



CONTENTS

About This Report	01	Corporate Governance	07
Executive's Statement	03	ESG Management	16
About Us	05		

1.

Adhere to Inclusive Navigation, Focus on Urban and Rural Development

Serving Rural Revitalization	23
Support the Development of Micro and Small Businesses	28
Deepen Financial Benefits for the People	30

2.

Explore the Power of Technology to Build Caring Services

Drive Technology and Business Integration	35
Activating the Potential of Science and Technology	38
Enhance Customer Experience	41
Safeguard Information Security and User Privacy	44

3.

Addressing Climate Change, Building a Green Bank

Green Finance Development	47
Adhering to Green Operation	51

4.

Creating Feiyan Culture, Inheriting Social Responsibilities

Caring for Employees	55
Financial Education	60
Social Welfare	61
Key Performance Data	67
ESG Indicator Index	69
Reader's Feedback Form	71





2021 Environmental Social and Governance Report

About This Report

The purpose of this report is to respond to the expectations of stakeholders and show Jiangsu Changshu Rural Commercial Bank's concept, management, actions and achievements in ESG.

Time Range

Time range of the report is January 1, 2021 -- December 31, 2021. Some contents might traced back to historical data.

Organization Scope

Unless otherwise specified, this report covers Jiangsu Changshu Rural Commercial Bank Co., Ltd., including all its branches and subsidiaries.

Release Cycle

This report is an annual report.

Basis of Preparation

This report is prepared according to the Shanghai Stock Exchange's *Guidelines for Environmental Information Disclosure of Listed Companies* and *Guidelines for Preparing Corporate Social Responsibility Report (collectively referred to as "SSE Guidelines")*. In the meantime, the report is in line with *Chinese CSR Report Preparation Guide by the Chinese Academy of Social Science (CASS-CSR 4.0)*, United Nations Sustainable Development Goals and *Sustainability Reporting Guidelines* published by Global Reporting Initiative (GRI).

Explanation for Appellations

For the convenience of presentation and reading, "Jiangsu Changshu Rural Commercial Bank Co., LTD." is expressed as "CSRC Bank" "Bank" "company" or "we/us" in this Report.

Data Description

The information and data used by this report come from official documents, statistical report and financial statement of CSRC Bank and ESG information aggregated and audited by us.

Report Obtaining

This report is published in both print and electronic version. To obtain the electronic version of the report, please visit the website of Shanghai Stock Exchange (www.sse.com.cn) and the Bank's official website (www.csrcbank.com).

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Executive's Statement



“

In 2021, we celebrated the Centennial birthday of the Communist Party of China, and also witnessed the 20th anniversary of the CSRC Bank's reformation. In the 20 years, CSRC Bank, in line with its mission of supporting agriculture and small and micro enterprises(SMEs), has explored a special development path for microfinance, and has achieved a win-win situation for its own development, capital market, and social benefits.

”

Serving micro and small business, supporting rural revitalization. As a rural and commercial bank that focuses on small and micro businesses and practice to be inclusive, we insist on party-led development, and introduced outstanding financial talents into the rural area to support rural revitalization. At the same time, we constantly speed up the construction of inclusive financial sites, develop products and services according to the actual needs of rural area and SMEs , and meet the urgent needs of farmers and enterprises. We also continue to innovate new models of services for the benefit and convenience of the people, making CSRC Bank a helper in the daily life of the public.

Leading by science and technology, optimizing customer service. We always take technology as the driving force for business development, promote the integration of technology and business, and developed a variety of online platforms and products to make financial services more intelligent and convenient. We adhere to the service concept of "Mind the people's livelihood, customer's first choice", and are committed to providing customers with high-quality, comprehensive and timely services. At the same time, we try our best to ensure information security and customer privacy. In 2021, our complaint handling rate was 100% and our comprehensive customer satisfaction reached 99.18%.

Insisting green development, protecting clear waters and green mountains. We innovated and developed green finance business, adhered to the strategic guidance, established a green finance department and a green low-carbon transformation financial service center in 2021. We launched a series of green financial products such as Emission Loan, Su Carbon Finance, Environmental

Protection Loan and green bond to provide guarantee for the development of green economy. Similarly, we also adhere to green and low-carbon operation, build "zero carbon outlet" pilot, and promote paperless services and office, so as to minimize our impact on the environment.

Focusing on people-oriented, building a happy bank. We take "Feiyan culture" as the core. Internally, we regard employees as an important asset of the company, help employees achieve career development and care about their work and life; Externally, through the CSRC bank Charity Foundation, we have carried out various public welfare projects such as donating funds to students, helping doctors and disadvantage people in Jiangsu, Gansu, Yunnan and Hubei for many years. In addition, in response to the impact of the covid-19 and the floods in Henan, we launched corresponding credit products to help the public to resume production and life.

Born for the farmers, live up to the mission and continue to fight for the future. In 2022, we will still comprehensively serve the rural revitalization and the real economy, promote common prosperity with inclusive finance, empower our businesses with science and technology, and fully integrate ESG into the whole process of business development and operation our enterprise. We will also take on new responsibilities and missions to promote high-quality economic and social development and stride forward on the road to pursuing our dreams.



Executive:

March 30, 2022

About Us

CSRC Bank was reformed in November 28, 2001, and is the first joint stock rural financial institution in China with more than 60 years of history, and is listed on the Shanghai Stock Exchange in September 30, 2016 (Stock Code: 601128). According to the latest ranking published by the British magazine *Banker*, CSRC Bank was selected as the global bank brand value and the global strong banks "double TOP 500".

The Explorer of Rural Financial Reform

Adhering to the exploration spirit of "dare to break, dare to try, dare to do", we have achieved the goal of starting from Changshu to laying out the province and radiating the whole country and took the lead in going out of the registered place to carry out cross regional operation. The company set up its first non-local sub branch in Haimen city, Jiangsu Province in 2008, currently with 10 regional cities in Jiangsu Province; We were the first to introduce the state-owned bank, Bank of Communications, as a strategic investor and became the largest shareholder, and to participate in seven rural financial institutions.

The Adherent of Small and Microfinance

Firm market positioning of "supporting agriculture and supporting small businesses", set up a small and micro loan franchise institution based on business division in 2009 to create a professional, replicable and industry-leading micro loan core technology and serve 390,000 loan customers. Of all the loans, more than 65% of the credit funds are used to support SMEs, more than 70% of the credit funds are invested in agriculture related fields, and nearly 80% of the credit funds serve the real economy.

The Trendsetter of Capital Market

Benefiting from the position of the differentiated market, profit growth ratio, bad loan ratio, provision coverage ratio and other indicators of CSRC Bank have remained at the forefront of the listed bank segment since its listing. Stock valuation levels are among the top in the industry. For four consecutive year, CSRC Bank has been ranked 1st in the assessment system of the Tuoluo of China Banking Association among the country area rural and commercial banks.












The Practitioners of Rural Bank

Based on the exploration and practice of Inclusive Finance, relying on the initiation of the establishment of rural banks, copy and promote the "CSRC micro loan model". Over the past 14 years, CSRC bank has successively initiated the establishment of 31 "Xingfu" rural banks in Hubei, Jiangsu, Henan, Yunnan and Hainan. On September 19, 2019, Xingfu Village Bank Co., Ltd., the country's first investment management village bank initiated by CSRCC bank, officially opened in Haikou City, Hainan Province.

In the future, we will never forget our initial heart and the mission is on the shoulder. Under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, CSRC Bank will not forget the original intention of "supporting agriculture and supporting small businesses", bearing in mind the mission of "Inclusive Finance, Responsible Bank", forge ahead, do pioneering work, better assume the responsibility of the main force of rural finance in the new era, and strive to build a first-class listed agricultural and commercial bank with distinctive characteristics!

Company Culture

 Vision Rural finance leader	 Mission Inclusive finance, responsible bank	 Core Values Inclusive finance, responsible bank
 Enterprise Spirit Reflective optimism, courageous innovation	 Business Idea Focus on small and medium, flexible and efficient	 Development Concept Dare to explore, steady development
 Management Philosophy Compliance responsibility and keep improving	 Talent Concept All rivers run into sea, employee first	 Service Notion Mind the people's livelihood, customer's first choice

Our Achievements



	<p>Ranked 423rd among the Top 500 Global Banking Brands in 2021</p> <p>British Magazine <i>Banker</i></p>	<p>Ranked 435th in the Global Top 1000 banks in 2021</p> <p>British Magazine <i>Banker</i></p>	
<p>The comprehensive score of county level rural and commercial banks ranked first in the GYROSCOPE Evaluation System in 2021</p> <p>China Banking Association</p>	<p>Ranked 83rd among China's Top 100 banks in 2021</p> <p>China Banking Association</p>	<p>Excellent participating institutions in the electronic information exchange system</p> <p>China national clearing center (CNCC)</p>	<p>Level A in information disclosure evaluation for 2020-2021</p> <p>Shanghai Stock Exchange</p>
<p>Advanced Unit of Inclusive Financial Service for Banking Financial Institutions in Jiangsu Province in 2020</p> <p>China Banking and Insurance Regulatory Commission Jiangsu Regulatory Bureau</p>		<p>Advanced Unit of Inclusive Financial Service for Banking Financial Institutions in Suzhou Province in 2020</p> <p>China Banking and Insurance Regulatory Commission Suzhou Supervision Branch</p>	
<p>Best Board of Directors Award for Investor Relations of Chinese Listed Companies</p> <p>Securities Times</p>	<p>Jinniu Award 2021 for Wealth Management in China Banking Industry</p> <p>China Securities Journal</p>		<p>Tianji Award 2021 for Financial Inclusion Service Banks</p> <p>Securities Times</p>

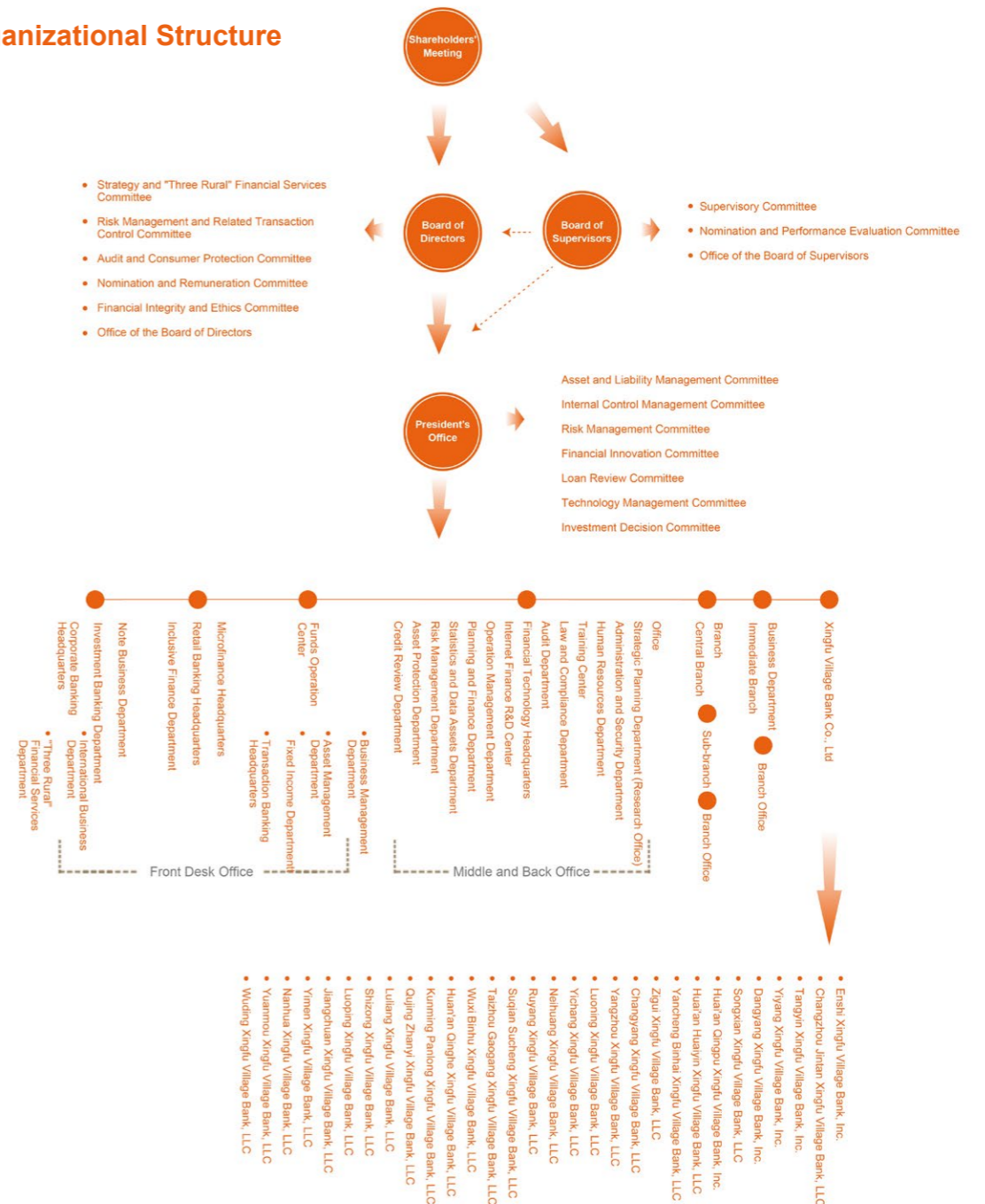
Corporate Governance

CSRC Bank insists on integrating the leadership of the Party into all aspects of corporate governance. By promoting the modernization of our corporate governance, regulating the operation of the corporate governance system ("Shareholders' Meeting, Board of Directors, Board of Supervisors, and Senior Management"), creating long-term value for stakeholders and focusing on risk management and internal control, we improve the overall level of corporate management and decision-making efficiency.

Corporate Governance System Development

We emphasize the return on shareholders' investment, focuses on sustainable development, highlights the protection of stakeholders' rights and interests and strives to build a harmonious relationship among multiple interest groups. At present, our "Shareholders' Meeting, Board of Directors, Board of Supervisors and Senior Management" corporate governance system ensures clear division of labor, checks and balances and effective coordination. Our corporate governance system is comprehensive and systematic, with standardized operations at all levels of corporate governance.

