

2019

SOCIAL RESPONSIBILITY REPORT
CHINA MINSHENG BANK



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MESSAGE FROM THE CHAIRMAN



Hong Qi Chairman of China Minsheng Bank

Twenty-four years of brilliant achievements of China Minsheng Bank are the epitome of China's great progress over the past seven decades. The year 2019 marked the 70th anniversary of the founding of the People's Republic of China, and witnessed 24 years of development of China Minsheng Bank. As China's first national joint-stock commercial bank initiated and founded mainly by non-state-owned enterprises (NSOEs), China Minsheng Bank, adhering to the development mission of "From the People, For the People," has taken initiative to practice reforms and innovations, enhanced efforts to provide professional services for customers and to achieve mutual benefits and win-win results with stakeholders, and strived diligently to explore development path for China's modern commercial banks.

Over the past year, China Minsheng Bank, with the firm stance of staying true to original aspiration, the wisdom of meeting challenges calmly, and the courage of conducting change actively, has taken initiative to adapt to the profound changes of economic and financial environment, winning wide recognition from stakeholders with remarkable performance. Relying on the advantages of "New Bank, New Mechanism," China Minsheng Bank has developed from a small bank with capital of only RMB1.38 billion into a large-scale commercial bank with total assets of more than RMB6.68 trillion, nearly 3,000 branches, sub-branches and outlets, and around 56 thousand employees. The Bank has been on the Global 500 list published by the U.S.-based *Fortune* magazine for seven years in a row.

We have intensified efforts to fulfill social responsibilities, and vigorously promoted targeted poverty alleviation, not letting up until a complete victory has been secured. With concerted efforts and collective wisdom, we have formed the "One Body, Two Wings" poverty alleviation system, which focuses on the fixed-point poverty alleviation work in Hua County and Fengqiu County in Henan Province, and takes the poverty alleviation work in the "three regions and three prefectures" (which are areas of extreme poverty, including Tibet Autonomous Region, Tibetan regions in four provinces, southern parts of Xinjiang Uygur Autonomous Region, Liangshan Yi Autonomous Prefecture in Sichuan Province, Nuijiang Lisu Autonomous Prefecture in Yunnan Province, and Linxia Hui Autonomous Prefecture in Gansu Province) and the ME Charity Innovation Funding Scheme as the supporting pillars. We have gathered strength from all walks of life, established cooperative relations with famous institutions, and launched all-encompassing campaign against poverty. With joint efforts, Hua County and Fengqiu County have been lifted out of poverty ahead of schedule, and the incidence of poverty has been dropped continuously. We have made practical efforts to contribute the wisdom and power of China Minsheng Bank for securing a decisive victory in building a moderately prosperous society in all respects.

We have enhanced efforts to support cultural and artistic undertakings, serving the public interest. We have provided financial assistance for Beijing Minsheng Art Museum and Shanghai Minsheng Art Museum to conduct cultural and artistic activities, and to promote cultural exchanges. We have leveraged the power of China Minsheng Bank to drive innovative development of Chinese contemporary art, and carry forward and protect outstanding Chinese traditional culture while exploring new model of poverty alleviation through culture, aiming at achieving effective coordination between the cultural undertakings and the poverty alleviation and public welfare causes.

The end of 2019 and the beginning of 2020 witnessed the sudden outbreak of COVID-19. China Minsheng Bank, together with the Chinese people, has made concerted efforts for the fight against the pandemic. We have acted immediately and decisively, and made an initial donation of RMB50 million to support Wuhan City in central China's Hubei Province. The accumulative donations of the Bank reached nearly RMB61.5 million. We have enhanced efforts to provide integrated and convenient financial services for the enterprises participating in the construction of emergency hospitals for COVID-19, and donated insurance products for medical workers. We have given play to the advantages of main business, and advanced resumption of work and production. We have provided customized assistance policy and effective guarantee for corporate customers. Over the past 24 years, we have always kept the "responsibility" firmly in mind, and put "responsibility" effectively in action. It is our bounden duty to fight against the epidemic.

The world is going through complex and profound changes unseen in a century. Looking into the year 2020, China Minsheng Bank will maintain the qualities of a young company, race against time, and embrace innovation in science and technology in a more active manner, committing to being a vanguard in promoting high-quality development of financial industry in the new era. We will further enhance market positioning, accelerate the implementation of the strategy of serving NSOEs, continue to create value to support the development of the private sector and China's economic growth, take more initiative to serve national strategies, boost rural vitalization, and enhance efforts to fight against poverty. We will make joint efforts with the Chinese people to complete the building of a moderately prosperous society in all respects, which is the first of China's Two Centenary Goals.

New era produces new results, and new circumstance brings new opportunities. No matter what changes take place in the market, Minsheng people will remain resolute and confident in building the Bank into the world's leading commercial bank with international competitiveness, and in upholding the mission of "From the People, For the People," and the aspiration of serving the people. Under the call of the new era, Minsheng people will blaze trails and break paths, strive forward and forge ahead, and seize the day and live it to the full.

MESSAGE FROM THE PRESIDENT



Zheng Wanchun President of China Minsheng Bank

The year 2019 has seen more complicated situations both in China and abroad. On the occasion of the 70th anniversary of the founding of the People's Republic of China, we have witnessed difficulties and setbacks in world economy, especially in the Sino-U.S. trade relations, the far-reaching changes in China's domestic financial layout, and the full of power and grandeur and the inspiring declaration at Beijing's Tiananmen Square. Standing at a critical stage of development between the past and the future, China Minsheng Bank has maintained the strategic focus, strengthened the implementation of strategies, and enhanced efforts to boost high-quality growth, striving to achieve the grand corporate mission of building a sustainable and time-honored bank.

Focusing on strategies and achieving leapfrog development: Over the past year, China Minsheng Bank, guiding by the three types of strategic positioning of being a bank for NSOEs, a fintech-based bank, and a bank with integrated services, has firmly followed the development requirements of serving real economy, preventing financial risks, and deepening financial reform, conducted reform and transformation, enhanced management, boosted development, and achieved steady growth in terms of asset size and operating performance. In 2019, the operating revenue of the Bank reached RMB180.441 billion, up 15.1 percent year-on-year, and the net profits attributable to the parent company amounted to RMB53.819, up 6.94 percent from a year earlier.

Staying true to original aspiration and sharing new results: Over the past year, China Minsheng Bank has always kept the mission of "From the People, For the People" firmly in mind, gradually advanced the transformation from extensive growth to intensive one, and enhanced efforts to build complete service framework covering strategic NSOE customers, supply chain finance, SMEs, MSEs, and agriculture-related enterprises. The Bank has expanded the industry chain with the platform of "Minsheng E Chain," and further enhanced the work content of the "five-in-one" system by providing financial steward services for strategic NSOE customers. The Bank has implemented the SMEs Minsheng Project, and built the brand of Shimmer Project, which have helped it achieve 194,300 units of SME customers. The Bank has implemented the Small Business Finance 3.0 model, and centering on the "1 + 1 + N" small and micro enterprise ecosystem, provided high-quality and integrated financial services for customers.

Insisting on S&T-driven strategy and creating new drivers for growth: Over the past year, China Minsheng Bank has invested heavily in technology finance, and witnessed prosperity of tech subsidiaries. The Bank has insisted on the dual driving forces of "data + technology," built "digital, online and intelligent" banking system, and comprehensively optimized the mobile banking, direct banking, remote banking and online payment. The number of users of the Bank's online retail platform and online corporate platform has reached 70.4118 million units and 2.3103 million units respectively.

Realizing harmonious coexistence and fulfilling new responsibilities: Over the past year, China Minsheng Bank has been grateful to the times, and has given back to the society. The Bank has formed the "One Body, Two Wings" poverty alleviation system, which focuses on the fixed-point poverty alleviation work in Hua County and Fengqiu County in Henan Province, and takes the poverty alleviation work in the "three regions and three prefectures" and the

ME Charity Innovation Funding Scheme as the supporting pillars. Throughout the year, the Bank has donated RMB27 million to the fixed-point poverty alleviation counties, RMB28.08 million to the "three regions and three prefectures," which are areas of extreme poverty, including Tibet Autonomous Region, Tibetan regions in four provinces, southern parts of Xinjiang Uygur Autonomous Region, Liangshan Yi Autonomous Prefecture in Sichuan Province, Nujiang Lisu Autonomous Prefecture in Yunnan Province, and Linxia Hui Autonomous Prefecture in Gansu Province, and RMB14.33 million to launch the fifth ME Charity Innovation Funding Scheme.

The world is now faced with increasingly severe challenges. Since the beginning of 2020, the outbreak of COVID-19 worldwide has affected the real economy and financial sector significantly. China Minsheng Bank has acted immediately, donated RMB50 million to help tackle the epidemic, and given full play to financial instruments to support corporate development and guarantee the people's livelihood. Responsibility is heavier than a mountain, and actions speak louder than words. Under the strong leadership of the CPC Central Committee, and with the concerted efforts of the Chinese people, the Bank is full of confidence about the fact that the fundamentals of China's long-term economic development remain unchanged. Facing new situations and new challenges, the Bank will work together with all of the stakeholders, make concerted efforts, forge ahead, and effectively implement major national decisions and policies. The Bank will insist on practicing the customer-centric service idea, firmly carry out science and technology innovation-oriented development strategy, and resolutely keep hold of the bottom line for risks, which is also the Bank's lifeline. The Bank will rise to the challenge and work hard to press ahead, making due contributions to achieve the first centenary goal of building a moderately prosperous society in all respects.

ABOUT US

Corporate Profile

Since its establishment 24 years ago, China Minsheng Banking Corp., Ltd. (hereinafter referred to as "China Minsheng Bank," "Minsheng Bank," "the Bank" or "the Company"), China's first national joint-stock commercial bank initiated and founded mainly by non-state-owned enterprises (NSOEs), by giving full play to the advantages of "New Bank, New Mechanism," has developed from a small bank with capital of only RMB1.38 billion into a large-scale commercial bank with total assets of more than RMB6.68 trillion, nearly 3,000 branches, sub-branches and outlets, and around 56 thousand employees. Among the Top 1000 World Banks published in July 2019 by the UK-based *The Banker* magazine, China Minsheng Bank ranked 28th. In the Global 500 list published by the U.S.-based *Fortune* magazine in July 2019, China Minsheng Bank ranked 232nd.

Being a pilot field of China's banking reform and adhering to the mission of "From the People, For the People," China Minsheng Bank actively practices reforms and innovations, in an aim to explore development path for China's modern commercial banks, provide professional and distinctive modern financial services to customers, and create higher market value and investment returns to investors. On December 19, 2000, China Minsheng Bank was listed on the Shanghai Stock Exchange (A share code: 600016). On October 26, 2005, the Company became the first commercial bank in China to complete the Non-Tradable Share Reform. On November 26, 2009, the Company was listed on the Hong Kong Stock Exchange (H share code: 01988). By continuously improving corporate governance and promoting reforms and transformations, China Minsheng Bank has achieved outstanding performance and became a respectable listed company that attracts much attention from China's securities market.

As China's economy has been transitioning from a phase of rapid growth to a stage of high-quality development, the economic and financial environment for the banking industry is undergoing profound changes, driving commercial banks to accelerate strategic transformation. China Minsheng Bank has launched overall reform and transformation initiatives, clearly illustrated the strategic positioning of being a bank for NSOEs, a fintech-based bank, and a bank with integrated services, fully promoted the implementation of reform and transformation, and boosted high-quality and high-efficient development of the Bank.



more than
RMB6.68
trillion

nearly
3,000
branches

around
56
thousand
employees

RESPONSIBILITY MANAGEMENT

Responsibility Concept

China Minsheng Bank adheres to the corporate mission of "From the People, For the People," upholds the corporate vision of "Build a sustainable bank and a time-honored enterprise," and insists on the core values of "Integrity and honesty, mutual benefits and win-win results, putting people first, and pursuit of excellence." Being integrated organically into the corporate mission, corporate vision and core values, the corporate social responsibility concept of the Bank has rich connotation and denotation.

Responsibility Governance

China Minsheng Bank has continuously perfected corporate social responsibility organizational system and institutional system. It has established the Corporate Social Responsibility Management Division and the Art Institution Management Division at the Head Office in a bid to coordinately promote corporate social responsibility management and project implementation between the Head Office and the branches, constantly sorted out and updated corporate social responsibility systems, and continuously enhanced the scientific and professional level of corporate social responsibility management. It has launched the Donation Fund for Public Welfare Cause (Phase III), and set up the "One Body, Two Wings" poverty alleviation system, which focuses on the fixed-point poverty alleviation work in Hua County and Fengqiu County in Henan Province, and takes the poverty alleviation work in the "three regions and three prefectures" (which are areas of extreme poverty, including Tibet Autonomous Region, Tibetan regions in four provinces, southern parts of Xinjiang Uygur Autonomous Region, Liangshan Yi Autonomous Prefecture in Sichuan Province, Nujiang Lisu Autonomous Prefecture in Yunnan Province, and Linxia Hui Autonomous Prefecture in Gansu Province) and the ME Charity Innovation Funding Scheme as the supporting pillars, aiming at promoting corporate social responsibility work systematically and effectively.



Responsibility Communication

Five-Star Rating on CSR Report for Three Successive Years

China Minsheng Bank completed the preparation work of the 2018 Corporate Social Responsibility Report in a high-quality way. With original framework and structure, the report showed the characteristics of social responsibility performance of the Company; centering on the latest requirements of the Report to the 19th National Congress of the Communist Party of China (CPC), the spirit of CPC General Secretary Xi Jinping's important speech at the private enterprise symposium, and so on, the contents of issues highlighted the duties of the Company in performing social responsibility; and the PricewaterhouseCoopers Zhong Tian LLP (Special General Partnership) conducted an independent assurance on the key information disclosed in the report. The Chinese Expert Committee on CSR Report Rating gave the report a five-star rating for the third year in a row and recognized it as an excellent corporate social responsibility report.



2018 Corporate Social Responsibility Report of China Minsheng Bank

Participating in China Social Responsibility 100 Forum

China Minsheng Bank participated in the 2nd Beijing Responsibility Exhibition & Press Conference for the Release of Research Report on Corporate Social Responsibility Report of China (2019) hosted by China Social Responsibility 100 Forum in Beijing, November 17, 2019. As a director unit of the Forum, the Bank also launched a joint declaration for the implementation of the 2030 Agenda for Sustainable Development, calling more partners to take action to jointly promote global sustainable development.



Launch ceremony of the Declaration on Sustainable Development at the 2nd Beijing Responsibility Exhibition

Awards & Honors

The 2019 corporate social responsibility work of China Minsheng Bank was highly recognized by all sectors of society. The Bank was tied for the 4th place among organizations winning the Award for Outstanding Poverty Alleviation Case of the State Council Leading Group Office of Poverty Alleviation and Development; won the Best Targeted Poverty Alleviation Contribution Award of China Banking Association, the title of "Pioneer of Poverty Alleviation by Finance" of china.org.cn, and the title of "Outstanding Enterprise for Poverty Alleviation Innovation" of Tencent News; and ranked 2nd in the "Social Responsibility Index of Top 100 Chinese NSOEs", as well as 1st in the "Social Responsibility Index of Chinese Banking Industry" of CASS.

the State Council Leading Group Office of Poverty Alleviation and Development the 4th place among organizations winning the Award for Outstanding Poverty Alleviation Case	China Banking Association the Best Targeted Poverty Alleviation Contribution Award
china.org.cn the title of "Pioneer of Poverty Alleviation by Finance"	Tencent News the title of "Outstanding Enterprise for Poverty Alleviation Innovation"
CASS ranked 2nd in the "Social Responsibility Index of Top 100 Chinese NSOEs"	CASS 1st in the "Social Responsibility Index of Chinese Banking Industry"

CORPORATE GOVERNANCE

Enhancing Regulatory Governance and Management

Regulating corporate governance

China Minsheng Bank has continuously improved corporate governance, abided by the guidance and requirements of regulatory agencies including China Banking and Insurance Regulatory Commission, China Securities Regulatory Commission, and Shanghai Stock Exchange, formulated the Measures for the Administration of Equities of China Minsheng Bank, and revised the Guiding Opinions on Risk Management by the Board of Directors for 2019 and other two regulations; constantly optimized the membership structure of board of directors, leveraged the professional role of independent directors, and effectively promoted the work of special committees; continuously improved corporate governance mechanism, and given full play to the core role of the board in corporate governance. The general meeting of shareholders, the board of directors, the board of supervisors, and the management have performed their respective duties and maintained highly efficient operation, effectively guaranteeing the fast, stable and sound development of the Bank. In 2019, the board of directors of China Minsheng Bank had 15 members, including seven shareholder directors, two executive directors, and six independent directors. The professionalism, independence and diversity of the board members guaranteed the scientific integrity of decisions of the board.

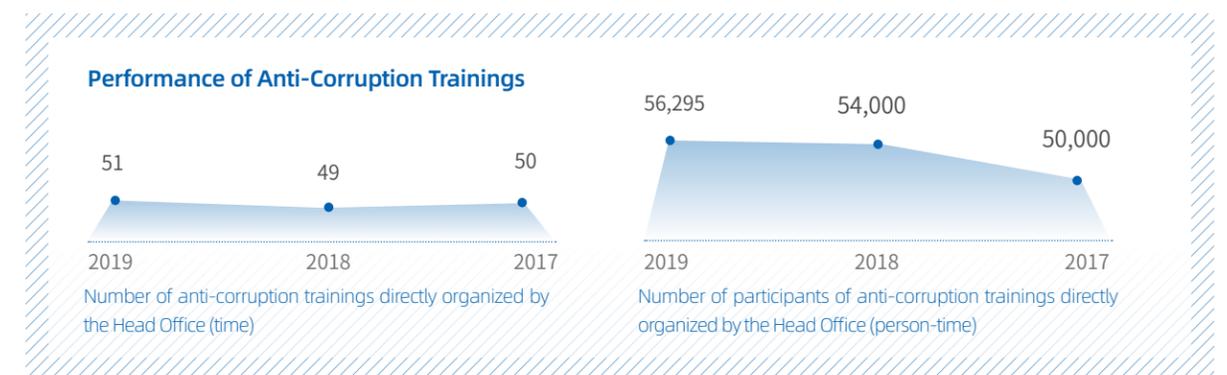
Enhancing internal control and compliance

China Minsheng Bank has constantly perfected the internal control and compliance system, built a full-coverage compliance inspection mechanism featuring "routine compliance inspection + independent compliance inspection" by taking the *Three-Year Plan for Internal Control and Compliance* as guidance, optimized the performance appraisal system, and further consolidated the management foundation. In 2019, China Minsheng Bank held its 1st Compliance Culture Year, during which the Bank organized a total of 53,638 middle-level managers and ordinary employees to participate in the unified compliance examinations, aiming at improving the compliance quality of the whole staff; released the *A Collection of Warning Cases*, and accumulatively carried out about 1,700 compliance-related activities including warning education through case study and compliance trainings.

