenarios, thus to make financing more accessible to them and reduce their financing costs.



• Case •

China Minsheng Bank innovates open bank

China Minsheng Bank strove to expand open bank by innovating service models, building the brand of “Minsheng Cloud+”, carrying out integration, deconstruction and modularization of financial services, and taking various approaches, such as API services, H5, mini programs and ecosystem finance cloud, to opening its products and services, transactions and procedures, data and algorithm, in an aim to connect to the industrial ecosystem, foster ecosystem finance, continuously break the boundaries of channels, customers and services in traditional financial business, support its partners, improve financial service capabilities and enhance customer stickiness, while empowering its business development and achieving win-win development. In addition, the Bank has launched seven industrial service plans, such as “Cloud Agency Book Keeping” and “Cloud Enterprise Payment”, put into use the web portal of open bank, and implemented unified strategies in terms of service catalogue, identity verification, safety verification and risk control across the Bank, thus formed an efficient and agile model of open bank services based on the enterprise-level internet service platform.

4.1.3 Convenient Intelligent Bank

China Minsheng Bank has intensified the efforts to create a convenient intelligent banking system and a closed-loop management system for retail customer experience and digital operation of customer groups. The Bank improved the small business App, enriched online credit product system, and consolidated the foundation of online corporate business. In terms of risk management, the Bank has completed the overall planning of digital risk control system, and started the establishment of automatic assessment system for small business, in an aim to reduce potential risks through deep integration of technologies and businesses.

“Keyboard Bank” facilitates convenient financial services

In June 2021, China Minsheng Bank took the lead in the industry to launch the “Keyboard Bank” service model, which provided a series of financial services through text input methods on smart phones. With all the financial services of the Bank being integrated into every keyboard-using scenario of customers, it enabled customers to access services whenever they need and realize one-click skip to mobile banking.

• Case •

“Immersive” and “home-style” services

The smart bank experience store of Beijing Branch of China Minsheng Bank offers “immersive” and “home-style” models of experience. The “immersive” remote experience cabin provided in the store uses digital communication and multimedia technologies as well as LED walls to bring immersive audio-visual experience, easy operation and professional financial services, while the “home-style” experience cabin simulates cozy home living environment and uses 5G network to offer convenient financial service experience.

• Case •

Smart bank experience stores established successively

The first smart bank experience store of China Minsheng Bank has been running for more than one year in Zhongguancun, Beijing. Its daily average customer traffic in business days over the year increased by 52%, representing 124% of all outlets of Bank, and the daily average business volume increased by 79%. The “Intelligent Academy”, “Intelligent Financial Media Communication”, “Cross-Strait Forum on Technology Development” and other fintech events launched by China Minsheng Bank together with its strategic customers, sci-tech innovation companies and sci-tech forums had served as windows to show the integration of the Bank’s new sci-tech capabilities with financial services, and contributed to the maintenance of high customer influence and active brand promotion. Among the first group of branches to launch experience stores, Jinrongcheng Sub-Branch of Nanjing Branch has finished the construction and started operation, while the stores of branches in Shenzhen, Chengdu and Guangzhou will be successively opened.



• Case •

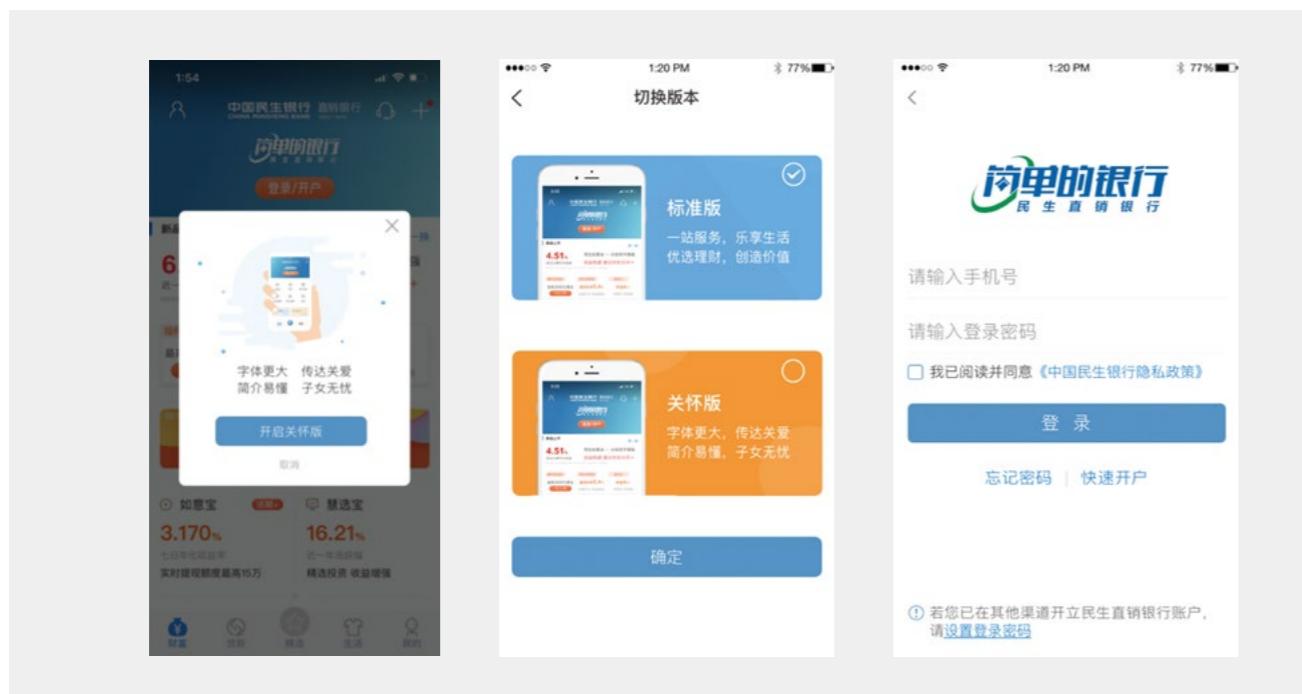
4.1.4 Innovative Digital Products

China Minsheng Bank attaches great importance to the development of fintech. Continuously upgrading and improving its existing products, the Bank keeps launching innovative digital financial products to make technology serve people. The Bank continued to innovate, and was the first bank in the industry to launch 5G mobile banking, digital human, mobile Ukey and other innovative products. The Bank has quickened the pace to establish a diversified digital products system and quick response capability that fully covers all supply and industry chains and different customer groups, in hope of enhancing its fintech service capabilities.