Organizational Structure



- Enshi Xingfu Village Bank, Inc.
- Changzhiou Jintan Xingfu Village Bank, LLC
- Tangjin Xingfu Village Bank, Inc.
- Yiyang Xingfu Village Bank, Inc.
- Dengying Xingfu Village Bank, Inc.
- Songqian Xingfu Village Bank, LLC
- Huan'an Qingpu Xingfu Village Bank, Inc.
- Huan'an Huaiyin Xingfu Village Bank, LLC
- Yancheng Binhai Xingfu Village Bank, LLC
- Zouji Xingfu Village Bank, LLC
- Changyang Xingfu Village Bank, LLC
- Yangzhou Xingfu Village Bank, LLC
- Luoning Xingfu Village Bank, LLC
- Yichang Xingfu Village Bank, LLC
- Nanchang Xingfu Village Bank, LLC
- Suzhou Xucheng Xingfu Village Bank, LLC
- Taizhou Gaogang Xingfu Village Bank, LLC
- Wuxi Binhai Xingfu Village Bank, LLC
- Huan'an Qingpu Xingfu Village Bank, LLC
- Kunming Panlong Xingfu Village Bank, LLC
- Qijing Zhanyi Xingfu Village Bank, LLC
- Luliang Xingfu Village Bank, LLC
- Shizong Xingfu Village Bank, LLC
- Luoping Xingfu Village Bank, LLC
- Jiangchuan Xingfu Village Bank, LLC
- Yimen Xingfu Village Bank, LLC
- Nanhua Xingfu Village Bank, LLC
- Yannou Xingfu Village Bank, LLC
- Wufeng Xingfu Village Bank, LLC

Shareholders' Meeting

The Shareholders' Meeting is the authority of CSRC Bank. The Shareholders' Meeting provides an effective communication channel with shareholders and ensures that all shareholders have the right to know, participate and vote on material topics of our bank. During the reporting period, we held one annual shareholders' meeting and one extraordinary shareholders' meeting, in which 18 proposals were considered and adopted. Both meetings were held in accordance with the relevant legal procedures to ensure the shareholders' rights to participate and vote. Among all the proposals, 12 of them were counted individually by small and medium shareholders.

Board of Directors

The Board of Directors is the decision-making body of CSRC Bank. Our Board of Directors currently consists of 13 members (4 women), including 3 executive directors, 5 non-executive directors and 5 independent directors (accounting for more than one-third of the total number of Board members). Our Board of Directors comprises the Strategy and "Three Rural" Financial Services Committee, Risk Management and Related Transaction Control Committee, Audit and Consumer Protection Committee, Nomination and Remuneration Committee, and Financial Integrity and Ethics Committee. During the reporting period, we held in total 6 meetings of the Board of Directors to consider 45 proposals.

Board of Supervisors

The Board of Supervisors is the supervisory body of CSRC Bank. Our Board of Supervisors currently has 6 members (2 women), including 2 shareholder supervisors, 2 external supervisors and 2 employee supervisors. Under the Board of Supervisors, there are Nomination and Performance Evaluation Committee and Supervisory Committee. During the reporting period, we held 4 meetings of the Board of Supervisors to consider 24 proposals.

Senior Management

The Senior Management is the executive body of CSRC Bank and is responsible to the Board of Directors. CSRC Bank has eight members of senior management, including a president, five vice presidents, one assistant president, and one secretary to the board of directors. Under the President's Office, there are Asset and Liability Management Committee, Internal Control Management Committee, Risk Management Committee, Financial Innovation Committee, Loan Review Committee, Technology Management Committee, and Investment Decision Committee.

Investor Communication

Received **74** batches of on-site research and teleconferences

Participated in **27** brokerage strategy meetings

CSRC Bank attaches great importance to the interests of investors and actively communicates with them to enhance their confidence in the development of our bank.

We continued to strengthen the communication and interaction with investors using various approach, including mass media, official website, shareholders' meeting, results presentation, investor-analyst meeting, SSE e-interactive platform, investor hotline, investor mailbox and WeChat. During the reporting period, we received 74 batches of on-site research and teleconferences, with 583 institutional investors and 681 person times; Participated in 27 brokerage strategy meetings, 32 one-to-many exchanges and 399 person times.

On October 25, 2021, CSRC Bank held the "2021 Investor Open Day" in Suzhou, China. Nearly 100 banking researchers and institutional investors attended the event. The leaders, investors and institutional analysts had a lively conversation and we responded to the investors' concerns in detail, further enhancing the investors' confidence in the development of our bank.



"2021 CSRC Bank Investor Open Day" Event Site

During the reporting period,

CSRC Bank disclosed **4** regular reports,



41 interim announcements



29 other institutional documents



In order to reduce information asymmetry and protect the rights and interests of investors and other stakeholders, especially the small and medium shareholders, we strictly complied with the regulatory requirements on information disclosure. We actively fulfilled the information disclosure obligations, steadily promoted voluntary information disclosure, and proactively made voluntary disclosures on matters of key concern to investors and the capital market, such as the formulation of corporate strategies, business development plans, risk management and differentiated operations. During the reporting period, CSRC Bank disclosed 4 regular reports, 41 interim announcements and 29 other institutional documents, and was awarded A grade in the SSE's disclosure evaluation for 2020-2021.

Systematic Risk Prevention

CSRC Bank focuses on risk management, continuously improves risk control and strengthens the prevention of systemic risks. We have established a relatively comprehensive capital adequacy assessment process. Each year, we assess the capital adequacy under capital planning by setting uniform macroeconomic stress scenarios, considering the impact on major risks such as credit risk and market risk under different stress scenarios of GDP and M2 growth rates, and formulating different measures for various scenarios to maintain a reasonable capital adequacy level.

Macroeconomic Stress Test

CSRC Bank conducts annual stress tests on the default rate of corporate clients and macroeconomic factors, and the results show a negative correlation between the default rate of the Bank's public clients and macroeconomic indicators, GDP and M2. Since 2019, the macroeconomic indicators are at historically low values, but the measures introduced by the government to reduce taxes and fees and financial services in response to the COVID-19 have effectively alleviated the difficulties in customers' operations. Overlaid with the relatively fast economic recovery and stable growth rate of CSRC Bank's operating regions, the default rate of public customers has remained stable.

Risk Management

During the reporting period, CSRC Bank formulated and issued Risk Preference Statement, Risk Management Work Opinions, Approach to Emergencies and Information Security Continuity Plan, and improved the Public Health Incident Continuity Plan. We clearly required the entire CSRC Bank to prevent and resolve major financial risks, optimize credit resource allocation, focus on risk prevention and control, and build a comprehensive risk control system.



Case Digital risk control efficiently supports online loan business

In 2021, the Bank set up a digital risk control taskforce and a model review taskforce to improve the full lifecycle management mechanism of risk control models and enhance the independence of risk control.

Maintain the agility and effectiveness of risk control models	Progressively empower the digital risk control middle office
<ul style="list-style-type: none"> Continuously integrate and update risk control models: iterated 138 risk control rules throughout the year, formed 607 risk control rules and 2 scorecard models for online products, and served 9 online products with 84,800 people using the credit Validated and optimized 5 types of internal evaluation models Explore new applications of credit scoring Use credit scoring to analyze and calculate the future default rate of personal business and improve quantitative analysis capability 	<ul style="list-style-type: none"> Carry out unified management and monitoring of risk models Carry out risk model support Carry out risk data analysis support and optimizing applications Regular monitoring of online business operations

Party-building Leading

CSRC Bank has always placed a prominent position in strengthening the overall leadership of the Party, written the leadership of the Party into the Articles of Incorporation, and strictly regulated the working rules of the Party Committee to establish the importance of the Party's leadership and Party building in the corporate governance. On the occasion of the centenary of the founding of the Party, we launched a joint party building campaign with the themes of "I do practical work for the public", "Think, do together for better or for worse", etc. We have been also working on the theme of Building New Strength, "Study the Party's history, Understand its theories, Do practical work and Make new advances" to deeply integrate Party building with business and lead business development with Party building.

In the year of 2021, the Party building work of our bank achieved significant results. The Party Committee of the Head Office was awarded as "Suzhou Advanced Base-Level Party Organization". Three Base-Level Party organizations of the Head Office were awarded as Advanced Grass-roots Party Organizations of the Provincial Federation, two Base-Level Party organizations were awarded as

Advanced Base-Level Party Organizations of Changshu City, and the Secretary of the Party Committee Zhuang Guangqiang was awarded as "Advanced Individual of Jiangsu Province for Rural Revitalization" by Jiangsu Provincial Party Committee and Provincial Government, and "Communist Party Member of the New Era" by Changshu City. Our Exhibition Pavilion "A Hundred Years of Golden Years, Feiyan Building Dreams" was selected as the activity point of the New Era Civilization Practice in Changshu City.



Business Ethics and Compliance

CSRC Bank attaches great importance to business ethics and compliance management. We strictly fulfill the legal obligations on anti-money laundering and continuously improves the compliance management system, aiming to create an atmosphere of integrity in its practice.

Anti-Money Laundering

In the year of reporting period, we complied with laws and regulations, formulated and improved a number of rules and regulations, including Management Measures for Self-Assessment of Money Laundering Risks and Terrorist Financing Risks, Operational Procedures for Anti-Money Laundering Business, Management Measures for Customer Money Laundering Risk Assessment and Classification, and Anti-Money Laundering Work Rules for Financial Market Business Lines, etc. We adopted processes and measures such as customer identification, customer risk level classification management and control of high-risk customers, and linked with public security authorities, regulatory authorities and Dow Jones List to fine-tune the Anti-Money Laundering management. At the same time, we held anti-money laundering publicity and training in multiple dimensions.



Compliance Management

In 2021, CSRC Bank has built the "Three-Year Plan" in accordance with compliance, and will continue to promote the systematization of the bank compliance based on the development strategy.

Establishment of the Compliance Culture System

- We aim to build the distinctive "Xiao Yan" compliance brand by carrying out compliance culture development in multiple ways, strengthening positive propaganda and increasing the number of warning education events held.

Establishment of the Compliance Organization System

- We equip our compliance team with the best human resources. We have selected and hired 77 full-time and part-time compliance officers to cover all departments and branches of the bank.

Establishment of the Institutional Process System

- The total number of internal regulations in the bank is 2,696, of which 1,642 in the head office (425 added and 199 repealed) and 1,045 in the branches (483 added). 249 regulations are reviewed, with a year-on-year growth of 9.34%. The completion rate of the annual revision plan is 100%.

Establishment of the Compliance Control System

- We adhere to innovation and management compliance and continuously improve the problems and correction mechanism. We have built a compliance monitoring system to promote the normalization of case prevention and investigation. We focus on improving the branch compliance management mechanism, and evaluate the operation of the branch in terms of system management, contract management, and compliance inspection and correction mechanism.

Integrity Building

We attach importance to regulating staff behavior, identifying business compliance moral risks, and formulating CSRC Bank Reporting Incentives and CSRC Bank Rules for the Implementation of Petition Work to manage integrity practices.

In 2021, we organized 87 newly promoted cadres to have integrity talks and signed the Ten Prohibitions of Employee Behavior Commitment, Compliance Commitment and Integrity Commitment, respectively. In addition, we have identified 20 major integrity risk points and 25 major employee abnormal behaviors, and conducted occasional dynamic behavioral checks, and sorted out 8 major risk points in 213 categories covering 227 positions according to 3 risk levels of "high, medium and low".



During the reporting period, we held a number of anti-corruption warning education events. Different functional departments carried out multiple sessions to explain the law and discipline by cases. A total number of more than 80 training sessions for employees were held, with more than 14,000 participants.

A total number of more than **80** training sessions for employees were held

With more than **14,000** participants



CSRC Bank "5·10 Integrity Training Day" Event

Responsible Sourcing

The Bank has released the Regulations on Supplier Management (Trial). The management of suppliers follows the principles of "openness, fairness, impartiality and integrity", establishes a list of suppliers, implements a list-based graded dynamic management of suppliers, continuously optimizes the supplier structure and controls supplier risks. CSRC Bank has 245 suppliers for centralized procurement in 2021, including 171 suppliers who have passed environmental and social audits. Supplier differentiation management strategy includes dynamic management suppliers and strategic cooperation suppliers, of which 18 are dynamic management suppliers and 2 are strategic cooperation suppliers.

CSRC Bank has **245** suppliers for centralized procurement in 2021

including **171** suppliers who have passed environmental and social audits

of which **18** are dynamic management suppliers

2 are strategic cooperation suppliers



ESG Management

Responsibility Management

In order to fully implement the concept of sustainable development and ensure the effective management of ESG issues, CSRC Bank has established a ESG management system led by the Board of Directors and Senior Management, and implemented by relevant functional departments to clarify specific division of labor and responsibilities at the level of ESG management .



Communication with Stakeholders

CRBC Bank attaches importance to communication with stakeholders and has established a regular stakeholder communication mechanism to listen to voices from different perspectives as an important basis for improving environmental, social and governance practices.

Stakeholders	Needs and Expectations	Communication Channels
 Government	<ul style="list-style-type: none"> Compliance-based operation Paying tax as the law requires Promoting employment Responding to national strategies Contributing to the development of the industry 	<ul style="list-style-type: none"> Information disclosure Daily communication and reports Site visits Receiving supervision and inspection Visiting reception
 Stockholder	<ul style="list-style-type: none"> Compliance-based operation Consistent and stable investment returns Risk management Corporate governance 	<ul style="list-style-type: none"> General meeting of stockholders Regular reports and announcements Investor communication meeting
 Customer	<ul style="list-style-type: none"> Serving "Three Rural" Launch the inclusive finance Respecting customer privacy High quality customer service 	<ul style="list-style-type: none"> Customer satisfaction survey Visits Customer activities Account manager daily contact
 Partner	<ul style="list-style-type: none"> Keeping the contract Mutually beneficial and long-term cooperation Improving supply chain management 	<ul style="list-style-type: none"> Business negotiations Project cooperation Industry communication
 Staff	<ul style="list-style-type: none"> Protecting employee rights and interests Occupational health and safety Training and development Employee care 	<ul style="list-style-type: none"> Labor union Internal publication platforms such as internal journals and intranets Workers' Congress Daily communication
 Environment	<ul style="list-style-type: none"> Green operation Environmental concept promotion 	<ul style="list-style-type: none"> Environmental organization communication
 Public	<ul style="list-style-type: none"> Improve employment Build harmonious community Carry out public welfare activities Financial education 	<ul style="list-style-type: none"> Volunteer service Public welfare activities

Identification of Material Issues

In accordance with the Shanghai Stock Exchange's *Guidelines for Environmental Information Disclosure of Listed Companies*, *Chinese CSR Report Preparation Guide by the Chinese Academy of Social Science (CASS-CSR 4.0)*, United Nations Sustainable Development Goals and *Sustainability Reporting Guidelines* published by Global Reporting Initiative (GRI) standards to define the process of reporting content, strengthen interaction with stakeholders through various means, and understand the level of concern, expectations and demands of stakeholders on our ESG. We identify and screen relevant ESG issues related through suggestions from the managerial level, benchmarking studies of domestic and international peers, multimedia information analysis and on-site research, and understand the level of concern of the issues by stakeholders, and then determine the final materiality of the issues.



We used online questionnaire research to prioritize the selected issues and understand the significance of ESG issues by internal and external stakeholders. During the reporting period, we received a total of 322 valid questionnaire results. After analyzing and calculating the questionnaire data, we finally determined the degree and boundary of issue disclosure and formed the matrix of ESG Materiality Issue of CSRC Bank.

UN Sustainable Development Goals

In addition to our own development, we are always concerned about the international community and global sustainability trends, and we continue to carry out a number of actions guided by the UN Sustainable Development Goals, hoping to help build a more sustainable planet through our own practices on sustainable development. All departments of the bank are discussing the UN Sustainable Development Goals, and in 2021, we will help the implementation of the Sustainable Development Goals throughout the company with a number of practices.



We participate in many public welfare projects such as medical care projects, donate to infrastructure construction; help to fight and alleviate poverty in some areas.

- Xingfu Village Bank has a total of **168** branches, covering **16** former state-designated poverty-stricken counties.
- The total value of donated facilities is **1,308,700** yuan, and help to sale agricultural products by **3,967,000** yuan.