Promoting Rule of Law in Minsheng Bank

Anti-Corruption

China Minsheng Bank has vigorously conducted anti-corruption trainings. In 2019, the Bank carried out 51 trainings regarding anti-corruption, covering the whole staff of the Head Office and the branches. In November 2019, it launched the company-wide lecturing activity themed "New Era, New Party Conduct, New Standard, New Supervision, New Warning, New Expectation - Improving Party Conduct, Upholding Integrity and Conducting Educational Training on Professional Ethics for Employees," which covered the Head Office, 41 branches, three affiliated institutions, three business divisions, as well as all of their employees.



Lecture held by China Minsheng Bank for improving Party conduct, upholding integrity, and enhancing education on professional ethics of employees

Anti-Money Laundering

China Minsheng Bank has perfected the anti-money laundering institutional system that consists of 27 policies applied to the whole Company based on the *Administrative Measures on Anti-Money Laundering and Terrorist Financing Risk of China Minsheng Bank*, refined the duty performance mechanism in anti-money laundering of directors, supervisors and senior management, and constantly conducted anti-money laundering publicity and training activities. In 2019, the Bank carried out six anti-money laundering trainings for senior management, 34 on-site/video-based trainings at the Head Office, and more than 3,000 trainings at branch level; conducted the Anti-Money Laundering Publicity Month themed "Fighting the Money Laundering and Building a Harmonious Minsheng Bank," which covered more than 800,000 audiences, further improved the anti-money laundering consciousness of employees, and enhanced the influence of anti-money laundering work.

2019年

the Bank carried out **6** anti-money laundering trainings

34 on-site/video-based trainings

more than **3,000** trainings at branch level

covered more than **800,000** audiences



Haikou Branch held 2019 anti-money laundering publicity month activity



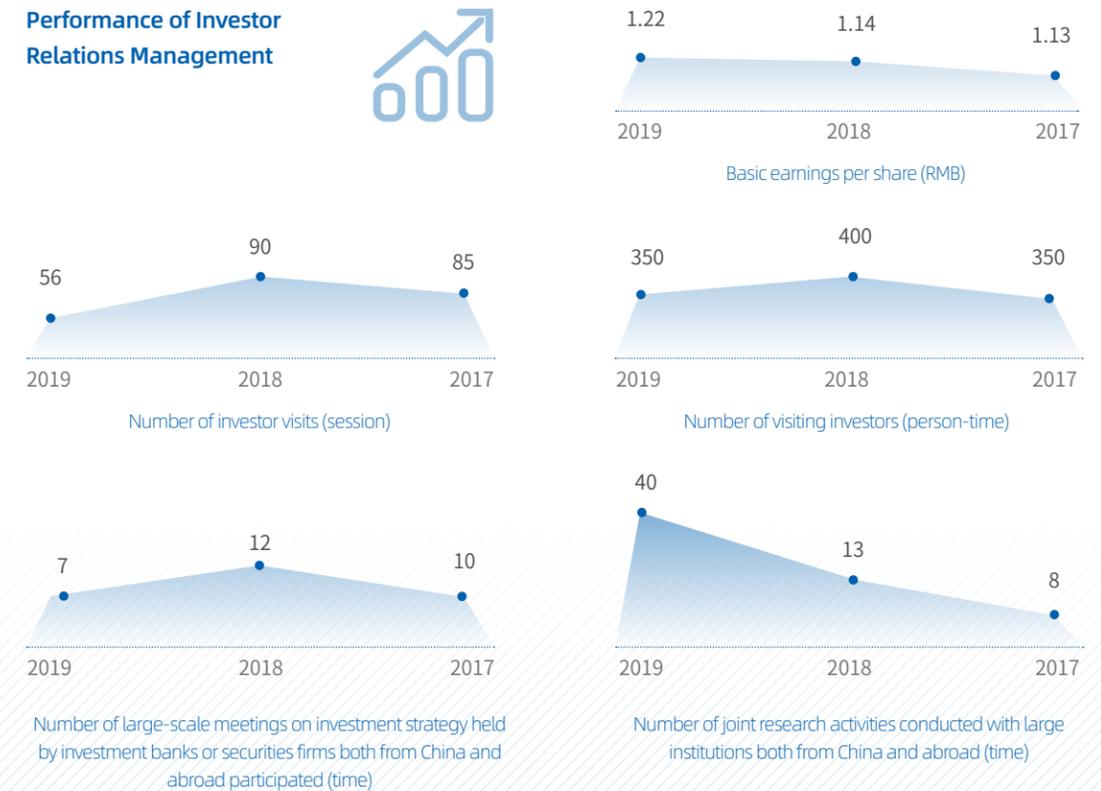
Shijiazhuang Branch conducted anti-money laundering publicity activity at the community

Creating Value to Realize Win-Win Results

Protecting Rights and Interests of Shareholders

China Minsheng Bank has taken various measures to enhance communications with investors, organized results release conferences, special topic investigation and research tours, investor meetings, and other activities to meet the expectations of investors for communication at the Company level and to guarantee the right of minority shareholders to fully express opinions and demands. In 2019, the Bank received 129 calls from minority shareholders with questions regarding, among others, development strategy, operating conditions, dividend policy, and asset quality; nearly 100 percent of the questions were solved at site through the phone.

Performance of Investor Relations Management



Enhancing Information Disclosure

China Minsheng Bank has conducted information disclosure activities in strict accordance with relevant regulatory requirements, focused on the demands of investors, and taken initiative to keep close communication and contact with regulators, disclosing authentic, accurate and complete information in a compliant and efficient way and in a timely manner. In 2019, the Bank disclosed 78 A-share interim announcements, 143 information disclosure documents both in Chinese and English (including 83 overseas regulatory announcements) on the Shanghai Stock Exchange and the Stock Exchange of Hong Kong Limited. It also published the 2018 Annual Report, the 2019 quarterly reports, the 2019 Interim Report, and the 2018 Environmental, Social and Governance Report, among which the 2018 Annual Report won the Gold Award and the Science and Technology Innovation Award, and was selected as one of the Top 80 Chinese Annual Reports at the 2018 International ARC Awards contest.

Preventing Risks to Achieve Sustainable Development



Establishing Total Risk Management System

China Minsheng Bank has integrated the objectives of improving total risk management capability into the corporate reform and transformation process, and established the total risk management system. In 2019, the Bank further enhanced whole-process risk management, comprehensively strengthened risk management across all categories including market risks, operation risks, and country risk, and actively promoted the building of risk reporting system.



Focusing on Risk Prevention and Control in Key Fields

China Minsheng Bank has consistently focused on and enhanced business risk management of financial market, and released risk warnings and proposed risk countermeasures in a timely manner by troubleshooting the business risks in both capital market and banking industry. In 2019, the Bank strengthened loan quota and credit concentration management and control in key sectors such as the real estate industry.



Enhancing Risk Management on Asset Performance

In 2019, China Minsheng Bank made special efforts to enhance meso-policy and portfolio management capabilities, and constantly optimized asset mix. It also developed the company-wide system for the administration of large exposures from scratch, which effectively enhanced the management on credit concentration risks. In 2019, the average credit rating level of customers of the Bank was improved, laying a solid foundation for the stability of asset quality in the future.

Strengthening Guiding Role of Distinctive Party Building

Strengthening Ideological and Political Education



China Minsheng Bank has strengthened the Party's leadership while improving corporate governance, incorporated Party building into the *Articles of Incorporation*, and underlined the importance of Party building; promoted ideological and political education, and conducted in-depth study of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and new theories; enhanced education and training for Party members and officials, as well as cultivation of core talented people, organized the Party Committee Center Group to study political theories regularly, consistently promoted the normalization and institutionalization of "Two Studies, One Action," which refers to the education campaign asking all Party members to study the Party Constitution and rules, as well as remarks made by CPC General Secretary Xi Jinping and to become qualified Party members, and constantly improved the Party spirit cultivation and political theory level of Party members and officials.

Improving Party Conduct and Upholding Integrity

China Minsheng Bank has stepped up efforts to improve Party conduct and uphold its integrity, insisted on the system under which the secretaries of commission for discipline inspection reports in various ways on their work and their efforts to perform their duties honestly, implemented the system under which the Party secretaries of branches and sub-branches are responsible for integrity conversations, established a three-level supervision and discipline inspection structure across the Bank, and integrated the discipline inspection and supervision with the work of promotion and appointment of Party officials, employee turnover, appraisal and selection of outstanding individuals and teams, and approval of application for going abroad of individuals for private purposes. The Bank has also explored and exercised the four forms of oversight and discipline enforcement, ensuring that those who have committed minor misconduct are made to "redden and sweat"; that penalties and organizational adjustments to official positions are employed as important means of Party self-supervision and self-governance; and that those who have committed serious disciplinary and/or criminal violations are expelled from the Party, and strengthened disciplinary inspection efforts.

Promoting Work of Mass Organizations at Primary Level

China Minsheng Bank, by focusing on the central task and serving the overall interests, has taken the guidance of the Party as the guide sign for the work on youth employees. Through the Minsheng Youth SMART Initiative, Minsheng Youth New Media Publicity Vanguards, Financial Knowledge Promotion Event on Campus, Minsheng Stories, and other platforms and activities, the Bank has given full play to the role of youth work in serving overall interests.



“ BEING BRAVE
ENOUGH TO SUCCEED
AND EFFECTIVELY
PROMOTING
MINSHENG BANK'S
MISSION ”

P18 Focusing on Main Business
with Original Aspiration
and Serving Real Economy

P24 Conducting Sci-Tech
Innovation and Creating
Value for Customers

P35 Putting People First
and Advocating
Homeland Culture

P42 Responsibility Focus

FOCUSING ON MAIN BUSINESS WITH ORIGINAL ASPIRATION AND SERVING REAL ECONOMY

With its focus on NSOEs and the people, China Minsheng Bank, centering on the three types of strategic positioning of being a bank for NSOEs, a fintech-based bank, and a bank with integrated services, has focused on serving large and medium-sized high-quality NSOEs, enterprises along the upstream and downstream of the supply chain of high-quality core enterprises, and small and micro enterprises, and served as a financial steward of NSOE customers and entrepreneurs with integrated, customized and comprehensive financial services.



Implementing Strategy of Serving NSOEs

China Minsheng Bank has taken the building of a bank for NSOEs as its number one strategic positioning, established strategic NSOE customer lists both at the levels of Head Office and branch, effectively delivered the "five-in-one" service concept to strategic NSOE customers, promoted the implementation of "teamwork model," and formulated custom development plans and account programs for each and every strategic NSOE customer. The Bank has set up coordination mechanisms including the customer-oriented cross-selling network and the "one-stop" risk review system, constantly improved the integrated service level for strategic NSOE customers, and spared no effort to build itself into a leading and preferred bank for strategic NSOE customers.

Case Jinan Branch provides integrated financial services for NSOEs

Jinan Branch of China Minsheng Bank focused on implementing the strategy of serving NSOEs, constantly strengthened high-level meetings with NSOEs, and established comprehensive and in-depth strategic cooperation relations with NSOEs. The Branch fostered the service brands for NSOEs, effectively implemented the "1 + 3" operation model and the "account program" put forward by the Head Office, and established a professional team consisting of branch leaders and heads of departments, who also serve as "chief managers," to offer comprehensive financial services (commercial banking + investment banking + transaction banking) to customers. Through project financing, syndicated loan and annexation loan, the Branch helped NSOEs expand financing channels, optimized resource allocation, and assisted them to become bigger and stronger. Since 2019, the Branch has made significant breakthrough in assisting NSOEs to conduct, among others, bond issue, M&A and equity financing.

Case Shijiazhuang Branch continues to improve service capability for strategic NSOEs

the Branch's balance of deposits of strategic NSOEs took **9.94** percent of its total amount of corporate deposits.

Shijiazhuang Branch of China Minsheng Bank, in accordance with the strategic NSOEs lists both at the levels of Head Office and branch, set up dedicated comprehensive service team for each and every strategic NSOE, and provided custom financial services for those customers. Through those measures, the financial demands of customers could be met efficiently and timely. The Branch also took initiative to recommend senior executives of strategic NSOEs to participate in the "Private Entrepreneur Partnership Club" activity, which aims at building social networking and training platform for NSOE executives and improving the quality of pan-financial services, held by the Head Office. As of June 30, 2019, the Branch's balance of deposits of strategic NSOEs took 9.94 percent of its total amount of corporate deposits.

Case Qingdao Branch resolutely implements strategy of serving NSOEs

increased the amount of the line of credit for the company to **RMB 1** billion

In 2019, Qingdao Branch of China Minsheng Bank strengthened business cooperation with a Qingdao-based large retail group, and increased the amount of the line of credit for the company to RMB1 billion. Through introducing the "five-in-one" service team and the "one customer, one policy" development mechanism, as well as conducting high-level meetings, the Branch took initiative to meet the needs of the customer and upgraded the group to a strategic NSOE at the level of Head Office, which won recognition of the customers.

Developing Supply Chain Finance

Under the strategic guidance of reform and transformation, China Minsheng Bank has focused on construction, automobile, home appliance and other traditional industries, accelerated the large-scale promotion of standard services, and taken initiative to establish presence in commodities and other emerging sectors. In line with the needs of NSOEs, as well as small and micro enterprises in the aspects of, among others, financing, payment and settlement, and capital appreciation, the Bank has established a supply chain financial product service system featuring "financing product E series + settlement + appreciation." Based on the brand of "Minsheng E Chain, it has also launched "Bei Huo Tong" to assist consumer sector to realize industrial upgrading. In 2019, China Minsheng Bank was recognized as the Best Bank for Supply Chain Finance Innovation of the Year by The Economic Observer for its outstanding performance in conducting innovation in supply chain finance.

Minsheng E Chain

- Credit Sale E** ● Accounts receivable financing business offered by China Minsheng Bank to suppliers of upstream supply chain; the business focuses on core enterprises and their transactions in upstream supply chain, and is based on the payment obligation of core enterprises.
- Receivable E** ● Receivable financing business offered by China Minsheng Bank to core enterprises for solving the mismatch of payment days between downstream and upstream supply chain and financial strains; the business focuses on core enterprises and their transactions in downstream supply chain, and is based on the payment obligation of high-quality buyers.
- Procurement E** ● Financing business offered by China Minsheng Bank to dealers in downstream supply chain for prepaid procurement; the business focuses on core enterprises and their transactions in downstream supply chain, and is based on credit enhancement of core enterprises.
- Credit Financing E** ● Accounts receivable financing business offered by China Minsheng Bank to suppliers of upstream supply chain; the business focuses on transactions of several core enterprises with multi-tier suppliers, and is based on the payment obligation of core enterprises with multi-tier split payment transactions.

Case Digital accounts receivable helps enterprises manage liquidity

The first customer of the Receivable E platform launched by China Minsheng Bank is a Shandong-based pharmaceutical enterprise. The Receivable E connects the banking system and the SAP system of the enterprise directly, realizing online settlement of the cash collected. It uses inter-bank withholding to solve the rights of cash collected and online factoring system to grant financing funds in a timely manner. The Receivable E received high recognition both from the pharmaceutical and the banking industries, and was recognized as the Best Practice for Global Supply Chain by SAP China Research Institute.

Case Taiyuan Branch assists SMEs to activate accounts receivable

Taiyuan Branch of China Minsheng Bank implemented the "1 + N" commercial paper discount program for a construction enterprise and its suppliers in the upstream supply chain. The Branch took the construction enterprise as the core, which is the "1," and assisted its suppliers in the upstream supply chain to conduct accounts receivable financing by means of commercial paper discount, helping them collect accounts receivable in advance, which greatly eased the financial pressure of the suppliers, which are mostly small and medium-sized enterprises (SMEs), in the upstream supply chain. The initiative received high recognition both from the construction enterprise and its suppliers. In 2019, Taiyuan Branch handled 558 commercial paper-based financing operations for the construction enterprise's suppliers in the upstream supply chain with a total amount of RMB2.092 billion, benefiting over 120 SMEs.

Providing Effective Support for SMEs

China Minsheng Bank has effectively promoted the SMEs Minsheng Project. Through implementing the Cooperation Project, Foundation Project, Win-Win Project, and Shimmer Project, the Bank has provided a package of financial services for SMEs in different sectors and at different stages of their development. As for the Shimmer Project, it has promoted the business model of "stock rights + comprehensive services," extensively copied the "online + offline" large-scale customer acquisition model, and approved 72 projects online and 178 projects offline in batches. As of the end of 2019, the number of SME customers of China Minsheng Bank had reached 194,300 units, up 80 percent from a year earlier; the number of customers of the Shimmer Project had accumulatively reached 550 units. The SMEs Minsheng Project has gradually formed a large-scale group, with a brand effect in SMEs.

As of the end of 2019, the number of SME customers of China Minsheng Bank had reached **194,300** units

the number of customers of the Shimmer Project had accumulatively reached **550** units

Further reading: Shimmer Project

Facing the diversified financial demands of high-growth SMEs focusing on innovation in science and technology, China Minsheng Bank launched the Shimmer Project, which adopts the business model of "stock rights + comprehensive services" to support high-tech enterprises to develop and grow stronger with increased capital, aiming at conducting strategic cooperation with high-quality SMEs and establishing new bank-enterprise partnership to achieve common development.

Case Hangzhou Branch supports sci-tech innovation enterprises with integrated services

Hangzhou Branch of China Minsheng Bank designed the three-dimensional comprehensive service program featuring "creditor's right + stock equity + integrated services," and set up a green channel for approving "Sci-Tech Innovation Growth Loan" products. In 2019, the Branch, through the "Sci-Tech Innovation Growth Loan" and "Sci-Tech Innovation Loan" series products, provided financial services for about 30 enterprises with a total of over RMB3 billion. Through holding Shimmer Project Investment Summit and other collaborative meetings, the Branch assisted nearly 20 sci-tech innovation enterprises to access to equity financing channels and to develop stronger.