• Case •

China Minsheng Bank launches new version of Daily Life App

The 8.0 version of China Minsheng Bank's official credit card App – Daily Life App was released. With user experience and service efficiency being optimized from the perspective of content ecosystem, financial services, UI experience and others, the Daily Life App is a result of the financial ecosystem platform transformation empowered by technologies, and the most important carrier for deliver services and interaction. In 2021, the App had more than 28 million registered users and maintained steady trend of growth, and its excellent interactive experience was widely recognized by the users.



• Case •

Care version of the direct bank App launched

In November 2021, the care version for the elderly users of the direct bank App was released by China Minsheng Bank. The version featured with bigger fonts on the home page, concise contents, highlighted transaction details enquiry, money transfer, fee payment and other mostly used functions by the elderly, and enabled them to read key information easily, find main functions easily and understand operation steps easily, and tackled the problems the elderly faced when using smart phones, winning wide welcome from the elderly customers.

4.2 Safeguarding Digital Security

China Minsheng Bank strictly followed the national laws and regulations, industry rules and codes of conduct, promoted the upgrading of information security technology and emergency response measures and enhanced employees' awareness and skills of information security through continuously improving its systematic management of information security, in hope of facilitating the improvement of information security in the industry. During the reporting period, the work order service satisfaction rate of the Bank reached 99.99%.

China Minsheng Bank kept improving disaster recovery capabilities and the stability of systems. The Bank has improved the disaster recovery capability of 114 systems such as the settlement management platform of payment channels, the online banking assistant system and the option transaction system, and has made renovations of 20 systems such as the financial IC card and the gold card. With these efforts, the Bank further optimized the technical architecture of disaster recovery technologies, improved the disaster recovery systems and enhanced the efficiency of system shifts for disaster recovery. The Bank has set up a disaster recovery system of "three data centers in two regions", with the server room at Mapo of Beijing as the primary center, the Dr. Peng server room in Beijing as the intra-city backup center and the Telecom server room in Zhengzhou of Henan Province as the remote center, and achieved 100% coverage of important information systems for disaster recovery. In addition, the Bank actively promoted the building of the Phase II data center at Mapo of Beijing and more remote centers, and carried out pilot programs of multi-site high availability (MSHA), laying a solid foundation for the application of the MSHA architecture.



Performance of disaster recovery in 2021

Category	Number
Number of updated disaster recovery systems (set)	114
Number of renovated disaster recovery systems (set)	20
Number of IT disaster recovery trainings (time)	5
Number of IT disaster recovery drills (time)	10
Number of staff participated in IT disaster recovery drills (attendance)	507



5.

Putting Customer First and Providing Excellent Services

China Minsheng Bank has deeply practiced the value proposition of putting customer first, and continuously optimized business process centering on customer's journey of financial activities in the Bank to improve basic service capabilities in an all-round way. The Bank provides personalized solution for different types of customers with a win-win attitude, and spares no effort to protect customers' rights and interests, striving to achieve common development with customers and create value together.

- 5.1 Protecting Rights and Interests of Customers
- 5.2 Popularizing Financial Knowledge

5.1 Protecting Rights and Interests of Customers

5.1.1 Handling Customer Complaints

China Minsheng Bank has earnestly implemented the regulatory requirements set out in the *Implementation Measures of the People's Bank of China on Protecting Financial Consumers' Rights and Interests*, the *Administrative Measures on Handling Consumer Complaints for the Banking and Insurance Industry* and other rules and regulations, and formulated internal rules and regulations such as the *Administrative Measures of China Minsheng Bank on Handling Consumer Complaints* and the *Guiding Opinions on Proper and Timely Handling of Repeated Complaints and Prevention and Resolving of Major Risks*, to continuously improve the complaint management system and working mechanism, thus to consolidate the foundation of complaint management. In addition, the Bank continued to iterate and accelerate the development of complaint system, made public the complaint hotlines and handling procedures through channels including official website, mobile banking App and public WeChat accounts, in an aim to actively receive customer complaints and listen to them carefully.

Performance of customer complaints handled by 95568 in 2021

Category	Number
Number of customer complaints received by 95568 (case)	20,401
Closing rate of customer complaints received by 95568 (%)	99.97
Satisfaction rate of 95568 (%)	99.69

During the reporting period, the complaints received by China Minsheng Bank were mainly about three areas in terms of business distribution: credit card (63.93%), debit card (17.86%), and loan (7.66%). From the perspective of complaint handling channel, middle- and back-office business channels (58.30%) accounted for a higher proportion than front office business channels (41.70%). The main reasons for complaints were that some customers didn't understand the management system, business rules and the process, or provided suggestions on improving service quality and models. The Bank has continued to make product improvement and service optimization according to the problems raised by customer complaints, aiming to truly protect consumers' legitimate rights and interests.

In 2021, China Minsheng Bank received 63,643 complaints from financial consumers, and the geographic distribution is as follows:

Region	Number of complaints	Region	Number of complaints
Beijing	44,707	Guangxi	434
Guangdong	1,823	Heilongjiang	403
Shenzhen	1,770	Dalian	321
Jiangsu	1,378	Jilin	289
Shanghai	1,230	Jiangxi	281
Shanxi	982	Yunnan	264
Tianjin	930	Hunan	239
Shaanxi	846	Liaoning	237
Sichuan	838	Xiamen	217
Hubei	766	Ningbo	196
Henan	703	Guizhou	177
Shandong	696	Inner Mongolia	145
Fujian	695	Gansu	100
Hebei	641	Hainan	89
Chongqing	584	Qinghai	36
Qingdao	571	Xinjiang	34
Zhejiang	518	Ningxia	33
Anhui	449	Tibet	21

*Customer complaints received by the Credit Card Center were included in Beijing

5.1.2 Safeguarding Security of Customer Funds

China Minsheng Bank has attached great importance to assist combating and regulating telecommunication and internet fraud crimes. The Bank has continuously optimized the institutional system, standardized the business process, evaluated and analyzed any behavior that might affect customers' fund security, in order to prevent customers' funds from any loss. In the meantime, the Bank required employees to strictly abide by the code of conduct for banking practitioners and avoid violation of legal red line. The Bank has organized trainings on prevention of telecommunication fraud via multiple online and offline channels and special seminars to improve the awareness of employees on risk identification and prevention.

To provide safer and more convenient credit card use experience, the Bank continued to innovate the "credit card security lock" service, which allowed cardholders to lock specified transaction types such as consumption, cash withdrawal and overseas transaction according to their preferences, or to make personalized settings such as daily locking at fixed times, or locking on single-day transaction quota, where the account will be immediately locked once the transaction amount exceeds the quota. The "credit card security lock" service protects customers' account security at all times and has gained warm welcome by the customers. In 2021, a total of 3,252,499 accounts used the security lock.