We protect the health of our employees by organizing both regular medical checkups and a supplemental medical insurance plan, and provide a number of benefits to our employees to enhance their well-being.

- Employee medical checkup rate reached **100%**.
- Distributed a total of **1,680,000** masks, **500** thermometers, **1,200** bottles of hand sanitizer and other pandemic prevention materials throughout the year.
- Organized more than **1,300** activities for employees throughout the year, with more than **12,000** participants.



Through donations, we help students in poor areas to get a better and fairer education.

- Carried out the "Feiyan Scholarship Program" to help **95** poor college students in Changshu.
- We donated **1,100,800** yuan to local college students.



Innovative construction of zero carbon outlet pilot, through the use of clean energy, the transformation of air conditioning systems, lighting systems and other infrastructure to reduce carbon emissions.

- The pilot construction of "zero carbon outlet" is expected to generate **25,000** kWh of electricity annually, which can lead to a reduction of **6.80** tons of carbon emissions per year.



We provide diverse training systems and two types of promotion paths for our employees to promote their career development and highlight their value.

- In 2021, **694** new employees were recruited, accounting for about **10.13%** of the total number of employees in the bank.
- A total of **633** training sessions were held for **146,683** employees.



We develop inclusive finance and supported industrial innovation and development in urban and rural areas.

- CSRC Bank's balance of agriculture-related loans reached **115.119** billion yuan, accounting for **70.71%** of all loans, and personal business loan balance reached **64.866** billion yuan.
- In order to promote the intelligent and digital transformation of enterprises, the credit amount of "Changzhi Loan" reached **445,115,000** yuan in 2021.



We provide financial literacy and convenience facilities for the community and focus on the interests of community groups.

- Achieved full coverage of **109** branches in urban and rural areas with the "Social Insurance Banking Pass" service.
- The "Medical Insurance-Banking Pass" service has achieved full coverage in **38** local branches.
- Two branches were awarded the title of "Quality and Civilized Service of the Elderly-Oriented Outlet".



Protect consumer rights and protect customer privacy.

- The complaint handling rate was **100%**, and the overall customer satisfaction rate of the call center was **99.18%**.
- Develop a full range of user privacy protection policies to regulate online service user informed consent.



Innovate green financial products, guide financial investment in green and low-carbon industries, and stimulate green economic growth.

- The total amount of green credit for the year reached **1.560** billion yuan, supporting **34** enterprises with a loan growth rate of **23%**.
- We launched "Emission Loan", "Su Carbon Finance" and "Environmental Protection Loan" to support the energy-saving and environmental protection transformation of enterprises.
- Set up a "green channel" to improve the efficiency of green credit approval.

1

Adhere to Inclusive Navigation, Focus on Urban and Rural Development

The implementation of rural revitalization and the development of inclusive finance are important national strategies. The Bank is determined to take the construction of inclusive financial services as a grip, actively implement the corporate mission of "Inclusive Finance, Responsible Bank", practice the market positioning of "Support Agriculture, Support Small Enterprises", and promote the implementation of important national strategies and policies.

- Serving Rural Revitalization
- Support the Development of Micro and Small Businesses
- Deepen Financial Benefits for the People



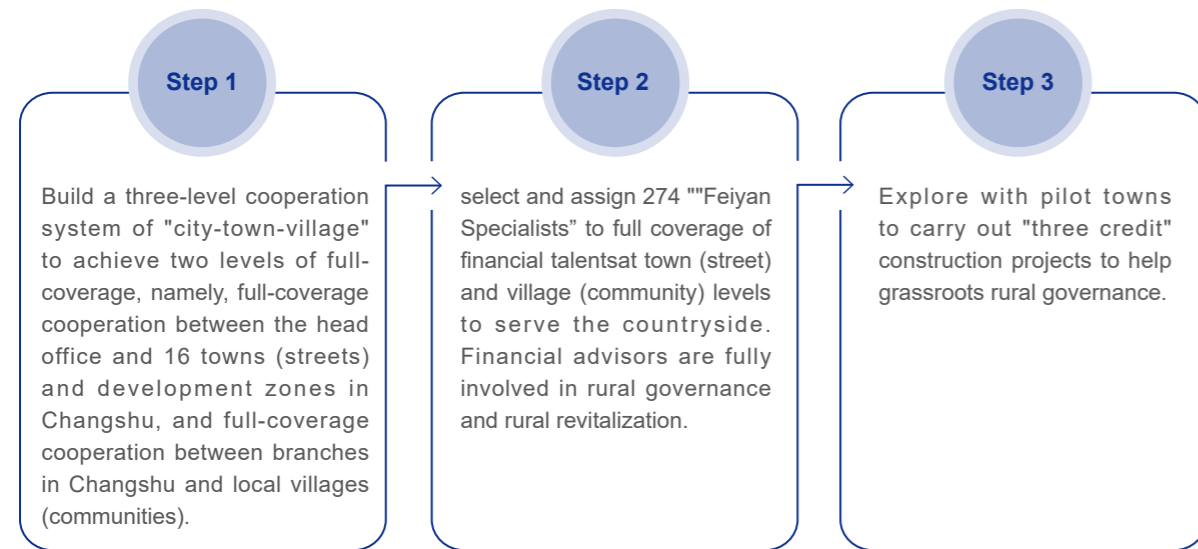
Serving Rural Revitalization

CSRC Bank contributes to rural revitalization by full coverage of financial talents in rural areas, opens Xingfu Village Bank, continuously improves financial accessibility, provides special products and services, and effectively implements the corporate vision of "Rural Finance Leader".

Introducing Finance Talents to Rural Areas

In order to enhance the organizational guarantee of financial inclusion and rural revitalization, CSRC Bank has actively explored the mode of financial talents helping rural revitalization, and through comprehensive cooperation with local communities, CSRC Bank has selected and assigned "Feiyan Specialists of Rural Revitalization" to achieve full coverage of financial talents in rural areas, providing personnel and mechanism guarantee for the special action of rural revitalization. In 2021, the cooperation of talents in Changshu's rural areas cover 8 towns, 6 streets, 2 development zones, 214 administrative villages and 116 communities.

"Three steps" to explore the mode of financial talents helping rural revitalization



Enhancing Financial Accessibility

CSRC Bank accelerates the construction of inclusive financial service sites, formulates the Implementation Plan of Changshu Rural Commercial Bank for Quality Improvement and Efficiency Enhancement, and relies on the brand of "Feiyan Sites" to reach the last kilometer of financial services according to local conditions. By the end of 2021, CSRC Bank had built 238 inclusive financial service sites, including 153 sites in Changshu, and covering 150 administrative villages.

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In order to further enhance the accessibility of rural finance, CSRC Bank established Xingfu Village Bank, the first investment management village bank in China, to open up a new chapter of financial services for rural revitalization. By carrying out "joint study and construction of party organizations" and "village courtyard meeting" with two village committees, CSRC Bank set up a team of "financial officials in village" based on the "village grid" and continued to fill the financial gap of villages and towns.

Increase the number of outlets

- CSRC Bank has 31 Xingfu village banks under its jurisdiction, 22 of which are located in the counties of less developed areas in the central and western regions, with a total of 328 branches covering 16 formerly state-designated poor counties, more than 90% of which are concentrated in towns, villages and communities, gathering more than 70% of credit resources.
- Xingfu village banks vigorously promote Xingfu sites, setting up nearly 95 light outlets in town and village communities and serving more than one million customers.

Issuance of loans to help farmers

- By the end of 2021, Xingfu Village Bank had issued over 1.3 billion yuan of poverty alleviation loans to more than 8,000 poor households, with more than 90% used to support agriculture and more than 80% invested in the development of small and micro real economy, involving the renovation of dangerous houses, repair of pig and sheep pens, farming machinery, seed and pesticide procurement and other fields, helping to promote rural revitalization with practical actions.

Promote whole-village credit

- In 2021, the credit scale of the whole village reached 13.185 billion and the number of households reached 148,000, an increase of 251% and 223% respectively compared with the beginning of 2021; the credit balance reached 1.673 billion and the number of households reached 23,000, an increase of 428% and 379% respectively compared with the beginning of 2021.

Promote online services

- Xingfu Village Bank actively explores digital empowerment for financial inclusion and vigorously develops online services, using mobile banking, small programs and other channels to realize online loan application, online contract signing and other services.
- By 2021, the overall online rate of the village bank had reached 80%, and the number of online service customers reached 160,000; 30,000 new customers used online products such as "Xingfu Reserve" and "Fuxing Loan", and 0.5 million credit accounts were used.



CSRC Bank Haiyu branch created a community inclusive financial service outlet

The Lidu Garden under Haifu new town community in Changshu is a community of demolished households in Haiyu, and there is only one bank within 2 kilometers around, it's very inconvenient for the people to handle financial business and purchase daily necessities. In order to enable the people in the local community to handle business nearby, CSRC Bank Haiyu branch actively builds the community inclusive financial service site of Lidu Garden, providing comprehensive service functions such as payment and settlement, loan financing, financial management, convenient payment and daily necessities purchase for the people.





Hubei Enshi Xingfu Village Bank helped a local fruit farmer overcome business crisis and expand production scale

In September 2020, Mr. Guo's vineyard in Enshi, Hubei Province, was affected by the pandemic, resulting in poor sales of grapes and difficulty in repaying his loan. In the process of visiting households, village financial officers from Enshi Xingfu Village Bank learned of Mr. Guo's difficulties and helped him with the Bank's "deferred principal and interest repayment" policy, and increased his credit limit to 200,000 yuan. After receiving the loan, the couple rented new land, repaired the greenhouse, introduced new varieties and expanded the grape planting area to 170 mu, and the annual turnover is expected to exceed one million yuan.

As early as 2007, CSRC Bank initiated the establishment of the first village bank in Xianfeng, Enshi. By the end of 2021, Enshi Xingfu Village Bank has achieved full coverage of 8 counties and cities in the state, with total assets of over 10 billion yuan, and has provided financial services for over 440,000 customers with deposits and loans. Xingfu Village Bank has granted credit to 40,900 households totaling 3.926 billion yuan, helping local rural revitalization with high-quality development.



Staff of Enshi Village Bank visited a fruit farmer's vineyard

Multiple Products to Meet Development Needs

In order to meet the different development needs of villages and towns, CSRC Bank provides products and services with different characteristics for village collectives, agricultural operators and individuals, taking into account the local customs, rural economy and industrial structure of each village and town, effectively meeting the financial needs of "Three Rural" and stimulating the vitality of the villages. By the end of 2021, the balance of CSRC Bank's agriculture-related loans was 115.119 billion yuan, and the ratio of agriculture-related loans to all loans reached 70.71%.



Huicun Loan takes each administrative village collective as the loan object, as a reserve fund for the economic organization of village collective, which is used to support local development needs, including in the normal expenses of village improvement, payment of village infrastructure repair, routine payment of daily expenses and other needs. 2021 cumulative credit of nearly 1 billion yuan, credit coverage of more than 200 administrative villages.



Sunong Loan is granted to new agricultural business entities, such as farmers' cooperatives, agricultural enterprises and agricultural socialized service organizations, for short-term liquid capital loan business for regular production and operation in direct and closely related industries in agriculture. By the end of 2021, CSRC Bank had invested a total loan of 35.1 million yuan with a balance of 30.6 million yuan by the end of 2021.



Special Product — "tea loan" by Xuan'en branch of Enshi Xingfu Village Bank in Hubei Province

Tea is one of the pillar industries in Xuan'en County, with a wide industrial coverage and a large demand for related loans. Xuan'en branch organized account managers to go to villages and households, field visits, through communication with tea farmers, tea enterprises, to know the credit needs, the characteristics of tea's long capital cycle, slow return on planting, a special credit product - "tea loan" was tailored to address the problem. The product has the advantages of low interest rates, fast lending, long credit, not only to help tea farmers, tea enterprises to reduce financing costs, but also to reduce the pressure of tea farmers' capital turnover. In nearly three months, a total of 230 tea industry loans, 25.98 million yuan were invested, which is a strong support for the development of local industries.



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Staff of Xuan'en branch of Enshi Xingfu Village Bank visited local tea plantations



Case Priority Rural Village Loan to help rural ecological development

A green ecological agriculture company started a new rural construction project with an estimated total investment of 73.3 million yuan. After learning about the situation, CSRC Bank learned the construction plan in detail on site and matched the enterprise with our "Characteristic Rural Village Loan" product. This product is dedicated to the construction of distinctive rural villages with regional characteristics and modern civilization. We granted a total of 40 million yuan to the project with a term of 8 years. The loan was granted in 7 tranches with a total loan amount of 29.5 million yuan and a loan term of 5 years.

After the loan disbursement was completed, the enterprise quickly started the project and successfully completed the construction of the whole project in three years. Through this project, it has promoted the integration of the whole area development of Haiyu National Characteristic Town. After the project is completed and maturely operated, it can bring an annual income of about 9.8 million yuan, which greatly promotes the local economic development and provides more labor employment opportunities.



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Support the Development of Micro and Small Businesses

In response to the difficulties in financing micro and small businesses, CSRC Bank has increased the efforts of inclusive financial services, broadened the financing service channels, improved the scale and efficiency of credit granting, and cultivated and strengthened micro and small market entities.

System and Talent Building

In order to strengthen the institutional leadership of microfinance services, we have launched "a trillion plan" to continuously improve the lending mechanism and attach importance to the construction of our talents to continuously improve the quality and strength of the services.

Talent Team for Microfinance Services

"A Trillion Plan"

- We proposed "A Trillion Plan" to develop 100 professional markets, extend credit to 10,000 households and add 2 billion yuan in high-interest assets in 2021. By the end of 2021, we had visited 181 professional markets in the jurisdiction, with 19,400 new credit accounts, credit amount of 3.692 billion yuan and credit balance of 2.442 billion yuan.