Channeling Financial Resources into Small and Micro Enterprises

China Minsheng Bank has been committed to building itself into the most distinctive small business finance provider. Centering on the "1 + 1 + N" small and micro enterprise ecosystem, and relying on the dual driving forces of "data + technology," the Bank has vigorously implemented the Small Business Finance 3.0 model, providing "one-stop" modern financial services and "mobile and wireless" solutions for small and micro enterprises. The year 2019 marked the start of the second decade of small business finance, and the Bank further implemented the consumer segmentation initiative and the integrated operation model, enhancing the digital development capability. In 2019, the balance of small business loans of China Minsheng Bank reached over RMB440 billion, and the small business loans granted by the Bank throughout the year reached more than RMB510 billion.

Case Small business finance "Open Day" - sharing new thought and showing new model

To promote the new model of Small Business Finance 3.0 in a deep-going way, China Minsheng Bank formally launched the "Open Day" national roadshow campaign in Shenzhen, south China's Guangdong Province, April 19, 2019. The campaign lasted more than seven months and covered 16 cities including Guangzhou, Nanjing, Chongqing, and Xiamen. During the campaign, the Bank invited a number of owners of small and micro enterprises to participate in the events. It shared the new thought on the development of small business finance, fully introduced and demonstrated the new model of Small Business Finance 3.0, listened to the voice of small and micro enterprises, and comprehensively inspected the service system and product support of Small Business Finance 3.0. With the new start of the second decade for the development of small business finance, China Minsheng Bank will, as always, enhance the market competitiveness of the business.



Small business finance "Open Day" activity held by China Minsheng Bank at Chengdu, southwest China's Sichuan Province

Case Shenzhen Branch takes initiative to serve small and micro enterprises

Centering on loan financing of small and micro enterprises, Shenzhen Branch of China Minsheng Bank has developed multi-level financial product and service system in line with financial needs of customers, assisting small and micro enterprises to achieve long-term growth and development. In 2019, the Branch launched an initiative, which takes communities, business districts, industrial parks, and chambers of commerce and industry associations as platforms, to offer financial services to small and micro enterprises efficiently and timely. According to the actual operating conditions of enterprises in Shenzhen, the Branch increased the maximum amount of "Shang Dai Tong," a blockbuster product of small business finance, to RMB25 million, and provided customers with preferential policies including putting their payment toward interest first and then principal, borrowing and repayment at any time, renewing the loan without full payment to principal and interest, and offering a maximum 10-year term, which effectively met the operating needs of small and micro enterprises with different scales and different life cycles. The Branch upgraded the functions of "Cloud Account," facilitating customers to complete account opening process in their companies or stores and helping them save travel time. The Branch built the "Small Business Finance Lecture Hall" to help small and micro enterprises grasp financial information, conduct resource allocation, and establish cooperation relations with partners. With over a decade in business, Shenzhen Branch has gradually developed a distinctive small business finance system focusing on sustainable development. At present, for every five newly-established small and micro enterprises in Shenzhen, one chooses the services of China Minsheng Bank.

increased the maximum amount of "Shang Dai Tong," a blockbuster product of small business finance, to RMB **25** million



Shenzhen Branch built the platform of "Small Business Finance Lecture Hall"

Case Finance and tax lecture activity helps small and micro enterprise grasp national policies

Guiyang Branch of China Minsheng Bank conducted a finance and tax lecture activity to help small and micro enterprises understand relevant national policies. The branch invited tax specialists to interpret tax policy and its development trends for and to solve the doubts and questions raised by small and micro enterprise customers. Over 150 senior executives of small and micro enterprises participated in the activity. The atmosphere was warm and the results were remarkable.

Striving to Support Agriculture-Related Enterprises

China Minsheng Bank has always insisted on the market positioning of serving agriculture, rural areas and farmers. The Bank has set up professional marketing teams, and designed financial products and credit programs in line with local industrial characteristics. It has consistently supported agriculture-related projects, increased the extension of agriculture-related loans, and spared no effort to build a multi-level, widely covered and sustainable rural financial system.

As of the end of 2019, China Minsheng Bank has set up 29 rural banks with 85 business outlets. The total assets of Minsheng rural banks reached RMB35.31 billion, the number of active customers amounted to 42,000 units, and the balance of loans and the balance of deposits reached RMB20.228 billion and RMB29.368 billion respectively. The Minsheng rural banks have played a positive role in supporting the development of agriculture, rural areas and farmers, perfecting distinctive rural financial system, activating rural financial market, and meeting the diversified financial needs in boosting rural vitalization.

As of the end of 2019, China Minsheng Bank has set up **29** rural banks with **85** business outlets

Case Linzhi Rural Bank fosters development of industries with distinctive local features

Linzhi Minsheng Rural Bank launched differentiated agriculture-related loan products in line with local features, resolutely implemented the inclusive policies which give priority to agriculture-related loans and feature preferential interest rate, took initiative to allocate financial fund for agriculture, simplified loan procedures, and offered door-to-door services to farmers. According to the poverty alleviation thinking of "One County, One Feature" and "One Township, One Industry," Linzhi Rural Bank enhanced credit support to the leading industries with distinctive local features and created stable source of revenue for the economy of Linzhi through industrial assistance. As of the end of 2019, Linzhi Rural Bank had accumulatively granted 95 agriculture-related loans with a total amount of RMB90.015 million.

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Case Penglai Rural Bank supports new rural construction with innovation loans

Penglai Minsheng Rural Bank signed cooperation agreements with Department of Science and Technology of Shandong Province and Yantai Science and Technology Bureau to grant "Achievement Loan" and "Sci-Tech Credit Loan" to customers. As the first and only rural bank in Shandong Province approved to conduct those businesses both at the provincial and municipal levels, Penglai Rural Bank enjoys up to 70 percent of risk compensation, and the qualified enterprises enjoys one percent of credit subsidy upon application. As of the end of 2019, Penglai Rural Bank had granted the two sci-tech loans - "Achievement Loan" and "Sci-Tech Credit Loan" - with a total amount of about RMB40 million, winning recognition from governments and customers.

As of the end of 2019, Penglai Rural Bank had granted the two sci-tech loans - "Achievement Loan" and "Sci-Tech Credit Loan" - with a total amount of about RMB **40** million

Case Tiantai Rural Bank supports beautiful countryside construction with village-based credit scheme

Tiantai Minsheng Rural Bank implemented the Village-Based Credit Scheme for Beautiful Countryside. Under the scheme, priority shall be given to the townships in remote areas and with lack of access to financial services. The rural bank dispatched professional teams to conduct publicity activities regularly, and simplified the loan procedures to facilitate villagers to enjoy financial services. As of the end of 2019, Tiantai Rural Bank had approved 71 projects relating to Village-Based Credit Scheme for Beautiful Countryside, and accumulatively granted RMB250 million of loans to more than 1,700 villagers.

As of the end of 2019, Tiantai Rural Bank had approved **71** projects relating to Village-Based Credit Scheme for Beautiful Countryside

CONDUCTING SCI-TECH INNOVATION AND CREATING VALUE FOR CUSTOMERS

Science and technology changes finance and finance changes life. As a pioneer and explorer in fintech sector, China Minsheng Bank has taken initiative to grasp the new trends of science and technology in the field of Internet finance and to embrace new technologies, and spared no effort to conduct innovation in business model, apply fintech, and improve service quality, striving to offer excellent service experience to customers.

Building Smart Finance with Science and Technology Empowerment

Insisted on the dual driving forces of "data + technology," China Minsheng Bank has been committed to building itself into a fintech-based bank. It has set up Minsheng Science and Technology Co., Ltd., which takes the Financial Cloud platform as bridge, to provide "science and technology + finance" comprehensive ecological services for customers. It has also strengthened capacity-building in science and technology, independently developed China's leading distributed core system, boosted science and technology-empowered businesses, and improved the intelligent level of financial services, striving to build an Internet-based bank with the best customer experience in China.

Creating Fintech Ecosystem

Established Minsheng Science and Technology Co., Ltd.

The science and technology arm is committed to providing digital, intelligent and comprehensive fintech-based services for China Minsheng Bank, financial union members, small and medium-sized banks, NSOEs, and Internet users through big data, cloud computing, artificial intelligence, blockchain and other innovations in science and technology, and aims at jointly building fintech ecosystem with stakeholders.

Built Internet of Things Financial Service Platform

The platform is aimed at fully integrating information flow, fund flow and goods flow by using Internet technologies, and developing financial products in, among others, mobile payment, automobile finance, physical warehouse management, and financial leasing.

Developed Blockchain Trade Finance Platform

The platform is the first inter-bank blockchain trade finance transaction platform in China, and is aimed at providing an asset network featuring multi-party collaboration for business systems, realizing blockchain-based service sharing and data security consensus, and offering comprehensive infrastructure to financial union members in an open form.

Conducting Innovation in Financial Product

China Minsheng Bank has insisted on the customer-oriented concept, actively explored and applied cutting-edge financial technologies, constantly carried out innovation in online banking, mobile banking and WeChat banking, as well as in bank-enterprise direct link platform, online payment platform, digital operations platforms, and open banking service platform. The Bank has restructured operations organization to achieve online and offline coordination and "light operations" of outlets, and to improve customer experience; conducted digital operations, vigorously developed platform-based application scenarios, and provided diversified as well as custom services for customers. It has consistently optimized and upgraded the unified customer identity authentication system - "Minsheng Pass," which enables customers to access to multiple platforms such as mobile bank, online bank and the "Daily Life" App of credit card with only one set of account and password, aiming at comprehensively improving customer experience; launched open account system that supports the registered users of other banks to use the online platform services of China Minsheng Bank, further expanding the service scope. In 2019, the number of users of the Bank's online retail platform reached 70.4118 million units, and the number of users of the Bank's online corporate platform amounted to 2.3103 million units; and the e-finance platform was further improved and upgraded.

In 2019, the number of users of the Bank's online retail platform reached **70.4118** million units, and the number of users of the Bank's online corporate platform amounted to **2.3103** million units;

Case Yinchuan Branch launches scenario-based consumer loan

Yinchuan Branch of China Minsheng Bank took initiative to implement the strategy of technology finance. Relying on Baidu's big data ecosystem, the Branch conducted online micro-credit loan business, which does not require guarantee or collateral or application, jointly with Du Xiaoman Financial. With the introduction of this product, it improved the customer acquisition capability, increased business volume, and enhanced risk management level. It also effectively promoted the new cooperation model of "Internet + finance," and made business breakthrough with a pilot program, playing a demonstration and promotion role in China Minsheng Bank.



Yinchuan Branch conducted online micro-credit loan business with Du Xiaoman Financial

Mobile Banking

China Minsheng Bank has taken initiative to conduct innovation activities, and launched Individual Mobile Banking 5.0, which features upgraded wealth management layout and contents, as well as intelligent services; and the newly-added columns such as "Ding Ding Classroom" and "Financial Information" of the 5.0 version use illustrated contents to popularize financial knowledge in an easy-to-understand manner. The Bank has also launched Corporate Mobile Banking 2.0, which features greatly improved security and usability, as well as newly-added services including Bluetooth Key-based transaction function, intelligent ticket checking AI scenario, account opening and counter operations by appointment, and agreement signing on mobile operations.

Direct Banking 3.0

The direct banking of China Minsheng Bank is the industry benchmark with the strongest comprehensive strength in China, and has won support and trust from nearly 30 million customers. The direct banking has built relatively sophisticated product system, science and technology development mechanism and business model. In 2019, China Minsheng Bank formally launched Direct Banking 3.0, becoming China's first platform to launch BBC open and comprehensive financial cloud services, which marks China's direct banking cause has entered a new era of 3.0.

Remote Banking

To implement the development strategy of inclusive finance and boost the accessibility and convenience of financial services, China Minsheng Bank has taken initiative to break traditional business model and launch remote banking. Relying on distinctive advantages including online platforms, big data analysis, multi-channel connections, the Bank has solved the issues of traditional services imposed by time and space constraints, offered more efficient, inclusive and easy-to-access distinctive services, and reshaped the online services for retail customers. Currently, the core capabilities of remote banking covers, among others, video services, "cloud steward," wealth management, data-based operations, and operations support.



Video services

The Bank provides 7*12 hours remote video counter services, and achieves a new "end-to-end" remote banking service without breakpoints as combined with the offline logistics delivery system.

"Cloud steward" services

The Bank builds "one-to-one" integrated service steward system to offer 7*12 hours steward services to customers, such as service steward, wealth management steward, and information steward.

Online Payment

China Minsheng Bank has focused on conducting innovation in online payment business. The mobile payment of the Bank supports Category I, II & III accounts, and covers China's leading mobile phone brands, facilitating customers to enjoy convenient payment services. As the first bank in China to support to link the bank card to the App "UnionPay Quick Pass" with just one click, the Bank has improved operation experience for customers. It has launched "Easy Bill Split" product for compliant fund clearance of platform merchants, and "Minsheng Pay" to aggregate online acceptance products to provide integrated acceptance services for merchants.



Case Shanghai Branch launches "China Eastern Wallet" to develop integrated services

Shanghai Branch of China Minsheng Bank formally launched the "China Eastern Wallet" in May 2019, aiming at building an Internet finance ecosystem integrating banking account, wealth management and consumer payment for the guest members of China Eastern Airlines Co. The ecosystem, which is based on integrated demands of customers of large airlines, and takes payment as the point of penetration, is perfectly integrated with the membership system of China Eastern App and the payment scenario. Featuring multi-functional payment and cross-scenario payment of credits of China Eastern Airlines Co., the "China Eastern Wallet" has provided comprehensive and integrated financial services for passengers of the airline and improved their experience.

Wealth management

The Bank provides "one-to-one" customized, targeted, and digitalized account-level wealth management services for certain customer groups including retail customers and small business customers of the Head Office and branches by relying on "95568 Wealth Circle" and "Wealth e-Stack," as well as the strong online wealth management consulting team and smart investment advice tools.

Online customer acquisition

Through conducting cross-sector cooperation with leading Internet firms, the Bank is committed to building brand new service ecosystem featuring traffic flow + products + equity. Relying on the ubiquitous services of remote banking, the Bank provides remote account opening (Category I) services for customers, and strives to achieve common growth with customers.

Data-based operations

Through scenario-based finance, traffic flow acquired by external cooperation channels, and big data operations clues, the Bank implements multi-channel data operations, carries out "end-to-end" targeted marketing for contracted products and wealth management products and integrated customer development, and conducts targeted online retail business and lending operations for direct small business customers.

Operations support

The Bank gives full play to the advantages of centralized operations and standard processes of remote banking, and utilizes remote banking to help achieve the goal of vertical, digital, and standard operation of its retail business.

Enhancing Science and Technology Support

China Minsheng Bank has constantly perfected information security management and guarantee system, issued the *Administrative Measures on Information Security Emergency Plan of China Minsheng Bank*, built multi-dimensional cyber security monitoring and emergency response system, conducted multi-level cyber security coordinated offensive and defensive exercise regularly, and continuously enhanced the emergency response, coordination and handling capabilities for information security incidents. It has consistently enhanced information system disaster recovery construction, optimizing the dual active architecture and improving the stability of disaster recovery systems. It has also upgraded the network, as well as software and hardware to a new version, which eliminates potential risks and lays a foundation for the safe and stable operation of the production system.

Case The fifth cyber security competition held successfully

To effectively implement the spirit of CPC General Secretary Xi Jinping's strategic thought on building China into an internet power, improve the security consciousness and skill level of IT personnel, and enhance information security guarantee capabilities, China Minsheng Bank held the 5th Cyber Security Capture the Flag (CMBCTF-2019) competition on January 23, 2019. A total of 35 teams consisting of 88 contestants from 40 branches and Credit Card Center participated in the competition. Featuring intense atmosphere and well-ordered and exciting activities, CMBCTF-2019 showed the excellent skills and talent of contestants, and demonstrated the confidence and determination of the Bank in fighting the battle of cyber security.

Improving Service Quality with Sincerity

China Minsheng Bank has been committed to building itself into a bank with integrated services, taken initiative to meet the multi-dimensional demands of consumers, and strived to offer more considerate and higher quality service experience to customers. It has accelerated the establishment of business layout which covers, among others, trust, leasing, fund and asset management, aiming at delivering integrated services; established the "One Minsheng" cross-selling and business coordination system to offer integrated financial services featuring "commercial banking + investment banking + transaction banking" and "financing + intelligence achieving + business integration" to customers; and insisted on the customer-oriented concept, and provided customers with the highest service experience through the coordinated mechanism of front, middle and back offices.

Providing High-Quality Services

Enhancing Wealth Management

China Minsheng Bank has built and constantly perfected wealth management system, allocated resources, and established "coordination" mechanism between corporate and individual businesses. Insisting on the customer-oriented concept, it has offered considerate services to entrepreneur customers, and effectively implemented the strategy of building itself into a bank with integrated services.

Case Minsheng Bank improves private banking services

Centering on wealth management, the investment banking-featured private banking business of China Minsheng Bank aims at delivering private banking services with Minsheng characteristics and beyond customers' expectations. Taking "Internet Plus" as tool, China Minsheng Bank has built three-dimensional banking service structure, set up "private banking centers" across the country, and developed the "1 + 1 + N" wealth management service model and established private investment banking consultant teams by relying on the professional wealth management consulting department to provide "1 + 2 + N" integrated services including investing and financing and family wealth management to customers. The UPPER (Understand, Propose, Personalize, Execute, and Rebalance) approach adopted by the Bank guarantees each stage of wealth management can be integrated into the design and planning of the private banking business, which fully demonstrates its respect to customers' privacy and individual demands. Through professional services, the Bank helps customers boost financial returns and is committed to building itself into the preferred bank for entrepreneurs.

Offering Considerate Lobby Services

China Minsheng Bank has established standard lobby service system, taken initiative to remind customers to check the information when handling business, and guided customers to do well on personal information protection while waiting in the queue and using banking equipment, guaranteeing information security of customers. The Bank, in line with regulatory requirements, has set up special zones for product sale, giving clear information relating to risks of the products sold at the banking outlets to customers. The Bank has also required the outlets setting up courtesy seats and windows for customers with special needs or urgent business demands, providing them with considerate and convenient services. In the reporting period, the work order service satisfaction rate of China Minsheng Bank reached 100 percent.

the work order service satisfaction rate of China Minsheng Bank reached **100** percent

Case Lobby services beyond expectations

Since 2019, Shenzhen Branch of China Minsheng Bank has launched a service improvement campaign, which aims at making each of its outlets to be included in the Top 1000 outlets selected by China Banking Association, to encourage all of its over 40 outlets to improve lobby environment and enhance service quality in accordance with the physical layout and characteristics of customer groups.