Performance of anti-fraud work in 2021

Category	Number
Number of anti-fraud trainings held by the Bank	1,078
Number of front-line employees participated in the anti-fraud trainings (attendance)	14,382
Number of suspicious card opening, transactions and remittances prevented (case)	1,268
Total amount of losses avoided (RMB10 thousand)	5,690.3



• Case •

Guangzhou Branch helps customer avoid nearly RMB1 million loss from internet fraud

On July 21, 2021, a financial manager of a company in Nancheng District of Dongguan city received a message asking for an immediate transfer of RMB980 thousand to a company in Henan Province. It was later confirmed to be an internet fraud. Despite the time was urgent and the situation was complex, Guangzhou Branch of China Minsheng Bank immediately coordinated with the relevant departments, and took multiple measures to protect the security of customer's funds, while pacifying the emotion of the customer. In the end, the Branch helped intercept the on-going defrauded funds through joint efforts of multiple departments, and prevented a loss of nearly RMB1 million.

• Case •

Shanghai Branch live streams anti-fraud activity with the police

In December 2021, Shanghai Branch of China Minsheng Bank invited a famous security education expert to live stream the anti-fraud activity with the police. The security expert passed on practical anti-fraud knowledge and gave vivid interpretation of anti-fraud stories based on local business outlets to expose common methods of telecommunication and internet fraud and remind internet fraud risks, effectively improving consumers' anti-fraud awareness. The live streaming activity covered 91 business outlets within Shanghai Branch's jurisdiction, with a total of 4,235 views during the day.

5.1.3 Protecting Customer Privacy and Data Security

China Minsheng Bank has strictly conformed to the *Personal Information Protection Law*, the *Commercial Bank Application Programming Interface Secure Management Specification*, the *Personal Financial Information Protection Technical Specification* and other related laws and industry standards. The Bank has formulated the *Administrative Measures of China Minsheng Bank on the Protection of Consumers' Rights and Interests Concerning Personal Financial Information* to clarify the working principles of the protection of consumers' rights and interests concerning personal financial information, and the management requirements for the protection of consumers' rights and interests within the full life cycle of personal financial information.

China Minsheng Bank has strengthened the process management of employees' inquiry, use, transmission, and storage of customer information, strictly required each unit to follow the "minimum and necessary" principle and take effective measures to strengthen the protection on personal financial information, such as hierarchical authorization, authority control, and technical control. Multiple digital technologies have been applied to enhance safe sharing of financial data and protection on customer privacy information. In the meantime, the Bank conducted internal trainings on information security and pushed interpretations of related laws and regulations to the whole Bank through official WeChat accounts to improve employees' awareness of privacy protection and data security.

• Case •

Special training themed personal financial information protection held

In July 2021, China Minsheng Bank carried out a special training with the theme of "Personal Financial Information Protection under the Digital Economic Background." A total of over 4,200 employees participated in the training. The contents of the training were practical and extensive to help the trainees comprehensively understand and grasp the context of personal financial information protection policies, deepen their understanding of "a bank of digital finance" strategy, and clarify the focus of following work on personal financial information protection.



5.2 Popularizing Financial Knowledge

Along with the rapid development of China's economy, the public demands for financial services and wealth management continue to increase. However, the diversified investment channels and the lack of wealth management awareness and financial knowledge make it very difficult for a lot of people to recognize complex financial risks and infringement acts. In order to bring continuous improvement in consumers' financial knowledge level and risk prevention awareness, China Minsheng Bank has conducted all kinds of educational publicity activities. In 2021, the Bank carried out 16,398 online and offline education campaigns such as "March 15th Promotion Week", "Protect Your Wealth", "Financial Knowledge Promotion Month" across all business outlets in normal operation, distributed 13.02 million copies of online and offline publicity materials, and attracted a total of 70.88 million attendances of consumers. For regular education and promotion, the Bank held 9,856 activities in various formalities, brought 9.86 million attendances consumers, and was covered over 940 times by the media.

• Case •



Branches actively participate in "Financial Knowledge Promotion Month" activity

To effectively popularize financial knowledge and truly improve financial literacy of the public, all branches of China Minsheng Bank took active measures to organize promotion activities. Guangzhou Branch organized the "Financial Lecture Hall" to improve financial fraud prevention awareness and self-protection skills of the vulnerable groups including the elderly and the young. Yuxi Sub-Branch of Kunming Branch visited the Applied Technology School of Yunnan Minzu University to carry out educational promotion on financial consumption risks for students.

• Case •



Changsha Branch held financial knowledge promotion in rural areas

Changsha Branch of China Minsheng Bank held an activity themed "Dong Practical Things for the People, Village Tour for Financial Knowledge" in Zhumushan Village of Hangongdu Township in Changde city, central China's Hunan Province. At the event, Changsha Branch not only donated books about Party building and financial knowledge to dwellers in Zhumushan Village, but also arranged special personnel to give them financial knowledge lectures and on-site explanation. These activities have extended banking services from counters to rural courtyards, enriching the rural civilization of Zhumushan Village with a scenic route of finance.

6.

Fostering Employee Growth and Stimulating Organizational Vitality

China Minsheng Bank has adhered to the people-oriented principle and established the concept of talent value. The Bank takes employee development as the guide, expands the channels for employees' career development, enhances autonomous cultivation on young talents, and provides broader study and development space to help employees realize personal value. The Bank truly protects their rights and interests, provides reliable safety protection and health guarantee conditions, delivers humanistic care for employees and cares about their spare time life. The Bank hosts various activities to continuously improve employee satisfaction and happiness.

- 6.1 Protection of Rights and Interests of Employees
- 6.2 Employee Growth and Development
- 6.3 Work and Life of Employees



6.1 Protection of Rights and Interests of Employees

6.1.1 Guaranteeing Basic Rights and Interests of Employees

China Minsheng Bank has strictly *abided by the Labor Law of People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other laws and regulations, insists on the people-oriented principle and continues to optimize employee relation management system, improves salary and welfare system, and implements employee vacation management mechanism to truly guarantee employees' rights and interests, improve their experience and happiness, and construct the harmonious and normative labor relations.