Improve loan mechanism

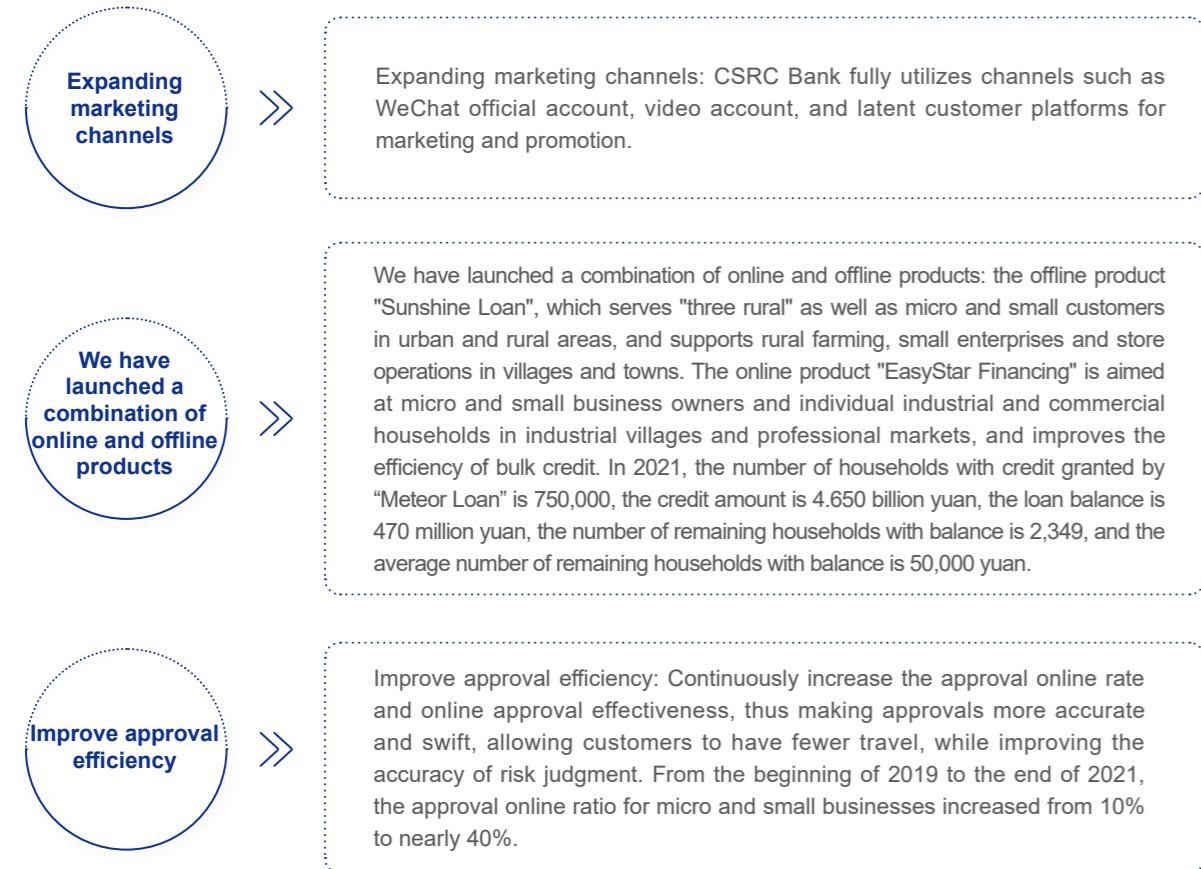
- We continue to improve the lending mechanism, increase credit allocation to first-time borrowers of micro and small businesses. In 2021, we supported 1,342 micro and small businesses (including individual entrepreneurs and micro and small business owners) with a total amount of 4.695 billion yuan through the special product "Non-repayable renewals".

Talent team building

- We attach importance to improving the construction of microfinance serving talents, optimizing the staff structure and focusing on building a comprehensive talent team mainly for microfinance services. We have set up a professional project team for "online banking" and gathered talents with various skills of "business + approval + technology" at the headquarter to provide talent support for microfinance services.

Innovative Microfinance Service Mode

CSRC Bank actively explores and innovates products and service modes for microfinance, gradually shifts from the traditional mode to the modern mode, promotes online approval and credit products, and continuously improves the quality and efficiency of microfinance services. In 2021, the online approval rate of loan business for microfinance is 36%, and the total amount of online loans for microfinance services was 9.721 billion yuan.



Innovative Service Mode for Border Areas

At the beginning of 2021, in order to increase the number of outlets and expand the practice of inclusive finance, CSRC Bank explored a new mode to micro and small business: set up pilot areas for inclusive finance in remote areas bordering counties and cities and combining urban and rural areas with relatively inadequate financial supply, and set up an inclusive finance team of more than 150 people, creating an integrated service team and acting as a "pioneer" in the exploration of inclusive finance. We Explore the whole life cycle of customers service, create a new mode of market-oriented, mobile, integrated services, adhere to the customer-centric, mobile tools into the common people, integrated services to make Changyin Brand reputational; return to rural counties, deeply involve in border areas, provide a full range of financial services for grassroots customers. By the end of 2021, the loan balance of the Inclusive Finance Department exceeded 5 billion yuan, the number of households exceeded 8,000.

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CSRC Bank helps local micro and small foreign trade enterprise "go aboard"

CSRC Bank actively supports local foreign trade enterprises to "go aboard", provides one-stop service for micro and small foreign trade enterprises, and launches the "City Caitong" platform, which greatly simplifies the business procedures of individual industrial and commercial entities and shortens the speed of receiving and settling foreign exchange from more than 3 working days to less than 1 working day, thus improving the efficiency of using funds in the market and enterprises.

In response to the financial needs of micro and small foreign trade merchants with a large number of receipts of foreign exchange and small single amounts, we continuously strengthen its services and optimize the business process, and have now realized the opening of public foreign exchange settlement accounts under market purchase trade on the same day, and strengthens communication with customers through multiple channels such as email, telephone and WeChat to provide customers with convenient and efficient exclusive services.

At present, CSRC Bank has provided more than 200 market procurement trade customers within the jurisdiction of Changshu Garment City with services such as account opening, receipt and settlement of foreign exchange. In the future, we will continue to empower micro and small foreign trade enterprises to develop their market procurement trade steadily.



Our staff visited a local micro and small garment foreign trade enterprise

Deepen Financial Benefits for the People

CSRC Bank strengthens cooperation with administrative departments, innovates new modes of services for the people, gives full play to many advantages such as wide channels, dense network and excellent services, carries out several projects for the people, and actively practices the service concept of doing practical things for the public.

Innovative Service Model for the Benefit of the People

CSRC Bank innovates the service mode of benefiting the public and builds a convenient service system with government administrative departments. Through a number of beneficiary projects, government functions for the public, such as human society, medical insurance and administrative approval, are "moved" into the branch and cell phone bank, which greatly facilitates the process of business for the public.



Citizen Card

Issuing 1.37 million Changshu citizen cards, integrating public transport, garden tourism, payment and financial functions.



Medical Insurance-Banking Pass

We have cooperated with government departments to launch the pass and opened 28 window services in 11 categories, including "registration and change of basic medical insurance" and "filing for medical treatment in different places for insured people" in 38 local branches.

We helped to build "15-minute medical insurance service circle" in all towns and streets of Changshu City and Weigang Village in Zhao City, achieving full coverage of towns and streets in Changshu area, in which Meili Town's "Medical Insurance-Banking Pass" project successfully passed the evaluation and acceptance of Suzhou Medical Insurance Bureau with 99 points, ranking first in the city of Suzhou.



Social Insurance-Banking Pass

Our service of Social Insurance-Banking Pass covers 32 social insurance services in 10 categories. The number of the service outlets has increased from 4 pilot outlets to 107 outlets in urban and rural areas, with 74,000 life insurance cards issued and a total activation rate of 75.22%.

Build Special Products for the Benefit of the People

To enhance the quality and level of livelihood services, we continues to innovate cooperation models, organize activities for the benefit of the public, launch special products and optimize respectful services for the elderly to effectively protect people's livelihood and fulfill the social responsibility.

"Feiyan Bazaar" is an alliance service mode between us and merchants, in which our partner merchants provide daily necessities and take advantage of our network to provide special offers to the people. "Feiyan Bazaar" has launched a series of innovative activities such as "New Year Street" "Night Market Bank", "Bank-Enterprise Sale" and "Community Shopping Festival". "They take advantage of current hotspots and festive marketing to serve people's needs through high quality and inexpensive daily commodities, special payment activities and brand derivatives.

As a life service platform launched by CSRC Bank, "Changyin Life" APP integrates life, consumption and finance, and integrates high-frequency life scenes such as "medical, food, housing, transportation and entertainment", "eating, drinking, playing, shopping", etc. to create a full-scene life experience and provide people with intelligent, mobile and scenario-based comprehensive services.



The scene of "Feiyan Bazaar"

Relying on the "Changyin Life" APP, the "Nongnong Village Products" platform aims to "serve the three rural and revitalization" and upholds the service concept of "high quality, safety and convenience". In 2021, the platform had 136,000 transactional orders with a cumulative transaction amount of 7.73 million yuan.



Nongnong Village Products Online Mall



The scene of "Feiyan Bazaar"



"Meiyan Benefit Farmers", a new mode to help sell agricultural products

The "Meiyan Benefit Farmers" service brand is a brand new start for CSRC Bank and Meili Town to deepen the cooperation and to practice livelihood service. We jointly build a service platform for the sale of agricultural products and promote high-quality special agricultural products. CSRC Bank actively helps increase the sales of the platform, opens up online sales channels for agricultural products, innovates win-win cooperation mode, and sells a total of 62,400 yuan of agricultural specialties.



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2

Explore the Power of Technology to Build Caring Services

At present, financial technology is flourishing in the Internet era, and information technology such as AI, big data, cloud computing and IoT is constantly injecting power into finance. In such an era, CSRC Bank actively promotes the deep integration of financial technology with products and services, stimulates the vitality of financial technology innovation throughout the bank, helps upgrade financial services and secure information in the digital era, and strives to build a strong bank of technology.

- Drive Technology and Business Integration
- Activating the Potential of Science and Technology
- Enhance Customer Experience
- Safeguard Information Security and User Privacy



Drive Technology and Business Integration

As financial technology continues to break through the shackles of the traditional service mode, CSRC Bank uses technology to accelerate the promotion of online products and services, deepen intelligent service and build a technological financial service mode.

Drive Products and Services Online

CSRC Bank accelerates the digitalization and online transformation of business and develops various online platforms and products to make customers walk less and improve service quality and efficiency.

In 2021, our online return printing rate reached 62%; the online banking issuance rate reached 59%; the electric ticket issuance rate reached 90.57%; and the off-counter rate reached 75%, all of which have improved compared with last year and all of which have reached or exceeded the target values.

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62%

the online banking issuance rate reached

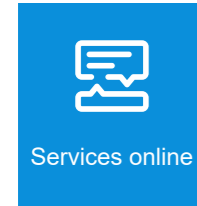
59%

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90.57%

the off-counter rate reached

75%



Services online

- Online public account opening: CSRC Bank launched the public service platform to realize the public business fully online. We utilized mobile lobby to enhance account opening efficiency, with 196 mobile lobby account opening transactions in 2021; utilized cloud platform for public remote video interview, with 3,220 interviews completed in 2021; eliminated paper due diligence audit forms and conducted account opening research in a purely online manner, saving a great amount of time for customers.
- Online services for medium, small and micro enterprises: To help improve the effectiveness of fund management of medium, small and micro enterprises, in 2021, CSRC Bank optimized and upgraded its Internet issuance business to provide more services to facilitate enterprise management and improve operational efficiency, including employee inquiry, project management, electronic signature, exceptional situation handling, etc. In 2021, 96 enterprises were enrolled in the service, and the number of served employees reached 34,000.



Products online

- In order to speed up the transfer process of old credit customers and enhance their transfer experience, CSRC Bank uses big data risk control model, combined with credit data model analysis, to launch the online product Star Renewable Loan, with a total of 1,241 credits granted in 2021, credit of 303 million yuan and a balance of 250 million yuan used.
- In response to the small, scattered and miscellaneous capital needs of village bank customers, we successfully launched the first purely online credit product of village bank, "Xingfu Reserve", using big data risk control technology to realize the online and automated credit granting process for white-listed customers.



CSRC Bank+" WeChat financial tool

To further promote online services, we launched "CSRC Bank+", which integrates various financial products such as deposits and wealth management, private banking+, FreeStar microfinance loans, agricultural loans, life services and financial tools, and provides customers with a lightweight and comprehensive service platform by leveraging the convenient and fast features of WeChat applets.

By the end of 2021, the monthly visits to "CSRC Bank+" WeChat financial tools reached 100,000 times, with an average number of about 500,000 users.

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WeChat financial interface of "CSRC Bank+"

Driving Intelligent Business

CSRC Bank attaches great importance to promoting the application of technology, and by making full use of big data and AI, it promotes digital transformation and intelligent upgrading of systems, services and departmental functions to reduce risks and improve efficiency.

Intelligent core system: We have adopted distributed core architecture and domestic distributed database technology to improve the operational performance of the core system with reference to the core system design and advanced practices of the industry, and the new core system has better performance in terms of applicability, security, efficiency and scalability, which has improved the our product implementation and service capability.

Intelligent services: Based on building the underlying platform of artificial intelligence technology, we have actively expanded the technology application scenarios. We have launched virtual human intelligent assistant service, OCR intelligent recognition platform to increase the recognition function of real estate certificates and VAT invoices, and intelligent outbound call platform to increase various scenarios such as small and micro marketing. We have built a smart property platform to provide customers with 24/7 online service windows for "community parking, appointment maintenance, property bill payment" and livelihood services such as appliance cleaning, laundry and shoe washing, plumbing and car inspection.

Intelligent departmental function: CSRC Bank use artificial intelligence to optimize departmental functions and reduce business risks. We adopt face recognition and OCR technology to reduce authorization risks caused by subjectivity of authorized personnel, add new agent scenarios, enrich authorization judgment models, and secure and efficient technologies to enable us to reach an average intelligent authorization rate of 57% and over 90% of high-frequency unlocking transactions in 2021. By 2021, our self-developed AI technology has provided intelligent services to 11 business departments and 34 business scenarios.

Promote Elderly-oriented Products

CSRC Bank attaches great importance to the user experience of whole customers, and has initially completed the elderly-friendly upgrade of the mobile banking APP, launching the "Convenient Financial Version" of mobile banking, which can be switched with the "Standard Financial Version" APP in one click, making it easy for elderly customers and visually impaired customers to use, with specific optimized functions: firstly, the home page is more concise, deleting the redundant and low-frequency transactions on the home page and focusing on high-frequency transactions; secondly, the reading is more convenient, using large fonts to display information, making it easier to read and operate; thirdly, the operation is more intelligent, adding the auxiliary voice search function, which can quickly locate the service menu for customer needs by speaking, reducing input barriers for elderly customers.

Helping Enterprises to Transform and Upgrade

On January 4, 2021, Suzhou City released the Suzhou City Three-Year Action Plan for Promoting Digital Economy and Digital Development (2021-2023). CSRC Bank actively responded to the call of Suzhou City to promote the implementation of the three-year plan, increase the support for the enterprises going through intelligent and digital transformation, and promote the transformation and upgrading of traditional enterprises.

To this end, CSRC Bank has launched the "Smart Manufacturing" credit product - "Changzhi Loan", which is specially designed to meet the financing needs arising from the intelligent transformation and digitalization of enterprises.

"Changzhi Loan" three-step action plan



Customer Advocacy

- We visited enterprises and their workshops on site, combined with our official website and WeChat official account to form an online and offline publicity matrix to deepen customers' understanding of the policy and products across the jurisdiction. At the same time, all branches of CSRC Bank are opened to accept eligible financing needs, and the 956020 customer service hotline is ensured to answer customers' related questions all day long.



Customer Mapping

- CSRC Bank makes full use of a large number of branches and 150 account managers to actively mapping 83 enterprises in need, covering equipment technical reform projects, production line intelligent transformation projects, printing and dyeing high-quality development projects, etc., providing targeted financial services guidance, involving a total investment amount of 4.540 billion yuan.

- CSRC Bank cooperated with Changshu City Bureau of Industry and Information Technology, mapped the list of 100 customers in demand, and served 16 potential customers, involving a total investment amount of 1.080 billion yuan.



Credit Granting

- At the end of 2021, the amount of "Changzhi Loan" being granted was 445,115,000 yuan and the amount of credit used was 184,883,400 yuan, with a total of 141 loans granted and 48 enterprises supported, ranking first in Changshu City and Suzhou City.