- Hualian Sub-Branch built a "Kids Garden" in the lobby area, and equipped the facilities with, among others, kids ball pit zone, kid's face masks, and educational toys. As an amusement park for kids, Kids Garden won recognition from residents of surrounding communities.
- Nanshan Sub-Branch used potted bamboo and wintersweet to decorate the lobby area. The green bamboo, which represents the image of Minsheng Bank, echoed the red wintersweet flowers, creating a distinctive service space featuring classic charm. The Sub-Branch also offered tea break-style services to waiting customers with the equipped dessert cart and magazine rack.
- Haiancheng Sub-Branch renovated the VIP room, and took "flower" as the theme to decorate the outlet. Book corner, reception room, and the counter area were all decorated with potted plants and flowers, which will be adjusted according to the seasons. Most of the drinks provided by the Sub-Branch were herbal tea. The non-financial activities organized by the Sub-Branch were also integrated with the flower element, such as parent-child flower arranging and DIY festive lantern.



Shenzhen Branch renovated the lobby with new style

the number of customers served by the "95568 remote banking" reached **2.665** million

Improving Customer Experience

China Minsheng Bank has focused on optimizing customer experience of individual remote banking, constantly promoted the building of individual remote banking from the aspects of, among others, scenario-based use, active service push, convenient access model, customer service quality, and customer reach efficiency, consistently expanded service scope, and provided whole-process and end-to-end online financial consulting and services for customers directly and in an all-around way. In 2019, the number of customers served by the "95568 remote banking" reached 2.665 million, and the customer satisfaction reached 99.58 percent.

Case Credit Card Center improves service quality

Credit Card Center of China Minsheng Bank has always maintained the leading position in the industry in term of service quality. Over the years, the service satisfaction rate has been kept over 99 percent, while the first call resolution rate has been reached more than 89 percent. To further explore the value of customer service positions and inspire the vitality of customer service personnel, the Beijing and Chengdu-based customer service departments of Credit Card Center held the service quality enhancement activity themed "We customer service people fight to win" concurrently. Through the competition in six fields, that is, professional quality, risk prevention and control, marketing and value creation, service efficiency, self-enhancement, and complaints resolution, the activity motivated employees to pursue excellency and to comprehensively improve customer experience.

Case Suzhou Branch conducts training program to improve lobby services

To further improve service efficiency, customer service experience, and lobby service performance, Suzhou Branch of China Minsheng Bank established weekly and monthly meeting mechanisms for lobby service enhancement, and conducted special trainings for the service team regularly. In September 2019, Suzhou Branch organized its first special-topic training program for the service team, and invited senior business experts to share telemarketing skills. A total of 137 people including lobby supervisors, operations tellers, and service managers participated in the training program, which improved the service level and sales power of service team and was of great importance to the improvement of lobby services.

Case Xiamen Branch upgrades mortgage and post-origination services

To further implement the Administrative Measures on Whole-Process Online Registration of Real Estate Mortgage put forward by Fujian Provincial People's Government, Xiamen Branch of China Minsheng Bank, with the cooperation of Xiamen's real estate registration authorities, set up a service office for customers to conduct real estate mortgage registration, which guarantees the whole-process online handling of application, acceptance, review, and registration. At the service windows of Xiamen Branch, customers may directly apply for the handling of real estate mortgage registration and cancellation businesses, which helps realize the "one-stop" processing of loan review and mortgage registration, saving customers with the time traveling between the bank and real estate registration authorities. The initiative adopted by the Branch effectively improved customer service experience.

Case Lhasa Branch offers considerate doorto-door services to customers

Yutuolu Sub-Branch of Lhasa Branch under China Minsheng Bank undertook the account opening business of the National Highway 561 Project. According to the actual situation of the widely dispersed migrant workers, who are in high mobility, and the difficulties for them to open account at the bank counter as the way from construction sites to the Sub-Branch is long and arduous, employees of Yutuolu Sub-Branch went to the construction sites to open payroll account for nearly 1,000 construction workers in July, August and October 2019 respectively. The makeshift office site was located at a mountain in Songpan Township of Linzhou County; the sea level of the foot and the peak of the mountain is 4,300 meters and nearly 5,000 meters respectively. Some of the employees had equipped with oxygen tanks to handle the business there, which fully demonstrated the time-tested Tibetan spirit of hard work, combativeness, patience, solidarity and dedication, and won high recognition from customers.

Case Hohhot Branch spreads Mongolian ethnic culture, improves customer service experience

Xinhuadongjie Sub-Branch of Hohhot Branch under China Minsheng Bank is the only fully-functional sub-branch offering services with Mongolian ethnic characteristics in Inner Mongolia Autonomous Region and China at large. The Sub-Branch, which features melodious tune of morin khuur, a traditional Mongolian bowed stringed instrument also known as the horsehead fiddle, savory and mellow milky tea, Mongolian decorations and artwork, direction boards in both Chinese and Mongolian languages, and services provided by employees dressed in Mongolian ethnic clothes and with both Chinese and Mongolian languages, realized the transformation of financial services with distinctive minority ethnic characteristics from "close distance" to "zero distance."



Hohhot Branch provided services with distinct characteristics of Mongolian ethnic culture for customers

In addition to the demonstration of Mongolian ethnic culture and distinctive ethnic services, Hohhot Branch also put customer demands first and focused on the "core" of customer experience and integrated services. First, the Branch constantly popularized financial knowledge, committing to improving the FQ of customers with minority ethnic background. Second, the Branch spared no effort to build platforms, using prairie culture club, salon activities and others to enhance exchanges of Mongolia ethnic culture and Chinese Han culture and to build friendship bridge. Third, the Branch fully leveraged the traditional advantages of China Minsheng Bank, improved the coverage of inclusive finance, provided individual customers with the online service system covering deposit, loan, remittance, investment, payment, and so on, and offered the integrated financial product system covering, among others, investment and financing, planning and development, and strategic layout to corporate customers.

Since its establishment eight years ago, Hohhot Branch has always been committed to providing customers with best service experience. Over the years, the Branch had served more than 500,000 customers, originated over RMB300 billion of loans accumulatively, and paid nearly RMB140 million of fees and taxes. Boasting good reputation, distinctive characteristics, and considerate services, the Branch now has one of the Top 1000 outlets selected by China Banking Association, and four Five-Star outlets with high-quality and regulatory services.

China has no shortage of banks, so does Inner Mongolia Autonomous Region. The market and people of the region need banks with distinctive services and who understand customer demands.

---Employee with Hohhot Branch of China Minsheng Bank

Protecting Rights and Interests of Consumers

China Minsheng Bank has attached importance to the protection of rights and interests of consumers, perfected consumer protection regulations, systems and mechanisms, strengthened risk prevention and control for businesses relating to financial consumers, and actively conducted financial knowledge publicity and education activities. In 2019, China Minsheng Bank set up the tier-one Consumer Rights Protection Department, which co-works with the Legal Affairs Department, further enhancing the overall management of consumer rights protection across the Bank.

Guaranteeing Property Safety

To guarantee the personal and property safety of customers, China Minsheng Bank has strictly implemented relevant requirements of regulators, enhanced risk warning in selling financial products, and strived to realize whole-process management featuring feed-forward prevention, concurrent control, and subsequent supervision. It has given full play to "Safe Account Lock" products to guarantee property safety of customers, enhanced limits management of non-counter business of depositors, and built risk prevention and control system for personal banking settlement account, which features "professional prevention from the Bank + independent prevention from customers."



Popularization on safe account knowledge at the lobby

Handling Customer Complaints

China Minsheng Bank has taken initiative to deal with customer complaints, and designated special persons and special positions at various business centers to track the disposal of complaints. It has established communication groups for the handling of customer complaints, and demanded specialists jointly developing solutions to those complaints, so as to guarantee the smoothness of customer complaint channel, and to ensure the complaints to be handled in a timely and effective manner.

Case Ningbo Branch enhances customer complaint management

Ningbo Branch of China Minsheng Bank strengthened front-end handling capability for customer complaints, set up "President Reception Day," established senior executive review mechanism, and perfected negotiation handling mechanism for customer complaints, achieving good results. In April 2019, Nongbo Financial Consumer Rights and Interests Protection decided to establish financial consumption dispute mediation station at Ningbo Branch. The station, which equips with designated personnel, is aimed at improving mediation efficiency and solving financial consumption disputes in a better manner.

Conducting Financial Knowledge Publicity

In the reporting period, China Minsheng Bank organized and conducted several large-scale publicity and education activities for financial consumers including "Financial Consumer Rights Promotion Day" and "Financial Knowledge Promotion Event." The Bank also carried out 12,493 intensive publicity activities, and the number of people benefited from those activities reached 13.88 million; a variety of media outlets covered the activities for 803 times. In addition, the Bank issued over 5.25 million pieces of publicity materials. All of those initiatives played a positive role in promoting consumers' financial quality and safety consciousness. In 2019, China Minsheng Bank won the title of "Outstanding Organizational Unit" at the March 15th Banking and Insurance Consumer Rights Protection Education and Publicity Week, won the title of "Outstanding Organizational Unit" at the Joint Financial Education and Publicity Activity, and the title of "Best Performance Unit" at the Activity of Popularizing Financial Knowledge by China Banking Industry.

The Bank also carried out **12,493** intensive publicity activities, and the number of people benefited from those activities reached **13.88** million; a variety of media outlets covered the activities for **803** times.

Case Credit Card Center conducts financial knowledge publicity week activity

Credit Card Center of China Minsheng Bank has attached great importance to financial knowledge publicity and education activities. Centering on the theme of consumer-oriented service improvement, Credit Card Center carried out the March 15th Financial Knowledge Publicity Week across the country from March 11 to March 15, 2019. According to the blind spots of financial knowledge and financial demands of different consumer groups, Credit Card Center developed differentiated publicity programs to popularize financial knowledge for the elderly, teenagers, migrant workers and other groups with relatively weak financial knowledge and to guide consumers to choose financial products and services rationally. The publicity activities were conducted in, among others, enterprises, communities, business districts, and on campus. The initiative helped consumers avoid financial risks and enhanced the brand image of "trust will be always here."



March 15th Financial Knowledge Publicity Week activity held by Credit Card Center

Case Shantou Branch conducts cyber security publicity week activity

Shantou Branch of China Minsheng Bank organized and conducted Cyber Security Publicity Week activity from September 16 to September 22, 2019. The sub-branches of Shantou Branch placed publicity leaflets in their business outlets, broadcasted publicity videos on TV in the lobbies, and used WeChat Official Account and WeChat Moments to share contents and cartoons relating to cyber security. Through those efforts, the sub-branches expanded the scope of the audience. Meanwhile, the Branch organized the sub-branches to conduct cyber security publicity activities on campus and in communities, which further enlarged the coverage of cyber security knowledge publicity and enhanced the influence of those activities. With diversified and rich publicity forms, as well as effective implementation, the Branch made remarkable results. A total of 1,000 pieces of publicity materials had been distributed by the Branch and its business outlets, benefiting over 800 people.

A total of **1,000** pieces of publicity materials had been distributed by the Branch and its business outlets, benefiting over **800** people.



Wuhan Branch conducted financial knowledge popularization on the campus



Xiamen Branch distributed financial knowledge manuals to college students



Urumqi Branch conducted financial knowledge popularization at the countryside

PUTTING PEOPLE FIRST AND ADVOCATING HOMELAND CULTURE

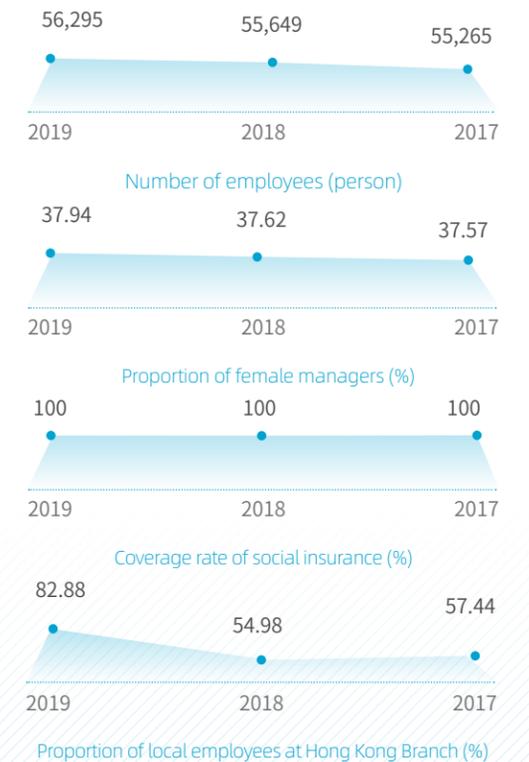
China Minsheng Bank has insisted on the people-oriented homeland culture, advocated that employees are the true creators of corporate wealth and caring for employees is the value of an enterprise, created the family-style atmosphere at the workplace, and retained employees via career opportunities, feelings of brotherhood and benefits, making each and every employee of the Bank to enjoy sense of fulfillment and sense of belonging.

Respecting Talented People and Guaranteeing Employees' Basic Rights and Interests

Guaranteeing Basic Rights and Interests of Employees

In the reporting period, China Minsheng Bank has further improved the system for protecting employees' rights and interests, conducted regulatory management on employee enrollment and departure, labor contracting, as well as social insurance and benefits of employees. It has enhanced the sense of confidentiality of core employees, and strengthened labor dispatch management in strict accordance with national policies, constantly optimized remuneration and benefits system. It has also strictly implemented the social insurance and housing provident fund systems prescribed by national laws, and provided several security programs including enterprise annuity, supplementary medical insurance and accident insurance for employees, striving to build harmonious labor relations.

Performance of Employees' Rights and Interests



Promoting Employee Democratic Management

China Minsheng Bank has constantly improved the democratic management system that takes the workers' congress as the basic form, and expanded the channels for employees to participate in democratic decision-making, democratic management and democratic supervision, effectively guaranteeing the democratic rights of employees. It has also consistently strengthened the effectiveness of employees to participate in corporate management.

Case Third session of first worker's congress held

On May 24, 2019, China Minsheng Bank held the Third Session of the First Workers' Congress. The congress extensively listened to the opinions and suggestions of employees, and deliberated and passed the *Detailed Implementing Rules on Workers' Congress of China Minsheng Bank* and other four regulations, which further improved the sense of participation, sense of gain, and sense of happiness of employees.



Third Session of the First Workers' Congress held by China Minsheng Bank

Case Seminar held to solicit advice and suggestions of young staff members

To learn the thought and in-service conditions of young employees and to listen to their aspirations and wishes, China Minsheng Bank held a seminar themed "organizational effectiveness enhancement" to solicit advice and suggestions of young staff members on June 27, 2019. At the seminar, the leaders of the Bank conducted full communication and open discussion with young employees, which further deepened mutual understanding and helped promote reform and transformation of the Bank.

Cultivating Talented People and Perfecting Career Development Mechanism

Broadening Channels for Talent Development

China Minsheng Bank has focused on implementing the talent development strategy, insisted on value creation-oriented concept, and enhanced the building of career development channels for employees. It has formulated "objective + quantitative" goals for the professional contributions to output and capability development, and introduced mechanisms such as assessment by committee, system of bulletin, and democratic supervision to further perfect talent evaluation process. It has also planned and designed the dual-channel career development path of professional sequence and sales sequence, attached great importance to the cultivation and growth of young talented people, and strived to create a good institutional environment and career platform for all of its young employees.

Improving Employee Training System

China Minsheng Bank has established multi-level training system, focused on cultivating strategic talent and versatile professionals, constantly improved the market-oriented level, professional level and international level of talent team, and strived to form a positive cycle in which development attracts talented people and talented people boost development. In 2019, the Bank conducted 3,426 training programs, and the number of trainees reached 240,000; the total course hours of trainees amounted to 3.42 million class hours, and 1,361 online courses were opened. Six qualification/certification examinations were conducted and the number of participants reached 110,000.

In 2019, the Bank conducted **3,426** training programs

6 qualification/certification examinations were conducted

Case Investment Banking Department holds 1st "Star of Tomorrow" training program

Investment Banking Department of China Minsheng Bank built multi-level talent training system covering, among others, "Star of Tomorrow," "Young Outstanding Professionals" and "Top-Notch Talent." In 2019, the Department carried out four sessions of "Investment Banking Business Lectures," 1st "Star of Tomorrow" training program, and 1st "Young Outstanding Professionals" training program, and a total of over 600 people from nearly all operations units of China Minsheng Bank participated in the lectures and trainings. Those efforts provided talent and intelligent support for the transformation and development of the Bank's investment banking business.

Case Tianjin Branch launches "Talent Empowerment Program"

Tianjin Branch of China Minsheng Bank established scientific talent cultivation mechanism, launched "Talent Empowerment Program," and used integrated cultivation methods such as "three-level talent selection," "TRACT model," and "dynamic management on credits" to build high-quality talent team.

Retaining Talented People and Caring for Employees' Work and Life

Enhancing Employee Care

China Minsheng Bank has promoted the building of "Home of Workers," guaranteeing the happy life of employees. In 2019, the evaluation score of the Bank's Happiness Index was 74.22 points. The Bank won the title of "Best Unit for Happiness Practice" at the "2019 Annual Conference of Corporate Culture Management and the 6th Most Beautiful Voice of the Enterprise Show" organized by China Culture Administration Association.

China Minsheng Bank has carried out various employee care activities, cared about female employees and retirees, perfected the file system for employees with difficulties, and enhanced the support for employees with financial difficulties. During the holidays of New Year and Spring Festival of 2019, the Bank provided financial support for 319 employees, including 316 employees with difficulties and 12 female employees who are single mothers and with financial difficulties; a total of RMB1.3495 million of assistance funds were given to those employees.



Family members of employees of Xiamen Branch visited the Home of Workers

Case Chengdu Branch sets up "Customer Manager Day"

Chengdu Branch of China Minsheng Bank officially designated the fourth Thursday of November as its "Customer Manager Day." On November 30, 2019, the Branch held the first "Customer Manager Day" Summit with a theme of "Forefront." At the summit, the Branch commended 30 customer managers for their outstanding performance, which inspired the work enthusiasm of customer managers and created a good working atmosphere.



Chengdu Branch set up "Customer Manager Day"

Case Beijing Branch highlights contributions of female employees

On March 8, the International Women's Day, Beijing Branch of China Minsheng Bank held the 5th season of its brand activity "Happy Minsheng Meets Female Employees" - "We Are the Most Beautiful" successfully. Over 300 female employees from various institutions and outlets of the Branch participated in the activity.