• Case •

China Minsheng Bank holds activities themed protection of rights and interests of female employees

In October 2021, the Female Employee Committee under the trade union of the Head Office of China Minsheng Bank organized knowledge study and online competition of “Rights and Interests Protection for Female Employees.” A total of 14,520 female employees from 48 institutions of the Bank participated in the online knowledge competition. Through in-depth learning by attending live streaming classes and the online knowledge competition, the female employees of the Bank further understood laws and regulations on their special rights and interests, laying solid foundation for comprehensive promotion on the protection of female employees' rights and interests.

6.1.2 Insisting on Democratic Management

China Minsheng Bank has actively played the role of the workers' congress to safeguard employees' legitimate rights and interests, enhanced democratic management, and promoted democratic participation, democratic decision-making, and democratic supervision. The Bank effectively protected employees' rights to know, to participate, to express, and to supervise by electing employee supervisors.



During the reporting period, China Minsheng Bank has further standardized the establishment of workers' congress of all institutions inside the Bank, and formulated related regulations and systems to actively promote the implementation of democratic management work. In 2021, China Minsheng Bank held workers' congress for three times according to related requirements of the *Measures for the Implementation of Democratic Management of Enterprises in National Financial System* and the *Operation Specification for Workers' Congress in National Financial System*, reviewed the *Administrative Measures of China Minsheng Bank on Corporate Annuity (Revised)*, the *Code of Conduct for Practitioners of China Minsheng Bank (Revised)*, the *Rules for Prohibited Behavior of Employees of China Minsheng Bank (Trial)* and other important rules, regulations and matters related to employees' vital interests.

Performance of employees' rights and interests

Indicators	2021	2020	2019
Number of employees as at the end of the Reporting Period (person)	57,613	56,653	56,295
Proportion of female employees (%)	55.66	54.52	54
Proportion of female managers (%)	37	37	37
Proportion of employees from minority ethnic groups (%)	4.5	4.5	4.5
Coverage rate of social security (%)	100	100	100
Signing rate of labor contracts (%)	100	100	100
Proportion of local staff in Hong Kong Branch (%)	64.12	71.98	82.88



6.2 Employee Growth and Development

6.2.1 Expanding Career Development Channels

In 2021, China Minsheng Bank advanced the establishment of a professional job sequence system company-wide to construct a three-dimensional sequence position system and the relevant layered qualification standards, thus to help employees clarify development paths and capability requirements, and smooth career development channels. The Bank developed talent assessment procedures, tools, and systems, created fair and transparent talent selection culture for professional talents to create value in key process or core areas, further motivating their enthusiasm. The Bank also established career development channels with full-cycle talent management mechanism, including performance management, authorization management, job title system, rank promotion, cross-sequence development, to provide solid institutional guarantee for employees' development.



6.2.2 Optimizing Employee Training System

China Minsheng Bank has attached great importance to employees' development and established a diversified, three-dimensional mechanism for talent recruitment and cultivation, ensuring rational talent selection, cultivation and retention. In the meantime, the Bank has built a talent team qualified for transformation and development, and strengthened the introduction and cultivation of key talents, promoting the unification between employees' development and enterprise development. In 2021, the institutions of the Bank at all levels organized 3,258 training programs with a total of 125,966 attendances of trainees. 2,506 online classes were provided with total employee study time of 3.92 million class hours. Qualification exams were held for six times with 112,297 attendances.



6.3 Work and Life of Employees

6.3.1 Enhancing Employee Care

China Minsheng Bank has formulated, released and implemented the *Work Program for Physical and Mental Health Care of Employees*, and organized various employee care activities in a deep-going way. The Bank truly cared about female employees and guaranteed their legitimate rights and particular interests. The Bank has sent care and love to retired employees in various ways, and improved assistance programs for employees in difficulties. In addition, the Bank continued to build the "House of Employees", "Office Home for Employees", and care rooms for female employees to provide solid guarantee for the happy lives of employees.

During the reporting period, the Head Office of China Minsheng Bank has opened the EAP (employee assistance program) hotline to the whole bank, which received a total of 848 calls with total hotline and counselling service length of 1,034.5 hours and 594 formed counselling cases. Moreover, the Bank organized seven lectures on workplace psychology to popularize health knowledge to all employees. In addition, in 2021, the Bank offered assistance and care to 154 employees in difficulties and delivered assistance funds of RMB1.055 million.



• Case •



Nanjing Branch constructs "Office Home for Employees"

In 2021, the trade union of Nanjing Branch of China Minsheng Bank insisted on doing practical things for employees and proposed a "Three-Year Plan for the Construction of Office Home for Employees" after careful planning and designing in accordance with the instruction of the Head Office. The high-standard "Office Home for Employees" will contain comprehensive functions such as study and training, themed activities, entertainment and fitness, emotional guidance, maternal and child health, and will be equipped with modern facilities and equipment. So far, Nanjing Branch has built 28 "Office Home for Employees," and in 2021, one of them was awarded the model office home by the Head Office, while another five were awarded the head office-level office homes.

6.3.2 Valuing Work Safety

China Minsheng Bank highly values work safety and has enhanced education and training on safety by organizing employee safety protection knowledge training, skills training, and emergency drills on a regular basis. In 2021, the institutions of the Bank at all levels organized a total of 28,800 safety trainings with 606,900 attendances, and carried out 7,616 safety emergency drills with 172,400 attendances.

• Case •

China Minsheng Bank conducts fire safety training at Tian'an Office

On June 24, 2021, to ensure the safety during the celebration on the centenary of the founding of the CPC and to enhance employees' awareness on fire safety and capabilities of fire prevention and handling, China Minsheng Bank organized fire safety knowledge trainings and fire-fighting equipment usage drills by the form of "one fireman with six employees" in the Tian'an office area. Safety supervisors from all departments, the property management company, outsourcing companies, and the volunteer fire brigade in the Tian'an office all participated in the training and the drill.



6.3.3 Balancing Work and Life

While encouraging employees to work hard, China Minsheng Bank also encourages them to participate in various activities. The Bank organizes rich varieties of employee activities on a regular basis to enrich employees' spare time lives, create positive working atmosphere for them, and help them realize balance between work and life.

• Case •

China Minsheng Bank organizes hand-made color enamel experience activities

In October 2021, China Minsheng Bank organized hand-made color enamel experience activities themed "Beautiful Golden Autumn, Creative Happy Life" at workplaces in Anhai and Mapo to enrich the employees' cultural life, relieve their work pressure, inherit traditional intangible craftsmanship, improve their aesthetic appreciation ability, and promote traditional national culture. The employees from all departments actively signed up to attend and more than 100 employees participated in the two activities with great enthusiasm.