CSRC Bank helped a local polyester company to solve its capital needs in transformation

A polyester company is the leading local enterprise, which has been cooperating with CSRC Bank for many years. With the gradual promotion of green projects, the enterprise was facing greater financial pressure. After CSRC Bank learned the enterprise's situation, we considered the actual situation of the enterprise and gradually increased the credit, among which, the "Changzhi Loan" was granted for 20.07 million yuan, which solved the enterprise's capital problem.

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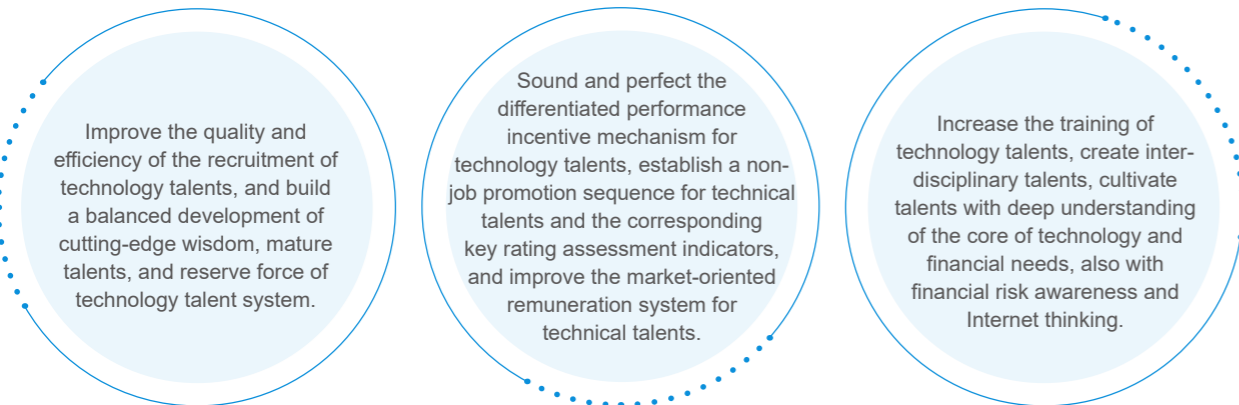
CSRC Bank staff visited the local polyester company

Activating the Potential of Science and Technology

At present, technology-driven financial innovation has become the consensus of financial institutions. To further stimulate the potential of technological innovation, CSRC Bank has formulated Changshu Rural Commercial Bank Financial Technology Development Plan (2019-2022) and set the development target that by 2022, we would have fully built a financial technology research, development and application system to enhance the satisfaction of customers inside and outside CSRC Bank with digital, networked and intelligent financial products and services.

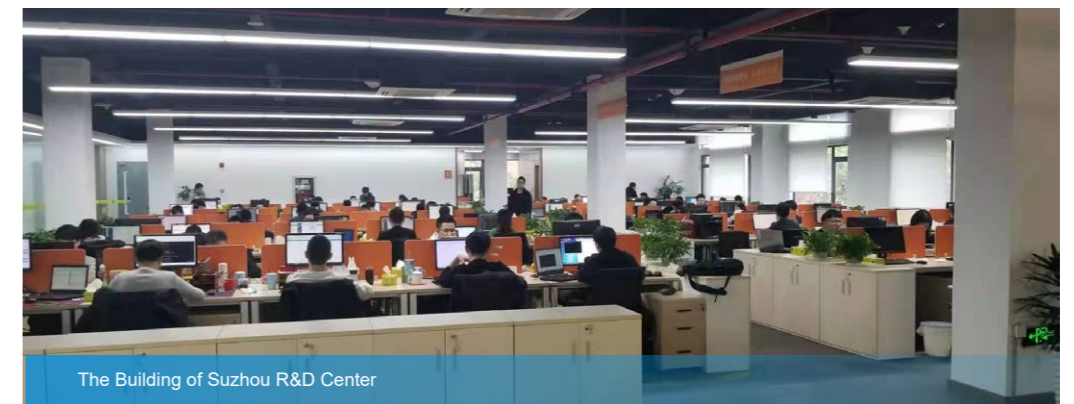
Enhancing Research Strength

In order to achieve our technology development goals, we strengthen the top-level design and strategic planning of financial technology, accelerate the our financial technology reform, continuously improve research investment, increase efforts to attract, gather and motivate technology talents, improve the technology talents training system, and enhance the core competitiveness of financial technology. In 2021, the total number of CSRC Bank's scientific researchers was 261.



Suzhou Research and Development Center of CSRC Bank

To further stimulate the potential of technology innovation and gather technology talents, we relocated the R&D team of Financial Technology Department to the Suzhou Industrial Park 2.5 Industrial Park and set up Suzhou R&D Center, which is dedicated to technological R&D and innovation, while fully utilizing the advantage of Suzhou's financial technology talents, to actively recruit new technology talents in AI, open banking, blockchain, etc., to accelerate the upgrade and iteration of CSRC Bank's technology capability. The Suzhou R&D center has an office area of 10,000 square meters to ensure that researchers have enough space to engage in technological innovation and R&D work.



The Building of Suzhou R&D Center

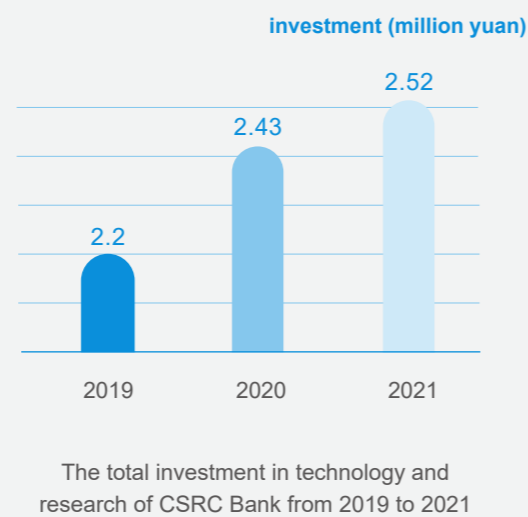
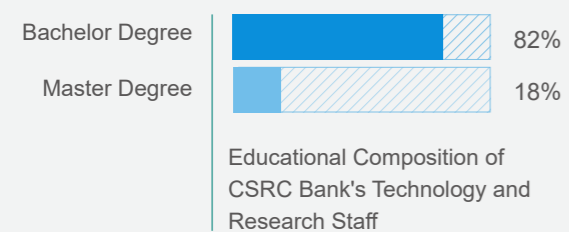
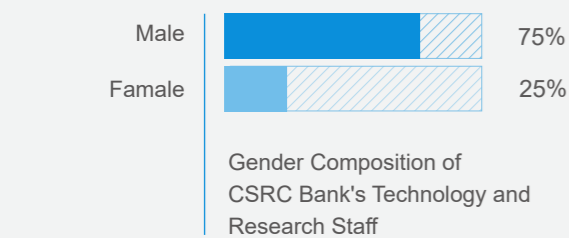
Strengthen the Protection of Intellectual Property Rights

In order to strengthen the protection and management of CSRC Bank's intellectual properties and to enhance the awareness of employees on the protection of intellectual properties, we have issued the Management of Information Technology Intellectual Properties of Jiangsu Changshu Rural Commercial Bank Co., Ltd to encourage independent innovation while making detailed regulations on computer software copyright, prohibition of using pirated software and the use of intellectual properties by employees in order to strengthen the protection of intellectual properties.

As of 2021, CSRC Bank has obtained national technical invention patents for four system-related technologies, including seal publication system, big data risk control, OCR recognition and knowledge mapping, and software copyrights for 30 products, including public mobile banking and account management system.



Important achievements of CSRC Bank's technical invention patents and software copyrights (part)



Enhance Customer Experience

CSRC Bank always puts customers' rights and interests in the first place and strives to improve the quality of customer service. In recent years, we have been using technology to innovate our ways to provide more intimate and convenient services to customers.

Create Caring Services

In order to create attentive services and further enhance customer experience, CSRC Bank formulated the Lobby Management Manual and Lobby Service Manual, customized service processes and requirements for special groups, made standardized guidance for lobby service personnel, and renovated and improved lobby equipment. In addition, we actively organize various activities to enrich people's life.

Improve the hall equipment: set up mother and baby room, disabled access, open a love special window in the high counter, enrich convenient goods and equipment in the convenience area, such as first aid medicine box, blankets, wheelchairs, baby chairs, crutches, peace of mind service cards, braille cards, different degrees of presbyopic glasses, etc., as well as the use of the Drip Language APP, etc., to provide special people with peace of mind, comfort and convenient services.



Children's reading area

Relying on Changyin Life to create a closed loop of points' redemption: through the inclusion of local enterprises, merchants and farmers, CSRC Bank's business and activity points can realize the self-circulation within our customers and enhance customer service capability.

Using Chang Yin Life APP to carry out various live activities: participating in "Human World Fireworks with You, the main venue of Changshu "Five Five Shopping Day Shopping Festival", hosting the financial knowledge live event of the provincial federation "Watch out for money laundering traps", carrying out a series of health science popularization live activities jointly with the Changshu First People's Hospital, and helping to carry out a special live broadcast of Xu City's Mutton Soup Festival.



Changshu main venue activity of the "Five Five Shopping Day Shopping Festival"



Health science live event

To carry out "Service Improvement Year" activities: to carry out self-assessment work of each branch, and to carry out rectification work for 30 branches; to improve the quality of lobby management of the whole bank, and to create "elderly friendly branch", "party, government and people's business" and "workers' station" characteristic branches; to set up role models, strengthen publicity, and drive the whole staff to improve service quality by the power of role models, and at the same time to carry out service sharing sessions, and to exchange and learn from excellent service experience and cases in the whole bank.



Case

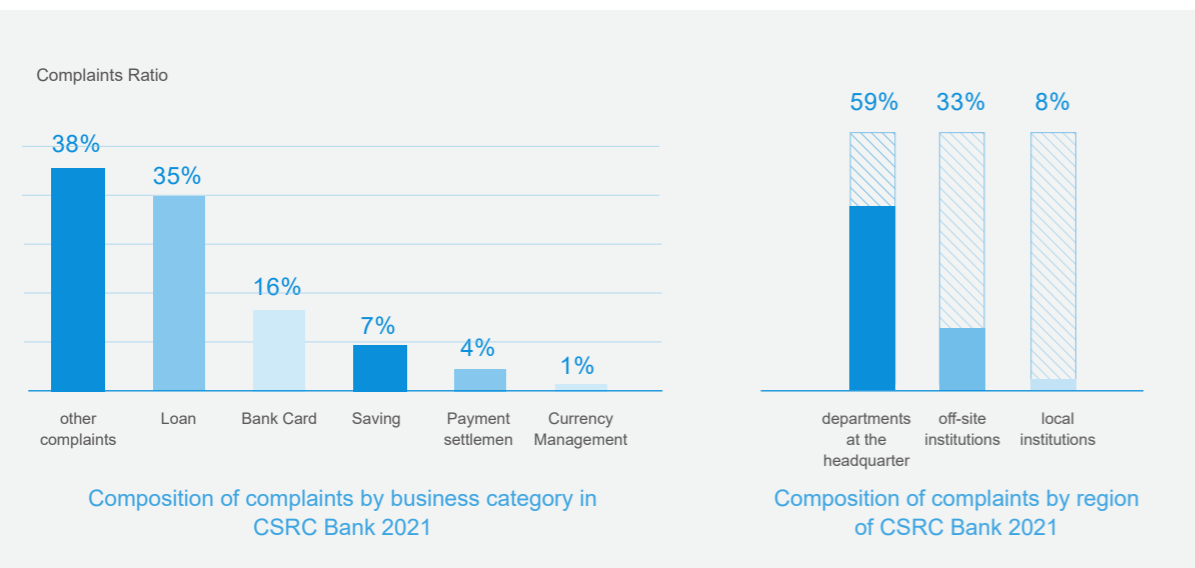
CSRC Bank actively improves elderly-oriented services at its branches

CSRC Bank actively promotes the virtue of respecting the elderly, and selects two institutions, Dongbang branch and Meili branch, as the benchmark outlets for building elderly-oriented services. Through a series of measures such as the renovation of elderly-oriented facilities, improvement of the items, establishment of exclusive service teams and improvement of elderly-oriented service processes over a period of two months, both branches were awarded the title of "Quality and Civilized Service Elderly-Oriented Outlet" in the final evaluation, which provides experience for the promotion of elderly-oriented services in the next stage.



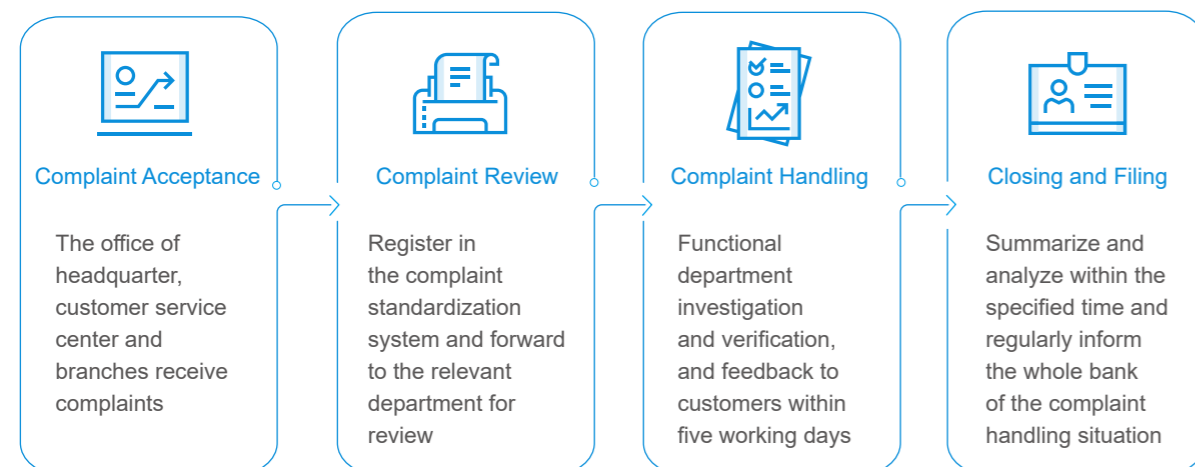
Optimize Complaint Management

We patiently listened to customers' feedback and insisted on solving complaints at source. 165 complaints were received in 2021, with a processing rate of 100%, 538,100 remote banking manual services, 736,600 calls to the customer service center, and 99.18% comprehensive customer satisfaction from calls. In order to standardize the complaint handling process of complaints and improve the service quality and customer satisfaction, we continued to improve the Complaint Handling Management Measures of Jiangsu Changshu Rural Commercial Bank Co., Ltd, so as to standardize complaint handling responsibilities, processes and management requirements, to improve the quality and efficiency of complaint management.



CSRC Bank attaches importance to unblocking complaint channels. In order to better collect customers' suggestions or opinions and improve the service level, we keep the customer service hotline open 24 hours a day to accept customers' inquiries and at the same time, display information such as charge standards and complaint supervision telephone numbers in each branch, and places complaint comment books in each branch hall to ensure that customers can communicate with us through various channels and give feedback and suggestions.

Complaints handling process of CSRC Bank



Safeguard Information Security and User Privacy

CSRC Bank continues to strengthen network information security and user privacy protection, continuously improve various management systems and management systems, enhance staff awareness of risk prevention, and provide solid protection for the financial security of the entire bank.