To encourage female employee to relieve themselves and show feminine elegance, the Branch set up make-up area, nail salon area, and silk scarf class area at the site of activity, and invited professionals to put on makeup for female employees. A wall of "Internet celebrities" was also marked for professional photographers to shoot photos for those employees with exquisite makeup. The activity commended 138 outstanding female employees and the outstanding female employee teams for their diligent and dedication spirit.



Beijing Branch held the activity themed "We Are the Most Beautiful"

The activity commended **138** outstanding female employees

Beijing Branch cannot achieve growth without the dedication and hard work of female employees. It is because of their devotion to duty, their forge-ahead spirit, their passion, and their selflessness that the Branch has achieved great results. They are ordinary people who have made extraordinary contributions.

---An employee with Beijing Branch of China Minsheng Bank

Emphasizing Work Safety

China Minsheng Bank has attached great importance to work safety, and formulated the *Basic Standards for Building "Safety Branch" of China Minsheng Bank*, providing employees with a stable and safe working environment. It has enhanced work safety education and training, and conducted safety knowledge and skills training programs and emergency exercises regularly. According to the requirements of the Bank, each outlet shall carry out at least four emergency exercises for unexpected incidents, and at least two firefighting exercises. In 2019, the units at various levels of China Minsheng Bank conducted 21,000 safety training and education activities and 5,138 emergency exercises, and the number of participants reached 363,700 and 152,300 respectively.

In 2019, the units at various levels of China Minsheng Bank conducted **21,000** safety training and education activities and **5,138** emergency exercises

Balancing Work and Life

China Minsheng Bank has insisted on the people-oriented core concept of homeland culture, organized and conducted rich and colorful employee activities, and provided employees with a positive working environment. It has strived to help employees achieve balance between work and life, and constantly improved the sense of belonging of employees.

Case Shanghai Branch helps enhance parent-child relationship

To further enhance the affection of young employees and their children, Shanghai Branch of China Minsheng Bank held the 2019 "Work with Mom and Dad - Parent-Child Open Day in Summer Holidays." Through a series of activities such as on-site visits, currency notes counting show, handcraft class, and dream teachers, the children felt and learned their parents' working scenarios and in-service conditions personally, which expanded their horizon and inspired their feelings of gratitude. The young employees also fully felt the importance the Branch has attached to their family and the significance of assistance programs it has taken for them.



Shanghai Branch held parent-child open day activity



Beijing Branch held 2019 autumn sports meeting



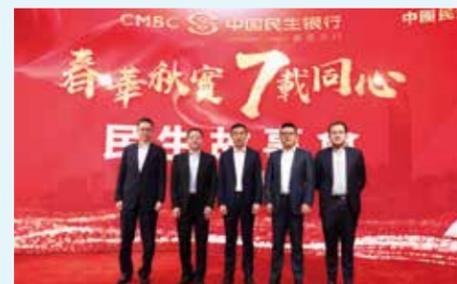
Changsha Branch held parent-child activity themed traditional Chinese culture



Urumqi Branch conducted fruit picking and hiking activity



Employees of Quanzhou Branch participated in Jinjiang Culture & Tourism International Marathon



Hong Kong Branch held 1st "Minsheng Stories" activity



Dragon boat race held by Head Office to celebrate the 70th anniversary of the founding of the People's Republic of China

The 2019 Smart China Expo was held in Chongqing, southwest China, August 26, 2019. China Minsheng Bank built an interactive experience pavilion showing the fascination of technology finance.



Pavilion of China Minsheng Bank at 2019 Smart China Expo in Chongqing

Future of mixed reality

After entering the reception area of the pavilion, a sci-fi holographic projection of ushers came into view. The AR smart glasses identified and verified customer identity through face recognition, and then automatically recommended right products to customers. The interactive transparent touch-showcase, which was the future high-tech and interesting marketing window at the lobby for customers, showed the functions of the latest debit card and credit card, as well as the "how-to" process.



Pavilion of China Minsheng Bank at 2019 Smart China Expo in Chongqing

Specialized intelligent risk control

The highly valued intelligent risk control technology could greatly improve the service efficiency of financial institutions in conducting pre-loan review, examination during the process of granting loans, and post-loan management. The big data-based real time risk control technology showed by China Minsheng Bank applied big data-based real time computing capabilities to the management throughout the loan, effectively improving the service efficiency.

Smart services for your life

Taking scenario-based service layer as the core, and combining with the channels and products, as well as the dual middle offices of "service + data," the scenario-based service platform showed at the pavilion provided strong scenario recognition and smart decision-making capabilities. The platform supported the implementation of various scenarios-based services, and integrated banking services into customers' basic necessities of life, aiming at building offline and online service system.



Pavilion of China Minsheng Bank at 2019 Smart China Expo in Chongqing



**ALWAYS KEEPING
GREAT AMBITIONS
IN MIND AND
SERVING NATIONAL
STRATEGIES**

P46 Responding to National Policies and Boosting National Development

P48 Developing Green Finance and Jointly Promoting Ecological Progress

P52 Responsibility Focus

RESPONDING TO NATIONAL POLICIES AND BOOSTING NATIONAL DEVELOPMENT

Facing complicated and severe external environment, as well as the new economic situation featuring changes amid the generally stable economic performance, China Minsheng Bank has taken initiative to serve national strategies. Under the guidance of its strategy of serving NSOEs, it has spared no effort to make the main business stronger and larger, and strived to help boost national development.

Supporting Regional Construction with Allocated Resources

China Minsheng Bank has actively implemented major national strategies such as the integrated development of Beijing-Tianjin-Hebei region, Yangtze River Delta, Xiongan New Area, and Guangdong-Hong Kong-Macao Greater Bay Area, perfected resource allocation, enhanced the effectiveness of the implementation of major projects, and helped boost regional economic development.

Case Minsheng Bank supports construction of Beijing's subsidiary administrative center

On June 23, 2019, China Minsheng Bank signed strategic cooperation framework agreement with Tongzhou District People's Government of Beijing Municipality, agreeing to further enhance service innovation and resource allocation to help promote the construction of Beijing's subsidiary administrative center. The cooperation was an important manifestation of the Bank in effectively implementing the spirit of important speech of CPC General Secretary Xi Jinping's inspection of Beijing and promoting the coordinated development of Beijing-Tianjin-Hebei region.

Case Haikou Branch helps build Hainan pilot free trade zone

To promote the development of Hainan Pilot Free Trade Port and the establishment of a free trade port with Chinese characteristics, Haikou Branch of China Minsheng Bank provided financial support for the first central State-owned enterprise (SOE) who registered its business headquarters in Haikou. The Branch approved and issued two letters of credit in different currencies to ensure the smooth completion of business transactions, using practical actions to support the development of the pilot free trade port and the establishment of a free trade port with Chinese characteristics.



Jointly Promoting Belt and Road Initiative for Beautiful Future

As the only joint-stock bank to support the construction of China-Pakistan Economic Corridor (CPEC) and the first director unit of China International Contractors Association among joint-stock banks, China Minsheng Bank has grasped the pulse of internationalization, as well as transformation and upgrading of enterprises in real sector, focused on financial demands and pain points of enterprises in internationalization process, and developed and designed rich product systems and diversified service programs. It has successfully supported a number of projects undertaken by Chinese enterprises in the countries and regions along the Belt and Road, becoming a pioneer in serving the Belt and Road Initiative among joint-stock banks. In 2019, China Minsheng Bank originated overseas loans in U.S. dollars to support the gas turbine combined cycle power plant project in Iraq, providing financial assistance for Chinese international contractors to implement Belt and Road projects.

Fostering Emerging Industries with Concerted Efforts

China Minsheng Bank has clarified the strategic positioning of strategic emerging industries, focused on supporting high-end equipment, energy-saving and environmental protection, new energy, new materials, next generation information technology, medical care, and other strategic emerging industries, and innovatively developed approaches and channels to support those industries. Through introducing new institutional arrangement and differentiated resource allocation policies, it has channeled resources toward strategic emerging industries.

Case Ningbo Branch signed first "Shimmer Project" agreement

Insisting on the basic principles of establishing mechanism and laying a solid foundation in accordance with the top-down design scheme of the Head Office, and grasping opportunities to lock in targeted customers, Ningbo Branch of China Minsheng Bank focused on supporting nine emerging industries including biomedicine, energy-saving and environmental protection, new energy, artificial intelligence, and next generation information technology. The Branch held special-topic meetings and established professional teams to screen targeted customers, to deliver contents of trainings, and to grasp marketing opportunities. On May 17, 2019, the Branch signed *Shimmer Project Comprehensive Service Agreement* with a biotechnology company in Ningbo, east China's Zhejiang Province, successfully launching the new journey of supporting Ningbo-based sci-tech innovation enterprises with finance.

Case Shenyang Branch supports lead bank pilot system

To guide and encourage banks and enterprises to establish stable and long-term strategic cooperative partnerships, and increase mutual trust between and promote to build cooperation community among banks and enterprises, Shenyang City launched the lead bank pilot system. As a pilot lead bank, Shenyang Branch of China Minsheng Bank provided comprehensive financial support for cooperative enterprises, served Shenyang-based NSOEs, and made financial contributions to the establishment of national center city in Shenyang.

DEVELOPING GREEN FINANCE AND JOINTLY PROMOTING ECOLOGICAL PROGRESS

Implementing Green Credit and Fostering Environmentally-Friendly Concept

In the reporting period, China Minsheng Bank actively implemented the *Common Commitment of the Chinese Banking Sector on Green Credit*, followed the guidance of relevant policies, constantly perfected policies, regulations, and systems on green credit, continuously optimized and adjusted credit mix, provided credit support for energy-saving and environmentally-friendly industries, restricted the loans granted to industries with high energy consumption or high pollution, and boosted sustainable development of the society. In 2019, the loan balance of the Bank for energy-saving and environmental protection projects and services reached RMB32.255 billion.

Case 1st special-topic training on green finance held

China Minsheng Bank held a special-topic training program themed green finance, which was the first of its kind conducted by the Bank, and over **600** people participated in the training

To grasp the development opportunities for green finance business, and to further enhance the understanding of the Bank to green finance, China Minsheng Bank held a special-topic training program themed green finance, which was the first of its kind conducted by the Bank, and over 600 people participated in the training. As the organizer, the Bank invited leading experts from the regulatory authorities, peer industry and third-party organizations to conduct lectures, presenting the overview of green finance development comprehensively and systematically. The lectures were of great importance in guiding daily work, offered references to the Bank in the aspects of, among others, green business scale, product innovation, development model, risk prevention and control, and reserve of talent, and helped the Bank further promote transformation and development and optimize asset mix.

Strengthening Environmental and Social Risk Management

China Minsheng Bank has closely followed national policies relating to environmental and social risks, revised credit policies for electrolytic aluminum, iron and steel, cement, coal, coking, and other industries and fields with higher environmental and social risks in a timely manner, established industry-based risk limits indicators, and implemented rigid control and name list management. The Bank has worked out differentiated credit processes and arrangements for customers in accordance with different environmental and social risk categories, actively improving environmental and social risk early warning mechanism. It has constantly perfected environmental and social risk policy system from the aspects of, among others, regulation, policy, process and framework, and conducted whole-process management for environmental and social risks of key industries, customers and projects. In 2019, the compliance rate of environmental impact assessment of project loans reached 100 percent.

Supporting Phasing Out of Outdated Production Capability

As for the “two-high-and-one-over” industries (industries with high energy consumption, high pollution or overcapacity), China Minsheng Bank has actively implemented the guiding thought of the State Council on manufacturing industry upgrading and structural adjustment, adopted the differentiated credit policies, and optimized and adjusted credit structure. The Bank has conducted multi-level and classified management for customers, carried out rigid control of loan limits, and encouraged to adjust the customer structure in the limits of loans. Focusing on environmental compliance, it has introduced the “one-vote-down system” in the aspect of environmental protection, and those enterprises that have been incompliant with the national industrial and environmental policies and been included into the “black list” of environmental protection shall be rejected. In 2019, a total of 21 projects in the “two-high-and-one-over” industries had been rejected, involving a total amount of RMB11.398 billion of loans; the loan balance of the Bank for the industries with overcapacity was RMB59.275 billion, and the ratio of loans to industries with overcapacity was 3.11 percent.

In 2019, a total of **21** projects in the “two-high-and-one-over” industries had been rejected, involving a total amount of RMB **11.398** billion of loans



Boosting Development of Energy-Saving and Environmentally-Friendly Industries

China Minsheng Bank has actively implemented the credit support policies for key national projects on environmental protection and emission reduction and key promotion technologies, constantly enhanced credit support for environmental protection industry, new energy industry and strategic emerging industries, and taken initiative to provide financing services for energy-saving and environmental protection enterprises featuring strong innovation capabilities. The Bank has conducted innovation in green financial product, upgraded green financial services, and encouraged enterprises to carry out technological upgrading, energy-saving transformation, and R&D of products, supporting and boosting green transformation of traditional industries. In 2019, the Bank provided financial support for 186 environmentally-friendly enterprises, and granted a total of 698 loans for energy-saving and environmental protection projects.

In 2019, the Bank provided financial support for **186** environmentally-friendly enterprises, and granted a total of **698** loans for energy-saving and environmental protection projects.

Case Hangzhou Branch helps sci-tech innovation enterprise pursue dream

Hangzhou Branch of China Minsheng Bank granted a credit line of RMB5 million to a Hangzhou-based environment-related company to help it overcome development bottleneck at early stage. With the loans, the independently developed reduction system for kitchen waste of the company got increasingly popularized. Thus, the company made the dream of the green development concept, which aims at turning waste into treasure by garbage sorting, a reality.

Conducting Green Operations and Building Low-Carbon Enterprise

China Minsheng Bank has insisted on the concept of green development and operations, and strictly fulfilled the commitments to energy-saving and environmental protection. It has integrated energy-saving and environmental protection into day-to-day management, persisted in procurement in a responsible manner, and paid attention to resource conservation and recycling use in daily office work.

Insisting on Green Procurement

China Minsheng Bank has enhanced supplier management, constantly optimized and perfected the supplier database at the Head Office, strengthened external information monitoring on suppliers, especially negative information relating to the society and environment, and further improved the management and control capabilities on risks of suppliers. It has clarified the access criteria for suppliers, paid attention to social responsibilities fulfilled by suppliers, and required suppliers to provide products or services in accordance with national, industrial and green procurement standards, and to abide by occupational health and safety standards, labor laws and regulations, and remuneration standards.

China Minsheng Bank, in strict accordance with the *Administrative Measures on Centralized Procurement of China Minsheng Bank* and the *Administrative Measures on Suppliers of China Minsheng Bank*, has enhanced price management, quality management, supply management, and service management of centralized procurement. In the bidding process of procurement projects including engineering items, IT equipment, office furniture, workwear and computers, the Bank has clarified the access requirements and assessment standards, and given priority to purchase energy-saving and environmental protection products and to select suppliers obtained environment management system certification and offering products with environmental label. It has further enhanced the social responsibility fulfillment of suppliers, and promoted green consumption.

Advocating Green Office Practices

Centering on the saving of costs and the improvement of efficiency, China Minsheng Bank has enhanced management on fixed assets and saved procurement costs. The Bank has upgraded energy-saving and environmentally-friendly equipment, strengthened waste discharge management, and boosted green banking construction. It has promoted paperless office practices, strengthened the recycling of waste office supplies, set up learning corners for energy-saving and environmental protection, stepped up publicity of green office, and improved the sense of energy-saving and water conservation of employees. In 2019, the water consumption of the Bank was 284,284 tons, and that of electricity consumption was 37,823,199 kWh; the recycling of discarded computers and waste toner cartridges was 0.3975 ton and 4,126 units respectively. The Bank held 1,141 video conferences in 2019.

¹The statistical data were based on the tap water consumption of six Beijing-based office areas of China Minsheng Bank

²The statistical data were based on the electricity consumption of six Beijing-based office areas of China Minsheng Bank



A sign reading Please Save Water



Clear indication of air conditioning temperature for saving electricity



Warm-tip card for saving paper



Convenience storage box used to collect waste batteries

China Minsheng Bank has printed and issued the *2019 Notice on the Disposal Plan for Abandoned Fixed Assets of Self-Service Equipment* to guide the disposal of special assets of self-service equipment and to further regulate the disposal and management process of machines and tools with sensitive information and other fixed assets. It has signed the *Letter of Commitment for Disposal and Destruction of Professional Machines and Tools* with suppliers of self-service equipment, requiring the designated suppliers to handle the recycling, disposal and destruction of professional machines and tools such as Automated Teller Machines and Cash Receiving Systems.

Promoting Green Public Welfare Cause and Jointly Building a Beautiful Future

China Minsheng Bank has taken initiative to implement the concept of green development and environmental protection, guided employees to devote themselves to environmental protection cause, improved environmental protection consciousness of employees, and strived to build a green homeland.

Case Hohhot Branch participate in 99 Charity Day activity

On August 10, 2019, Alxa SEE Inner Mongolia Center held the mobilization meeting for the 4th 99 Charity Day in Hohhot, capital of north China's Inner Mongolia Autonomous Region. As a new member unit, Hohhot Branch of China Minsheng Bank participated in the meeting, saying it will resolutely support the development of Alxa SEE environmental cause, and mobilize more social forces to make contributions to the prevention and treatment of desertification, the restoration of grassland ecology, and the protection of wetlands in Inner Mongolia Autonomous Region.

Case Shantou Branch supports environmental protection initiative



"Green Run Up" team of Shantou Branch

The Shantou International Marathon kicked off in Shantou, south China's Guangdong Province, December 22, 2019. Holding high a giant banner, the "Green Run Up" team of Shantou Branch of China Minsheng Bank participated in the Run for Public Welfare. A total of 500 employees picked up garbage along the runway, using practical actions to support environmental protection. The Branch also provided 114 customized waste facilities for waste collection and organized 10 teams to pick up garbage after the marathon. Those efforts effectively supported the cause of environmental protection and public welfare.

RESPONSIBILITY FOCUS
Remaining true to original aspiration and
deepening reform

On September 27, 2013, the State Council approved the establishment of China (Shanghai) Pilot Free Trade Zone, which was the first in China to carry out a series of financial reform policies. Based on the strategies for transformation and upgrading, innovation, and internationalization, China Minsheng Bank set up the China (Shanghai) Pilot Free Trade Zone Branch, the 36th tier-one branch of the Bank, on May 8, 2014.