• Case •

Head Office trade union holds Children's Day parent-child activity

On May 30th, the trade union of the Head Office of China Minsheng Bank held Children's Day parent-child activity themed "The Party in My Heart Accompany Me to Grow". More than 500 people from over 240 families from the Head Office gathered at The China Soong Ching Ling Science & Culture Center for Young People. It was an experience-oriented education platform for children and adolescents to experience science and technology, art, culture, sport, nature education, and social communication. The children enjoyed a variety of science games there on that day.



• Case •

Hangzhou Jiaxing Branch organizes team-building for young employees

On October 30, 2021, the trade unions of Hangzhou Jiaxing Branch of China Minsheng Bank organized a team-building activity themed "Promote Development with You and Me, Unite as One for Greater Achievement" for the young employees. Through interesting competition games, the activity effectively shortened the distance among the young employees, strengthened their mutual communication, further trained their teamwork ability, and improved their cohesion.





7.

Delivering Public Welfare Energy and Working Together to Build Better Communities

- 7.1 Branded Public Welfare Programs
- 7.2 Contributing to Community Building

China Minsheng Bank insists on sharing development achievements with the society, closely integrates its own development with social progress, constantly conducts initiatives and actions in the fields of, among others, targeted assistance, treatment of serious diseases, and cultural public welfare, and brings together the power of love of employees and all walks of life, striving to build a better society.

7.1 Branded Public Welfare Programs

7.1.1 ME Charity Innovation Funding Scheme

In 2015, China Minsheng Bank launched the Power of Minsheng's Love – ME Charity Innovation Funding Scheme (ME Scheme), which focused on and supported the innovative practices in public welfare field and the creation of social influence. The scheme, through a series of activities, has provided funds to the organizations and projects with development potentials and social influence, aiming at encouraging more institutions to find out and solve social problems.

Since its implementation, the ME Scheme of China Minsheng Bank has cumulatively provided RMB92.98 million innovation funds for 161 public welfare projects, involving 250 thousand direct beneficiaries in 30 provinces, municipalities and autonomous regions across China.

Innovating Project Contents

In 2021, China Minsheng Bank constantly refined and upgraded the ME Scheme by adding a new theme of "Targeted Assistance for Rural Revitalization", and planned and implemented the "Tours to Hua and Fengqiu with ME Scheme Partners", attracting more than 100 public welfare partners' attention to the economic development and social progress of the two counties. Among which, over 20 social organizations submitted their assistance programs, and five of which were successfully implemented with the funds provided by the Bank, after multiple rounds of selection by industrial experts. This activity not only effectively guided social organizations to participate in the targeted assistance work of the Bank, but also provided invaluable experience for the civil affairs systems of the two counties on how to better leverage the strength of social organizations and improve the third distribution mechanism.

Optimizing Project Management

China Minsheng Bank insists on continuous improvement of the ME Scheme in the development process, and has established an organizational system with strong leadership and a scientific and reasonable project management system, and gradually shaped up a sophisticated and scalable operation model. A large number of high-quality public welfare projects have been funded. The 7th ME Scheme provided support for 26 innovative public welfare projects in the fields of rural revitalization, community development, education support, health and well-being, ecological civilization, and so on. The scheme was included into the "Top 10 Public Welfare Projects" of the *Blue Book of Corporate Philanthropy (2021)*.



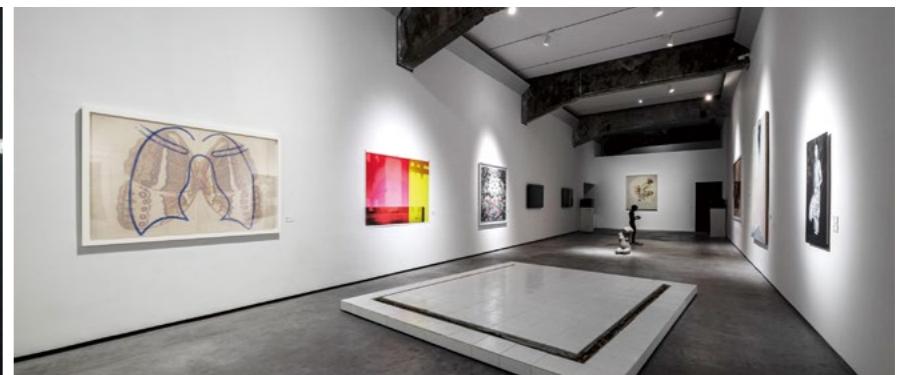
7.1.2 Leading Cultural Public Welfare Causes

Taking Beijing Minsheng Art Museum and Shanghai Minsheng Art Museum as the carriers, China Minsheng Bank has developed cultural public welfare causes in a deep-going way, promoted the research, collection, exhibition, education, and publicity of art and culture, and boosted the development of the cultural and artistic undertakings. During the reporting period, the Minsheng art institutions overcame the adverse impacts of the COVID-19 pandemic, held seven major exhibitions including "Tadao Ando: Youth" and "Meditations on the Urban Spectacle", and carried out 127 public education activities, which attracted 500 thousand attendances. Those exhibitions and activities won wide recognition from all walks of life and made outstanding contributions to the cultural exchanges and public education.

• Case •

"Tadao Ando: Youth"

"Tadao Ando: Youth", the most comprehensive and large-scale overseas retrospective exhibition of the world-famous architect Tadao Ando's architectural design career to date, was held in Beijing Minsheng Art Museum in 2021. The exhibition presented a 1:1 reproduction of Tadao Ando's three classic spiritual spaces: "Church of the Light", "Church on the Water", and "Meditation Space, UNESCO". The exhibition, which encouraged the audience to think about the architecture, environment, cities, and the Earth under the pandemic, and showed the richness of architectural culture and the infinite beauty of architecture, was widely welcomed and highly appraised by all sectors of society.



"Minsheng WE Action"

Shanghai Minsheng Art Museum has been exploring the accessible education program of "Minsheng WE Action" since 2021, aiming at providing delicate services for people with physical disabilities, hearing and speech disabilities, mental disorders, and other vulnerable groups, injecting artistic nutrients into their lives to the maximum extent, and promoting barrier-free communication and interaction between the art museum and the public. This project has built up a three-in-one educational and service platform of "family+school+community", as well as an inclusive and integrated social environment.



• Case •

"Minsheng WE Action"

7.2 Contributing to Community Building

7.2.1 Community Volunteer Activities

China Minsheng Bank actively participates in community building, encourages employees to carry out volunteer services, and carries forward the spirit of helping those in distress and relieving those in difficulties, as well as mutual support between neighbors, striving to give back to the society with good wills.