Driving Information Security Management

In order to strengthen data security and privacy protection, we formulated and improved the Production Data Management Regulations of Jiangsu Changshu Rural Commercial Bank, established a Technology Production and Information Security Management Committee, established and implemented an internet security responsibility system, and formed an internet security work leadership team. We also established a three-tier document management system to continuously improve the IT risk management document system and information security management system; and utilized technical protection to provide full life-cycle security management for data desensitization, data backup, data preservation, data access and usage control.

CSRC Bank continues to enhance employees' awareness of network information security and promote the regularization of bank-wide internet and information security training, and all staff actively participated in the training. In 2021, CSRC Bank organized 95 times of internet security training for employees, covering 4,300 employees, organized 4 sessions of employee internet security knowledge quizzes, covering more than 5,000 people.

- In order to strengthen our information security protection, we have conducted internet and information security awareness training for new employees, which is divided into three sections: "what is information security awareness", "security norms at work" and "preventive measures", informing employees how to prevent information leakage, identify phishing emails, various hardware and software security requirements, etc., and discussing specific cases.

In May 2021	In July 2021	In December 2021
<ul style="list-style-type: none"> We launched a cyber security awareness campaign covering the entire staff, mainly covering the background of cyber security regulation, implementation of security responsibilities, security measures and work deployment of head office departments and branches, to raise the awareness of cyber security among all staff. 	<ul style="list-style-type: none"> The Bank conducted cyber security and compliance education training for new employees in the technology line, to explain the Bank's cyber information security and compliance regulations. 	<ul style="list-style-type: none"> We further carried out cyber security awareness training concerning the current situation of cyber security and cyber security related laws and regulations, and comprehensively strengthened the warning of the significance of cyber security for all staff in the Technology Department.

User Privacy Protection

CSRC Bank attaches great importance to the protection of customer privacy. We formulated and improved the Administrative Measures for the Security of Personal Financial Information of Jiangsu Changshu Rural Commercial Bank Co., Ltd. and the Privacy Policy of Jiangsu Changshu Rural Commercial Bank Co., Ltd.

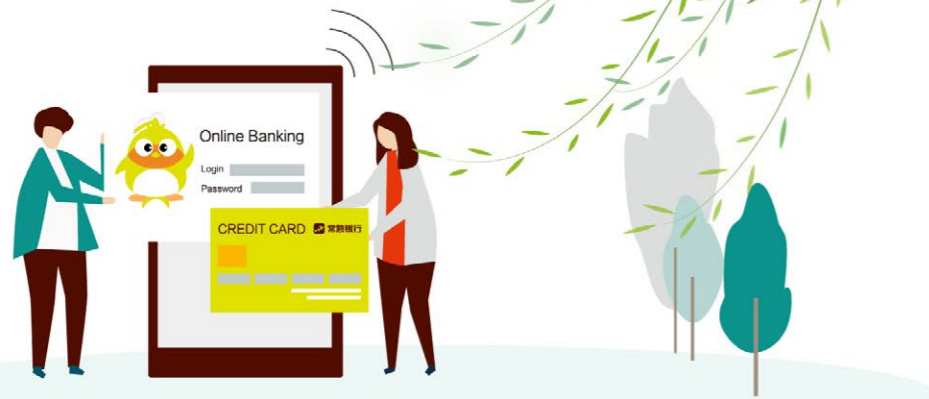
CSRC Bank regulates users' informed consent through multiple channels such as CSRC Bank mobile banking, corporate mobile banking, Changyin Life, and Online Banking, informs users of the methods and rules for the collection and use of personal information, and makes legal and reasonable use of customer privacy information, so that customer information can be transmitted in a safe and controllable environment.

3

Addressing Climate Change, Building a Green Bank

As the main force in promoting the development of green finance, CSRC Bank has been actively upgrading its strategy, innovating and developing green finance business, optimizing the green investment environment, and providing strong financial support for the development of green economy. At the same time, CSRC Bank has taken the initiative to carry out operational reform, implement green office and build a green bank.

- Green Finance Development
- Adhering to Green Operation



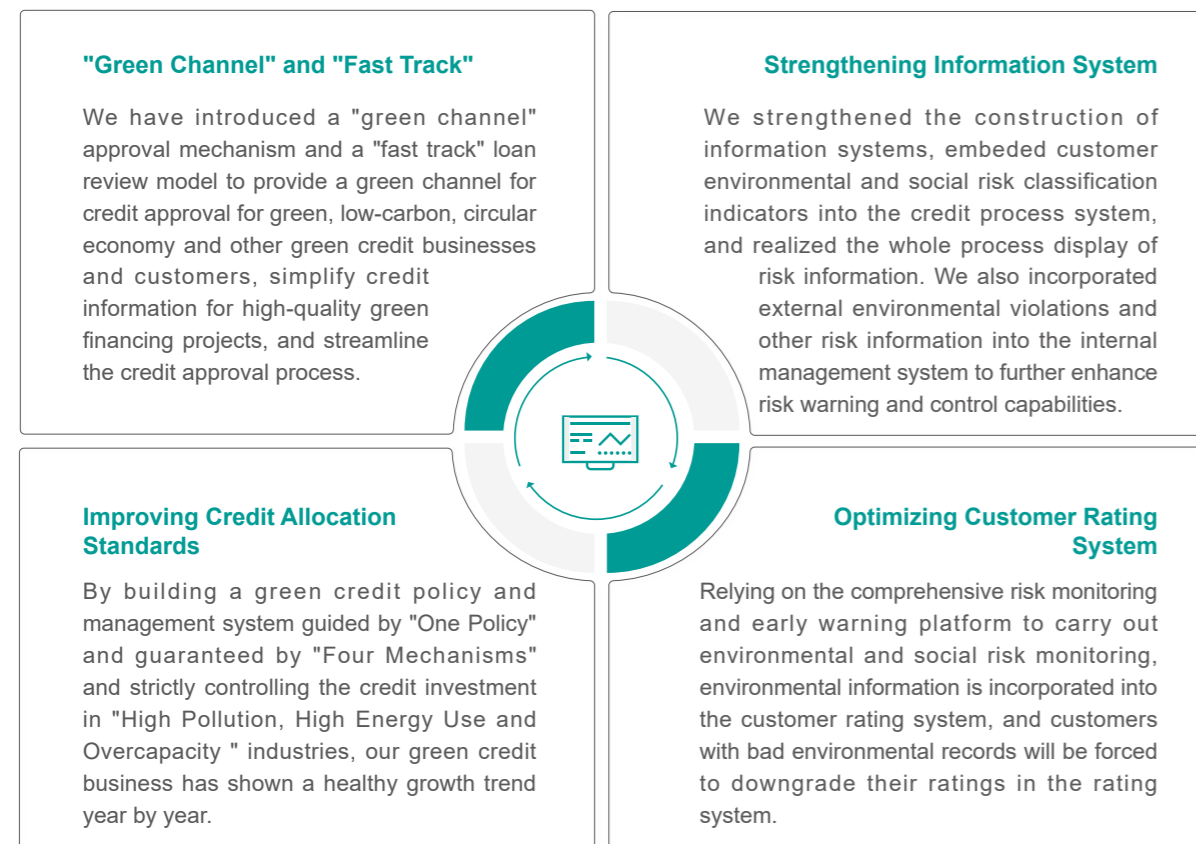
Green Finance Development

With its financial advantages, credit advantages and information products, CSRC Bank takes the initiative to fulfill its social responsibilities, does a good job of providing loan support to energy-saving, emission reduction and urban infrastructure projects, promotes green production and consumption, and strives to achieve good social and economic benefits.

CSRC Bank has formulated the Green Finance Development Strategy (2020-2025) of Jiangsu Changshu Rural Commercial Bank, which includes the three major tasks of preventing environmental and social risks, accelerating the development of green business, and improving the performance of ESG itself. It also integrates the concept of green environmental protection and green development into all business management activities to effectively support the development of green finance business.

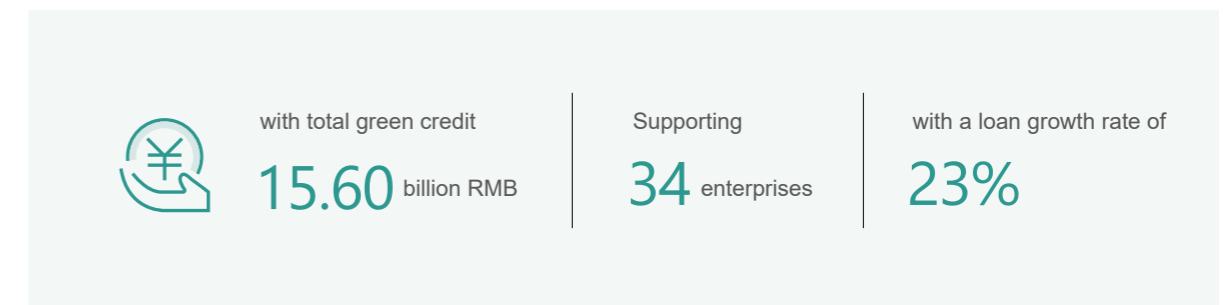
In 2021, CSRC Bank established the Green Finance Department and the Green Low Carbon Transformation Financial Service Center, following the principles of full coverage, checks and balances, prudence and matching to carry out internal control. In order to build solid foundation for the development of our green finance, we implement the Four Guarantees and Six Enhancements of the regulatory authorities, the Green Finance Evaluation Program for Banking Financial Institutions, the Opinions on Green Low Carbon Financial Reform and Innovation in Suzhou and the Green Finance Development Strategy of CSRC Bank.

CSRC Bank has set up a "green channel" fast approval mechanism. This mechanism strengthened information system construction, optimized customer rating system, and improved credit allocation standards to enhance the bank's organizational capacity to develop green finance and provide a strong guarantee to promote the development of green economy.



Green Finance Products

CSRC Bank actively researches, innovates green products, enriches the Green Finance "product library". We have increased the construction of green financial products and service innovation mechanisms related to green, low-carbon and circular economy and strengthened the innovation of green credit products for "three rural" and small and micro businesses. We have also developed and introduced a series of standardized loan financing models and low-carbon financial products in a timely manner. In the reporting period, CSRC Bank achieved remarkable performance in green finance, with total green credit 1.560 billion RMB, supporting 34 enterprises, and a loan growth rate of 23%.



	Loan Type	Loan Usage
Emission Loan	Borrowers who hold emission rights obtained for a fee and confirmed in the form of emission permits apply to CSRC Bank for RMB working capital loans for their normal production and operation	It is mainly used for enterprises' energy-saving and environmental protection transformation and capital needs arising from daily production and operation activities.
Su Carbon Loan	Working capital loans granted by the Bank to agricultural-related, micro and small business and private enterprises in the green enterprise directory database, which are supported by the Central Bank Funds of Jiangsu Province.	It is mainly used for the capital needs of energy-saving and carbon-reducing projects of enterprises, or the capital needs arising from the daily operation activities of energy-saving and carbon-reducing enterprises.
Environmental Protection Loan	A financial product jointly established by Jiangsu Provincial Department of Finance, Provincial Department of Ecology and Environment and Jiangsu Rural Credit Cooperative Society. Through the establishment of a risk compensation fund pool for ecological and environmental protection projects, we aim to provide loan credit and risk compensation for pollution prevention and control, ecological protection and restoration, environmental protection infrastructure construction and environmental protection industry development projects carried out by enterprises in Jiangsu Province.	It can be used for energy and water conservation projects, ecological protection and restoration projects, resource recycling projects, pollution prevention and control projects, renewable energy and clean energy projects, energy conservation and environmental protection services projects, and other environmental projects audited and approved by the provincial assessment center.



Featured Rural Village Loan Helps Green Ecological Agricultural Developments

A green ecological agriculture company is within the list of the second batch of pilot villages for the construction of the special rural village in Suzhou. It was established to build a new featured rural village. After the company was established, it quickly started new rural green construction related projects with an estimated total investment of 73.3 million RMB. However, since the project is under the construction period and has not yet started production and operation, the enterprise has a large capital gap.

After learning about the situation, CSRC Bank took the initiative to meet with the local village, town and enterprise to understand the construction plan in detail, discuss the feasibility of the project and the economic development opportunities for the local area, and finally decided to match the enterprise with the Bank's "Featured Rural Village Loan" product, with a total credit of 63.5 million RMB and a credit term of 67 months.

After the loan was granted, the enterprise started the project and successfully completed the construction of the whole project in three years. The construction of this project has promoted the integration of the development of the whole area of the featured town and driven the development of several villages in the region, becoming a typical model for the development of regional rural linkage. After the completion and mature operation of the project, it can bring an annual income of about 9.8 million RMB, which promotes local economic development, provides more employment opportunities, and helps the enterprise and local rural areas to achieve the goals of cultural construction and increasing production and income.



"Featured Rural Village Loan" helps to build new featured rural village

Green Bonds

CSRC Bank actively implements the national sustainable development strategy and uses green bonds as a new financial instrument to support the financing of green industries, assisting the development of green economy.



CSRC Bank invested in the first phase of 2021 green mid-term notes (carbon neutral bonds) of Suzhou SND Group in the amount of 30 million RMB, contributing to the implementation of the first carbon neutral bonds in Jiangsu Province and the development of green finance in Suzhou.



CSRC Bank invested in a 2021 non-public green corporate bond of Yangzhou Yishengde Industrial Development Co., Ltd. in the amount of 50 million RMB with a maturity of 3 years. The fund was used for the comprehensive ecological and water environment management project of Yangzhou Eco-Tech New City.



Adhering to Green Operation

CSRC Bank continues to strengthen its own environmental construction by precisely regulating room temperature, using computers and water scientifically and disconnecting electricity in a timely manner, while innovating the construction of zero-carbon outlets and implementing paperless offices to save resources and reduce carbon emissions. In this reporting period, CSRC Bank mainly used gasoline, natural gas, electricity, water resources and paper; the waste generated was mainly domestic and office waste, which was handed over to the municipality for disposal. For the equipment that needs to be disposed of at end of life, CSRC Bank handed over to the company with e-waste disposal qualification and filed on the website of the government's Environmental Protection Bureau to ensure the harmless disposal of e-waste and minimize the impact on the environment.

	Data	Unit of Measure
Total gasoline consumption by owned vehicles	608,831.90	L
Total gas consumption	123,752	m ³
Total electricity consumption	31,104,679	kWh
Total water consumption	174,663	t
Amount of paper saved by paperless billing	2.4	t
Total GHG emissions (Scope I + Scope II)	19,758.01	tCO ₂ e
Total energy consumption	4,641.31	tce

Zero Carbon Outlet Pilot Construction

CSRC Bank carried out renovation of facilities to reduce energy consumption and implemented projects to achieve more fine-tuned self-control of building air-conditioning units and reduce carbon emissions. Projects include renovation of building air-conditioning system, renovation of data room infrastructure, energy-saving renovation of lighting system and energy-saving renovation of fresh air control system, etc.

The first solar power generation project was installed and put into use at the Fushan Xiaoqiao branch office for daily operation, which is expected to generate 25,000 kWh of electricity annually and reduce carbon emissions by 6.80 tons per year.

Paperless Office

CSRC Bank vigorously promotes online service and management and paperless operation at any time and place, in order to achieve a green, low-carbon, and shared office mode.