SHFTZ Branch held cross-border financial seminar

Developing distinctive products to serve Belt and Road Initiative

To keep pace with the financial reform policies of China (Shanghai) Pilot Free Trade Zone, the Branch has insisted on promoting innovation in product and service, and based on traditional loans, promoted the combined use of the loans under Separate Accounting in the China (Shanghai) Pilot Free Trade Zone with, among others, overseas financing, foreign debt, syndicated loans, and structured financing to provide financial support for key project of the Belt and Road Initiative. In 2019, the amount of financing agreements of the Branch reached USD4.866 billion, and the amount of loans granted by the Branch reached USD717 million.

In 2019, the amount of financing agreements of the Branch reached **USD 4.866** billion, and the amount of loans granted by the Branch reached **USD 717** million.

Since its establishment five years ago, the Branch has taken initiative to implemented national strategies, and helped Chinese enterprises establish business presence in overseas market. It has effectively served 36 tier-one operating institutions, and boosted business balance to take more than 80 percent of overall balance. It has granted a line of credit of over RMB15 billion to support the Belt and Road Initiative and the "Made in China 2025" strategy.



SHFTZ Branch held cross-border financial seminar

Implementing syndicated loan projects and boosting brand reputation

China (Shanghai) Pilot Free Trade Zone Branch has insisted on the strategy of serving real economy, and assisted other operating institutions to implement three international syndicated loan projects under the Belt and Road Initiative with an accumulative amount of RMB2.189 billion. The cross-border syndicated loan projects and M&A projects covered a number of industries including education, pharmaceuticals, manufacturing, real estate, hotel investment, construction, and automobile. The Branch provided financial support and integrated financial services for several leading enterprises to implement the "going abroad" projects, winning recognition from customers.



“ SUPPORTING
COMMUNITY WITH
MEANINGFUL
ACTIONS
AND MAKING
CONTRIBUTIONS TO
SOCIETY ”

P56 Winning Battle against
Poverty and Jointly
Building a Well-Off Society

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Public Welfare Cause and
Enjoying Happy Life

P68 Feature Story

WINNING BATTLE AGAINST POVERTY AND JOINTLY BUILDING A WELL-OFF SOCIETY

Since the beginning of the battle against poverty, China Minsheng Bank has further enhanced political stance, and taken “targeted poverty alleviation, targeted poverty elimination” as an important political task, the top priority, and the No.1 People’s Livelihood Project, placing it in key position and including it into key agenda. The Bank has persistently implemented the decisions and plans made by the CPC Central Committee for winning the final battle against poverty. It has firmly fostered the “responsibility field” consciousness, insisted on problem-oriented approach, taken well-targeted steps, given full play to business advantages, and formed concerted efforts, trying the best to eliminate poverty. It has set up the “One Body, Two Wings” poverty alleviation system, which focuses on the fixed-point poverty alleviation work in Hua County and Fengqiu County in Henan Province, and takes the poverty alleviation work in the “three regions and three prefectures” and the ME Charity Innovation Funding Scheme as the supporting pillars.

Conducting Overall Arrangement and Enhancing Organizational Guarantee

Strengthening Organizational Leadership

To win the fight against poverty, China Minsheng Bank has constantly enhanced the organizational leadership. Hong Qi, Chairman of China Minsheng Bank, is responsible for overall arrangement of targeted poverty alleviation; Zheng Wanchun, Party Secretary and President of China Minsheng Bank, serves as the head of the Leading Group for Financial Poverty Alleviation Work; Chen Qiong, Deputy Party Secretary and Vice President of China Minsheng Bank, serves as the deputy head of the Leading Group for Financial Poverty Alleviation Work. The Executive Office of the Head Office took the lead in promoting poverty alleviation throughout the Bank, while various departments and branches of the Bank, in line with their respective duties, cooperated with concerted efforts to conduct poverty alleviation work.

Building Consensus on Development Thought

Through holding working conferences on the topics such as targeted poverty alleviation and corporate social responsibility, China Minsheng Bank has studied and implemented the spirit of the 19th CPC National Congress and CPC General Secretary Xi Jinping’s strategic thought on poverty alleviation. The Bank has organized special-topic meetings to analyze targeted poverty alleviation, to achieve unity in thought and action, and to reach consensus, laying a solid foundation for the Bank to fully promote poverty alleviation. In 2019, the Bank held 34 meetings on the topics relating to poverty alleviation.

In 2019, the Bank held **34**
meetings on the topics
relating to poverty alleviation.



China Minsheng Bank held fixed-point poverty alleviation work meeting

Perfecting Working Mechanism

China Minsheng Bank has issued the *Notice on Encouraging Operating Institutions to Actively Participate in Poverty Alleviation Work*, the *Plan for Fixed-Point Poverty Alleviation Work of China Minsheng Bank*, the *Guidelines for Fixed-Point Poverty Alleviation Work of China Minsheng Bank*, the *Administrative Measures on Financial Targeted Poverty Alleviation Loans of China Minsheng Bank (Trial)*, and other regulations and policies, further improved financial service mechanism, and promoted sustained and healthy development of the economy and society in poverty-stricken areas. Through establishing and perfecting a series of policies and measures, the Bank has implemented the targeted poverty alleviation work with planned top-down design, concerted organizational leadership, clarified division of responsibilities, and effective policy and mechanism support, ensuring remarkable results to be achieved.

Selecting and Appointing Personnel to Temporary Posts

At the critical time in fighting poverty, China Minsheng Bank has earnestly implemented the requirements of relevant policies. In 2019, the Bank dispatched five staff members to serve temporary posts in the fixed-point poverty alleviation counties: One served as deputy mayor, two served as deputy county heads, and two served as first secretaries. The five personnel to temporary posts worked on the front line, and conducted investigation and research tours to villages and townships to learn the actual needs of poor people and to analyze the causes of poverty. They integrated business resources, supervised the use of endowment money and the implementation of poverty alleviation projects, effectively promoted fixed-point poverty alleviation work, and strived to make effective results in targeted poverty alleviation and eradication.



Feng Zheng (second left), a village cadre dispatched by Xi’an Branch to lead local poverty alleviation work, visited the poor farmers of Liangcha Village to learn their needs

Enhancing Supervision and Inspection

To comprehensively implement the targeted poverty alleviation work, China Minsheng Bank has effectively conducted poverty alleviation supervision and inspection. In 2019, the Bank carried out six inspection tours to the two fixed-point counties, summarizing experience and sorting out problems. Those tours further enhanced the poverty alleviation effectiveness. The Bank has established a research, investigation and analysis system which requires conducting two research and investigation tours per year and carrying out frequent analyses per month. Relying on the field research and investigation tours of the Leading Group for Financial Poverty Alleviation Work and the day-to-day feedback of the personnel appointed to temporary posts, the Bank has thoroughly learned the implementation of poverty alleviation projects and the use of poverty alleviation funds, guaranteeing the effectiveness of fixed-point poverty alleviation measures. In 2019, Chairman Hong Qi, Party Secretary and President Zheng Wanchun, Deputy Party Secretary and Chairman of the Board of Supervisors Zhang Juntong, and Deputy Party Secretary and Vice President Chen Qiong conducted a total of three investigation and research tours to the two fixed-point counties, learning the actual situations and promoting the implementation of poverty alleviation projects. Meanwhile, a total of 40 departments and organizations including the Leading Group for Financial Poverty Alleviation Work, the leading organs of the Head Office, and affiliated companies of China Minsheng Bank, as well as China Foundation for Poverty Alleviation carried out 28 joint supervision and inspection tours, which focused on poverty alleviation and Party building, to the two fixed-point counties.

Enhancing Poverty Alleviation System with “Nine-in-One” Approach

China Minsheng Bank has effectively promoted targeted poverty alleviation and targeted poverty elimination. Through the linkage mechanism between the Head Office and the branches, the Bank has explored and established the “nine-in-one” poverty alleviation model consisting of poverty alleviation through education, medical care, finance, industry development, skill training, e-commerce, Party building, consumption, and job creation in the two fixed-point counties - Fengqiu County and Hua County in central China’s Henan Province. With those approaches, the Bank has boosted economic development of fixed-point counties and achieved stable growth of income of the people there. In 2019, China Minsheng Bank donated a total of RMB27 million to fixed-point counties and granted a line of credit of RMB255 million for poverty alleviation.

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Poverty Alleviation through Education



Poverty alleviation requires a change of attitude and the support of education. Inadequate education is the fundamental cause of poverty, and a restrictive factor for poverty-stricken areas to shake off poverty and achieve prosperity. Getting children to enjoy basic education in a fair and equitable manner benefits future generations. China Minsheng Bank has persistently explored the poverty alleviation model through developing education, constantly provided financial assistance for the conduction of basic education facilities, and taken initiative to introduce high-quality educational resources, using knowledge to prevent the transfer of poverty across generations. In 2019, the Bank aided 489 outstanding students from poor families financially and commended 306 front-line teachers in Hua County. It also provided financial assistance for Fengqiu Minsheng School with funds of RMB19.5 million in recent three consecutive years.

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Opening ceremony of the Minsheng School in Fengqiu County

Poverty Alleviation through Medical Care



In poverty-stricken areas, many families are suffering from heavy burden of medical costs and mental stress brought about by serious and chronic diseases. For those impoverished families due to illness, the basic medical security system alone cannot solve all the problems. China Minsheng Bank has donated RMB3.68 million of funds and 46 units of electric cars to Hua County for medical care services, effectively improving the basic medical conditions of the county. The Bank has persistently helped impoverished families purchase supplementary medical insurance products, completely relieving the medical burden of 25,000 poor people in Fengqiu County. It has also helped build two township-based seniors’ homes in Fengqiu County, providing 290 extremely poor old people with day-to-day medical care and elderly care services.

China Minsheng Bank has donated RMB **3.68** million of funds to Hua County for medical care services completely relieving the medical burden of **25,000** poor people in Fengqiu County. It has also helped build **2** township-based seniors’ homes in Fengqiu County.

Poverty Alleviation through Industry Development



Conducting poverty alleviation through industry development is the fundamental support for poor people to shake off poverty and achieve prosperity, as well as the key to secure a victory in eliminating poverty. China Minsheng Bank has been committed to realizing the transformation of poverty alleviation from “blood-transfusion” model to “blood-making” one, promoted Minsheng E-Commerce Co. and Minsheng Real Estate Co. to set up subsidiaries in Fengqiu County and Hua County respectively, and facilitated 530 strategic cooperative customers to invest in the two counties, so as to boost local economic development through, among others, e-commerce sales, cultural tourism, and real estate development. The Bank has also leveraged the advantages of partnerships, given full play to the platform resources of China Foundation for Poverty Alleviation and the powerful flour industry of Hua County, and strived to build a distinctive cooperative consisting of three parties. Thus, a supply chain supporting system featuring integration of production and sales and an industry-based poverty alleviation model would be formed.

facilitated **530** strategic cooperative customers to invest in the two counties

Poverty Alleviation through Finance



Based on its main business, China Minsheng Bank has fully leveraged its advantages, and constantly conducted innovation in financial product and service with the focus on “three combinations,” that is, the combination with the registered impoverished people, with the poverty alleviation projects launched by county governments, and with the policies of the counties for poverty alleviation. The Bank has taken differentiated management policies on targeted poverty alleviation loans from the aspects of, among others, loan limit, interest rate, and risk responsibility, guaranteeing sustained growth in terms of loan size. In 2019, China Minsheng Bank granted a credit line of RMB255 million for poverty alleviation. The Bank provided preferential interest rates for enterprises involving in poverty alleviation undertakings, and offered a favorable financial environment for poor people to increase income and to start businesses, which effectively boosted social progress and economic development of poverty-stricken areas.

Poverty Alleviation through Skill Training



China Minsheng Bank has given full play to the advantages of Minsheng Business School, explored online training and teaching approaches through introducing China's top teaching staff from the Ministry of Education and the Education Commission of Haidian District, Beijing, and conducted skill trainings for secretaries of Party branches, rural entrepreneurial leaders, and rural serviceable talented people (also be called the "Three Contingents") of impoverished villages in Hua County and Fengqiu County, striving to enhance the self-development capabilities of poverty-stricken areas. In 2019, the number of participants of the trainings for the Three Contingents reached 2,844.

In 2019, the number of participants of the trainings for the Three Contingents reached

2,844

Poverty Alleviation through E-Commerce



China Minsheng Bank and the platform of Minsheng E-Commerce have jointly explored the model of poverty alleviation through e-commerce of the "Internet + agricultural products = targeted poverty alleviation". The Bank has established e-commerce sales platforms for Hua County and Fengqiu County, conducted trainings on e-commerce sales in a regular manner, and helped the two counties to improve the quality of agricultural products and services, using knowledge and skills to consolidate the achievements and results of poverty alleviation. In 2019, the Bank helped sell RMB10.3532 million of agricultural products by e-commerce platform.

In 2019, the Bank helped sell RMB **10.3532** million of agricultural products by e-commerce platform.

Case Minsheng E-Commerce enhances poverty alleviation efforts

In June 2019, Fengqiu Huiyu E-Commerce Co. and Hua Minjun E-Commerce Co. established by Minsheng E-Commerce Co. were officially opened. Centering on poverty alleviation work and insisting on the targeted poverty alleviation strategy of China Minsheng Bank, the two newly-established companies effectively implemented the "Internet + Agricultural Products" poverty alleviation strategy of Minsheng E-Commerce Co.



Unveiling ceremony of Hua Minjun E-Commerce Co.

Poverty Alleviation through Party Building



The primary organizations of the Party in rural communities constitute its foundation for doing all its work and building up its combat effectiveness in rural areas. At the critical time in fighting poverty, it is imperative to enhance Party building, give full play to the Party's political advantage, organizational advantage, and the advantage of maintaining close ties with the masses, focus on improving the organizational power of primary Party organizations, and build the primary Party organizations into militant bastions of the Party in leading the masses to shake off poverty and become better-off. China Minsheng Bank has enhanced Party building to actively support poverty alleviation. The Bank's 24 Party branches have established pairing assistance relations with 23 villages in Fengqiu County and Hua County, and donated RMB1.4278 million of Party membership dues to the two counties accumulatively. The Bank has also given full play to the vanguard and exemplary role of Party members, and provided financial assistance for poor people. In 2019, the Party members of China Minsheng Bank donated RMB6.972 million in total to the people in impoverished areas, building a "heart-to-heart" bridge between the Party officials and members and the masses.



Wuhan Branch conducted joint Party building activity at Houkeng Village

Poverty Alleviation through Consumption



Poverty alleviation through consumption is an important approach for social forces to fight against poverty. Through buying foodstuff for canteens, stimulating consumption of employees, and helping promote sales, China Minsheng Bank has sent the benefits directly to the targeted poverty-stricken people. Poverty alleviation through consumption has helped mobilize the enthusiasm of the impoverished people to shake off poverty and achieve prosperity independently, and promoted the stable progress of the fight against poverty and the sustainable development of industries in poverty-stricken areas. The Bank has formulated and issued the *Notice on Encouraging Operating Institutions to Actively Participate in Poverty Alleviation Work*, and the *Guidelines for 2019 Poverty Alleviation Work*, explicitly stipulating the annual poverty alleviation task and objective of affiliated institutions, and encouraging operating institution to actively participate in poverty alleviation work.

In 2019, with the establishment of the two e-commerce subsidiaries of Minsheng E-Commerce Co., the e-commerce-based poverty alleviation work was implemented smoothly in Fengqiu County and Hua County, which greatly boosted consumption. In 2019, the Bank directly purchased a total of RMB15.4988 million of agricultural products from impoverished areas.

Poverty Alleviation through Job Creation



One member gets employed, and then the whole family gets lifted out of poverty. Job creation is the most effective and most direct approach to poverty alleviation. And taking it as a long-term approach can effectively prevent the transfer of poverty across generations. Centering on the actual situations and employment requirements in Fengqiu County and Hua County, China Minsheng Bank has issued the *Notice on Promoting Job Creation in Fixed-Point Poverty Alleviation Areas*, as well as other policies and regulations, and taken initiative to release targeted-area recruitment information and implement job creation policies. The Bank has also conducted skill training for poor people, further improving their employability. In 2019, China Minsheng Bank recruited three people from impoverished families in the two fixed-point poverty alleviation counties, and trained a total of 381 people.

Supporting Three Regions and Three Prefectures with Multi-Faceted Measures

Since the 18th CPC National Congress in 2012, China Minsheng Bank has focused on resolving the prominent problems in assuring the rural poor population that their food and clothing needs will be met and guaranteeing that they have access to compulsory education, basic medical services, and safe housing (“two assurances and three guarantees”) and achieving the goal of getting impoverished people out of poverty. In the areas of extreme poverty, including Tibet Autonomous Region, Tibetan regions in four provinces, southern parts of Xinjiang Uygur Autonomous Region, Liangshan Yi Autonomous Prefecture in Sichuan Province, Nujiang Lisu Autonomous Prefecture in Yunnan Province, and Linxia Hui Autonomous Prefecture in Gansu Province (“three regions and three prefectures”), the Bank has extensively built cooperation platforms, effectively integrated public welfare resources, and actively promoted the implementation of poverty alleviation projects, striving to form concerted efforts to fight poverty. In 2019, China Minsheng Bank donated a total of RMB28.08 million to the “three regions and three prefectures” for conducting medical care and education assistance projects such as the medical treatment for children with congenital heart disease, the prevention and treatment of HIV/AIDS, and the assistance to students from minority ethnic groups of the “Meijiang-Minsheng Class.”

Case Minsheng Bank helps promote medical treatment for children with congenital heart disease

In November 2019, the “Guangcai-Minsheng Bank Program for Treating Children with Congenital Heart Disease” (Phase II), a program jointly initiated and implemented by China Minsheng Bank and China Foundation for Guangcai Program for the medical treatment of children with congenital heart disease in Tibet, was officially launched. According to plan, a total of RMB10 million will be donated to the program per year from 2019 to 2023. Besides of children in Lhasa and Changdu in Tibet Autonomous Region, children aged from 0 to 18 years in the southern parts of Xinjiang Uygur Autonomous Region, Ganzi Tibetan Autonomous Prefecture and Liangshan Yi Autonomous Prefecture in Sichuan Province, and Linxia Hui Autonomous Prefecture in Gansu Province are all covered by the program. It is estimated that 700 children with congenital heart disease will be treated, and 1,000 community-level medical workers will be trained. The program also supports academic research projects, and promotes scientific disease prevention and treatment knowledge, further enhancing the consciousness of disease prevention and treatment of the people in the “three regions and three prefectures.”