• Case •

Hong Kong Branch participates in “Dress Casual Day” charitable activity

On October 28, 2021, Hong Kong Branch of China Minsheng Bank organized employees to voluntarily participate in the charitable activity themed “Dress Casual Day 2021”. This was the 10th year in a row for the Branch to take part in the event. “Dress Casual Day” received enthusiastic support from the leaders and employees of the Branch, and nearly 100 people participated in the event. All the charity fund raised will be used in the social welfare areas such as elderly care, rehabilitation, child welfare, medical and health care, and community development.



• Case •

Lhasa Branch carries out tree-planting activity

On March 26, 2021, Lhasa Branch of China Minsheng Bank organized 30 employee volunteers to carry out the 2021 Public Welfare Tree-Planting Activity in Naiqiong Township of Duilongdeqing District, Lhasa city. Trees were inspected, replanted and watered in the previous tree-planting area. As the area was located on the hillside, watering the trees was very difficult. The employee volunteers, with concerted efforts, finally completed all of the greening tasks, using practical actions to implement the green and ecological concept of “building and protecting a better environment”.

7.2.2 Charitable Donation Activities

China Minsheng Bank advocates the culture of responsibility in an all-around way, organizes public welfare activities such as helping impoverished students and those in difficulties, and charitable medical care programs, making its due contributions to the building of a better community.

• Case •

Minsheng Bank implements charitable medical care programs for vulnerable groups

China Minsheng Bank carried out a series of charitable medical care programs such as the treatment for children with congenital heart disease, and AIDS prevention and treatment, protecting the life and health of the vulnerable groups. In 2021, the Bank donated RMB5 million for the treatment for 150 children with congenital heart disease in the southern part of China’s Xinjiang Uygur Autonomous Region, as well as RMB4 million for the AIDS prevention and treatment program in Liangshan Yi Autonomous Prefecture in southwest China’s Sichuan Province. The Bank also held the campus sitcom exhibition and broadcasting activity with the theme of “making concerted efforts to fight against COVID-19 and AIDS and shouldering the responsibility for public health”, aiming at advocating the concept of AIDS prevention and control.

• Case •

China Minsheng Bank makes charitable donations to support education

On July 23, 2021, the event of “Charitable Donation for Rural Revitalization” jointly organized by Sichuan University and China Minsheng Bank was held in Sijue Township of Ganluo County in Liangshan Yi Autonomous Prefecture, southwest China’s Sichuan Province. At the event, the two organizers donated 600 books and 100 sets of stationery items to Sijue Township, aiming at delivering the love to local schools and students. The Bank gave back to the society with practical actions and contributed the power of Minsheng to the rural revitalization.



• Case •

Urumqi Branch organized the “Spring Buds Program: Dream for the Future” donation

On October 14, 2021, under the leadership and arrangements of the Party committee, the trade union of Urumqi Branch of China Minsheng Bank called for the participation of all employees in the charitable donation of the “Spring Buds Program: Dream for the Future”. Members of the Party committee of the Branch took the lead to donate money to the program and all employees followed actively. A total of RMB86,850 was raised just in one day. The Women’s Federation of Xinjiang Uygur Autonomous Region highly praised the actions taken by the Branch in spreading love and positive energy, and presented a donation certificate to the Branch.

Future Prospects

Facing the future, China Minsheng Bank will ground the efforts in the new development stage, implement the new development concept, accelerate the creation of a new development pattern, and strive to fully integrate into and serve the national strategies. Focusing on the strategic positioning of being “a bank for the NSOEs, an agile and open bank, and a bank with considerate services”, we will constantly deepen the reform of systems and mechanism, cultivate our cultural concept, and firmly follow the path of steady and sustainable development.

Going back to basics, focusing on main businesses and improving the quality and efficiency in serving the real economy

We will actively respond to the national strategies, provide more services to NSOEs, as well as micro, small and medium-sized enterprises, support the development of the real economy, constantly focus on the construction of major national strategic regions, continuously increase the investment in the “dedicated, refined, distinctive and innovative” enterprises, strategic emerging industries, and other key sectors. We will consolidate the foundation of retail finance, enhance the functions of financial services, accelerate digital transformation, and give full play to the strengths of financial industry, so as to promote high-quality development of the economy.

Enhancing risk and compliance management and ensuring steady and sustainable development

We will insist on steady operation, firmly maintain bottom-line thinking, strengthen risk management and compliance operation in an all-around way, resolutely keep hold of the bottom-line for risks, further enhance the process management and control and the coordinated linkage mechanism, and deeply reform and optimize the credit approval system, so as to ensure steady and sound development.

Developing green finance and contributing to the building of a clean and beautiful world

We will resolutely implement the national green development concept, facilitate the transformation and upgrading of economy, energy mix and industrial structure, implement the concept of green development into all aspects of our operation and management. We will constantly improve the green finance product system and service model, increase supply of green credit, vigorously advocate green operation, and support green and low-carbon development, so as to contribute to the achievement of carbon peaking and carbon neutrality goals.

Innovatively developing inclusive finance and vigorously supporting rural revitalization

We will adhere to the concept of sharing development achievements with the society, give full play to our corporate strength to innovate social responsibility practices, and support the development of public welfare causes. We will effectively connect the achievements in poverty alleviation to the rural revitalization in accordance with local conditions, and effectively fulfill social responsibilities, so as to continuously contribute to the harmonious development of the society.

As the Chinese says goes: “Only by working diligently can one achieve his goal and only by walking tirelessly can one reach his destination”. In 2022, China Minsheng Bank will firmly insist on the strategic direction, accelerate the reform, and make unremitting endeavors to build it into a first-class commercial bank with distinctive features, continuous innovation, increasing value and steady operation.

Appendix

Appendix I: Key Performance Indicators

Economic Performance Indicators	2021	2020	2019
Total assets (RMB100 million)	69,527.86	69,502.33	66,818.41
Operating income (RMB100 million)	1,688.04	1,849.51	1,804.41
Net profit attributable to holders of equity shares of the Bank (RMB100 million)	343.81	343.09	538.19
Basic earnings per share (RMB)	0.71	0.71	1.22
Total tax payment (RMB100 million)	277.24	296.45	240.81
SCVPS (RMB per share)	5.52	5.49	5.90
Social Performance Indicators	2021	2020	2019
Number of employees as at the end of the Reporting Period (person)	57,613	56,653	56,295
Coverage rate of social security (%)	100	100	100
Proportion of employees from minority ethnic groups (%)	4.5	4.52	4.53
Fee Assistance funds (RMB10 thousand)	3,603	3,526.9	2,700
Public welfare donations (RMB100 million)	1.06	1.78	1.78
Environmental Performance Indicator	2021	2020	2019
Number of video conferences (time)	933	467	1,141

Note: The tax amount is calculated in accordance with the amount of taxes turned over to the treasury of the year, and the comparative period data of relevant indicators have been restated.