	Approaches	Results
Paperless Counters	Paperless Transformation of Counter Transaction	In 2021, we achieved paperless transformation of 26 transactions, reaching a total of 306 transactions to go paperless. By the end of 2021, the volume of counter paperless transactions accounted for more than 78% of the business volume, saving about 43,100 common vouchers.
Paperless Files	The electronic file system realizes unified, standardized and efficient management of all kinds of file image data by separating the system data and image storage and reducing the pressure of system server loading.	By the end of 2021, a total of about 1.1 million list data such as list of each mortgage loan repayment, list of successful loan closing and interest deduction, list of voucher usage and list of open and closed accounts were stored.
Online Reply Slip	We expand the printing channels of enterprise reply slips. Online channels support online banking, web version of reply slip printing.	The online reply slips print rate for 2021 is 61%, increasing 20% compared to last year. As of the end of 2021, a total of 8,181,200 reply slips were printed, of which 4,984,300 reply slips were printed on the internet banking and web side combined, increasing 102% compared to last year.
Online Reconciliation	We expand reconciliation channels, supporting WeChat reconciliation, web reconciliation and online banking reconciliation. Multi-channel online reconciliation reduces the printing of paper bills.	By the end of 2021, 469,088 e-bills were issued, saving 469,000 copies of envelopes and paper used for inserts.
Online Investigation	We will take the public account due diligence review department online. Account managers register research information on mobile, support on-site photography, generate image data automatically transmitted to the account file.	Since complete replacement of paper files in late 2021, we saved in total 2,064 sheets of paper.

4

Creating Feiyan Culture, Inheriting Social Responsibilities

CSRC Bank combines its own development with the concept of social responsibility, safeguards the interests of employees and community residents and promotes regional development. We continue to deepen our CSR practices, aiming to create greater value for our society.

- Caring for Employees
- Financial Education
- Social Welfare



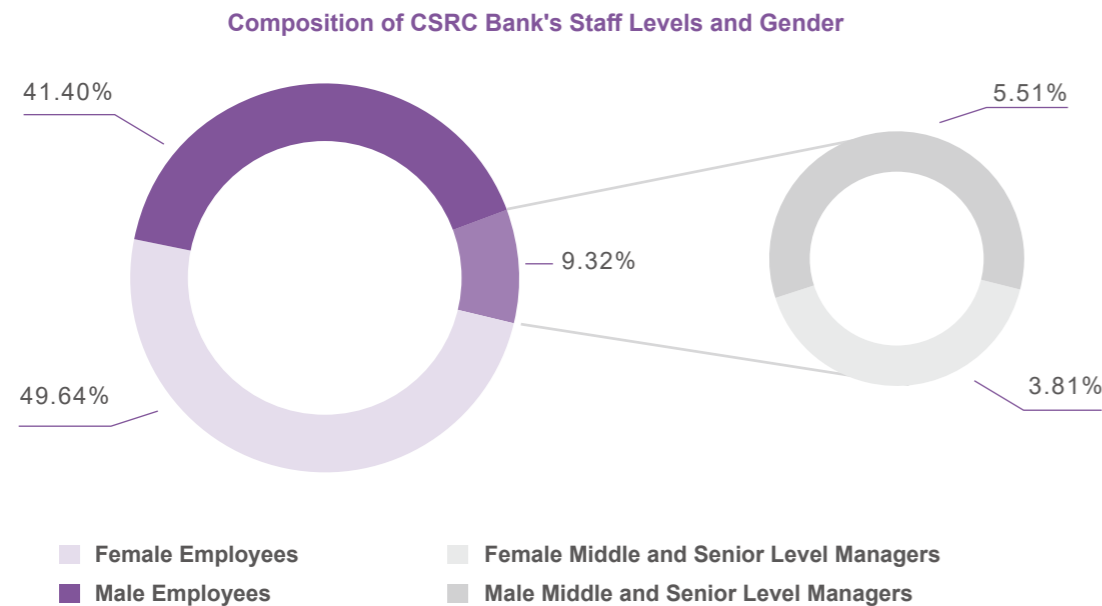
Caring for Employees

CSRC Bank pursues the talent concept of "All Rivers Run into the Sea, Employees First", protects the rights and interests of employees according to the law. We aim to achieve the development of talents, cares about the work and life balance of employees, and improve the value of employees.

Protecting Employee Rights and Interests

The Bank strictly abides by the relevant provisions of the Labor Law and the Labor Contract Law, which clearly stipulate the content of working hours, rest and leave, labor protection and working conditions, prohibit the use of child labor, prohibit gender discrimination, equal rights and equal pay for men and women, prevent any form of forced or compulsory labor of employees, protect the legitimate rights and interests of employees, and prevent any form of forced or compulsory labor of employees and protect the legitimate rights and interests of employees.

In the reporting period, CSRC Bank has 6,849 employees in service, 694 new employees, accounting for about 10.13%. 638 employees are in the middle and senior management, accounting for about 9.32%. The ratio of men to women in the bank was 1:1.15, and the ratio of men to women in middle and senior management was 1.44:1.



CSRC Bank strictly abides by the requirements of the Trade Union Law of the People's Republic of China and has established a comprehensive Labor Union to promote democratic management and supervision of the bank. At the same time, CSRC Bank has established a Workers' Congress system, which are held regularly to provide an effective way for employees to participate in the management and major decisions of the company, to study and consider major matters of immediate interest to employees, and to enhance employee communication. Staff representative supervisors are elected through the bank-wide staff representative conference, in order to promote the improvement of corporate governance.

In the reporting period, the 6th Workers' (Labor Union Members) Congress was held to consider the report on the performance of the staff supervisors in 2021, and voted on and approved 7 motions, including the Proposal on Revision of the Corporate Pension Plan, the Proposal on Revision of the Management Measures for Employee Term Salaries, and the Proposal on Revision of the Management Measures for Demerit Points for Employee Violations, etc., to safeguard the legitimate rights and interests of employees.

Empowering Employee Development

CSRC Bank attaches great importance to the value of talents, deeply implements the strategic goal of "Talent Development". We have established a sound multi-channel growth incentive mechanism and built a comprehensive and powerful talent development system. In addition, we continuously improve the dual-path promotion mechanism of management and professional, and promote the construction of talent team.

Employee Training

CSRC Bank carries out various forms of staff training programs and creates a leadership training system called "Hong Hu Flying Plan" and a professional training system called "Kun Peng Flying Plan", in order to promote the construction of a talent team in two dimensions. At the same time, CSRC Bank has been making efforts both online and offline to create a strong learning atmosphere. Till now, we have held 633 training sessions and trained 146,683 people. The number of hours per capita reached 66, exceeding the annual target of 30 hours per capita. We also launched the "Learning Team" selection activity and relied on the "Xiao Yan Academy" APP to spread out the learning map, create learning atmosphere and stimulate learning enthusiasm, so as to empower personal growth and business expansion.



Jiang Xin Project
Talent Training Plan for Functional Department Professionals

Jiang Cai Project
Talent Training Plan for Business Line Professionals

Jiang Cheng Project
Talent Training Plan for Internal Trainers

"Kun Peng Flying Plan" Professional Training System



"Xin Yan Project" Training Program

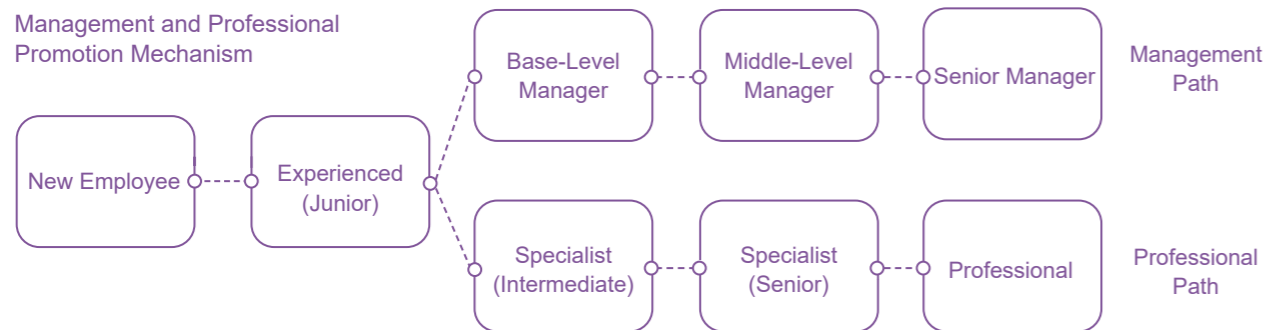
CSRC Bank offers a one-year "Xin Yan Project" training program tailored for new employees. The program implements a combination of "in-class and out-of-class", "lecturing + sharing + practicing + passing" training mode. The program provides a two-way feedback and immersion training mode to facilitate students' role transformation from a "campus person" to a "banker" and lay a solid foundation for their future development. In the reporting period, the "Xin Yan Project" training program was conducted in 3 sessions, training 178 people.



New employee orientation

Employee Promotion

CSRC Bank implements a dual-path promotion mechanism for management and professional paths. Supplemented by a series of training systems, our promotion mechanism aims to tap and cultivate key talents and continuously promote the construction of talent team.



Management Path: We optimize the cadre and bank-wide ranking system, adjust various ranking standards, improve the promotion range and promotion rules for each position, and formulate the rules for employee points. And we continue to promote the "Flying Plan", carry out the third quarter of the "Flying Plan" staff inventory, and quickly identify outstanding employees under the age of 32 for training, activating the strength of young reserve cadres.

Professional Path: In terms of professional talent team building, the "Crafting Talent Plan" has been implemented on a regular basis, and so far 374 reserve talents of different levels, lines and positions at the grassroots level have been updated, fully accelerating the pace of professional team building.

Caring for Employees' Life

In 2021, with the focus on becoming "Happy Bank", CSRC Bank will continue to focus on the health and welfare of its employees and enhance their sense of well-being.

CSRC Bank puts the health of its employees in the first place and organizes regular health check-ups for all employees every year, with the rate reaching 100%. For female employees, we have increased the number of medical check-ups such as gynecological and breast examinations, provided free radiation-protective clothing rental to pregnant female employees, offered free yoga classes and other female employee care programs, and provided psychological counseling services to promote the physical and mental health of female employees.

During the COVID-19 pandemic period, CSRC Bank implemented pandemic prevention and control measures and distributed 1.68 million masks, 500 thermometers, 2,300 bottles of 75% alcohol disinfectant, 1,200 bottles of hand sanitizer, etc. We also used separate tables for dining in the cafeteria to avoid crowding. The customer waiting area of the branch is well ventilated and dispersed, disinfected, guided by a limited number of people, and protected by internal security. A pandemic prevention and control reporting system is established to effectively protect the health of employees.



Alcohol Disinfectants



Medical Masks

CSRC Bank attaches importance to creating a healthy and comfortable working environment, providing employees with convenient service facilities such as restaurants, cafe and bakeries, and regularly inspecting workplace security and fire safety on site. CSRC Bank provides free cleaning of work clothes and communication allowance for employees, and vehicle allowance according to the staff car allowance management. In addition, to prepare for the summer heat and winter cold, we issue cold drinks and high temperature subsidies and summer/winter supplies to all employees.



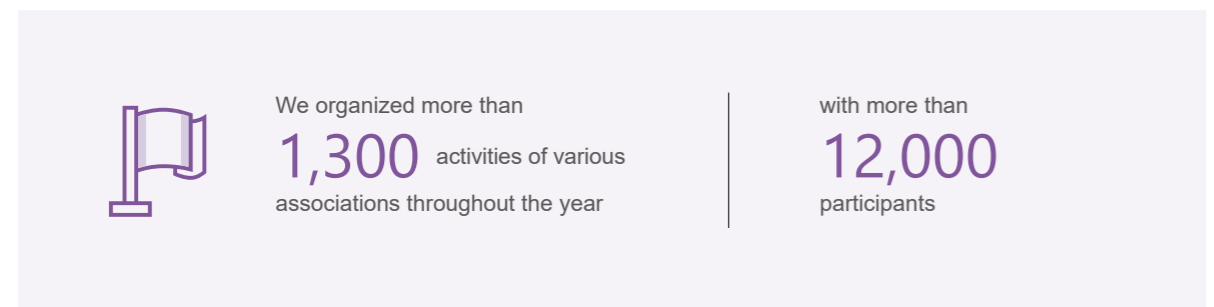
Cafe



Employee Cafeteria

CSRC Bank cares for employees' families by providing their children with a nine-year compulsory education pre-primary tuition supplement and reimbursing their children's medical expenses for pediatric medical insurance premiums in accordance with regulations. On the basis of participating in basic pension insurance, CSRC Bank has established an enterprise annuity plan to guarantee the level of treatment for the employees after retirement.

CSRC Bank pays attention to the work-life balance of its employees and enriches their spare time. The Workers' Congress leads the associations to set up sports, talent, life service and knowledge and skills departments and organizes activities on a regular basis. We organized more than 1,300 activities of various associations throughout the year, with more than 12,000 participants. We have launched activities such as book drifting, fellowship run and psychology professional assessment, held the "Feiyan Cup" Guan Dan Poker Game, offered fitness exercises, Pilates and resistance equipment courses, carried out farming practice and knowledge popularization activities, and launched outdoor yoga, aerial yoga and parent-child yoga courses to enrich employees' lives.



Employee gym class



"Telecommunication Fraud Prevention and Security Knowledge Presentation" seminar at Changshu community college for seniors



"3·15" consumer rights protection education and promotion week

Financial Education

CSRC Bank enriched the training forms of employees to enhance their knowledge and ability of consumer protection, and organized 11 consumer protection courses such as "Illegal Fund Raising Prevention Strategies", with more than 12,000 participants. Through learning points competition, employees were guided to actively participate in "Anti-WeChat Group Fraud" and other financial knowledge courses, with over 21,000 participants. 98 regulatory cases and risk tips such as "Personal Information Security Protection" were released. The company also launched the "I have a trick" micro-case self-creation course competition, invited public security anti-fraud experts to hold on-site training, and carried out the compliance theme activity of "understand the rules, be fearful, and keep the bottom line" to continuously strengthen the awareness of compliance with the law and build a firm compliance education defense line.

The Bank has been carrying out various forms of public education activities, creating online and offline education brands, organizing institutions to carry out "3.15" Financial Consumers' Rights Day, "Popularize financial knowledge and guard the 'money bag'" and other special publicity activities for more than 700 times, and placing more than 69,000 copies of publicity folders. We publish promotional tweets through online channels such as WeChat official account, mini banking program on WeChat and official website, and carry out activities such as prize-winning quizzes and knowledge quizzes. We put public information on consumer protection in financial service outlets and branch halls through exhibition frames, windows, streaming media and LED screens. We insist on carrying out public education activities on a regular basis, and have won many awards or commendations such as the "Suzhou Youth Financial Enlightenment Academy" and the Advanced Group for Financial Knowledge Promotion, demonstrating CSRC Bank's good image of protecting consumer rights and interests and fulfilling its social responsibilities.



Financial knowledge live broadcast of "Watch Out for Money Laundering Traps"

Social Welfare

CSRC Bank always integrates the social responsibility into its development, pays close attention to the practical needs of its communities and disadvantaged groups, and actively participates in social welfare undertakings. We have continued to carry out public charity activities such as donating to schools, helping doctors and the poor in disadvantaged areas. In 2021, we donated 1,100,800 RMB to poor college students, donated facilities with a total value of 1,308,700 RMB, and helped sell agricultural products for 3,967,000 RMB.