Case Minsheng Bank enhances poverty alleviation support to Linxia

In July 2019, China Minsheng Bank participated in the assistance tour of Guangcai Program to Linxia, which was jointly organized by China Society for Promotion of the Guangcai Program and Gansu Provincial People’s Government and aimed at providing assistance for impoverished people due to illness in Linxia Hui Autonomous Prefecture, northwest China’s Gansu Province. The Bank donated RMB5 million to the prefecture for the purchase of 20 ambulances, helping the people there solve the issue of inaccessible quality medical services.



Guangcai Program donated 20 ambulances to Linxia



Donation ceremony of Guangcai Program in Linxia

Enhancing Poverty Alleviation Support with Innovative Thinking

Taking advantage of its own industrial characteristics, China Minsheng Bank innovatively launched the “Power of Minsheng’s Love - ME Charity Innovation Funding Scheme” in 2016, aiming at exploring the new thinking of charity and public welfare undertakings with Minsheng Bank’s characteristics and providing fund support for philanthropic and innovative organizations focusing on targeted poverty alleviation, community development, education assistance, health and wellbeing, and ecological progress. Since its launch five years ago, the Scheme has provided over RMB43 million of innovation funds for 86 public welfare projects, which distributed in 30 provinces (municipalities and autonomous regions) across China and benefited 240,000 people, creating good social results. In October 2019, the Bank celebrated the fifth anniversary of the launch of the “Power of Minsheng’s Love - ME Charity Innovation Funding Scheme,” and donated RMB14.33 million to launch the fifth ME Charity Innovation Funding Scheme, continuously making contributions to public welfare cause.

“Power of Minsheng’s Love - ME Charity Innovation Funding Scheme”

launch 5 years	86 public welfare projects	over RMB 43 million of innovation funds	distributed in 30 provinces (municipalities and autonomous regions) across China	benefited 240,000 people
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Case Minsheng Bank supports handicrafts of Dulong People

Located in Gongshan Dulong and Nu Autonomous County of Nujiang Lisu Autonomous Prefecture, Dulongjiang Township is one of the most remote, most unspoiled, most isolated and most least developed townships in Yunnan Province and China at large.

“ME Charity Innovation Funding Scheme” supported the Phase I and II projects of the “China’s New Folk Art - Assistance for Handicrafts of Dulong People.” Comparing to the Phase I project, the Phase II project increased the number of the working team consisting of impoverished women to 24 people. The payment for weaving a piece of Dulong blanket has been increased from RMB350 to RMB400. During the Phase II project period, the women workers weaved 122 pieces of Dulong blanket in total. The two worker organizers of the team earned RMB2,000 of monthly wages for seven months in a row, which was much higher than the average per capita income of 2016, which was RMB4,378, of Dulongjiang Township.

Through developing local weaving technologies and promoting ethnic culture of Dulong people, the project effectively enhanced the independent and sustained development capabilities of local impoverished people, and built a “rainbow bridge” for them to shake off poverty and achieve prosperity.

Case Community development project funded by ME Scheme helps village get out of poverty

ME Charity Innovation Funding Scheme funded a women-led community development project in Moxi Village of Heyang County, northwest China’s Shaanxi Province. The project introduced industry cooperative model and conducted various training programs including see production and agricultural production, as well as study tours for local women through the cooperative. As of June 2019, a total of 19 registered impoverished families had got the small loans from the community development fund management committee. Those loans totaled RMB180,000, benefiting 95 people.

SUPPORTING INNOVATIVE PUBLIC WELFARE CAUSE AND ENJOYING HAPPY LIFE

Conducting Public Cultural Undertakings to Promote Social Progress

Fostering Cultural and Artistic Undertakings

In the reporting period, Minsheng art institutions funded by China Minsheng Bank played an effective role in providing social public services, constantly enhanced exchanges and cooperation with governments at various levels and public welfare organizations. In 2019, the art institutions held 18 exhibitions and conducted 268 public education activities, directly benefiting 1.3 million visitors. Those exhibitions and activities received wide praise from all sectors of society and made outstanding contributions to cultural exchanges and public education.

In 2019, Beijing Minsheng Art Museum held 12 exhibitions and conducted 139 public education activities, attracting more than one million on-site and online visitors throughout the year. The newly-relocated Shanghai Minsheng Art Museum, which reopened officially in May 2019, held six exhibitions and conducted 129 public education activities, attracting nearly 300,000 visitors. Shanghai Minsheng Art Museum won several awards and honors including the "17th International Design Media Award -- Public Space Award of 2019." Minsheng Art Archives was recognized as "Shanghai Jing'an District Library Art Branch" by Jing'an District People's Government of Shanghai Municipality.

Case Minsheng Bank explores culture-based poverty alleviation

In September 2019, a special-topic exhibition on the artistic exploration of the patterns of Majiayao painted pottery was held at Arthur M. Sackler Museum of Art and Archaeology of Peking University. The exhibition was jointly funded by China Minsheng Bank and Beijing Minsheng Foundation for Arts and Culture, and co-organized by, among others, the Bank, the Foundation, Lintao County People's Government, and Peking University.

The exhibition lasted for 30 days. In addition to the special-topic exhibition activities, the event also invited 10 designers to conduct 15 handcraft training programs for local impoverished people. Under the training programs, 60 impoverished people mastered the production and marketing approaches of Majiayao cultural and creative products, and one poverty alleviation workshop was set up. Intangible cultural heritage inheritors and handicraftsmen were also organized to conduct training for 200 impoverished people in a regular manner. Those activities inspired the endogenous power of people to shake off poverty and achieve prosperity. As useful exploration on culture-based poverty alleviation, China Minsheng Bank helped build a bridge for the connection between culture and poverty alleviation.

Case Shanghai Minsheng Art Museum holds exhibition at new venue

On May 17, 2019, Shanghai Minsheng Art Museum held the "Tatsuo: Being Coming," which was the first grand exhibition held by the newly-relocated museum in Innovation Galaxy base of Jing'an District, Shanghai Municipality. As the largest solo exhibition by far in Asia, the exhibition sorted out and exhibited the artworks created by Japanese artist Tatsuo Miyajima in the past three decades, attracting more than 50,000 visitors.



First exhibition held by the newly-relocated Shanghai Minsheng Art Museum

Case Beijing Minsheng Art Museum holds exhibition to highlight cultural confidence

On March 8, 2019, "The Encounter with There-Being: The Solo Exhibition of Pang Maokun's Artworks (2009-2019)" was unveiled at Beijing Minsheng Art Museum. As an important exhibition co-organized by China Minsheng Bank and Beijing Minsheng Art Museum, the event demonstrated the efforts of Pang Maokun and other oil painters of his time have made in exploring the past and the future in contemporary cultural context, which showed the important role of cultural confidence-based innovative work in cultural development.



Group photo at the opening ceremony of "The Encounter with There-Being: The Solo Exhibition of Pang Maokun's Artworks (2009-2019)"

Protecting Historical and Cultural Relics

In the reporting period, China Minsheng Bank has continuously carried forward and protected the fine traditional culture, and actively carried out historical culture publicity and cultural heritage protection activities, enhancing the consciousness of the public for the protection of historical culture.

Case Nanjing Branch helps protect historical and cultural relics

On March 16, 2019, a public welfare activity themed the protection of Zhongshan historical culture was held at Zhongshan Mountain National Park in Nanjing. Jointly launched by Nanjing Branch of China Minsheng Bank and Zhongshan Mausoleum Authority, the activity aimed at calling on people from all walks of life to pay attention to and participate in the historical and cultural undertakings. More than 300 employees of the Branch and the workers of Zhongshan Mausoleum Authority explained the importance of cultural heritage protection to visitors. The Branch also donated funds for cultural relics protection to Zhongshan Mausoleum Authority, while the latter awarded the Branch with the title of "Strategic Partner for the Protection of Ming Xiaoling Mausoleum."



Public welfare activity themed protection of Zhongshan historical culture jointly launched by Nanjing Branch and Zhongshan Mausoleum Authority



Enhancing Community Engagement to Build Harmonious Society

China Minsheng Bank has actively promoted community development, conducted education assistance programs, and helped the poor and the vulnerable groups, making contributions to the building of a harmonious community.

Case Xining Branch set up college encouragement scholarship



“Minsheng Bank Encouragement Scholarship”

On January 18, 2019, Xining Branch of China Minsheng Bank set up “Minsheng Bank Encouragement Scholarship” at Qinghai Normal University. According to the agreement, which last for three consecutive years at Phase I, the Branch donates RMB100,000 to the university each year for rewarding the recent graduates who are admitted to a graduate school of the “985 Project” universities and the recent graduates from registered impoverished families who are admitted to a graduate school, encouraging students to pursue all-around development positively.



Case Zhengzhou Branch delivers love to poor children

On June 1, 2019, Zhengzhou Branch of China Minsheng Bank conducted a donation activity for the students from impoverished families of Mengzhuang Primary School in Zhongmeng Village, Chengguan Township of Fengqiu County. Themed “delivering Mingsheng’s love and warmth to Children,” the trade union of the Branch sent wish card to all students of Mengzhuang Primary School to learn their actual needs and wishes in advance. According to the completed wish cards, the institutions under the Branch donated a total of 503 items including books, stationery materials, sports goods, and toys.



Donation activity conducted by Zhengzhou Branch for students from impoverished families

Case Quanzhou Branch organizes running team to participate in marathon

In December 2019, the “2019 Jinjiang Culture & Tourism International Marathon” jointly organized by Chinese Athletics Association, Quanzhou Bureau of Sport, and the People’s Government of Jinjiang City was launched. Quanzhou Branch actively responded to the event and organized employees and their family member to participate in the marathon. The “Minsheng Running Team” consisting of 71 athletes and support staff become one of the most passionate team in the match.

Providing Volunteer Services to Meet Community Needs

China Minsheng Bank has advocated responsibility culture comprehensively, taken initiative to encourage employees to participate in volunteer services and to make contributions to the society, which highlights the responsibilities and duties undertaken by the Bank and its employees.

Case Wenzhou Branch lends assistance to disaster relief efforts

In August 2019, Wenzhou Branch of China Minsheng Bank organized its employees to conduct donations to the areas hit by Typhoon Lekima in Wezhou, east China’s Zhejiang Province. In addition to the donations of RMB112,870, the Branch also took initiative to participate in post-disaster reconstruction, and provided disaster supplies for and offered psychological counseling and financial services to the people in disaster-hit areas.



Branch donated assistance materials to disaster-stricken areas



Branch volunteers visited families with difficulties



On June 1, employees of Changchun Branch visited Changchun Children’s Welfare Home



On March 25, volunteer team of the Care Fund of SHFTZ Branch visited Shanghai Aihao Children Rehabilitation Center

FEATURE STORY

ME Charity Innovation Funding Scheme helps
promote targeted poverty alleviation

On October 24, 2019, China Minsheng Bank celebrated the fifth anniversary of the launch of the "Power of Minsheng's Love - ME Charity Innovation Funding Scheme." At the event, the Bank donated RMB14.33 million to launch the fifth ME Charity Innovation Funding Scheme themed "remaining true to original aspiration & walking with ME." Persistently focusing on the five fields of "targeted poverty alleviation, community development, education assistance, health and wellbeing, and ecological progress," the Scheme evaluated and selected 24 innovative projects with social influence.

Since the launch of the charity innovation project - "ME Charity Innovation Funding Scheme" in 2016, China Minsheng Bank has constantly focused on social needs, and tried the best to leverage the effectiveness of the Scheme-supported projects. With five years of concerted efforts, the Scheme has continued to develop in terms of breadth and depth. The fifth ME Charity Innovation Funding Scheme paid more attention to poverty alleviation, taken the implementation of targeted poverty alleviation as the main line, and given priority to support the projects benefiting the people in the "three regions and three prefectures," which are areas of extreme poverty, helping promote poverty alleviation work.

 Projects relating to targeted poverty alleviation

- ◆ **Hemei Social Service Center (Anshun City)**
A community integration and development project for relocated residents
- ◆ **Evergreen Center for Sustainable Development (Beijing)**
A community development project in two poverty-stricken villages, which focuses on child development and community building in rural areas
- ◆ **3+2 Books (Dayi County)**
A project focusing on innovation and entrepreneurship in rural areas
- ◆ **Zenity Foundation (Hebei)**
A project focusing on sports development of teenagers (Phase II)
- ◆ **Inner Mongolia Bayannaocer City Wulateqianqi Boya Culture Association**
A project focusing on education and rural development
- ◆ **Yongsheng County Rural Community Development Association**
Medicine Garden Project
- ◆ **Yunnan Heart to Heart Community Care Service Center**
A comprehensive treatment project for relocated communities for poverty alleviation
- ◆ **Yunnan Zhendian Social Organization Development Research Institute**
A project focusing on supporting targeted poverty alleviation in Diqing Tibetan Autonomous Prefecture, Yunnan Province
- ◆ **Changsha City Yuelu District Boundless Love Commonwealth Culture Promotion Association (DAWJ)**
A large-scale promotion project focusing on caring about de facto orphans
- ◆ **Zhaotong City Energy Source Social Service Center**
An industry-based poverty alleviation project focusing on supporting development of Sichuan pepper in Longtoushan Township, an area of extreme poverty

 Projects relating to community development

- ◆ **Beijing Mulan Community Service Center**
Women's Art Team of Mulan Community
- ◆ **Beijing Social Work Development Center for Facilitators**
A "four-in-one" empowerment project focusing on mutual assistance between migrant children and youth workers
- ◆ **Chengdu United Start Social Work Service Center**
A project focusing on early childhood education, as well as employment and entrepreneurship of women in rural areas
- ◆ **Minhe Hui and Tu Autonomous County Xiaokang Elderly Service Center**
A project focusing on supporting left-behind women and the disabled through beekeeping program in Minhe Hui and Tu Autonomous County, Qinghai Province
- ◆ **Zhengzhou Jiefu Parents' Mutual Assistance Center for Special Children**
A project focusing on parents' mutual assistance for special children

 Projects relating to education assistance

- ◆ **Guangzhou Yang Ai Special Children Parent Club**
An empowerment project for special children in classroom
- ◆ **Kunming Chenggong Shiguang Sijishige Children and Youth Service Center**
A project focusing on poetry education for teenagers in rural areas
- ◆ **Ruian Blackeyes Welfare Development Center**
An integrated service project focusing on migrant juveniles
- ◆ **Shanghai Minhang Vibrant Communities Service Center**
A project focusing on early parenting education
- ◆ **Tianjin Wuqing Sunshine Counseling Center for Rare Disorders**
Sunshine Dream Academy

 Projects relating to health and welfare

- ◆ **Beijing Love Save Pneumoconiosis Service Center**
A project focusing on offering medical care to farmers suffering from pneumoconiosis
- ◆ **Beijing Oriental Rain ALS Care Center**
A project focusing on offering medical care to patients suffering from ALS

 Projects relating to ecological progress

- ◆ **Shanghai Rendu Ocean NPO Development Center**
A project focusing on protecting coastlines
- ◆ **SIP Lvse Jiangnan Public Environment Concerned Center**
A project focusing on multi-dimensional cooperation and social sharing

FUTURE PROSPECTS

The year 2020 will see decisive victories in finishing the building of a moderately prosperous society in all respects and meeting goals of the 13th Five-Year Plan. It will also be a year of decisive victory for the elimination of poverty. In the future, China Minsheng Bank will continue to uphold the corporate mission of "From the People, For the People," and as always, strategically position itself as a bank for NSOEs, a fintech-based bank, and a bank with integrated services. It will effectively promote reform and transformation, strive to achieve high-quality and high-efficient development, and make unremitting efforts to build itself into a benchmark bank featuring distinctive characteristics, value growth, and sustaining innovation.

Keeping mission firmly in mind and serving national strategies

China Minsheng Bank will actively respond to national strategies, continuously optimize credit layout by region and by industry, promote regional coordinated development, and support the growth of strategic emerging industries. It will insist on serving real economy, accelerate reform of the economic system, work harder to ensure and improve people's wellbeing, and boost all-around opening up. It will continue to develop green finance, improve green banking services, and help promote ecological progress.

Boosting inclusive finance and achieving shared and win-win development

China Minsheng Bank will as always insist on serving private sector as that's what the Bank is built, unswervingly carry out the strategy of serving NSOEs, continue to promote system and mechanism reform, conduct innovation in business service model, and enhance support for NSOEs. It will continuously develop supply chain finance, offering risk-controllable financial services to enterprises along the supply chain. It will effectively promote SMEs Minsheng Project and Shimmer Project, supporting small and medium-sized enterprises to achieve healthy development.

Enhancing S&T guidance and offering considerate services to customers

China Minsheng Bank will conduct innovation in financial product, use the dual driving forces of "technology + data" to build integrated "product + service" system and to establish sophisticated "science and technology + finance" ecosystem, constantly improve service level, and take advantage of digital construction to make "smart gene" to promote innovation in financial service. It will enhance wealth management, develop diversified financial products, optimize customer experience, protect the rights and interests of customers, build itself into a reliable bank, and construct the "One Minsheng" integrated service system.

Building homeland culture and putting people first

China Minsheng Bank will strengthen recruitment of talented people, enhance talent reserve, and improve the corporate soft power. It will guarantee the basic rights and interests of employees, and further perfect the talent cultivation, assessment, and promotion mechanism. It will pay more attention to employees' occupational health and safety, democratic communication, and quality of life, and continue to enhance employee care.

Contributing to society and diligently perform duties

China Minsheng Bank will insist on implementing targeted poverty alleviation. And in the last year of the poverty alleviation program, it will comprehensively and effectively implement the work arrangements made by the CPC Central Committee and the State Council, adapt measures to actual conditions to combat poverty, conduct innovation in poverty alleviation model, and with concerted efforts and targeted measures, continuously strive for fresh victories. It will focus on the development of agriculture, rural areas and farmers' livelihood, vigorously promote rural vitalization, and use Minsheng rural banks to boost rural prosperity and development. It will further develop charitable and public welfare undertakings, continuously conduct innovation in public welfare approach, constantly carry out public welfare activities, and strive to make meaningful contributions to society.

Adversity makes one stronger, just as polishing makes jade finer. On a new journey in the new era, China Minsheng Bank will work with stakeholders to forge ahead, and with concerted efforts and solid steps, strive to achieve the corporate mission of "Build a sustainable bank and a time-honored enterprise."