Appendix II: Reporting Specifications

• Reporting Period

This report covers the period from January 1, 2021 to December 31, 2021. Some contents may exceed the above period.

• Release Cycle

The Corporate Social Responsibility Report of China Minsheng Banking Corporation Limited is an annual report.

• Organizational Scope

This report covers the Head Office and all branches and sub-branches of China Minsheng Banking Corporation Limited. For the purpose of convenience of indication and reading, China Minsheng Banking Corporation Limited is also referred to as "China Minsheng Bank", "Minsheng Bank", or "the Bank."

• Reference Standards

Opinions on Strengthening Social Responsibility of Banking Financial Institutions issued by the former China Banking Regulatory Commission

Guidelines on Corporate Social Responsibility for China's Banking Financial Institutions issued by the China Banking Association

Guidelines on Preparation of Corporate Social Responsibility Reports issued by the Shanghai Stock Exchange
Guidance on Social Responsibility Reporting (GB/T 36001-2015) jointly issued by the General Administration of Quality Supervision, Inspection and Quarantine and the Standardization Administration of China

Chinese CSR Preparation Guide (CASS-CSR 4.0) issued by the Chinese Academy of Social Sciences (CASS)

Guide on Sustainability Reporting issued by Global Reporting Initiative (GRI)

• Data Description

The data of 2021 in this report come from the final statistical data. Should there be any inconsistency between the financial data in this report and in the annual report of the Bank, the annual report shall prevail.

• Assurance

To ensure the authenticity and reliability of this report, PricewaterhouseCoopers Zhong Tian LLP (Special General Partnership) has been engaged to conduct a limited assurance on the selected key data disclosed in this report in accordance with the "*International Standards on Assurance Engagements 3000: Assurance Engagement Other Than Audits or Review of Historical Financial Information*", and has issued an independent assurance report.

• Languages and Availability of Report

This corporate social responsibility report is published both in Chinese and English, and both in print and online. The Chinese version shall prevail. For the print version of this report, please send email to csr@cmbc.com.cn or call 010-57092056. For the online version, please visit the official website of the Bank at www.cmbc.com.cn.

• Contact

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Email: caoxuesen@cmbc.com.cn; shiyan8@cmbc.com.cn



Appendix III: Assurance Report



普华永道

2022/SH-0131
(第一页, 共三页)

注册会计师独立鉴证报告

致：中国民生银行股份有限公司董事会

我们接受委托，对中国民生银行股份有限公司（“贵行”）2021年度社会责任报告中选定的2021年度关键数据（以下简称“关键数据”）执行了有限保证的鉴证业务。

关键数据

本报告就以下选定的2021年度贵行社会责任报告关键数据实施了有限保证鉴证工作程序：

- 绿色信贷余额（亿元）
- 普惠型小微企业贷款余额（亿元）
- 村镇银行（家）
- 报告期末员工总数（人）
- 社会保险覆盖率为（%）
- 女性管理者比例（%）
- 劳动合同签订率（%）
- 工单服务满意率（%）
- 反洗钱培训次数（次）
- EAP热线服务次数（次）
- 使用EAP热线与咨询服务时长（小时）
- “ME公益创新资助计划”支持公益项目（个）
- “ME公益创新资助计划”累计提供创新资助基金（万元）

我们的鉴证工作仅限于社会责任报告中选定的2021年度关键数据，社会责任报告中所披露的其他信息、2020年及以前年度信息均不在我们的工作范围内。

标准

贵行编制2021年度社会责任报告关键数据所采用的标准列示于本报告后附的关键数据编报基础（以下简称“编报基础”）中。

董事会的责任

按照编报基础编制2021年度社会责任报告关键数据是贵行董事会的责任。这种责任包括设计、执行和维护与编制社会责任报告关键数据有关的内部控制，以使该等数据不存在由于舞弊或错误而导致的重大错报。

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普华永道

2022/SH-0131
(第二页, 共三页)

我们的独立性与质量控制

我们遵守了国际会计师职业道德准则理事会颁布的国际会计师职业道德守则（包括国际独立性标准）中的独立性及其他职业道德要求。该职业道德守则以诚信、客观、专业胜任能力及应有的关注、保密和良好职业行为为基本原则。

本事务所遵循国际质量控制准则第1号，据此维护全面系统的质量控制体系，包括与遵守职业道德要求、专业标准和适用的法律和法规要求相关的书面政策与程序。

注册会计师的责任

我们的责任是在执行鉴证工作的基础上对2021年度社会责任报告关键数据发表结论。

我们根据《国际鉴证业务准则第3000号（修订版）—历史财务信息审计或审阅以外的鉴证业务》的规定执行了鉴证工作。该准则要求我们计划和实施工作，以形成鉴证结论。

有限保证鉴证业务所实施程序的性质和时间较合理保证鉴证业务有所不同，且范围较小。因此，有限保证鉴证业务获取的保证程度远低于合理保证鉴证业务。因此，我们不会就2021年度社会责任报告中选定的2021年度关键数据是否在所有重大方面按照编报基础编制，发表合理保证意见。我们的鉴证工作包括评估2021年度社会责任报告关键数据是否存在由于舞弊或错误导致的重大错报风险，以及应对评估出的风险。选择的鉴证程序取决于我们的判断及对项目风险的评估。在我们的工作范围内，我们仅在贵行总行层面和北京分行开展工作。我们没有对除贵行总行和北京分行外的其他分支机构实施鉴证工作。我们所实施的工作包括：

- 1) 与贵行参与提供社会责任报告中所选定的关键数据的相关部门员工进行访谈；
- 2) 实施分析程序；
- 3) 对选定的社会责任报告中关键数据实施抽样检查；
- 4) 重新计算；
- 5) 我们认为必要的其他程序。



Appendix IV: Key Data Preparation & Reporting Basis

Balance of green credit (RMB100 million)

The balance of green credit disclosed in the corporate social responsibility report is that as at the end of the reporting period, the total amount of the loans of China Minsheng Bank to the sectors of energy-saving and environmental protection, clean production, clean energy, ecological environment, green upgrading of infrastructure, green services, overseas projects adopting international practices or international standards, green trade finance, green consumer finance, and so on.