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Charity Foundation

CSRC Bank initiated the establishment of the Changshu Charity Foundation CSRC Bank Branch in September 2012 and established the CSRC Bank Charity Foundation in October 2016 as a separate entity from the Changshu Charity Foundation. Our Charity Foundation is composed with a five-member board of directors, a supervisor and a full-time Secretary-General. During the reporting period, the Charity Foundation strictly complied with the requirements of the Charity Law of the People's Republic of China to operate in a standardized manner, actively disseminated the concept of charity and scientifically planned relief projects in accordance with the duties and annual work of CSRC Bank Charity Foundation as conferred by the Constitution of the Charity Foundation. By the end of 2021, the CSRC Charity Foundation had donated nearly 20 million RMB in property and materials.

Donation to Schools

Feiyan Scholarship Program

Since 2019, CSRC Bank has organized and carried out the Feiyan Scholarship Program, which is a targeted poverty alleviation student support program. In 2021, we completed the scholarship support for 95 local underprivileged college students in Changshu, with a total support for 279 college students and a total donation of 2.23 million RMB cumulatively.

"Beyond the Mountain" Study and Research Activity

CSRC Bank's Charity Foundation funded 84,100 RMB to support 22 teachers and students from Lingtai Middle School in Pingliang City, Gansu Province to go out of the rural mountain areas and conduct study tours to coastal cities in economically developed areas. The study team visited and studied modern agricultural bases, modern industrial enterprises, Changshu Middle School in Jiangsu Province, CSRC Bank headquarters, Shajiabang Red Education Base, Shanghai, etc.



"Beyond the Mountain" study and research activity

"Blood-making" Type of Study Aid Projects

We donated 494,200 RMB to build a 100kW distributed power generation system for Jiangyi Middle School in Yuanmou County, Chuxiong Yi Autonomous Prefecture, Yunnan. After a site visit, the Charity Foundation adopted the "blood-making" donation model for the first time to fund a solar power generation system for Jiangyi Middle School in order to fundamentally solve the school's electricity, heating and environmental problems. The project is designed to last for 25 years. The savings on the original electricity bill and the annual increase in revenue can be used to purchase additional teaching equipments and improve the campus environment.

Year-round Study Aid Projects

Our Charity Foundation supports underprivileged students in local schools year-round. According to the charity plan determined at the beginning of the year, the Charity Foundation has provided a total of 60,000 RMB in grants to 30 underprivileged students at Changshu University of Technology. In addition, we have continued to support the activities of the "Li Jin Children's Palace" and increased its support for students' moral education, contributing 39,500 RMB for Changshu City Sunshine School moral bank points exchange.



"Li Jin Children's Palace"

Donation of teaching facilities to improve teaching environment

The Charity Foundation, together with Jiangchuan Xingfu Village Bank, donated 11 sets of bar cabinets and corner bookcases, 10 sets of desktops, 1 test paper printer and 1 copier to Anhua Yi Township Central Primary School in Jiangchuan District, Yuxi City, Yunnan, to improve teaching facilities. The donation amounted to 91,820 RMB. In cooperation with Enshi Xingfu Village Bank, we donated 80 sets of desks and chairs, 12 beds and a campus broadcasting system to Jizidu Village Primary School in Baiyangping Town, Enshi City, with a donation of 43,480 RMB.

Financial aid for educational reserve project

The charity visited the special education school in Zigui County, Yichang City, Hubei Province, and planned to contribute 200,000 RMB to purchase rehabilitation equipment and set up a titled rehabilitation room in the school. The charity has been in contact with Xingfu Village Bank in Dangyang, Changyang, Yiling and Enshizhou in Yichang to reserve local school projects.

Medical Support in Disadvantaged Regions

Our Charity Foundation joined the "Heart Bless Project - Qinghai", a public welfare medical project in Qinghai supported by the Jiangsu Provincial Government. The project is implemented by the Second Hospital of Nanjing Medical University, which supports the surgery and rehabilitation of local children with congenital heart disease. Our Charity Foundation visited the project site, Hainan Tibetan Autonomous Prefecture People's Hospital in Qinghai Province, participated in discussions, expert screening and treatment plan determination, donated 50,000 RMB for the surgery and treatment of local children, and contributed 100,000 RMB to purchase supplies for the medical and nursing staff of Hainan Tibetan Autonomous Prefecture People's Hospital in Qinghai Province. During the 14th Five-Year Plan period, our Charity Foundation plans to donate 100,000 RMB per year to participate in the "Heart Bless Project - Qinghai" project.



"Heart Bless Project"—treating the child



"Heart Bless Project"—treating the child

Help by Joining Hands with Governments

Based on the meeting minutes signed between the municipal government, Xinzhuang town government and CSRC Bank, our Charity Foundation signed a donation agreement with Xinzhuang Town Charity Association and donated 300,000 RMB for the renovation of village public welfare infrastructure such as cultural and educational bulletin boards, rest promenade, leisure and exercise equipment, outdoor people's stage, parking lot pavement and supporting greenery in Tandang Village, Xinzhuang Town, Changshu.

According to the request of the Municipal People's Congress and CSRC Bank's negotiation on helping projects, our Charity Foundation donated 250,000 RMB to assist in the construction of the fence, toilets, septic tanks and school gate of Heishe Primary School under Xinmin Town Center School in Liupanshui, Guizhou, which improved the campus environment.



Academic building and Playground of Heishe Primary School – after construction

Volunteering Services

CSRC Bank has continued to strengthen the construction of volunteering team and issued a number of documents, such as Organizational Management System of Volunteer Association, Activity Management System of Volunteer Association and Material Receipt Management System of Volunteer Association, which further standardized the day-to-day operation and management of our Volunteer Association. The total number of registered volunteers of CSRC Bank Volunteer Association reached 1,657. In 2021, more than 400 volunteering activities were initiated, 2,000 people were organized to participate, and the total service hours exceeded 16,000.

In Changshu, our Volunteer Association relies on 109 outlets and 174 inclusive financial service sites in all communities and towns of Changshu to build a "five-minute" volunteer service network. In 2021, during the critical period of pandemic prevention and control, the Volunteer Association and the "Xing Fu Village Special Duty – Feiyan Commissioner", actively coordinated with the pandemic prevention and control work in each town and village (community), visiting over 50,000 households, pre-registering more than 60,000 people, and volunteering more than 16 hours per person. In addition, the volunteer association cooperates with CSRC Bank Charity Foundation to provide various volunteer activities for students who have been donated and guide them to actively give back to the society, with a total of 279 services. At the same time, the Volunteer Association also extends the advanced experience of Changshu to other cities by establishing off-site branches in Suzhou, Wuxi, Nantong, Zhenjiang, Yancheng, Yangzhou, Taizhou. Through this off-site synergy, the Volunteer Association has built a two-tier organization network based on Changshu and radiating to the whole Jiangsu province.



Appointment Ceremony of the Cadres

Fighting against the COVID-19 Pandemic

During the spread of the COVID-19 pandemic, in response to the damage caused by the pandemic to enterprises and people's livelihood, CSRC Bank innovated and launched inclusive products and special credit funds such as pandemic resumption loans to help enterprises resume work and production smoothly and maintain social and economic stability. In 2021, we provided special credit funds to fight against the pandemic and provided special credit funds of 11.747 billion RMB, which effectively benefit local enterprises and people's livelihood.



Innovating COVID-19 pandemic credit products to help enterprises with the resumption of work and production

The "Star Loan" is an innovative online microfinance credit product launched by CSRC Bank during the COVID-19 pandemic prevention and control period, with a loan amount of 10,000 to 500,000 RMB and a maximum loan term of 12 months. The product is a purely online product on our mobile banking. It adopts the whitelist pre-award model of our mortgage loyal customers and takes the traditional offline investigation process online. Customers can operate the whole process online using mobile banking, and the credit line can be issued within 5 minutes after submitting the application. They can withdraw and repay the loan online on their own, which greatly improves the efficiency of microfinance services during the pandemic period and the resumption of work and production.

In 2021, we upgraded the original "Star Loan" credit product to "Star Loan 2.0", which further expands the applicable group of the "Star Loan" credit product. We include our credit guarantee customers as our target customers. By the end of 2021, the loan balance of "Star Loan" was 2.012 billion RMB and the number of households was 10,500.



"Star Loan 2.0"

Support for Henan Flood

During the floods in Henan, we launched the Home Reconstruction Loan for farmers and individual entrepreneurs affected by the disaster to help them rebuild and resume production and life after the disaster. By the end of 2021, 26 Home Reconstruction Loans with preferential interest rates had been issued, with a total loan amount of 15,450,000 RMB.

Key Performance Data

Indicators	Data	Units		
Services for inclusive finance	Total loans	1,627.97	100 million yuan	
	The total number of loan households	38.94	10,000 households	
	Personal business loan	648.66	100 million yuan	
	Number of personal business loan households	18.95	10,000 households	
	Allocation of community and administrative village institutions (Changshu)	341	PCS	
	Family information filing	167.45	10,000 people	
	Family covered by family information filing	84.9	10,000 households	
Services for rural vitalization	Agriculture-related loans	1,151.19	100 million yuan	
	Village bank	31	PCS	
	Village bank service outlets	168	PCS	
	Inclusive financial service outlet	238	PCS	
	Light outlets	95	PCS	
	Serving rural settlement account	40.87	10,000 households	
	Re-loan for supporting agriculture and small and micro enterprises	52	100 million yuan	
Environmental management	Direct greenhouse gas emissions	1,601.81	tCO ₂ e	
	Indirect greenhouse gas emissions	18,156.20	tCO ₂ e	
	Total gasoline consumption by owned vehicles	608,831.90	L	
	Total gas consumption	123,752	m ³	
	Total electricity consumption	31,104,679	kWh	
	Total energy consumption	4,641.31	tce	
	Total water consumption	174,663	Tons	
Amount of paper saved by paperless billing	2.4	Tons		
Employee responsibility	Total number of employees	6,849	people	
	Number of employees by employment type	Managements	638	people
		Employees	5,912	people
		Dispatched employees	299	people
	Number of employees by gender	Male employees	3,188	people
		Female employees	3,661	people
	Number of employees by age group	Under 30 years old	3,478	people
31-50 years old		3,136	people	
Above 50 years old		235	people	

Indicators	Data	Units	
Number of employees by geographical region	China mainland	6,849	people
	Abroad	0	people
	Hong Kong, Macao and Taiwan	0	people
Work related fatalities	0	people	
Percentage of employees trained by gender	Male employees	46.55	%
	Female employees	53.45	%
Percentage of employees trained by employee category	Senior management	1.07	%
	Middle management	8.25	%
	Junior employees	90.68	%
Total hours of training per person, by gender	Male employees	65.66	hours
	Female employees	66.49	hours
Total hours of training per person, by employee category	Senior management	34.54	hours
	Middle management	67.08	hours
	Junior employees	66.38	hours
Supply chain management	Total number of suppliers for centralized procurement	245	PCS
	Number of suppliers that passed environmental and social audits	171	PCS
Products and Services	Effective complaint handling rate	100	%
	Complaint handling satisfaction rate	98	%
Community public welfare	Total public welfare investment	672.51	10,000 yuan
	University students scholarship donation	110.08	10,000 yuan
	Total value of the donated facility	130.87	10,000 yuan
	Supporting the sale of agricultural products	396.70	10,000 yuan
Fighting COVID-19	Special credit funds for fighting COVID-19	18.06	100 million yuan
	Special credit funds for resumption of work and production	117.47	100 million yuan
	Products launched to help resume work and production	16	PCS

ESG Indicator Index

Contents		Recommendations of disclosure of the SSE	GRI Standards
About This Report			102-1, 102-50, 102-52, 102-53
Executive's Statement			102-14
About Us	Company Culture		102-16
	业务布局		102-2, 102-4, 102-6, 102-7
	Our Achievements		
Corporate Governance	Corporate Governance System Development	Guidelines Article 34, 36: Paragraphs 1, 4; Guidelines Article 37, 38, 39: Paragraphs 1, 2,3; Guidelines Article 40, 41: Paragraph 1, 2	102-18
	Investor Communication		102-21
	Systematic Risk Prevention		102-15
	Party-Led Development		102-18
	Business Ethics and Compliance	Notice Articles 1, 2	205-1, 205-2, 205-3
	Responsible Sourcing		102-9
	ESG Management	Responsibility Management	
ESG Management	Communication with Stakeholders		102-18, 102-40, 102-43
	Identification of Material Issues		102-42, 102-47, 102-44
Adhere to inclusive navigation, focus on urban and rural development	UN Sustainable Development Goals		203-2, 413-1
	Serving Rural Revitalization		201-1, 203-1
	Support the Development of Micro and Small Businesses		201-1
Adhere to inclusive navigation, focus on urban and rural development	Deepen Financial Benefits for the People		201-1

Contents		Recommendations of disclosure of the SSE	GRI Standards
Explore the power of technology to build caring services	Drive Technology and Business Integration		
	Activating the Potential of Science and Technology		
	Enhance Customer Experience		418, 416
Addressing Climate Change, Building a Green Bank	Safeguard Information Security and User Privacy		301
	Green Finance Development	Notice Articles 1, 3; Guidelines Article 3: paragraphs 1, 2, 3, 5, 9; Guidelines Article 4: Paragraphs 2	201-2
Creating Feiyan Culture, Inheriting Social Responsibilities	Adhering to Green Operation	Notification 3, 5: Paragraph 2; guideline 4: paragraphs 2	302-4, 305-4
	Caring for Employees	Guidelines Article 25: Paragraph 1,2,3,4,5; Notice Articles 2, 5: Paragraph 1,3 ; Guidelines Article 4: Paragraphs 1,3	102-8, 401-2, 404-2, 403-1, 403-5, 403-6, 403-7, 403-9
	Financial Education		413-1
	Social Welfare	Notice Articles 28, 29	203-2, 413-1
Key Performance Data		Guidelines Article 25: Paragraph 5	
ESG Indicator Index			102-55
Reader's Feedback Form			

Reader's Feedback Form

Dear reader,

Hello!

Thank you very much for reading this report during your busy schedule. We look forward to your comments and suggestions on the report and our work. You can send the completed questionnaire through mail or email after scanning. Thank you!

Address: 58 New Century Avenue, Changshu City, Jiangsu Province

E-mail: 601128@csrccbank.com

You can also complete the online questionnaire by scanning the QR code below:



1. What kind of stakeholder does your work unit belong to in CSRC Bank:

Shareholders Investors Employees Suppliers Customers Government Communities

Academic Institutions Non-profit Organizations other (please specify)

2. Does the information you concerned about reflected in the report?

Yes Modest No

3. Your overall assessment of the ESG Report 2021:

· Readability (easy to understand, beautiful design, attractive, easy to find the information you need)

3 (good) 2 (modest) 1 (poor)

· Credibility (report information is authentic)

3 (good) 2 (modest) 1 (poor)

· Information integrity (both positive and negative, and meets your information needs)

3 (good) 2 (modest) 1 (poor)

4. Can you easily find the information you're concerned with in this report?

Yes Modest No

5. What else would you like to see in addition to what has been disclosed in the report?