APPENDIX

Appendix I Key Performance Indicators

Notes: The financials and some of the relevant indicators are of the data of the Group. Should there be any inconsistency, the annual report shall prevail.

Responsibility Management Performance	2019	2018	2017
Number of legal and compliance trainings (time)	1,700	1,100	1,803
Number of participants of legal and compliance trainings (person-time)	about 200,000	170,000	131,073
Economic Performance Indicators	2019	2018	2017
Total assets (RMB100m)	66,818.41	59,948.22	59,020.86
Operating income (RMB100m)	1,804.41	1,567.69	1,442.81
Net profits attributable to parent company (RMB100m)	538.19	503.27	498.13
Basic earnings per share (RMB yuan)	1.22	1.14	1.13
Total tax payment (RMB100m)	242.87	213.85	208.52
SCVPS (RMB yuan/share)	5.90	5.85	5.48
Society Performance Indicators	2019	2018	2017
Number of employees (person)	56,295	55,649	55,265
Coverage rate of social insurance (%)	100	100	100
Proportion of employees from minority ethnic groups (%)	4.53	4.57	4.32
Targeted poverty alleviation donations (RMB10,000)	2,700	2,334	1,206
Public welfare donations (RMB100m)	1.78	1.75	1.77
Environmental Performance Indicators	2019	2018	2017
Ratio of loans to industries with overcapacity (%)	3.11	3.28	2.70
Number of video conferences (time)	1,141	792	518

Appendix II Awards & Honors

Awards & Honors	Awarding activities and organizers
Ranked 4th among Chinese enterprises in the book of <i>50 Typical Cases of Targeted Poverty Alleviation by Chinese Enterprises (2018)</i>	Social Poverty Alleviation Department of the Poverty Alleviation Office of the State Council and the Chinese Academy of Social Sciences
Ranked 1st in the banking industry in the 2019 Social Responsibility Development Index of China's Top 300 Enterprises	Chinese Academy of Social Sciences
Ranked second among NSOEs in the 2019 Social Responsibility Development Index of China's Top 300 Enterprises	Chinese Academy of Social Sciences
<i>2018 Corporate Social Responsibility Report</i> won five-star rating	
2018 Best Targeted Poverty Alleviation Contribution Award of Banking Industry	China Banking Association
CRRF Great Love Star Award	China Red Ribbon Foundation
2019 Outstanding Case of Social Responsibility Practices by Chinese Financial Enterprise	<i>National Business Daily</i>
2019 Excellent Competitiveness - Targeted Poverty Alleviation Institution	<i>China Business Journal</i>
2019 Best Bank for Supply Chain Finance Innovation	<i>The Economic Observer</i>
2019 Best Bank for Small Finance	<i>Financial News</i>
Gold Trade Awards - 2019 Best Supply Chain Finance Bank	<i>Trade Finance</i>
2019 Pioneer of Poverty Alleviation by Finance	china.com.cn
2019 Outstanding Enterprise of Poverty Alleviation Innovation	Tencent News
China Securities Golden Bauhinia Awards - 2019 Best Investor Relations Management Team	9th Hong Kong International Financial Forum
2019 China E-Banking Gold Awards - Best Fintech Innovation Applications Award	China Financial Certification Authority (CFCA)
Winner of 2019 Happy Enterprises with Best Practices	China Culture Administration Association
Winner of 2019 Top 30 China Best Employer	zhaopin.com

Appendix III Reporting Specifications

Reporting Period:

This report covers the period from January 1, 2019 to December 31, 2019. Some contents may exceed the above period.

Release Cycle:

The Corporate Social Responsibility Report of China Minsheng Banking Corp., Ltd. is an annual report.

Organizational Scope:

This report covers the Head Office and all subsidiaries of China Minsheng Banking Corp., Ltd. For the purpose of convenience of indication and reading, China Minsheng Banking Corp., Ltd. is also referred to as "China Minsheng Bank," "Minsheng Bank," "the Bank" or "the Company."

Reference Standards:

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

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

"Guidelines on Preparation of Corporate Social Responsibility Reports" issued by the Shanghai Stock Exchange

"Guidance on Social Responsibility Reporting" (GB/T 36001-2015) jointly issued by the General Administration of Quality Supervision, Inspection and Quarantine and the Standardization Administration of China

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

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

Data Description:

The data of 2019 in this report comes from the final statistical data. Should there be any inconsistency between the financial data in this report and in the annual report of the Company, the annual report shall prevail.

Assurance:

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

Languages and Availability of Report:

This corporate social responsibility report is published in both Chinese and English, and is released both in hard copies and online version. For hard copies of this report, please send email to csr@cmcb.com.cn or call 010-57092056. For online version, please visit the website of the Company at www.cmcb.com.cn.

Contact: Cao Xuesen, Shi Yan

Executive Office, Head Office, China Minsheng Banking Corp., Ltd.

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

Appendix IV Rating Report

Rating Report of 2019 Corporate Social Responsibility Report of China

Minsheng Banking Corp., Ltd.

Upon the request of China Minsheng Banking Corp., Ltd., the Chinese Expert Committee on CSR Report Rating invited experts to form rating team to rate the 2019 Corporate Social Responsibility Report of China Minsheng Banking Corp., Ltd. (hereinafter referred to as "the Report").

I. Rating Criteria

The Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-CSR 4.0) of Chinese Academy of Social Sciences, and the Rating Standards for Corporate Social Responsibility Report of Chinese Enterprises (2019) of Chinese Expert Committee on CSR Report Rating.

II. Rating Process

- 1) The rating team reviews and confirms the Confirmation Letter on Process Materials of Corporate Social Responsibility Report and associated materials submitted by the preparation team of the Report;
- 2) The rating team conducts rating on the preparation process and the contents disclosed by the Report, drafting rating report.
- 3) The vice president of Chinese Expert Committee on CSR Report Rating, the leader of the rating team, and the expert of the rating team jointly sign the rating report.

III. Rating Results Process (★★★★★)

The general office of China Minsheng Bank Head Office took the lead to form the preparation team of the Report; the director of the general office was responsible for the overall planning and key content points of the Report, and the President of the Bank was responsible for the general direction and the final review the Report, which was positioned as an important tool to disclose information in accordance with the requirements of regulators, and broadcast the responsible corporate brand image of the Bank, showing clear functional value; the material issues were identified in accordance with, among others, hot industrial topics, excellent CSR report analysis, and major corporate strategies. The indicator system of the Report was established by referring to the indicator system of China Banking Corporate Social Responsibility Report released by China Banking Association, and in combination with the corporate operation characteristics of the Bank, enhancing the systematization and standardization of information disclosure. The Bank planned to release the Report at its official website in both print and electronic versions, as well as in long image version, achieving outstanding performance in the aspect of process.

Materiality (★★★★★)

The Report systematically disclosed key industrial issues such as the implementation of national macro policies, diversification of financial products, innovation in product and service, protection of customer information and privacy, credit support for SMEs and less developed areas, anti-money laundering, improvement of IT disaster recovery system, and green credit. The information was adequate and detailed, achieving outstanding performance in the aspect of materiality.

Completeness (★★★★☆)

The main contents of the Report systematically disclosed 88.80 percent of core indicators relating to banking industry from the perspective of, among others, "Being Brave Enough to Succeed and Effectively Promoting Minsheng Bank's Mission," "Always Keeping Great Ambitions in Mind and Serving National Strategies," and "Supporting Community with Meaningful Actions and Making Contributions to Society," achieving leading performance in the aspect of completeness.

Balance (★★★)

The Report disclosed the negative information including "loan balance for the industries with overcapacity," and "ratio of loans to industries with overcapacity." The information disclosed in this aspect shall be enhanced, so as to further improve the balance of the Report.

Comparability (★★★★★)

The Report disclosed 29 key indicators including "operating revenue," "basic earnings per share," "coverage rate of social insurance," and "amount of donations for fixed-point poverty alleviation" for three years in a row; and, conducted horizontal comparison on "ranked second among NSOEs in the 2019 Social Responsibility Development Index of China's Top 300 Enterprises," and other rankings and lists, achieving outstanding

performance in the aspect of comparability.

Readability (★★★★★)

Centering on the corporate mission "From the People, For the People," the Report comprehensively expounded the social responsibility ideas, practices and achievements of the Bank in, among others, serving real economy, conducting innovation in science and technology, fostering employee growth, and carrying out environmental protection, and systematically responded to the expectations and pursuits of stakeholders. The double spreads between chapters used scenario-based pictures featuring distinct social responsibility practices, highlighting the industrial characteristics of the Report. The feature stories at the end of each chapter focused on major social responsibility practices, improving the readability of the Report. And the testimonies of stakeholders in the Report further highlighted the social responsibility achievements of the Bank, improving the joy of reading. In all, it achieved outstanding performance in the aspect of readability.

Innovation (★★★★☆)

The Report actively responded to the requirements of national and industrial development, focused on real economy, smart finance, green credit, poverty alleviation, Belt and Road, and other hot issues, and systematically showed major social responsibility practices, highlighting the duties and responsibilities of the Bank in implementing national macro policies. The Bank continued to introduce third party organizations to perform assurance engagement on key data disclosed in the Report, which enhanced the compliance and creditability, and increased the value of disclosed information of the Report. In all, it achieved leading performance in the aspect of innovation.

Overall Rating (★★★★★)

According to the assessment of the rating team, the 2019 Corporate Social Responsibility Report of China Minsheng Banking Corp., Ltd. is awarded a rating of Five-Star. It is an outstanding CSR report.



The Bank's corporate social responsibility report has been awarded the Five-Star rating for four years in a row

IV: Improvement Suggestions

1. The disclosure of negative data and information relating to the deficiencies of social responsibility performance shall be enhanced, so as to further improve the balance of the Report.
2. The core indicators relating to the banking industry shall be enhanced to further improve the completeness of the Report.

魏紫川

Wei Zichuan, Vice President of the Chinese Expert Committee on CSR Report Rating

邓国胜

Deng Guosheng, Leader of the Rating Team

张恩

Zhang En, Expert of the Rating Team



Scan the QR code to learn more about corporate rating reports

Ren Jianjiao, Process evaluator
July 24, 2020

Appendix V Assurance Report

2020/SH-0210
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Independent Practitioner's Assurance Report

To the Board of Directors of China Minsheng Banking Corp., Ltd.,
We have been engaged to perform a limited assurance engagement on the selected 2019 key data (the "key data") in the 2019 Corporate Social Responsibility Report of China Minsheng Banking Corp., Ltd. ("the Bank").

Key Data

We carried out limited assurance procedures on the following key data of the Bank's 2019 Corporate Social Responsibility Report:

- Number of direct banking customers (10,000 units)
- Balance of loans for energy-saving and environmental protection projects and services (RMB100m)
- Amount involved in rejected "two-high-and-one-over" projects (RMB100m)
- Number of employees (person)
- Coverage rate of social insurance (%)
- Proportion of female managers (%)
- Amount of donations for fixed-point poverty alleviation (RMB10,000)
- Number of video conferences (time)
- Work order service satisfaction rate (%)
- Number of participants of legal and compliance trainings (person-time)

Our assurance was with respect to the selected 2019 key data only and we have not performed any procedures with respect to other information in the 2019 Corporate Social Responsibility Report, as well as the annual information of 2018 and the years before 2018.

Criteria

The criteria used by the Bank to prepare the selected key data in the 2019 Corporate Social Responsibility Report is set out in the definitions of the key data (the "basis of reporting") at the end of this assurance report.

The Board of Directors' Responsibilities

The Board of Directors is responsible for the preparation of the key data in the 2019 Corporate Social Responsibility Report in accordance with the basis of reporting. This responsibility includes designing, implementing and maintaining internal control relating to the preparation of the key data of the Corporate Social Responsibility Report that is free from material misstatement, whether due to fraud or error.

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Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1 (ISQC 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

It is our responsibility to express a conclusion on the key data in the 2019 Corporate Social Responsibility Report based on limited assurance engagement.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. This standard guides us to plan and perform our work to form the conclusion.

The procedures performed in a limited assurance engagement vary in nature and timing form, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion on any matter that would materially affect the key data in the 2019 Corporate Social Responsibility Report. Our work involves assessing the risks of material misstatement in key data in the 2019 Corporate Social Responsibility Report whether due to fraud or error, and responding to the assessed risks. The extent of procedures selected depends on our judgement and assessment of the engagement risk. Within the scope of our work, we have only performed the following procedures at the Head Office of the Bank. We did not perform assurance work in other branches. The procedures we performed comprised:

- 1) Interviews with the personnel in the departments involved in providing information for the selected key data with the Corporate Social Responsibility Report;
- 2) Analytical procedure;
- 3) Examination, on a test basis, of documentary evidence relating to the selected key data on which we report;
- 4) Recalculation;
- 5) Other procedures deemed necessary.

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Inherent Limitation

We remind the users to note that, the absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the selected key data in the 2019 Corporate Social Responsibility Report is not prepared, in all material respects, in accordance with the basis of reporting.

Restriction on Use

Our report has been prepared for and only for the Board of Directors of the Bank for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report.

PricewaterhouseCoopers Zhong Tian LLP (Special General Partnership)
Shanghai, China
March 30, 2020

Appendix VI Key Data Preparation & Reporting Basis

Number of direct banking customers (10,000 units)

The number of approved electronic account of investors initiatively opened by customers, with real-name authentication, through special direct banking channels of Minsheng Bank (websites, mobile apps, WeChat banking), mobile banking of Minsheng Bank, mobile client of credit card of Minsheng Bank, and application to the co-operating third party companies

Balance of loans for energy-saving and environmental protection projects and services (RMB100m)

The balance of loans for 12 major project categories including green agriculture development projects, green forestry development projects, industrial energy-saving, water-saving and environmental protection projects, natural conservation, ecological restoration and disaster prevention and control projects, resource recycling projects, waste disposal and pollution prevention projects, renewable energy and clean energy projects, rural and urban water projects, building energy efficiency and green building projects, green transport projects, energy-saving and environmental protection service projects, and overseas projects adopting international practices or standards in accordance with the *Notice of China Banking Regulatory Commission on Submission of Green Credit Statistics Form* (CBRC General Office [2013] No.185)

Amount involved in rejected “two-high-and-one-over” (industries with high energy consumption, high pollution or overcapacity) projects (RMB100m)

The amount of loans involved in industries with high energy consumption, high pollution or overcapacity rejected by Minsheng Bank in accordance with the *Management Measures of China Minsheng Banking Corp., Ltd. on Green Credit (Trial)* (CMBC [2015] No. 131)

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

The total number of staff of Minsheng Bank

Coverage rate of social insurance (%)

The proportion of employees with social insurance of Minsheng Bank

Proportion of female managers (%)

The proportion of female managers in the management team of Minsheng Bank

Amount of donations for fixed-point poverty alleviation (RMB10,000)

The amount of donations of Minsheng Bank to the fixed-point poverty alleviation projects in Hua County and Fengqiu County, central China's Henan Province

Number of video conferences (time)

The number of video conferences held between the Head Office and the branches of Minsheng Bank

Work order service satisfaction rate (%)

Ratio of number of satisfied and very satisfied work orders to number of total work orders

Number of participants of legal and compliance trainings (person-time)

Total number of participants of company-wide legal and compliance educational trainings organized by the internal control and compliance department of the Head Office of Minsheng Bank

Appendix VII Suggestions & Feedbacks

Dear readers,

This report is the 13th corporate social responsibility report released to the public by China Minsheng Banking Corp., Ltd. For the purpose of continuous improvement of the report preparation, we are looking forward to listening to your opinions and suggestions. Please assist us to complete the relevant questions in the feedback form. You may choose the following options to contact us.

Mailing Address: Executive Office, Head Office, China Minsheng Banking Corp., Ltd., No. 2, Fuxingmennei Ave., Xicheng District, Beijing, China

Postal Code: 100031

Your Information

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

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

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

Open-Ended Questions:

1. What do you think is the most satisfying part in this report?
2. What kinds of information do you think is not disclosed in this report?
3. What are your suggestions for our future corporate social responsibility reports?

Appendix VIII Notes on Terms

According to the requirements of the *Notice on Strengthening Listed Companies' Assumption of Social Responsibility and on Issuing Guidelines on Listed Companies' Environmental Information Disclosure* issued by Shanghai Stock Exchange, and in combination with the characteristics of banking industry, the social contribution value per share (SCVPS) of China Minsheng Bank was RMB5.90 in 2019. The calculation method is as follows:

$$SCVPS [RMB5.90] = \text{basic earnings per share} [RMB1.22] + \text{added value per share} [RMB4.68]$$

Added value per share = (tax payment + compensations + interest expense + public welfare donations) / total equity as of the end of the period

Item	Unit	2019	2018	2017
I: Plus items				
Tax payment (tax revenue paid to the State, including enterprise income tax, value-added tax, business taxes and surcharges, excluding the deduction and payment of individual income tax)	RMB100m	242.87	213.85	208.52
Compensations (salaries paid to employees, i.e., compensations)	RMB100m	277.51	258.82	251.19
Interest expense (loan interest paid to creditors)	RMB100m	1,527.81	1,586.67	1,443.58
Public welfare donations (external donation amount)	RMB100m	1.78	1.75	1.77
II: Minus item				
Other social costs resulted from environmental pollution and other negative factors	RMB10,000	0	0	0
III: Total equity	100m shares	437.82	437.82	364.85
IV: Added value per share	RMB yuan	4.68	4.71	5.22
V: Basic earnings per share	RMB yuan	1.22	1.14	1.13
VI: SCVPS	RMB yuan/share	5.90	5.85	6.35

1. Data were from the Head Office of China Minsheng Bank.

2. The earnings per share, added value per share and SCVPS in the comparable period have been restated in accordance with the shares after the conversion of capital reserve into share capital in 2017.

[According to statements of Shanghai Stock Exchange, the social contribution value per share (SCVPS) disclosed in the annual corporate social responsibility report is calculated on the basis of the basic earnings per share, by adding the tax revenues paid to the State, salaries paid to employees, loan interest paid to creditors (including banks), and other values created for stakeholders by conducting external donations and other activities, minus any social costs that arise from environmental pollution and other negative factors.]

[Excluding rental and other operating expenses]

[Under current conditions, there is no accurate method to convert environmental emission data with different measures into environmental cost data with unified measure. As for the “social costs resulted from environmental pollution and other negative factors,” the listed banks releasing SCVPS in past years was actually counted the item as “zero.” Therefore, the item disclosed by China Minsheng Bank was also counted as “zero.”]





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