Balance of inclusive loans to micro and small-sized enterprises (RMB100 million)

The balance of inclusive loans to micro and small-sized enterprises disclosed in the corporate social responsibility report is that as at the end of the reporting period, the total amount of the loans of China Minsheng Bank to micro and small-sized enterprises in accordance with the statistical standards of the CBIRC, that is, the balance of loans to micro and small-sized enterprises with the total amount of credit granted to a single customer less than RMB10 million (included), including the balance of loans to micro and small-sized enterprises, to self-employed business owners, and to small business owners, and excluding the balance of bill discount and re-discount businesses. The enterprise classification standard follows the *Classification Standards for Small and Medium-Sized Enterprises* of the Ministry of Industry and Information Technology.

Rural banks (Bank)

The rural banks disclosed in the corporate social responsibility report is that as at the end of the reporting period, the total number of the rural banks initiated and established by China Minsheng Bank as a major promoter, and then approved by the CBIRC.

Number of employees at the end of the reporting period (person)

The number of employees as at the end of the reporting period disclosed in the corporate social responsibility report is that as at the end of the reporting period, the total number of employees of China Minsheng Bank, including contract employees and dispatched employees.

Coverage rate of social security (%)

The coverage rate of social security disclosed in the corporate social responsibility report is that as at the end of the reporting period, the proportion of contract employees with social security of China Minsheng Bank.

Proportion of female managers (%)

The proportion of female managers disclosed in the corporate social responsibility report is that as at the end of the reporting period, the proportion of female managers in the management team of China Minsheng Bank, including:

- 1) Senior management: Senior executives at the Head Office, executives of departments at the Head Office, executives of branches, executives of SBUs, and so on;
- 2) Middle-level management: Middle-level managers of department divisions at the Head Office, middle-level managers of departments of branches, middle-level managers of sub-branches/business departments, middle-level managers of SBUs, and so on.

Appendix V: Suggestions & Feedbacks

Signing rate of labor contracts (%)

The signing rate of labor contracts disclosed in the corporate social responsibility report is that as at the end of the reporting period, the proportion of contract employees who have signed labor contracts with China Minsheng Bank.

Work order service satisfaction rate (%)

The work order service satisfaction rate disclosed in the corporate social responsibility report is that during the reporting period, the ratio of number of satisfied and very satisfied work orders to the number of total work orders served by the IT operation and maintenance team of China Minsheng Bank.

Number of anti-money laundering trainings (time)

The number of anti-money laundering trainings disclosed in the corporate social responsibility report is that during the reporting period, the number of anti-money laundering trainings conducted by China Minsheng Bank for all of its staff.

Number of EAP Hotline services (time)

The number of EAP Hotline services disclosed in the corporate social responsibility report is that during the reporting period, the total number of EAP hotline calls received from the employees of China Minsheng Bank and their family members.

Length of counselling services provided by EAP hotline (hour)

The length of counselling services provided by EAP hotline disclosed in the corporate social responsibility report is that during the reporting period, the total length of calls received by the EAP hotline from and the counselling services provided by the EAP hotline to the employees of China Minsheng Bank and their family members.

Number of public welfare projects funded by the ME Charity Innovation Funding Scheme (Project)

The number of public welfare projects funded by the ME Charity Innovation Funding Scheme disclosed in the corporate social responsibility report, is that as at the end of the reporting period, the total number of public welfare projects funded by the ME Charity Innovation Funding Scheme.

Accumulative amount of funds provided by the ME Charity Innovation Funding Scheme for innovation projects (RMB10 thousand)

The accumulative amount of funds provided by the ME Charity Innovation Funding Scheme for innovation projects disclosed in the corporate social responsibility report, is that as at the end of the reporting period, the total amount of innovation funds provided by China Minsheng Bank to the ME Charity Innovation Funding Scheme.

Dear readers:

This report is the 15th corporate social responsibility report released to the public by China Minsheng Banking Corporation Limited. For the purpose of continuous improvement of the report preparation, we are looking forward to receiving your opinions and suggestions. Please help to complete the relevant questions in the feedback form below and send the form to the following address.

Your Information

Tel.:				
Fax:				
Email:				
Name:				
Company/Organization:				
Title:				

Multiple Choice Questions (Please mark “√” in the appropriate position)

Option	Very good	Good	Fair	Poor
1. Does this report fully and accurately reflect the major impacts of China Minsheng Bank on economy, society, and environment?				
2. Does this report respond to the issues and disclose the information concerned by stakeholders?				
3. Does this report disclose clear, accurate and complete information, indicators, and data?				
4. What is your opinion on the readability of this report, i.e., the logic, content design, wording, and layout?				

Open-Ended Questions:

1. What do you think is the most satisfying part in this report?

2. What is the information you want to know but is not included in this report?

3. What are your suggestions on the preparation of our corporate social responsibility reports?

Appendix VI: Notes on Terms

According to the requirements of the Notice on Strengthening Listed Companies' Assumption of Social Responsibility and on Issuing Guidelines on Listed Companies' Environmental Information Disclosure issued by the Shanghai Stock Exchange, and in combination with the characteristics of the banking industry, the social contribution value per share (SCVPS) of China Minsheng Bank was RMB5.52 in 2021. The calculation method is as follows:

Added value per share = (tax paid + employee expenses + interest expenses + public welfare donations) / total share capital as at the end of the period

Item	Unit	2021	2020	2019
I. Plus items				
1. Tax payment (tax revenue paid to the State, including enterprise income tax, value-added tax, business taxes and surcharges, excluding the deduction and payment of individual income tax)	RMB100 million	277.24	296.45	240.81
2. Employee expenses (salaries paid to employees, i.e. remunerations)	RMB100 million	310.15	282.42	277.51
3. Interest expense (loan interest paid to creditors, i.e. total interest paid)	RMB100 million	1,519.04	1,513.69	1,527.81
4. Public welfare donations (external donation amount, i.e. donation)	RMB100 million	1.06	1.78	1.78
II. Minus items				
Other social costs resulted from environmental pollution and other negative factors	RMB100 million	0	0	0
III. Total share capital as at the end of the reporting period				
	100 million shares	437.82	437.82	437.82
IV. Added value per share				
	RMB	4.81	4.78	4.68
V. Basic earnings per share				
	RMB	0.71	0.71	1.22
VI. SCVPS				
	RMB per share	5.52	5.49	5.90

Notes:

- The above data are information of the Group.
- The tax amount is calculated in accordance with the amount of taxes turned over to the treasury of the year, and the comparative period data of relevant indicators have been restated.

China Minsheng Banking Corporation Limited.



2021

Corporate Social Responsibility Report

Serving the Public, Caring about People's Livelihood